

# THE BLUE BOOK

---

Recommendations  
of the  
Construction  
Industry  
Cooperative  
Committee  
Of Minnesota

# **THE BLUE BOOK**

---

**2006 Edition**

**Recommendations  
of the  
Construction  
Industry  
Cooperative  
Committee  
Of Minnesota**

**1 – General Recommendations**

**2 - Bidding Requirements**

**3 - Contracts**

**4 – General and Supplementary Conditions**

**5 – Insurance**

**6 - General Requirements**

**7 - Forms**

**8 – Special Reports**

**9 – Appendix 1 – CSI MasterFormat™ 2004**

**10 – Appendix 2 – AIA Documents Synopses**

# Table of Contents

## Introduction and Important Notices

---

### Chapter 1 - General Recommendations

---

- 1.1 General Conditions
- 1.2 Master Format™
- 1.3 Purchasing, Furnishing Materials
- 1.4 Communications Protocol
- 1.5 Preparation of Contract Documents
- 1.6 Surveys and Site Conditions
- 1.7 Estimating Services
- 1.8 Legibility of Contract Documents
- 1.9 Record Drawings
- 1.10 Sustainable Design
- 1.11 Document Retention

### Chapter 2 - Bidding Requirements

---

- 2.1 Instructions to Bidders
- 2.2 Minimum Estimating Time
- 2.3 Bidding Documents Furnished
- 2.4 Bid Securities
- 2.5 Completion Time
- 2.6 Alternates
- 2.7 Substitutions
- 2.8 Private Opening of Bids
- 2.9 Disclosure of Project Financing
- 2.10 Addenda Time Limits
- 2.11 Builders Exchanges, Plan Rooms and Web-Based Plan Services
- 2.12 Unit Prices
- 2.13 Allowances
- 2.14 Bid Day

### Chapter 3 – Contracts

---

- 3.1 Methods of Awarding Construction Contracts
- 3.2 Methods of Contractor Selection
- 3.3 Subcontractor Selection
- 3.4 Contract Systems
- 3.5 Types of Construction Contracts
- 3.6 Award of Contracts when bids exceed Available Funds
- 3.7 Change Orders to Construction Contracts

### Chapter 4 - General and Supplementary Conditions

---

- 4.1 Dispute Resolution
- 4.2 Liquidated Damages and Bonuses
- 4.3 Substantial Completion

- 4.4 Partial Occupancy or Use Before Substantial Completion
- 4.5 Schedule of Values (Cost Breakdown)
- 4.6 Retained Percentages
- 4.7 Payment Procedures

### Chapter 5 – Insurance

---

- 5.1 Insurance
- 5.2 Claims Made Coverage
- 5.3 Workers' Compensation Insurance
- 5.4 Contractor's Liability Insurance
- 5.5 Automobile Liability Insurance
- 5.6 Owner's Protective Liability and Property Damage Insurance
- 5.7 Property Insurance
- 5.8 Subrogation
- 5.9 Steam Boiler and Machinery Insurance
- 5.10 Floater Policies
- 5.11 Recommended Supplementary Conditions, Insurance and Bonds
- 5.12 Architect's Insurance

### Chapter 6 - General Requirements

---

- 6.1 Progress Schedules
- 6.2 Shop Drawings, Product Data and Samples
- 6.3 Temporary Services
- 6.4 Site Protection and Security
- 6.5 Special Inspections Functions Testing and Quality Control
- 6.6 Commissioning
- 6.7 Construction Cleaning and Debris Disposal
- 6.8 Recycling Construction Waste Materials

### Chapter 7 – Forms

---

- 7.1 Recommended Standard Forms for Construction

### Chapter 8 - Special Reports

---

- 8.1 Reverse Auction Bidding
- 8.2 Project Labor Agreements

### 9 – Appendix 1 – CSI MasterFormat™ 2004

---

### 10 – Appendix 2 – AIA Documents Synopses By Series

## INTRODUCTION:

### Background:

In 1948 the Minnesota Society of Architects of AIA and the Associated General Contractors of Minnesota formed the Joint Cooperative Committee AIA-AGC. The committee provided a forum to discuss common problems, to offer "a means of cooperation and coordination among the various segments of the construction industry," and to develop standard procedures. A significant outcome was its publication of *The Blue Book*, which has become a valuable resource to the industry in Minnesota.

In 1966 the committee expanded to assure input from all participants in building construction and it became the Construction Industry Cooperative Committee of Minnesota. CICC is now composed of practicing professionals -- architects, consulting engineers, specifiers, general contractors, specialty contractors, subcontractors and materials suppliers -- appointed by their respective associations. A brief description of each organization follows this introduction.

When helpful to discussions, CICC has invited participation by representatives of state agencies, college and university systems, the building trades, and the insurance industry. The committee has also provided a collective viewpoint to the state legislature on current issues.

### ***The Blue Book -- Recommendations of the Construction Industry of Minnesota 2006 edition***

The 1998 edition of the *Blue Book* included revisions to its earlier recommended practices and specifications on bidding, contract documents, insurance, payment practices, scheduling, dispute resolution, project delivery methods, CSI's *MasterFormat™ 2004*, and other topics vital to the construction process. It also added new sections on recycling, construction waste management, and building commissioning.

