

**apples and oranges – why Specifications are important**

When it is time to tap into reserves to fund the repair or replacement of a common element, the prudent association will seek to obtain competitive bids from qualified contractors. The process may typically involve identifying contractors from a list provided by organizations like CAI, seeking input from other associations, and checking references.

Once the list of 3 or 4 companies has been identified, the next step is typically to ask for bids. It is reasonable to expect some variation among the bids. Do you take the low bid? Maybe, maybe not. One key question is, are they all bidding on the same scope? Often, they are not, and wide variations in their quotes may be the result. Some contractors may outline their scope in detail. Others may not. How then can one decide?

The answer is that a key step in the solicitation process has been omitted – the development of a specification.

**What is a Specification?**

A specification is a set of documents that define the scope of the job and the expectations for the contractor. Among other things, it generally includes:

* Drawings that illustrate construction details
* Documentation of:
  + All things that must be covered by the quote
  + The manner and format in which the quote is to be provided
  + Methods and materials to be employed
  + Conditions under which the work is to be performed (e.g., not before 7AM or after 5PM)
  + Required insurances
  + Form of agreement to be used
  + Warranties to be provided
  + Responsibilities of the association vs. the contractor
  + Procedures for effecting changes
  + Construction schedule
  + Terms of payment
  + Site conditions that must be maintained before, during, and after the work is complete
  + Standards and regulations that may govern the work

There are two types of specifications, generally referred to as ***Performance Specs*** and ***Prescriptive Specs***. A Performance Specification lays out the expectations for the job; that is, how the systems and materials are to perform now and over time, leaving it to the contractor to identify those systems, materials, and method of installation to accomplish the objectives of the specification. For example, a Performance Specification for a roof could be as theoretical as that it must keep the rain out under all conditions and must last 20 years. In more practical terms, the specification may state the type of roof (e.g., EPDM) but decline to name the manufacturer, method of adherence, etc.

A Prescriptive Specification, as the name implies, lays out much more specifically how the job is to be done, what materials are to be used, and the way they are to be installed. For example, a Prescriptive Specification for a roof would most likely list the type AND manufacturer, all details and methods of fastening, etc.

Organizations such as the Construction Specifications Institute (CSI) and MasterSpec (AIA) have developed standard specification documents that are often used by design professionals as a starting point, providing standard language as well as a list of things to be included. A good designer will make a field visit to observe actual conditions, conduct research to select the right approach, and may then take one of the standard documents and modify it accordingly to address the job at hand.

**More Than Apples to Apples**

As we discuss in our related article, ***Fix It, Replace or Improve***, hiring a designer to develop a specification may cost a little more up front but, as materials and methods are improving all the time, it is also an opportunity to consider an approach that is more suited that “replace in kind.” There may be less expensive and/or more reliable and durable alternatives that are now available that weren’t when the property was built.

Developing a specification for any significant capital expenditure is the best way to ensure comparability of contractor bids, a quality job, and avoid exposure to liability. And, it may actually save money.

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