

# Farmers Branch Office Park Lift Station Construction Manager at Risk (CMAR) Contract

July 2024

City of Farmers Branch  
PO Box 819010  
Farmers Branch, TX 75381-9010

Project #24-25



**BGE, Inc.**  
TBPE Registration No. F-1046  
2595 Dallas Parkway, Suite 101  
Frisco, Texas 75034  
T (972) 464-4800

Project #7648



**Farmers Branch Office Park Lift Station  
Construction Manager at Risk (CMAR)  
Table of Contents**

1. Notice of Award .....	3
2. Agreement .....	5
3. Certifications and Disclosures.....	38
4. General Conditions .....	45
5. Supplementary Conditions .....	127
6. Special Conditions.....	143

## NOTICE OF AWARD

Date of Issuance: July 2, 2024

Owner: City of Farmers Branch Project No.: 24-25

Owner's Advisor: BGE, Inc. Project No.: 7648

Project: Farmers Branch Office Park Lift Station Rehabilitation

Contract Name: Farmers Branch Office Park Lift Station Rehabilitation

Proposer: Felix Construction

Proposer's Address: 403 International Parkway, Suite 500, Richardson, TX 75081

You are notified that Owner has evaluated your statement of qualifications May 7, 2024, for the above Contract, and that you are the successful Proposer and are awarded the Contract.

The Total Amount of Contract Award is **\$46,913.00** for Pre-Construction Services only. The Contract Price is subject to adjustment based on the provisions of the Contract.

Four unexecuted counterparts of the Agreement accompany this Notice of Award, and one copy of the Contract Documents accompanies this Notice of Award or has been transmitted or made available to Proposer electronically.

x Drawings will be delivered separately from the other Contract Documents.

You must comply with the following conditions precedent within 15 days of the date of receipt of this Notice of Award:

1. Deliver to Owner four counterparts of the Agreement, signed by successful Proposer, as Construction Manager at Risk.
2. Deliver to Owner the required insurance documentation, as specified in the Request for Proposals and in the General Conditions, Articles 2 and 6, with the signed Agreement.
3. Deliver written confirmation that successful Proposer, as Construction Manager at Risk, will furnish Contract security, such as required performance and payment bonds, when the first Work Authorization is issued, as specified in the General Conditions, Articles 2 and 6. Such confirmation will identify the surety that will issue the bonds, if bonds are required.
4. Other conditions precedent, if any: none.

Failure to comply with these conditions within the time specified will entitle Owner to consider you in default, annul this Notice of Award, and declare your proposal security forfeited.

Within 10 days after you comply with the above conditions, Owner will return to you one fully signed counterpart of the Agreement, together with any additional copies of the Contract Documents as indicated in Paragraph 2.02 of the General Conditions.

## **APPENDIX C**

### **CMAR-525 AGREEMENT BETWEEN OWNER AND CONSTRUCTION MANAGER AT RISK**



**CMAR - 525**  
**AGREEMENT BETWEEN OWNER AND**  
**CONSTRUCTION MANAGER AT RISK**

**TABLE OF CONTENTS**

	<b>Page</b>
Article 1— The Project .....	1
Article 2— Owner’s Advisor and Engineer .....	1
Article 3— CMAR Services .....	1
Article 4— Compensation for Performance and Completion of the Work .....	4
Article 5— Construction Support Costs .....	4
Article 6— Cost of the Work .....	6
Article 7— Construction Manager at Risk Fee .....	10
Article 8— CMAR Contingency Allowance.....	10
Article 9— Work Authorizations .....	10
Article 10— Procurement of Subcontractors; CMAR Self-Performance of Authorized Work.....	11
Article 11— Guaranteed Maximum Price .....	11
Article 12— Owner’s Contingency Allowance .....	14
Article 13— Payment Procedures.....	14
Article 14— Documentation and Audit.....	15
Article 15— Contract Times .....	15
Article 16— Contract Documents .....	16
Article 17— Representations, Certifications, and Stipulations.....	16
Exhibit A—Scope of CMAR Services .....	1
Article 1— Basic Preconstruction Services .....	1
Article 2— Additional Preconstruction Services .....	10
Article 3— Basic Procurement Services .....	10
Article 4— Additional Procurement Services.....	12
Article 5— Special Services .....	12

# AGREEMENT BETWEEN OWNER AND CONSTRUCTION MANAGER AT RISK

This Agreement is by and between **City of Farmers Branch** ("Owner") and **Felix Construction** ("Construction Manager at Risk" or "CMAR").

Terms used in this Agreement have the meanings stated herein and in the General Conditions and the Supplementary Conditions.

Owner and CMAR hereby agree as follows:

## ARTICLE 1—THE PROJECT

- 1.01 The Project, of which the CMAR Services and the Work under the Contract Documents are a part, is generally described as follows:

**City of Farmers Branch  
Farmers Branch Office Park Lift Station Rehabilitation  
PO # 02204866**

## ARTICLE 2—OWNER'S ADVISOR AND ENGINEER; OWNER'S PROJECT TEAM

- 2.01 The Owner has retained **BGE, Inc** (Owner's Advisor or OA) to act as Owner's representative, assume all duties and responsibilities of advisor to Owner and construction contract administrator on behalf of Owner, and have the rights and authority assigned to Owner's Advisor in the Contract.
- 2.02 The Owner has retained **BGE, Inc.** (Engineer) to design the Project, to assume all duties and responsibilities of Engineer during the construction of the Project, and to have the rights and authority assigned to Engineer in the CMAR Contract.

## ARTICLE 3—CMAR SERVICES

- 3.01 Scope of CMAR Services
- A. CMAR will perform the CMAR Services set forth in Exhibit A, Scope of CMAR Services, as authorized, and other specified CMAR Services as expressly set forth in a Contract Amendment. Services rendered by CMAR to meet its general construction and management obligations are not CMAR Services, and are not compensated as CMAR Services, unless expressly designated as such.
  - B. CMAR Services are categorized in Exhibit A as Basic Preconstruction Services; Additional Preconstruction Services; Basic Procurement Services; Additional Procurement Services; and Special Services.
  - C. There are no specified Additional Preconstruction Services or Additional Procurement Services at the time of this RFQ.
  - D. In Exhibit A and in scope of CMAR Services provisions in Contract Amendments, imperative sentences with respect to the performance of services are directives to CMAR, unless expressly indicated otherwise.

### 3.02 Basic Services, Additional Services, and Special Services

- A. Basic Services are CMAR Services (categorized as Preconstruction or Procurement) that are identified as Basic Services in Exhibit A.
- B. In addition to Basic Services, CMAR shall provide specific Additional Preconstruction Services and Additional Procurement Services, if identified, within the scope set forth in Exhibit A, and if Owner authorizes CMAR to do so. Owner or Owner's Advisor will authorize the specified Additional Services in a Contract Amendment. The Contract Amendment will describe the tasks to be performed, the compensation to be paid, the time for performance, the deliverables to be provided, and other applicable terms, if any. If a specific Additional Service has been priced during the CMAR selection process, such price will be binding on CMAR and Owner unless modified by mutual agreement.
- C. There are no specified Additional Preconstruction Services or Additional Procurement Services at the time of this RFQ.
- D. In addition to the services identified as Basic Services and Additional Services, after the Effective Date of the Contract the Owner and CMAR may identify Project-related services that were not contemplated at the time the Agreement was executed, are necessary to the Project, and should be added to the scope of CMAR Services. If Owner and CMAR mutually agree, a Contract Amendment will be issued that specifies the scope of such Special Services, the compensation to be paid, the time for performance, the deliverables to be provided, and other applicable terms. Any amount included in the Agreement for Special Services will serve as the Owner's contingency for Special Services, if authorized by the Owner.

### 3.03 Authorization to Provide CMAR Services

- A. CMAR is authorized by the execution of this Agreement to begin providing Basic Preconstruction Services set forth in Article 1 in Exhibit A, Scope of CMAR Services, as of the Effective Date of the Contract.
- B. CMAR shall provide Basic Procurement Services set forth in Article 3 in Exhibit A, Scope of CMAR Services, upon receipt of notice to commence such services from Owner or the Owner's Advisor, or in a Contract Amendment establishing the scope and compensation for Procurement Services.
- C. All other CMAR Services, including Additional Preconstruction Services, Additional Procurement Services, and Special Services, if any, must be authorized by Owner or Owner's Advisor.

### 3.04 Compensation for Basic CMAR Services.

- A. Basic Preconstruction Services—Owner will compensate CMAR for Basic Preconstruction Services, provided per Article 1, Exhibit A—Scope of Work for CMAR Services on a lump sum basis (to be determined by negotiation with the selected company).
- B. Basic Procurement Services—Owner will compensate CMAR for CMAR Procurement Services, provided per Article 3, Exhibit A—Scope of Work for CMAR Services, on a lump sum basis (to be determined by negotiation with the selected company).

3.05 Compensation for Additional CMAR Services

- A. For Additional Preconstruction Services and Additional Procurement Services, Owner will compensate CMAR pursuant to the specific compensation terms in the Contract Amendment establishing and authorizing such services during negotiation with the selected company.

3.06 Compensation for Special Services

- A. Owner will compensate CMAR for Special Services pursuant to the specific compensation terms in the Contract Amendment establishing and authorizing such Special Services.

3.07 Payment for CMAR Services

A. Preparation and Submittal of Invoices

1. CMAR will prepare and submit invoices for CMAR Services to Owner's Advisor on a monthly basis in a format acceptable to Owner's Advisor.
2. CMAR may not submit invoices and is not entitled to compensation for Additional Services or Special Services unless Owner has authorized such services through execution of a Contract Amendment.
3. CMAR will provide documentation acceptable to the Owner to allow Owner to verify CMAR's charges included in invoices.

B. Payments

1. Payment for CMAR Services compensated on a Lump Sum (stipulated price) basis:
  - a. The Lump Sum amount includes compensation for CMAR's services, and services of CMAR Subconsultants, if any. Appropriate amounts are to be incorporated in the Lump Sum to account for labor costs, overhead, profit, expenses, and other cost.
  - b. The amount invoiced each billing period will be based on the CMAR's estimate of the percentage of the total CMAR Services completed during the billing period.
  - c. The compensation paid to CMAR for Basic Services will not exceed the Lump Sum amount unless duly authorized by a Contract Amendment.
2. The amounts paid to CMAR under this Article are deemed to include full compensation for CMAR's overhead and profit associated with such labor and expenses.

C. Time of Payment

1. Owner will make payments for CMAR Services within **30** days after receiving an approved invoice from the Owner's Advisor.
2. Owner may withhold only the contested portions of an invoice and must pay the undisputed portion of the invoice.

- D. Compensation for CMAR Services discussed in Article 3 is not compensation for the Work and is not included in the GMP. No retainage will be withheld from payments of CMAR Services; however, such payments are subject to the set-off provisions in General Conditions Article 15.

## **ARTICLE 4—COMPENSATION FOR PERFORMANCE AND COMPLETION OF THE WORK**

- 4.01 Owner shall compensate CMAR for performance and completion of the Work in accordance with the Contract Documents. Payment for Work will consist of the following:
- A. Payment for Construction Support Costs in accordance with Article 5,
  - B. Payment for Cost of the Work as provided in Article 6; and
  - C. Payment of a CMAR Fee as set forth in Article 7.
- 4.02 This Agreement establishes a CMAR Contingency Allowance for use in paying for unforeseen costs as set forth in Article 8.
- 4.03 The amounts for CMAR's compensation summarized in Paragraph 4.01 are subject to additions and deletions as provided in the Contract, up to limitations established in the Guaranteed Maximum Price (GMP) as provided in Article 11.

## **ARTICLE 5—CONSTRUCTION SUPPORT COSTS**

### **5.01 Construction Support Costs**

- A. Construction Support Costs (field overhead or "general conditions" costs) are those costs associated with and in support of construction that are not directly related to specific construction activities. Construction Support Costs are not compensable as Cost of the Work and must not be included by CMAR in proposed Work Authorizations submitted to the Owner for approval and issuance. Construction Support Costs include without limitation:
- 1. CMAR project management costs, including project managers, superintendents, field engineering staff, and clerical support located at the Site;
  - 2. Management of Subcontractors and Suppliers;
  - 3. Management of delegated professional design services, if any;
  - 4. Costs associated with safety programs, including safety managers and safety representatives;
  - 5. Quality management not specifically designated to be covered in a Work Authorization;
  - 6. Costs associated with obtaining permits, or paying patent fees or royalties, if not specifically designated to be covered in a Work Authorization;
  - 7. Costs for permit inspections, and other inspections required by Laws and Regulations not specifically designated to be covered in a Work Authorization;
  - 8. Compliance with Laws and Regulations;
  - 9. Taxes, other than those specifically designated to be covered in a Work Authorization;
  - 10. Contract administration costs, including costs for:
    - a. Meetings, reporting, notifications, and other communications and coordination,
    - b. Document management,
    - c. Submittals, record data, and other documentation,

- d. Creating and maintaining Project schedules per Article 4 of the General Conditions,
  - e. Changes to the CMAR Contract per Article 11 of the General Conditions,
  - f. Applications for Payment per Article 15 of the General Conditions,
  - g. Maintenance of Record Documents, and
  - h. Other contract administration costs included in the Contract Documents;
11. Performance, payment, and warranty bonds, if any, provided to cover the construction of the entire Project;
  12. General insurance costs, excluding Builder's Risk or other coverage that applies specifically to Work and specifically designated to be covered in a Work Authorization, and Worker's Compensation Insurance which is to be included in payroll cost per Paragraph 6.02.A;
  13. Costs associated with CMAR temporary facilities and temporary infrastructure at the Site;
  14. The cost of purchasing, renting, or furnishing small tools and hand tools. These are defined as any tool or equipment whose current price, if purchased new at retail would be less than \$500;
  15. Costs for site maintenance, storage of materials, waste disposal, environmental controls, management of water, protection of site and adjacent property, cleaning during construction and final cleaning;
  16. Costs associated with startup and commissioning of the Work, including training of Owner's personnel, temporary operation of facilities by the CMAR; and performance acceptance testing, if any;
  17. Costs associated with substantial completion, partial utilization, and final completion; and
  18. Costs associated with general warranty, guarantees and correction of defective work during the Correction Period.
- B. The organization of the Work into Work Packages will not result in changes to the CMAR's compensation for Construction Support Costs.

#### 5.02 Fixed Construction Support Costs

- A. Fixed Construction Support Costs are those costs which are not time sensitive and will not increase if the performance of the Work extends beyond the Construction Period designated for Substantial Completion of the Work described in Article 13. The amount for Fixed Construction Support Cost is shown in Exhibit B, Table 2–Basis of Compensation for Fixed Construction Support Costs.

#### 5.03 Time-Sensitive Construction Support Costs

- A. Time-Sensitive Construction Support Costs are those costs which will increase if the performance of the Work extends beyond the Construction Period designated for Substantial Completion described in Article 13. The amount for Time-Sensitive Construction Support Costs based on the Construction Period will be negotiated on a case by case basis.

- B. The Construction Support Costs Extended Rate is determined by dividing the Time-Sensitive Construction Support Costs by the projected number of days in the Construction Period. CMAR will be entitled to additional compensation for Time-Sensitive Construction Support Costs at the Construction Support Extended Rate shown in Exhibit B, Table 3—Basis of Compensation for Time-Sensitive Construction Support Cost if the extended time is associated with a compensable delay under the provisions of the General Conditions.

#### 5.04 Changes in Construction Support Costs

- A. Owner and CMAR acknowledge that the Construction Support Costs stipulated amounts set forth in this Agreement and the Construction Support Costs Extended Rate (determined as set forth in Paragraph 5.03.B) are approximations of actual costs intended to liquidate and stipulate CMAR's compensation for Construction Support Costs, encourage efficiency and cost control, and reduce Owner's and CMAR's administrative and accounting effort. The Construction Support Costs Contract Amounts and the Construction Support Costs Extended Rate will not be increased except in cases in which CMAR demonstrates:
  - 1. An excessive and unanticipated increase in Construction Support Costs resulting from scope changes in the Work or other causes directly attributable to Owner; and
  - 2. Such increase in costs has not otherwise been compensated in a Work Authorization, Contract Amendment, or Change Order.

#### 5.05 Compensation for Construction Support Costs

- A. Payments for Fixed Construction Support Costs will be made in equal monthly increments determined by dividing the Fixed Construction Support Costs Contract Amount by the projected number of months in the Construction Period. No payment will be made for Fixed Construction Support Costs in excess of the Fixed Construction Support Costs Contract Amount unless this Amount is adjusted in accordance with provisions in Paragraph 5.04.
- B. Payments for Time-Sensitive Construction Support Costs will be made in equal monthly increments determined by dividing the Time-Sensitive Construction Support Costs Contract Amount by the projected number of months in the Construction Period. No payment will be made for Time-Sensitive Construction Support Costs in excess of the Time-Sensitive Construction Support Contract Amount unless this Amount is adjusted in accordance with provisions in Paragraph 5.04.
- C. Payments will be made for Time-Sensitive Construction Support Costs associated with compensable delays under the provisions of the General Conditions at the Construction Support Costs Extended Rate as described in Paragraph 5.03.B.

### ARTICLE 6—COST OF THE WORK

#### 6.01 Purposes for Determination of Cost of the Work

- A. The term Cost of the Work is defined in the General Conditions, Article 1, as the sum of eligible costs incurred by CMAR for the performance of the Work, as allowed by the Cost of the Work provisions set forth in the Agreement; such provisions are set forth in this Article 6. Cost of the Work is determined for each Work Authorization, subject to any limits described in this Article. The provisions of this Article are used for two distinct purposes:

1. To determine Cost of the Work for purposes of CMAR's base compensation for construction under this Contract; or
  2. When needed to determine the value of a Change Proposal, Change Order, Claim, set-off, or other adjustment to the Guaranteed Maximum Price. When the value of any such adjustment is determined based on Cost of the Work, CMAR is entitled only to those additional or incremental costs required because of the change in the Work or because of the event giving rise to the adjustment.
- B. For purposes of determining CMAR's base compensation, Cost of the Work applies only to Work that has been duly authorized in a Work Authorization.
- C. The Cost of the Work will include only those items identified in Paragraph 6.02.

