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CCDC INTRODUCES NEW CONSTRUCTION MANAGEMENT CONTRACTS

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The Canadian Construction Documents Committee (the "CCDC") has recently introduced three new construction management contracts that everyone in the construction industry should be aware of.

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New CCDC Construction Management Contracts

The CCDC has published three new construction management contracts meant to replace the previous CCA 5-1988 agreement between Construction Managers and Owners and the corresponding CCA17-1996 agreement between Owners and Trade Contractors.

These three new contracts are as follows:

- CCDC 5A-2010 Contract between the Owner and the Construction Manager (For Services);
- CCDC 5B-2010 Contract between the Owner and the Construction Manager (For Services & Construction); and
- CCDC 17-2010 Stipulated Price Contract between the Owner and the Trade Contractor (For Construction Management Projects).

Each of the new contracts noted above also contain four classes of cost estimates (A,B,C or D), and various schedules wherein the parties decide on reimbursable expenses, what services are to be provided during each phase of construction, what is considered additional work and the rates for such additional work.

CCDC 5A-2010

The CCDC 5A-2010 Contract is considered to be a “true” construction management contract, where the Construction Manager is the agent of the Owner and is retained only for its construction management services.

Under this contract the Owner, **NOT** the Construction Manager, has the contractual obligations towards the Trade Contractors.

The CCDC 5A-2010 Contract, along with the CCDC 17-2010, also introduces the term “Project-In-Use Date” which is defined as being the date when the project is either ready for its intended purpose or is being used for its intended purpose.

CCDC 5B-2010

Under the CCDC 5B-2010 Contract, the Construction Manager closely resembles a General Contractor and is not considered to be the agent of the Owner.

The Construction Manager provides construction management services and undertakes construction.

Further, the Construction Manager, **NOT** the Owner, has the contractual obligations to the Trade Contractors.

CCDC 17-2010

The CCDC 17-2010 replaces the CCA 17-1996 as the new trade contract between Owners and Trade Contractors for construction.

Under the CCDC 17-2010, the Construction Manager takes over many of the administrative duties previously performed by the Consultant. These duties include, but are not limited to, interpreting the requirements of the contract, issuing supplemental instructions (excluding items involving architectural and/or engineering aspects of the project), and payment certification.

The “Project-In-Use Date” is also the date in which the 1 year warranty period commences under the CCDC 17-2010 (excluding any other extended warranties).



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