



openingdesign



PRESERVE, LLC



Desapex



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## \_ - Restaurant and Ballroom

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Proposal for **OpeningDesign's** Architecture, Engineering, and Historical Renovation Services

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Thank you for the opportunity to submit our proposal for the renovation and adaptive

reuse of the — in — We are excited about the project and the potential of working together.

Although a more nuanced list of requirements will undoubtedly unfold as the project evolves, on a high-level, we understand that the project will include the following...

- 2nd Floor to include...
  - Restaurant
    - Seating Area
    - Kitchen
    - Private Dining Area
    - Restrooms
  - Party room within Mezzanine Area.
- 3rd Floor to include...
  - Renovation of two story, historic ballroom to accommodate periodic performances.
  - Wet Bar
  - Casual Seating Area
  - Restrooms
  - New roof deck & membrane for outdoor seating above two story 'Mezzanine Area'
- New elevator shaft throughout the existing 4 floors
  - Extend stair well through existing roof deck
- 1st Floor Irish Pub to remain as
- Exterior
  - Refurbish or replace existing windows.
  - Repoint brick as needed
  - Repair stone lintels as needed
- New Mechanical systems for restaurant and ballroom spaces.

The current projected budget is 2.6 Million.

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## Phases & Scope of Services

- **Phase 1 - Programming**

*(approximate duration/fee: 2 weeks / 5% )*

- Perform field measurements/drawings of existing conditions to compose as-built drawings
- Conduct zoning and building code analysis & summary
- Assemble site utility and survey data
- Execute deeper research on building's history and architectural significance
- Determine condition/capacity of existing M/E/P systems to accommodate future growth.

- **Phase 2 - Schematic Design**

*(approximate duration/fee: 4 weeks / 10% )*

- At the beginning of this phase, we will take the agreed-on list of requirements and provide a maximum of (3) design options. These design options will address varying approaches in the following criteria.
  - Functional relationship of the various spaces
  - Site and historical restrictions
  - Material options, as historically appropriate and approvable by the National Park Service for a historic tax credit project
  - Structural considerations
  - Mechanical considerations
  - Plumbing Considerations
  - Major equipment locations
  - Code restrictions/requirements
  - Concepts will be presented in the following formats
    - 3-dimensional Renderings/Sketches
    - Floor Plans
    - Elevations
    - Sections
- Continue researching applicable building code and historical requirements
- Start coordinating and eliciting feedback from the various subs/engineering disciplines
  - Structural
  - Mechanical
  - Electrical
  - Plumbing
  - Kitchen Designer
- Execute a limited scope decorative finish analysis in key highly decorative areas that will be required to be recreated in order to utilize the historic tax credits
- Preliminary meetings with state and local regulatory entities including the Wisconsin Historical Society (WHS) and National Park Service (NPS) requesting preliminary review of Schematic Design

- Provide GC with details required for preparation of schematic budget

- **Phase 3 - Design Development**

*(approximate duration/fee: 8 weeks / 25% )*

- Upon approval of schematic design/project budget, we will further develop and refine the design documentation in coordination with necessary engineers and consultants
- Developed deliverables will include:
  - Floor Plans
  - Site Plan
  - Elevations
  - Sections
  - Select details
- Propose, select, and refine materials and finish options
- Continue to coordinate drawings with the various subs/engineering disciplines
- Initiate formal regulatory review/approval process including: preparation and presentation of materials required by local and state agencies

- **Phase 4 - Construction Documents**

*(approximate duration/fee: 12 weeks / 35% )*

- We, along with our consultants, will complete the following drawings for permit and construction:
  - Architectural
    - Demolitions Plans
    - Floor Plans
    - Reflected Ceiling Plans
      - Lighting Layout
    - Roof Plans
    - Building Elevations
    - Interior Elevations
      - Including Millwork/Casework
    - Building Sections
    - Wall Sections
    - Details - Exterior/Interior
    - Door/Window/Finish Schedules
  - Mechanical/Plumbing
    - Major Equipment Locations
    - Ductwork/Pipe Layout and sizing

