

## MEMORANDUM No. 24

TO: Kentucky School Architects

FROM: Tim Lucas, Architect  
District Facilities Branch

DATE: June 28, 2012

RE: 702 KAR 4:160 Revision – Design Team Fee Schedule

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As you may or may not know, over the last few months this office has been involved in the revision of 702 KAR 4:160, the Construction Regulation. In the last few weeks we have been meeting with Architects, CMs, General Contractors and district folks to solicit input on the changes and have received some very good suggestions.

One item that has drawn some comment has been the revised A/E fee schedule. A copy of the revised schedule, attached, was distributed with an explanation to those that were present. It was also sent out, but without any explanation. Please review it with the following in mind;

- **These are being distributed for your input.**
- The Finance and Administration Cabinet Fees **are not and will not be a part of the document.** They are simply included at this time to allow the viewer to compare our fees with those of the other major agency that works with design professionals.
- Currently, the A/E Maximum Fee Guidelines stop at \$11,000,000 and include a fee of 5.6%. At the time that this was developed, that was about as large as our projects were. In our proposed fee guidelines we have extended these project costs to \$60,000,000 and have proposed a diminishing fee that corresponds to the increased construction costs. This is the same concept used in most fee schedules and guidelines, as the project cost increases the fee percentage decreases.
- With the ever changing expectations placed on design professionals by governmental mandates and project specific items, we would propose that this fee schedule be for “basic services”. The design professionals would then address project specific items that are beyond basic services as “additional services”. Because these can vary so widely we do not want to include them in the regulation, but propose to include them in the Best Practices Handbook to allow them to be updated as situations change.

We will be reviewing the CM Fee Schedule based on the information that has been provided to date by the CMs. Please, we welcome your input. If you have any questions or comments, please do not hesitate to contact me at 502-564-4326 or send an email to myself, Greg Dunbar or Paige Patterson.