



## PROVIDING CONSTRUCTION ADMINISTRATIVE SERVICES

The wisdom is—and to complete a risk management plan and process, is to provide construction administration (CA) services after delivering the design of a project. CA services are when the rubber meets the road. Construction quality assurance is an important element of a plan that is a final step in a process (and may be best performed by the staff responsible for the design to determine that the design intent is carried out). On the other hand, some firms (usually larger architecture and engineering offices) may have designated field personnel that spend almost all of their time on their construction sites. The advantage is that designated field personnel have experience when encountering challenging site conditions and circumstances, and have developed a skill-set to work with construction contractors.

Unfortunately, some design professional clients only want design services, and not CA services. Reasons vary, such as economizing on design professional fees, or the client may have its own CA staff with the intent to have better control of the construction phase. Regardless of the reasoning, the best approach for architects and engineers is to offer CA services, and make their client accept or decline the offer. Then, if a problem occurs during construction, at least the architect or engineer can (theoretically) disclaim responsibility of constructability issues. That being said, the design professional will very likely be involved in a problem regardless of the scope of services excluding CA services. That is why it is best to always provide CA services, in order to address issues if and when they arise, so a problem does not evolve into a dispute.

The Engineers Joint Contract Documents Committee (EJCDC) has addressed this situation in its Agreement Between Owner and Engineer for Professional Services, E-500, Article 6.02 A. Design Without Construction Phase Services, which states:

Engineer shall be responsible only for those Construction Phase services expressly required of Engineer in Exhibit A, Paragraph A1.05. With the exception of such expressly required services, Engineer shall have no design, Shop Drawing review, or other obligations during construction, and Owner assumes all responsibility for the application and interpretation of the Construction Contract Documents, review and response to Contractor claims, Construction Contract administration, processing of Change Orders and submittals, revisions to the Construction Contract Documents during construction, construction observation and review, review of Contractor's payment applications, and all other necessary Construction Phase administrative, engineering, and professional services. Owner waives all claims against the Engineer that may be connected in any way to Construction Phase administrative, engineering, or professional services except for those services that are expressly required of Engineer in Exhibit A.



## CA RISK MANAGEMENT

Generally speaking, a design professional should develop preconstruction meeting agendas for project site meetings to proactively discuss and resolve key issues. They should develop guidelines for replying to requests for information (RFIs), including issuing written solutions and sketches, and maintaining an RFI log. They should develop submittal review guidelines that outline the completeness of a specific submittal review, including the use of an appropriate submittal review stamp and submittal log procedures. If an architect or engineer engages a design professional consultant, they should coordinate the submittal review process and site visits between their firms so no inconsistencies occur.

Design professionals should also develop guidelines for field observation, reporting procedures and reviews of testing reports. They should specify and request a submittal schedule to adequately allocate submittal review resources (i.e., time). They should reply to RFIs from construction contractors, and return submittals within the contractually specified time to avoid a claim for a delay in the process. They should review their own specifications for specified submittal components. They should request specified yet incomplete submittal information promptly upon receipt of a submittal. And they should establish a collaborative (non-adversarial) relationship with fabricators and contractors in order to work together to achieve a successful completion of the project.

With regard to the relationship between the client, contractors and design professional, changes are an inevitable fact of the life during construction. The parties to the process must have a “meeting of the minds” for any changes to the costs of the Work and time adjustments to the construction schedule. Contractors may propose a change order to make those adjustments, and the client and design professional must agree, or negotiate a final solution. The American Institute of Architects (AIA) has standard forms to process changes during the construction phase. One such document is titled “Change Order,” AIA G701-2017. In essence, the form is used:

- on any sized project,
- amends the Owner/Contractor Agreement, and
- when the parties agree to the terms of the change

But a problem may arise when the parties do not agree. That is why the AIA has developed a “Construction Change Directive,” G714-2017. The AIA states that:

AIA Document G714™-2017 is a directive for changes in the Work for use where the owner and contractor have not agreed on proposed changes in the contract sum or contract time. G714 should be used to direct changes in the Work which, if not expeditiously implemented, might delay the project. Upon receipt of a complete G714, the contractor must promptly proceed with the change in the work described therein.

See <https://www.aiacontracts.org/contract-documents/155076-construction-change-directive>. In essence, the form is used:

- on any sized project,
- when the changes need to be done quickly, and
- when the parties have not reached an agreement to the proposed changes in money or time.

Obviously, the above is not an exhaustive list of CA services, but is a good starting point of a risk management plan and process, recognizing that a project will never be identical to any other project. Lastly, a risk management plan and process should not include a design professional becoming involved with a contractor’s means, methods and job-site safety (since contractors are responsible safety of their own forces). However, a firm should have guidelines for when their site personnel go to a job-site to observe the contractors’ work.



<https://www.cemex.co.uk/site-safety-rules>

## SUBSTANTIAL COMPLETION

Another risk management tool in a plan involves determining the date of “Substantial Completion” of a project—it is a date, when established by the prime professional on a project that carries with it immense importance. This management tool deserves its own discussion, and is reserved for the July 2020 issue of Building Blocks focusing on “**Utilizing a Certificate of Substantial Completion.**”

## IN CONCLUSION

Architects and engineers are best advised to always provide CA services on all of their projects. It then becomes their clients’ prerogative as to whether or not to engage the design professional for CA services. CA services is the risk management tool that is critical part of a plan and process, that addresses issues if and when they arise in the construction phase of a project, so a problem does not evolve into a dispute.

<sup>1</sup> The above risk management principles have been adapted, in part, from an article that originally appeared in the June 2012 issue of *STRUCTURE* magazine, published by the National Council of Structural Engineers Associations (NCSEA), and is **reprinted with permission**. The top 10 principles of risk management for design professional are 1) A Firm’s Culture & Ethical Practices, 2) Mentoring And Education, 3) Communication Skills, 4) “Go/No Go” Policy, 5) Contracts & Ownership Of The Firm’s Documents, 6) Develop A Scope Of Services With Appropriate Compensation, 7) Producing Quality Contract Documents, **8) Construction Phase Services**, 9) Utilize A Certificate Of Substantial Completion, and 10) Dispute And Claim Handling.

<https://csengineermag.com/article/principles-and-tools-for-risk-management/>

## **About the Author**

*Eric O. Pempus, FAIA, Esq., NCARB has been a risk manager for the last 15 years with experience in architecture, law and professional liability insurance, and a unique and well-rounded background in the construction industry. He has 25 years of experience in the practice of architecture, and as an adjunct professor teaching professional practice courses at the undergraduate and graduate levels for the last 33 years. As a Fellow of the American Institute of Architects and a member of the AIA National Ethics Council, he has demonstrated his impact on architectural profession. He has presented numerous loss prevention and continuing educational programs to design professionals and architectural students in various venues across the United States and Canada.*

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# MEET OUR PEOPLE:



Brad Bush, CPCU, AU  
Principal  
brad.designproins@wichert.com



Eric Pempus  
FAIA, Esq., NCARB  
Risk Manager  
eric.designproins@wichert.com



Tracey Heise  
Account Manager  
tracey.designproins@wichert.com



Ken Windle  
Account Executive  
ken@wichert.com



Roger Perry  
Account Executive  
roger.designproins@wichert.com



Tracy Combs  
Risk Manager & Loss Control Specialist  
tracy@wichert.com