



**GRAND VALLEY
STATE UNIVERSITY**

CONTRACT FOR PROFESSIONAL SERVICES

ARCHITECT'S FORM

CHAPTER 1

PROFESSIONAL'S AGREEMENT

INSERT PROJECT TITLE |

SAMPLE

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Revision Date: Nov. 2008

SAMPLE



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**CONTRACT FOR PROFESSIONAL SERVICES
(Architect Form)**

**CHAPTER 1
PROFESSIONAL'S AGREEMENT**

This Contract For Professional Services is entered into between:

"Owner": _____ and "Professional" _____

GRAND VALLEY STATE UNIVERSITY
1 CAMPUS DRIVE
ALLENDALE, MI 49401

This Contract For Professional Services is executed under seal, and shall be effective on the date signed by the last party to do so.

ADDRESSES AND AUTHORIZED REPRESENTATIVES:

The authorized representatives and addresses of the Owner and the Professional are:

OWNER:

Representative:

--

Telephones

Address:

1 Campus Drive

Office:

616-

City, State, Zip:

Allendale, MI 49401

Facsimile:

616-331-3841

E-mail:

@gvsu.edu

Mobile:

616-

PROFESSIONAL:

Representative:

--

Telephones

Address:

--

Office:

--

City, State, Zip:

--

Facsimile:

--

E-mail:

--

Mobile:

--

FEIN / SSN

--

OWNER'S PROJECT IDENTIFICATION INFORMATION

Project Title:

--

Location Address:

--

City, State, Zip:

--

Project ID Number:

--

General Project Description:

--

It is the Owner's intent that the Project be constructed by the following Contractor type *[Check one]*:

Construction Manager

General Contractor

If the Project is to be constructed by a General Contractor, the General Contractor shall be selected in one of the following ways *[Check one]*:

The Owner intends that the Work be performed pursuant to a negotiated Contract For Construction.

The Owner intends that the Work be performed pursuant to a competitively bid Contract For Construction.



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RECITALS

- A. The Owner intends to construct the Project and is engaging the Professional to perform certain services for the Project.
- B. The Owner and Professional each acknowledges that it will act in good faith in carrying out its duties and obligations.
- C. The Owner's engagement of the Professional is based upon the Professional's representations to the Owner that it (i) is an organization of professionals experienced in the type of services the Owner is engaging the Professional to perform; (ii) is authorized and licensed to do business in the State of Michigan; (iii) is qualified, willing and able to perform professional services for the Project; and (iv) has the expertise and ability to provide professional services which will meet the Owner's objectives and requirements, and which will comply with the requirements of all governmental, public and quasi-public authorities and agencies having jurisdiction over the Project.
- D. The Owner and Professional each acknowledges that it has reviewed and familiarized itself with this Contract For Professional Services, including the documents enumerated in Article 1, and agrees to be bound by the terms and conditions contained therein.
- E. The Professional acknowledges that the Owner is a Michigan public institution of higher education, and therefore that the Project for which the Professional is being retained by this Contract For Professional Services must be designed and constructed in accordance with the laws, regulations and rules which govern Michigan public colleges and universities, whether or not such laws, regulations and rules are specifically referred to in this agreement.

NOW, THEREFORE, for good and valuable consideration, the parties agree as follows:

**ARTICLE 1
CONTRACT DOCUMENTS**

1.1 The "Contract For Professional Services" is comprised of the following documents:

This "Chapter 1 – Professional's Agreement" (hereafter "Chapter 1"), including the foregoing recitals A. through D., and all attached documents, appendices and addenda;

"Chapter 2 - Professional's Required Services" (hereafter "Chapter 2"), and all attached documents, appendices and addenda;

"Chapter 3 - General Terms And Conditions" (hereafter "Chapter 3"), and all attached documents, appendices and addenda;

Owner's Planning and Design Standards in effect on the date of this agreement; and,

Additional documents listed hereafter, if any:

[Identify with specificity all additional documents, or check that there are none]

None

Additional Documents:

1.2 Documents not included or expressly contemplated in this Article 1 do not, and shall not, form any part of this Contract For Professional Services.

