

INVITATION FOR BIDS (E-PADS V2.0)

1. **THE CHIEF ENGINEER (OPERATION) FESCO FAISALABAD INVITES BIDS THROUGH EPADS V2.0 FROM ELIGIBLE BIDDERS REGISTERED ON EPADS V2.0 FOR THE FOLLOWING TENDERS.**

Tender No.	Name of Work	Tender Amount (In Million)	Completion Period	Eligible PEC Category	Time & Date for Closing / Opening
20/2026/ CE (Op)	Carriage & erection of HT/LT PCC Spun Hollow Poles 31, 36, & 45 feet from Designated & Non-Designated PC Pole Plants as per PEPCO / WAPDA specifications for HT/LT deposit & emergency works for Plain Areas under the jurisdiction of (Mianwali & Kalabagh Divisions) under Mianwali Circle.	6.00	12 Months	Upto C-6 with specialization code EE-04 & EE-05	Upto 12:15 PM 15.09.2026 12:45 PM 15.09.2026
21/2026/ CE (Op)	Carriage & erection of HT/LT PCC Spun Hollow Poles 31, 36, & 45 feet from Designated & Non-Designated PC Pole Plants as per PEPCO / WAPDA specifications for HT/LT deposit & emergency works for Plain Areas under the jurisdiction of (Bhakkar & Darya Khan Divisions) under Mianwali Circle.	6.00			
22/2026/ CE (Op)	Carriage & erection of HT/LT PCC Spun Hollow Poles 31, 36, & 45 feet from Designated & Non-Designated PC Pole Plants as per PEPCO / WAPDA specifications for HT/LT deposit & emergency works for Hilly Areas under the jurisdiction of (Mianwali & Kalabagh Divisions) under Mianwali Circle.	3.00			
23/2026/ CE (Op)	Stringing of HT Line, with ACSR Osprey / Dog / Rabbit Conductor & Installation of Transformer (200 KVA, 100 KVA, 50 KVA, 25 KVA, 15 KVA and 10 KVA) & Stay Rods, Carriage / erection / foundation of HT/LT Structure (LT 31', HT 36', HT 45' & HT 58'), for Maintenance and Deposit Works under the jurisdiction of (Mianwali & Kalabagh Divisions) under Mianwali Circle.	2.00			
24/2026/ CE (Op)	Stringing of HT Line, with ACSR Osprey / Dog / Rabbit Conductor & Installation of Transformer (200 KVA, 100 KVA, 50 KVA, 25 KVA, 15 KVA and 10 KVA) & Stay Rods, Carriage / erection / foundation of HT/LT Structure (LT 31', HT 36', HT 45' & HT 58'), for Maintenance and Deposit Works under the jurisdiction of (Bhakkar & Darya Khan Divisions) under Mianwali Circle.	2.00			
25/2026/ CE (Op)	Carriage & erection of HT/LT PCC Spun Hollow Poles 31, 36, & 45 feet from Designated & Non-Designated PC Pole Plants as per PEPCO / WAPDA specifications for HT/LT deposit & emergency works for Plain Areas under the jurisdiction of (Jauharabad Division) under Sargodha Circle.	7.00			