- Electrical
  - Major Equipment Locations
  - Receptical locations
- Commerical Kitchen
  - Floor Plans
  - Equipment List
- Structural Plans
- Low Voltage Plan
  - Fire Alarm
  - Security Systems
  - Audio/Visual
- Construction Specifications as necessary
- Coordinate and communicate with the GC, various engineering disciplines and consultants
- Submit historic tax credit Addendum No. 1 to the WHS and NPS for review and approval of the Construction Documents (allow 60 working days total)
- Execute a limited scope decorative finish analysis in order to understand finishes requiring recreation

- **Phase 5 - Bidding and Construction Contract Negotiation**

*(approximate duration/fee: 2 weeks / 5% )*

- Submit/manage any municipal plan reviews and/or permits.
- Answer subcontractor's bid questions, issue clarifications.
- Modify drawings if required to accommodate budget

- **Phase 6 - Construction Administration**

*(approximate duration/fee: NA / 20% )*

- Weekly site visits, assuming a typical construction pace.
- Respond to RFIs (request for information)
- Review shop drawings and submittals
- Review substitutions
- Review change orders
- Develop punch list
- Coordinate mock-up reviews with the WHS on site; required for historic tax credit approvals (ex. mortar repointing, decorative finish recreation, etc.)
- If applicable, review application for payments
- Complete and submit the Part 3 - Certification of the Work historic tax credit document to the WHS and NPS for review and approval of the completed project; completion of this document indicates to the NPS and IRS that your

currently open historic tax credit project is complete

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## Fee & Workflow Proposal

Over the years, OpeningDesign has developed a preferred and unique way of working. Although our website's [about page](#) provides more detail, in a nutshell, most of our projects are [open source](#) and are conducted [out-in-the-open](#).

Simply put, this way of working allows us to be more efficient, ultimately keeping costs down and bringing more value to our clients. Having said that, we understand some clients, for whatever reason, may have hesitations regarding this approach.

To address \_'s potential concerns, if any, we would like to offer the following (3) workflow and fee options:

- **Approach (A): A Fully Open Approach** where the construction documentation, location, and the names of the parties involved in this contract are known and are shared publicly. All newly created digital documentation/content is [open source](#), that is, will be freely available to any party for future use, assuming the terms such as [Attribution](#) and [ShareAlike](#) are honored.
- **Approach (B): An Anonymous Open Approach** where all newly created documentation is shared publicly, however, the location and the names of the parties involved are kept anonymous. Again, similar to approach (A), all newly created digital documentation/content is [open source](#).
- **Approach (C): The Traditional Approach** where all documentation and parties involved remain confidential and private.

- Please note, no matter which approach (A, B, or C) is used above...
    - Any documentation from parties outside this contract, and/or shared with OpeningDesign **prior** to the signing of this contract, **WILL NOT** be shared publicly.
    - Any prior emails, or any emails between \_, OpeningDesign, or any other parties during the duration of the project, **WILL NOT** be shared publicly.
    - Also, we will not make public anything that \_ explicitly indicates should be kept private.
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## Part 1: Fee Proposal

As is typical with the initial phases of a building project, the design is often too nebulous to determine a realistic ‘lump-sum’ and/or not-to-exceed maximum fee. In that light, we propose a two part fee contract whereby the first part will be a an hourly rate proposal for approximately a fifth (1/5th) of the project’s schedule—that is, the early 1)Programming and 2)Schematic Design Phases of the project.

For the second part, when the extent of the scope is better defined, we propose to continue with our hourly fees, but amend the contract (**Part 2, below**) by adding a not-to-exceed maximum fee. This fee will be a fixed percentage of final construction costs.

## Part 2: Not-to-Exceed Fee Proposal Options (**A, B, or C**):

Please note, the not-to-exceed fees below were established at the end of the 1) Programming and 2) Schematic Phases.

