



The Owner/Architect Agreement

OWNER/ARCHITECT agreement

These are the three types of Owner/Architect agreements used by RMW:

1. **RMW own contracts** (available in Rspace)
2. **AIA contracts with RMW modifications** (we never use them “out of the box”).
3. **Owner provided contracts** (very common when we work for public entities and large private companies).

Regardless of the contract type, the Owner/RMW contracts always should include the following information:

- **The date:** This is when the contract becomes effective.
- **The parties:** These are the individuals representing the Owner and RMW, identified with their full legal names, who sign the contract.
- **The Project Identification:** As a minimum, the official name or title of the facility, the location of the site, the proposed use, the size, and the scope if known.
- **The dates of Start of Construction and Substantial Completion:** These determine the Architect’s initial schedule for providing its services and the date when the Architect will start providing its services as “Additional Services.”
- **Architect’s Services:** These are the services provided under the Owner/Architect Agreement as “**Basic**.” The contract may include a list of Services provided as “**Additional**”. Typical basic services include the production of the documents that form the “Contract for Construction” and Construction Administration services for the Project, including a description of how the Architect should be paid for its services.
- **Architect’s Additional Services:** These can be listed in the Owner-Architect Agreement document or as Exhibits issued after the Agreement is signed. Additional Services should include a schedule for providing these services and a description of how the Architect should be paid for these services. Some examples of additional services are:
 - Conformed sets for construction.
 - As-Designed Record Drawings.
 - As-Constructed Record Drawings.
- **Claims and Disputes Resolution:** The methods are Arbitration, litigation, or another method. RMW preferred method is arbitration.

COMPENSATION METHODS

These are the most common methods to determine how the Architect will be compensated for its services:

- **Multiple of Direct Salary Expense:** Direct salaries of designated personnel are multiplied by a factor which includes benefits, overhead and profit.
- **Professional Fee Plus Expenses:** The salaries, benefits and overhead of designated personnel are the **expense** and the fee may be a multiplier, percentage or lump sum representing **profit**.
- **Hourly Billing Rates:** The salaries, benefits, overhead and profit are included in the rate for designated personnel.
- **Square Footage:** The square footage of the structure is multiplied by a pricing factor.

The compensation method is a business choice made by the Principals.

THE OWNER’s responsibilities

Typically in RMW contracts the Owner is responsible for the following:

- Providing information about the physical characteristics, legal limitations, and utility locations and other information required by the Architect or the Contractor.
- Making payments to the Contractor, for permits, taxes, and other financial responsibilities.
- Paying for our services in time so we can keep on going.

The Owner is responsible for work provided by the Owner, directly or through contractors under separate contracts with the Owner, before, during, or after the execution of the work under the contract.

Additional Owner’s responsibilities may be added if both parties are in agreement.



THE ARCHITECT’S responsibilities

Typically, the contract for our services in addition to prepare the Contract for Construction, requires us to do the following:

- Consult with and advise the Owner and act as the Owner’s representative during construction,
- Make visits at intervals to observe the progress of the work and that the design intent is being followed.
- Be the communicator between Owner and Contractor.
- Conduct inspections to determine the date of Substantial Completion and to verify Final Completion.
These are the only two INSPECTIONS we make.

We are **not responsible** for the following:

- Continuous inspections.
- Ways and Means (be very careful with this one).
- Project site safety.
- Contractor’s failure to perform.
- Coordinating the work among subcontractors.
- When possible, avoid any involvement with hazardous materials. If necessary, advise the Owner to contract a hazardous materials consultants to work under the Owner and coordinate with us.
- WE may be required to provide additional services, like observing tests, or reviewing record documents periodically, but these services have to be approved by the principal in charge.
 - Additional responsibilities to the ones described in the original Owner/RMW agreement may be added if both parties are in agreement.

CAREFUL: We are not authorized to stop work by the Contractor (reject yes, stop no).

NOMENCLATURE

Think of the contract documents as a closed universe where only the Architect, the Owner, and the Contractor exist. Do not give instructions to anyone else.

- THE Owner is the “**OWNER**” throughout our design documentation. Avoid using terms like “client” or the Owner’s name. It is identified in the Agreement, in the Drawings, and in the Specifications.
- The Owner, as well as the Architect and the Contractor are “**IT**” because in our documentation they are entities, not persons, so do not use “he” or “she”.
- **Do not** assign responsibilities or rights to the Owner, the Architect, or the Contractor unless you are sure this is OK.

OTHER THINGS TO WATCH FOR

- Typically, documentation of **existing conditions** is the responsibility of the Owner and we are entitled to rely on it when preparing our design. However, we should ask the Contractor to verify when appropriate.

CONTRACT REVIEW

- **Standard Review:** **Highly recommended and at the discretion of the Principal in charge Owner/RMW agreements should be sent** for review by our insurance company (Dealey Renton at contracts@dealeyrenton.com) for review.
- **Additional Review:** In the case of large contracts, Owner provided contracts, when the type of contract is new to the project manager, and other conditions at the discretion of the Principal in charge, it is recommended that the contract are also reviewed by our company lawyer (Mehrdad Farivar, FAIA).

Information on this module is partially taken from the CSI Project Resource Manual, Fifth Edition, and the AIA comments to the AIA B101 Standard Form of Agreement Between Owner and Architect, 2017,