#### 6.02 Cost of the Work

- A. Payroll Cost—Payroll costs for employees in the direct employ of CMAR performing Work described in Work Authorizations, and excluding those efforts covered in Construction Support costs per Paragraph 5.01. Payroll costs will be based on actual amounts paid as indicated on Certified Payroll reports. Payroll costs are to include salaries and wages plus the cost of fringe benefits, which include social security contributions, unemployment, excise, and payroll taxes, workers' compensation insurance, health and retirement benefits, sick leave, and vacation and holiday pay applicable thereto. The expenses of performing Work outside of regular working hours, on Saturdays, Sundays, or legal holidays, will be included in the above to the extent authorized by Owner.
- B. Incorporated Equipment and Material Cost—Cost of all materials and equipment furnished or incorporated in the Work, including costs for transportation and storage prior to delivery to the site. Cost for proper storage at the Site is to be included in Construction Support Cost per Paragraph 5.01. Cost for equipment is to include Suppliers' services for submittals, factory and field testing and inspections, installation checks, start-up assistance, and training, if any. All cash discounts accrue to CMAR unless Owner deposits funds with Contractor with which to make payments, in which case the cash discounts will accrue to Owner. All trade discounts, rebates, and refunds and returns from sale of surplus materials and equipment will accrue to Owner, and CMAR shall make provisions so that they may be obtained.
- C. Consumable Equipment and Material Cost—Cost, including transportation and maintenance, of all materials, supplies, equipment, tools, and machinery at the Site, which are consumed in the performance of the Work, less market value of such items used but not consumed which remain the property of CMAR. In establishing costs for materials such as scaffolding, plating, or sheeting, consideration will be given to the actual or estimated life of the material for use on other projects; or rental rates may be established on the basis of purchase or salvage value of such items, whichever is less. CMAR will not be eligible for compensation for such items in an amount that exceeds the purchase cost of such items.
- D. Subcontractor Cost—Payments made by CMAR to Subcontractors for Work performed by Subcontractors. CMAR shall obtain competitive bids from subcontractors acceptable to Owner and CMAR and shall deliver such bids to Owner, which will then determine, with the advice of Owner's Advisor, which bids, if any, will be acceptable. If any subcontract provides that the Subcontractor is to be paid on the basis of Cost of the Work plus a fee, the Subcontractor's Cost of the Work and fee will be determined in the same manner as CMAR's Cost of the Work and fee as provided in this Article 6.



construct the Work described in the Work Authorization.

1. Include all the costs for transporting, loading, unloading, assembly, dismantling, and removal of the equipment and machinery with Consumable Equipment and Material Cost per Paragraph 6.02.C.
2. Construction equipment and machinery cost will be billed at rates approved by the Owner's Advisor as part of each Work Authorization.
  - a. All operating costs will include costs for fuel, maintenance, parts, and associated labor. Billing rates for equipment fueling and maintenance do not include payroll costs for equipment operators, which will be included in Payroll cost per Paragraph 6.02.A.
  - b. Costs for equipment and machinery owned by CMAR or a Subcontractor cannot exceed the rates that can be reasonably achieved in the DFW area market.
  - c. Payment for rented equipment will be in accordance with rental agreements as to price, including any surcharge or special rates applicable to overtime use of the construction equipment or machinery, and all such costs will be in accordance with the terms of said rental agreements. The rental of any such equipment, machinery, or parts must cease when the use thereof is no longer necessary for the Work.
  - d. No markup is allowed on equipment rented or leased from any company owned in total or in part by CMAR or a Subcontractor, or is owned by the same holding company or a company with a close legal affiliation to CMAR or Subcontractor, since markups are included in rental or lease rates.
  - e. Equipment used for site maintenance is to be included in Construction Support Costs. Equipment used for multiple Work Authorizations must be billed on the basis of time worked on each Work Authorization.
3. With respect to Work that is the result of a Change Order, Change Proposal, Claim, set-off, or other adjustment in Guaranteed Maximum Price (changed Work), included costs will be based on the time the equipment or machinery is in use on the changed Work and the costs of transportation, loading, unloading, assembly, dismantling, and removal when directly attributable to the changed Work. The cost of any such equipment or machinery, or parts thereof, must cease to accrue when the use thereof is no longer necessary for the changed Work.

F. Supplemental Costs which consist of the following:

1. The proportion of necessary transportation, travel, and subsistence expenses of CMAR's employees incurred in the discharge of duties connected with the Work Authorization.
2. Costs of special consultants including engineers, architects, testing laboratories, and surveyors, employed or retained for services specifically related to the Work Authorization and expressly excluding costs incurred by consultants performing CMAR Services.
3. Sales, consumer, use, and other similar taxes related to the Work, and for which CMAR is liable, as imposed by Laws and Regulations.

4. Deposits lost for causes other than the negligence of CMAR, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable.
5. Royalty payments and fees for permits, patents, and licenses directly related to a Work Authorization.
6. The cost of premiums for performance, payment, and warranty bonds obtained by CMAR as a requirement of a Work Authorization, in addition to the bonds purchased for the construction as a whole within the scope of Construction Support Costs per Paragraph 5.01.A.11. Final compensation for such premium costs will be based on reconciled costs at the conclusion of the Work.
7. Cost for any Subcontractor bonds that must be required to protect Owner's and CMAR's interests in the event of a Subcontractor default associated with a Work Authorization. Final compensation for such premium costs will be based on reconciled costs at the conclusion of the Work.
8. The cost of premiums for Builder's Risk insurance and other Work Authorization-specific insurance that CMAR is required by the Contract Documents to purchase and maintain, but not including costs of commercial general liability, automobile liability, and contractor's pollution liability insurance which are covered as Construction Support Costs per Article 5. The compensation for worker's compensation is included as part of payroll costs per Paragraph 6.01.A.1. Final compensation for such premium costs will be based on reconciled costs at the conclusion of the Work.

#### 6.03 Specific Exclusions from Cost of the Work

- A. The following items are not included in the Cost of the Work. This express itemization does not confer Cost of the Work or compensable status to otherwise ineligible items not listed here. Cost for any items not included in the Cost of the Work are to be included in the CMAR Fee unless specifically itemized at Construction Support Costs described in Article 5.
  1. Payroll costs and other compensation of CMAR's officers, executives, principals, general managers, project managers, superintendents, safety managers, safety representatives, engineers, architects, estimators, attorneys, auditors, accountants, purchasing and contracting agents, expeditors, timekeepers, clerks, and other personnel employed by CMAR, whether at the Site or in CMAR's principal or branch office for general administration of the Work. The payroll costs and other compensation excluded here are to be considered administrative costs covered by Construction Support Cost or the CMAR Fee.
  2. Expenses of CMAR's principal and branch offices.
  3. Any part of CMAR's capital expenses, including interest on CMAR's capital employed for the Work and charges against CMAR for delinquent payments.
  4. Costs due to the negligence of CMAR, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable.
  5. Cost for the correction of defective Work, disposal of materials or equipment wrongly supplied, and making good any damage to property not paid from CMAR's Contingency per Article 8.

6. Expenses incurred in preparing and advancing Claims.
7. Other overhead or general expense costs of any kind and the costs of any item not specifically and expressly included in Paragraph 6.03.
8. Costs recovered or reimbursed under other Construction Support Cost or Cost of the Work provisions.

**6.04 Compensation for the Cost of the Work**

- A. Compensation for the Cost of the Work is based on the amount earned for Work completed for each Work Authorization.

**ARTICLE 7—CONSTRUCTION MANAGER AT RISK FEE**

**7.01 The CMAR Fee will be determined as follows:**

- A. CMAR's construction services fee ("CMAR Fee") shall be ten percent (10%) of the Cost of the Work. CMAR fee is intended to compensate CMAR for its profit, as well as its indirect overhead costs not compensated through reimbursement for its General conditions, defined below and in the Standard General Condition contract.

**ARTICLE 8—CMAR CONTINGENCY ALLOWANCE**

**8.01 CMAR Contingency Allowance**

- A. This project does not include a CMAR contingency allowance.

**ARTICLE 9—WORK AUTHORIZATIONS**

**9.01 General Provisions Regarding Work Authorizations**

- A. Work Authorizations will be based on Work Packages prepared by Owner's Advisor and Engineer describing equipment and materials to be purchased for installation or Work to be performed in accordance with the approved Work Authorization.
- B. All Work to be provided by CMAR must be authorized by the issuance of a Work Authorization specifying or referencing the scope of Work to be conducted.
- C. Owner's Advisor will issue each Work Authorization using the Work Authorization form provided by the Owner's Advisor.
- D. The Work Authorization will indicate the compensation to which CMAR is entitled for providing the authorized Work.
- E. CMAR is not entitled to compensation for providing Work that Owner's Advisor has not authorized.

**9.02 First Work Authorization**

- A. The first Work Authorization, authorizing the commencement of construction, will include, in addition to authorization for a specific Work Package, or multiple specific Work Packages, the authorization of expenditures by CMAR for Contract-specific (1) performance and payment bond premiums (2) Builder's Risk premiums, if CMAR is required to purchase and

maintain Builder's Risk insurance, and (3) premiums for other specific insurance policies required by the Contract.

## **ARTICLE 10—PROCUREMENT OF SUBCONTRACTORS; CMAR SELF-PERFORMANCE OF AUTHORIZED WORK**

### **10.01 Performance of the Authorized Work**

- A. CMAR will solicit and receive competitive bids on the Work included in each Work Authorization, including the purchase of materials and equipment. CMAR will prepare bid packages supporting the Work Authorization and make opportunities available to Subcontractors and Suppliers in a way that will increase competition and allow bids by trade contractors or specialty entities. CMAR may prepare bid packages for Work the CMAR may wish to self-perform, so long as doing so will not limit bidding by competing bidders (prospective subcontractors).
- B. CMAR must submit its bids in advance of receiving other bids, and in the same manner that other bids are to be submitted. Bids are to be opened in the presence of the Owner.
- C. CMAR will award the subcontract for the Work under the Work Authorization to the responsible bidder submitting the lowest responsive bid or that represents the best value to the Owner in the opinion of the Owner for that portion of the Work for which bids are received. CMAR may self-perform Work when CMAR is the low bidder.

## **ARTICLE 11—GUARANTEED MAXIMUM PRICE**

11.01 Subject to the provisions of Article 4, CMAR guarantees that the maximum amount payable by Owner (Guaranteed Maximum Price, or GMP) for the sum of the amounts for Paragraphs 11.01.A through D that follow will be the binding GMP established by the process stated in Paragraph 11.03.

- A. Construction Support Cost Amount (Article 5);
- B. Cost of the Work (Article 6);
- C. CMAR Fee (Article 7); and
- D. CMAR's Contingency Allowance Amount (Article 8, none for this project).

11.02 Not used

11.03 A binding GMP will be established at any time agreeable to Owner and CMAR, but not later than the following:

- A. If the Work is performed under Work Packages released and authorized concurrently for the complete Project, then the binding GMP will be established on the basis of Contract Documents that are 90% complete.
- B. If the Work will be authorized over time, as the design for individual Work Packages is completed, in a series of incremental Work Authorizations (fast tracking or similar design/construction process) then the binding GMP will be developed in a series of incremental changes as the design for each Work Package reaches 90% completion, culminating, when all Work Packages have been authorized, in a binding GMP for the Contract.

#### 11.04 Owner's Construction Budget

- A. Owner's Advisor will establish an updated Owner's Construction Budget (Budget) based on the CMAR's procurement strategy which identifies Work Packages used to construct the Work. Owner's Advisor, working with CMAR, will update this Budget with actual amounts for each line item as Work Authorization amounts identified in the updated Budget are determined.
- B. Owner's Advisor will revise the Budget to incorporate Change Orders or authorized allocation of contingency funds which change the funds available for Budget line items. When amounts for all Work Authorizations have been determined and the binding GMP is established for the Contract, the Budget must correlate to GMP line items, and the Budget must equal the GMP.
- C. CMAR will identify variances between the budgeted amount and actual amounts as Work Authorization amounts are determined.
  1. Positive variances are created when actual cost for a Work Authorization is less than the budgeted amount. Positive variances identify unused funds that can be used to offset negative variances.
  2. Negative variances are created when actual cost for a Work Authorization is more than the budgeted amount. Negative variances identify where additional funds are needed. Unused funds from positive variances can be used to offset these negative variances.
  3. Net variances for the Contract are used to determine the current status of the Owner's Construction Budget.
    - a. A net positive variance for the Contract represents a savings to the Owner. A final Contract Amendment will be issued at the completion of the Contract (Final Payment) to adjust the GMP to the actual amount of Contract costs.
    - b. A net negative variance for the Contract represents the amount for which the CMAR is at risk, and no additional compensation will be made to the CMAR.

#### 11.05 Options for Costs Exceeding the Owner's Budget

- A. The Guaranteed Maximum Price resulting from the tabulation of cost for self-performed CMAR Work, bids for Work by Subcontractors and Suppliers, Construction Support Costs, CMAR Contingency Allowances and CMAR Fee cannot exceed the Owner's Construction Budget. The Owner may exercise any of the following options at the sole discretion of the Owner if the proposed Guaranteed Maximum Price exceeds the Owner's Construction Budget:
  1. Approve an increase in the Owner's Construction Budget in writing.
  2. Authorize rebidding or renegotiation for some or all parts of the Project within a reasonable time without an increase in the Guaranteed Maximum Price.
  3. Cooperate in the revision of the scope of the Project to reduce the actual cost of construction to the Owner's Construction Budget.
  4. Abandon the Project, in whole or in part, and terminate this Contract in accordance with applicable termination for convenience provisions.

- B. If Owner selects the option described in Paragraph 11.05.A.1, CMAR shall proceed with performance of the Work, and provide CMAR Services as described in these Contract Documents without additional compensation for Procurement Services. Other fees and expenses related to the Cost of Work will be adjusted in accordance with the revised Cost of Work.
- C. If Owner selects the option described in Paragraph 11.05.A.2, Owner and CMAR shall proceed with rebidding or renegotiation of some or all parts of the Project. The OPT will work with CMAR to determine if rebidding or restructuring Work Packages is likely to lead to lower bid prices; if so determined, CMAR will rebid selected original Work Packages or restructured Work Packages identified as having the potential to reduce the overall cost of construction to the Owner's Construction Budget. CMAR will advise the OPT of the likely impact to the schedule resulting from rebidding Work Packages. CMAR will provide CMAR Services for rebidding these Work Packages without additional compensation.
- D. If Owner selects the option described in Paragraph 11.05.A.3, CMAR shall assist the OPT in studies to revise the scope of the Project to bring the Project cost within the Owner's Construction Budget. CMAR will provide research and cost estimates to evaluate the potential cost savings of each proposed change in scope for Work Packages and advise the OPT of the likely impact to the schedule resulting from rebidding Work Packages and changes in Contract Times that will result from the changed Work Packages. CMAR will provide CMAR Services for consultation in modifying the Project scope and rebidding these Work Packages without additional compensation.
- E. CMAR shall revise the project schedule to incorporate delays caused by actions taken to bring the Project within the Owner's Construction Budget.

#### 11.06 Conversion of Cost of Work to a Lump Sum Amount

- A. If Owner and CMAR mutually agree, compensation for all Work on the Project, or for any Work Authorization, may be converted to a lump sum (stipulated amount). If compensation for all Work on the Project is converted to a lump sum amount, this lump sum amount will include costs for Construction Support Cost, Cost of the Work, the CMAR Fee, and all other costs associated with the Contract, all as if bid as a lump sum amount. CMAR will no longer have access to CMAR Contingency Allowance funds, if any, and bears all risk associated with delivering the Work for the lump sum amount.
- B. If a Work Authorization is converted to a lump sum amount, this lump sum amount will include costs for Cost of the Work, the CMAR Fee, and all other costs associated with the Work Authorization, all as if bid as a lump sum amount; provided, however, that Construction Support Costs will continue to be compensated per Paragraph 5.05.
- C. The following will continue to apply for conversions to lump sum covered in Paragraphs B and C:
  - 1. The Cost of the Work provisions in Article 6 will continue to apply to pricing certain Change Orders and other similar matters, as set forth in Paragraph 6.01.A.2.
  - 2. Construction Support Costs Extended Rate provisions of Paragraph 5.04 will continue to apply for Change Orders.
  - 3. Owner's Contingency will continue to be available per Article 12.

## ARTICLE 12—OWNER’S CONTINGENCY ALLOWANCE

### 12.01 Owner’s Contingency Allowance

- A. Owner’s Contingency Allowance is used at the sole discretion of the Owner to cover unforeseen costs, Owner-directed changes in the scope of the Work, or any other unanticipated change in the Contract Price. These funds can only be accessed by the CMAR when and to the specific extent authorized by the Owner.
- B. The Owner’s Contingency Allowance is to be included in the Contract Amount awarded but is not part of the CMAR’s GMP.

## ARTICLE 13—PAYMENT PROCEDURES

### 13.01 Submittal and Processing of Payments

- A. Billing and payment for CMAR Services are addressed in Article 3. The provisions in this Article 13 pertain to billing and payment for the Work.
- B. CMAR shall submit Applications for Payment in accordance with Article 15 of the General Conditions. Applications for Payment will indicate the amount of the CMAR Fee then payable. Applications for Payment will be processed by Owner’s Advisor as provided in the General Conditions.

### 13.02 Progress Payments; Retainage

- A. Owner shall make progress payments on the basis of CMAR’s Applications for Payment as recommended by Owner’s Advisor on or about the **[day as agreed upon at commencement of the contract]** day of each month during construction as provided in Article 13, provided that such Applications for Payment have been submitted in a timely manner and otherwise meet the requirements of the Contract.
- B. Progress payments on account of the Cost of the Work will be made for each Work Authorization.
  - 1. Prior to Substantial Completion, progress payments will be made in an amount equal to the percentage indicated below but, in each case, less the aggregate of payments previously made and less such amounts as Owner may withhold, including but not limited to liquidated damages, in accordance with the Contract.
    - a. 10 percent of the value of the Work completed, with the balance being retainage.
      - 1) If 50 percent or more of the Work under a Work Authorization has been completed, as determined by Owner’s Advisor, and if the character and progress of the Work have been satisfactory to Owner, Owner’s Advisor, and Engineer, then as long as the character and progress of the Work remain satisfactory to Owner, Owner’s Advisor, and Engineer, retainage may be reduced to 5%

### 13.03 Final Payment

- A. Upon final completion and acceptance of the Work, Owner shall pay the remainder of the Contract Price in accordance with Article 15 of the General Conditions.

#### 13.04 Consent of Surety

- A. Owner will not make final payment or return or release retainage at Substantial Completion or any other time, unless CMAR submits written consent of the surety to such payment, return, or release.

