

A Small Firm and Sole Practitioner's Guide to Using AlA Contract Documents

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Learning Objectives

- ✓ Learn about the AIA Contract Documents of particular interest for use by small firms and sole practitioners.
- ✓ Become familiar with the AIA's new documents for use on Sustainable Projects and understand how they can facilitate the provision of sustainability services and the achievement of sustainability goals on a project.
- ✓ Access AIA Contract Documents software and web-based products geared toward small firms.
- ✓ Know where to get AIA resources, tools and guides developed to
 assist you in understanding contract and risk management issues.

AlA Contract Documents Quick Overview



History

- ✓ Standard form documents since 1888 (Owner/Contractor agreement)
- ✓ Always a collaborative process
- √ First General Conditions 1911
- ✓ First Owner/Architect agreement 1917
- ✓ Now, over 120 agreements and forms

Document Creation

- ✓ Documents Committee and AIA staff
- ✓ 20 to 30 volunteer AIA members
- ✓ Ten-year commitment
- ✓ Generally revise documents on a ten-year cycle



Drafting Process

- ✓ Seek comments from industry
- ✓ Review/incorporate legal decisions
- ✓ Investigate impact of industry practices
- ✓ Draft and revise documents
- ✓ Solicit and review feedback on drafts



Why Small Firms Need Contracts...

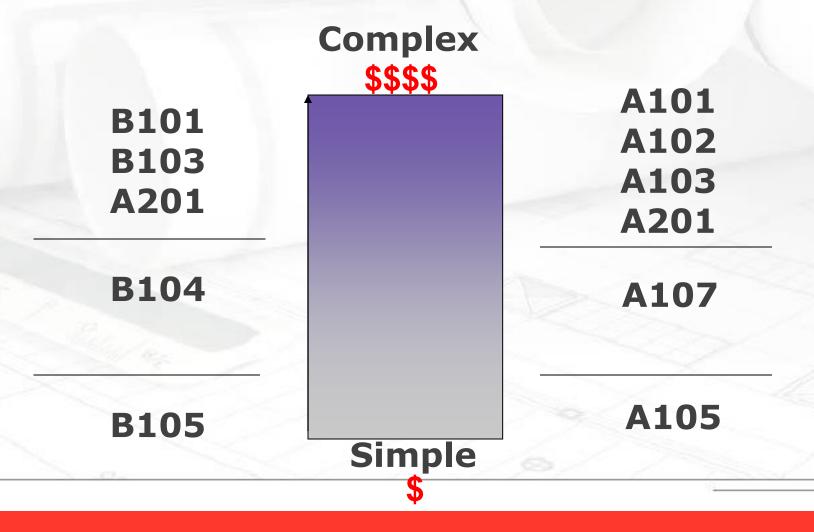
Memorialize key elements of consideration and performance (meeting of the minds) at the outset

- ✓ Basis of Architect's Design (Initial Information)
- ✓ Scope: Design and Construction Phase obligations
- ✓ Compensation: Basic and Additional
- ✓ Ownership of Instruments of Service
- √ Termination

Contracts and Forms for Small Firms



Choose by Project Size and Complexity



Small Projects Family

- ✓ B105 Agreement Between Owner/Architect for Residential or Small Commercial Project
- ✓ A105 Agreement Between Owner/Contractor for Residential or Small Commercial Project

B105 - 2007

Agreement Between Owner and Architect for Residential or Small Commercial Project

- ✓ For use on project modest in size and brief in duration (less than one year from start of design to completion of construction).
- ✓ Streamlined and simplified to be more comfortable for use by the homeowner client
 - ✓ No paragraph numbering; only article numbers
 - √ 2 pages + cover page
 - Agreement can easily be formatted as an attachment to a proposal letter

- ✓ Basic Services compressed into two phases:
 - ✓ Design Phase
 - ✓ Construction Phase
- ✓ Owner provides cost estimating through contractor
- ✓ Architect owns instruments of service; Owner can use documents solely for Project

During Design Phase, the Architect:

- √ Learns Project requirements
- ✓ Develops design
- √ Prepares Construction Documents
- ✓ Coordinates with Ownerprovided consultants
 - ✓ Assists Owner with filings, obtaining proposals and awarding construction contracts

