

BDC: The abbreviation for Bell Design Co., a “C” Corporation with Federal Tax Identification No. (EIN) 91-1650018. Bell Design Co. also does business (DBA) as Bell Design Company or Bell Design in the states of Washington and Oregon.

Budget: This is the total fee that the Client will be responsible to pay BDC for professional services rendered and is typically used in the phrase “Scope and Budget”. The budget will be billed according to **Invoice Type** and may also be referred to as **Estimated Compensation**.

Estimated Compensation: **Estimated Compensation** is determined by the **Scope** and **Budget** defined for the project, which includes BDC’s reasonable estimate of the level of effort (worked hours) that will be required to fulfill the anticipated scope of work. The **Estimated Compensation** is generally an estimate of labor hours required to complete the project billed at BDC standard rates as set forth in the most current *Published Fee Schedule*, and may also include administrative services, anticipated reimbursable services, and project expenses. All fees will be paid per the terms of the *Standard Contract for Professional Services*. The Client should expect the **Actual Fee** paid to BDC to be based on both the **Contract Type** and the *actual number* of hours worked on the project, which can change based on unforeseen regulatory requirements/needs/requests, unforeseen conditions on the site, unforeseen supply issues, or additional work requested by the Client.

Actual Fee: The full amount paid by a Client for the project from start to finish. This fee is usually the original budget for the contract as negotiated by the Client and consultant. The fee may be adjusted with the consent of the Client for various reasons as outlined in this document.

Contract: A written or spoken agreement concerning desired services which is intended to be enforceable by law and that may also be referred to as a *Standard Contract for Professional Services*

Contract Types: The type of agreement with the Client, or **Contract Type**, defines how the Client will be invoiced for time and materials expended on the project. There are 3 types of contracts:

Fixed Fee: This contract type will be used when the **Budget** is fixed by the scope and budget. There may be allowance for small variations as defined in the corresponding **Contract**. The budget/fee may also change due to unexpected or unconfirmed situations as outlined in the contract document.

T&M (Time and Materials): This contract type will be used when a job will be billed for actual time and materials used and without a specific budget cap. This designation can be used when the process for developing a budget is time or cost prohibitive due to schedule restraints, prompt action on a project is required, or because the project and scope are not clearly known or defined. In these cases, the Client may choose to authorize BDC to proceed on the project with a T&M contract. Detailed notes of time and expenses will be included with each invoice.

NTE w/out CA (Time & Materials not to exceed without Client Approval): This designation will be used when a job will be billed for actual time and materials used and a specific estimated budget cap is assigned. The cap will be based on the best estimate of the project cost based on the information available when negotiating the contract (see also **Budget & Estimated Compensation**). If BDC determines that the project is going to exceed the initial budget, the Project Manager will provide the Client with an estimate of additional costs. Client approval and an executed contract supplement will be required to resume work. Detailed notes of time spent will be included with each invoice.

Invoice Types: BDC uses six invoice types that define the frequency of invoicing and the level of information on the invoice provided for each individual Client, as defined in the **Contract**. All **Contracts**, regardless of Invoice Type designation will require a deposit before work will commence (by law, government agencies are exempt from this requirement).

Standard SF (short form): Client will typically receive an invoice twice per month with limited details.

Standard LF (long form): Client will be billed twice per month with details. This invoice form is often required for municipal agency work.

Lump Sum-End: Client will be billed once for the entire job upon completion of work.

Lump Sum-Beg (beginning): Client will be billed once for the entire job at the beginning of work.

% Complete: Client will be billed periodically when significant percentages (30%, 50%, etc.) of work are complete. This type of invoice is often requested by architects and other design-related professionals.

Milestones: Client will be billed periodically when certain significant milestones on the project are reached.

Outside Fees: These fees represent project expenses for services or costs that are not directly provided by BDC, but are necessary for the successful completion of the project. These may include agency review fees, permit fees, recording fees, title reports, testing costs, and fees for other consultants or contractors.

Schedule: A plan for carrying out a process or procedure, often given as lists of intended events and times.

Scope: The scope consists of a list of specific goals, deliverables, tasks, budget, and deadlines for a project. The project scope may also be called a *Scope Statement*. It explains the boundaries of the project, establishes responsibilities for each task or team member and sets up procedures for how completed work will be verified and approved. The scope defines responsibilities and tasks to be performed by BDC as well as any to be performed by the Client or outside contractors or consultants. The scope may also specifically list tasks that will not be performed as part of the contracted budget, but may be approved and contracted by the Client at a later date for additional compensation.

Scope Creep: When a project scope changes after a Contract is executed, the project work may start to expand or “creep” beyond the boundaries originally defined in the **Scope**. Common causes of scope creep are unforeseen site conditions, project requirements, agency reviews, additional permits, or additional work requested by the Clients

Scope Creep increases the level of effort and the number of work hours required on the project. This increased level of effort will be reflected in a supplemental contract agreement with an increase in the fee for additional services.

Avoiding Scope Creep

- Client should avoid changing plans or goals after the **Contract** has been signed
- All parties should try to avoid long delays during critical reviews
- Client should make every effort to answer clarifying questions promptly
- Client should avoid unnecessary communication. While we encourage open and effective communication between BDC and our Clients, which is critical for successful projects, Clients should avoid unnecessary phone calls, texts, or emails during the course of the project. BDC staff takes every form of correspondence seriously. Average time to respond to an email may be 15 minutes or more, and applicable charges will be billed.

Adjustments of Schedules and Fees

Bell Design is always willing to do our best to adjust our *scope, fees, and schedules* to accommodate the Client’s budget. We try to provide accurate *budgets* and *schedules*. We want to serve you to the best of our ability while also working within your budget. If you see something on the project *scope* that can be modified to fit your budget, BDC will try hard to adjust our services, if at all possible. For example, there may be tasks that the Client can perform with some assistance from BDC instead of BDC performing the entire task. We won’t be offended and encourage you to simply ask.

No Bull Policy

Bell Design provides high quality plans, designs and engineering services. We do not nickel and dime our Clients. We are faithful, knowledgeable, and honest. We follow the Golden Rule with our Clients. We know that quality work is expected. We strive to respond quickly to our Clients and to make every effort to stay in budget without complaining when we need to go “the extra mile” to make things right. It is our policy to provide realistic quotes based on our experiences with the projects we quote. We realize that in our industry there are others who settle for lower standards than we do, but we are not competing with them; we are competing for your respect and desire to work with us again and again. We are willing to listen to our Clients and help them build quality projects with little or no surprises. That’s our NO BULL POLICY.

Dream Builders

Bell Design realizes that every person or organization has dreams and hopes for their future. When engineering services are needed to realize those dreams, BDC is here for you. We realize that our part in helping you to realize your dreams is to be humble, to listen, and to guide you with our technical expertise and services. Ultimately, our best service to you is to help you take each step needed to turn your dream into a reality, one step at a time.