-	Approach (A)	Approach (B)	Approach (C)
<b>Total Not-to-exceed Fee</b> (X% of construction costs)	9%	11.5%	13%
Assuming estimated construction costs of <b>\$2,000,000</b>	\$180,000	\$230,000	\$260,000

\*Please note, these are not **lump sum** fees, but are instead, **not-to-exceed** fees. If the project costs go down/up, or less/more scope is involved over time, these fee ceilings will adjust relatively.

The **\*\*Hourly Rates\*\*** called out below (which are well below what we see currently in the market), will apply until this not-to-exceed fee is reached.

By using hourly rates and a not-to-exceed fees based on percentages of construction, we have found this to be a win-win for both parties. The design professionals are given a little more safeguard against potential [scope creep](#) and the client can realize more economical fees if they are able to make decisions

quicker and more consistently—moving the design of the project along quicker.

## Hourly Rates

Role	Approach (A)	Approach (B)	Approach (C)	A Rough Estimated Percentage of Fees
<b>Architecture</b> <a href="#">Opening Design</a>				
Role Level 1	\$75/HR	\$90/HR	\$105/HR	45%
Role Level 2	\$55/HR	\$65/HR	\$75/HR	10%
<b>Historic Preservation Consultant</b> <a href="#">Preserve, LLC</a>				
Role Level 1	\$105/HR	\$110/HR	\$120/HR	5%
Role Level 2	\$75/HR	\$85/HR	\$95/HR	10%
<b>Mech/Plumbing Engineer and Contractor</b> <i>(for design &amp; pre-construction services only)</i> <a href="#">Lake Country Heating &amp; Cooling</a>				
Role Level 1	\$80/HR	\$90/HR	\$100/HR	5%
<b>M/E/P Modeling &amp; Drafting</b> <a href="#">Desapex</a>				
Role Level 1	\$35/HR	\$50/HR	\$75/HR	5%
Role Level 2	\$25/HR	\$40/HR	\$60/HR	5%



Role	Approach (A)	Approach (B)	Approach (C)	A Rough Estimated Percentage of Fees
<b>Kitchen Consultant</b> <a href="#">Kiche</a>				
Role Level 1	\$150/HR	\$150/HR	\$150/HR	5%
Role Level 2	\$90/HR	\$90/HR	\$90/HR	5%
<b>Electrical Contractor</b> <i>(for pre-construction services only)</i> <a href="#">Jefferson Current Electric</a>				
Role Level 1	\$75/HR	\$85/HR	\$95/HR	1%
<b>Structural Engineer Consultant</b> <a href="#">Ntrive</a>				
Role Level 1	\$170/HR	\$170/HR	\$170/HR	0.5%
Role Level 2	\$125/HR	\$125/HR	\$125/HR	1%
Role Level 3	\$100/HR	\$100/HR	\$100/HR	0%
Role Level 4	\$85/HR	\$85/HR	\$85/HR	0.5%
<b>Additional Consultants</b> <ul style="list-style-type: none"> <li>• Lighting</li> <li>• Fire Alarm and Audio/Visual</li> <li>• Building Envelope Specialist</li> <li>• Specification Writer</li> <li>• Door Hardware Consultant</li> <li>• Security Consultant</li> </ul>				2%
<b>TOTAL</b>				100%

Consultant expenses will include an **additional 10%** to cover in-house administration, handling, financing, and insurance costs.

# The Determination of the Not-to-Exceed Fee

For \_'s reference and peace of mind, please review the following document as to what the standard practices are for establishing design fees in the construction/architecture industry.

[A Guide to Determining Appropriate Fees for the Services of an Architect Consultants.](#)

In referencing **page 12**, under the following list of assumptions, they suggest an average range for design services to be around **11.40%** of construction costs.

- Building Category = **5**
  - (Restaurant, Licensed Beverage Establishment from **Page 30**)
- Complexity Level = **Average**
- Construction Costs = **\$2M to < \$5M**
- with Basic Engineering (structural, mechanical and electrical ONLY)

Additionally, per section **1.2 (Fee Adjustment Factors / Variables affecting the Architect's Fee)** they suggest adjusting the fee based on a list of unique factors (**page 13**). Of those listed there, the following **Factor 1.2.11** is pertinent to your proposed project.