This new edition extensively revises and updates *Blue Book* contents to follow today's industry practices, reorganizes the chapters and adds a new Chapter 8 with special committee reports on new issues.

The *Blue Book* is available online at [www.cicbluebook.com](http://www.cicbluebook.com) The website includes information about ordering printed versions of the *Blue Book* as well as other information about the CICC including copies of its news releases.

CICC will no longer maintain a list of registered *Blue Book* holders. Future revisions to *Blue Book* chapters will appear on line. Revisions will be publicized in news releases and participating organizations will notify their members.

CICC encourages feedback, corrections and suggestions from anyone involved in construction in Minnesota. See [www.cicbluebook.com/feedback.html](http://www.cicbluebook.com/feedback.html)

***Note: Be sure to review important notices which follow on page 5***

---

### **Acknowledgements:**

Writing, updating and organizing a reference such as the *Blue Book* would not be possible without the participation of many people. This 2006 Edition of the *Blue Book* represents more than a year of effort revising and updating the 1998 edition. The committee wishes to particularly acknowledge the contributions of those members who served on the subcommittees that performed detailed reviews of each chapter as well as the contributions made by the staff of AGC-Minnesota and CICC's insurance and editorial advisors.

#### **2005 CICC Co-Chairs:**

Bob Debruin, AIA, AIA-MN  
Tom Sackett, AGC, Kraus-Anderson Construction Co.

#### **2005 CICC Members:**

Mark Adamson, AGC, McGough Construction  
Ed Curtiss, AGC, Knutson Construction Services  
Cliff Dunham, AIA, AIA-MN, Architectural Alliance  
Todd Gray, MCMA, Albers Mechanical  
Mike Hanson, NECA St. Paul, Hunt Electric Corp.  
Richard Johnson, ACEC-MN, McConkey Johnson Soltermann, Inc.  
James Kellett, AIA-MN, James Kellett Construction Specifications *\*Member Emeritus*  
Charles K. Koncker, AIA, AIA-MN, University of Minnesota  
Dean McCarty, CSI, CCS, McCarty Group, Inc.  
Linda McCracken-Hunt, AIA, AIA-MN, Studio Five Architects  
Michael D. McGowan, AGC, Adolfson & Peterson  
Rosemary McMonigal, AIA, AIA-MN, McMonigal Architects  
Gaylen Melby, ACEC-MN, ATS&R, Inc.  
Ron Rasley, Curtin & Rasley  
Terry Ryan, Mpls. St. Paul Builders Exchanges, Specialty Systems Inc.  
Dan Schadegg, SMARCA, Schadegg Mechanical Inc.  
Ken Stone, AIA, AIA-MN, Kodet Architectural Group Inc.  
Kent D. Warden, BOMA Minneapolis  
Joseph C. Weiss, AGC, Weiss Builders

#### **Insurance Consultants:**

Jerry Bartho, Willis of Minnesota  
Dennis J. Linder, Dennis J. Linder & Associates

#### **AGC Staff**

Denise Woods, AGC-MN

#### **Editorial Consultants:**

Wallace E. Neal and Brad Neal, Wallace Neal Communications

---

## **Sponsoring organizations:**

### **American Council of Engineering Companies of Minnesota**

The American Council of Engineering Companies is a trade association made up of more than 150 privately owned consulting engineering firms. Members provide a variety of services to both public and private clients. The organization's mission is to serve its members in achieving business and professional practices that meet the expectations of clients, employees and the public. ACEC/MN works to foster harmony throughout the engineering profession, promote the professional and economic welfare of its members, maintain professional standards, enhance the image of the consulting engineer, act as a clearing house for the dissemination of information to its member firms, and advise on enactment of legislation on a local, state and national basis.

[www.acecmn.org](http://www.acecmn.org)

### **American Institute of Architects (AIA) Minnesota**

AIA Minnesota is a non-profit association for architects, a state component of national AIA. With a commitment to innovation, AIA Minnesota represents and advocates the Minnesota architect as the collaborative leader in shaping the built environment for the public good. There are three local chapters: Minneapolis, St. Paul, and Northern Minnesota. AIA Minnesota publishes an award-winning magazine, Architecture Minnesota.

[www.aia-mn.org](http://www.aia-mn.org)

### **Associated General Contractors of Minnesota;**

Associated General Contractors of Minnesota is a non-profit trade association dedicated to promoting opportunity and excellence in Minnesota's construction industry. Approaching 400 member firms, AGC of Minnesota is a diverse, results driven association dedicated to providing a wide range of quality services to all segments of the construction community, including building, transportation, municipal/utility, subcontractor and specialty contractors, and construction industry affiliates. For further information, visit the AGC website at

<http://www.agcmn.org>

### **Builders Exchange of St. Paul, and Minneapolis Builders Exchange**

Both exchanges are construction industry membership organizations that provide services to architects, general contractors, subcontractors, manufacturers and material suppliers. Architects post plans with the exchanges to obtain bids from all interested contractors and vendors. The exchanges provide members with plan room services, publish printed and on-line weekly newsletters with bidding and awards information, and also publish annual directories and buyer's guides.

