

Design 3 Architecture PC

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Project Team Approach

- **Owner / Developer**
- **Design 3 Architecture**
- **General Contractor Acting as Construction Manager and Contractor**

May 26, 2005

Phase I

- Owner / Developer interviews Design 3 Architecture and a General Contractor as a Team.
- Owner negotiates contract with Design 3 Architecture.
 - Contract has “escape clauses” after Schematic Design and Design Development.
- The Project Team is assembled, consisting of the delegates representing the Owner, Design 3 Architecture (the Architect) and the General Contractor.
- The Project Team meets to review Owner’s program and project goals.
 - Owner provides program.
 - Owner provides the Architect (not the Contractor) with budget information, as we do not want to influence the Contractor’s initial estimate.
- The Architect proceeds through standard Schematic Design process per AIA contract.
- Approved Schematic Designs are presented to the General Contractor for initial estimate of probable cost.
- The General Contractor presents first of three line item estimates of probable cost along with a proposed project schedule.
- The General Contractor sets General Conditions Fee (Project Management) and Profit for project based on this scope of work and budget.
 - If the General Contractor works hard to reduce the budget in the next phase, they should not also be reducing their fee.
 - If Owner adds “upgrade” expensive finishes, the General Contractor’s fees to manage project shouldn’t change.
 - However, if project scope changes, the fee is renegotiated.
- Team meeting to discuss preliminary estimate of probable cost.
 - If the estimate is over budget, the General Contractor makes recommendations to reduce budget or project scope of work; and Design 3 Architecture revises schematic design for approval.
 - If estimate is acceptable, we proceed.

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Project Team Approach (continued)

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Phase II

- Owner signs contract with the General Contractor for General Conditions and Profit only at this time. Contract has escape clause after Design Development Phase.
- Design 3 Architecture proceeds to Design Development Phase per AIA contract.
- Project Team meets to analyze construction systems and review engineering to maximize project value (value engineering).
- Designs 3 Architecture (and Architect's engineering consultants) coordinate construction details, finishes, and mechanical and electrical concepts with the General Contractor and possible subcontractors.
- Design 3 Architecture and the General Contractor present Design Development Plans to Owner. This includes mechanical and electrical system recommendations.
- Based on Owner's review and comments, the General Contractor provides second estimate of probable cost and presents to Owner.

Phase III

- If Design Development plan and estimate of probable cost are accepted, Design 3 Architecture proceeds with construction drawings, coordinating with the General Contractor.
- If "Fast Track" schedule is required, items (such as elevators) can be ordered and site work started at this time. Owner signs Change Order for "Price not to exceed" number, and the General Contractor proceeds with work per schedule.
- Design 3 Architecture provides drawings as required for permits and as required for the General Contractor.
 - Design 3 Architecture concentrates on areas that are subcontracted to secure final bids.
 - Design 3 Architecture writes specifications for most sections to set standards and controls as a process to eliminate questions and misunderstandings and to protect the Owner.
- Design 3 Architecture's mechanical and electrical engineers use the General Contractor's subcontractors to review and evaluate designs. Completed mechanical, electrical and plumbing drawings are reviewed by the Owner and the General Contractor.
- The General Contractor provides final cost in open bidding / open book process. All subcontractors provide a bid based on completed drawings.

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Project Team Approach (continued)

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Phase III (continued)

- Owner signs Change Order for project cost, and the General Contractor proceeds with work per schedule.
- Construction Process – See the General Contractor's outline for the construction services.

Benefits

- Owner is in control of all phases of the project as a member of the Project Team.
- Owner is aware of costs throughout process, and Team adjusts designs accordingly so there are no “surprises” at end of project.
- Owner is involved with selection of building mechanical / electrical system. Owner is presented with system designs along with energy usage information and life cycle costs. Cost estimates are “real” from the General Contractor's mechanical subcontractors.
- Owner receives a complete set of Architectural Drawings, including complete Mechanical and Electrical Engineering Drawings (this is not Design Build). Design 3 Architecture is responsible for all phases of the design.
- With complete drawings, the permit process is started while the General Contractor is securing subcontractor bids.
- All subcontractors provide true bids and any savings are passed on to the Owner.
- Project comes in on budget, because Owner controls project costs throughout the process.
- Project stays on schedule, because Team establishes schedule early.
- There are no changes during construction due to availability of products because the availability of materials was investigated during the design process.
- Design 3 Architecture works directly for the Owner, and therefore, can honestly evaluate the General Contractor's work during the construction process.
- Nuisance Change Orders are eliminated, because the Team evolves the project and all are fully aware of the scope of work. There are no substitutes or “voids” in the construction documents, which bidders look for in order to “pad bids.”