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# project guidebook

## Who Sets Crossroads/Blue Sky Apart

John Richert is the founder of **crbs** (Crossroads/Blue Sky). John received both his undergraduate and Master of Architecture degrees from the University of Illinois in Champaign-Urbana and is a Licensed Architect in both Illinois and Wisconsin. John has been passionate about residential design since his introduction into the workplace in 1989. John is the company's creative and emotional leader, as well as the lead designer for all of the firm's projects. John's designs have been highlighted in both national magazine publications and the Dream Homes of Chicago coffee table book (more of the John's work can be seen on the company website at [www.crbs.co](http://www.crbs.co) and/or [www.crossroadsbluesky.com](http://www.crossroadsbluesky.com)).

Project teams are made up of high-quality and value-driven subcontractors who work well with our clients and fit in perfectly with our seamless design/build approach. **crbs** utilizes only qualified teams of subcontractors to ensure project quality and to assist with timely warranty service. These individuals bring a variety of backgrounds and expertise to **crbs**'s projects to ensure timely and consistent project delivery. Each project team is specifically designed to meet the individual needs of our clients and their unique projects.

## What Sets Crossroads/Blue Sky Apart

**crbs** is committed to advancing the art and science of residential design and construction through the use of thoughtful, constructive dialogue at all points of the design/build process. Realizing that great projects are the result of partnerships between clients, designers and craftsman, we engage our patrons in a process that synthesizes their dreams and the talents of our designers and craftsmen into beautiful and efficient spaces.

Crossroads Design, Inc. was founded by John Richert in 1997. The company began as an architecture firm, providing high quality designs and excellent construction documentation to clients and builders throughout the North Shore. In order to better serve the overall project needs of a sophisticated clientele, Blue Sky Design/Build, Inc. was incorporated in 1999 to address the construction needs of our projects.

Now under one name, **crbs** is the culmination of many years of experience serving the design and construction process from a client-driven perspective. **crbs** is not your average design firm. Nor are we your average contractor. What sets us apart from other firms is our unique approach that seamlessly integrates the design and construction processes for the benefit of our clients. There are no external or internal handoffs between a design team and construction team. This unique process is pure design/build with true, single-source responsibility throughout the entire project from start to finish.

Most design/builders approach the various stages of design and construction as separate and distinct events that require mere cooperation between the teams of people responsible. This lack of true integration has the potential to result in problems down the line - frustration between the separate teams, conflicts between the designer, builder and client, and added cost for the client.

**crbs**'s truly integrated approach simplifies the overall process for everyone involved, ensures consistency in quality products and workmanship, and keeps project costs from escalating throughout the process. Company owner John Richert is trained in both architecture and construction, and charts the project through its various stages so that there is never a "pass-off" between design and construction. By bringing a true, single-source design/build approach together for our clients, **crbs** provides more consistent communication and reduce errors, thus improving the overall quality of the project and the experience.

In the late 1800's, John Ruskin wrote: "It is unwise to pay too much but it is worse to pay too little. When you pay too much, you lose a little money – that is all. When you pay too little, you sometimes lose everything, because the thing you bought was incapable of doing the thing it was bought to do. The common law of business balance prohibits paying a little and getting a lot – it can't be done. If you deal with the lowest bidder, it is well to add something for the risk you run, and if you do that you will have enough to pay for something better."

At **crbs**, we believe in the concept of "right pricing" – don't overbid, don't underbid and always do your homework up-front. We spend a lot of extra time during the bidding process in order to eliminate problems during construction. We carefully bid all of our jobs to multiple subcontractors and try to match the "right" subcontractors to each job to ensure our clients the "right" balance between price and quality. By doing our homework up-front, **crbs** has better control over the whole process and is better able to keep unpleasant surprises and change orders to a minimum.

**crbs** created the Project Guidebook and Project Organizer system to help de-mystify and organize the sometimes overwhelming design and construction processes. Clients who are new to the design and construction processes will appreciate the project overview and explanations of each stage of project development found in the Project Guidebook. Clients who are already familiar with the design and construction process will find the Project Organizer to be a terrific tool for keeping track of project information and needs.

Using the Project Guidebook and Organizer is simple – each of the eight sections listed in the Project Guidebook has a corresponding tabbed divider in the Project Organizer. The Project Guidebook explains what the purpose of each section is, how the section works and what information should be kept in that section of the Project Organizer. The system provides the design and construction processes with an organizational backbone that promotes understanding and cooperation throughout the project.

