

Consulting Architects of Alberta

RAIC Document 6 2017

An important milestone in Industry Relationships

AGREEMENTS MATTER

Agreements Matter

Because after we think through the project with our Client and our Consultants:

We confirm expectations with our Client

We negotiate a common understanding

We document our agreement

We share that agreement with Consultants

We build our project management plan on our common understanding

AND when the unexpected happens ...



Canadian Standard Form of Contract for Architectural Services

DOCUMENT SIX
2017 Edition

ADAPTED FOR:



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The Royal
Architectural Institute
of Canada

RAIC 6 2017

WHEN TO USE IT

DEALING WITH OWNER'S

SUPPLEMENTARY CONDITIONS

SETTING THE TONE

Preamble

- | | |
|-----|--|
| GC0 | Preamble |
| 0.1 | The terms of this preamble are incorporated into and form part of this contract. |
| 0.2 | This contract is entered into for the mutual benefit of the <i>Client</i> and the <i>Architect</i> for the development of the <i>Project</i> . |
| 0.3 | This contract shall be interpreted fairly and reasonably. |
| 0.4 | The relationship between the <i>Client</i> and the <i>Architect</i> shall be one of mutual respect, support, openness, and good faith. |
| 0.5 | The final design of the <i>Project</i> is unknown at the outset of this contract and thus exploration of solutions and adaptability to changing circumstances are essential aspects of the relationship between the <i>Client</i> and the <i>Architect</i> . This contract anticipates and accommodates necessary adjustments during the <i>Project's</i> design and construction. |
| 0.6 | The <i>Client</i> acknowledges that the <i>Architect</i> has a duty of care arising by law and from the <i>Architect's</i> professional status and professional code of ethics. |
| 0.7 | The <i>Client</i> and the <i>Architect</i> acknowledge that the success of the <i>Project</i> is reliant on a relationship of mutual respect, support, openness, and good faith with the <i>Constructor</i> . |

This is a new GC in this edition of Document Six. It is intended to set the tone for the contract and the Architect/Client relationship by highlighting the underlying principles intended to govern the actions of the Architect and the Client and their interpretation of the contract. While not stated in the contract as such, the Architect and the Client should have an open and frank discussion to ensure a common understanding around the following types of matters before entering into the contract:

The AGREEMENT FORM STATES

The Construction Budget

When Construction will start and end

The Project delivery method and form of Construction Contract

The Consultants hired by the Architect and by the Owner

The Professional Liability limits per Claim and in Aggregate

The limit of the Architect's liability

ADDITIONAL SERVICES

The *Architect* and the *Client* acknowledge that the need for *Additional Services* may arise for reasons that include, but are not limited to:

- .1 changes to the *Client's* program of requirements,
- .2 changes to the *Project* size, scope, quality, or complexity,
- .3 changes to the *Client's Construction Budget*,
- .4 changes to the *Client's* schedule, including the anticipated dates for construction as stated in Article A8 of the agreement,
- .5 changes to the project delivery method or the form of *Construction Contract* as stated in Article A9 of the agreement,
- .6 *Client* instructions that are inconsistent with instructions or written approvals previously given by the *Client*,
- .7 the *Client's* failure to render decisions in a timely manner,
- .8 the enactment of new or revised statutes, regulations, codes, or by-laws,
- .9 information provided by the *Client*, *Consultants*, or other third parties engaged by the *Client* that differs materially from actual conditions,

... ADDITIONAL SERVICES

- .10 interpretations by authorities having jurisdiction that differ from the *Architect's* interpretations of statutes, regulations, codes or by-laws, which differences the *Architect* could not have reasonably anticipated,
- .11 acceptance of *Constructor* proposed substitutions that require revisions to the *Construction Documents*,
- .12 an unreasonable number or complexity of *Constructor* claims, requests for information (RFIs) or proposed substitutions,
- .13 replacement of work damaged or destroyed during construction by fire, flood, or other cause,
- .14 major defects or deficiencies in the *Work* or default by either the *Client* or the *Constructor* under a *Construction Contract*, and
- .15 dispute resolution proceedings arising out of the *Construction Contract*.

CONTINGENCIES & ESTIMATES

The *Construction Cost Estimate* shall include contingency amounts to cover unforeseen or changing factors of cost including:

- .1 a design and pricing contingency to provide for the evolution of the design and refinement of the *Construction Cost Estimate* prior to the construction phase,
- .2 an escalation contingency to cover price escalation from the time a *Construction Cost Estimate* is prepared to the time when bids or proposals are received, and
- .3 a construction contingency to cover necessary design and construction changes that cause *Construction Cost* increases during the construction phase including those arising from GC7.3.