### ARTICLE 14—DOCUMENTATION AND AUDIT

#### 14.01 Documentation

- A. Whenever the Cost of the Work for any purpose is to be determined pursuant to this Contract, CMAR and pertinent Subcontractors will establish and maintain records of the costs in accordance with generally accepted accounting practices.
- B. CMAR will provide documentation of all Costs of the Work with the Application for Payment as directed by the Owner's Advisor.

#### 14.02 Audit

- A. Subject to prior written notice, Owner will be afforded reasonable access, during normal business hours, to all CMAR's accounts, records, books, correspondence, instructions, drawings, receipts, vouchers, memoranda, and similar data relating to the Cost of the Work and the CMAR Fee. CMAR shall preserve all such documents for a period of three years after the final payment by Owner. Subcontractors performing Work on a Cost of the Work basis will afford such access to Owner, and preserve such documents, to the same extent required of CMAR.

### ARTICLE 15—CONTRACT TIMES

#### 15.01 Contract Times—Days

- A. The number of days in which the Work will be substantially complete, and in which the Work will be completed and ready for final payment, will be set out in a Contract Amendment and comply with provisions of Article 15. Completion dates for specified portions of the Work, if applicable, may be set out in Work Authorizations or Change Orders.

#### 15.02 Liquidated Damages

- A. CMAR and Owner recognize that all time limits for Milestones, if any, Substantial Completion, and completion and readiness for final payment as stated in the Contract Documents are of the essence of the Contract and that Owner will suffer financial and other losses if the Work is not completed and Milestones not achieved within the Contract Times, as duly modified. The parties also recognize the delays, expense, and difficulties involved in proving, in a legal or arbitration proceeding, the actual loss suffered by Owner if the Work is not completed on time. Accordingly, instead of requiring any such proof, Owner and CMAR agree that as liquidated damages for delay, but not as a penalty:
  - 1. Substantial Completion—CMAR shall pay Owner \$[1,000] for each day that expires after the time, as duly adjusted pursuant to the Contract, specified above for Substantial Completion, until the Work is substantially complete.
  - 2. Completion of Remaining Work—After Substantial Completion, if CMAR shall neglect, refuse, or fail to complete the remaining Work within the Contract Times, as duly



adjusted pursuant to the Contract, for completion and readiness for final payment, CMAR shall pay Owner \$[500] for each day that expires after such time until the Work is completed and ready for final payment.

## **ARTICLE 16—CONTRACT DOCUMENTS**

### **16.01 Contents**

- A. The Contract Documents consist of all of the following:
  - 1. This Agreement.
  - 2. General Conditions.
  - 3. Supplementary Conditions.
  - 4. Special Conditions
  - 5. Drawings and Specifications completed as of the Effective Date of the Contract
  - 6. NCTCOG Specifications
  - 7. Exhibits to this Agreement (enumerated as follows):
    - a. Exhibit A, Scope of CMAR's Services;
  - 8. The following which may be delivered or issued on or after the Effective Date of the Contract and are not attached hereto:
    - a. Contract Amendments;
    - b. Executed Work Authorizations, including any exhibits identified as Drawings, Specifications, or other Contract Documents;
    - c. Work Authorization Modifications;
      - 1) Work Change Directives;
      - 2) Change Orders; and
      - 3) Field Orders.
    - d. Performance and Payment Bonds; and
    - e. Warranty Bonds, if any.
- B. There are no Contract Documents other than those listed above in this Article 16.
- C. The Contract Documents may only be amended, modified, or supplemented as provided in the Contract.

## **ARTICLE 17—REPRESENTATIONS, CERTIFICATIONS, AND STIPULATIONS**

### **17.01 CMAR's Representations**

- A. To induce Owner to enter into this Contract, CMAR makes the following representations:
  - 1. CMAR has examined and carefully studied the Contract Documents, including Addenda.

2. CMAR has visited the Site, conducted a thorough visual examination of the Site and adjacent areas, and become familiar with the general, local, and Site conditions that may affect cost, progress, and performance of the Work.
3. CMAR is familiar with all Laws and Regulations that may affect cost, progress, and performance of the Work.
4. CMAR has carefully studied the reports, if any, of explorations and tests of subsurface conditions at or adjacent to the Site and the drawings, if any, of physical conditions relating to existing surface or subsurface structures at the Site that have been identified in the Supplementary Conditions, with respect to the Technical Data in such reports and drawings.
5. CMAR has carefully studied the reports and drawings, if any, relating to Hazardous Environmental Conditions, if any, at or adjacent to the Site that have been identified in the Supplementary Conditions, with respect to Technical Data in such reports and drawings.
6. CMAR has considered the information known to CMAR itself; information commonly known to contractors doing business in the locality of the Site; information and observations obtained from visits to the Site; the Contract Documents; with respect to the effect of such information, observations, on (a) the cost, progress, and performance of the Work; (b) the means, methods, techniques, sequences, and procedures of construction to be employed by CMAR; and (c) CMAR's safety precautions and programs.
7. Based on the information and observations referred to in the preceding paragraph, CMAR agrees that no further examinations, investigations, explorations, tests, studies, or data are necessary for the performance of the Work at the Guaranteed Maximum Price, within the Contract Times, and in accordance with the other terms and conditions of the Contract.
8. CMAR is aware of the general nature of work to be performed by Owner and others at the Site that relates to the Work as indicated in the Contract Documents.
9. CMAR has given Owner's Advisor written notice of all conflicts, errors, ambiguities, or discrepancies that CMAR has discovered in the Contract Documents, and of discrepancies between Site conditions and the Contract Documents, and the written resolution thereof by Owner's Advisor is acceptable to CMAR.
10. The Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.
11. CMAR's entry into this Contract constitutes an incontrovertible representation by CMAR that without exception all prices in the Agreement are premised upon performing and furnishing the Work required by the Contract Documents.

#### 17.02 CMAR's Certifications

- A. CMAR certifies that it has not engaged in corrupt, fraudulent, collusive, or coercive practices in competing for or in executing the Contract. For the purposes of this Paragraph 17.02:

1. “corrupt practice” means the offering, giving, receiving, or soliciting of anything of value likely to influence the action of a public official in the proposal process or in the Contract execution;
2. “fraudulent practice” means an intentional misrepresentation of facts made (a) to influence the Proposal process or the execution of the Contract to the detriment of Owner, (b) to establish proposal Contract prices at artificial non-competitive levels, or (c) to deprive Owner of the benefits of free and open competition;
3. “collusive practice” means a scheme or arrangement between two or more Proposers, with or without the knowledge of Owner, a purpose of which is to establish proposal prices at artificial, non-competitive levels; and
4. “coercive practice” means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the proposal process or affect the execution of the Contract.

IN WITNESS WHEREOF, Owner and CMAR have signed this Agreement.

This Agreement will be effective on [indicate date on which Contract becomes effective], which is the Effective Date of the Contract.

Owner:

City of Farmers Branch

By:

Date:

Name: Ben Williamson

Title: City Manager

Attest:

Name Stacy Henderson

Title: City Secretary

Address for giving notices:

Designated Representative:

Name:

Title:

Address:

Phone:

Email:

(If [Type of Entity] is a corporation, attach evidence of authority to sign. If [Type of Entity] is a public body, attach evidence of authority to sign and resolution or other documents authorizing execution of this Agreement.)

CMAR:

Felix Construction

By:

Date:

Name: Ryan Koontz

Title: General Manager

Attest:

Name Randy Shahan

Title: Assistant Project Manager

Address for giving notices:

403 International Pkwy.

Suite 500

Richardson, TX 75081

Designated Representative:

Name: Ryan Koontz

Title: General Manager

Address:

Same as Above

Phone: 469-458-0011

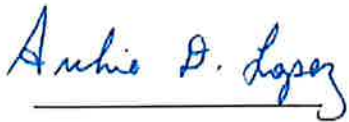

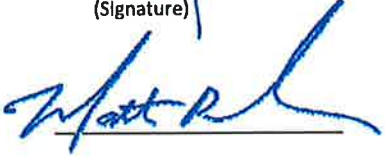



Email: ryank@felixconstruction.com

License No.:

State:

## CORPORATION EVIDENCE OF AUTHORITY

The following individual(s) are authorized to execute, sign and submit proposals, pay applications, contract amendments, contracts and contract bonds on behalf of the corporation, Felix Construction Company.

- |   |   |                                   |
|---|---|-----------------------------------|
| 1. <u>Archie Lopez</u><br>(Print Name)    | <u></u><br>(Signature)   | <u>President</u><br>(Title)       |
| 2. <u>David Giannetto</u><br>(Print Name) | <u></u><br>(Signature)   | <u>Vice-President</u><br>(Title)  |
| 3. <u>Matt Phillips</u><br>(Print Name)   | <u></u><br>(Signature)   | <u>Vice-President</u><br>(Title)  |
| 4. <u>Kevin Felix</u><br>(Print Name)     | <u></u><br>(Signature)   | <u>Secretary</u><br>(Title)       |
| 5. <u>Joel Felix</u><br>(Print Name)      | <u></u><br>(Signature) | <u>Treasurer</u><br>(Title)       |
| 6. <u>Ryan Koontz</u><br>(Print Name)     | <u></u><br>(Signature) | <u>General Manager</u><br>(Title) |



## EXHIBIT A—SCOPE OF CMAR SERVICES

---

### ARTICLE 1—BASIC PRECONSTRUCTION SERVICES

#### 1.01 Project Management

##### A. Participate in Project Meetings

1. Participate in Project kick-off meeting. Be prepared to discuss CMAR's team and organization's structure, assignments for responsibilities and Teams CMAR's plan for implementation of Preconstruction Services.
2. Participate in periodic meetings with Owner, Owner's Advisor, and Engineer (collectively, Owner's Project Team or OPT) to review progress, coordinate efforts, and discuss planned activities for the next period. It is anticipated that these progress meetings will occur **monthly**.

##### B. Provide administration of Agreement for CMAR Preconstruction Services, including Applications for Payment, progress reporting, management of CMAR staff, schedule for services, and deliverables.

#### 1.02 Review of Preliminary Design Report

##### A. As a priority first task, review Engineer's Preliminary Design Report as soon as it is available.

1. Provide input and advice, according to the general requirements of Exhibit A Paragraph 1.03.D below, regarding the Preliminary Design Report's content concerning coordination of utilities work (both above-ground utilities and Underground Facilities), Underground Facilities Procedure, and mitigation of utilities conflicts, for Engineer's use in the Final Design Phase of Engineer's services.
2. Recommend strategies for the division of the Work under design into Work Packages, and for phased design and authorization of construction of such Work Packages (fast tracking). Work collaboratively with the OPT to finalize the number of Work Packages and their approximate scope, and the schedule for preparation, authorization, and completion of such Work Packages.

#### 1.03 Design-Related Preconstruction Services

- A. Attend periodic design meetings to provide consultation on aspects of the design that will impact the budget, schedule, and quality of the completed Work.
- B. Advise, assist, and provide recommendations on all aspects of the planning and design of the Work. Consult with the OPT regarding Site use and improvements, and the selection of materials, building systems, and equipment.
- C. Provide recommendations: on construction feasibility; regarding actions designed to minimize adverse effects of labor or material shortages; on time requirements for procurement, installation, and construction completion; and on factors related to construction cost including estimates of alternative designs or materials, preliminary budgets, and possible opportunities for savings.
- D. Review in-progress design documents, including the documents variously described as preliminary design documents, preliminary design report, design development documents, and the interim final drafts of the Drawings and Specifications, and provide input and advice

on constructability, materials and equipment selections, and availability. Provide timely suggestions for modifications to improve:

1. Ability to bid the Work:
    - a. Identify Work elements that may be difficult to price as presented in the design documents. Provide suggestions to reduce risk and to obtain better pricing from Subcontractors and Suppliers.
    - b. Provide suggestions on Work Packages to improve biddability, however, Engineer will not subdivide work into Work Packages for specific trades.
    - c. Determine that specified products are readily available and notify Engineer if equal or substitute materials might be available.
  2. Constructability, including sequencing or coordination issues:
    - a. Adequacy of details for construction;
    - b. Potential conflicts during construction;
    - c. Feasibility of construction;
    - d. Construction sequencing;
    - e. Ability to coordinate among Subcontractors and Suppliers; and
    - f. Coordination between Contract Documents.
  3. Operability:
    - a. Ability to minimize disruptions to existing operations;
    - b. Ability to complete construction connections to existing facilities or utilities;
    - c. Modifications to facilitate initial start-up and/or performance testing; and
    - d. Ability of Owner to operate/maintain the facility when completed.
  4. Possible use of patented, licensed, or copyrighted products.
  5. Requirements for Subcontractor and equipment and materials procurement.
  6. Completeness, consistency, and clarity.
- E. Subsurface conditions and Underground Facilities
1. Review information made available by Owner.
    - a. Review information pertaining to subsurface or physical conditions at the Site. Inform Owner's Advisor of additional examinations, investigations, explorations, testing, or studies (Supplemental Investigations) of subsurface or physical conditions at the Site that CMAR concludes would be beneficial if conducted prior to commencement of construction. See General Conditions Paragraph 5.03.E.
    - b. Review information pertaining to Underground Facilities. Collaborate with the Engineer to improve the accuracy and completeness of information regarding Underground Facilities that Engineer incorporates into Work Authorizations in accordance with General Conditions Paragraph 5.05.



2. Owner's Advisor will issue a Work Authorization for any necessary potholing, exploratory excavations, or other field investigations related to Paragraph E if necessary.
- F. Research potential substitutes, furnish data and prepare a Preconstruction Substitute Request prior to a Work Authorization requesting the Owner's Advisor to authorize the use of other items of equipment or material in accordance with General Conditions Paragraph 7.09.
  - G. Provide review comments in writing using the processes or procedures prescribed by the Owner's Advisor. Verify that the Project design can be executed within the Owner's Construction Budget, within the allotted Contract Times, and with available labor, equipment, and materials.
  - H. Report to Owner's Advisor and Engineer any elements of the design that appear to be in error or appear to require engineering review and possible resulting modification.
  - I. The CMAR is not responsible for design of the Project. The CMAR does not control the project design or contents of the Contract Documents and does not assume responsibility or liability for the project design by performing these reviews. The CMAR's review of the project design and Contract Documents and providing recommendations are only advisory to the OPT.

#### 1.04 Construction Management Plan and Implementation

- A. Provide and implement a written Construction Management Plan that incorporates the following elements:
  1. CMAR's organization for the Construction Phase of the project, including assigned responsibilities and level of authority within Project management;
  2. Communication plan, including plans for distribution of documents, implementation of Action Item and Decision registers, frequency of reporting and project controls;
  3. Document management plan that incorporates Communications Plan and contractual Electronic Data Protocols;
  4. Construction contract administration;
  5. Cost management;
  6. Time management;
  7. Quality management;
  8. Risk management;
  9. Safety management;
  10. Site management and environmental controls;
  11. Regulatory requirements and permits;
  12. Procurement Strategy Plan; and
  13. Start up and commissioning program.
- B. Work with the OPT to incorporate requirements of the General Conditions and General Requirements (Division 01 of the Specifications) into the plan. Reference provisions in the General Conditions and General Requirements as appropriate. Prepare a draft plan and

submit for review and comment by the OPT. Respond to comments and incorporate changes suggested by review comments as appropriate.

#### 1.05 Construction Contract Administration

- A. Work with the OPT to incorporate requirements of the General Conditions and General Requirements into administration of the Contract. Review the Owner's Construction Management Plan and suggest changes as appropriate.
- B. Communications
  - 1. Assist the Owner's Advisor with planning Project meetings, participate in these meetings and provide documentation as requested by the Owner's Advisor.
  - 2. Plan, schedule, and document meetings held with Subcontractors and Suppliers. Include the members of the OPT as appropriate.

#### 1.06 Cost Management

- A. Provide a preliminary evaluation of the Owner's program and budget requirements to determine that CMAR will be able to construct the facilities described in that program within the Owner's Construction Budget (Budget) using conceptual estimating techniques. Discuss this initial review of the Budget with the OPT.
- B. Work with OA to update the Budget with supporting data for review by the OPT at the following intervals:
  - 1. Completion of preliminary design documents by the Engineer and approval by the Owner.
  - 2. Completion of design development documents by the Engineer and approval by the Owner.
  - 3. At appropriate intervals agreed to by the OPT and CMAR during the preparation of the Construction Documents to determine that changes to the design can be constructed within the Budget.
- C. Assist OA in preparing an updated line-item Budget based on the CMAR's proposed Procurement Strategy Plan prepared per Paragraph 1.13. This Budget is to include a line item for each anticipated Work Package, as well as line items for Construction Support Costs, the CMAR Fee, and CMAR Contingency Allowances and other costs, if any, that will be incorporated into the GMP for the Project.
- D. Assess current construction market to determine risk associated with the Budget. As an example, volatility in the cost of selected materials or equipment may drive cost above the Budget. Identify areas where costs may be lower than original estimates and if cost savings may be used to balance the Budget. Report the cost of various design and construction alternatives to the Owner, including the CMAR's assumptions in preparing its analysis, a variance analysis between budget and preliminary Budgets, and recommendations for any adjustments to the Budget. Work with the OPT to consider costs relating to efficiency, usable life, maintenance, energy, and operation as part of the cost analysis.
- E. Notify the Owner and the Owner's Advisor immediately if any estimated construction cost will cause the projected GMP to exceed the Budget. Make appropriate recommendations to the OPT if cost projections exceed the Budget.

F. Provide the Budget-related services set out in Paragraph 11.04 of the Agreement.

#### 1.07 Time Management

- A. Provide a preliminary master schedule for the Contract. Incorporate the Owner's Advisor's preliminary schedule and the schedule for design into the preliminary master schedule. Include allowances for reasonable periods required for the review and approval of items by the OPT and for approvals of governmental authorities having jurisdiction over the Project. Prepare the preliminary master schedule in a way that the detailed construction schedule can be incorporated into the master schedule as the Project becomes better defined.
- B. Identify critical design Milestones that must be met to keep the Project on schedule. Coordinate and integrate the preliminary project schedule with the services and activities of the OPT and CMAR. Update the preliminary project schedule as design develops to indicate proposed activity sequences and durations, Milestone dates for receipt and approval of pertinent information, submittal of a GMP Proposal, preparation and processing of Shop Drawings and Samples, delivery of materials or equipment requiring long-lead time procurement, and the Owner's occupancy requirements.
- C. Make appropriate recommendations to the Owner and Owner's Advisor if preliminary project schedule updates indicate that previously approved schedules may not meet Contract Time requirements.
- D. Revise the master schedule after the GMP is established.