26/2026/ CE (Op)	Carriage & erection of HT/LT PCC Spun Hollow Poles 31, 36, & 45 feet from Designated & Non-Designated PC Pole Plants as per PEPCO / WAPDA specifications for HT/LT deposit & emergency works for Hilly Areas under the jurisdiction of (Jauharabad Division) under Sargodha Circle.	2.00	12 Months	Upto C-6 with specialization code EE-04 & EE-05	Upto 12:15 PM 15.09.2026 12:45 PM 15.09.2026
27/2026/ CE (Op)	Stringing of HT Line, with ACSR Osprey / Dog / Rabbit Conductor & Installation of Transformer (200 KVA, 100 KVA, 50 KVA, 25 KVA, 15 KVA and 10 KVA) & Stay Rods, Carriage / erection / foundation of HT/LT Structure (LT 31', HT 36', HT 45' & HT 58'), for Maintenance and Deposit Works for Plain Areas under the jurisdiction of (Jauharabad Division) under Sargodha Circle.	2.00			
28/2026/ CE (Op)	Stringing of HT Line, with ACSR Osprey / Dog / Rabbit Conductor & Installation of Transformer (200 KVA, 100 KVA, 50 KVA, 25 KVA, 15 KVA and 10 KVA) & Stay Rods, Carriage / erection / foundation of HT/LT Structure (LT 31', HT 36', HT 45' & HT 58'), for Maintenance and Deposit Works for Plain Areas under the jurisdiction of (Bhalwal and Kot Momin Divisions) under Sargodha Circle.	4.00			
29/2026/ CE (Op)	Stringing of HT Line, with ACSR Osprey / Dog / Rabbit Conductor & Installation of Transformer (200 KVA, 100 KVA, 50 KVA, 25 KVA, 15 KVA and 10 KVA) & Stay Rods, Carriage / erection / foundation of HT/LT Structure (LT 31', HT 36', HT 45' & HT 58'), for Maintenance and Deposit Works for Hilly Areas under the jurisdiction of (Jauharabad Division) under Sargodha Circle.	2.00			
30/2026/ CE (Op)	Carriage & erection of HT/LT PCC Spun Hollow Poles 31, 36, & 45 feet from Designated & Non-Designated PC Pole Plants as per PEPCO / WAPDA specifications for HT/LT deposit & emergency works under the jurisdiction of Civil Lines, Abdullahpur & Sheikhpura Road Divisions) under 1 st Circle.	6.00			
31/2026/ CE (Op)	Carriage & erection of HT/LT PCC Spun Hollow Poles 31, 36, & 45 feet from Designated & Non-Designated PC Pole Plants as per PEPCO / WAPDA specifications for HT/LT deposit & emergency works under the jurisdiction of Jaranwala Division under 1 st Circle.	2.00			
32/2026/ CE (Op)	Carriage & erection of HT/LT PCC Spun Hollow Poles 31, 36, & 45 feet from Designated & Non-Designated PC Pole Plants as per PEPCO / WAPDA specifications for HT/LT deposit & emergency works under the jurisdiction of Chiniot and Lalian Divisions under 1 st Circle.	4.00			

33/2026/ CE (Op)	Carriage & erection of HT/LT PCC Spun Hollow Poles 31, 36, & 45 feet from Designated & Non-Designated PC Pole Plants as per PEPCO / WAPDA specifications for HT/LT deposit & emergency works under the jurisdiction of Chak Jhumra Division under 1 st Circle.	2.00	12 Months	Upto C-6 with specialization code EE-04 & EE-05	Upto 12:15 PM 15.09.2026 12:45 PM 15.09.2026
34/2026/ CE (Op)	Stringing of HT Line, with ACSR Osprey / Dog / Rabbit Conductor & Installation of Transformer (200 KVA, 100 KVA, 50 KVA, 25 KVA, 15 KVA and 10 KVA) & Stay Rods, Carriage / erection / foundation of HT/LT Structure (LT 31', HT 36', HT 45' & HT 58'), for Maintenance and Deposit Works under the jurisdiction of Civil Lines, Abdullahpur & Sheikhpura Road Divisions) under 1 st Circle.	6.00			
35/2026/ CE (Op)	Stringing of HT Line, with ACSR Osprey / Dog / Rabbit Conductor & Installation of Transformer (200 KVA, 100 KVA, 50 KVA, 25 KVA, 15 KVA and 10 KVA) & Stay Rods, Carriage / erection / foundation of HT/LT Structure (LT 31', HT 36', HT 45' & HT 58'), for Maintenance and Deposit Works under the jurisdiction of Jaranwala Division under 1 st Circle.	2.00			
36/2026/ CE (Op)	Stringing of HT Line, with ACSR Osprey / Dog / Rabbit Conductor & Installation of Transformer (200 KVA, 100 KVA, 50 KVA, 25 KVA, 15 KVA and 10 KVA) & Stay Rods, Carriage / erection / foundation of HT/LT Structure (LT 31', HT 36', HT 45' & HT 58'), for Maintenance and Deposit Works under the jurisdiction of Chiniot and Lalian Divisions under 1 st Circle.	4.00			
37/2026/ CE (Op)	Stringing of HT Line, with ACSR Osprey / Dog / Rabbit Conductor & Installation of Transformer (200 KVA, 100 KVA, 50 KVA, 25 KVA, 15 KVA and 10 KVA) & Stay Rods, Carriage / erection / foundation of HT/LT Structure (LT 31', HT 36', HT 45' & HT 58'), for Maintenance and Deposit Works under the jurisdiction of Chak Jhumra Division under 1 st Circle.	2.00			
38/2026/ CE (Op)	Carriage & erection of HT/LT PCC Spun Hollow Poles 31, 36, & 45 feet from Designated & Non-Designated PC Pole Plants as per PEPCO / WAPDA specifications for HT/LT deposit & emergency works under the jurisdiction of Nazimabad & Ghulam Muhammad Abad Divisions under 2 nd Circle.	6.00			
39/2026/ CE (Op)	Carriage & erection of HT/LT PCC Spun Hollow Poles 31, 36, & 45 feet from Designated & Non-Designated PC Pole Plants as per PEPCO / WAPDA specifications for HT/LT deposit & emergency works under the jurisdiction of Peoples Colony & Allama Iqbal Divisions under 2 nd Circle.	6.00			