[www.bxsp.org](http://www.bxsp.org) and [www.mbex.org](http://www.mbex.org)

### **Building Owners and Managers Association, Minneapolis**

The Building Owners and Managers Association (BOMA) serves as an advocate for owners and managers of commercial real estate in the areas of government relations and codes and regulations. It also provides members with current industry information, education, professional development and networking opportunities. BOMA Minnesota, affiliated with BOMA International, has representation in Minneapolis, St. Paul, Duluth, Mankato, Rochester and St. Cloud.

[www.bomampls.org](http://www.bomampls.org)

### **Minneapolis-St. Paul Chapter, Construction Specifications Institute (CSI)**

The chapter is part of CSI, a large national organization which works to enhance communication among all disciplines of nonresidential building design and construction, including developing a common system of organizing and presenting construction information.

[www.csi-msp.org](http://www.csi-msp.org)

---

### **Minnesota Association of Plumbing-Heating-Cooling Contractors**

The Minnesota Association of Plumbing-Heating-Cooling Contractors is a professional trade association serving the plumbing-heating-cooling industry. MAPHCC is a state chapter of the Plumbing-Heating-Cooling Contractors National Association in Washington, D.C. Minnesota PHCC publishes *The Contractor* magazine on a monthly basis. An annual convention and trade show are held in the spring, and seminars and workshops are sponsored periodically throughout the year. MAPHCC provides leadership development for business owners, as well as information, resources, networking and member referral services to consumers.

[www.minnesotaphcc.org](http://www.minnesotaphcc.org)

### **Minnesota Mechanical Contractors Association**

The Minnesota Mechanical Contractors Association has more than 150 contractor members employing more than 6000 employees who install and service heating, cooling and process piping and equipment on projects ranging from home air-conditioning to the re-piping of a major oil refinery. MMCA contractors train apprentices and journeymen on all aspects of the industry. MMCA members and their employees are trained and licensed to perform all types of mechanical contracting work.

[www.mn-mca.org](http://www.mn-mca.org)

### **National Electrical Contractors Association, Minneapolis Chapter, and National Electrical Contractors Association, St. Paul Chapter**

Both local chapters are members of the National Electrical Contractors Association (NECA), which represents, promotes, and advances the interests of the electrical contracting industry. NECA efforts benefit all branches of the industry -- skilled electricians, linemen, installers and technicians -- as well as the customers it serves. The association's chief purpose is to enhance the position of its member companies through training, advocacy, and workforce development.

[www.necanet.org](http://www.necanet.org) (national site with local search capabilities)

### **Sheet Metal, Air Conditioning & Roofing Contractors Association, Inc. -- Minnesota, North Dakota, South Dakota (SMARCA)**

This three state association is a chapter of the largest national sheet metal organization, and affiliate of the largest national and regional roofing organizations. SMARCA works to promote the sheet metal, air conditioning and roofing industries and the contractors it represents. SMARCA provides for its members and contributing contractors: labor relations services including contract negotiation and administration, a comprehensive safety program, technical resources, insurance information, education programs including business management education, supervisory training, construction contract law and legislative information.

[www.smacna.org](http://www.smacna.org) (national site with local search capabilities)

*Please report any broken links to us at the Blue Book [www.ciccbluebook.com/feedback.html](http://www.ciccbluebook.com/feedback.html)*

---

## **Important Notices Regarding the Blue Book:**

### **Scope**

Some of the information contained in the *Blue Book* is based specifically on Minnesota practices and relevant statutes of state law. Builders in other jurisdictions may be subject to different statutes and should review practices used in their jurisdictions.

The contents of the *Blue Book* are primarily intended for commercial, industrial and institutional building. In general, they are not intended for highway, heavy construction, or single-family residential building. Some *Blue Book* recommendations may only apply to design-bid-build methods of project delivery.

The *Blue Book* is designed to promote standard practices and to assist construction professionals in the preparation and use of construction documents and related specifications. The *Blue Book* is intended to be used as a set of guidelines and recommendations, not as specifications.

### **Terms**

The term "Architect" is used throughout the *Blue Book* as a standard term and with the understanding that it includes by inference such professionals as consulting engineers, electrical engineers, designers and other professionals licensed in the appropriate disciplines.

### **Document Versions**

Where recommendations include references to documents published by other sources such as AIA, AGC, CSI etc., *Blue Book* users are urged to check whether versions of those documents exist which are more current than those contained in this *Blue Book*. In such cases, carefully review the recommendations of this *Blue Book*. Newer versions of referenced documents may not match what the corresponding recommendation intends.

### **Disclaimers**

The information contained herein is based upon recommendations and guidelines provided by sponsoring organizations or other external sources, and was in effect at the time of publication. The information is general in nature and should not be relied on for specific legal advice. For specific application of these recommendations and guidelines, consult with appropriate legal counsel.

***An archive of this Blue Book and its contents in editable form has been deposited at the offices of the AGC- Minnesota for the purpose of future revisions and modifications by the CICC.***