**ARTICLE 2
NOTICES**

2.1 Unless otherwise provided, all notices shall be in writing and considered duly given if original is (i) hand delivered; (ii) delivered by facsimile or e-mail; or (iii) sent by U.S. Mail, postage prepaid. All notices shall be given to the addresses set forth above. Notices hand delivered or delivered by facsimile or e-mail shall be deemed given the next business day following the date of delivery. Notices given by U.S. Mail shall be deemed given as of the second business day following the date of posting.

**ARTICLE 3
DESIGN NOT TO EXCEED**

3.1 **Owner's Budget.** The Professional understands and acknowledges that the Owner has established a Project budget. The Total Project Construction Cost shall not exceed:

_____ Dollars (\$_____).

3.2 **Limitation On Total Project Construction Cost.** The Professional agrees to design the Project so that the bid or negotiated bid Total Project Construction Cost does not exceed the budgeted Total Project Construction Cost recited above.

3.3 **Owner's Remedies For Missed Budget Cost.** If, based on the bona fide bid or negotiated Construction Price, the Total Project Construction Cost is greater or less than the Owner's budgeted Total Project Construction Cost by more than the percentage detailed in Appendix E, the Owner may, in addition to any other remedies provided in this Contract For Professional Services, (i)



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accept the bid or negotiated Construction Price; (ii) require the Professional, at no cost to the Owner, to re-bid or re-negotiate the Work; (iii) cancel the Work or any portion of the Work; (iv) revise the scope of the Work, as required to increase or reduce the Construction Price to bring the anticipated Total Project Construction Cost within the required range; or (v) require the Professional, at no cost to the Owner, to modify the Construction Documents and re-bid or re-negotiate the Work to result in a bid or negotiated Construction Price to bring the anticipated Total Project Construction Cost within the required range. The Professional shall, in addition to the above, at the Owner's request and at no additional cost to the Owner, (i) provide value engineering to bring the Total Project Construction Cost within the required range; (ii) assist the Owner in redefining the scope of the Project; and (iii) incorporate all scope reductions and Project modifications into modified Construction Documents.

ARTICLE 4 COMPENSATION OF PROFESSIONAL

4.1 **Compensation For Required Services.** The Owner shall compensate the Professional for Required Services rendered in one of the following ways **[Check one]**:

Lump Sum Basis:

In accordance with the time schedule contained in the Professional's Payment Schedule, attached as Appendix A, the Owner shall pay the Professional

_____ Dollars (\$ _____) (the "Professional Contract Price").

Time Basis:

The Owner shall pay the Professional for time expended on an hourly-rate basis, at the rates set forth in the Professional's Payment Schedule, attached as Appendix A (in the aggregate the "Professional Contract Price"). The Professional Contract Price shall not exceed

_____ Dollars (\$ _____).

4.2 **Compensation For Extra Services.** The Owner and the Professional must agree in writing prior to the Professional's performance of Extra Services whether the Extra Services will be performed on an hourly-rate basis or a lump-sum basis, and the Professional will not be compensated for Extra Services in the absence of such a written agreement. The Owner shall compensate the Professional for Extra Services:

- (i) if rendered on an hourly-rate basis, at the hourly rates set forth in the Professional's Payment Schedule, attached as Appendix A; and
- (ii) if rendered on a lump sum basis, in an amount mutually agreed to in writing by the Owner and the Professional prior to the performance of such services.

4.3 **Compensation For Expenses.** The Owner shall compensate the Professional for customary, necessary and reasonable out-of-pocket expenses pursuant to Paragraph 4.4 of Chapter 3, however, the parties agree that such amount shall not exceed

_____ Dollars (\$ _____).

4.4 **Professional's Mark-up.** To the extent that the Professional engages others to perform services, the maximum allowable mark-up the Professional shall be entitled to charge the Owner shall be _____ percent (____%) of the actual expense or cost to the Professional.

