

Failing to Coordinate in Design-Bid-Build Contract Costly Mistake

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In a recent North Carolina Business Court decision, an architecture firm was hit with a \$2.3+ million judgment stemming from the design and construction of the kitchen exhaust and HVAC ductwork systems in the Charlotte Bobcats Arena. *William R. Nash, Inc. and Applegate Heating & Air Conditioning, Inc. v. Ellerbe Becket, Inc.*, __ N.C. App. __, __ S.E.2d __ (2010).

The project was a “fast track” project, and the architecture firm claimed they were only contracted to provide diagrammatic drawings of the arena’s ductwork system. Subcontractors on the project sued for their cost to perform extra work to remedy alleged design deficiencies. Post-trial relief is currently being sought by the architectural firm (including a motion for judgment notwithstanding the verdict, a new trial, or a new trial on the damages issue).

Whether or not such post-trial motions are granted, however, the case raises the very real issue as to architectural responsibility versus contractor coordination responsibility, especially in fast-track projects. This case highlights the risks to architects in failing to make their responsibilities and contractual limitations explicitly clear to both owners and contractors. The case also highlights the need to explicitly review shop drawings for coordination issues that might be present.