## **Pre-Construction**

Preliminary Design

Construction Documents

## **Construction**

Correspondence

Construction Schedule & Contacts

Selections & Shop Drawings

Product Information & Warranties

Billings & Lien Waivers

## **Contractual**

Agreements

## Preliminary Design

The Preliminary Design Phase is the heart of every design and construction process. In this phase, the design and budget parameters are established, and the client's functional and aesthetic goals are expressed through the conceptual process of Preliminary Design.

### Establishing Design Goals

The project "kick-off" meeting (which, in many cases, occurs during the interview itself) establishes goals for the project. These goals are usually expressed formally through a written list of requirements, informally in conversations, or through the use of photographs and magazine clippings. Design goals are functional and aesthetic guidelines that are used to evaluate design decisions made throughout the course of the project. Compromises between budget, quality, appearance and many other factors have to be made within the context of these project goals and priorities.

### Pre-Design

Pre-Design work may include site selection assistance, site visits to measure and document existing conditions, research of building code and zoning laws, discussions with local government agencies and consultations with construction subcontractors to evaluate the project's feasibility.

### Schematic Design

Schematic (or Conceptual) Design is when the fun begins for the client and the project begins to take shape. The goal of Schematic Design is to illustrate proposed solutions to the established design goals. Design drawings may be sketched freehand or drawn on the computer using AutoCAD software. [crbs](#) meets with the client to evaluate the proposed solutions. To insure that the Schematic Design accommodates the many facets and objectives of the project, the plans may also be discussed with interior designers, engineers, landscape architects, financial consultants, construction subcontractors and government agencies. Finalizing Schematic Design often takes several meetings and rounds of revisions to reach the proper balance of the many design parameters.

### Preliminary Construction Estimate

Once the Schematic Design is established, [crbs](#) creates a preliminary Construction Estimate Worksheet to verify that the project moves forward with a comfortable balance between scope, quality, and price.

## Construction Documents

In the Construction Documents Phase, the ideas expressed in Preliminary Design are expanded upon, a design vocabulary is established and the client's goals are brought together with the technical requirements of the building team and local building requirements. The Construction Documents are detailed drawings which are used to apply for building permits and to obtain bids from subcontractors.

### Design Development

The Design Development phase is when the design itself becomes truly polished. Design Development typically includes fully developed floor plans, interior and exterior elevations, lighting plans and key details. These drawings are used to finalize (as much as possible) the design intent, finishes and other essentials of the project. No major design issues should be left unresolved at the completion of this process.

### Permit Documents

Once the client approves the Design Development studies and drawings, **crbs** produces the final Permit Documents - detailed, technical drawings and specifications to be used by the building team. Construction Documents include full dimensions and notes, building sections, construction details, structural engineering, electrical diagrams, and performance specifications for HVAC work as required by local government agencies. The Construction Documents express the design intent and technical requirements of the project together, ensuring that the work flows smoothly throughout the construction process.

### Permits & Bidding

Once Construction Documents are completed, **crbs** submits them to the appropriate government agency to obtain building permits. **crbs** also submits the documents to subcontractors to obtain final bids for the project. To ensure an accurate bidding process, **crbs** schedules subcontractor walkthroughs to review existing site conditions as part of the bidding process.

### Final Construction Budget

In an ideal situation, the final Construction Estimate Worksheet confirms preliminary budget assumptions. In reality though, there are sometimes discrepancies between the two. In these cases, having comprehensive preliminary and final Construction Estimate Worksheets is extremely helpful in understanding where "scope creep" has affected the design and hence, the budget. Once understood, **crbs** can work with the client toward reaching a balance and finalizing the construction budget.

## Correspondence

The importance of communication throughout the design and construction process cannot be emphasized enough. The Correspondence section of the Project Guidebook helps us all stay on the same page throughout the project.

## Construction Schedule & Contacts

The Construction Schedule outlines the anticipated progress of construction. From time to time, this schedule may be updated to reflect events that occur during construction. Projects can experience scheduling delays for many reasons: strikes, weather, unexpected or concealed conditions, changes in scope, and sometimes due to simple human error. Often, there are opportunities to shift particular items in the schedule to accommodate the unexpected without affecting the overall time frame of the project. As always, **crbs** makes every effort to avoid delays that would extend the project completion date.