#### 1.08 Quality Management

- A. Prepare CMAR's Quality Control Plan (CQCP) in accordance with the General Requirements.
  - 1. Describe the quality control organization and lines of authority. Quality control plan is to identify the quality control manager and other key individuals involved in CMAR's quality control effort. Provide the services of a dedicated quality control manager unless Owner's Advisor determines that quality control manager may combine quality control duties with other responsibilities. If quality control manager is to serve in other capacities, identify those other responsibilities and the percentage of time spent in each role. Describe the qualifications of the quality control manager (in resume format) to demonstrate experience with quality management activities and performance on successful projects.
  - 2. Provide the name and qualifications, in resume format, of other persons assigned a quality control function. Define the roles and responsibilities and authorities for each person and the types of Work or portions of the work for which each person is responsible.
  - 3. Describe CMAR's approach to managing quality during construction. Describe how CMAR will integrate quality control procedures into the execution of the Work, provide testing and inspection required to control the quality of the Work in progress and verification or acceptance testing as required by the Contract Documents and CQCP.
  - 4. Include a testing plan with details of tests to be provided. Designate the organization (Owner, Owner's Advisor, CMAR, or Testing Agency) responsible for each type of testing. Coordinate CQCP Testing Plan with testing to be provided by the Owner.

5. Describe CMAR approach for managing defective Work, including notification and documentation procedures, development and implementation of corrective action plans and documentation that record corrective action has been successful in producing Work that complies with the Contract Documents.
6. Describe the approach for scheduling, reviewing, certifying, and managing documentation provided by Subcontractors and Suppliers. Include the approach for managing the quality of submittals, documentation procedures, and process for tracking and keeping documentation up to date.

#### 1.09 Risk Management

- A. Analyze construction risks to assess risk impact and develop appropriate risk management strategies to minimize associated costs.
- B. Identify additional information that will help with risk assessment.
- C. Provide recommendations for appropriate allocation of construction risks.
- D. Review possible impacts associated with the use of patented, licensed, or copyrighted products.
- E. Review legal requirements for subcontractor and equipment procurement for risk impacts.
- F. Suggest procurement strategies to minimize risk.

#### 1.10 Safety Management

- A. Provide a project-specific Health and Safety Plan for the Contract to address the safety concerns associated with construction activities, including potential hazards, that complies with applicable Laws and Regulations. Write the manual with the ability to readily update the plan to incorporate needed revisions on a regular basis.
- B. The Health and Safety Plan is to include at least the following information:
  1. Background information identifying the CMAR, Project description, and location;
  2. Management accountability structure with authority to implement safety plans, stop work, or make other safety-related decisions;
  3. Role of safety representative (see General Conditions, Paragraph 7.16);
  4. Provide descriptions of qualifications and certifications related to the performance of safety representatives;
  5. Objectives of the Health and Safety Plan;
  6. Administration and enforcement of the Health and Safety Plan;
  7. Applicability of the Health and Safety Plan to various personnel categories, including the workforce, visitors, and members of the OPT;
  8. List of conditions at the Site that may pose a hazard to anyone, hazard types, and those potentially exposed;
  9. Procedures for first aid and medical attention;
  10. Emergency notifications procedures based on hazard type which specify the entity to be notified for each situation;

11. Site access control requirements to prohibit unauthorized persons from entering the Site;
12. Orientation and training requirements for workers, visitors, and members of the OPT;
13. Hazard communications and awareness plan;
14. Required safety certifications for each type of work;
15. CMAR's safety training program and effort to create and maintain a culture of safety;
16. CMAR's written safety guidelines for project-specific issues as defined by Laws and Regulations;
17. Plan for conducting safety inspection and the audit frequency and schedule;
18. Process for conducting a Job Hazard Analysis for work activities and implementing countermeasures to ensure safety, including checklist specific the Project and type of work; and
19. Accident / incident reporting procedures including monthly reporting.

C. Incorporate Owner's site safety requirements as appropriate.

#### 1.11 Site Management and Environmental Controls

- A. Develop a plan for managing the Site during construction. The plan should address, at a minimum, management of the following:
  1. Office space for CMAR, Subcontractors if needed at the discretion of CMAR;
  2. Water, sanitation, electrical, internet, and other utilities if needed for CMAR's and OPT's operations at the Site;
  3. Storage facilities, parking, and construction equipment storage and maintenance;
  4. Protection of existing structures, trees and other landscaping, buildings, utilities, and Underground Facilities;
  5. Site security, site safety, and emergency responses;
  6. Temporary roads, temporary signage, barricades, fencing, and other devices to manage traffic to and within the Site, including provisions for delivery of materials and equipment, and maintenance during construction;
  7. Environmental conditions including storm water management, pollution control, care of water, soil management, and other temporary controls and their removal when no longer required;
  8. Reference data and control points; and
  9. Cleaning during construction and containment and disposal of waste materials.
- B. Review plan with Owner's Advisor and Owner to identify potential conflicts with operating other facilities, on-going and anticipated construction by other entities. Revise if necessary.

#### 1.12 Regulatory Requirements and Permits

- A. Review regulatory requirements and permits required for construction. Develop a written plan for meeting applicable Laws and Regulations and obtaining permits. List the permit

requirements, entities responsible for obtaining permits, documentation required for permits and cost for obtaining and complying with these requirements.

- B. Incorporate the associated cost into the Cost of Work and inform the Owner so these can be incorporated into the Owner's Construction Budget, or the Owner's Construction Budget may be adjusted as required.
- C. Incorporate time for obtaining permits into the project schedule to ensure permits can be obtained and regulatory requirements met in time for the orderly progression of Work.

#### 1.13 Procurement Strategy Plan

- A. Provide input to OPT regarding the current construction market, bidding climate, status of key Subcontractor and Supplier markets, and other local economic conditions.
- B. As the design develops, organize the Work into Work Packages that will (1) allow for phased construction that will shorten the overall completion schedule for the Work, (2) encourage price competition by prospective Subcontractors and Suppliers, and (3) enhance the quality and safety of the Work.
- C. Develop Subcontractor and Supplier interest in the Project consistent with state Laws and Regulations. Furnish the Owner's Advisor a list of possible Subcontractors and Suppliers, from whom competitive bids will be requested for each principal portion of the Work. Identify preferred providers based on CMAR's previous experience for quality of work, on-time delivery, and ability to complete work within bid amounts. Submission of this list is for information and discussion purposes only and not for prequalification. The review of this list will not require the OPT to investigate the qualifications of proposed Subcontractors and Suppliers, nor does it waive the right of Owner to later object to or reject any proposed Subcontractor or Supplier when bids are considered. CMAR may submit a Change Proposal for any increase in the Guaranteed Maximum Price if this change is made after the GMP has been established.
- D. Recommend to the OPT a schedule for procurement of long-lead time items required to meet the project schedule. Assist the OPT with the procurement of these long-lead items by obtaining competitive bids for these items under a separate Work Authorization.
- E. Identify critical elements of the Work that may require special procurement processes, such as prequalification of Subcontractors or Suppliers, requirement of certified or prequalified installers, or alternative contracting methods.
- F. Advise the Owner of market conditions, bid issues, design issues, or other factors which may have had an impact causing bid prices to be higher than estimated. Discuss opportunities for bringing the Project within budget with the Owner and the Owner's Advisor, in consultation with the Engineer to assist with deciding on how to proceed.

#### 1.14 Value Engineering Studies

- A. Participate in Value Engineering reviews at the level appropriate for the projects at the completion of the first draft of the Final Design Phase documents (approximately 60% completion) to assist in identifying ways to improve value to the owner or reduce the cost for the project. Provide cost estimates to quantify potential cost savings to reduce the overall cost for the Project.

- B. Assist OA in conducting a workshop to identify potential changes which could reduce the cost of the Project or increase the value of the Project by more than the cost of the changes. Present selected alternatives for more detailed evaluation. The detailed evaluation will consider cost, ability to implement the changes, technical analysis, and the impact of changes on the Project. Ideas that pass the technical and economic analysis, and merit incorporation into the design of the project, will be presented, in a draft report, as a proposal to the OPT for consideration. Incorporate responses of the OPT in the final report.
- C. Review and comment on deliverables which include draft and final value engineering recommendation reports.

#### 1.15 Start Up and Commissioning Program

- A. Provide CMAR's organizational structure for startup and commissioning. Identify the individuals from CMAR, Subcontractors and Suppliers actively involved in the process. Identify testing personnel required for startup, including independent testing agencies. Work with Owner's Advisor to develop a table of roles and responsibilities for CMAR team and the OPT.
- B. Develop a written start up and commissioning program consistent with the requirements of the Contract Documents. Write the plan in a way that will allow specific details to be added or information updated as equipment and materials are purchased and delivered.
- C. Identify all systems to be included in the startup plan, each item of equipment involved with each system and the interface between each item of equipment and other operating equipment. Identify how each equipment component fits into operations of the completed facility.
- D. Identify control systems associated with operating the system or facility, and how each is used to start-up, operate, and shut down its associated system. Identify prerequisite conditions for startup and testing for each system and facility. Identify conditions which would merit termination of startup or testing procedures.
- E. Compile a list of all documents required for startup, including Contract Documents, Shop Drawings, operations and maintenance manuals, verification of warranty information, lists of spare parts and their location, and contact information for manufacturer's representatives to be included in startup readiness testing /verification and performance testing.
- F. Identify testing required for factory witness testing, startup readiness verification, equipment and performance testing, and functional and performance testing, if any.
- G. Provide a preliminary schedule for startup and commissioning plans which can be updated as more detailed information is available. Incorporate this schedule in the master schedule and construction schedule for the Project.

## ARTICLE 2—ADDITIONAL PRECONSTRUCTION SERVICES

2.01 Not used

## ARTICLE 3—BASIC PROCUREMENT SERVICES

### 3.01 Project Management

#### A. Participate in Project Meetings

1. Participate in kick-off meeting for Procurement Services. Be prepared to discuss changes in CMAR's team and organization structure for Procurement Services, assignments of responsibilities, and CMAR's plan for implementation of Procurement Services.
2. Participate in periodic meetings with the OPT to review progress, coordinate efforts, and discuss planned activities related to procurement. It is anticipated that these progress meetings will occur [**weekly**] at times when procurement activities for Work Packages are underway.

#### B. Provide administration of Agreement for CMAR Procurement Services, including Applications for Payment, progress reporting, management of CMAR staff, schedule for services, and deliverables.

### 3.02 Assembling Work Packages

#### A. Assemble appropriate bid documents for distribution to prospective bidders for Work Packages in accordance with the procurement strategies defined in the Construction Management Plan and Procurement Strategy Plan (see Basic Preconstruction Services).

### 3.03 Advertise for Bids

- A. Publicly advertise each Work Package, soliciting bids from Subcontractors and Suppliers for each Work Package in accordance with the applicable provisions of Laws and Regulations.
- B. Maintain a list of all entities that have requested bid documents for each Work Package (planholders) until bids are received. Provide updates of the planholders as required by the Owner's Advisor.
- C. Encourage multiple Subcontractors and Suppliers to submit bids on the Work Package so a minimum of three bids are received for each Work Package.

### 3.04 Pre-Bid Conferences

- A. Conduct a pre-bid conference with prospective Subcontractor and Suppliers to familiarize them with:
  1. Bid opportunities for Work Packages;
  2. Special requirements of the Contract Documents;
  3. Prevailing wage requirements;
  4. Equal employment opportunity requirements; and
  5. Diverse Business Enterprise requirements, if any.



- B. Obtain responses from the Owner's Advisor, in consultation with the Engineer, to all questions at pre-bid conferences requiring a modification to the Contract Documents. Prepare a record of the discussions at the pre-bid conference to assist the Owner's Advisor and Engineer in preparing Addenda as appropriate. Review and comment on Addenda prepared by the Owner's Advisor in consultation with the Engineer to incorporate responses to questions raised during or as a result of the pre-bid conference.

### 3.05 Addenda

- A. Receive draft Addenda prepared by the Owner's Advisor in consultation with the Engineer. Review the draft Addenda for clarity, consistency, and coordination, and provide comments to Owner's Advisor and Engineer. By conducting such reviews and providing comments, CMAR does not assume responsibility or liability, in whole or in part, for all or any part of the Project design or the content of the Contract Documents.
- B. Distribute Addenda regarding any changes in the bid process or Contract Documents to all planholders. Require verification from planholders that Addenda have been received.

### 3.06 Opening Bids

- A. Open bids submitted by Subcontractors and Suppliers for all Work Packages at the time and location so indicated in the advertisement for bid or as altered by addendum sent to all planholders.
- B. Where allowed by state Laws and Regulations, the CMAR may be able to self-perform portions of the Work. Require sealed bids for all Work Packages which the CMAR proposes to perform with its own resources. The CMAR must submit a sealed bid for any such Work Package to be opened at the same time and in the same manner that other bids for this Work are to be opened. The CMAR will be allowed to self-perform that Work for which the CMAR's bid demonstrates that it will provide the best value in terms of cost, schedule, and quality of Work.
- C. Review all bids submitted in the presence of the Owner and the Owner's Advisor in a way that does not disclose the contents of the bid during the selection process to any entity other than the OPT and CMAR.
- D. Compare bids received to the line-item budget prepared for the Project prior to the opening of bids. Resolve discrepancies or overlaps in bid packages to eliminate duplications or the omission of elements of the Work that are not included in Construction Support Costs. Discuss each bid received with the OPT and recommend which bid received will provide best value for the Owner.
- E. Evaluate any substitutions or alternate bids offered by bidders. Owner's Advisor, in consultation with the Engineer, will evaluate the substitutions or alternate bids to determine the technical merit and to determine that the modifications offered are consistent with the intent of the Contract Documents. The Owner, in consultation with the Owner's Advisor and Engineer, will determine if the substitution or alternate is acceptable.
- F. The Owner will adjust the Guaranteed Maximum Price (GMP) if the Owner requires the CMAR to contract with a Subcontractor or Supplier different from the entity submitting the bid on which the GMP is based. This adjustment will be made in the GMP or by Change Order if the GMP has already been established by a Work Authorization.

- G. In the case of the need to replace a Subcontractor or Supplier under the provisions of the General Conditions Paragraph 7.10.O, Owner may direct the CMAR to obtain competitive bids for this Work if the cost proposed by the CMAR or substitute Subcontractor or Supplier for this Work differs from the line-item estimate by more than 10 percent of the line-item amount. The CMAR will not be required to advertise this Work as required in Paragraph 1.02.
- H. Make all bids public after the award of contracts or not later than 7 days after the date of the final selection of bids or proposals.

#### **ARTICLE 4—ADDITIONAL PROCUREMENT SERVICES**

- 4.01 The scope of services for Additional Services, if any, will be the scope set forth in the Contract Amendment(s) establishing and authorizing such Special Services.

#### **ARTICLE 5—SPECIAL SERVICES**

- 5.01 The scope of services for Special Services, if any, will be the scope set forth in the Contract Amendment(s) establishing and authorizing such Special Services.

## **APPENDIX A**

### **CERTIFICATIONS AND DISCLOSURES**

**A. HOUSE BILL 793, PROHIBITION OF CONTRACTS WITH COMPANIES BOYCOTTING ISRAEL**

**House Bill 89, Prohibition of Contracts with Companies Boycotting Israel**

I, Ryan Koontz (Name of certifying official), the  
General Manager (title or position of certifying official) of  
Felix Construction Company (name of company), does hereby verify on  
behalf of said company to the City that said company does not Boycott Israel and will not Boycott  
Israel (as that term is defined in Texas Government Code Section 808.001, as amended) during  
the term of this contract.

\_\_\_\_\_  
Signature of Certifying Official

Title: General Manager

Date: 7/29/2024

**B. SENATE BILL 252 PROHIBITION OF CONTRACTS WITH CERTAIN COMPANIES**

## **Senate Bill 252 Prohibition of Contracts with Certain Companies**

Senate Bill 252 amends Chapter 2252, Texas Government Code, effective September 1, 2017, by adding Subchapter F and, specifically, Tex. Govt. Code §2252.152, prohibiting cities and other governmental entities from entering into a governmental contract (defined to mean “a contract awarded by a governmental entity for general construction, an improvement, a service, or a public works project or for a purchase of supplies, materials, or equipment” and including contracts professional or consulting service subject to Texas Govt Code Ch. 2254, (the Professional Procurement Act<sup>1</sup>) with a company that is identified on a list prepared and maintained by the Texas Comptroller and that does business with Iran, Sudan, or a foreign terrorist organization.

The new law will apply to contracts for: general construction work; an improvement; any professional or other service; a public works project; purchase of supplies; purchase of materials; and for the purchase of equipment.

Exception: A company that the United States government affirmatively declares to be excluded from its federal sanctions regime relating to Sudan, its federal sanctions regime relating to Iran, or any federal sanctions regime relating to a foreign terrorist organization is not subject to contract prohibition under this subchapter.

For purpose of the new law, “Company” means a sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, limited liability company, or other entity or business association whose securities are publicly traded, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations, that exists to make a profit.

A foreign terrorist organization is defined to mean an organization designated as a foreign terrorist organization by the United States secretary of state as authorized by 8 U.S.C. Section 1189.

Under the new law, the Texas Comptroller is required to prepare, maintain, and provide to each governmental entity in the state (including the City), a list of all companies known to have contracts with or provide supplies or services to a foreign terrorist organization.

Application of new requirements: The new requirements apply to a contract or purchase for which the governmental unit (including the City) first advertises or otherwise solicits bids, proposals, offers or qualifications on or after September 1, 2017. Thus, the new law does not apply to contracts for which bids, proposals, offers, or qualifications have already been solicited, even if the contract is not awarded on or after September 1, 2017.

While not required, the City may wish to consider adding to its solicitation for bids, proposals or offers a statement that the City is prohibited from entering a contract with a company that is identified on a list prepared and maintained by the Texas Comptroller and that does business with Iran, Sudan, or a foreign terrorist organization. The City will of course need to monitor the Comptroller list before award of such contracts to be sure that the bidder is not on the most recent version of the list.

**C. CONFLICT OF INTEREST QUESTIONNAIRE (CIQ)**



**CONFLICT OF INTEREST QUESTIONNAIRE**  
**For vendor doing business with local governmental entity**

**FORM CIQ**

**This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.**

This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code.

