

14 Gilson Road - Littleton, MA 01460 - P: 978-952-2552 - F: 978-952-6464 - [www.BasnettDBR.co](http://www.BasnettDBR.co)

**PROJECT DEVELOPMENT AGREEMENT**  
(Owner-Provided Plans)

An Agreement by and between \_\_\_\_\_, having a mailing address at \_\_\_\_\_, MA, (hereinafter collectively referred to as "Owner") and **J.F. Basnett Co., Inc., dba Basnett Design-Build-Remodel**, having a mailing address at **14 Gilson Rd., Littleton, MA 01460** (hereinafter referred to as "Contractor").

Whereas Owner desires to engage Contractor to advance development of a construction project at their **above-referenced property** – or – **property located at \_\_\_\_\_** (hereinafter "Project");

**Project Description**

Construction according to Owner-provided Plans, and as further refined and modified subsequent to this Project Development Agreement.

**PHASE I: EXPLORATION**

PHASE I services as described below shall be initiated with a payment of \$200; which shall represent payment for Feasibility Study portion of PHASE I services.

**I. Feasibility Study**

In order to determine Project feasibility relative to regulatory and logistical constraints, Contractor will perform as many of the following services as needed. Information obtained during feasibility study will be analyzed by Contractor to assure ability and nature of how to proceed, and will be verbally communicated to Owner.

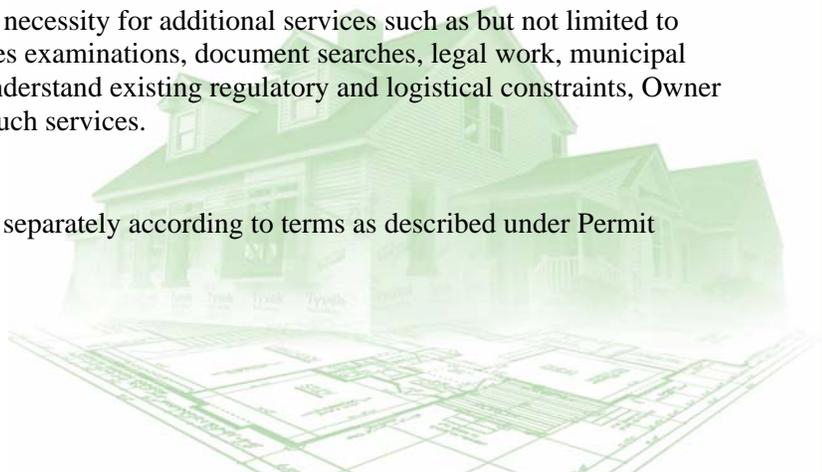
- Gather all relevant Owner documentation and information.
- Gather information on lot configuration.
- Gather information on site conditions and topography.
- Gather information on existing subterranean systems; i.e. septic systems, wells, water services, electric services, gas services, etc.
- Determine existing utilities conditions and constraints. If applicable, gather information from utilities providers to determine and create a plan of action to modify utility systems.
- Discover and gather pertinent documentation on file with municipality. Determine whether any required documentation is missing.
- Review local bylaws and regulations.
- Review any district or association restrictions.
- Devise approach to work within determined parameters or to attain required approvals.

**II. Other Exploratory Services**

In the event that the Feasibility Study uncovers the necessity for additional services such as but not limited to survey work, soil testing, Title V inspection, utilities examinations, document searches, legal work, municipal meeting preparation and attendance, etc. to fully understand existing regulatory and logistical constraints, Owner may direct Contractor to provide and/or facilitate such services.

**Other Exploratory Services Fees**

- Contractor-provided services shall be invoiced separately according to terms as described under Permit Procurement below.



## PHASE II: SPECIFICATIONS & BUDGET

PHASE II services as described below shall be initiated with a deposit of \$\_\_\_\_\_; which shall be applied to PHASE II Fee.

### **I. Existing Conditions Survey**

In order to form a proper basis from which to evaluate changes, required materials and services, and overall Project costs, existing conditions must be known in detail. Contractor shall perform as many of the following services as needed.

- Site visits by Production Coordinator/Estimator and/or Trade Contractors.
- Digital Photography.
- Collect Owner information and documentation.
- Measurement of interior and exterior spaces.
- Identification of existing mechanical components and systems.
- Identification of existing construction systems and components.
- Identification of existing finishes and components.

### **II. Value Engineering**

Value Engineering draws on the experience and knowledge of the Contractor and, when applied, can exponentially increase the Project value to the Owner. Contractor will consult with Owner regarding areas, either within the plans, within requested specifications, or otherwise related to site conditions that may be modified or adjusted to increase perceived value. As part of PHASE II Contractor will make suggestions based on Contractor's understanding of Owner's goals as they apply to plans and specifications as presented.