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- 4.6 If the *Client* proceeds under GC 4.5.3, and the overage is not due to extraordinary market conditions or other factors not reasonably foreseeable by or under the control of the *Architect*, then the *Client* may require the *Architect* to modify the design, the *Construction Documents*, or provide other *Services*, including *Services* related to re-bidding or re-negotiating of a *Constructor's* proposal, as necessary to reduce the *Construction Cost Estimate* to within the percentage in excess of the *Construction Budget* as stated in Article A19 of the agreement, in which case the *Architect* shall perform these *Services* for no additional fee. This shall be the limit of the *Architect's* responsibility under this GC 4.6.

UNAUTHORIZED USE OF DOCUMENTS

Any alterations to or unauthorized use of the *Instruments of Service* shall be at the *Client's* sole risk. Moreover, the *Client* shall indemnify the *Architect* and the *Consultants* engaged by the *Architect* against claims and costs (including legal costs) associated with such alterations or unauthorized use. In no event shall the *Architect* or the *Consultants* engaged by the *Architect* be responsible for any damages, costs, or other liability of any kind whatsoever arising in consequence of any alterations or unauthorized use.

STANDARD OF CARE

GC7 Standard of Care

- 7.1 The *Architect* and the *Consultants* engaged by the *Architect* shall perform the *Services* to the standard of care ordinarily exercised by other members of their professions under similar circumstances, at the same time and in the same or similar locale.
- 7.2 The *Client* acknowledges that the standard of care prescribed in GC 7.1 does not require perfection.
- 7.3 The *Architect* and the *Client* shall promptly notify the other in writing upon discovery of any matters that require clarification or amendment of the *Instruments of Service* prepared by the *Architect* or a *Consultant* engaged by the *Architect*. The *Architect* shall provide the necessary *Services* to remedy or clarify such matters arising in the *Instruments of Service*. Such amendments shall be carried out on a without prejudice basis in a timely fashion so as to minimize disruption to the *Project*.
- 7.4 If the *Client* considers any matter to be a negligent error or omission of the *Architect* or of a *Consultant* engaged by the *Architect*, the *Client* shall promptly notify the *Architect* in writing accordingly. The *Architect* shall thereupon take the necessary steps to advise any *Consultant* so impacted, and to preserve its coverage under any professional liability insurance policy that may apply.

INDEMNIFICATION & LIMITATIONS OF LIABILITY

GC8 Indemnification

8.1 Subject to GC 9 Limitations of Liability, **the Architect and the Client shall each indemnify and hold harmless the other** from and against all claims, demands, losses, costs, damages, actions, suits or proceedings in respect of claims by a third party, provided such claims are attributable to:

- .1 **negligent performance** of professional Services by the Architect or by those for whom the Architect is responsible in law, or
- .2 a breach of this contract by the party from whom indemnification is sought.

8.2 This GC 8 shall survive suspension, termination or completion of this contract.

GC9 Limitations of Liability

9.1 Any and all claims, whether in contract or tort, which the Client has or may have against the Architect in any way arising out of, or related to, the Architect's duties and responsibilities, including those arising from GC 8 Indemnification, shall be limited in amount to the lesser of:

- .1 **the amount of insurance coverage** provided under Article A20 or A21 of the agreement that is available at the time the claim is made, or

SCHEDULE A SERVICES

Schedule A - SERVICES

| ITEM | SERVICE | SERVICE PROVISION AND BASIS OF FEE |
|------|--|------------------------------------|
| 1.30 | Multiple Construction Contracts - Additional <i>Construction Documents</i> and <i>Construction Contract</i> administration in connection with multiple bid packages, multiple <i>Construction Contracts</i> , and fast track <i>Project</i> delivery. | |
| 1.31 | Multiple Phases - Services in connection with multiple phased occupancies. | |
| 1.32 | Coordination of Work of Client's Own Forces – Coordinate <i>Work</i> of <i>Client's</i> own forces with that of <i>Constructor</i> . | |
| 1.33 | Coordination of Client's Equipment – Coordinate delivery, receipt, and installation of <i>Client's</i> equipment with <i>Constructor</i> . | |
| 1.34 | Value Engineering Services – | |
| 1.35 | Life Cycle Cost Analysis Services – | |
| 1.36 | Energy Modelling Services – | |
| 1.37 | Climate Change Analysis – Analyse effects of climate change on building components and systems over the life of the <i>Project</i> . | |
| 1.38 | Enhanced Sustainable Design - Enhanced sustainable design services to incorporate advanced levels of sustainable design. | |

YOUR
PROCUREMENT &
CONTRACTS
COMMITTEE

RAIC 6 2017

WHY WE MAKE A DIFFERENCE

Our collective voice

With our industry partners

The AAA

The CEA

The ACA

SOME OF OUR KEY INITIATIVES

Input to the RAIC on Document 6

With Alberta Infrastructure
AI's RFP's and Agreements
Industry Liaison Committee

With Alberta Health Services

With the City of Edmonton

With the City of Calgary

Others ... like the U of A

Your participation counts:
Your issues / call us!
Your participation
Your membership