Construction Phase

- ✓ Incorporates A105,
 O/C Agreement, for a Residential or Small Commercial Project
- ✓ Architect
 - ✓ interprets Contract Documents
 - ✓ reviews Contractor's submittals
 - √ visits the site
 - ✓ reviews and certifies payments
 - √ rejects nonconforming Work

A105 - 2007

Agreement
Between Owner
and Contractor for a
Residential or
Small Commercial
Project



Small Projects: A105 — Fixed Price

- ✓ Based on A107 and A201
- ✓ Incorporated General Conditions
- ✓ Provisions pared down
 - No dispute resolution provisions
 - No contractual limit on statute of limitations
- ✓ Compensation is stipulated sum (fixed price)

Other Agreements for Small Firms and Sole Practitioners

- ✓ B104 Agreement Between Owner/Architect for Project of Limited Scope
- ✓ A107 Agreement Between Owner/Contractor for Project of Limited Scope
- ✓ B106 Agreement Between Owner/Architect for Pro Bono Services
- ✓ B107 Agreement Between Developer-Builder and Architect for Prototype(s) for Single Family Residential Project
- ✓ B108 Agreement Between Owner and Architect for a Federally Funded or Federally Insured Project

B104 - 2007

Agreement Between Owner and Architect for a Project of Limited Scope



B104 — O/A Agreement for a Project of Limited Scope (medium size)



Differences from B101

- ✓ Initial information = fill point
- ✓ Basic Services compressed into three phases
 - 1) Design Phase
 - 2) Construction Documents Phase
 - 3) Construction Phase
- ✓ Only requires discussion of environmentally responsible design
- ✓ No insurance requirements

B104 — O/A Agreement for a Project of Limited Scope

- ✓ Incorporates A107–2007, O/C Agreement for a Project of Limited Scope
- ✓ Includes A201 "lite" conditions
- ✓ No third party IDM

A107-2007 – O/C Agreement for Project of Limited Scope

- ✓ Streamlined for Medium-Sized Projects
 - ✓ Cost Plus W or W/O GMP payment options added
 - ✓ Binding dispute resolution checkbox per A101, A102 and A103
 - ✓ Owner may terminate for convenience

✓ Deviations from A201 due to limited scope:

- ✓ Architect will serve as initial decision maker; no provision is made for third-party IDM
- ✓ Contractor not required to submit submittal schedule
 - ✓ However, contractor is required to submit construction schedule

A107-2007 Payment Methods

ARTICLE 3 CONTRACT SUM

§ 3.1 The Owner shall pay the Contractor the Contract Sum in current funds for the Contractor's performance of the Contract. The Contract Sum shall be one of the following: (Check the appropriate box.)

| Stipulated Sum, in accordance with Section 3.2 below | W |
|--|---|
|--|---|

Cost of the Work plus the Contractor's Fee, in accordance with Section 3.3 below

Cost of the Work plus the Contractor's Fee with a Guaranteed Maximum Price, in accordance with Section 3.4 below

(Based on the selection above, complete Section 3.2, 3.3 or 3.4 below.)



B106 – 2010 Owner/Architect Agreement for Pro Bono Services

B106–2010, O/A Agreement for Pro Bono Services

- ✓ Agreement for building design, construction contract administration, or other professional services provided pro bono by the architect.
- ✓ Pro bono services are professional services for which the architect receives no financial compensation other than compensation for reimbursable expenses.

B106–2010, O/A Agreement for Pro Bono Services

- ✓ Uses table format for the parties to designate the scope of architect's pro bono services and maximum number of hours to be provided.
- ✓ To be used in conjunction with AIA Document A201–2007 if the architect is providing construction phase services.
- ✓ Available in ACD software and free of charge on AIA Documents-on-Demand™ Website.

