

**SWO - Leo A. Daly AIA Agreement Analysis  
Administration Building Project**

Standard Form of Agreement Between Owner and Architect

**Original DNHDC Agreement signed March 16, 2009:**

1.1.2.5 Architects compensation for design, bidding and contract administration - six percent (6%) of the construction cost, plus reimbursable expenses 1.3.9.2

6% of \$25,000,000 (\$25 million excludes Architectural fees)	\$1,500,000.00
Reimbursable expenses - through 12/27/2010	\$24,823.38
	<u>\$1,524,823.38</u>

Note: 6 percent of each million in additional costs results is an increase of fees of:	<u>\$60,000.00</u>
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**Latest Billing dated 12/27/2010 based on Original DNHDC Agreement:**

6% of \$28,233,267 (\$28.23 million excludes Architectural fees)	\$1,693,996.00
Reimbursable expenses - through 12/27/2010	\$24,823.38
	<u>\$1,718,819.38</u>

**Leo A. Daly proposed "lump sum" agreement:**

6% of \$32,666,667	\$1,960,000.00
Reimbursable expenses (unknown, no estimate provided)	\$0.00
	<u>\$1,960,000.00</u>

**SWO proposed "lump sum" agreement #1:**

6% of up to \$25,000,000 (capped at \$25 million)	\$1,500,000.00
Reimbursable expenses already billed to date	\$24,823.38
	<u>\$1,524,823.38</u>

**SWO proposed "lump sum" agreement #2:**

6% of up to \$25,000,000 (capped at \$25 million)	\$1,500,000.00
Reimbursable expenses - up to 2% of fees (actual, capped at \$30,000)	\$30,000.00
	<u>\$1,530,000.00</u>

**Options:**

- Approve the original agreement with a floating fee based construction costs
- Negotiate a lump sum agreement
- Consider other options that do involve the use of Leo A. Daly for the remainder of the project

**Note: Any changes to the agreement must be approved by the USDA**