4.5 **Reimbursement Of Owner.** When the Professional's error, omission or deviation results in improper or incomplete Construction Documents or improper coordination as specified in Subparagraph 7.4.2 of Chapter 3, the Owner shall reduce the Professional's compensation, or if already paid the Professional shall reimburse the Owner, in the amount calculated as follows:

- (i) 100% of all costs of correcting installed Work, plus
- (ii) 30% of all costs of providing omitted Work,

to the extent that the sum of (i) and (ii) divided by the Project Contract Price, exclusive of the sum of (i) and (ii), exceeds One (1%) percent.

ARTICLE 5 SPECIFIC INSURANCE REQUIREMENTS

5.1 The Professional shall purchase and maintain, at its expense, from a company or companies licensed or authorized to do business in the State of Michigan, insurance policies containing the following types of coverages and minimum limits of liability protecting from claims which may arise out of or result from the performance or non-performance of services under this Contract For Professional Services by the Professional or by anyone directly or indirectly employed by it, or by anyone for whose acts it may be liable:

- (i) Commercial General Liability insurance which (i) includes premises/operations, product/completed operations, contractual liability, independent contractors, broad-form property damage, underground, explosion and collapse hazard, and personal / advertising injury; and (ii) names the Owner as additional insureds, with per-occurrence limits of not less than \$1,000,000, combined aggregate limits of \$1,000,000, fire and legal limits of \$50,000 per occurrence, and medical liability limits of \$5,000 per person.
- (ii) Workers' Compensation, Disability Benefit, or similar employee benefit act insurance, and employer's liability coverage, in the minimum amount of \$500,000 or at Michigan statutory limits, whichever is greater.
- (iii) Commercial Comprehensive Automobile Liability insurance which includes contractual liability coverage and coverage for



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all owned, hired and non-owned vehicles with combined aggregate limits of \$1,000,000, bodily and personal injury limits of \$250,000 per person and \$500,000 per accident, and property damage limits of \$100,000.
 (iv) Professional Liability insurance, including contractual liability coverage, with limits of not less than \$1,000,000.

5.2 The Professional shall require its Consultants, if any, to obtain and maintain equivalent insurance coverages which comply with Article 5 of the General Conditions.

**ARTICLE 6
PERSONNEL AND CONSULTANT CHARTS**

6.1 The Professional shall prepare and attach as Appendix B to this Agreement the Professional's Personnel Chart which lists by name, job category and responsibility the Professional's primary employees who will work on the Project. The Professional shall promptly inform the Owner in writing of any proposed replacements, the reasons therefor, and the name(s) and qualification(s) of proposed replacement(s). The Owner shall have the right to reject any proposed replacement.

6.2 The Professional shall (i) prepare and attach as Appendix C to this Agreement the Professional's Consultants Chart which lists by name and general duties each consultant retained by the Professional who will provide services with respect to the Project and the names of key team members in each Consultant's firm who will be performing services on behalf of the Consultant; (ii) not enter into any agreement with any consultant to which the Owner raises a timely objection; and (iii) promptly inform the Owner in writing of any proposed replacements, the reasons therefor, and the name(s) and qualification(s) of proposed replacement(s). The Owner shall have the right to reject any proposed replacement.

6.3 The Owner shall provide and attach as Appendix D to this Agreement the Owner's Consultants Chart which lists by name and general duties each consultant retained by the Owner who will provide services with respect to the Project. At any time during the term of this Agreement, the Owner reserves the right to engage any other consultants which it deems necessary or desirable for the Project, and, at its sole discretion, to remove any Consultant from the Project.

**ARTICLE 7
PROFESSIONAL SERVICES SCHEDULE**

7.1 **Commencement Of Services.** The Professional shall commence Project services on or before _____.

7.2 **Final Completion.** The Project anticipated date of Final Completion is _____.

