THE LIFE OF A PROJECT

DESIGN PHASE

DELIVERY METHOD
At this point the owner chooses the Delivery Method

- **DESIGN/AWARD/BUILD**
  Design and construction are performed by a single entity. There is a singular source of responsibility. OWNER is not involved in the Design Phase. The OWNER can hire an ARCHITECT to develop the schematic concept. Conflicts between the Designer and Builder are minimized.
- **DESIGN-BUILD**
  Begins when OWNER contracts an ARCHITECT. OWNER participates in the Design Phase. ARCHITECT acts in the OWNER'S best interests. Allows for a separation of design and construction. Construction Documents phase requires a large amount of time. No CONTRACTOR input on pricing and constructibility.
- **CONSTRUCTION MANAGER**
  CONSTRUCTION MANAGER (CM) can act as CM-ADVISOR, CM-AGENT, or CM-CONSTRUCTOR. OWNER hires a CONSTRUCTION MANAGER in addition to an ARCHITECT and a CONTRACTOR, usually with Fast-track projects. CONSTRUCTION MANAGER provides budget, scheduling,construction, and technical advice.

  CM-ADVISOR: Administers the Contract and Work as the OWNER'S representative and doesn't have financial responsibility. Advises OWNER about budget and constructibility during the Design Phase.

  CM-AGENT: Hired by the OWNER before other parties, the CM-AGENT manages the entire project on behalf of the OWNER.

  CM-CONSTRUCTOR: Hired by the OWNER around 30% completion point of the Design Phase. Advises the OWNER prior to Construction Phase and builds the project. Assumes a vendor relationship with the OWNER and has financial responsibility, typically using a Fixed Price or Cost Plus Fee with a Guaranteed Maximum Price.

SCHEDULING METHOD (OPTION)
[*FAST TRACK*]
Decreases the total Project Time by overlapping the Design and Construction Phases. Contracts are awarded to separate contractors, also known as Multiple Prime Contracts. Total Project Cost is unknown until Completion.

ARCHITECT
BASIC SERVICES:
- Schematic Design
- Design Development
- Construction Documents
- Structural, Mechanical, and Electrical Engineering
- Construction Contract Administration as OWNER'S agent
- Participation in the Bidding Process
- [ARCHITECT needs to purchase Professional Liability Insurance]
- Construction Cost Estimate

SUPPLEMENTAL SERVICES:
- Programming
- Surveys
- Record Drawings
- Assist with Public Hearings
- Financial Feasibility Studies
- Detailed Estimates
- Mock-Ups
- Re-Design by a Change in Project Scope

STEPS
1. Compile a list of prospective bidders
2. Obtain competitive bids or negotiated proposals
3. Prepare and award Contracts for construction
4. Evaluate successful bid/proposal

Protects the ARCHITECT against claims which may arise out of negligent acts (failure to meet standard of care), errors, or omissions during service. Is a Claims-Made policy, covering claims asserted during the policy period.

CONSTRUCTION COST (ALSO KNOWN AS DIRECT COST)
The ARCHITECT cannot warrant that the price will not vary. Includes labor and materials (land cost and ARCHITECT'S fee **not** included). Usually the ARCHITECT must add a Contingency Allowance of 10-20%

PRIMARY METHODS:

1. Area/Volume or Unit Cost Method at Pre-Design Phase
Based on definable units (number of hotels rooms, parking spaces, etc.)

2. Subsystem Method at Schematic Design Phase
Involves dividing a building into several functional categories (partitions, foundations, finishes, etc.) and assigning a target cost to each. The sum total of all categories is the Building Cost.

3. Quantity Survey Method at Design Development Phase
An extremely detailed approach that involves calculation for each component of a building (such as the length of all wiring and duct runs is measured, listing items such as trim, cover plates, vents, etc.) Prices are assigned to each material and include allowances, labor, time, overhead, and profit.

OWNER/ARCHITECT AGREEMENT
FREQUENTLY USED AIA DOCUMENTS:
- B101: Standard
- B102: No Predefined Scope of Architect's Services
- B103: Complex Project
- B104: Abbreviated
- B105: Short Form
- B106: Pro Bono Services
- B107: Housing Prototype for Developer-Builder
- B109: Multi-Family or Mixed Use Residential
- B132: CM as Advisor
- B133: CM as Constructor
- B143: Design-Builder Hiring Architect

G710: ARCHITECT'S SUPPLEMENTAL INSTRUCTIONS
C401: STANDARD ARCHITECT/CONSULTANT
Requires the CONSULTANT to be responsible for coordinating own work.

