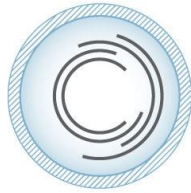


ConsensusDocs™
BUILDING A BETTER WAY

ConsensusDocs Guidebook

**ConsensusDocs 460 – Agreement Between
Design-Builder and Design-Build Subcontractor
(Subcontractor Provides a GMP)**

August 2013 Edition



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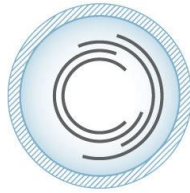
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Introduction to the ConsensusDocs Guidebook

ConsensusDocs is the product of leading construction associations, dedicated to identifying and utilizing best practices in the construction industry for standard construction contracts. The 36 participating associations represent Design Professionals, Owners, Constructors, Subcontractors, and Sureties that literally spell the DOCS in ConsensusDocs. ConsensusDocs contracts and forms attempt to fairly and appropriately allocate risks to the Party in the position to manage and control the risk. The practices articulated in the documents are forward-thinking, and may not always represent the status quo, but rather a better path forward to achieve project results. The goal of the multi-disciplined drafters was to create documents that best place the Parties to a construction contract in a position to complete a project on time and on budget with the highest possibility of avoiding claims.

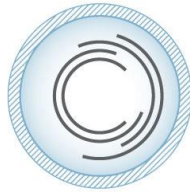
By starting with better standard documents that possess buy-in from all stakeholders in the design and construction industry, you reduce your transaction time and costs in reaching a final Agreement. By using fairer contracts helps eliminate unnecessary risk contingencies and thereby better pricing. In addition, “fill-in-the-blanks” are intended to lead to productive discussions about how particular risks should be allocated on specific projects before a contract is finalized.

Also, the ConsensusDocs catalog includes complete “families” of documents for each project delivery method that provide a coordinated set of Agreements and complimentary administrative forms. There also are short form agreements that address the Owner-Constructor (205), the Owner-Design Professional (245), and the Constructor-Subcontractor contractual relationships in a more abbreviated manner than do the standard Agreements (ConsensusDocs 200, 240, and 750 respectively).

In this Guidebook you will find comments by individual associations regarding particular contract documents. These comments are organized by numeric sequence of the ConsensusDocs contract documents. The overview sections highlight issues and innovative features of the documents generally. Association comments are expressions by an association to its association membership. These comments highlight provisions or alert their membership to consider possible project-specific modifications to a consensus standard Agreement or form. ConsensusDocs contracts covered in this release of this Guidebook include the 200, 200.1, 200.2, 205, 220, 221, 235, 240, 260, 246, 261, 262, 263, 298, 300, 301, 310, 410, 415, 450, 460, 470, 471, 472, 473, 500, 702, 703, 710, 750, 752, and 803.

Please note that there has been a significant number of editing changes and section renumbering between the 2007 and 2011 versions that give the appearance that more substantive changes were made in the 2011 update than is actually the case. Consequently, a highlight sheet of changes was created to better pinpoint substantive changes. The 2011 update highlights sheet can be found [here](#) for free on the internet.

Lastly, the ConsensusDocs coalition organizations and ConsensusDocs staff are deeply indebted to the hard work of the many the seasoned professionals who contributed countless hours in the creation of the ConsensusDocs contracts as well as this Guidebook. Their collective experience represents hundreds of years of practical experience in the construction field. Contributor names can be found at the conclusion of this Guidebook.



Comments regarding ConsensusDocs 460*
Agreement Between Design-Builder and Design-Build Subcontractor
(Subcontractor Provides a GMP)

Overview:

This document is similar to the CD 450 Design-build subcontract, however, the payment provisions are different to reflect when a Subcontractor provides an element of design and is paid on the basis of the Cost of the Work with a GMP.

Subcontract Work (section 2.2): Note that section 2.2 of the ConsensusDocs 460 addressing design obligations has now been moved to section 3.8.1.

Conflicts (section 2.5): The “Extent of the Agreement section from what was section 2.5 has been moved to section 13.1 and added to all ConsensusDocs agreements, including short forms.

Section 2.6.1.1, exhibit E: This exhibit should state specific responsibilities of the Subcontractor, and Design-Builder.

Emergencies (section 3.17): Formerly section 7.8.

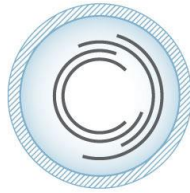
Permits, Fees, Licenses and Taxes (section 3.18): Section 3.17 Assignment of Subcontract work was moved to the Misc. section 12.2.

Layout Responsibility and Levels (section 3.21): Section 3.21 Warranties was moved to section 3.13.

Adjustment in the Subcontractor’s Fee (section 6.2.5): If appropriate the following incentives clause is suggested:

To extent awarded in the prime agreement and Design-Builder has received such payment from the Owner, subcontractor shall receive an incentive award based upon early completion, provide Subcontractor adequate notice prior to Substantial Completion.

* This publication is designed to provide information in regard to the subject matter covered. It is published with the understanding that the publisher, endorsers of ConsensusDocs and contributors to this Guidebook are not engaged in rendering legal, accounting, or other professional services. If legal advice or other professional advice is required, the services of a competent professional person should be sought.



Section 7.1: New language conforms with CD 200 section 8.1.2.

Time of Payment (section 8.2.5): What constitutes reasonable is a controversial subject that varies from state to state based upon state statutes and case law.

Section 8.2.7.2: Insurance coverage implies that there is a positive indication that there is an acceptance of liability for the loss.

Minimum Limits of Insurance (section 9.2.2): The ConsensusDocs 200 article 11 on insurance spells these requirements out in the contract, but because most Constructors/General Contractors provide these requirements as a standard attachment it is handled differently in this agreement.

AGC Comments for ConsensusDocs 460:

(Additional comments by AGC can be found on AGC's website at members only page of http://www.agc.org/galleries/members-only/AGC-only_ConsensusDocs_Guidebook.pdf for many of the ConsensusDocs documents.)