**ARTICLE 8
AMENDMENTS TO CHAPTER 3**

8.1 The following additions to, deletions from and/or modifications to the specifically referenced articles and paragraphs of Chapter 3 shall take precedence over the provisions of those referenced articles and paragraphs as follows:

[State the reference to each such article and paragraph and how the language is to be added to, deleted from or modified, or state "None"]

Owner's Signature	Professional's Signature
GRAND VALLEY STATE UNIVERSITY	_____ <i>[Legal name of Professional]</i> _____
By: _____ James Moyer	By: _____ <i>[Signature – Printed Name] Below</i> _____
Its: Assistant Vice President	Its: _____ <i>[Title]</i> _____
Subscribed to before me this _____ day of _____, 200__	Subscribed to before me this _____ day of _____, 200__
_____ _____, Notary Public	_____ _____, Notary Public
_____ _____ County, State of Michigan	_____ _____ County, State of Michigan
My commission expires: _____	My commission expires: _____

**APPENDIX C
PROFESSIONAL'S CONSULTANTS CHART**

Name		Service	
Representative:		Telephones	
Address:		Office:	
City, State, Zip:		Facsimile:	
E-mail:		Mobile:	
FEIN / SSN			

Name		Service	
Representative:		Telephones	
Address:		Office:	
City, State, Zip:		Facsimile:	
E-mail:		Mobile:	
FEIN / SSN			

Name		Service	
Representative:		Telephones	
Address:		Office:	
City, State, Zip:		Facsimile:	
E-mail:		Mobile:	
FEIN / SSN			

**APPENDIX D
OWNER'S CONSULTANTS CHART**

Name		Service	
Representative:		Telephones	
Address:		Office:	
City, State, Zip:		Facsimile:	
E-mail:		Mobile:	
FEIN / SSN			

Name		Service	
Representative:		Telephones	
Address:		Office:	
City, State, Zip:		Facsimile:	
E-mail:		Mobile:	
FEIN / SSN			

Name		Service	
Representative:		Telephones	
Address:		Office:	
City, State, Zip:		Facsimile:	
E-mail:		Mobile:	
FEIN / SSN			



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**APPENDIX E
OWNER'S MISSED BUDGET COST CHART**

<u>Budgeted Total Project Construction Cost</u>	<u>Allowable Article 3 Design Not To Exceed Amount</u>
\$ 000,000 to \$ 1,999,999	Five (5%) per cent of bid or negotiated Total Project Construction Cost.
\$ 2,000,000 to \$ 4,999,999	Five (5%) percent of first \$2,000,00 of bid or negotiated Total Project Construct Cost, plus Four (4%) per cent of remainder of bid or negotiated Total Project Construction Cost
\$ 5,000,000 to \$ 9,999,999	Five (5%) percent of first \$2,000,000 of bid or negotiated Total Project Construct Cost, plus Four (4%) per cent of next \$3,000,000 of bid or negotiated Total Project Construction Cost, plus Three (3%) per cent of remainder of bid or negotiated Total Project Construction Cost.
\$10,000,000 to \$19,999,999	Five (5%) percent of first \$2,000,000 of bid or negotiated Total Project Construct Cost, plus Four (4%) per cent of next \$3,000,000 of bid or negotiated Total Project Construction Cost, plus Three (3%) per cent of next \$5,000,000 of bid or negotiated Total Project Construction Cost, plus Two (2%) per cent of remainder of bid or negotiated Total Project Construction Cost.
\$20,000,000 to \$50,000,000	Five (5%) percent of first \$2,000,000 of bid or negotiated Total Project Construct Cost, plus Four (4%) per cent of next \$3,000,000 of bid or negotiated Total Project Construction Cost, plus Three (3%) per cent of next \$5,000,000 of bid or negotiated Total Project Construction Cost, plus Two (2%) per cent of next \$10,000,000 of of bid or negotiated Total Project Construction Cost, plus One (1%) per cent of remainder of bid or negotiated Total Project Construction Cost.

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