A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

**OFFICE USE ONLY**

Date Received

**1** Name of vendor who has a business relationship with local governmental entity.

**2** ☐ Check this box if you are filing an update to a previously filed questionnaire. (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

**3** Name of local government officer about whom the information is being disclosed.

\_\_\_\_\_  
Name of Officer

**4** Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?

☐

Yes

☐

No

B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?

☐

Yes

☐

No

**5** Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.

**6** ☐ Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).

**7**

\_\_\_\_\_  
Signature of vendor doing business with the governmental entity

\_\_\_\_\_  
Date

**APPENDIX D**

**GENERAL CONDITIONS**

**STANDARD GENERAL CONDITIONS OF THE  
CONSTRUCTION MANAGER AT RISK CONTRACT**

**Prepared By**



Copyright® 2023

National Society of Professional Engineers  
1420 King Street, Alexandria, VA 22314-2794  
(703) 684-2882  
[www.nspe.org](http://www.nspe.org)

American Council of Engineering Companies  
1400 L. Street, N.W., Washington, DC 20005  
(202) 347-7474  
[www.acec.org](http://www.acec.org)

American Society of Civil Engineers  
1801 Alexander Bell Drive, Reston, VA 20191-4400  
(800) 548-2723  
[www.asce.org](http://www.asce.org)

The copyright for this EJCDC document is owned jointly by the three sponsoring organizations listed above. The National Society of Professional Engineers is the Copyright Administrator for the EJCDC documents; please direct all inquiries regarding EJCDC copyrights to NSPE.

The use of this document is governed by the terms of the License Agreement for the 2023 EJCDC® Construction Manager at Risk Series Documents.

NOTE: EJCDC publications may be purchased at [www.ejcdc.org](http://www.ejcdc.org), or from any of the sponsoring organizations above.

# STANDARD GENERAL CONDITIONS OF THE CONSTRUCTION MANAGER AT RISK CONTRACT

## TABLE OF CONTENTS

	Page
Article 1— Definitions and Terminology.....	1
1.01 Defined Terms.....	1
1.02 Terminology .....	8
Article 2— Preliminary Matters .....	9
2.01 Delivery of Performance and Payment Bonds; Evidence of Insurance.....	9
2.02 Copies of Documents .....	9
2.03 Electronic Transmittals .....	9
2.04 Construction Management .....	10
Article 3— Contract Documents: Intent, Requirements, Reuse .....	10
3.01 Intent.....	10
3.02 Reference Standards.....	11
3.03 Reporting and Resolving Discrepancies .....	11
3.04 Interpretation of the Contract Documents.....	12
3.05 Reuse of Documents .....	12
Article 4— Commencement and Progress of the Work .....	13
4.01 Commencement of Contract Times; Notice to Proceed.....	13
4.02 Starting the Work.....	13
4.03 Reference Points .....	13
4.04 Progress Schedule .....	13
4.05 Delays in CMAR’s Progress.....	13
Article 5— Site; Subsurface and Physical Conditions; Hazardous Environmental Conditions.....	15
5.01 Availability of Lands .....	15
5.02 Use of Site and Other Areas.....	15
5.03 Subsurface and Physical Conditions.....	16
5.04 Differing Subsurface or Physical Conditions .....	17
5.05 Underground Facilities.....	19
5.06 Hazardous Environmental Conditions at Site .....	21

Article 6— Bonds and Insurance .....	23
6.01 Performance, Payment, and Other Bonds .....	23
6.02 Insurance—General Provisions .....	24
6.03 CMAR’s Insurance .....	26
6.04 Builder’s Risk and Other Property Insurance .....	27
6.05 Property Losses; Subrogation .....	28
6.06 Receipt and Application of Property Insurance Proceeds .....	29
Article 7— CMAR’s Responsibilities .....	29
7.01 CMAR’s Means and Methods of Construction.....	29
7.02 Supervision and Superintendence .....	29
7.03 CMAR Services—Key Personnel and Subconsultants .....	30
7.04 Quality of CMAR Services.....	30
7.05 Continuation or Termination of CMAR Services .....	30
7.06 Labor; Working Hours .....	31
7.07 Services, Materials, and Equipment .....	31
7.08 “Or Equals” .....	32
7.09 Substitutes .....	33
7.10 Concerning Subcontractors and Suppliers.....	35
7.11 Patent Fees and Royalties.....	37
7.12 Permits .....	37
7.13 Taxes .....	37
7.14 Laws and Regulations.....	37
7.15 Record Documents.....	38
7.16 Safety and Protection .....	38
7.17 Hazard Communication Programs .....	39
7.18 Emergencies.....	40
7.19 Submittals .....	40
7.20 CMAR’s General Warranty and Guarantee.....	43
7.21 Indemnification .....	44
7.22 Delegation of Professional Design Services .....	44
Article 8— Other Work at the Site .....	45
8.01 Other Work .....	45
8.02 Coordination .....	46

8.03	Legal Relationships.....	46
Article 9— Owner’s Responsibilities .....		47
9.01	Communications to CMAR .....	47
9.02	Replacement of Owner’s Advisor or Engineer .....	47
9.03	Furnish Data .....	48
9.04	Pay CMAR.....	48
9.05	Lands and Easements; Reports, Tests, and Drawings.....	48
9.06	Insurance.....	48
9.07	Change Orders .....	48
9.08	Inspections, Tests, and Approvals.....	48
9.09	Owner’s Tasks in Support of CMAR Services .....	48
9.10	Limitations on Owner’s Responsibilities .....	49
9.11	Undisclosed Hazardous Environmental Condition.....	49
9.12	Evidence of Financial Arrangements.....	49
9.13	Safety Programs .....	49
Article 10— Status Of Owner’s Advisor and Engineer During Construction .....		49
10.01	Owner’s Advisor.....	49
10.02	Visits to Site.....	50
10.03	Determinations for Unit Price Work .....	50
10.04	Decisions on Requirements of Contract Documents and Acceptability of Work; Exercise of Authority .....	50
10.05	Limitations on Owner’s Advisor’s and Engineer’s Authority and Responsibilities .....	51
10.06	Compliance with Safety Program.....	51
Article 11— Changes to the Contract .....		51
11.01	Amending and Supplementing the Contract .....	51
11.02	Change Orders .....	52
11.03	Work Change Directives.....	52
11.04	Field Orders.....	53
11.05	Owner-Authorized Changes in the Work .....	53
11.06	Unauthorized Changes in the Work.....	53
11.07	Change of Contract Price .....	54
11.08	Change of Contract Times.....	54
11.09	Change Proposals.....	54

11.10 Notification to Surety.....	56
Article 12— Claims.....	56
12.01 Claims.....	56
Article 13— Allowances; Unit Price Work.....	57
13.01 Allowances .....	57
13.02 Unit Price Work.....	58
Article 14— Tests and Inspections; Correction, Removal, or Acceptance of Defective Work .....	58
14.01 Access to Work.....	58
14.02 Tests, Inspections, and Approvals.....	59
14.03 Defective Work .....	60
14.04 Acceptance of Defective Work .....	60
14.05 Uncovering Work .....	60
14.06 Owner May Stop the Work .....	61
14.07 Owner May Correct Defective Work.....	61
Article 15— Payments to CMAR; Set-Offs; Completion; Correction Period .....	62
15.01 Payment for CMAR Services.....	62
15.02 Progress Payments.....	62
15.03 CMAR’s Warranty of Title .....	65
15.04 Substantial Completion.....	65
15.05 Partial Use or Occupancy .....	66
15.06 Final Inspection .....	68
15.07 Final Payment.....	68
15.08 Waiver of Claims .....	69
15.09 Correction Period.....	69
Article 16— Suspension and Termination .....	71
16.01 Owner May Suspend CMAR Services or Work.....	71
16.02 Owner May Terminate for Cause.....	71
16.03 Owner May Terminate for Convenience .....	72
16.04 CMAR May Stop Work or Terminate .....	72
Article 17— Final Resolution of Disputes.....	73
17.01 Methods and Procedures.....	73
Article 18— Miscellaneous .....	73
18.01 Giving Notice.....	73



18.02	Computation of Times .....	73
18.03	Cumulative Remedies .....	74
18.04	Limitation of Damages .....	74
18.05	No Waiver .....	74
18.06	Survival of Obligations .....	74
18.07	Controlling Law .....	74
18.08	Assignment of Contract .....	74
18.09	Successors and Assigns .....	74
18.10	Headings.....	74

# **STANDARD GENERAL CONDITIONS OF THE CONSTRUCTION MANAGER AT RISK CONTRACT**

## **ARTICLE 1—DEFINITIONS AND TERMINOLOGY**

### **1.01 Defined Terms**

- A. Wherever used in the Proposal Documents or Contract Documents, a term printed with initial capital letters, including the term's singular and plural forms, will have the meaning indicated in the definitions below. In addition to terms specifically defined, terms with initial capital letters in the Contract Documents include references to identified articles and Paragraphs, and the titles of other documents or forms.
1. Addenda—Written or graphic instruments issued prior to the receipt of Proposals by the Owner which clarify, correct, or change the Proposal Documents or the proposed Contract Documents.
  2. Agreement—The written instrument, including its attached exhibits, executed by Owner and Construction Manager at Risk, that sets forth the Contract Price and Contract Times, identifies the Owner, Construction Manager at Risk, Owner's Advisor, and Engineer, and designates the specific items that are Contract Documents.
  3. Application for Payment—The document prepared by Construction Manager at Risk, in a form acceptable to Owner's Advisor, to request progress or final payments, and which is to be accompanied by such supporting documentation as is required by the Contract Documents.
  4. Change Order—A document which is signed by Construction Manager at Risk and Owner after the Effective Date of a governing Work Authorization and authorizes an addition, deletion, or revision in the authorized Work, an adjustment in the applicable incremental Guaranteed Maximum Price or Contract Times, or other revision to such Work Authorization.
  5. Change Proposal—A written request by Construction Manager at Risk, duly submitted in compliance with the procedural requirements set forth herein, seeking an adjustment in Guaranteed Maximum Price or Contract Times; contesting a decision by Owner's Advisor, in consultation with Engineer, concerning the requirements of the Contract Documents or the acceptability of Work under the Contract Documents; challenging a set-off against payments due; or seeking other relief with respect to the terms of the Contract.
  6. Claim
    - a. A demand or assertion by Owner directly to Construction Manager at Risk, duly submitted in compliance with the procedural requirements set forth herein, seeking an adjustment of Contract Price or Contract Times; contesting a decision rendered by Owner's Advisor, in consultation with Engineer, concerning the requirements of the Contract Documents or the acceptability of Work under the Contract Documents, or regarding a Change Proposal; or seeking other relief with respect to the terms of the Contract.

- b. A demand or assertion by Construction Manager at Risk directly to Owner, duly submitted in compliance with the procedural requirements set forth herein, contesting Owner's Advisor's decision, made in consultation with Engineer, regarding a Change Proposal.
  - c. A demand or assertion by Owner or Construction Manager at Risk, duly submitted in compliance with the procedural requirements set forth herein, made pursuant to Paragraph 12.01.A.3, concerning disputes arising after Owner's Advisor has issued a recommendation of final payment.
  - d. A demand for money or services by a third party is not a Claim.
- 7. CMAR Contingency Allowance—An allowance used to reimburse CMAR for costs due to unforeseen causes, unintentional errors, or events which cannot specifically be anticipated at the time Work Authorizations are issued, as set forth in the Agreement, Article 8.
  - 8. CMAR Fee—The component of the Guaranteed Maximum Price that supplements the CMAR's compensation for the Cost of the Work, consisting of either a fixed fee (a stipulated price or lump sum amount) or a percentage of the Cost of the Work, as set forth in the Agreement.
  - 9. CMAR Services—Those specific planning, organizational, and advisory services to be performed or furnished by CMAR, consisting collectively of Preconstruction Services, Procurement Services, and any other services authorized by Owner's Advisor and expressly identified in such authorization as CMAR Services. CMAR Services are not part of the Work.
  - 10. Constituent of Concern—Asbestos, petroleum, radioactive materials, polychlorinated biphenyls (PCBs), lead-based paint (as defined by the HUD/EPA standard), hazardous waste, and any substance, product, waste, or other material of any nature whatsoever that is or becomes listed, regulated, or addressed pursuant to Laws and Regulations regulating, relating to, or imposing liability or standards of conduct concerning, any hazardous, toxic, or dangerous waste, substance, or material.
  - 11. Construction Manager at Risk (CMAR)—The entity that has entered into the Contract with Owner. Under the Contract the CMAR will provide CMAR Services and construct the Work set out in the Drawings and Specifications, as duly authorized, using the Construction Manager at Risk project delivery method.
  - 12. Construction Period—The period from the commencement of Work on the first Work Authorization until Substantial Completion of the Work. This is the number of days for which Construction Support Costs will be compensated.
  - 13. Construction Support Costs—See Agreement, Article 5.
  - 14. Contract—The entire and integrated written agreement between Owner and Construction Manager at Risk concerning the CMAR Services and the Work.
  - 15. Contract Amendment—A document signed by Owner and Construction Manager at Risk which modifies the terms and conditions of the Contract, including but not limited to modifications of the time or compensation provisions of the Agreement and the scope of CMAR Services. A Contract Amendment is not used to make changes in the Work or

to a Work Authorization, such changes properly being made in a Change Order or supplemental Work Authorization.

16. **Contract Documents**—Those items so designated in the Agreement, and which together comprise the Contract.
17. **Contract Price**—The money that Owner has agreed to pay Construction Manager at Risk for performance and completion of the CMAR Services and the Work, in accordance with the Contract Documents. The Contract Price may be subdivided into component parts based on authorized CMAR Services and Work Authorizations. The Contract Price includes the CMAR's compensation for CMAR Services, Construction Support Costs, Cost of the Work, the CMAR Fee, CMAR Contingency Allowances, and the Owner's Contingency Allowance.
18. **Contract Times**—The number of days or the dates by which Construction Manager at Risk shall: (a) achieve Milestones, if any; (b) achieve Substantial Completion; and (c) complete the Work and all required services. The Contract Times may be subdivided into component parts based on Work Authorizations and authorized CMAR Services.
19. **Contractor**—The term "Contractor," if used in the Contract, means Construction Manager at Risk.
20. **Cost of the Work**—The sum of eligible costs incurred by CMAR for the performance of the Work, as allowed by the Cost of the Work provisions set forth in the Agreement. Cost of the Work as a defined term does not include Construction Support Costs.
21. **Drawings**—The part of the Contract that graphically shows the scope, extent, and character of the Work to be performed by Construction Manager at Risk.
22. **Effective Date of the Contract**—The date indicated in the Agreement, on which the Contract becomes effective.
23. **Electronic Document**—Any Project-related correspondence, attachments to correspondence, data, documents, drawings, information, or graphics, including but not limited to Shop Drawings and other Submittals, that are in an electronic or digital format.
24. **Electronic Means**—Electronic mail (email), upload/download from a secure Project website, or other communications methods that allow: (a) the transmission or communication of Electronic Documents; (b) the documentation of transmissions, including sending and receipt; (c) printing of the transmitted Electronic Document by the recipient; (d) the storage and archiving of the Electronic Document by sender and recipient; and (e) the use by recipient of the Electronic Document for purposes permitted by this Contract. Electronic Means does not include the use of text messaging, or of Facebook, Twitter, Instagram, or similar social media services for transmission of Electronic Documents.
25. **Engineer**—The individual or entity that has primary responsibility for preparing or furnishing the Drawings and Specifications and is named as Engineer in the Agreement.
26. **Estimated Cost of the Work**—An estimate of the Cost of the Work prepared by the Owner for use (a) during the CMAR selection process in evaluating Proposals submitted in response to the Request for Proposals and (b) during the early stages of the Contract in calculating an Estimated Guaranteed Maximum Price until the design has progressed

to the point where Owner and CMAR can mutually agree upon a Guaranteed Maximum Price.

27. **Estimated Guaranteed Maximum Price**—A preliminary Guaranteed Maximum Price calculated on the basis of the Estimated Cost of the Work. This is a non-binding price used on an interim basis for comparison or estimation of Owner's Construction Budget until the design has progressed to the point that a Guaranteed Maximum Price for the Work is established, or a Guaranteed Maximum Price for a portion of the Work is established by issuance of a Work Authorization by the Owner's Advisor.
28. **Field Order**—A written order issued by Owner's Advisor which requires minor changes in the Work but does not change the Guaranteed Maximum Price or the Contract Times.
29. **Final Completion**—The point at which the Work is complete in accordance with the Contract Documents, items and documents required by the Contract Documents have been accepted by the Owner, all required services have been completed, and the Contract is ready for final payment.
30. **Guaranteed Maximum Price (GMP)**—The maximum amount to be paid by Owner to CMAR for the sum of the Construction Support Costs, plus Cost of the Work, plus the CMAR Fee, all as set forth in the Agreement.
31. **Hazardous Environmental Condition**—The presence at the Site of Constituents of Concern in such quantities or circumstances that may present a danger to persons or property exposed thereto.
  - a. The presence at the Site of materials that are necessary for the execution of the Work, or that are to be incorporated into the Work, and that are controlled and contained pursuant to industry practices, Laws and Regulations, and the requirements of the Contract, is not a Hazardous Environmental Condition.
  - b. The presence of Constituents of Concern that are to be removed or remediated as part of the Work is not a Hazardous Environmental Condition.
  - c. The presence of Constituents of Concern as part of the routine, anticipated, and obvious working conditions at the Site, is not a Hazardous Environmental Condition.
32. **Laws and Regulations; Laws or Regulations**—Any and all applicable laws, statutes, rules, regulations, ordinances, codes, and binding decrees, resolutions, and orders of any and all governmental bodies, agencies, authorities, and courts having jurisdiction.
33. **Liens**—Charges, security interests, or encumbrances upon Contract-related funds, real property, or personal property.
34. **Milestone**—A principal event in the performance of the Work that the Contract requires Construction Manager at Risk to achieve by an intermediate completion date, or by a time prior to Substantial Completion of all the Work.
35. **Notice of Award**—The written notice by Owner stating that Owner will enter into the Construction Manager at Risk contract with the selected Construction Manager at Risk.
36. **Owner**—The entity with which Construction Manager at Risk has contracted regarding the CMAR Services and the Work, and which has agreed to pay Construction Manager

at Risk for the performance of the CMAR Services and the Work, pursuant to the terms of the Contract.