40/2026/ CE (Op)	Carriage & erection of HT/LT PCC Spun Hollow Poles 31, 36, & 45 feet from Designated & Non-Designated PC Pole Plants as per PEPCO / WAPDA specifications for HT/LT deposit & emergency works under the jurisdiction of Sumundri & Tandlianwala Divisions under 2 nd Circle.	6.00	12 Months	Upto C-6 with specialization code EE-04 & EE-05	Upto 12:15 PM 15.09.2026 12:45 PM 15.09.2026
41/2026/ CE (Op)	Stringing of HT Line, with ACSR Osprey / Dog / Rabbit Conductor & installation of transformers (10, 15, 25, 50, 100 & 200 KVA) & stay rods, foundation of HT/LT Structure (LT 31', HT 36', HT 45' & HT 58'), for Maintenance and Deposit Works under the jurisdiction of Nazimabad & Ghulam Muhammad Abad Divisions under 2 nd Circle.	8.00			
42/2026/ CE (Op)	Stringing of HT Line, with ACSR Osprey / Dog / Rabbit Conductor & installation of transformers (10, 15, 25, 50, 100 & 200 KVA) & stay rods, foundation of HT/LT Structure (LT 31', HT 36', HT 45' & HT 58'), for Maintenance and Deposit Works under the jurisdiction of Peoples Colony & Allama Iqbal Divisions under 2 nd Circle.	7.00			
43/2026/ CE (Op)	Stringing of HT Line, with ACSR Osprey / Dog / Rabbit Conductor & installation of transformers (10, 15, 25, 50, 100 & 200 KVA) & stay rods, foundation of HT/LT Structure (LT 31', HT 36', HT 45' & HT 58'), for Maintenance and Deposit Works under the jurisdiction of Sumundri & Tandlianwala Divisions under 2 nd Circle.	6.00			

Bidding is open to all eligible firms who are pre-qualified / registered with DISCO's / NTDC / WAPDA.

- FESCO invites E-Bids from the Contractor registered with **Pakistan Engineering Council** with Category C-6 and above (C-6 to C-1) having specialization code EE-04 & EE-05 and renewed for the year 2025-26 alongwith valid registration active **PRA and FBR**, on **percentage basis (Above / below) on estimated amount / Tender Total Bid Amount (Unit Rate Based)** from eligible firms, Single Stage-One envelope Procedure of Principal Method of Procurement (i.e. Open Competitive Bidding) will be used by adopting **Least Cost Based Selection (LCBS)** Technique for the subject procurement, in line with the Public Procurement Rules, 2004 and any Regulations, and Instructions issued by the Authority (from time to time).
- The e-bids, prepared in accordance with the instructions in the e-Bidding documents, must be submitted through EPADS v2.0 on or before **Tuesday, September 15, 2026 12:15 PM. E-Bids will be opened on the same day at Tuesday, September 15, 2026 12:45 PM. Manual submission of Bids shall not be entertained.** Those vendors who have not yet registered on the new version of EPADS v2.0, may register themselves on <https://vendors.epads.gov.pk/>. A tutorial to explain the registration process is available at <https://www.youtube.com/watch?v=MNW6T38v7tc>. E-Bidding documents, containing detailed terms & conditions, specifications and requirements etc. are available on e-Pak Acquisition and Disposal System (EPADS) at <https://vendors.epads.gov.pk/>.