B107 — 2010 (formerly B188–1996)

Developer-Builder/Architect Agreement for Prototype(s) for Single Family Residential Project



B107–2010 Developer-Builder/Architect Prototype(s) for Single Family Residential Project

- ✓ Architect provides limited architectural services in connection with a single family residential project
- ✓ Replaced B188–1996, O/A Agreement for Limited Architectural Services for Housing Projects
 - ✓ Title changed to better reflect specialized nature
 of the document
 - ✓ Updated to contain relevant aspects of 2007 revisions

B107–2010 Developer-Builder/Architect Prototype(s) for Single Family Residential Project

Developer-Builder (instead of "Owner")

- ✓ An entity knowledgeable about, and experienced with, applicable residential building codes, selection of materials and systems, and methods of installation and construction
- ✓ Able to implement the Permit Set Documents through completion of the Project
- ✓ Extensive control over management of project
- ✓ Provides engineering services, specifies brand names of materials and equipment, administers payment to contractors

B107–2010 Developer-Builder/Architect Prototype(s) for Single Family Residential Project

Architect's Basic Services

Design Phase: Schematic Design to Permit Set Documents

✓ Necessary documentation of design required to obtain a building permit in jurisdiction where Project is located

Construction Phase:

✓ Limited site visits, submittal reviews and responses to inquiries related to Permit Set Documents

B108 – 2009 Owner/Architect Agreement for a Federally Funded or Federally Insured Project



B108 - 2009

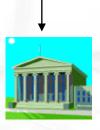
- ✓ For use in federally funded or federally insured projects
- ✓ Update of B181–1994, Owner/Architect Agreement for Housing Projects
- ✓ Title changed to better reflect purpose

Two types of federal projects

Government as Owner



Example: Federal Courthouse



- ✓ Government is the Owner
- √ Governed by FARS

Government Funded or Insured



Examples: Hospital Fire Station





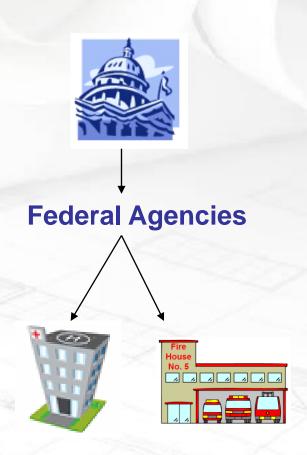
- ✓ Government is not the Owner
- √ Agencies approves contracts
- ✓ Agencies provide necessary supplementary conditions

B108 – 2009 is used for the latter

Used by:

- ✓ HUD: FHA mortgage insurance
- ✓ USDA funded multi-family and rural development programs

The AIA worked with both agencies to update B181



B108-2009

- ✓ Based on B101 with Revisions to accommodate agency requirements
- ✓ Cost Estimating
 - ✓ Checkbox for parties to select whether Owner or Architect provided
- ✓ Cost estimating duty provided in the alternative in Article 6

B108-2009

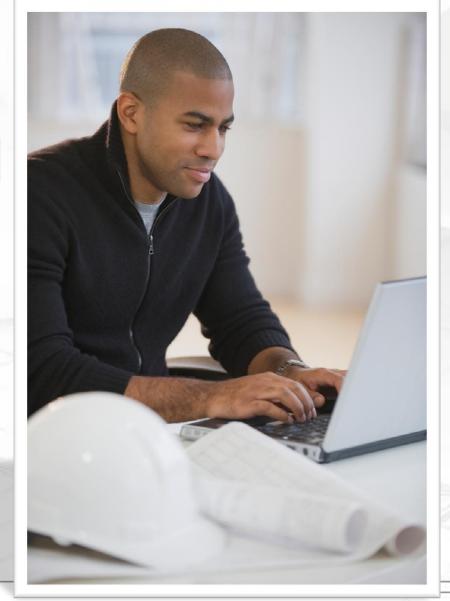
Compensation

- ✓ B108: Basic, Optional and Additional Services
 - ✓ Optional Services: Same as Article 4 Table in B101
 - ✓ Agreed-upon before execution of Agreement
 - ✓ Included in Architect's fee
 - ✓ Agency generally pays for them but not for Additional Services

Reimbursable Expenses

- ✓ Agencies generally do not pay
- √ § 11.2 Owner pays regardless of public funds availability