37. Owner's Advisor (OA)—The individual or entity named as Owner's Advisor in the Agreement. The Owner's Advisor provides services to the Owner, as an advisor and representative.
38. Owner's Construction Budget (Budget)—The amount budgeted by the Owner to pay CMAR to perform and complete the Work in accordance with the Contract Documents. This amount includes compensation for Cost of the Work, the CMAR Fee, and Construction Support Costs, but does not include compensation for CMAR Services.
39. Owner's Project Team (OPT)—As used in this Contract, refers to Owner, Owner's Advisor and Engineer, collectively.
40. Preconstruction Services—Those planning, management, and support services to be performed or furnished by CMAR as set forth in the Scope of CMAR Preconstruction Services Exhibit to the Agreement. Preconstruction Services are separate and distinct from Procurement Services, and from the performance of the Work itself, and are a component of CMAR Services.
41. Preconstruction Services Price—The total amount to be paid to CMAR for the Preconstruction Services described in the Scope of CMAR Preconstruction Services Exhibit to the Agreement.
42. Procurement Services—Those services relating to assembling Work Packages and procurement of construction Subcontractors, Suppliers, and materials and equipment, to be performed or furnished by CMAR as set forth in the procurement-related provisions of the Scope of CMAR Services Exhibit to the Agreement. Procurement Services are separate and distinct from Preconstruction Services, and from the performance of the Work itself, and are a component of CMAR Services.
43. Procurement Services Price—The total amount to be paid to CMAR for providing the Procurement Services described in the Scope of CMAR Procurement Services Exhibit to the Agreement.
44. Progress Schedule—A schedule, prepared and maintained by Construction Manager at Risk, describing the sequence and duration of the activities comprising Construction Manager at Risk's plan to accomplish the Work within the Contract Times.
45. Project—The total undertaking to be accomplished for Owner by construction managers, engineers, contractors, advisors, and others, including planning, study, design, construction, testing, commissioning, and start-up, and of which the CMAR Services and the Work to be performed under the Contract are a part.
46. Samples—Physical examples of materials, equipment, or workmanship that are representative of some portion of the Work and that establish the standards by which such portion of the Work will be judged.
47. Schedule of Submittals—A schedule, prepared and maintained by Construction Manager at Risk, of required Submittals and the time requirements for review of the Submittals.

48. Shop Drawings—All drawings, diagrams, illustrations, schedules, and other data or information that are specifically prepared or assembled by or for Construction Manager at Risk and submitted by Construction Manager at Risk to illustrate some portion of the Work. Shop Drawings, whether approved or not, are not Drawings and are not Contract Documents.
49. Site—Lands or areas indicated in the Contract Documents as being furnished by Owner upon which the Work is to be performed, including rights-of-way and easements, and such other lands or areas furnished by Owner which are designated for the use of Construction Manager at Risk.
50. Specifications—The part of the Contract that consists of written requirements for materials, equipment, systems, standards, and workmanship as applied to the Work, and certain administrative requirements and procedural matters applicable to the Work.
51. Subcontractor—An individual or entity having a direct contract with Construction Manager at Risk or with any other Subcontractor for the performance of a part of the Work.
52. Submittal—A written or graphic document, prepared by or for Construction Manager at Risk, which the Contract Documents require Construction Manager at Risk to submit to Owner's Advisor, or that is indicated as a Submittal in the Schedule of Submittals accepted by Owner's Advisor. Submittals may include Shop Drawings and Samples; schedules; product data; Owner-delegated designs; sustainable design information; information on special procedures; testing plans; results of tests and evaluations, source quality-control testing and inspections, and field or Site quality-control testing and inspections; warranties and certifications; Suppliers' instructions and reports; records of delivery of spare parts and tools; operations and maintenance data; Project photographic documentation; record documents; and other such documents required by the Contract Documents. Submittals, whether approved or accepted by Owner's Advisor or Engineer, are not Contract Documents. Change Proposals, Change Orders, Claims, notices, Applications for Payment, and requests for interpretation or clarification are not Submittals.
53. Substantial Completion—The time at which the Work, or a specified part thereof, has progressed to the point where, the Work, or the specified part thereof, is sufficiently complete, in accordance with the Contract Documents, so that the Work, or the specified part thereof, can be utilized for the purposes for which it is intended. The terms "substantially complete" and "substantially completed" as applied to all or part of the Work refer to Substantial Completion of such Work.
54. Supplementary Conditions—The part of the Contract that amends or supplements these General Conditions.
55. Supplier—A manufacturer, fabricator, supplier, distributor, or vendor having a direct contract with Construction Manager at Risk or with any Subcontractor to furnish materials or equipment to be incorporated in the Work by Construction Manager at Risk or a Subcontractor.

56. Technical Data

- a. Those items expressly identified as Technical Data in the Supplementary Conditions, with respect to either (1) existing subsurface conditions at or adjacent to the Site, or existing physical conditions at or adjacent to the Site including existing surface or subsurface structures, except Underground Facilities, or (2) Hazardous Environmental Conditions at the Site.
  - b. If no such express identifications of Technical Data have been made with respect to conditions at the Site, then Technical Data is defined, with respect to conditions at the Site under Paragraphs 5.03, 5.04, and 5.06, as the data contained in boring logs, recorded measurements of subsurface water levels, assessments of the condition of subsurface facilities, laboratory test results, and other factual, objective information regarding conditions at the Site that are set forth in any geotechnical, environmental, or other Site or facilities conditions report prepared for the Project and made available to Construction Manager at Risk.
  - c. Information and data regarding the presence or location of Underground Facilities are not intended to be categorized, identified, or defined as Technical Data, and instead Underground Facilities are shown or indicated in the Drawings.
57. Underground Facilities—All active or not-in-service underground lines, pipelines, conduits, ducts, encasements, cables, wires, manholes, vaults, tanks, tunnels, or other such facilities or systems at the Site, including but not limited to those facilities or systems that produce, transmit, distribute, or convey telephone or other communications, cable television, fiber optic transmissions, power, electricity, light, heat, gases, oil, crude oil products, liquid petroleum products, water, steam, waste, wastewater, storm water, other liquids or chemicals, or traffic or other control systems. An abandoned facility or system is not an Underground Facility.
58. Unit Price Work—Work to be paid for based on unit prices.
59. Work—The entire construction or the various separately identifiable parts thereof required to be provided under the Contract Documents. Work includes and is the result of performing or providing all labor, services, and documentation necessary to produce such construction; furnishing, installing, and incorporating all materials and equipment into such construction; and may include related services such as testing, start-up, and commissioning, all as required by the Contract Documents.
60. Work Authorization—A document issued by Owner's Advisor and signed by Owner and CMAR which identifies and defines new Work Packages and establishes the amount to be paid, times for completion, and any special or supplementary provisions applicable to the authorized Work.
61. Work Package—A specific portion of the Work developed by Engineer and Owner's Advisor in collaboration with the CMAR and subsequently authorized by a Work Authorization.
62. Work Change Directive—A written directive issued by Owner's Advisor to Construction Manager at Risk on or after the Effective Date of a governing Work Authorization, signed by Owner and recommended by Engineer, ordering an addition, deletion, or revision in the Work.



## 1.02 Terminology

- A. The words and terms discussed in Paragraphs 1.02.B, C, D, and E are not defined terms that require initial capital letters, but, when used in the Proposal Documents or Contract Documents, have the indicated meaning.
- B. Intent of Certain Terms or Adjectives—The Contract Documents include the terms “as allowed,” “as approved,” “as ordered,” “as directed” or terms of like effect or import to authorize an exercise of professional judgment by Owner’s Advisor or Engineer. In addition, the adjectives “reasonable,” “suitable,” “acceptable,” “proper,” “satisfactory,” or adjectives of like effect or import are used to describe an action or determination of Owner’s Advisor or Engineer as to the Work. It is intended that such exercise of professional judgment, action, or determination will be solely to evaluate, in general, the Work for compliance with the information in the Contract Documents and with the design concept of the Project as a functioning whole as shown or indicated in the Contract Documents, unless there is a specific statement indicating otherwise. The use of any such term or adjective is not intended to and will not be effective to assign to Owner’s Advisor or Engineer any duty or authority to supervise or direct the performance of the Work, or any duty or authority to undertake responsibility contrary to the provisions of Article 10 or any other provision of the Contract Documents.
- C. Day—The word “day” means a period of 24 hours measured from midnight to the next midnight.
- D. Defective—The word “defective,” when modifying the word “Work,” refers to Work that is unsatisfactory, faulty, or deficient in that it:
  - 1. does not conform to the Contract Documents;
  - 2. does not meet the requirements of any applicable inspection, reference standard, test, or approval referred to in the Contract Documents; or
  - 3. has been damaged prior to Owner’s Advisor’s recommendation of final payment unless responsibility for the protection thereof has been assumed by Owner at Substantial Completion in accordance with Paragraph 15.04 or Paragraph 15.05.
- E. Furnish, Install, Perform, Provide
  - 1. The word “furnish,” when used in connection with services, materials, or equipment, means to supply and deliver said services, materials, or equipment to the Site, or some other specified location ready for use or installation and in usable or operable condition.
  - 2. The word “install,” when used in connection with services, materials, or equipment, means to put into use or place in final position said services, materials, or equipment complete and ready for their intended use.
  - 3. The words “perform” or “provide,” when used in connection with services, materials, or equipment, means to furnish and install said services, materials, or equipment complete and ready for their intended use.
  - 4. If the Contract Documents establish an obligation of CMAR with respect to specific services, materials, or equipment, but do not expressly use any of the four words “furnish,” “install,” “perform,” or “provide,” then CMAR shall furnish and install said services, materials, or equipment complete and ready for their intended use.

- F. Contract Price or Contract Times—References to a change in “Contract Price or Contract Times” or “Contract Times or Contract Price” or similar, indicate that such change applies to (1) Contract Price, (2) Contract Times, or (3) both Contract Price and Contract Times, as warranted, even if the term “or both” is not expressed.
- G. Unless stated otherwise in the Contract Documents, words or phrases that have a well-known technical or construction industry or trade meaning are used in the Contract Documents in accordance with such recognized meaning.

## **ARTICLE 2—PRELIMINARY MATTERS**

### **2.01 Delivery of Performance and Payment Bonds; Evidence of Insurance**

- A. Performance and Payment Bonds—When CMAR delivers the signed counterparts of a Work Authorization to Owner, CMAR shall also deliver to Owner the performance bond and payment bond, if the Contract requires CMAR to furnish such bonds, or confirm that existing performance and payment bonds have been supplemented to account for the additional authorized Work.
- B. Evidence of CMAR’s Insurance—When CMAR delivers the signed counterparts of the Agreement to Owner, CMAR shall also deliver to Owner, with copies to each additional insured, as identified in the Contract, the certificates, endorsements, and other evidence of insurance required to be provided by CMAR in accordance with Article 6, except to the extent the Supplementary Conditions or Agreement expressly establish other dates for delivery of specific insurance policies.
- C. Evidence of Owner’s Insurance—After receipt of the signed counterparts of the Agreement and all required insurance documentation, Owner shall promptly deliver to CMAR, with copies to each additional insured, as identified in the Contract, the certificates and other evidence of insurance required to be provided by Owner under Article 6.

### **2.02 Copies of Documents**

- A. Owner shall furnish to CMAR four printed copies of the Contract, including one fully signed counterpart of the Agreement, and one copy in electronic portable document format (PDF). Additional printed copies will be furnished upon request at the cost of reproduction.
- B. Owner shall maintain and safeguard at least one original printed record version of the Contract, including Drawings and Specifications signed and sealed by Engineer and other design professionals. Owner shall make such original printed record version of the Contract available to CMAR for review. Owner may delegate the responsibilities under this provision to Owner’s Advisor.

### **2.03 Electronic Transmittals**

- A. Except as otherwise stated elsewhere in the Contract, the Owner, Owner’s Advisor, Engineer, and CMAR may send, and shall accept, Electronic Documents transmitted by Electronic Means.
- B. If the Contract does not establish protocols for Electronic Means, then Owner, Owner’s Advisor, and CMAR shall jointly develop such protocols.
- C. Subject to any governing protocols for Electronic Means, when transmitting Electronic Documents by Electronic Means, the transmitting party makes no representations as to long-

term compatibility, usability, or readability of the Electronic Documents resulting from the recipient's use of software application packages, operating systems, or computer hardware differing from those used in the drafting or transmittal of the Electronic Documents.

#### 2.04 Construction Management

- A. In addition to providing CMAR Services, during the course of the Contract, and especially during the performance of the Work, CMAR will:
  - 1. Organize and manage the resources required for construction of the Work, commissioning, and correction of defective Work after Substantial Completion of the Work.
  - 2. Administer, coordinate, monitor, and report on construction progress and associated activities.
  - 3. Assist the Owner's Advisor in collecting, disseminating, and storing documents and information.
  - 4. Manage the Work to meet Contract goals and objectives.
  - 5. Recommend action to the Owner related to the management of the Work.
  - 6. Develop schedule and cost control systems to monitor and report on the progress of the overall Contract.

### ARTICLE 3—CONTRACT DOCUMENTS: INTENT, REQUIREMENTS, REUSE

#### 3.01 Intent

- A. The Contract Documents are complementary; what is required by one Contract Document is as binding as if required by all.
- B. It is the intent of the Contract Documents to describe a functionally complete Project, or part thereof, to be constructed in accordance with the Contract Documents.
- C. Unless otherwise stated in the Contract Documents, if there is a discrepancy between the electronic versions of the Contract Documents, including any printed copies derived from such electronic versions, and the printed record version, the printed record version will govern.
- D. The Contract supersedes prior negotiations, representations, and agreements, whether written or oral.
- E. Owner's Advisor, in consultation with Engineer, will issue clarifications and interpretations of the Contract Documents as provided herein.
- F. Any provision or part of the Contract Documents held to be void or unenforceable under any Law or Regulation will be deemed stricken, and all remaining provisions will continue to be valid and binding upon Owner and CMAR, which agree that the Contract Documents will be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

G. Nothing in the Contract Documents creates:

1. any contractual relationship between Owner, Owner's Advisor, or Engineer and any Subcontractor, Supplier, or other individual or entity performing or furnishing any of the Work, for the benefit of such Subcontractor, Supplier, or other individual or entity; or
2. any obligation on the part of Owner, Owner's Advisor, or Engineer to pay or to see to the payment of any money due any such Subcontractor, Supplier, or other individual or entity, except as may otherwise be required by Laws and Regulations.

3.02 Reference Standards

A. Standards, Specifications, Codes, Laws and Regulations

1. Reference in the Contract Documents to standard specifications, manuals, reference standards, or codes of any technical society, organization, or association, or to Laws or Regulations, whether such reference be specific or by implication, means the standard specification, manual, reference standard, code, or Laws or Regulations in effect at the time of receipt of Proposals, except as may be otherwise specifically stated in the Contract Documents.
2. No provision of any such standard specification, manual, reference standard, or code, and no instruction of a Supplier, will be effective to change the duties or responsibilities of Owner, CMAR, Owner's Advisor, or Engineer from those set forth in the Contract Documents. No such provision or instruction will be effective to assign to Owner, Owner's Advisor, or Engineer any duty or authority to supervise or direct the performance of the Work, or any duty or authority to undertake responsibility inconsistent with the provisions of the Contract Documents.

3.03 Reporting and Resolving Discrepancies

A. Reporting Discrepancies

1. CMAR's Verification of Figures and Field Measurements—Before undertaking each part of the Work, CMAR shall carefully study the applicable Drawings and Specifications, and check and verify pertinent figures and dimensions therein, particularly with respect to applicable field measurements. CMAR shall promptly report in writing to Owner's Advisor any conflict, error, ambiguity, or discrepancy that CMAR discovers, or has actual knowledge of, and shall not proceed with any Work affected thereby until the conflict, error, ambiguity, or discrepancy is resolved by a clarification or interpretation by Owner's Advisor, in consultation with Engineer, and, if appropriate, an amendment or supplement to the Contract is issued by Owner's Advisor pursuant to Paragraph 11.01.
2. CMAR's Review of Drawings and Specifications—If, while performing or providing CMAR Services, or during the performance of the Work, CMAR discovers any conflict, error, ambiguity, or discrepancy within the Drawings and Specifications, whether in draft or final form, or between such documents and (a) any applicable Law or Regulation, (b) actual field conditions, (c) any standard specification, manual, reference standard, or code, or (d) any instruction of any Supplier, then CMAR shall promptly report it to Owner's Advisor in writing. CMAR shall not proceed with the Work affected thereby, except in an emergency as required by Paragraph 7.18, until the conflict, error, ambiguity, or discrepancy is resolved, by a clarification or interpretation by Owner's

Advisor, in consultation with Engineer, and, if appropriate, an amendment or supplement to the Contract is issued by Owner's Advisor pursuant to Paragraph 11.01.

**B. Resolving Discrepancies**

1. Except as may be otherwise specifically stated in the Contract Documents, the provisions of the Drawings and Specifications take precedence in resolving any conflict, error, ambiguity, or discrepancy between such provisions of the Drawings and Specifications and:
  - a. the provisions of any standard specification, manual, reference standard, or code, or the instruction of any Supplier, whether or not specifically incorporated by reference as a Contract Document; or
  - b. the provisions of any Laws or Regulations applicable to the performance of the Work, unless such an interpretation of the provisions of the Contract Documents would result in violation of such Law or Regulation.

**3.04 Interpretation of the Contract Documents**

- A. During the performance of the Work and until final payment, CMAR and Owner shall submit to the Owner's Advisor in writing all matters in question concerning the requirements of the Contract Documents (sometimes referred to as requests for information or interpretation) or relating to the performance or acceptability of the Work under the Contract Documents, as soon as possible after such matters arise.
- B. Owner's Advisor will, with reasonable promptness, render a written clarification, interpretation, or decision on the issue submitted, and if appropriate initiate a change to the Contract Documents. In determining its response, Owner's Advisor will consider CMAR's prior involvement and obligations with respect to reviewing and commenting on draft design documents during CMAR's provision of CMAR Services. Owner's Advisor's written clarification, interpretation, or decision (1) will be based, when applicable, on consultation with Engineer, and (2) will be final and binding on CMAR, unless CMAR appeals by submitting a Change Proposal, and on Owner, unless Owner appeals by filing a Claim.

