Double vertical lines in the margin indicate areas of change since the October 1997 edition.

CHAPTER 4
SUPPLEMENT

DETERMINATION OF BASIC FEE OR BASIC FEE RATE FOR DESIGN PROFESSIONAL SERVICES

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A. MAXIMUM BASIC FEE

The Basic Fee shall be based upon the budgeted cost of the planned work stipulated in the O/A Agreement, but shall not be higher than a fee as determined by the "Schedule of Basic Fee Rates" below. A higher Basic Fee may be paid only if approved by the Director. A Basic Fee determined by the schedule may be adjusted without the Director's approval for Major Renovation as defined in Section D of this Supplement. Lower Basic Fees may be negotiated without the Director's approval when appropriate considering project size, cost, scope, repetition, etc.

If the Basic Fee is to be a percentage rate applied to the cost of the work, the percentage rate shall not be higher than the applicable rate of the "Schedule of Basic Fee Rates" with adjustment for major renovation, if applicable. If the Basic Fee is to be a fixed, lump sum amount, that amount shall not be greater than the amount that is the product of multiplying the budgeted cost of the work by the applicable percentage rate of the "Schedule of Basic Fee Rates" with adjustment for major renovation, if applicable.

B. SCHEDULE OF BASIC FEE RATES

COST OF THE WORK			FEE IN PERCENTAGE				
			BUILDING GROUP				
			I	II	III	IV	V
Up	to	$100,000	8.0	9.0	10.0	11.0	12.0
100,001	to	200,000	7.0	8.0	9.0	10.0	11.0
200,001	to	300,000	6.0	7.0	8.0	9.0	10.0
300,001	to	400,000	5.9	6.9	7.9	8.9	9.9
400,001	to	500,000	5.8	6.8	7.8	8.8	9.8
500,001	to	600,000	5.7	6.7	7.7	8.7	9.7
600,001	to	700,000	5.6	6.6	7.6	8.6	9.6
700,001	to	800,000	5.5	6.5	7.5	8.5	9.5
800,001	to	900,000	5.4	6.4	7.4	8.4	9.4
900,001	to	1,000,000	5.3	6.3	7.3	8.3	9.3
1,000,001	to	1,250,000	5.2	6.2	7.2	8.2	9.2
1,250,001	to	1,500,000	5.1	6.1	7.1	8.1	9.1
1,500,001	to	1,750,000	5.0	6.0	7.0	8.0	9.0
1,750,001	to	2,000,000	4.9	5.9	6.9	7.9	8.9
2,000,001	to	2,500,000	4.8	5.8	6.8	7.8	8.8
2,500,001	to	3,000,000	4.7	5.7	6.7	7.7	8.7
3,000,001	to	3,500,000	4.6	5.6	6.6	7.6	8.6
3,500,001	to	4,000,000	4.5	5.5	6.5	7.5	8.5
4,000,001	to	5,000,000	4.4	5.4	6.4	7.4	8.4
5,000,001	to	6,000,000	4.3	5.3	6.3	7.3	8.3
6,000,001	to	8,000,000	4.2	5.2	6.2	7.2	8.2
8,000,001	to	10,000,000	4.1	5.1	6.1	7.1	8.1
10,000,001	to	12,000,000	4.0	5.0	6.0	7.0	8.0
12,000,001	to	14,000,000	3.9	4.9	5.9	6.9	7.9
14,000,001	to	16,000,000	3.8	4.8	5.8	6.8	7.8
16,000,001	to	18,000,000	3.7	4.7	5.7	6.7	7.7
18,000,001	to	20,000,000	3.6	4.6	5.6	6.6	7.6
20,000,001	to	22,000,000	3.5	4.5	5.5	6.5	7.5
22,000,001	to	24,000,000	3.4	4.4	5.4	6.4	7.4
24,000,001	to	27,000,000	3.3	4.3	5.3	6.3	7.3
27,000,001	to	30,000,000	3.2	4.2	5.2	6.2	7.2
30,000,001	to	33,000,000	3.1	4.1	5.1	6.1	7.1
33,000,001	to	36,000,000	3.0	4.0	5.0	6.0	7.0
36,000,001	to	39,000,000	2.9	3.9	4.9	5.9	6.9
39,000,001	to	42,000,000	2.8	3.8	4.8	5.8	6.8
42,000,001	to	46,000,000	2.7	3.7	4.7	5.7	6.7
46,000,001	to	50,000,000	2.6	3.6	4.6	5.6	6.6
50,000,001	to	and over	2.5	3.5	4.5	5.5	6.5

BUILDING GROUPS OF THE SCHEDULE

Group I: Industrial buildings without special facilities, parking structures and repetitive garages, simple loft type structures, warehouses exclusive of automated equipment, and other similar utilitarian type buildings.

