

April 3, 2020

## **MEMORANDUM**

To: All CAA Members

### **UPDATE:**

This is an unprecedented time we are living through and many architectural practices are facing an uncertain future. That is why the CAA is working hard with our industry partners such as the AAA, the CEA and our construction industry such as ACA, ECA, CGYCA and ATCC, to provide strong leadership and promote the importance of recognition of the unique factors affecting our practice today - both in response to the evolving crisis and as part of any recovery plan put forward by the Government of Alberta and various Municipalities.

At the time of this memorandum the CAA, CEA and ACA members (that form the Alberta Joint Industry Response Team) are scheduled to meet with Minister Prasad Panda and Deputy Minister Shannon Flint on Monday 6<sup>th</sup> April for what we expect to be a very collaborative, supportive and productive meeting to explore the unique challenges both the government and our collective industry faces in the present and post C-19 as we work together on recovery.

The Board and some of our members are devoting significant time away from their own practices to work for the good of the public we serve, CAA members and all architects and interior designers in Alberta. We are doing so in close touch with the AAA and the CEA and making regular updates on our website at [www.consultingarchitects.ca](http://www.consultingarchitects.ca).

### **LOW FEES – SIGNIFICANT RISK IN UNCERTAIN TIMES:**

With fear as to an uncertain future and economy, there is an even greater risk of a “drive to the bottom” on fees, particularly where clients score proposals based on lowest-priced architectural & engineering design services. We want to reinforce the importance of selection based fair fee proposals that recognize today’s unique circumstances. Such current factors include:

- The cost and schedule implications of the delivery our design services as Prime Consultants and those of our Sub-consultants during remote work-from-home and other current protocols
- The cost and schedule implications of delays in obtaining and reviewing design information, instructions and approvals from clients
- The cost and schedule implications of delay in approvals and permits from municipal agencies and other AHJ
- The cost and schedule implications of labour shortages, delays in all areas including production of manufactured goods and supply of materials, products and equipment
- The cost and schedule implications of delays in the construction process, construction field review and project completion
- The context of our standard duty of care obligations to provide services to those of an ordinary professional practicing in this specific time and place

The difference between competing fee proposals from design teams can represent an extremely small fraction of one per cent of the total life cycle operational and cash flow cost of a building project. Our fees are a function of the cost of our expertise, skills and knowledge, all of which are impossible to accurately forecast at this time.

It is also important to respond to the regulatory frameworks governing our practice, including:

- The direction of the Alberta Association of Architects
- The mandatory requirements of the *Alberta Safety Codes Act* and its associated Regulations (such as the National Building Code (AE)).
- The requirement to design buildings to address performance-based building code requirements.

As the CAA continues to investigate the COVID-19 pandemic effect on the profession in Alberta, we will endeavor to keep you updated as quickly as we can. In the interim as we come to understand the full impact on the profession's shift to home-working and other adjustments we ask for your patience and understanding and welcome any thoughts, concerns and ideas to keep your firm strong.

Sincerely,



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Alberta Joint Industry Response Team Members