CONSULTANT'S RESPONSIBILITIES
Generally very similar to that of the ARCHITECT'S responsibilities to the owner. Binds the CONSULTANT to the ARCHITECT according to the same terms that bind the ARCHITECT to the OWNER.

Responsibilities include:
1. Assist ARCHITECT in Contract Administration
2. Recommend to ARCHITECT any necessary tests and surveys
3. Internal and external coordination of own work
4. Cooperate with ARCHITECT to set a budget for own work
5. Estimate cost of own work
6. Cooperate in the Bidding process
7. Prepare Drawings and Specifications
8. Make site observations
9. Match the assigned Budget

BIDDING ENVIRONMENT
CONSIDERATIONS FOR BID:
1. CONTRACTOR'S availability
2. Skillful workers available
3. Materials and methods available
4. Realistic construction schedule
5. Avoidance of arbitrary Specification requirements

WHEN BID IS IN EXCESS OF BUDGET
ALTERNATIVES:
1. Increase Budget
2. Rebid or negotiate Project
3. Abandon the Project
4. Reduce Scope and/or quality

(falls within ARCHITECT'S Basic Services)

EVALUATION OF ALTERNATES
This is a request that asks the CONTRACTOR to provide options for the selection of materials, products, or systems. It may also include additions or deletions of portions of the Project and is reflected in the variation in price from the base bid. For private projects, the owner can accept any alternate in any order or combination. For public projects, it is often a requisite to accept or reject alternates in order of priority as they appear.

GENERAL NOTE:
AIA DOCUMENTS ARE DIVIDED INTO SIX (6) ALPHANUMERIC SERIES BY DOCUMENT USE OR PURPOSE:
- **A-Series:** OWNER/CONTRACTOR Agreements
- **B-Series:** OWNER/ARCHITECT Agreements
- **C-Series:** Other Agreements (Includes CONSULTANTS)
- **D-Series:** Miscellaneous Documents
- **E-Series:** Exhibits
- **G-Series:** Contract Administration and Project Management Forms

OWNER
PROVIDES:
1. Surveys
2. Legal Description
3. Program
4. Pay Approvals, Assessment, etc.
5. Financial Evidence for Project Budget
   May be 30-50% greater than Direct Cost and shall not be materially changed without notifying CONTRACTOR
6. Insurance (G715: Certificate of Insurance)
7. Copies of Drawings and Specifications for CONTRACTOR (returned to ARCHITECT after Final Completion)

Must be furnished to the CONTRACTOR, who will rely on their accuracy with precaution

PROJECT BUDGET (ALSO KNOWN AS CONSTRUCTION BUDGET)
The sum, established by the OWNER, that is available for the entire Project.
INCLUDES:
1. Staff Cost, Legal Fees, Outside Consultant Fees
2. Land Cost
3. Construction Cost
4. Equipment Cost
5. Architect's Fees
6. Finishes, Furnishings, and Equipment
7. Insurance
8. Taxes
9. Financing
10. Contingencies and Allowances

INCLUDES:
1. Labor
2. Materials
3. Equipment
4. Contingencies
5. CONTRACTOR'S Overhead and Profit

INSURANCES REQUIRED FOR OWNER
1. Property or Builder's Risk (All Risk Coverage)
This policy must initially be equal to the Contract Sum or Construction Cost and includes:
1. Fire and Damage (Including Earthquake and Flood)
2. Temporary Structures, Materials, Equipment and Supplies, typically covers Tools
3. Property in Transit or Stored Off-Site

2. Worker's Compensation
3. General Liability
4. Personal Injury
5. Property Damage
6. Automobile Liability
7. Contractual Liability

BIDDING PHASE

PRE-BID CONFERENCE
This is when CONTRACTORS are informed about unique or special aspects of the project. Pre-Bid Conferences can help prevent misunderstandings. Questions and clarifications must be in writing within seven (7) days before Bid Date. ARCHITECT must formalize answers to questions in Addenda.

ADDENDUM
A written or graphic notice issued by the ARCHITECT prior to the execution of the Contract for Construction and distributed to all bidders during the Bid Phase.

PROJECT MANUAL
1. Title Sheet
2. Table of Contents
3. Bid Requirements
4. Signature Sheet
5. Drawing List
6. List of Subcontractors (G705)
7. Material Substitutions
8. Contract Conditions
9. Contract Form
10. Specification Index

- Invitation to Bid
- Information Available to Bidders
- Instructions to Bidders
- Bid Forms
- Bid Supplements
- **GENERAL CONDITIONS (A201)**
  States the rights, responsibilities, and relationships of the parties and insurances required.
- **SUPPLEMENTARY CONDITIONS (A201)**
  Particularly important for Multiple Prime Contract, Phased, and Fast-Track projects, as well as Cost Plus Fee and other contracts not based on a Stipulated Sum.
- **SPECIAL CONDITIONS (OPTIONAL)**
  Typically required to accommodate requirements of government of local building agencies.

