American Council of Engineering Companies of Louisiana
ACEC Facility Planning
Meeting Minutes 2/20/19

Persons Present:
Mark Moses, FPC
Lisa Smeltzer, FPC
Steve Losavio, FPC
Lynn Robertson, AIA
Wilfred Barry, ACEC
Craig Campbell, ACEC

Items discussed:

1. Group discussed the outcome of the previous extended general conditions for general contractors:
   a. FPC will allow general contractors to submit costs for FPC’s consideration of paying for extended general conditions.
   b. The general contractor’s markups for change orders decreased from 10% GC/15% Subs to 8% GC/8% Subs.

2. Group discussed the current FPC fee structure for Architects and Engineers:
   a. Mark stated that FPC has reviewed NASFA (National Association of State Facilities Administrators) fees for each of the surrounding states for comparison.
      i. Louisiana provides the highest fees for professional services. Lisa will provide this data per Wilfred’s request.
   b. Basic services include architectural, mechanical, electrical, plumbing and civil engineering. Special services include specialty consultants for a modified fee multiplier.
   c. The designer provides project estimates for each submittal phase. FPC currently amends designer fees based on the project estimates if AFC is increased.
   d. If the project bids are 10% lower than designer’s estimate then FPC can make the consultants redesign for no additional fee.
   e. If the project bids are higher than designer’s estimate then FPC can increase the available funds for construction (AFC) with no additional fee or can make designer redesign into AFC.
   f. FPC is currently considering a few different options to adjust designer fees. Lisa will provide this group with the current options being considered.

3. Group discussed the current method for selecting land surveyors and Geotech engineers:
   a. The architects prequalify 3 surveyors and/or Geotech engineers and receives prices from each surveyor and/or Geotech engineers.
   b. Since the surveyors and/or Geotech engineers are prequalified, FPC approves the lowest bid unless there is a significant difference in time to perform services.
c. Craig inquired if FPC could prequalify surveyors and/or Geotech engineers and select them based on predetermined fees, unit pricing, etc.
   i. FPC requires that the architects hire surveying and/or Geotech subconsultants so that the architect is responsible for the consultants they prequalify.
   ii. FPC and Wilfred didn't believe these services are simple enough to predetermine fees, unit pricing, etc.

4. Group discussed increasing designer fees when construction deadlines are extended beyond scheduled construction timeframes:
   a. Currently designers only get additional fees for extended construction timeframes when liquidated damages are enforced against the general contractor.
   b. FPC is concerned about a possible conflict of interest when designers approve change order with time extensions when they get paid for the extra timeframes they approve.
   c. Wilfred suggested that FPC hire an independent scheduler to evaluate change order time extensions.

5. Group discussed error and omissions:
   a. Currently designers pay for 100% of errors and 10% of omissions (which is considered the cost increase due to non-competitive change orders).
   b. Craig stated that he thinks the current FPC arrangement for errors and omissions is a reasonable method.

6. Group discussed the Guidelines to Designers needing updated:
   a. The guidelines recommends florescent lights vs LED lights.
   b. FPC admitted that the Guidelines need updated and requested that the designers recommend changes.
   c. Craig offered to send the Guidelines to engineering firms and request revision language.