



**AIA North Carolina**

A Chapter of The American Institute of Architects



## **JCR-23**

### **Alternates**

October 1974

October 1975, October 1999

### **Recommendations:**

1. Alternates should be kept to an absolute minimum.
2. Only additive alternates should be considered.
3. Alternates should be considered in sequential order in determining the low bidder.

### **Comments:**

- A. If alternates are required, they should be limited to six (6) if at all possible.
- B. Alternates should be carefully defined and pertinent.
- C. Owners should be advised by the architect on the need to minimize the use of alternates.
- D. Alternates involving multiple trades should be included in the initial documents and should not be added by addendum.
- E. In the event that deductive alternates are required, all alternates should be deductive. A combination of additive and deductive alternates should not be used.

### **Alternates**

It is the contention of building contractors that lower basic bids can be quoted when alternate bids are not involved. When alternate bids must be evaluated during the final stages of bid preparation, time for proper analysis is not available. The tendency for the contractor is to protect himself. This usually means a higher bid to the owner.

The following situation involving only painting quotations with four alternates is an example:

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<u>Painter</u>	<u>Basic</u>	<u>Alt #1</u>	<u>Alt #2</u>	<u>Alt #3</u>	<u>Alt #4</u>
		(+)	(+)	(-)	(-)
A	10,000	4,000	2,000	(1,500)	(3,000)
B	13,000	2,000	500	( 500)	(2,000)
C	15,000	1,000	2,000	(3,000)	(5,000)
D	11,000	2,000	3,000	(2,000)	(2,000)

The low bidder would be as follows:

Base Bid	A
Base + #1	D
Base + #1 and #2	B
Base + #1, #2 and #3	D
Base + #1, #2, #3 and #4	C

Many other combinations are available such as base + alternates 2 and 4, base + alternate 3, base + alternates 1 and 4, etc.

The general contractors do not know which alternates will be accepted. He/She will probably bid using Painter A in the example showing. If the basic bid plus alternate #1 is accepted, the owner will be paying \$1,000 more than he should because Painter D is low on this particular combination.

With the possibility of this situation occurring for several other subcontractors and material suppliers, the general contractors' dislike for alternate bids is clearly seen.

## End of JCR-23

*This recommendation is the result of considerable discussion and deliberation by the Architect and General Contractor members of the Joint Cooperative Committee of AIA North Carolina and the Carolinas AGC. While its provisions are not binding on individual Architects or General Contractors, the committee believes that adherence to the recommendations will benefit the Owner and the Construction Industry in general.*