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FAST-TRACK SCHEDULING IS NOT A PROJECT DELIVERY METHOD

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It also is not working overtime to meet a deadline, in order to issue drawings and specifications for contractors to bid for a project. It is a scheduling technique. It can be used on various project delivery methods, such as design-bid-build, construction management or design-build. Fast-track scheduling separates the work on a project into multiple contracts (bid packages) in order to condense the period of time for construction. Certain bid packages can allow construction to commence while other parts of design has not been completed.

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EXAMPLES OF MULTIPLE BID PACKAGES

For example, excavations for foundations can start before interior design portions of a project have started. Other parts of a project may have long-lead elements, such as ordering structural steel or elevator cabs/escalators, which may be placed while other parts of a project are still in design. In other words, certain parts of design and construction can occur concurrently, or overlap with each other. However, with fast-track scheduling, the overall project cost may be difficult to determine, since some parts of a project may not be bid or entered into contract for until later in the project schedule. As a result, adjustments to the contract costs may be required as each portion of the design is completed.

An architectural or engineering firm has to have the staff to be able to perform its phases of services concurrently, being involved in design and construction document preparation, bidding and construction administration at the same time. The multiplicity of activities and additional staffing may add considerably to the cost of A/E services. One of the pitfalls of fast-tracking is when an item is omitted from bid packages—something falls between the cracks, so to speak. Another pitfall is when something is constructed, but later an adjustment is needed to remove work previously installed.

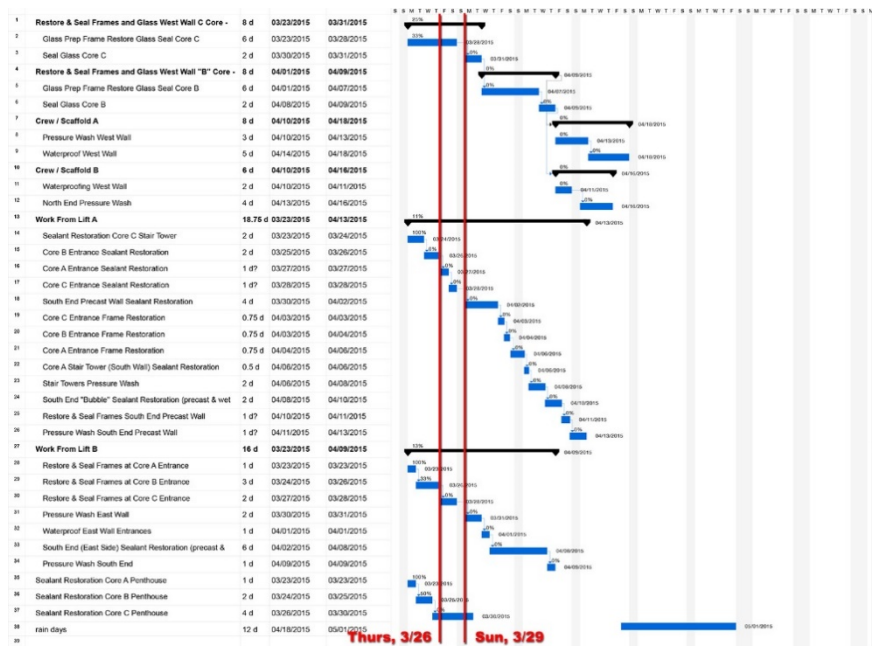
CONTRACTUAL CLAUSE APPROACH

The American Institute of Architects (AIA) has developed a contract term that affectively responds to this situation, as follows:

§ 5.3.1 The Owner acknowledges that accelerated, phased or fast-track scheduling provides a benefit, but also carries with it associated risks. Such risks include the Owner incurring costs for the Architect to coordinate and redesign portions of the Project affected by procuring or in stalling elements of the Project prior to the completion of all relevant Construction Documents, and costs for the Contractor to remove and replace previously installed Work. If the Owner selects accelerated, phased or fast-track scheduling, the Owner agrees to include in the budget for the Project sufficient contingencies to cover such costs.

See AIA Document B13 (2017), Standard Form of Agreement Between Owner & Architect for a Complex Project.

Considering that processes that are normally carried out in sequence that are now performed concurrently, will increase the chances of miscommunication and errors. Nonetheless, it is not surprising that today's project owners want their projects faster (instant gratification has taken the place of "patience is a virtue"). And with the technology of BIM (Building Information Modeling), scheduling a project has been made more efficient, hopefully reducing or eliminating miscommunication and errors.



<https://www.ivsbs.com/manage-execute/production-schedule/>

MANAGING THE RISKS IN A FAST-TRACK PROJECT

To manage the risks of a fast-track project, the first step is for an architect or engineer to educate their client of the risks that comes along with the rewards. Discuss the realistic expectations for both the design professional and the client. Next, craft the owner-design professional agreement that equitably allocate the risks and rewards. Employ terms and conditions such a waiver of consequential damages between the A/E and owner, a limitation of liability clause for the A/E, an indemnification clause to protect the A/E, and lastly, a mediation and a betterment clause.

Betterment: If the Consultant (Architect or Engineer) fails to include an item in the project design, the Owner (or Contractor in the lead in a design-build delivery method) should pay what the component would have cost if it had been included in the original design. Furthermore, if the Owner repairs or replaces a defective component, the Owner should not recover the cost of any enhancement exceeding the quality evidenced in the Contract Documents.

Utilize technology that is available, such as a sophisticated software scheduling program, which interfaces with a BIM. And lastly, push for the establishment of your client's "contingency fund" for inevitable changes when they occur, as suggested in the AIA agreement in Article § 5.3.1. above.

CONCLUSION

The decision to take on a fast-tracking project must start with careful client and project selection. Develop your experience with this scheduling technique with other team members, such consultants, construction managers and construction constructors, which have a track-record with good working relationships and communications. And above all, establish realistic expectations for all parties involved.

About the Author

Eric O. Pempus, FAIA, Esq., NCARB has been a risk manager for more than 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 34 years. As a Fellow of the American Institute of Architects and Chair/Hearing Officer 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.

The above comments are based upon DesignPro Insurance Group's experience with Risk Management Loss Prevention activities, and should not be construed to represent a determination of legal issues, but are offered for general guidance with respect to your own risk management and loss prevention. The above comments do not replace your need for you to rely on your counsel for advice and a legal review, since every project and circumstance differs from every other set of facts.

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Banff Alberta, Canada

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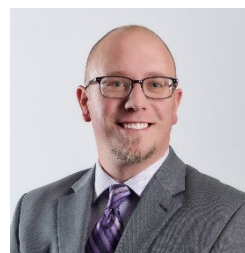
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