1. INTRODUCTION

1.1 In any building project, there is need to balance the elements of time, quality and cost, which, in many cases, can best be achieved by the Architect performing Design-Build Services.

1.2 The building industry and the architectural profession have devised several methods of project delivery with the ultimate goal of handling projects in the shortest possible time, at the lowest possible cost and at an acceptable quality and performance.

1.3 An Architect with his education, training and expertise qualifies him to take a direct role in the project, from conceptualization to implementation.

1.4 Design-Build Services simplifies and expedites the process of project delivery while providing creative cost-effective solutions.

1.5 The Architect renders professional services in the implementation of his design. In Design-Build Services, he assumes the professional responsibility and civil liability for both the design and the construction of the project.

2. SCOPE OF DESIGN-BUILD SERVICES

2.1 Design-Build Services by Administration

The scope of Design-Build Services by Administration is similar to that of the Architect’s Regular Design Services (reference SPP Document 202):

2.1.1 Project Definition Phase

2.1.2 Schematic Design Phase

2.1.3 Design Development Phase

2.1.4 Contract Document Phase

2.1.5 Construction Phase

When the various phases of design services are completed, the Construction Phase goes beyond periodic inspection and assessment to include the following:

a. Preparation of schedule of work, program and estimates of materials, labor, transportation, equipment and services as reference for the construction.

b. Organization and hiring of construction personnel, designation of duties and remunerations
c. Negotiation and entering into contract with piecework contractors and evaluation of work accomplishments 

d. Procurement of materials, plants and equipment, licenses and permits 

e. Authorizing and undertaking payments of accounts 

f. Keeping records and books of accounts 

g. Negotiation with Government and private agencies having jurisdiction over the project, and 

h. Management of all other business transactions related to the project construction / implementation.

2.2 **Design-Build Services with Guaranteed Maximum Project Construction Cost**

2.2.1 This method is essentially the same as Design-Build Services by Administration except that the Architect provides the Owner/Client a guaranteed maximum project construction cost for the construction of the project.

2.2.2 The Architect gives the Owner/Client an estimate of the project. If upon completion there is realized savings from the estimated project construction cost; the savings is divided equally between the Owner/Client and the Architect.

2.2.3 The project construction cost is guaranteed by the Architect not to exceed Ten Percent (10%) of the estimated project construction cost. Should the actual cost exceed the estimated project construction cost plus Ten Percent (10%), the Architect shall be liable for the excess amount but only up to the amount of his administration Fee.

2.2.4 Should there be additional expenditures beyond the guaranteed maximum project construction cost which are due to legitimate change / variation orders (CVOs), extra work orders (EWOs), substantial escalation of prices of the costs of materials or labor as evidenced by data certified by a nationally recognized agency such as the National Economic Development Authority (NEDA), or to other causes not attributable to the fault of the Architect, the additional costs shall be borne by the Owner/Client.

3. **MANNER OF PROVIDING SERVICES**

3.1 The Architect may be involved in construction, including that of his own design, by adopting an arrangement different from the general way of bidding out projects to constructors, or from the different modes of Design-Build Services (DBS). Such an arrangement may take the form of any of the following:

3.1.1 The Architect is part of or a member of the entity constructing his design. He works in tandem with or has authorized an entity to construct his design.

3.1.2 The Architect is himself a State-licensed contractor implementing his design (or that of others).
3.2 In adopting any of the above arrangements, or any acceptable variation thereof, the Architect must strictly adhere to the following:

3.2.1 The Architect must retain his separate / distinct professional identity, prerogatives and integrity as an Architect, and is therefore subject to the standards and tenets of the SPP, particularly Document 200, otherwise known as the Code of Ethical Conduct and SPP Document 202.

3.2.2 Whatever mode the Architect adopts in being involved in construction, he must strictly adhere to the tenets of the Architects Credo with the pledge that he “shall disclose whenever required, any business investment or venture that may tend to create a conflict of interest, and ensure that such conflict neither compromises the legitimate interest of the Client nor interfere with his duty to render impartial judgment.”

4. METHOD OF COMPENSATION

4.1 The manner of payment to the Architect follows the progress of construction. The Client directly pays all costs for labor and materials. The Architect does not advance any money for payment of expenditures connected with the work. Generally, a revolving fund is given to the Architect beforehand and is accounted for and subject to periodic auditing by the Client.

4.2 The Owner/ Client shall pay for the cost of all permits, licenses and other incidentals to the work.

4.3 The Architect may appoint, subject to the Owner / Client’s approval, a construction superintendent, purchasing agent, timekeeper and property clerk aside from the usual labor personnel required. Salaries of such persons are paid by the Owner/ Client and not deductible from the Architect’s Fee under this SPP.

4.4 The method of compensation may be modified by using the relevant alternatives detailed in SPP Doc. 202.