GUIDE TO SUPPLEMENTARY CONDITIONS (A503/A533 CM-ADVISOR)
This accommodates legal, physical, or climatic conditions and establishes specific insurance requirements. Important for Multiple Prime Contract, Phased, or Fast-Track projects, as well as Cost Plus Fee contracts.

- **OWNER-CONTRACTOR AGREEMENT**
- **CONTRACTOR'S QUALIFICATIONS (A305)**
- **PERFORMANCE AND PAYMENT BOND (A312)**
- **CERTIFICATE OF INSURANCE (A101 EXHIBIT A)**
- **BID BOND**
  Typically 5-10% of the Contract Sum to be collected if the winning bidder refuses to sign the Contract.

FREQUENTLY USED AIA DOCUMENTS:
- A101: Stipulated Sum
- A102: Cost Plus Fee With Guaranteed Maximum Price
- A103: Cost Plus Fee Without Guaranteed Maximum Price
- A104: Abbreviated
- A105: Short Form
- A132: CM as Advisor
- A133: CM as Constructor, Cost Plus Fee With Guaranteed Maximum Price
- A134: CM as Constructor, Cost Plus Fee Without Guaranteed Maximum Price
- A141: Design-Builder
- A142: Design-Builder Hiring a Contractor

COST OF THE WORK PLUS FEE
Consists of a refund for the actual expenses to perform the Work, including salaries, employee benefits, overhead, etc. plus a negotiated fee for profit with a Guaranteed Maximum Price.

WORKING DRAWINGS
This is the graphic portion of the Contract Documents. They describe the size and shape of the project and are organized as follows:
1. Title Sheet
2. Site and Landscape Information
3. Architectural
4. Structural
5. Mechanical (HVAC)
6. Plumbing
7. Electrical

CSI MASTERFORMAT DIVISIONS
Provided by the Construction Specification Institute. This is the written part of the Contract Documents and defines the quality, construction system, and workmanship. They compliment the Working Drawings and prepared by the ARCHITECT and CONSULTANTS as a Basic Service. The organization of the SPECIFICATIONS shall not control the CONTRACTOR in dividing the work among SUBCONTRACTORS. This is the portion of the Project Manual which the ARCHITECT is directly responsible.

METHODS FOR MINIMIZING DISCREPANCIES BETWEEN DRAWINGS AND SPECIFICATIONS:
1. Dimensions should be noted on only one of the two documents.
2. Terminology must be consistent.
3. Reserve installation methods and quality exclusively for Specifications, and quantitative descriptions for Drawings.

CURRENT DIVISIONS (JUNE 2018)
00 Procurement and Contracting Requirements (Not Part of Specifications)
01 General Requirements
02 Existing Conditions
03 Concrete
04 Masonry
05 Metal
06 Wood, Plastics, and Composites
07 Thermal
08 Openings
09 Finishes
10 Specialties
11 Equipment
12 Furnishings
13 Special Construction
14 Conveying Equipment
15-20 (Reserved for Future Expansion)
21 Fire Suppression
22 Plumbing
23 Heating, Ventilation, and Air Conditioning (HVAC)
24 (Reserved for Future Expansion)
25 Integrated Automation
26 Electrical
27 Communications
28 Electronic Safety and Security
29-30 (Reserved for Future Expansion)
31 Earthwork
32 Exterior Improvements
33 Utilities
34 Transportation
35 Waterway and Marine Construction
36-39 (Reserved for Future Expansion)
40 Process Interconnections
41 Material Processing and Handling Equipment
42 Process Heating, Cooling, and Drying Equipment
43 Process Gas and Liquid Handling, Purification, and Storage Equipment
44 Pollution and Waste Control Equipment
45 Industry-Specific Manufacturing Equipment
46 Water and Wastewater Equipment
47 (Reserved for Future Expansion)
48 Electrical Power Generation
49 (Reserved for Future Expansion)

EACH DIVISION IS DIVIDED INTO SECTIONS (e.g. 26 2813 Fuses)

EACH SECTION IS DIVIDED INTO PARTS:
1. General (deals with the Scope)
2. Materials (describes the Material)
3. Execution (describes how to install it)

TYPES OF TECHNICAL SPECIFICATIONS:
1. Closed
Names a particular brand. Typically not permitted on public projects.
2. Open
Names several products, materials or systems, typically providing three options.
3. Reference
Refers to quality standards that are established by testing authorities. Used in conjunction with Specifications by others.
4. Descriptive
Describes all components. ARCHITECT assumes total responsibility for description.
5. Cash Allowance
Describes an amount of money required to cover the cost of some items. Used when the level of quality is not available at Bidding Phase.

