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## Simplifying Government Projects Using Standard Contract Documents

By Kenneth Cobleigh and Susan Van Bell

In February, when President Obama passed the American Recovery and Reinvestment Act to stimulate the economy, design professionals and contractors were optimistic about how the stimulus bill would aid their ailing industry. What excited design and construction professionals the most about this bill was the billions in stimulus funds allocated for federally funded or insured projects, such as schools, community hospitals, and housing. Now, as funds are being distributed for design and construction projects, standard contracts, such as AIA Contract Documents® (ACD), are needed to enable these projects to proceed quickly and efficiently.



Stimulus funds are dedicated for both “federal projects” and “federally funded or insured projects.” On a federal project, the U.S. government, through one of its many agencies, enters directly into contracts with architects or contractors, and the U.S. government is the project owner. These kinds of projects are governed by federal statutes and complex sets of regulations, such as the Federal Acquisition Regulations (FAR), or, for military projects, the Defense Federal Acquisition Regulation Supplement (DFARS).

In light of these statutes and regulations, federal agencies have chosen to create their own owner-architect and owner-contractor agreements. However, even on these projects, some standard contract documents can still be used. For instance, ACD’s A401, *Standard Form of Agreement Between Contractor and Subcontractor*, and C401, *Standard Form of Agreement Between Architect and Consultant*, can be, and often are, used as the basis for consulting and subcontracting agreements on these projects. In addition, many ACD forms, such as the G702, *Application and Certificate for Payment*, and G703, *Continuation Sheet*, the E201, *Digital Data Protocol Exhibit*, and the E202, *Building Information Modeling Protocol Exhibit*, also can be used to effectively administer key activities.

A “federally funded or insured project” is one in which the federal agency provides direct funding, or provides insurance for construction that is performed for state or local governments or private entities. These projects do not require use of FAR-based agreements, so standard contract documents like those by ACD can be used as the basis for owner-architect and owner-contractor agreements, with some modifications based on specific agency requirements. For years, participants on many of these projects have used AIA Document B181™–1994, *Standard Form of Agreement Between Owner and Architect for Housing Services*. B181 was developed with the assistance of the U.S. Department of Housing and Urban Development (HUD) and other federal agencies. The document is used with AIA Document A201™–1997, *General Conditions of the Contract for Construction*. The agencies using these documents, as well as other AIA standard form agreements, provide their own supplemental conditions that are coordinated with the documents.

Following the release of the 2007 A201 family of documents, the AIA decided to revise B181 to conform to the 2007 revisions. Federal agencies, including the U.S. Department of Agriculture and HUD, have worked with the AIA’s Documents Committee to revise the document and tailor it even more specifically to federally funded or insured projects. The new, revised document, B108™–2009, *Standard Form of Agreement Between Owner and Architect for a Federally Funded or Federally Insured Project*, will be released in Fall 2009, and it will include items related to cost estimating, payments, and other provisions unique to these types of projects. The result is an updated document that will be very useful to owners and architects working on private construction projects funded out of the stimulus package.

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