ELIGIBILITY

- The Bidder meets the following requirements will be eligible for participation in the Bidding **(Through E-PADS V2.0): -**

- a. Pakistan Engineering Council Certificate renewed for the **year 2025-26** with Category having Specialization Code as mentioned against above.
 - b. **The bidder shall be in the active tax payer list (ATL), and will provide** income Tax Returns for last financial year.
 - c. The contractors are required to submit their registration for sales tax with Punjab Revenue Authority (**PRA**).
 - d. Identity Card of Contractor / Managing Partner / Director of the firm.
 - e. The bidder having completed contract(s) of same nature along-with its completion successfully as main contractor within Ten years awarded by **WAPDA / NTDC / DISCOs** and consolidated value of these contract(s) **atleast equal to the estimated / B.O.Q (Cost) Amount / Tender amount**, will provide **5%** performance security / guarantee otherwise **10%** for new entrants contractor.
 - f. Bidder shall demonstrate **Cash or Cash Equivalents equal to 20% of contract value** and current contract commitments. In this regard bidder shall provide the bank statements of last three months.
 - g. Bids will be evaluated by the Evaluation Committee in accordance with the tender conditions in bidding documents & PPRA Rules.
 - h. All safety instructions narrated in NEPRA Safety Code must be adopted in true letter and spirit
5. Eligible Bidders may obtain any information regarding Bidding from the Offices of SE's (Operation) Mianwali, Sargodha, 1st and 2nd Circles FESCO, on or before **08.09.2026**.
 6. All bids must be accompanied by a Bid Security amounting to **2% on Tender Amount** each in favor of Chief Engineer (Operation) FESCO Faisalabad issued from any scheduled bank of Pakistan and shall be valid **28 days** beyond bid validity. The bid shall be valid for **120 Days**.
 7. Tender rates and amounts should be filled in figures as well as in words. Tender documents should be signed as per general directions given in the **SBD**.
 8. No rebate on tender rates will be acceptable.
 9. All the procurement will be done according to PPRA Rules-2004 amendment up-to date.
 10. Conditional Bid shall not be permitted and all the pages of tender will be marked as page No. and each page must be signed & stamped by the bidder.

Note: -

- 1) **The bid validity must be as specified in the tender documents.**
- 2) **Tenders will be opened on PPRA EPADS V2.0 on the date and time mentioned above.**
- 3) **A Bid Security/Guarantee as indicated E-bidding documents must accompany the bid; otherwise, the bid will be rejected.**
- 4) **Original Bid Security/Guarantee must be submitted in the office of the undersigned before the closing time for receiving tenders.**
- 5) **This advertisement is also available at PPRA website (www.ppra.org.pk) and FESCO website (www.fesco.com.pk).**
- 6) **In terms of Rules 48 of Public Procurement Rules-2004, Grievance Redressal Committee (GRC) is notified for the subject procurement and notification copy is available on the procuring agency's website and also available on EPADS v2.0 as well as Authority's website at (www.ppra.org.pk).**
- 7) **Conditional tenders will not be accepted.**
- 8) **The E-Bids having partial or incomplete details/documents shall be rejected.**
- 9) **FESCO reserves all its rights regarding rejection of tenders without providing any justification as defined in Clause-33(1) of PPRA Rules-2004 amendment up-to date.**

**Chief Engineer (Operation)
FESCO, Faisalabad.**

BILL OF QUANTITY

Tender No.= 35/2026/CE (Op)

Tender Amount (Million)= 2.00

Stringing of HT Line, with ACSR Osprey / Dog / Rabbit Conductor & Installation of Transformer (200 KVA, 100 KVA, 50 KVA, 25 KVA, 15 KVA and 10 KVA) & Stay Rods, Carriage / erection / foundation of HT/LT Structure (LT 31', HT 36', HT 45' & HT 58'), for Maintenance and Deposit Works under the jurisdiction of Jaranwala Division under 1st Circle.