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- **1.2.11 Fee Adjustment Factor 11**
    - **Renovation to existing Buildings (versus New Construction)**
      - *Renovation work is well-known for its unknown conditions. This is the reason that it is recommended that renovations to existing buildings be performed on a time basis. If a percentage-fee is used the fee needs to be adjusted and increased to allow for the unknown work and the subsequent design modifications the Architects will need to make. Some provincial associations recommend an adjustment of an additional two-thirds of the fee or an adjustment factor of 1.65 for renovations*
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If one applied an adjustment factor of 1.65, as suggested above, the adjusted fee would be **18.81%** (1.65 x 11.40%) of construction costs.

Obviously this is a pretty hefty fee.

As you can see from our proposed not-to-exceed fee and hourly rates outlined above, not to mention our eagerness to work with you, we have decided to provide a more economical rate relative what the industry average suggests.

We are confident that through our unique and open way of working and our strong band of consultants, that that we will meet and exceed the industry standard of care.

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## Reimbursable expenses include:

- Transportation in connection with the project for travel authorized by the client (transportation, lodging and meals)
- Communication and shipping costs (long distance charges, courier, postage, dedicated web hosting, etc.)
- Reproduction costs for plans, sketches, drawings, graphic representations and other documents
- Renderings, models, prints of computer-generated drawings, mock-ups specifically requested by the client
- Certification and documentation costs for third party certification such as LEED®
- Fees, levies, duties or taxes for permits, licences, or approvals from authorities having jurisdiction
- Additional insurance coverage or limits, including additional professional liability insurance requested by the client in a excess of that normally carried by the architect and the architect's consultants
- Direct expenses from additional consultants not specifically outlined in this proposal

*Reimbursable expenses include an additional 10% to cover in-house administration, handling, and financing.*

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## Services *not* included in Proposal

*Although we can provide the following services, we are assuming they will either not be necessary, or will be provided by outside parties.*

*The following list is ordered roughly in how likely it would be to that such services/consultants would be engaged during this project.*

- Cost Estimation
- Fire Protection (Sprinklers) Services
- Acoustical Engineering Services (Ballroom)
- Furniture, Fixtures & Equipment (FF&E) services
- Hyper-Realistic Renderings

- Shortlisting Contractors
  - Civil Engineering
  - Geotechnical Engineering
  - Land Surveying
  - Landscape Design
  - Environmental Studies and Reports
  - Legal Survey
  - Signage Design/Layout
  - Closeout Record Documents
  - LEED Design
  - Environmental Studies
  - Commissioning Services
  - Post-occupancy Evaluation/Studies
  - Maintenance and Operational Programming
  - Building Maintenance Manuals
  - Post-occupancy Evaluation
  - Extensive decorative finish studies
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## Boilerplate

- Opening Design will deliver invoices on a monthly basis based on scope complete, with payment due within 30 days of receipt. Invoices overdue past (60) days will be interpreted as an order to stop work on the project.
  - This proposal is valid for 90 days.
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We ([OpeningDesign](#)) sincerely appreciate the opportunity to provide you with this proposal and look forward to the potential of a fruitful collaboration in the future.

If we have included a service, with in this proposal, that is not necessary and/or one that is missing altogether, please let us know.

If the terms of this proposal are acceptable please sign in the space offered below.

Finally, please don't hesitate to contact me (Ryan Schultz) should you have any questions or require additional information.

Kind Regards,

Ryan Schultz  
OpeningDesign

P.S.

Needless to say, we know this open approach is a new and unique way of working and we would be happy to have a face to face meeting to address any further questions/concerns you may have.

Also, if curious, the following links will give you a sense of how we're harnessing this open approach on a Sports Complex project we're working on in Jefferson, WI.

- For native project files go [here](#).
- For ongoing project communication between the design team go [here](#).

# Authorized by:

- Signature

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- Title

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- Date

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