Proprietary
Calls for desired materials, products, systems, etc. by trade names. Does not allow for substitutions.

Performance
Describes desired results, not a precise description of individual components. Allows the CONTRACTOR to use their previous experience. Appropriate when new or unusual products are systems are required.

ADDENDA
Additions, Deletions, Clarifications, and/or Corrections to the Bidding Documents

CONTRACT MODIFICATIONS
Amendments to the Contact Documents including Change Orders and Construction Change Directives

CONSTRUCTION DOCUMENTS
CONTRACTOR is not responsible to ascertain that Construction Documents are in accordance with applicable laws, ordinances, building codes, etc. However, any errors shall be reported to the ARCHITECT.

BID DATE
Typically, two (2) weeks is the minimum time necessary to prepare a bid. The bid includes the **A310: Bid Bond**, which constitutes **5-10% of the bid amount**, held to compensate the owner if a bidder refuses to sign the Contract. The Cost of construction is expressed in both numbers and words, with words prevailing over numbers should a discrepancy exist. After the bid, the bidder agrees to not modify or withdraw the bid for a set amount of time, typically thirty (30) to sixty (60) days. However, before the Bid Date, a bid may be withdrawn and resubmitted. Submitting a bid implicitly states that the CONTRACTOR understands the bidding documents, has visited the project site, and has become familiar with the local conditions, as well as any applicable ordinances and rules.

CONTRACTOR'S SUBSTITUTION REQUEST
Must be submitted to the ARCHITECT at least ten (10) days before the Bid Date. If OWNER approves the alternate material, ARCHITECT must issue an Addendum to all bidders four (4) days prior to Bid Date.

CONTRACTOR CLARIFICATION REQUEST
Must be submitted to the ARCHITECT at least seven (7) days before the Bid Date.

CONTRACTOR'S QUALIFICATION STATEMENT (A305)

CONTRACT DOCUMENTS PHASE

BID AWARDED
Typically awarded to the lowest bid when using A101 OWNER/CONTRACTOR with Stipulated Sum.

CONTRACTOR
EXECUTION OF THE CONTRACT (PRIME CONTRACT SIGNED)

OWNER MAY TERMINATE CONTRACT IF THE CONTRACTOR:
1. Fails to supply proper workers or materials
2. Fails to pay SUBCONTRACTOR(S)
3. Persistently disregards the law

CONTRACTOR MAY TERMINATE CONTRACT IF:
1. The work is stopped for more than thirty (30) consecutive days through no fault of the CONTRACTOR, SUBCONTRACTOR(S) or SUB-SUBCONTRACTOR(S)
2. A Court Order is issued to stop the Work
3. A Government Order is issued to stop the Work (e.g. due to a National Emergency)
4. The ARCHITECT fails to issue a Certificate of Payment or no payment by the OWNER
5. The OWNER fails to furnish financial evidence of ability to pay for the Work

PRIME CONTRACT
This is a contract executed between the OWNER and CONTRACTOR. Separate Prime Contracts may be used if an OWNER wants to contract directly with several CONTRACTORS (e.g. HVAC, Plumbing, Electrical). Here a CONSTRUCTION MANAGER is desirable. The General Conditions require that a General CONTRACTOR bind all SUBCONTRACTORS to the same terms and conditions that bind the CONTRACTOR to the OWNER. Signing the Contract represents that the CONTRACTOR visited the site and has become familiar with local conditions.

INSURANCES REQUIRED FOR CONTRACTOR (PER A201)
1. Worker's Compensation
Covers job-related injuries
2. General Liability
Protects for claims of bodily or property damage
3. Property Damage
Covers damages to adjacent properties (e.g. explosions)
4. Automobile Liability
Covers claims involving owned or hired car
5. Contractual Liability
Holds OWNER and ARCHITECT harmless from claims against CONTRACTOR

The Certificate of Insurance (G715) summarizes the insurance coverages required. They must be purchased prior to start of the Work.

CONTRACTOR MUST ALSO PROVIDE
1. A312 Performance Bond and Payment Bond
Amount stated is typically 110% of the Contract Sum.
2. Lien Bond (Optional)

The CONTRACTOR is required to prepare and submit a Progress Schedule, showing how the Work will be done within the Contract Time using a bar chart (for small projects) or Critical Path Method (for large projects). The Critical Path Method differs from a bar chart because it shows the relationship between activities, not just durations and sequences.

