

Sundry Design & Engineering Guidelines

For design work involving either architectural or engineering services, where the end-user does not know what the total design costs might be, use 10% of the project cost as a not-to-exceed reference. This is how a typical project will evolve:

1. The end user provides us with a project budget, description, fund number, and service requested.
2. We amend the contract with the consultant to reflect the project description, services and not-to-exceed value.
3. The consultant meets with the end user, and reviews the project.

At this point, the project might take several directions:

Scenario number one. The architect or engineer reviews the project and finds that it is well beyond the scope of the owner's budget, and conveys that information to the owner. The owner decides to cancel the project, and the consultant bills the owner (by the hour) for the work completed. This may only be a small fraction of the not to exceed value. We note in the small project file that the work is completed and indicate same on the invoice.

Scenario number two. The architect or engineer reviews the project, confirms it can be completed within the budget, and continues with the design process. The consultant charges the owner on an hourly rate, but cannot charge beyond the not-to-exceed value. Again, the consultant may complete the work at only a percentage of that not-to-exceed value.

Scenario number three. The architect reviews the project, finds it may be accomplished within the budget, but must do more work to confirm this to the owner. Later, the consultant tells the owner that it can be accomplished by increasing the budget by a small amount, which the owner agrees to. The consultant and owner must decide at this time if the design work can be completed within the original not-to-exceed value. If so, the project continues. If not, the owner must again decide if the project should continue, and if so how much the not-to-exceed value should be increased by an amendment to the contract.