### **III. Preliminary Specifications**

Contractor shall produce Preliminary Specifications to more clearly communicate details not included in the provided plans. These specifications help assure a comprehensive Interim Budget; and also serve as a template for final specifications to be included with the Construction Contract.

- Interim Specifications shall consist of written descriptions of elements to be incorporated into the Project as determined through the above process and as needed to elaborate beyond information provided in the Plans.
- Allowances shall be incorporated as needed for selections not yet determined.

### **IV. Interim Budget**

Interim budgeting is a valuable tool for "constructability review" and is more reliable than "ballpark" or unit pricing such as "per square foot"; but is not intended as a fixed Contract Price.

- Contractor uses in-house estimates in lieu of obtaining quotes from trade contractors and allowance values are used in place of finalized Owner selections or where exactitude is not practical and/or possible.
- Contractor shall continue to provide Interim Budgets for plan and/or specification modifications until such time that Owner is satisfied with the project or elects to terminate this agreement.

### **PHASE II Fee**

- PHASE II Fee shall be a percentage of the Interim Budget as noted below and shall be due at presentation of first Interim Budget.
  - 1% for budgets up to \$200,000.
  - .75% for budgets between \$200,000 and 400,000, but not less than \$2,000.
  - .5% for budgets over \$400,000 but not less than \$3,000.
- Repetitions of Interim Budgeting for additional value engineering or design revisions shall not incur additional PHASE II Fees.
- *Upon execution of Construction Contract, PHASE II Fee shall be refunded as a credit to the Construction Contract Deposit.*
  - When a Master Plan is designed and the Construction Commitment Agreement is only for portion(s) of the Master Plan, then only the related portion of the PHASE II Fee shall be refunded.

- As additional portions of the Master Plan are contracted the related portion of the PHASE II Fee shall be refunded regardless of how far in the future a particular portion is contracted.

### PHASE III: DESIGN REVISION

If a satisfactory Interim Budget cannot be achieved through efforts of services provided through PHASE II above, Owner may engage Contractor to adjust or change the Project design. PHASE III services shall be initiated with a deposit of \$ \_\_\_\_\_; which shall be applied to the PHASE III Fee.

- Owner shall work with Contractor-designated Designer to complete design as described below.
- Contractor shall collaborate with Designer and Owner to help direct design as it relates to site conditions, structural elements, building systems, mechanical systems, materials selections, and budget considerations.
- Designer shall collaborate with Owner and Contractor to develop floor plans, elevations, and details and to choose elements as needed to be incorporated within Project to the extent practical to illustrate design and create concept prints and to establish parameters for revised Interim Budget.
- Designer and Contractor will advise Owner of “direction of budget” to aid the decision-making process during Design revisions, but cannot and shall not provide itemized pricing to every option considered.

#### **PHASE III Fee**

- Designer service fees shall be billed at a rate of \$90.00 per hour.

### PHASE IV: CONSTRUCTION COMMITMENT

PHASE V, VI, and VII services will be initiated and a slot in Contractor’s construction schedule will be reserved with a Construction Commitment Deposit in the amount as noted below.

- **\$2,500** for Projects with initial budgets under \$50,000.
- **\$5,000** for Projects with initial budgets between \$50,000 and \$100,000.
- **\$7,500** for Projects with initial budgets between \$100,000 and \$200,000.
- **\$10,000** for Projects with initial budgets between \$200,000 and \$300,000.
- **\$15,000** for Projects with initial budgets between \$300,000 and \$400,000.
- **\$20,000** for Projects with initial budgets between \$400,000 and \$500,000.
- **\$25,000** for Projects with initial budgets between \$500,000 and \$600,000.
- **\$30,000** for Projects with initial budgets between \$600,000 and \$700,000.
- **\$35,000** for Projects with initial budgets between \$700,000 and \$800,000.
- **\$40,000** for Projects with initial budgets between \$800,000 and \$900,000.
- **\$45,000** for Projects with initial budgets between \$900,000 and \$1,000,000.
- **\$50,000** for Projects with initial budgets in excess of \$1,000,000.
- Contractor shall continue to perform services as needed and as authorized, and invoice according to corresponding terms for each as noted.
- *Upon execution of a Construction Contract, Construction Commitment Deposit shall be refunded as a credited to the Construction Contract Deposit.*

### PHASE V: PERMIT PROCUREMENT

To forestall potential Construction delays, Contractor shall begin to pursue necessary permits upon completion of Phase IV, or sooner if advisable and agreeable. Contractor shall perform as many of the following services as needed.