CERTIFICATE OF INSURANCE
This is a document to record the types and limits of the insurance coverage carried by the CONTRACTOR only. The certificate must contain a provision stating that the OWNER will be given at least thirty (30) days notice before insurance policies are canceled.

After the Contract is awarded, the CONTRACTOR must provide the OWNER, through the ARCHITECT, with a list of proposed SUBCONTRACTORS. The OWNER is obligated to notify the CONTRACTOR of any reasonable objections from the OWNER or ARCHITECT. If no notice is given, the CONTRACTOR may assume that there are no objections. If an objection exists, CONTRACTOR is to propose an alternate choice. If the original selection was capable to do the work, the Contract Sum and Contract Time shall be increased or decreased by the difference, and a Change Order shall be issued before the substitute SUBCONTRACTOR begins the Work.

SUBCONTRACTOR LIST SUBMITTED BY CONTRACTOR

OWNER provides Evidence of Ability to Pay

15 DAYS

CONTRACTOR requests Lien Information

OWNER provides Lien Information

OWNER pays for Assessment, Approvals, Tests, Surveys, etc. to determine project feasibility.

C202: CONSULTANT SERVICES: GEO-TECHNICAL ENGINEERING
C210: CONSULTANT SERVICES: LAND SURVEY

CONTRACT TIME MAY START:
1. On the date of signing the Contract
2. Upon the issuance of a Formal Notice to Proceed
3. On another date stated in the contract

PRE-CONSTRUCTION CONFERENCE
OWNER submits financial evidence of sufficient funding

OWNER PAYS FOR REPRODUCTION OF DRAWINGS
To be returned to the ARCHITECT as their copyrighted material

CERTIFICATE OF INSURANCE (A101 EXHIBIT A)

COMMENCEMENT OF CONSTRUCTION

CONTRACT TIME

Prior to submitting the first Application for Payment, the CONTRACTOR must submit to the ARCHITECT an itemized Schedule of Values that will serve as the ARCHITECT'S guide for reviewing the Application for Payment.

CONTRACTOR(S) SUBMIT SCHEDULE(S) OF VALUES

10 DAYS

APPLICATION FOR PAYMENT (G702)
This is a request for payment made by the CONTRACTOR and submitted to the ARCHITECT ten (10) days prior to the Date of Payment established by the Schedule of Values. This request is for payment for portions of the Work completed, including material and equipment stored on and off site, if approved by the OWNER. Through an Application for Payment, the CONTRACTOR certifies that Work is in accordance with the Contract Documents.

7 DAYS

CERTIFICATE FOR PAYMENT (G702)
This is a statement from the ARCHITECT to the OWNER verifying the amount due to the CONTRACTOR. This statement confirms that the Work has progressed according to the Schedule of Values. ARCHITECT will issue a Certificate for Payment within seven (7) days of receiving the Application for Payment, or notify CONTRACTOR and OWNER in writing of reasons for withholding certification in whole or in part. The issuance of the Certificate for Payment will constitute a representation by the ARCHITECT that the Work has progressed to the point indicated. It is not a representation by the ARCHITECT that they have:

1. Made exhaustive or continuous inspections to check quality or quantities
2. Reviewed construction means, methods, procedures, etc.
3. Reviewed requisitions to substantiate the CONTRACTOR'S right to payment
4. Made examination of how or for what purpose the CONTRACTOR has used previously paid money

PROGRESS PAYMENT

LESS RETAINAGE (TYPICALLY 10%)
RETAINAGE
This is a sum withheld from each Progress Payment to the CONTRACTOR (typically 10%). This payment does not constitute acceptance of any of the Work that is not in accordance with the Contract Documents.

SUBCONTRACTOR'S REQUEST FOR INFORMATION
SUBCONTRACTORS only have a contract with the CONTRACTOR. They are not legally bound to the OWNER or the ARCHITECT. The ARCHITECT should not communicate directly with the SUBCONTRACTOR, but through the CONTRACTOR. However, if requested, the ARCHITECT will furnish the SUBCONTRACTOR with:
1. Information about percentages of completion
2. Amount of money applied for by the CONTRACTOR
3. Actions taken by the ARCHITECT and OWNER on portions of the Work done by the SUBCONTRACTOR.

Neither OWNER nor ARCHITECT shall have an obligation to pay the SUBCONTRACTOR.

