

Facilities Planning and Construction
Paul J. Phillips, Chief Facilities Officer

**SUBJECT: MODIFICATION OF PROJECT ARCHITECT'S CONTRACT
REGARDING ERRORS AND OMISSIONS**

The currently used capital construction contract with an architect does not have a provision whereby the school district is able to recover from the architect the costs incurred due to architectural omissions. Based on the findings of the Board's Audit Committee of October 1999, staff has reviewed the contractual provisions and developed a rationale and methodology to recover omissions costs.

Presently, contracts with architectural firms contain a provision, which allows the architect an error and omission margin of 1.5 percent of the construction contract before attempts are made to recover these costs. The manner in which our payment procedures are designed enable the district to enforce the errors provision.

Without question, inflation, administrative costs and loss of purchasing efficiency cause additional costs to the Board. In response to these concerns, staff has developed contract language to minimize potential economic loss to the district. The revised contractual provision will stipulate that when the errors and omissions threshold exceeds the 1.5 percent provision in the architect's contract, that 15 percent of the omissions should be recovered. The 15 percent recovered from the transaction should compensate the district for the additional costs incurred.

RECOMMENDED: That The School Board of Miami-Dade County, Florida, authorize staff to revise architectural contracts for capital construction projects to contain a provision permitting the Board to recover 15 percent of costs attributed to omissions on the part of the architect.

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