- Prepare all applications and supervise all phases of the permitting process.
- Consult with engineers, attorneys, inspectors, municipal boards, etc., and arrange professional services as required.
- Attend meetings as necessary.
- Provide administrative support, field personnel and services, and heavy equipment necessary.

Contractor shall apply due diligence in all matters relating to permit procurement requirements, but shall not be held responsible for delays caused by the actions of engineers, any permit-granting authority, or any other persons or entities involved in such proceedings.

**Permit Procurement Fees**

Contractor-provided services required to seek permits shall be passed-through, and invoiced separately according to rates, terms and conditions below.

- Contractor cost for all municipal fees.
- Contractor cost for all materials, supplies, and one-time use tools and materials.
- Contractor cost for all subcontracted services.
- Contractor cost for all rentals of temporary facilities, machinery, tools, and equipment.
- \$50.00 per running hour for Contractor-owned heavy equipment and associated implements, with a minimum rate of 4 hours per use.
- Contractor personnel at rates defined below:
  - Owner/President: \$100.00
  - Production Coordinator, Project Supervisor: \$ 75.00
  - Administrative: \$ 60.00
  - Master Builder: \$ 60.00
  - Journeyman Builder: \$ 50.00
  - Apprentice Builder: \$ 40.00
  - Builder's Assistant: \$ 35.00
- Meeting attendance shall have a minimum charge of two hours per meeting.
- Contractor shall make every effort to assign appropriately-skilled personnel to any given task, but shall be solely responsible for personnel assignments. Labor rate shall be based on personnel assigned, regardless of type of task.
- Permit Procurement fees are due for services provided whether or not permits are secured.

**PHASE VI: FINAL PROJECT DEFINITION**

**I. Construction Plans**

Construction plans are required for permitting and to communicate building details to all involved in the construction of Project.

- Contractor shall work with Owner’s designer in an effort to minimize cost of Construction Plans by advising designer to limit details to only those required to obtain permits and to direct parties involved in the construction of Project.
- Owner may engage Contractor to adjust Plans or produce construction documents in lieu of completion by Owner’s designer.
  - Owner shall compensate Contractor for designer services to create Construction Plans at a rate of \$90.00 per hour.

**II. Selections**

Contractor shall provide Owner with Selections Consultant to help Owner expeditiously choose elements within the Project that maintain continuity of design as desired by the Owner.

- Contractor’s Selections Consultant shall provide Owner with professional services for product selections and material layout specification as needed to fully define Project.
- Selections Consultant shall coordinate with Owner and/or vendors as needed to complete Selections.
- Unless otherwise dictated, allowances incorporated in final Interim Budget will provide a reference point for Selections.
- Selections not completed prior to execution of Construction Contract shall be represented by an allowance as part of defined Project.
- Contractor shall provide Selections Consultant services for a maximum of \_\_\_\_\_ hours. Owner shall compensate Contractor for Selections Consultant’s time exceeding the maximum allotment at a rate of \$90.00 per hour.

**III. Contract Specifications**

Contractor shall coordinate with Designer, Selections Consultant, and Owner as needed to create detailed Contract Specifications.

**PHASE VII: CONSTRUCTION CONTRACT**

Contractor shall give full diligence to producing an accurate and fair proposal that is in keeping with Project Definition completed as above.

- Basnett Design-Build-Remodel Standards shall describe materials, means, and methods that govern work performed by Contractor.
- Contractor cannot and shall not provide itemized pricing to every variation determined after Interim Pricing.
- Contract Price may vary from Interim Budget as it will be based upon finalized Selections and Specifications which will by then have evolved more completely.
- *A credit equal to the appropriate portion of the PHASE II Fee and the Construction Commitment Deposit shall be applied to the Construction Contract deposit.*

**TERMS AND CONDITIONS**

**I. General**

- Owner may terminate Contractor services at any time with written notice to Contractor and payment for all services up to the date of Contractor’s receipt of the notice.
- All fees, outsourced services, and other charges shall be invoiced upon completion of service or at interim intervals at the discretion of the Contractor.
- Owner grants permission for Contractor to take and utilize photographs of the Project for general use such as award entries or on Contractor’s website.

**II. Time of Performance**

Contractor shall apply due diligence in all matters relating to Project Development, but shall not be held responsible for delays caused by the actions and/or inactions of others or conditions outside of Contractor’s control.

**ACCEPTANCE**

By signing this document, Owner acknowledges agreement to all related terms, and understands that this is authorizing Contractor to perform the PHASE \_\_\_\_\_ services. Subsequent services detailed as above shall be authorized and performed upon receipt of deposits indicated. Contractor agrees to perform services as authorized.

The Construction Contract shall be executed as a separate document upon completion of the services above and mutual agreement of the parties.

\_\_\_\_\_  
Contractor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Owner(s)

\_\_\_\_\_  
Date