HIGH WATER TABLE DISCOVERED

APPLICATION FOR PAYMENT (G702)

CERTIFICATE FOR PAYMENT (G702)

PROGRESS PAYMENT

SUBMITTALS
CONTRACTOR must review, approve, stamp and submit Submittals to ARCHITECT for approval, but strictly to determine accordance with the Construction Documents. The CONTRACTOR'S stamp signifies that they will or have determined and verified materials and measurements, and has checked or coordinated the information contained. The ARCHITECT should not review Submittals that have not been stamped by the CONTRACTOR. A201 states that the CONTRACTOR is responsible for Errors and Omissions in Shop Drawings. The ARCHITECT must promptly review and approve or take appropriate action (Approve as Noted, Revise and Resubmit, or Not Approved). Submittals are not part of the Contract Documents.

TYPICAL SUBMITTAL TYPES:
1. **Shop Drawings**
Graphic representations of components and/or systems
2. **Product Data**
Specific information: Charts, brochures, diagrams or instructions
3. Samples
Physical representations of actual material, colors, texture, finish, etc.

CHANGE IN SCOPE OF THE PROJECT

CONTRACTOR'S CLAIM
A claim or dispute is a demand seeking adjustment or interpretation of the Contract terms, Payment of money, extension of Time, or otherwise. It must be initiated in writing and within twenty-one (21) days after the occurrence of event or first recognition by claimant, whichever date is later. In all cases, CONTRACTOR shall continue the Work diligently and OWNER shall continue to make Payments. Decisions are initially provided by the ARCHITECT and can be appealed through Mediation or Arbitration.

CHANGE OF COLOR SCHEDULE

UNKNOWN UNDERGROUND CONDITIONS DISCOVERED

CONTRACTOR FAILS TO CORRECT THE WORK

MEDIATION OR ARBITRATION

MEDIATION
This is a condition that serves a precedent to Arbitration. Awards from Mediations must be claimed within thirty (30) days of the resulting decision. Unlike with Arbitration, in which all three parties are empowered to solve the case, a Mediator has no authority to enforce a resolution, but is instrumental in empowering the opposing parties to resolve the issue themselves. This alternative, in theory, is faster, cheaper, and less adversarial than Arbitration.

ARBITRATION
In this process, claims for both parties (OWNER v. ARCHITECT, OWNER v. CONTRACTOR) are submitted to a mutually accepted Arbitrator. The Arbitrator is an individual or a body that is knowledgeable about the construction industry who will hear arguments and witnesses, as well as review evidence, prior to rendering a decision. The award is final and enforceable in court, and not subject to appeal.

APPLICATION FOR PAYMENT (G702)

CERTIFICATE FOR PAYMENT (G702)

PROGRESS PAYMENT
For this payment, the cost to correct the Work by the OWNER was deducted. The ARCHITECT has the right to nullify all or part of the previous Certificates of Payment to protect the OWNER against:
- Damages
- Defective work
- Claims by third parties
- CONTRACTOR'S failure to pay SUBCONTRACTORS
- The Work cannot be completed with the unpaid balance of the Cost or within the remaining Time
- CONTRACTOR'S failure to comply with the Contract

However, if the ARCHITECT does not issue a Certificate of Payment within seven (7) days, or the OWNER does not pay within seven (7) days of its issuance the CONTRACTOR may, upon seven (7) day's written notice, stop the Work until payment has been received. The Contract Sum and Time must then be extended by a Change Order.

APPLICATION FOR PAYMENT (G702)

CERTIFICATE FOR PAYMENT (G702)

PROGRESS PAYMENT

HAZARDOUS MATERIAL DISCOVERED
The CONTRACTOR must stop the Work immediately in the affected area and report it to the ARCHITECT and OWNER. The OWNER shall obtain the service of a licensed laboratory to verify the presence of a hazardous material. The OWNER must submit the names of suggested laboratories. If the CONTRACTOR and ARCHITECT has no objection, the selected party can remove such materials. The Contract Sum and Time must be modified through a Change Order. The CONTRACTOR is not responsible for any Hazardous Materials specified by the Contract Documents.

ACCIDENT: WORKERS INJURED
CONTRACTOR(S) are responsible for safety of the employees, damage to the Work itself, and damage to any adjacent properties. Typically a SUPERINTENDENT name by the CONTRACTOR is responsible for construction site safety. Worker's compensation insurance covers injuries, and the insuring company may seek to recover money from the ARCHITECT through Subrogation.

SUBROGATION
A201 2017 Section 11.3 contains a Waiver of Subrogation clause which precludes the parties from seeking to recover any money from each other for any losses already covered by property insurance.

