

FACILITIES ENGINEERING DIVISION

Old Laundry Building  
Waterbury, Vermont 05671-0511

GUIDANCE DOCUMENT **UP-DATE** - ENGINEERING FEES

DATE: April 25, 2001 (revised Sept. 18, 2003 for wording content only)(revised **Jan. 1, 2009 for increasing the Small/Large Estimate of Probable Construction Cost from \$ 713,300 to \$ 970,090**)

SUBJECT: Engineering Fee Allowance for Water Supply and Wastewater Projects Funded Through DEC-Administered Grant and Loan Programs

An engineering fee allowance applicable to water supply and wastewater projects funded by DEC grant and loan programs was originally established in 1987 and has been revised once since that time, in 1994 to adjust for inflation.

This guidance establishes an adjustment to the fee allowance to account for the rate of inflation since 1994. The new upper limit for small projects (or lower limit for large projects) is now set at **\$ 970,090 for all Agreements signed after January 1, 2009**. Tables I and II (shown below) summarize the fee allowances for small and large projects. Following the two fee allowance tables are two lists: the first is a list of services referred to as *Special Tasks or Studies or Non-Standard Tasks* that are typically not limited by the fee allowance, and the second is a list of *Standard Tasks* that are typically subject to the fee allowance.

Fee Allowance for Small Projects: Projects < \$ 970,090

TABLE I (see Note 1 for definition of "C")

Engineering Step	Fixed Fee Allowance	Variable Fee Allowance	Total Fee Allowance
Preliminary	\$ 3,210	\$0.03*C	\$ 3,210+\$0.03*C
Final Design	\$ 6,420	\$0.06*C	\$ 6,420+\$0.06*C
Construction	\$11,770	\$0.11*C	\$11,770+\$0.11*C
Total	\$21,400	\$0.20*C	\$21,400+\$0.20*C

Fee Allowance for Large Projects: Projects >or = \$ 970,090

TABLE II (see Note 1 for definition of "C")

Engineering Step	Fee Allowance
Preliminary	\$0.0345*C
Final Design	\$0.0690*C
Construction	\$0.1265*C
Total	\$0.2300*C

Note 1: "C" represents the total of the higher of a pre-bid construction contract cost estimate or the actual contract bid amount plus equipment and small purchases. This amount is not adjusted by contract change orders unless there is a significant change in the approved project scope.

Note 2: When warranted, the Department may combine fee allowances for individual engineering steps and apply the combined allowance to the aggregate engineering fee.

## Special Tasks/Studies (Non-Standard Tasks) not Subject to the Fee Allowance -

Technical services that fall within this designation are non-routine and of a highly specialized nature. The work is most frequently encountered as part of preliminary engineering and in particular is associated with problem identification and development of project alternatives. Examples of the most common of these services are listed below. It should be noted that the list is not all inclusive; there may be some relatively obscure services not identified below that should be included or new services could emerge that will be so designated. When a task not included below comes up for consideration and is deemed by the department to be a service that should be exempt from the fee allowance under most circumstances, it will be added to the list, which will be updated from time-to-time.

- Aerial Photographic services
- Archaeological Studies
- Source Exploration and Development Tasks
  - Hydrogeologic Evaluations
  - Pump Tests
  - Water Quality Tests
  - Source Protection Plans (when eligible)
- Water System Contamination Investigations
- Water Distribution System Leakage Surveys
- Sewer I/I Studies
  - Sewer TV Work
  - I/I Flow Measurement
  - Smoke Detection Surveys
- Hydrogeologic Evaluations for Indirect Discharge Systems
- Pilot Testing - water supply or wastewater projects
- Evaluating New Technologies
- Value Engineering
- Extraordinary Materials Testing for Quality Control during Construction
- Asbestos and Lead Surveys

Note: The department reserves the right to designate a service that might ordinarily be regarded as a special task to be a standard task under certain circumstances and vice versa for the purposes of this guidance.

## Standard Tasks subject to the Fee Allowance -

The following is a list of technical services that typically are regarded as standard services and are subject to the fee allowance. As with the listing of non-standard services, the following is not necessarily an all-inclusive listing of applicable services.

- Data Review and Collection
- Soil Borings
- Topographic Surveys
- Preliminary Engineering Report Preparation
- Basis for Final Design Development
- Project Meetings
- Construction Cost Estimates
- Plan and Specification Preparation
- Bid Assistance
- Construction Contract Management
- Resident Project Representation
- O&M Manual (but exempt from construction proration)
- Record Drawings (but exempt from construction proration)
- Materials Testing for Quality Control during Construction
- Post-construction 11<sup>th</sup> month inspection and quarterly performance evaluation/reports when required**