ENGINEERING & CONSTRUCTION DIRECTIVE

Mark D. Rolfe, P.E.
Chief Engineer

DESIGN SERVICES DURING CONSTRUCTION (DSDC) AND REVIEW OF SHOP DRAWING SUBMITTALS

This directive consists of two parts which establish separate procedures for negotiation of fees for DSDC, and Review of Shop Drawing Submittals with Consultants.

1. DSDC Procedures

The DSDC scope of work shall include, but shall not be limited to, the following tasks not due to errors or omissions by the Consultant:

- Respond to Bidder Questions
- Review of Working Drawing Submittals
- Respond to Requests for Information
- Respond to Requests for Change
- Develop Design Initiated Change Orders
- Meetings
- Field Visits

The originating unit, in consultation with the responsible construction District, shall establish a scope of work for DSDC and, in advance of any DSDC tasks commencing, shall request the Negotiations Committee (Committee) to engage in negotiations. The request shall include separate, estimated dollar amounts for the Prime and Sub Consultants to complete all DSDC for the entire duration of construction. DSDC fees shall be estimated as soon as practical following the submission of Final Design Plans (if not previously negotiated). Consultant fee proposals are not required for DSDC.

In all situations, the Committee may approve all or a portion of the estimated dollar amounts for DSDC, via Fee Letter. This shall establish the updated contract amount for DSDC. The originating unit shall continue to be responsible for approval of eligible work through DSDC requests (submitted by the Consultant) and monitoring production efficiency. The Consultant shall report DSDC expenses and progress of each task in their invoices and upon request.
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Should additional funding be required, the originating unit shall notify the Committee by memorandum. Subsequently, additional Fee Letters shall be executed to establish an increase to the contract amount for DSDC. This process shall continue until construction is complete.

DSDC shall be paid for on a Cost-Plus Fixed Fee basis. The Consultants shall be eligible for all of the “Fixed Fee” profit as specified in the Fee Letters, unless a decrease in the scope of services is required. Any decrease in the “Fixed Fee” profit shall be submitted to the Committee for approval.

This process is being implemented to manage the State’s contractual exposure to profit under Cost-Plus Fixed Fee contracts for DSDC only; as actual effort for the DSDC scope is unpredictable.

2. Review of Shop Drawing Procedures

After completion of Final Design, the originating unit shall request the Committee to engage in negotiations for Review of Shop Drawing Submittals. The anticipated number of Shop Drawing submittals, based on the Final Design package, shall be clearly defined in the scope of work.

The basis of payment for Review of Shop Drawing Submittals shall be either Lump Sum or Cost-Plus Fixed Fee. If a lump sum, a separate proposal is required from the Consultant.