ARCHITECT'S FIELD REPORT (G711)
The ARCHITECT makes observations of progress of the Work, not inspections

MEASURE OF PROTECTION AGAINST LIENS (A201)
1. Retainage
Serves as funds to pay claimant to prevent lien filing
2. Performance Bond and Payment Bond (A312)
Protects the OWNER against claims by SUBCONTRACTOR(S) or suppliers who have not been paid by CONTRACTOR
3. Affidavit and Release from Liens
Submitted to OWNER from CONTRACTOR before Final Payment

MECHANIC'S LIEN CLAIM FILED
This a legal claim made against the OWNER'S property for outstanding payment for labor, materials, or services for that property. To satisfy the claim, an OWNER may be forced to sell the property. A clean title for the property cannot be obtained until the claim is settled. Mechanic's Liens can only be filed against non-governmental projects.

PERMITS AND FEES PAID BY CONTRACTOR

PROPOSAL REQUEST (G709)
The ARCHITECT is obligated to notify the OWNER that an Additional Service(s) will be performed. The OWNER must give prompt notice if the service is not desired. If no notice is received, the ARCHITECT can proceed with the Additional Service(s) for which the OWNER is obligated to pay.

CHANGE ORDER (G701)
This is a written amendment to the Contract Documents to accommodate unforeseen conditions during construction. It is prepared and signed by the ARCHITECT, and signed by the OWNER and CONTRACTOR. It is an agreement to modify a portion of the Work and defines the impact on the Contract Sum and the Contract Time within the scope of the Project. The ARCHITECT does have the authority to order minor changes in the Work if there is no change in Contract Sum or Time. Any deficiencies in the Construction Documents will be remedied at the ARCHITECT'S expense if the OWNER is able to prove negligence by the ARCHITECT.

ARCHITECT'S FIELD REPORT (G711)
The ARCHITECT informs the CONTRACTOR about an unsafe site condition. The CONTRACTOR must ensure site safety.

CONSTRUCTION CHANGE DIRECTIVE (G714)
This is a written order prepared by the ARCHITECT, signed by the ARCHITECT and OWNER, directing a change in the Work. It is used when there is not total agreement between the OWNER and the CONTRACTOR concerning the change in the Contract Time and/or Sum, yet the modification needs to be implemented in a timely manner to avoid further delays in the Schedule. The CONTRACTOR is not required to sign the Construction Change Directive, but shall perform the Work. The ARCHITECT will initially suggest the adjustment to Contract Time and/or Sum based on an estimate the value of the Work plus a reasonable allowance.

ARCHITECT'S SUPPLEMENTAL INSTRUCTIONS (G710)
Used when the ARCHITECT orders minor changes in the Work that do not impact. Contract Sum or Time

CONTRACTOR CLAIM
Per A201, Before entering Mediation, Arbitration, or Litigation, the OWNER and CONTRACTOR initially consult the ARCHITECT, as the Initial Decision Maker (unless another party is appointed as such), concerning Claims and Disputes. The ARCHITECT shall interpret these matters impartially and hold consistent with the Contract Documents, and is the final authority in matters regarding aesthetics. The ARCHITECT will review Claims and within ten (10) days of receipt of the Claim and take one or more of the following actions:
1. Request additional supporting data from the claimant or a response with supporting data from the other party
2. Reject the Claim in whole or in part
3. Approve the Claim
4. Suggest a compromise
5. Advise parties that the ARCHITECT cannot resolve the Claim

Either party may, within thirty (30) days of receipt of an Initial Decision, demand in writing that the other party file for Mediation. If such a demand is made and the receiving party fails to file for mediation within thirty (30) days of receiving the demand, both parties waive their rights to mediate or pursue binding dispute resolution proceedings with respect to the initial decision.

OWNER STOPS THE WORK
Per A201, If the CONTRACTOR defaults or neglects to carry out the Work in accordance with the Contract Documents and fails within a ten (10) day period after receipt of notice to commence and correct such default or neglect, the OWNER can, with prior approval of the ARCHITECT, issue a Change Order and correct the Work at the expense of the CONTRACTOR.

ARCHITECT'S FIELD REPORT (G711)
The ARCHITECT will visit the site at intervals appropriate to the stage of the CONTRACTOR'S operation for the following purposes:
1. To become generally familiar with and keep the OWNER informed about the progress and quality of the Work.
2. To protect the owner against defects
3. To determine if the Work is generally (without exhaustive inspections) in accordance with the Contract Documents.

CONTRACTOR MUST UNCOVER THE WORK
If a portion of the Work is covered, it must, if required in writing by the ARCHITECT, be uncovered for the ARCHITECT'S examination at the CONTRACTOR'S expense without a change in the Contract Time. If a portion of the Work is covered and the ARCHITECT has not specifically requested to examine that portion before it is covered, the ARCHITECT may request its examination. If the Work in question is in accordance with the Contract Documents, the Cost of uncovering shall be at OWNER'S expense through a Change Order(s). If the Work is not in accordance, the Cost shall be at the CONTRACTOR'S expense.

