

NEWS RELEASE

CONSTRUCTION INDUSTRY, GOVERNMENT RELEASES GUIDELINES FOR PROPER SELECTION OF A DESIGN-BUILDER

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OTTAWA – The Joint Industry-Government of Canada Task Force on Design-Build today released a joint statement which sets out the principles for the proper selection of a design-builder. The principles were accepted unanimously by the nine organizations and federal government departments that make up the Government / Industry Task Force on Design Build. These organizations include the Association of Consulting Engineers of Canada, the Canadian Construction Association, the Canadian Design-Build Institute, Construction Specifications Canada, the Royal Architectural Institute of Canada, Defence Construction Canada, Department of National Defence, Department of Foreign Affairs and International Trade, and Public Works and Government Services Canada.

The joint statement covers such areas as the selection process, remuneration, intellectual property, request for proposal documents, and the need for standard contract usage. A copy of the joint statement is attached.

“The release of this document signals the belief on the part of our respective organizations that clarity and understanding were needed in the design-build process,” stated Bruce Lorimer, Director General of Architectural and Engineering Services at Public Works and Government Services Canada. “These guidelines should serve to strengthen what is, for many people still, a relatively unknown area of the Canadian building sector.”

“The release of this joint statement shows that when industry and government works together, it can accomplish a great deal,” added Major Martin Donley, Project Manager at the Department of National Defence. “When government and industry works together, everyone wins.”

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For more information, please contact:

Mr. Eric Lee
Canadian Design-Build Institute
(613) 236-9455
ericlee@cca-acc.com

SELECTION OF A DESIGN-BUILDER A LIST OF PRINCIPLES

There are several different project delivery methods for the design and construction of buildings and infrastructure. Where the Design-Build method is selected as the most appropriate method for a particular project, the following principles should be applied in the selection of a Design-Builder:

Selection Process

In order to ensure that at least three (3) detailed proposals are received, a maximum of 5 proponents, who were selected at the first stage or Request for Qualifications (RFQ), may be invited to provide a detailed proposal.

The selection of a successful proponent (Design-Builder) shall be based on clear, pre-stated criteria. The highest-ranked Design-Builder will be approached to finalize details of a contractual agreement with the intent of award.

Remuneration

The Owner shall provide compensation to all invited proponents who meet the requirements of the invitation or Request for Proposals (RFP). The amount of compensation shall be stated in the RFQ and RFP. (Note: the successful proponent may receive remuneration as part of the award or commission)

The remuneration shall reflect the effort required for the submission. The remuneration shall be based on both the complexity of the project, and on the level of detail contained in the Request for Proposal. Refer

to the notes at the end of the list of principles for the calculation of remuneration.

Intellectual Property at the Proposal Stage

The design and drawings prepared by, or on behalf of, the Design-Builder or Owner, remain the intellectual property of the respective author(s).

The Owner cannot unilaterally combine designs, or elements of design, without the consent of the author(s).

Payment of compensation for design preparation and submission does not assign copyright to the Owner or to the Design-Builder.

Standard Contracts

Standard contracts endorsed by the construction and consulting industry (Contractors, Consultants and Owners) shall be used in all Design-Build

Request for Proposal (RFP) Documents

Identical Request for Proposal (RFP) Documents shall be sent to each proponent and the following checklist should be used as a guideline for information to be included in the RFP:

General Information

- ♦ Introduction/Project Scope
- ♦ Proposal Schedule
- ♦ Estimate of Construction Costs
- ♦ Project Milestones
- ♦ Proposal and Bond forms
- ♦ Selection Procedure
- ♦ Selection Criteria and criteria weighting
- ♦ Selection Panel
- ♦ Amount of Compensation

Site Information (Data relating to existing site conditions)

- ♦ Site Location and Description
- ♦ Topographic and boundary Survey
- ♦ Geotechnical Investigation Data
- ♦ Utility Information
- ♦ Covenants and Restrictions on Property
- ♦ Environmental Audit

Project Requirements (design criteria)

- ♦ Program Summary
- ♦ Functional Requirements (including goals and objectives)
- ♦ Functional Relationship Diagrams

- ♦ General Physical Characteristics/ Building Systems Requirements
- ♦ Site Layout, General Layout and/or Space Plans
- ♦ Performance Specification, including expectations for warranties
- ♦ Codes and Standards
- ♦ Sustainable Design Requirements

Design-Build Contract Requirements

- ♦ Design Services Responsibilities
- ♦ Construction Responsibilities
- ♦ Responsibilities of Owner
- ♦ Supplementary General Conditions
- ♦ Special Legislative Requirements
- ♦ Terms of Payment
- ♦ Commissioning Requirements
- ♦ Quality Management Criteria
- ♦ Requirements for Proposal
- ♦ Drawings (model: optional)
- ♦ Outline Specifications
- ♦ Project Organization
- ♦ Life Cycle Costs
- ♦ Selection Panel
- ♦ Quality Control Program
- ♦ Safety Program
- ♦ Schedule
- ♦ Price Proposal
- ♦ Financing Strategy
- ♦ Bid Bond (optional)
- ♦ Value Engineering (optional)

Calculation of Remuneration

The remuneration to each proponent for the preparation and submission of a Design-Build proposal should be at least 50% of a reasonable estimate of the costs** for the submission, including professional fees and the Design-Builder's costs and expenses. Refer also to the guides for remuneration prepared by the Canadian Design-Build Institute and other associations.

** Costs should be defined as all costs for the preparation of a Design-Build proposal and should include costs such as the following:

- ♦ normal professional fees for investigation, pre-design and design services;
- ♦ expenses for graphic presentation and reproduction including renderings, models, etc.,
- ♦ transportation, shipping and communication expenses;
- ♦ fees for cost estimating and preparation of financial information and documentation;
- ♦ fees for bonds, guarantees and other securities.

The Joint Industry-Government of Canada Design-Build Task Force has approved this set of principles to provide guidance to the Federal Government and the industry for the selection of a Design-Builder and the proper use of Design-Build. The principles, developed in partnership with the Association of Consulting Engineers of Canada, the Canadian Construction Association, the Canadian Design-Build Institute, Construction Specifications Canada, the Royal Architectural Institute of Canada, Defence Construction Canada, Department of National Defence, Public Works and Government Services Canada and the Department of Foreign Affairs and International Trade, to address the selection process, remuneration, copyright and the request for proposal documents.