B102 – 2007 and Scope of Services Documents



B102 O/A Agreement Without Predefined Scope of Architect's Services

Only terms and conditions; same as in B101-2007

TABLE OF ARTICLES

- 1. Architect's Responsibilities
- 2. Owner's Responsibilities
- 3. Copyrights and Licenses
- 4. Claims and Disputes
- 5. Termination or Suspension

- 6. Compensation
- 7. Miscellaneous Provisions
- 8. Special Terms and Conditions
- 9. Scope of Agreement

Two-Part Model

B102–2007 (formerly B141–1997 Part 1)

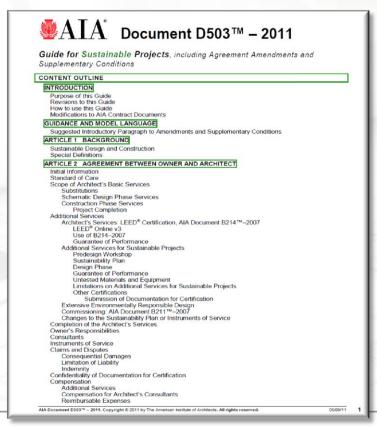
- ✓ B201 Design and CCA
- ✓ B202 Programming
- ✓ B203 Site Evaluation
- ✓ B204 Value Analysis
- ✓ B205 Historic Preservation
- ✓ B206 Security Evaluation
- √ B207 On-Site Project Representation
- ✓ B209 Construction Contract Admin.
- √ B210 Facility Support
- ✓ B211 Commissioning
- ✓ B212 Regional or Urban Planning
- ✓ B214 LEED® Certification
- ✓ B252 Arch. Interior Design
- ✓ B253 FF&E Design

Sustainable Design and Construction



AIA Document D503-2011

Guide for Sustainable Projects, including Agreement Amendments and Supplementary Conditions



AIA Document D503-2011

Discusses sustainable design and construction issues including:

- Certification Systems, codes and legislation
- ✓ New risks and responsibilities for industry stakeholders
- ✓ Recommendations for model language for AIA Documents A101, A201 and B101

AIA Sustainable Projects Documents



Standard Form of Agreement Between Owner and Contractor, for use on a Sustainable Project where the basis of payment is a Stipulated Sum

AGREEMENT made as of the day of (In words, indicate day, month and ye

BETWEEN the Owner:

(Name, legal status, address and othe

and the Contractor: (Name, legal status, address and othe

for the following Project: (Name, location and detailed descript

(Name, legal status, address and othe

for the following

(Name and loca

THE OWNER:

(Name, legal st

THE ARCHITEC

(Name, legal sta

TABLE OF ART

GENER

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AIA Document A201™ – 2007 SP

General Conditions of the Contract for Construction, for use on a Sustainable Project

All A Document A401 $^{\circ}$ – 2007 SP

Standard Form of Agreement Between Contractor and Subcontractor, for use on a Sustainable Project

AGREEMENT made as of the day of (In words, indicate day, month and year

BETWEEN the Contractor: (Name, legal status, address and other

and the Subcontractor: (Name, legal status, address and other

> The Contractor has made a contract for dated

 ${\color{red} \, \color{red} \, \color{red} \, \hspace{-.1cm} \, \color{blue} \, \hspace{-.1cm} \, \color{blue} \, \color{blue} \, \color{blue} \, \hspace{-.1cm} \, \color{blue} \, \hspace{-.1cm} \hspace{-.1c$

Standard Form of Agreement Between Owner and Architect, for use on a Sustainable Project

AGREEMENT made as of the day of in the year (In words, indicate day, month and year,)

BETWEEN the Architect's client identified as the Owner. Name, legal status, address and other information

and the Architect: (Name, legal status, address and other information)

for the following Project: (Name, location and detailed description)

Standard Form of Agreement Between Architect and Consultant, for use on a Sustainable Project

AGREEMENT made as of the day of in the year

BETWEEN the Consultant's client identified as the Architect

ADDITIONS AND DELETIONS: information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this and where the author has added to o deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

Process Described in the Sustainable Projects Documents

The Sustainable Projects documents provide a process for successful completion of a Sustainable Project through:

- ✓ Special Definitions
- ✓ Allocation of Risks and Responsibilities
- ✓ Scope of Architect's Services for Sustainable Projects
- ✓ A fully integrated scope of documents for a design-bid-build project including Owner/Architect, Owner/Contractor, Contractor/Subcontractor and Architect/Consultant agreements

Special Definitions A201–2007 SP

- ✓ Sustainable Objective
- ✓ Sustainable Measure
- ✓ Sustainability Plan
- ✓ Sustainability Certification
- SustainabilityDocumentation
- ✓ Certifying Authority



Scope of Architect's Sustainability Services

New scope of Architect's services for Sustainable Projects

Architect's Sustainability Services include:

- ✓ Conduct Sustainability Workshop
- √ Prepare Sustainability Plan
- ✓ Incorporate Requirements of Sustainability Plan into Drawings and Specifications
- ✓ Collect Sustainability Documentation and submit to the Certifying Authority

Special Issues of Interest to Owners

- ✓ Owner Responsibilities
- ✓ Substantial Completion not tied to achievement of Sustainability Certification
- ✓ Final Completion
- ✓ Instruments of Service



SPECIAL ISSUES OF INTEREST TO ARCHITECTS

- √ Standard of Care
- ✓ Guarantees and Warranties
- ✓ Untested Materials
- ✓ Consequential Damages
- ✓ Registration Costs and other fees to Certifying Authority

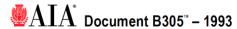


Special Issues of Interest to Contractors

- ✓ Guarantees and Warranties
- ✓ Cleaning Up Waste Management Plan
- ✓ Substitutions
- √ Submittals
- Consequential Damages



B305 – 1993, Architect's Qualification Statement



Architect's Qualification Statement

DATE: SUBMITTED TO: ADDRESS:

NAME OF PROJECT (If Applicable): Sample Project

1 BASIC INFORMATION

§ 1.1 Architect: (Firm Name and Legal Status)

§ 1.2 Business Address:

§ 1.3 Telephone Number:

§ 1.4 Person to Contact

§ 1.5 Type of Organization: (Check one)

[] Individual or Sole Proprietorship

1 Professional Corporation/Association

[] Corporation

[] Partnership

[] Joint Venture*

[] Other*

*If Joint Venture or Other, give details.

2 GENERAL STATEMENT OF QUALIFICATIONS

3 GENERAL INFORMATION

(This information may be provided via the Architect's brochure which may be attached and listed in Article 8.)

§ 3.1 Names of Principals:

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AlA Contract Documents Resources



Samples of Documents Discussed

Small Firm Documents:

www.aia.org/smallprojects

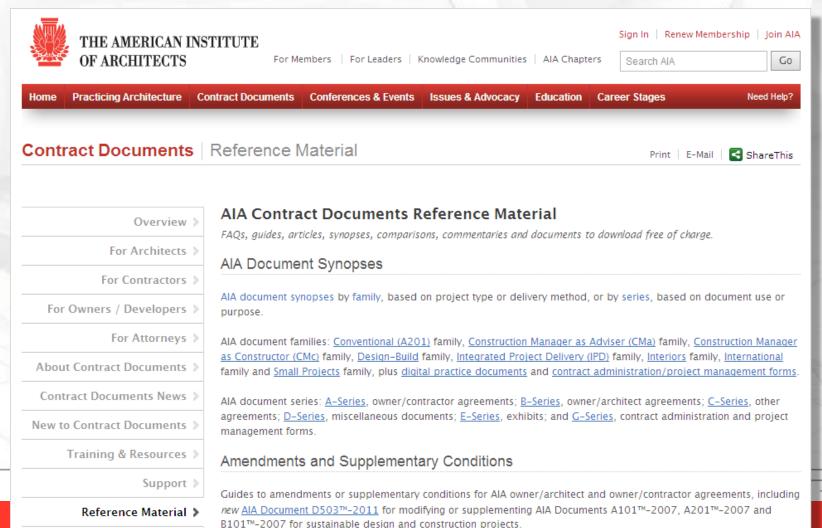
Samples of SP Docs and Comparatives:

www.aia.org/greendocs

D503, Guide for Sustainable Projects:

www.aia.org/sustainableprojectsguide

www.aia.org/contractdocs/reference

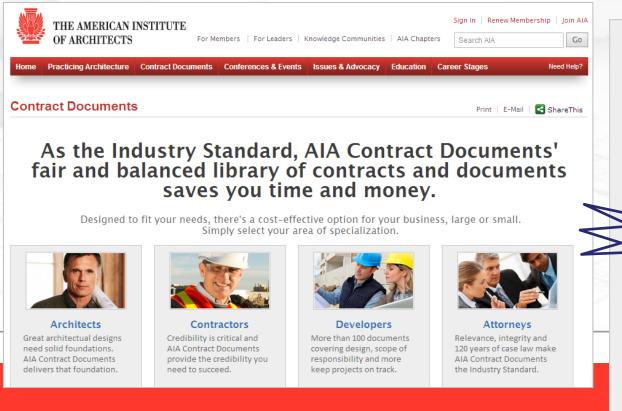


Contact/Resource Information

Questions about AIA document content:

Email: docinfo@aia.org Tel.: 202-626-7526

Web: www.aia.org/contractdocs/reference



Quick Links

Use these handy links to download the software, free guides and samples or view a product demo.

- Download Software
- Reference Material
 Free Guide for
 Sustair able Pojects
 - Free commentary on AIA IPD Multi-Party Agreement
- Free set of contract relationship diagrams
- AIA Contract Documents demo
- Free Sample-BIM Exhibit

AIA Contract Documents Reference Material www.aia.org/contractdocs/reference

- ✓ AIA Document Synopses
- ✓ Amendments and Supplementary Conditions
- ✓ Articles
- ✓ Commentaries and Comparisons
- ✓ FAQs
- ✓ Guides
- ✓ Knowledge Base
- ✓ AIA Document Numbering System
- ✓ Podcasts & Webinars
- ✓ AIA Pro Bono Guidelines
- ✓ Retired AIA Documents

AIA Contract Documents® THE INDUSTRY STANDARD.

Purchasing AIA Contract Documents

AIA documents are organized by "family" and "series"

| F | a | n | ηi | h | /: |
|---|---|---|----|---|-----------|
| | | | | _ | |

Conventional Construction

Construction Manager/Adv

Construction Manager/Const

Design-Build

Digital Practice Documents

Integrated Project Delivery

Interiors

International

Small Projects

Contract Admin/Management

| A Series Owner/ Contractor | B Series Owner/ Architect | C Series Architect/ Consultant | D Series Misc. | E & G Series Exhibits/ Admin Forms |
|----------------------------------|---------------------------------|--------------------------------|-------------------|------------------------------------|
| 8 | 24 | 3 | | |
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AIA documents are available in three formats

Software



- ✓ Purchase unlimited access or a limited license
- ✓ Fill in blanks and/or edit content electronically
- √ Share/review docs via e-mail

Documents on Demand (PDF)



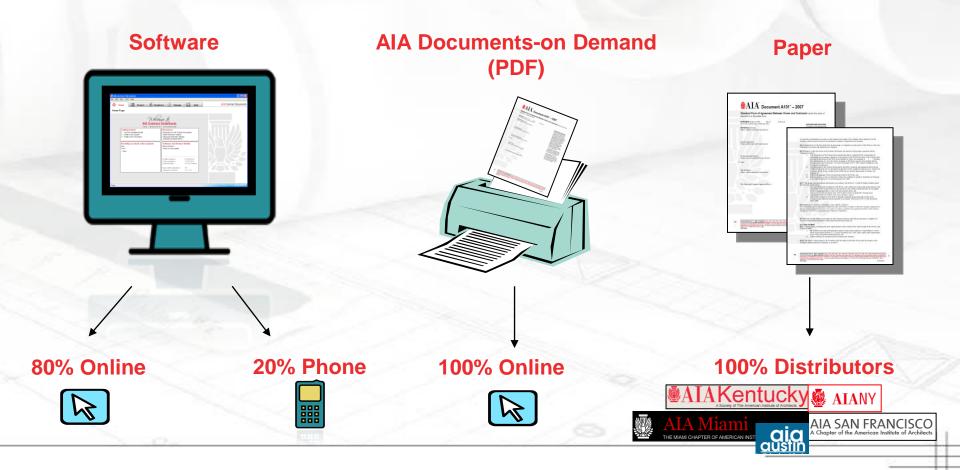
- ✓ Purchase single PDF a-la-carte (on demand)
- ✓ Fill in blanks electronically or by hand
- ✓ Can review but not track edits