## Selections & Shop Drawings

While most selections for fixtures and materials should ideally be made by the client prior to the completion of Construction Documents and Bidding, some selections will surely need to be made during the actual Construction phase. For these items, **crbs** will determine cost "allowances" prior to the creation of the Final Construction Budget. Critical dates for the final selection of unspecified items will be highlighted in the Construction Schedule to ensure that the project progresses as planned.

Shop Drawings are created by construction subcontractors for items such as cabinetry to insure that the actual built products will meet the design intent expressed in the Construction Documents. Shop Drawings are reviewed and approved by both the client and **crbs** prior to that item's fabrication.

## Product Information & Warranties

All work completed by **crbs** and its subcontractors is guaranteed against defects in labor and materials for a period of one year from completion, but certain products that are used may have extended warranty protection and/or maintenance requirements. We suggest that clients become familiar with these requirements and send in warranty cards to maintain the protection that a warranty provides.

## Billings, Lien Waivers & Changes

The Billings & Lien Waivers section is where the project's financial history should be kept.

### Billings

During the Schematic Design and Construction Documents phases, **crbs** invoices clients monthly based on the proportion of work completed to date. Payment is due upon receipt during these phases. Late payments are charged interest at the rate of 2% per month.

During the Construction phase, **crbs** invoices clients as required based on the proportion of work completed or materials stored to date. Construction Pay Requests or "draws" consist of a Pay Request Invoice that summarizes the current work being billed. In order to insure the continuity of the project, payment is due within five days of receipt during the Construction phase. Late payments are charged interest at the rate of 2% per month.

### Lien Waivers

Every Contractor/Subcontractor who does work on a homeowner's property has "Lien Rights" - legal provisions to insure that members of the building team receive payment for their work. A Contractor/Subcontractor who is not paid has the right to attach a Lien to the property, which legally requires payment of the debt prior to the property being transferred to another party. As the project progresses and payments are made, the Contractors/Subcontractors give up their Lien Rights on the property through Lien Waivers. **crbs** (or a Title Company) collects and retains these very important documents for your protection as payments are made to subcontractors. **crbs** provides the client with an overall Lien Waiver which acknowledges receipt of funds due to both **crbs** and its subcontractors.

### Changes

Scope changes, allowance items, concealed, unexpected and/or unforeseen existing conditions may cause changes to project costs. Cost overages are the responsibility of the Client. CRBS shall endeavor to document any such cost changes in a timely manner via Construction Change Notifications and/or Allowance Adjustment Notifications sent to the Client. These notices may be generated by **crbs** for items such as concealed or unforeseen conditions, or directed by the client for upgrades to specifications, increases in scope or other design changes.

## Agreements

For simplicity sake, **crbs** provides clients with a two-stage agreement process. A Pre-Construction Agreement outlines the terms of the relationship for the services to be provided prior to construction of the project, including design. The Construction Agreement outlines the costs for completion of the construction portion of the work.

### The Fees

The Pre-Construction Agreement outlines fees for consulting services, as well as, Schematic Design and Permit Document services. Consulting-type services and Schematic Design are completed on a time-and-materials basis at an hourly rate as outlined in the Agreement. Permit Documents are completed on a fixed fee basis reflecting a percentage of the preliminary Construction Estimate Worksheet.

Construction Management/General Contracting fees consist of two parts. Overhead is an administrative cost item which covers expenses such as the cost of time spent during the bidding process and on administrative office functions (including billings, payouts, scheduling, collecting lien waivers, etc.), as well as, a portion of office expenses (such as insurance, marketing, supplies and office space). Profit is the portion of project costs that is anticipated to go toward actual profit for **crbs**. Overhead and Profit are calculated as a percentage of job costs incurred.

### Insurance

**crbs** carries Commercial General Liability and Workers Compensation Liability Insurance as required by law, and in amounts appropriate to the types of projects undertaken. **crbs** also requires certificates of insurance from all Subcontractors working on projects. Clients should notify their insurance carriers of the construction project as homeowner's insurance policies need to cover work-in-place and materials stored-on-site during the course of the construction project, in addition to the usual homeowner's property and liability insurance (coverage should include, but not be limited to: fire, vandalism and theft). Extra Project Insurance is always available for an additional cost if desired.