ARCHITECT'S REQUEST FOR TESTING
If the ARCHITECT suspects that a portion of the Work has not been done in accordance with the Contract Documents, testing can be requested with the OWNER'S consent. If tests or inspections show that the work is in accordance with the Contract Documents, the cost of such testing and/or repair will be at the OWNER'S expense. If the Work is not in accordance, the Cost shall be at the CONTRACTOR'S expense.

CONTRACTOR'S REQUEST FOR SUBSTANTIAL COMPLETION (G704)
The CONTRACTOR shall initially propose that a Project is Substantially Complete, which signifies that the OWNER can occupy or use the Project for its intended purpose. The ARCHITECT is to determine the Date of Substantial Completion, at which time the Warranty Period(s) begin. In cases with separate prime contracts or phases of construction, there may be more than one Date of Substantial Completion and therefore more than one Warranty Period. The CONTRACTOR prepares a list of items to be corrected and/or completed and submits it to the ARCHITECT. This is known as a Punch List.

PUNCH LIST
This list is not definitive and does not have legal consequences if an item is omitted. Typically, the list is revised and completed by the ARCHITECT, through a visit for Inspection, with items added as needed for accordance with the Contract Documents. Upon completion of these items, the ARCHITECT shall prepare a Certificate of Substantial Completion.

PARTIAL OCCUPATION BY THE OWNER
The OWNER may occupy all or part of an unfinished Project, provided that:
1. The OWNER has the consent of the issuer of the Property Insurance
2. The OWNER has received a Certificate of Occupancy from the local building authorities
3. The OWNER and CONTRACTOR have agreed, in writing, to their responsibilities regarding payments, maintenance, heat, utilities, etc., as well as a one (1) year correction period and the commencement of Warranties

CERTIFICATE OF SUBSTANTIAL COMPLETION (G704)
The OWNER, CONTRACTOR, and ARCHITECT must sign this certificate. Here the Date of Substantial Completion is established, along with the time frame by which the CONTRACTOR must perform the Work described in the Punch List. The Certificate of Substantial Completion also states the responsibilities of both the OWNER and CONTRACTOR, since the CONTRACTOR must continue with the Work in the occupied Project. The issuer of the Property Insurance must be notified prior to the occupancy. Typically, the Date of Substantial Completion is the date used for the Certificate of Occupancy. Warranties also typically become active on this date. The Final Application for Payment (G702) is processed and the CONTRACTOR is due the remainder of the Contract Sum, less the value of the unfinished Work.

FINAL APPLICATION FOR PAYMENT (G702)

FINAL INSPECTION
Per A201, the ARCHITECT is typically required to make only two (2) on-site Inspections of the Work. The first is to determine the Date of Substantial Completion, and the second is to determine Final Completion. The ARCHITECT has the authority to reject the Work if it does not conform to the Contract Documents. If required, the ARCHITECT has the authority to require additional Inspections.

FINAL CERTIFICATE FOR PAYMENT (G702)

CONTRACTOR'S TESTAMENTS TO COMPLETION
Prior to receiving the Final Payment, the CONTRACTOR must provide:
1. Contractor's Affidavit of Payment of Debts and Claims (G706)
2. Contractor's Affidavit of Release of Liens (G706A)
3. Consent of Surety to Final Payment (G707)
4. Certificate of Continuing Insurance (providing at least thirty (30) days' prior notice of cancellation of policy to OWNER)
5. Testament that insurance is renewable

WARRANTIES AND GUARANTEES
If, within one (1) year after Substantial Completion, any of the Work is found to be not in accordance with Contract Documents, the CONTRACTOR, without additional compensation, shall correct it promptly.

WARRANTY TIME

FINAL PAYMENT
A201 states that Final Payment constitutes a waiver of all claims by the OWNER except those arising from:
1. Liens, claims, security interests or encumbrances arising out of the Contract and unsettled
2. Work not in accordance with Contract Documents
3. Terms of any special Warranties required by Contract Documents

PROJECT ACCEPTANCE

PROJECT CLOSE-OUT
This is a procedure to close out the project, more administrative than contractual, described in Specifications under Division 01: General Requirements.

The CONTRACTOR is typically responsible for:
1. Submission or Record Drawings and Specifications, maintenance manuals, Warranties, and other record information
2. Delivery of tools, spare parts, and extra stock of materials.
3. Removal of temporary facilities
4. Start-up testing of equipment, as well as training of OWNER'S operating and maintenance personnel
5. Final touch-ups, repairs, and cleaning

1 YEAR

1 YEAR POST-COMPLETION