**3.05 Reuse of Documents**

- A. CMAR and its Subcontractors and Suppliers shall not:
  1. have or acquire any title to or ownership rights in any of the Drawings, Specifications, or other documents, or copies of any thereof, prepared by or bearing the seal of Engineer or its consultants, including electronic media versions, or reuse any such Drawings, Specifications, other documents, or copies thereof on extensions of the Project or any other project without written consent of Owner and Engineer and specific written verification or adaptation by Engineer; or
  2. have or acquire any title or ownership rights in any other Contract Documents, reuse any such Contract Documents for any purpose without Owner's express written consent, or violate any copyrights pertaining to such Contract Documents.
- B. The prohibitions of this Paragraph 3.05 will survive final payment, or termination of the Contract. Nothing herein precludes CMAR from retaining copies of the Contract Documents for record purposes.

## **ARTICLE 4—COMMENCEMENT AND PROGRESS OF THE WORK**

### **4.01 Commencement of Contract Times; Notice to Proceed**

- A. The Contract Times will commence to run on the Effective Date of the Contract, or as specified in Work Authorizations.

### **4.02 Starting the Work**

- A. CMAR shall start to perform the Work promptly upon receipt of the first Work Authorization. No Work may be done at the Site prior to such authorization.

### **4.03 Reference Points**

- A. Owner shall provide engineering surveys to establish reference points for construction. CMAR shall be responsible for laying out the Work, shall protect and preserve the established reference points and property monuments, and shall make no changes or relocations without the prior written approval of Owner. CMAR shall report to Owner's Advisor whenever any reference point or property monument is lost or destroyed or requires relocation because of necessary changes in grades or locations, and CMAR shall be responsible for the accurate replacement or relocation of such reference points or property monuments by professionally qualified personnel.

### **4.04 Progress Schedule**

- A. CMAR shall adhere to the Progress Schedule established as part of Preconstruction Services, as it may be adjusted from time to time as provided below.
  - 1. CMAR shall submit to Owner's Advisor for its information proposed adjustments in the Progress Schedule that will not result in changing the Contract Times.
  - 2. Proposed adjustments in the Progress Schedule that will change the Contract Times must be submitted in accordance with the requirements of Article 11.
- B. CMAR shall carry on the Work and adhere to the Progress Schedule during all disputes or disagreements with Owner. No Work will be delayed or postponed pending resolution of any disputes or disagreements, or during any appeal process, except as permitted by Paragraph 16.04, or as Owner and CMAR may otherwise agree in writing.

### **4.05 Delays in CMAR's Progress**

- A. If Owner, Owner's Advisor, Engineer, or anyone for whom Owner is responsible, delays, disrupts, or interferes with the performance or progress of the Work, then CMAR shall be entitled to an equitable adjustment in Guaranteed Maximum Price or Contract Times.
- B. CMAR shall not be entitled to an adjustment in Guaranteed Maximum Price or Contract Times for delay, disruption, or interference caused by or within the control of CMAR. Delay, disruption, and interference attributable to and within the control of a Subcontractor or Supplier will be deemed to be within the control of CMAR.
- C. If CMAR's performance or progress is delayed, disrupted, or interfered with by unanticipated causes not the fault of and beyond the control of Owner, CMAR, and those for which they are responsible, then CMAR shall be entitled to an equitable adjustment in Contract Times. Such an adjustment will be CMAR's sole and exclusive remedy for the delays, disruption, and interference described in this Paragraph. Causes of delay, disruption, or interference that

may give rise to an adjustment in Contract Times under this Paragraph include but are not limited to the following:

1. Severe and unavoidable natural catastrophes such as fires, floods, epidemics, and earthquakes;
  2. Abnormal weather conditions;
  3. Acts or failures to act of third-party utility owners or other third-party entities, other than those third-party utility owners or other third-party entities performing other work at or adjacent to the Site as arranged by or under contract with Owner, as contemplated in Article 8; and
  4. Acts of war or terrorism.
- D. CMAR's entitlement to an adjustment of Contract Times or Guaranteed Maximum Price is limited as follows:
1. CMAR's entitlement to an adjustment of the Contract Times is conditioned on the delay, disruption, or interference adversely affecting an activity on the critical path to completion of the Work, as of the time of the delay, disruption, or interference.
  2. CMAR shall not be entitled to an adjustment in Guaranteed Maximum Price for any delay, disruption, or interference if such delay is concurrent with a delay, disruption, or interference caused by or within the control of CMAR. Such a concurrent delay by CMAR shall not preclude an adjustment of Contract Times to which CMAR is otherwise entitled.
  3. Adjustments of Contract Times or Guaranteed Maximum Price are subject to the provisions of Article 11.
- E. Each CMAR request or Change Proposal seeking an increase in Contract Times or Guaranteed Maximum Price must be supplemented by supporting data that sets forth in detail the following:
1. The circumstances that form the basis for the requested adjustment;
  2. The date upon which each cause of delay, disruption, or interference began to affect the progress of the Work;
  3. The date upon which each cause of delay, disruption, or interference ceased to affect the progress of the Work;
  4. The number of days' increase in Contract Times claimed because of each such cause of delay, disruption, or interference; and
  5. The impact on Guaranteed Maximum Price, in accordance with the provisions of Paragraph 11.07.

CMAR shall also furnish such additional supporting documentation as Owner or Owner's Advisor may require including, where appropriate, a revised progress schedule indicating all the activities affected by the delay, disruption, or interference, and an explanation of the effect of the delay, disruption, or interference on the critical path to completion of the Work.

- F. Delays, disruption, and interference to the performance or progress of the Work resulting from the existence of a differing subsurface or physical condition, an Underground Facility that was not shown or indicated by the Contract Documents, or not shown or indicated with

reasonable accuracy, and those resulting from Hazardous Environmental Conditions, are governed by Article 5, together with the provisions of Paragraphs 4.05.D and 4.05.E.

- G. Paragraph 8.03 addresses delays, disruption, and interference to the performance or progress of the Work resulting from the performance of certain other work at or adjacent to the Site.

## **ARTICLE 5—SITE; SUBSURFACE AND PHYSICAL CONDITIONS; HAZARDOUS ENVIRONMENTAL CONDITIONS**

### **5.01 Availability of Lands**

- A. Owner shall furnish the Site. Owner shall notify CMAR in writing of any encumbrances or restrictions not of general application but specifically related to use of the Site with which CMAR must comply in performing the Work.
- B. Upon reasonable written request, Owner shall furnish CMAR with a current statement of record legal title and legal description of the lands upon which permanent improvements are to be made and Owner's interest therein as necessary for giving notice of or filing a mechanic's or construction lien against such lands in accordance with applicable Laws and Regulations.
- C. CMAR shall provide for all additional lands and access thereto that may be required for temporary construction facilities or storage of materials and equipment.

### **5.02 Use of Site and Other Areas**

- A. Limitation on Use of Site and Other Areas
  - 1. CMAR shall confine construction equipment, temporary construction facilities, the storage of materials and equipment, and the operations of workers to the Site, adjacent areas that CMAR has arranged to use through construction easements or otherwise, and other adjacent areas permitted by Laws and Regulations, and shall not unreasonably encumber the Site and such other adjacent areas with construction equipment or other materials or equipment. CMAR shall assume full responsibility for (a) damage to the Site; (b) damage to any such other adjacent areas used for CMAR's operations; (c) damage to any other adjacent land or areas, or to improvements, structures, utilities, or similar facilities located at such adjacent lands or areas; and (d) for injuries and losses sustained by the owners or occupants of any such land or areas; provided that such damage or injuries result from the performance of the Work or from other actions or conduct of the CMAR or those for which CMAR is responsible.
  - 2. If a damage or injury claim is made by the owner or occupant of any such land or area because of the performance of the Work, or because of other actions or conduct of the CMAR or those for which CMAR is responsible, CMAR shall (a) take immediate corrective or remedial action as required by Paragraph 7.18, or otherwise; (b) promptly attempt to settle the claim as to all parties through negotiations with such owner or occupant, or otherwise resolve the claim by arbitration or other dispute resolution proceeding, or in a court of competent jurisdiction; and (c) to the fullest extent permitted by Laws and Regulations, indemnify and hold harmless Owner, Owner's Advisor, and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them, from and against any such claim, and against



all costs, losses, and damages, including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs, arising out of or relating to any claim or action, legal or equitable, brought by any such owner or occupant against Owner, Owner's Advisor, Engineer, or any other party indemnified hereunder to the extent caused directly or indirectly, in whole or in part by, or based upon, CMAR's performance of the Work, or because of other actions or conduct of the CMAR or those for which CMAR is responsible.

- B. Removal of Debris During Performance of the Work—During the progress of the Work the CMAR shall keep the Site and other adjacent areas free from accumulations of waste materials, rubbish, and other debris. Removal and disposal of such waste materials, rubbish, and other debris will conform to applicable Laws and Regulations.
- C. Cleaning—Prior to Substantial Completion of the Work CMAR shall clean the Site and the Work and make it ready for utilization by Owner. At the completion of the Work CMAR shall remove from the Site and adjacent areas all tools, appliances, construction equipment and machinery, and surplus materials and shall restore to original condition all property not designated for alteration by the Contract Documents.
- D. Loading of Structures—CMAR shall not load nor permit any part of any structure to be loaded in any manner that will endanger the structure, nor shall CMAR subject any part of the Work or adjacent structures or land to stresses or pressures that could damage said structures or decrease their durability.

#### 5.03 Subsurface and Physical Conditions

- A. Reports and Drawings—The Supplementary Conditions identify:
  - 1. Those reports of explorations and tests of subsurface conditions at or adjacent to the Site that contain Technical Data;
  - 2. Those drawings of existing physical conditions at or adjacent to the Site, including those drawings depicting existing surface or subsurface structures at or adjacent to the Site, except Underground Facilities, that contain Technical Data; and
  - 3. Technical Data described in such reports and drawings.
- B. Underground Facilities—Underground Facilities are shown or indicated on the Drawings, pursuant to Paragraph 5.05, and not in the drawings referred to in Paragraph 5.03.A. Information and data regarding the presence or location of Underground Facilities are not intended to be categorized, identified, or defined as Technical Data.
- C. Reliance by CMAR on Technical Data—CMAR may rely upon the accuracy of the Technical Data expressly identified in the Supplementary Conditions with respect to such reports and drawings, but such reports and drawings are not Contract Documents. If no such express identification has been made, then CMAR may rely upon the accuracy of the Technical Data as defined in Paragraph 1.01.A.55.b.
- D. Limitations of Other Data and Documents—Except for such reliance on Technical Data, CMAR may not rely upon or make any claim against Owner, Owner's Advisor, or Engineer, or any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors, with respect to:

1. the completeness of such reports and drawings for CMAR's purposes, including, but not limited to, any aspects of the means, methods, techniques, sequences, and procedures of construction to be employed by CMAR, and safety precautions and programs incident thereto;
  2. other data, interpretations, opinions, and information contained in such reports or shown or indicated in such drawings;
  3. the contents of other Site-related documents made available to CMAR, such as record drawings from other projects at or adjacent to the Site, or Owner's archival documents concerning the Site; or
  4. any CMAR interpretation of or conclusion drawn from any Technical Data or any such other data, interpretations, opinions, or information.
- E. Confirmation of Site Conditions—As a part of Preconstruction Services CMAR will inform Owner if CMAR concludes that additional examination, investigation, exploration, testing, or study (Supplemental Investigations) of subsurface or physical conditions at the Site prior to commencement of construction would be advantageous, practical, and cost-effective, specifically identifying the nature and scope of any such recommended Supplemental Investigations. If Owner authorizes CMAR to conduct such Supplemental Investigations, through CMAR's own personnel or through a qualified consultant, or if Owner conducts such Supplemental Investigations, through Owner's Advisor, the Engineer, or a consultant, then CMAR will be entitled to rely on the results of the Supplemental Investigations, together with the Technical Data cited above, in planning and pricing construction at the Site.
- F. If Owner does not authorize any Supplemental Investigations of Site conditions, then CMAR will proceed with planning and pricing construction based on the Technical Data made available to it.
- G. CMAR will be bound by any additional knowledge regarding Site conditions that CMAR gains while providing Preconstruction services.

#### 5.04 Differing Subsurface or Physical Conditions

- A. Notice by CMAR—If CMAR believes that any subsurface or physical condition that is uncovered or revealed at the Site:
1. is of such a nature as to establish that any Technical Data or Supplemental Investigations results on which CMAR is entitled to rely as provided in Paragraph 5.03 is materially inaccurate;
  2. is of such a nature as to require a change in the Drawings or Specifications;
  3. differs materially from that shown or indicated in the Contract Documents; or
  4. is of an unusual nature, and differs materially from conditions ordinarily encountered and generally recognized as inherent in work of the character provided for in the Contract Documents;

then CMAR shall, promptly after becoming aware thereof and before further disturbing the subsurface or physical conditions or performing any Work in connection therewith, except in an emergency as required by Paragraph 7.18, notify Owner's Advisor in writing about such condition. CMAR shall not further disturb such condition or perform any Work in connection

therewith, except with respect to an emergency, until receipt of a written statement permitting CMAR to do so.

- B. Owner's Advisor's Review—After receipt of written notice as required by the preceding paragraph, Owner's Advisor, in consultation with Engineer, will promptly review the subsurface or physical condition in question; determine whether it is necessary for Owner to obtain additional exploration or tests with respect to the condition; conclude whether the condition falls within any one or more of the differing site condition categories in Paragraph 5.04.A; obtain any pertinent cost or schedule information from CMAR; prepare recommendations to Owner regarding the CMAR's resumption of Work in connection with the subsurface or physical condition in question and the need for any change in the Drawings or Specifications; and advise Owner in writing of Owner's Advisor's findings, conclusions, and recommendations.
- C. Owner's Statement to CMAR Regarding Site Condition—After receipt of Owner's response and instructions regarding Owner's Advisor's written findings, conclusions, and recommendations, Owner's Advisor will issue a written statement to CMAR regarding the subsurface or physical condition in question, addressing the resumption of Work in connection with such condition, indicating whether any change in the Drawings or Specifications will be made, and informing CMAR of Owner's Advisor's written findings, conclusions, and recommendations, as revised based on Owner's response and instructions.
- D. Early Resumption of Work—If at any time Owner's Advisor, in consultation with Engineer, determines that Work in connection with the subsurface or physical condition in question may resume prior to completion of Owner's Advisor's review or Owner's Advisor's issuance of its statement to CMAR, because the condition in question has been adequately documented, and analyzed on a preliminary basis, then Owner's Advisor may instruct CMAR to resume such Work.
- E. Possible Price and Times Adjustments
  - 1. CMAR shall be entitled to an equitable adjustment in Guaranteed Maximum Price or Contract Times, to the extent that the existence of a differing subsurface or physical condition, or any related delay, disruption, or interference, causes an increase or decrease in CMAR's cost of, or time required for, performance of the Work; subject, however, to the following:
    - a. Such condition must fall within any one or more of the categories described in Paragraph 5.04.A;
    - b. With respect to Work that is paid for on a unit price basis, any adjustment in Guaranteed Maximum Price will be subject to the provisions of Paragraph 13.02; and
    - c. CMAR's entitlement to an adjustment of the Contract Times is subject to the provisions of Paragraphs 4.05.D and 4.05.E.
  - 2. CMAR shall not be entitled to any adjustment in the Guaranteed Maximum Price or Contract Times with respect to a subsurface or physical condition if:
    - a. CMAR knew of the existence of such condition at the time CMAR made a commitment to Owner with respect to Guaranteed Maximum Price and Contract Times through a Work Authorization;

- b. The existence of such condition reasonably could have been discovered or revealed as a result of any examination, investigation, exploration, test, or study of the Site and contiguous areas expressly required by the Proposal Documents or Contract Documents to be conducted by or for CMAR prior to CMAR's making such commitment;
  - c. The existence of such condition reasonably could have been discovered or revealed as a result of practical and cost-effective Supplemental Investigations, as defined in Paragraph 5.03.E, but CMAR did not recommend any such Supplemental Investigations to Owner; or
  - d. CMAR failed to give the written notice required by Paragraph 5.04.A.
- 3. If Owner and CMAR agree regarding CMAR's entitlement to and the amount or extent of any adjustment in the Guaranteed Maximum Price or Contract Times, then any such adjustment will be set forth in a Change Order.
- 4. CMAR may submit a Change Proposal regarding its entitlement to or the amount or extent of any adjustment in the Guaranteed Maximum Price or Contract Times, no later than 30 days after Owner's issuance of the Owner's written statement to CMAR regarding the subsurface or physical condition in question.
- F. Underground Facilities; Hazardous Environmental Conditions—Paragraph 5.05 governs rights and responsibilities regarding the presence or location of Underground Facilities. Paragraph 5.06 governs rights and responsibilities regarding Hazardous Environmental Conditions. The provisions of Paragraphs 5.03 and 5.04 are not applicable to the presence or location of Underground Facilities, or to Hazardous Environmental Conditions.

#### 5.05 Underground Facilities

- A. CMAR's Responsibilities—Unless it is otherwise expressly provided in the Supplementary Conditions, the cost of all the following is included in the Guaranteed Maximum Price, and CMAR shall have full responsibility for:
  - 1. collaborating with Engineer during the design phase, as part of Preconstruction Services, to improve the accuracy and completeness of information regarding Underground Facilities that Engineer gathers and depicts in the final Contract Documents;
  - 2. complying with applicable state and local utility damage prevention Laws and Regulations;
  - 3. verifying the actual location of those Underground Facilities shown or indicated in the Contract Documents as being within the area affected by the Work, by exposing such Underground Facilities prior to construction;
  - 4. coordination of the Work with the owners, including Owner, of such Underground Facilities, during construction; and
  - 5. the safety and protection of all existing Underground Facilities at the Site and repairing any damage thereto resulting from the Work.
- B. Notice by CMAR—If CMAR believes that an Underground Facility that is uncovered or revealed at the Site during construction was not shown or indicated on the Drawings, or was not shown or indicated on the Drawings with reasonable accuracy, then CMAR shall, promptly after becoming aware thereof and before further disturbing conditions affected thereby or

performing any Work in connection therewith, except in an emergency as required by Paragraph 7.18, notify Owner and Owner's Advisor in writing regarding such Underground Facility.

C. Owner's Advisor's Review

1. Owner's Advisor will:

- a. promptly review the Underground Facility in consultation with Engineer, and conclude whether such Underground Facility was not shown or indicated on the Drawings, or was not shown or indicated with reasonable accuracy;
- b. identify and communicate with the owner of the Underground Facility; prepare recommendations to Owner, and if necessary, issue any preliminary instructions to CMAR regarding the CMAR's resumption of Work in connection with the Underground Facility in question;
- c. obtain any pertinent cost or schedule information from CMAR; determine the extent, if any, to which a change is required in the Drawings or Specifications to reflect and document the consequences of the existence or location of the Underground Facility; and
- d. advise Owner and Engineer in writing of Owner's Advisor's findings, conclusions, and recommendations.