Paper



- ✓ Purchase single paper docs a-la-carte
- √ Fill in blanks by hand
- ✓ No easy way to edit

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Available at

http://documentsondemand.aia.org/

Selection

106 documents

Pricing

\$6.95 - \$21.95

Paper



Available at

AIA Distributors

Selection

Most of library

Pricing

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- ✓ Access to all AIA documents
- √ Documents assigned DU value
- ✓ Docs100 (members) and Docs300 license limit how many documents finalized
- ✓ License expires once Dus are used or year elapses

Annual Unlimited Single Seat

- ✓ Access to all AIA documents
- Finalize unlimited number of documents
- ✓ Software can be installed on one PC only
- ✓ Subscription expires after one calendar year

Annual Unlimited Multi-Seat

- ✓ All benefits of single-seat license
- ✓ Come in 5, 10, 20, 30, 40, 50 seat increments

AIA products for smaller-sized firms

Software



Docs-on-Demand

Products

- Docs 100 Full Library
- Docs 300 Full Library
- Single Unlimited Full

Pricing

(Member/Non-member)

- \$199/NA
- \$309/\$489
- \$699/\$999

Good Choice

- √ 1–3 Projects/yr + PC users
- √ 4–8 Projects/yr + PC users
- √ 8+ Projects/yr + PC users

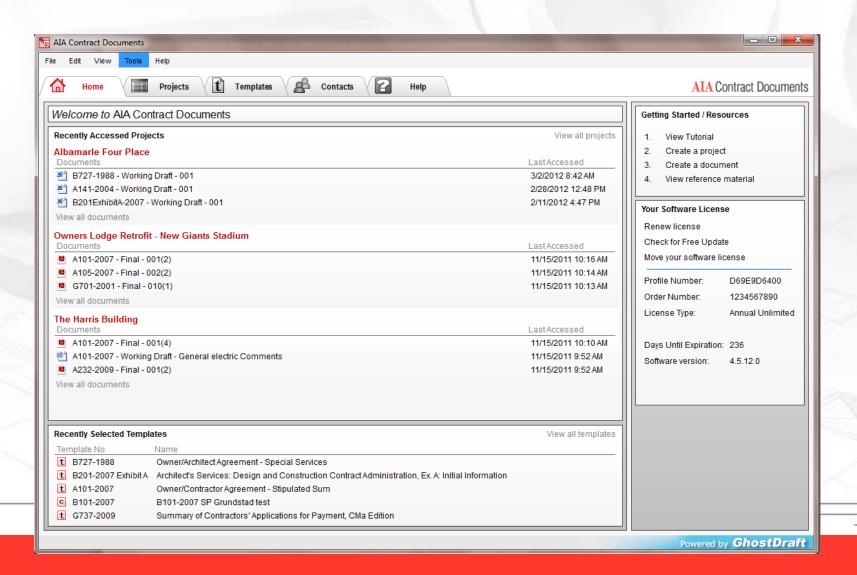
- 106 documents from library, available individually
- \$6.95 \$21.95
- √ 1–8 Projects/yr + Mac or PC

Paper



- Most of 104 docs in library available
- Individually and forms
- \$6.00 \$28.00
- √ 1–4 Projects/year
- √ Very small projects

How it Works



AIA Contract Documents Education Portal

- ✓ Learn about AIA documents and forms
- ✓ View tutorials on AIA software and Documents on Demand
- ✓ Earn continuing education credits

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Top 10 Features AIA Contract Documents Software

Recorded at the 2012 AIA National Convention, this course guides you in discover the top 10 features that make drafting, reviewing, and sharing contracts faster and simpler than ever before. Get to know the software with a demonstration that will walk you through the top 10 features including the clause library, document search tools, and online collaboration, so you can effectively use these features to save time and keep your projects organized.

Go to www.aia.org/docucation to access this and other course offerings.

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