

MEMORANDUM

TO: Local Public Agencies

FROM: Lisa Pounds, Local Public Agency Manager and Korina Lopez, Joint Project Agreement Section Manager

CC: District Engineers, Project Management Group, Contracts and Specifications

DATE: August 20, 2019

RE: ADOT Construction Administration Costs for Local Public Projects

Historically ADOT has estimated Construction Engineering (CE), and Post Design Services (PDS) as a percentage of the construction estimate. These combined are the Construction Administration (CA) cost and were sometimes interpreted to be a fixed fee cost by some local agencies. Depending on the project and mix of available ADOT and consultant staff, these CA costs can vary significantly from project to project.

To provide better estimates, ADOT will now estimate the construction phase CE and PDS costs during Stage 4 of development. The estimates will be based on hours, rates, durations, and the scope of work. The CA estimate will assume that at least half of the resources will be provided by consultant personnel, matching current ADOT practice. While these estimates will be a more realistic, the Local Public Agency will remain responsible for all actual costs.

Please do not hesitate to contact us with any questions or concerns.