NEW AND UPDATED CONSENSUSDOCS CONTRACTS – NOW AVAILABLE *Frequently Asked Questions*

Why is ConsensusDOCS revising its documents?

ConsensusDOCS is updating its core construction contracts in January 2011 to better reflect today's industry, including the latest laws and best practices. This includes a better incorporation of building information modeling (BIM), green construction considerations, and claims mitigation to encourage better project results. In the three years since the initial release of ConsensusDOCS, which was featured nationally including the cover story in *Engineering News Record* (ENR), the design and construction industry has changed dramatically. The ConsensusDOCS coalition wanted to continue to lead rather than wait and react. ConsensusDOCS received extensive industry feedback and a wide range of experts' most recent thinking, including a greater degree of feedback from the architectural/engineering perspective, to make the best standard construction contracts even better.

What Construction Contracts are being revised?

The prime agreements for design-bid-build (200, 205, 240, 245), design-build (410, 420), CM At-Risk (500), and the subcontracting agreements (750, 751). These revisions include both long and short form agreements for agreements between the Owner and the Design-Professional; Owner and Constructor; and Constructor and Subcontractor. In addition, new qualification statements for Constructors (221) and 721 (Subcontractors) are being released. Minor revision to the ConsensusDOCS 300 Integrated Project Delivery Agreement is also being made.

How are these contracts different than the initial ConsensusDOCS agreements?

ConsensusDOCS is keeping a project-first philosophy focus with contracts that are written in plain English and put Owners in the driver's seat in an active role for their projects. The revisions further this goal by requiring more collaboration and communication. A highlights sheet of changes of 30 changes can be found at <u>www.consensusdocs.org</u>. The revisions result from changes in the law, improvements in industry best practices, and trying to write more concise and user-friendly contracts. For instance, building information modeling (BIM) and consideration of green construction services are specific call outs incorporated into the prime agreements. New laws expanding reporting requirements, led to contractor's tax identification number now being requested information. A stylistic change renamed Contractors to Constructors, to better reflect the added-value services they can provide to Owners throughout the construction process.

How are ConsensusDOCS different than AIA documents?

While there are many similarities, there are numerous differences, both big and small, that at the end of the day, dramatically impact project results. The biggest difference is that Owners are given a more active role in ConsensusDOCS contracts, while AIA documents create contractual silos between contractors and owners. AIA documents place Owners in a passive role and, place burdens on Contractors that impact liability risks and possible pricing. Many people believe that AIA documents contain provisions that protect architects from liability, while giving them broad authority in areas beyond their expertise, such as claims resolution. Moreover, ConsensusDOCS is the only standard documents being updated in 2011 to reflect today's industry, whereas AIA typically updates once every 10-years.

How are ConsensusDOCS being received to date?

During the past three years, the reception to ConsensusDOCS has exceeded the coalition's high expectations. Adoption rates continue to grow during a period of a severely depressed construction economy in which dramatically fewer construction contracts are being signed. More than 4,200 unique subscribers across the nation (with some locations granting access up to 50 users) currently access ConsensusDOCS. Moreover, the diverse coalition now boasts of 31 leading construction industry

associations -a 50% increase since its inception. Existing users continue to use and renew their subscription, while a steady stream of new users signing up and add to collective usage. In addition, legal reviewers of the documents have given ConsensusDOCS consistently high marks.

Are there any new documents?

Yes, a new ConsensusDOCS 703 Standard Purchase Agreement that provides terms and conditions and an order form for the purchase of material supplies is being released. In addition, a new insurance exhibit for the ConsensusDOCS 725 Subsubcontract (another industry first document) is also being released.

How can I get more information?

The AGC and ConsensusDOCS websites have lots of free resources, including a description of each document, helpful articles, comparison matrixes, and excerpted samples. Importantly, the ConsensusDOCS Guidebook, available for free, includes insightful pointers, and in some cases special considerations that coalition member organizations highlight to their members. If you have additional content questions, you may contact Brian Perlberg, Executive Director at bperlbergb@consensusdocs.org.

How can I purchase the new documents?

The revised agreements are available at <u>www.consensusdocs.org</u>. All AGC members get a 20% discount off of all purchases. Simply use Partner Code "AGC" and Promotion Code "100" when prompted during the purchase process.

What is the future?

The ConsensusDOCS coalition has established a 5-year cycle for its revision process, but may elect to revise documents sooner based on industry developments, such as changes in the law or industry feedback. The coalition will continue to take a lead role in writing new documents that address emerging and innovative developments, as well add to its current catalog of 90+ contract documents. Proposed documents include joint venture agreements and an addendum addressing how to proactively address time delays. Most importantly, ConsensusDOCS looks to advance contractual best practices and fair risk allocation to benefit the entire design and construction industry.

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