South Texas College 2013 Bond Program
Summary of Construction Program Management (CPM) Services Contract Negotiations with Broaddus & Associates

		Total	% of Bond Program	Date		Reduction from Original Proposal
Initial proposed fee	$	4,326,387	2.72%	30-May-2014	$	-
2nd proposal	$	4,200,000	2.64%	12-Jun-2014	$	(126,387)
3rd proposal	$	4,000,000	2.52%	17-Jun-2014	$	(326,387)
4th proposal	$	3,995,000	2.51%	18-Jun-2014	$	(331,387)
Current proposed fee	$	3,975,000	2.50%	18-Jun-2014	$	(351,387)

1. Initial negotiations on May 13, 2014 focused on scope of services.
2. Follow-up negotiations on May 30, 2014, focused on the fee proposal by Broaddus & Associates.
3. Staff agreed with the initial formal fee proposal, and recommended Committee approval.
4. On June 12, 2014 the Facilities Committee asked staff to negotiate a lower fee.
5. In response to the discussion at the Facilities Committee, B&A offered immediately to decrease the fee to $4,200,000.
6. Staff informed B&A that $4,200,000 was not a significant reduction to the original fee.
7. On June 17, 2014 B&A submitted a new proposal, further decreasing the fee to $4,000,000.
8. Staff requested that B&A consider reducing the fee below $4,000,000, and a new offer in the amount of $3,995,000 was provided on June 18, 2014.
9. Staff analyzed and estimated costs for B&A and used this data to further negotiate the fee proposal to its current position.
10. Broaddus has proposed a fee of $3,975,000 (2.50%) and retaining the full scope of services.