

Your Logo

Economics of the Construction Step

The standard AIA breakdown of Basic Service Fee allocates 20% of the total fee to Construction Administration. Based on our Basic Service Fee of 6.7% and the proposed Construction Cost of \$1,500,000 the fee would be \$100,500. 20% allocated for Construction Administration is \$20,100. One third of the fee is set aside for Consultants leaving \$13,500 for the architect. Here is how our portion of the fee is allocated among Construction Administration Tasks. The assumed duration of construction is 10 months.

Construction Administration Tasks	Quantity	Hours Each	Hours Total	Fee Used
Meetings				
Pre-Construction	1	1.5	1.5	\$ 135
Contractor's Progress Meeting with Report (1 per month)	9	2.5	22.5	\$ 2,025
Report to Council	0	1	0	\$ -
Review of Test Reports (soil, paving, concrete, steel, masonry)	24	0.33	8.0	\$ 720
Review of Pay Requests	10	0.5	5	\$ 450
Issue Certificate of Substantial Completion	1	1.5	1.5	\$ 135
Punch List Process	1	24	24	\$ 2,160
Review and Processing of Submittals*	48	1	48	\$ 4,320
Site Visits and Reports (2 per month)*	20	2	40	\$ 3,600
Review of Contractor's Requests for Changes*	0	0	0	\$ -
Research & Respond to Contractor's Questions (15 min/day)*	0	0	0	\$ -
Time Available for Solving Contractor's Problems*	0	0	0	\$ -
TOTAL			150	\$ 13,545

* The time allotted for these service items quickly runs out when the Contractor manages the project poorly or has problematic sub-contractors.