Group II: Armories, apartments, cold storage facilities, dormitories, exhibition halls, hangers, manufacturing/industrial plants, office buildings without tenant improvements, printing plants, public markets, and service garages.

Group III: College classroom facilities, convention facilities, correctional and detention facilities, extended care facilities, gymnasiums (simple, prefabricated-pre-engineered, minimum types shall be classified under Group II), hospitals, institutional dining halls, laboratories, libraries, medical schools, medical office facilities and clinics, mental institutions, office buildings with tenant improvements, parks, playground and recreational facilities, police stations, public health centers, research facilities, schools (elementary and secondary), stadiums, and welfare buildings.

Also, central utilities plants, water supply and distribution plants, sewage treatment and underground systems, electrical sub-stations and primary and secondary distribution systems, roads, bridges and major site improvements when performed as independent projects. When any or all of these types of improvements are incidental to an overall plan of architectural development they will be grouped with the basic architectural service of the overall project unless stated otherwise in the agreement.

Group IV: Aquariums, auditoriums, art galleries, college buildings with special facilities, communications buildings, special schools, theaters and similar facilities.

Group V: Residences and specialized decorative buildings unless otherwise stated in the agreement. Custom designed furnishings shall be categorized in Group V except when considered incidental to the basic architectural service for a building.

C. APPLICATION OF BASIC FEE RATE

1. The Basic Fee percentage rate determined by the project budget shall be applied to the actual cost of the work. It is not necessary to change the Basic Fee percentage rate if the amount of the subsequent construction contract (as awarded or adjusted for minor change orders) falls within a higher or lower bracket of the schedule than the project budget. If major changes in the project and budget occur during the design or construction phases of the project and warrant a change in the Basic Fee percentage rate to provide fair and reasonable

compensation, the change must be agreed upon in an amendment to the agreement. "Major Changes" include, but are not limited to, changes in project size, complexity, usage, arrangement, schedule, or phasing of the construction or improvement work and may or may not result in a major, or significant, change in the cost of the work. A Major Change may warrant adjustment of the Basic Fee rate if the change is requested by the Awarding Authority and the change requires additional design, administrative, consultant, or other services not contemplated in the agreement.

2. Unless otherwise stipulated in the agreement, the Basic Fee rate shall apply to the combined cost of all buildings or other work covered by the Agreement. If the work is executed in any manner other than under one lump sum construction contract, or one lump sum construction contract for sitework and a second lump sum construction contract for building construction, the Basic Fee rate shall be subject to adjustment.

3. If the work covered by an agreement is so divided that more than one building group is involved, the Basic Fee rate of the appropriate building group may be applied to each building. Such division of Basic Fee rates must be stipulated in the agreement.

4. If the scope of an agreement involves substantial duplication of buildings on the same site, the basic fee for all services shall be applicable to the cost of the work for the first building. One-half of the basic fee for Services A, B, and C (design services) shall be applicable to the cost of the work for the second building which is a substantial duplication of the first. The basic fee for Services A, B, and C for other buildings which are substantial duplications of the first and second buildings shall be negotiated and defined in the agreement, but in no case shall exceed the fee for the first duplication. The fees for Services D and E (contract and construction administration services) shall be paid in full for duplicated buildings.

5. If the scope of an agreement involves substantial duplication of buildings on more than one site, the Basic Fee for all services shall be applicable to the cost of the work of site improvements of each site as well as modifications required to adapt the design of the substantially duplicated building to conditions of the second, third, etc., sites. The Basic Fee for all services shall be applicable to the cost of the work for the first building. One-half of the Basic Fee for design services shall be applicable to the cost of the work for the second building which is a substantial duplication of the first. The basic fee for design services for other buildings which are substantial duplications of the first and second buildings shall be negotiated and defined in the agreement, but in no case shall exceed the fee for the first duplication. The fees for contract and construction administration services shall be paid in full for duplicated buildings.

D. ADJUSTMENT FOR MAJOR RENOVATION

An increase of up to 25% in the Basic Fee Rate will be allowed for major renovation projects. This adjustment is intended to provide compensation to the design professional for the added effort required to investigate and develop drawings of existing conditions and other additional work required for renovation. A project is considered a major renovation if more than 50% of the construction cost involves renovations and alterations. The application of this adjustment is negotiable and must be stipulated in the agreement to be effective. The presence and accuracy of "as-built" drawings of the existing conditions that can be provided by the Awarding Authority to the design professional may minimize or eliminate the need for this adjustment. In general, re-roofing projects are not to be considered as major renovations.