

## 401 – Design Fee Negotiations / Building Projects

**401.1 Contract Types:** Design services are procured using one of two methods - Master Agreement or Personal Services Contract (i.e. qualifications-based selection). Fee negotiations are handled differently for each type of procurement.

**401.2 Master Agreements:** Master Agreements require services to be billed on an hourly basis. As soon as the extent of the required services can reasonably be determined, the Architect-Engineer will be asked to submit a not-to-exceed fee amount for approval by CCPA. For a typical Project, this occurs at the end of Phase A.

During the initial design effort, an interim Purchase Order will be issued. The Purchase Order will be modified upon approval of any upset fee amounts.

### 401.3 Personal Service Contracts:

- **Phase A Fee:** After the Architect-Engineer is selected, an initial fee is established by CCPA based on the initial Project budget. This fee will cover all design services (except Programming, if required) through Phase A approval.
- **Final Design Fee Negotiation:** After Phase A approval, and upon notification from the Project Manager that the design process will continue. The Architect-Engineer shall contact the Director of CCPA, and negotiate the design fees for Phases B, C, and D. This final design fee is to be a lump sum fee based upon the approved Phase A Cost Estimate. Initial negotiations between the Director of CCPA and the Architect-Engineer may be by telephone, e-mail or orally by appointment. Upon oral agreement of the proposed fee, the Architect-Engineer is to submit a letter of fee proposal to the Director of CCPA for acceptance.
- **Formal Approval:** The Architect-Engineer prepares a change order. A copy of this change order is forwarded to the Project Manager and the Director for approval.
- **Architect-Engineer Contract Modification:** After formal approval, CCPA executes a Contract Modification to the Architect-Engineer's contract to reflect the negotiated fee.
- **Additional Services:** If additional services are deemed necessary during the execution of the Contract, additional fees will be negotiated initially with the Project Manager. The proposed changes will be forwarded to the Director for review and for final approval and contract modification.

## 402 – Design Fee Negotiations / Civil or Master Plan Projects

**402.1 Contract Types:** Design services are procured using one of two methods - Master Agreement or Personal Services Contract (i.e. qualifications-based selection). Fee negotiations are handled differently for each type of procurement.

**402.2 Master Agreements:** Master Agreements require services to be billed on an hourly basis. As soon as the extent of the required services can reasonably be determined, the Architect-Engineer will be asked to submit a not-to-exceed fee amount for approval by CCPA.

During the initial design effort, an interim Purchase Order may be issued. The Purchase Order may be modified upon approval of any upset fee amounts.

### 402.3 Personal Service Contracts:

- **Work Plan Fee:** After the Architect-Engineer is selected, an initial work plan fee is established by the Architect-Engineer based on the needs of the Project. This fee is for the purpose of establishing the overall scope of Work to be performed and outlines the tasks and assigns cost to each task.
- **Negotiation of Total Fee:** The total design fee is negotiated as a part of the Work Plan development process. This final design fee is to be a lump sum fee based upon the approved Work Plan. Upon acceptance of the Work Plan by the Using Agency and Project Manager, the Architect-Engineer shall formally submit a total proposed fee to the Director CCPA.
- **Formal Approval:** The Architect-Engineer prepares a Change Order. A copy of this Change Order is forwarded to the Project Manager and Director.
- **Architect-Engineer Contract Modification:** After formal approval, CCPA executes a Contract Modification to the Architect-Engineer's contract to reflect the negotiated fee.
- **Additional Services:** If additional services are deemed necessary during the execution of the contract, additional fees will be negotiated initially with the Project Manager. The proposed changes will be forwarded to the Director for review for final approval and contract modification.