S/No.	Description	Unit	Qty	Unit Rate	Total
1	<u>Construction of new HT Line.</u> Collection from FESCO / WAPDA store Safe handling, loading, unloading, transportation of ACSR conductor, accessories i.e X-Arm (Steel/Wooden) Disc & Pin insulators alongwith hardware material and its fitting, stringing, sagging of HT conductor complete in all respect as per SDI and specification of FESCO/WAPDA with following conductors.				
	ACSR Osprey 19/0.176	KM	1	55000	55000
	ACSR Dog 06/0.186	KM	1	30000	30000
	ACSR Rabbit 07/0.132	KM	1	20000	20000
2	<u>Installation of Stay Rod Assembly.</u> Collection from FESCO / WAPDA store Safe handling, loading, unloading, transportation of G.S Wire alongwith Stay Rod complete Assembly including G.I thimble & stay strap, excavation of pits & its erection, back filling and compaction at different sites of work as per SDI and specification of FESCO/WAPDA.	No.	1	2000	2000
3	<u>Dismantlement of Poles / Structures with all accessories and its shifting to Sub Divisional Camp / Regional Store FESCO.</u> Dismantlement of poles/structures all type.	No.	1	3000	3000
4	<u>Shifting/Relocation/Dismantlement/Installation of Transformers</u> Collection of hardware material from FESCO / WAPDA store Safe handling, loading, unloading, transportation and making of single/Double pole mounting Sub Station at different sites of works, shifting, relocation & installation of Transformers, Dropout cutout, earthing, welding complete in all respect as per specification & SDI of FESCO/WAPDA and dismantlement of allied accessories from old location for its returning to camp/FESCO Regional Store (earth result must be less than 2.0 Ohm). 10,15,25,50,100 & 200 KVA Transformers.	No.	01	10000	10000

BILL OF QUANTITY

Tender No.= 35/2026/CE (Op)

Tender Amount (Million)= 2.00

Stringing of HT Line, with ACSR Osprey / Dog / Rabbit Conductor & Installation of Transformer (200 KVA, 100 KVA, 50 KVA, 25 KVA, 15 KVA and 10 KVA) & Stay Rods, Carriage / erection / foundation of HT/LT Structure (LT 31', HT 36', HT 45' & HT 58'), for Maintenance and Deposit Works under the jurisdiction of Jaranwala Division under 1st Circle.

S/No.	Description	Unit	Qty	Unit Rate	Unit Rate	Total
				Carriage & Erection	Foundation	
5	<u>Carriage / Erection & Foundation of HT/LT Steel Structures.</u> Safe carriage & erection of steel structures from FESCO/WAPDA store to various sites of work and making concrete foundation 1:2:4 ratio including excavation, D-watering curing, erection in all types of soil, compaction, back filling and earthing for all types of work as per FESCO/WAPDA SDI. (Earth result be less than 5.0 ohm).					
	<u>Specification of Foundation</u> LT Steel structure 31 feet (Size 500 mm x 500 mm x 1830 mm)	No.	01	2000	17000	19000
	<u>Specification of Foundation</u> HT Steel structure 36 feet (Size 610 mm x 610 mm x 1981 mm)	No.	01	3000	20000	23000
	<u>Specification of Foundation</u> HT Steel structure 45 feet (Size 870 mm x 870 mm x 2536 mm)	No.	01	4000	32000	36000
	<u>Specification of Foundation</u> HT Steel structure 58 feet (Size 996 mm x 996 mm x 3020 mm)	No.	01	5000	45000	50000
Total Bid Amount					248000	

The Rate should be quoted on the basis of Above/Below on Bid Rate _____ % Above/Below

(Signature of Contractor)

Note:- 1- Quantity can be decreased / increased as per actual work done at site.
 2- Any Omission / Mistake will be corrected as & when pointed out.
 3- Bidder is free to quote any offer but the offer should be realistic and practicable, otherwise the bidder will be declared non-responsive

SPECIAL INSTRUCTIONS TO BIDDER:

FOLLOWING DOCUMENTS ARE MANDATORY AND MUST BE UPLOADED ON THE 1ST STEP ON EPADS (V2.0) I.E. PROCUREMENT ELIGIBILITY CHECKLIST:

1. Valid CNIC of Contractor / Managing Partner / Director of the firm.
2. Pakistan Engineering Council Certificate renewed for the year **2025-26** with category upto **C-6** having specialization code EE-04 & EE-05.
3. **The bidder shall be in the active tax payer list (ATL), and will provide** income Tax Returns for last financial year (**active NTN**).
4. The contractors are required to submit their registration for sales tax with Punjab Revenue Authority (**active PRA**).
5. The bidder having completed contract(s) of same nature along-with its completion successfully as main contractor within Ten years awarded by WAPDA / NTDC / DISCOs and consolidated value of these contracts must be atleast equal to the estimated / B.O.Q (Cost) Amount / Tender amount, if bidder have not completed same nature work(s) will provide Extra 5% Performance Security (new entrants contractor upload application on company letter pad regarding non-experience / fresh contractor).
6. Bidder shall demonstrate **Cash or Cash Equivalents equal to 20% of contract value** and current contract commitments. In this regard bidder shall provide the bank statements of last three months.
7. List of major Equipment(s) & T&P.
8. Organization chart for supervisory Staff.
9. Certificates regarding Non-Black listing, Debarred & Current litigation information.

QUOTING RATES

Bidders are required to carefully note the following instructions while quoting their bid rates:

1. Bidders shall upload the dully filled and signed copy of Standard Bidding Documents (SBD) alongwith technical profile (containing above said documents).
2. On the 5th step on E-Pads (V2.0) i.e. **Bid Quotation**, the **Unit price** means **total Bid amount** (amount which is bidder calculated on the basis of percentage), quote carefully according to the BOQ.
3. The bidder shall quote a single bid amount / percentage rate against the BOQ (Bill of Quantities), as specified in the bidding documents.
4. The quoted bid amount or percentage shall be considered as the basis for all calculations. The same percentage (whether above or below the estimate) shall be uniformly applied to all items of the BOQ.
5. The unit rate of each item shall be deemed to be derived proportionately based on the quoted rate / percentage.
6. Bidders shall not quote separate or independent rates for individual items.
7. Any attempt to deviate from the quoted overall percentage in item-wise rates may result in the bid being considered non-responsive.
8. It is the sole responsibility of the bidder to ensure that the quoted percentage correctly reflects their intended pricing, as no subsequent adjustments shall be entertained.

SPECIAL CONDITIONS.

The work shall be executed strictly in accordance with the following additional specifications and conditions:

1. Concern Superintending Engineer (Operation) shall intimate, the detail of works and schedule for execution of works by work order under intimation to this office.
2. This work order is subject to registration / renewal of contractor's firm by the competent authority.
3. The contractor will carry out the work according to the WAPDA Distribution design and specification.
4. Contractor will ensure the provision of minimum 10 Nos. of skilled labour for the stringing work to minimize the shutdown duration.
5. The contractor will ensure the proper T&P and safety measures at site.
6. The work must be completed within the stipulated period failing which the liquidated damages @ **0.05% per day** subject to maximum of 10% of the work order and deducted from your bills.
7. After issuance of three warnings to your Firm for non-completion of work order within stipulated date, the work order issued by Executive Engineer Construction shall be cancelled and your firm will be recommended for black listing. And work will be completed at your risk and cost.
8. The work order shall be completed as per schedule or exhaust of tender amount.
9. Contractor will not sublet work to any other firm.
10. Contractor will fully responsible, in case of any theft/damages of poles & material till the completion of work.
11. Material will be issued in sequence.
12. Shut Downs will be arranged keeping in view the convenience of public and as per schedule.
13. Contractor will be responsible for loading /shifting of defect free poles from pole plants.
14. Safe handling, stacking, Transportations, loading /unloading and erection of Pole should be strictly done according to the technical instructions No. 1-17 of FESCO / WAPDA.
15. PC Spun Hollow Poles even with one pre-stressed wire strand exposed, rusted/ corroded and already cracked /damaged at its anyplace are un-safe, these should not be installed in field.
16. PCC Spun Hollow Poles will not be shifted on trailer having improper length.
17. PCC Spun Hollow Poles allocated from specified Pole Plant will be erected on specific work.
18. Rates per unit/ percentage basis (Above / below) on estimated amount / Tender Total Bid Amount (Unit Rate Based) must be supplied otherwise tender will not be accepted.
19. Assessment will be made on the base of total amount (percentage basis (Above / below)).
20. Contractor bill will be verified on the base of actual measurement and taken in view the rates per unit.
21. The contractor can submit interim payment certificate / running bill up to the minimum extent of 25 % of the contract price.
22. Before submitting the bid, tenderer has to satisfy himself regarding route profile and site.
23. Defect liability period would be 180 days from the completion date of project.
24. All Government taxes are applicable and will be deducted from the contractor bills.