During such time, CMAR shall be responsible for the safety and protection of such Underground Facility.

D. Owner's Advisor's Statement to CMAR Regarding Underground Facility—After receipt of Owner's response to and recommendations regarding Owner's Advisor's written findings, conclusions, and recommendations, Owner's Advisor will issue a written statement to CMAR regarding the Underground Facility in question, addressing the resumption of Work in connection with such Underground Facility, indicating whether any change in the Drawings or Specifications will be made, and informing CMAR of Owner's Advisor's written findings, conclusions, and recommendations, as revised based on Owner's response and instructions.

E. Early Resumption of Work—If at any time Owner's Advisor, in consultation with Engineer, determines that Work in connection with the Underground Facility may resume prior to completion of Owner's Advisor's review or Owner's Advisor's issuance of its statement to CMAR, because the Underground Facility in question and conditions affected by its presence have been adequately documented, and analyzed on a preliminary basis, then Owner's Advisor may instruct CMAR to resume such Work.

F. Possible Price and Times Adjustments

1. CMAR shall be entitled to an equitable adjustment in the Guaranteed Maximum Price or Contract Times, to the extent that any existing Underground Facility at the Site that was not shown or indicated on the Drawings, or was not shown or indicated with reasonable accuracy, or any related delay, disruption, or interference, causes an increase or decrease in CMAR's cost of, or time required for, performance of the Work; subject, however, to the following:
  - a. With respect to Work that is paid for on a unit price basis, any adjustment in Guaranteed Maximum Price will be subject to the provisions of Paragraph 13.02;

- b. CMAR's entitlement to an adjustment of the Contract Times is subject to the provisions of Paragraphs 4.05.D and 4.05.E; and
  - c. CMAR gave the notice required in Paragraph 5.05.B.
- 2. If Owner and CMAR agree regarding CMAR's entitlement to and the amount or extent of any adjustment in the Guaranteed Maximum Price or Contract Times, then any such adjustment will be set forth in a Change Order.
- 3. CMAR may submit a Change Proposal regarding its entitlement to or the amount or extent of any adjustment in the Guaranteed Maximum Price or Contract Times, no later than 30 days after Owner's issuance of the Owner's written statement to CMAR regarding the Underground Facility in question.
- 4. The information and data shown or indicated on the Drawings with respect to existing Underground Facilities at the Site is based on information and data (a) furnished by the owners of such Underground Facilities, or by others, (b) obtained from available records, or (c) gathered in an investigation conducted in accordance with the current edition of ASCE Manual 38, Standard Guideline for Investigating and Documenting Existing Utilities, by the American Society of Civil Engineers. If such information or data is incorrect or incomplete, CMAR's remedies are limited to those set forth in this Paragraph 5.05.F.

#### 5.06 Hazardous Environmental Conditions at Site

- A. Reports and Drawings—The Supplementary Conditions identify:
  - 1. those reports known to Owner relating to Hazardous Environmental Conditions that have been identified at or adjacent to the Site;
  - 2. drawings known to Owner relating to Hazardous Environmental Conditions that have been identified at or adjacent to the Site; and
  - 3. Technical Data described in such reports and drawings.
- B. Reliance by CMAR on Technical Data Authorized—CMAR may rely upon the accuracy of the Technical Data expressly identified in the Supplementary Conditions with respect to such reports and drawings, but such reports and drawings are not Contract Documents. If no such express identification has been made, then CMAR may rely on the accuracy of the Technical Data as defined in Paragraph 1.01.A.55.b. Except for such reliance on Technical Data, CMAR may not rely upon or make any claim against Owner, Owner's Advisor, or Engineer, or any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors, with respect to:
  - 1. the completeness of such reports and drawings for CMAR's purposes, including, but not limited to, any aspects of the means, methods, techniques, sequences, and procedures of construction to be employed by CMAR, and safety precautions and programs incident thereto;
  - 2. other data, interpretations, opinions, and information contained in such reports or shown or indicated in such drawings; or
  - 3. any CMAR interpretation of or conclusion drawn from any Technical Data or any such other data, interpretations, opinions, or information.

- C. CMAR shall not be responsible for removing or remediating any Hazardous Environmental Condition encountered, uncovered, or revealed at the Site unless such removal or remediation is expressly identified in the Contract Documents to be within the scope of the Work.
- D. CMAR shall be responsible for controlling, containing, and duly removing all Constituents of Concern brought to the Site by CMAR, Subcontractors, Suppliers, or anyone else for whom CMAR is responsible, and for any associated costs; and for the costs of removing and remediating any Hazardous Environmental Condition created by the presence of any such Constituents of Concern.
- E. If CMAR encounters, uncovers, or reveals a Hazardous Environmental Condition whose removal or remediation is not expressly identified in the Contract Documents as being within the scope of the Work, or if CMAR or anyone for whom CMAR is responsible creates a Hazardous Environmental Condition, then CMAR shall immediately: (1) secure or otherwise isolate such condition; (2) stop all Work in connection with such condition and in any area affected thereby, except in an emergency as required by Paragraph 7.18; and (3) notify Owner, Owner's Advisor, and Engineer, and promptly thereafter confirm such notice in writing. Owner shall promptly consult with Owner's Advisor and Engineer concerning the necessity for Owner to retain a qualified expert to evaluate such condition or take corrective action, if any. Promptly after consulting with Owner's Advisor and Engineer, Owner shall take such actions as are necessary to permit Owner to timely obtain required permits and provide CMAR with the written notice required by Paragraph 5.06.E. If CMAR or anyone for whom CMAR is responsible created the Hazardous Environmental Condition in question, then Owner may remove and remediate the Hazardous Environmental Condition and impose a set-off against payments to account for the associated costs.
- F. CMAR shall not resume Work in connection with such Hazardous Environmental Condition or in any affected area until after Owner has obtained any required permits related thereto and delivered written notice to CMAR either (1) specifying that such condition and any affected area is or has been rendered safe for the resumption of Work, or (2) specifying any special conditions under which such Work may be resumed safely.
- G. If Owner and CMAR cannot agree as to entitlement to or on the amount or extent, if any, of any adjustment in Guaranteed Maximum Price or Contract Times, as a result of such Work stoppage, such special conditions under which Work is agreed to be resumed by CMAR, or any costs or expenses incurred in response to the Hazardous Environmental Condition, then within 30 days of Owner's written notice regarding the resumption of Work, CMAR may submit a Change Proposal, or Owner may impose a set-off. Entitlement to any such adjustment is subject to the provisions of Paragraphs 4.05.D, 4.05.E, 11.07, and 11.08.
- H. If, after receipt of such written notice, CMAR does not agree to resume such Work based on a reasonable belief it is unsafe or does not agree to resume such Work under such special conditions, then Owner may order the portion of the Work that is in the area affected by such condition to be deleted from the Work, following the contractual change procedures in Article 11. Owner may have such deleted portion of the Work performed by Owner's own forces or others in accordance with Article 8.
- I. To the fullest extent permitted by Laws and Regulations, Owner shall indemnify and hold harmless CMAR, Subcontractors, Owner's Advisor, and Engineer, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of

them, from and against all claims, costs, losses, and damages, including but not limited to all fees and charges of construction managers, engineers, architects, attorneys, and other professionals, and all court, arbitration, or other dispute resolution costs, arising out of or relating to a Hazardous Environmental Condition, provided that such Hazardous Environmental Condition (1) was not shown or indicated in the Drawings, Specifications, or other Contract Documents, identified as Technical Data entitled to limited reliance pursuant to Paragraph 5.06.B, or identified in the Contract Documents to be included within the scope of the Work, and (2) was not created by CMAR or by anyone for whom CMAR is responsible. Nothing in this Paragraph 5.06.I obligates Owner to indemnify any individual or entity from and against the consequences of that individual's or entity's own negligence.

- J. To the fullest extent permitted by Laws and Regulations, CMAR shall indemnify and hold harmless Owner, Owner's Advisor, and Engineer, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, from and against all claims, costs, losses, and damages, including but not limited to all fees and charges of construction managers, engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs, arising out of or relating to the failure to control, contain, or remove a Constituent of Concern brought to the Site by CMAR or by anyone for whom CMAR is responsible, or to a Hazardous Environmental Condition created by CMAR or by anyone for whom CMAR is responsible. Nothing in this Paragraph 5.06.J obligates CMAR to indemnify any individual or entity from and against the consequences of that individual's or entity's own negligence.
- K. The provisions of Paragraphs 5.03, 5.04, and 5.05 do not apply to the presence of Constituents of Concern or to a Hazardous Environmental Condition uncovered or revealed at the Site.

## **ARTICLE 6—BONDS AND INSURANCE**

### **6.01 Performance, Payment, and Other Bonds**

- A. No later than the execution of the first Work Authorization the CMAR shall furnish a performance bond and a payment bond, each in an amount at least equal to the Guaranteed Maximum Price, as security for the faithful performance and payment of CMAR's obligations under the Contract. These bonds must remain in effect until one year after the date when final payment on the Contract becomes due or until completion of the correction period for the Contract specified in Paragraph 15.09, whichever is later, except as provided otherwise by Laws or Regulations, the terms of a prescribed bond form, the Supplementary Conditions, or other provisions of the Contract. The premium costs of such bonds are:
  - 1. included in Construction Support Cost if purchased for the Work based on the Estimated Guaranteed Maximum Price established with the Agreement; or
  - 2. a reimbursable Cost of the Work if the bonds are purchased with the first Work Authorization and increased as subsequent Work Authorizations are approved.
- B. CMAR shall also furnish such other bonds, if any, as are required by the Supplementary Conditions or other provisions of the Contract.
- C. All bonds must be in the form included in the Contract Documents or otherwise specified by Owner prior to execution of the Contract, except as provided otherwise by Laws or Regulations, and must be issued and signed by a surety named in "Companies Holding



Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies” as published in Department Circular 570, as amended and supplemented by the Bureau of the Fiscal Service, U.S. Department of the Treasury. A bond signed by an agent or attorney-in-fact must be accompanied by a certified copy of that individual’s authority to bind the surety. The evidence of authority must show that it is effective on the date the agent or attorney-in-fact signed the accompanying bond.

- D. CMAR shall obtain the required bonds from surety companies that are duly licensed or authorized, in the state or jurisdiction in which the Project is located, to issue bonds in the required amounts.
- E. If the surety on a bond furnished by CMAR is declared bankrupt or becomes insolvent, or the surety ceases to meet the requirements above, then CMAR shall promptly notify Owner and Owner’s Advisor in writing and shall, within 20 days after the event giving rise to such notification, provide another bond and surety, both of which must comply with the bond and surety requirements above.
- F. If CMAR has failed to obtain a required bond, Owner may exclude the CMAR from the Site and exercise Owner’s termination rights under Article 16.
- G. Upon request to Owner from any Subcontractor, Supplier, or other person or entity claiming to have furnished labor, services, materials, or equipment used in the performance of the Work, Owner shall provide a copy of the payment bond to such person or entity.
- H. Upon request to CMAR from any Subcontractor, Supplier, or other person or entity claiming to have furnished labor, services, materials, or equipment used in the performance of the Work, CMAR shall provide a copy of the payment bond to such person or entity.
- I. Performance Bonds required of certain Subcontractors and Suppliers—see Paragraph 7.10.O.

## 6.02 Insurance—General Provisions

- A. Owner and CMAR shall obtain and maintain insurance as required in this Article and in the Supplementary Conditions.
- B. All insurance required by the Contract to be purchased and maintained by Owner or CMAR shall be obtained from insurance companies that are duly licensed or authorized in the state or jurisdiction in which the Project is located to issue insurance policies for the required limits and coverages. Unless a different standard is indicated in the Supplementary Conditions, all companies that provide insurance policies required under this Contract must have an A.M. Best Financial Strength Rating of A- or better, and an A.M. Best Financial Size Category of VII or larger.
- C. Alternative forms of insurance coverage, including but not limited to self-insurance and “Occupational Accident and Excess Employer’s Indemnity Policies,” are not adequate to meet the insurance requirements of this Contract, unless expressly allowed in the Supplementary Conditions.
- D. CMAR shall deliver to Owner, with copies to each additional insured identified in the Contract, certificates of insurance and endorsements establishing that CMAR has obtained and is maintaining the policies and coverages required by the Contract. Upon request by Owner or any other insured, CMAR shall also furnish other evidence of such required insurance, including but not limited to copies of policies, documentation of applicable self-

insured retentions, if allowed, and deductibles, full disclosure of all relevant exclusions, and evidence of insurance required to be purchased and maintained by Subcontractors or Suppliers. In any documentation furnished under this provision, CMAR, Subcontractors, and Suppliers may block out (redact) (1) any confidential premium or pricing information and (2) any wording specific to a project or jurisdiction other than those applicable to this Contract.

- E. Owner shall deliver to CMAR, with copies to each additional insured identified in the Contract, certificates of insurance and endorsements establishing that Owner has obtained and is maintaining the policies and coverages required of Owner by the Contract, if any. Upon request by CMAR or any other insured, Owner shall also provide other evidence of such required insurance, if any, including but not limited to copies of policies, documentation of applicable self-insured retentions, if allowed, and deductibles, and full disclosure of all relevant exclusions. In any documentation furnished under this provision, Owner may block out (redact) (1) any confidential premium or pricing information and (2) any wording specific to a project or jurisdiction other than those relevant to this Contract.
- F. Failure of Owner or CMAR to demand such certificates or other evidence of the other party's full compliance with these insurance requirements, or failure of Owner or CMAR to identify a deficiency in compliance from the evidence provided, will not be construed as a waiver of the other party's obligation to obtain, and maintain such insurance.
- G. In addition to the liability insurance required to be provided by CMAR, the Owner, at Owner's option, may purchase and maintain Owner's own liability insurance. Owner's liability policies, if any, operate separately and independently from policies required to be provided by CMAR, and CMAR cannot rely upon Owner's liability policies for any of CMAR's obligations to the Owner, Owner's Advisor, Engineer, or third parties.
- H. CMAR shall require:
  - 1. Subcontractors to purchase and maintain worker's compensation, commercial general liability, and other insurance that is appropriate for their participation in the Project, and to name as additional insureds Owner, Owner's Advisor and Engineer, and any other individuals or entities identified in the Supplementary Conditions as additional insureds on CMAR's liability policies, on each Subcontractor's commercial general liability policy; and
  - 2. Suppliers to purchase and maintain insurance that is appropriate for their participation in the Project.
- I. If either party does not purchase or maintain the insurance required of such party by the Contract, such party shall notify the other party in writing of such failure to purchase prior to the start of the Work, or of such failure to maintain prior to any cancellation of the required coverage.
- J. If CMAR has failed to obtain and maintain required insurance, CMAR's entitlement to enter or remain at the Site will end immediately, and Owner may impose an appropriate set-off against payment for any associated costs, including but not limited to the cost of purchasing necessary insurance coverage, and exercise Owner's termination rights under Article 16.
- K. Without prejudice to any other right or remedy, if a party has failed to obtain required insurance, the other party may elect, but is in no way obligated, to obtain equivalent

insurance to protect such other party's interests at the expense of the party who was required to provide such coverage, and the Contract Price will be adjusted accordingly.

- L. Owner does not represent that insurance coverage and limits established in this Contract necessarily will be adequate to protect CMAR or CMAR's interests. CMAR is responsible for determining whether such coverage and limits are adequate to protect its interests, and for obtaining and maintaining any additional insurance that CMAR deems necessary.
- M. The insurance and insurance limits required herein will not be deemed as a limitation on CMAR's liability, or that of its Subcontractors or Suppliers, under the indemnities granted to Owner and other individuals and entities in the Contract or otherwise.
- N. All the policies of insurance required to be purchased and maintained under this Contract will contain a provision or endorsement that the coverage afforded will not be canceled, or renewal refused, until at least 10 days prior written notice has been given to the purchasing policyholder. Within three days of receipt of any such written notice, the purchasing policyholder must provide a copy of the notice to Owner's Advisor and each other insured.

#### 6.03 CMAR's Insurance

- A. Required Insurance—CMAR shall purchase and maintain worker's compensation, commercial general liability, and other insurance pursuant to the specific requirements of the Supplementary Conditions.
- B. General Provisions—The policies of insurance required by this Paragraph 6.03 as supplemented must:
  - 1. include at least the specific coverages required;
  - 2. be written for not less than the limits provided, or those required by Laws or Regulations, whichever is greater;
  - 3. remain in effect at least until the Work is complete, as set forth in Paragraph 15.07.D, and longer if expressly required elsewhere in this Contract, and at all times thereafter when CMAR may be correcting, removing, or replacing defective Work as a warranty or correction obligation, or otherwise, or returning to the Site to conduct other tasks arising from the Contract;
  - 4. apply with respect to the performance of the Work, whether such performance is by CMAR, any Subcontractor or Supplier, or by anyone directly or indirectly employed by any of them to perform any of the Work, or by anyone for whose acts any of them may be liable; and
  - 5. include all necessary endorsements to support the stated requirements.
- C. Additional Insureds—The CMAR's commercial general liability, automobile liability, umbrella or excess, pollution liability, and unmanned aerial vehicle liability policies, if required by this Contract, must:
  - 1. include and list as additional insureds Owner, Owner's Advisor, and Engineer, and any individuals or entities identified as additional insureds in the Supplementary Conditions;
  - 2. include coverage for the respective officers, directors, members, partners, employees, and consultants of all such additional insureds;

3. afford primary coverage to these additional insureds for all claims covered thereby, including as applicable those arising from both ongoing and completed operations;
4. not seek contribution from insurance maintained by the additional insured; and
5. as to commercial general liability insurance, apply to additional insureds with respect to liability caused in whole or in part by CMAR's acts or omissions, or the acts and omissions of those working on CMAR's behalf, in the performance of CMAR's operations.

#### 6.04 Builder's Risk and Other Property Insurance

- A. **Builder's Risk**—Unless otherwise provided in the Supplementary Conditions, beginning at the commencement of construction CMAR shall purchase and maintain builder's risk insurance upon the Work on a completed value basis, in the amount of the Work's full insurable replacement cost, subject to such deductible amounts as may be provided in the Supplementary Conditions or required by Laws and Regulations. The specific requirements applicable to the builder's risk insurance are set forth in the Supplementary Conditions.

For purposes of the builder's risk and other required property insurance, "commencement of construction" first occurs when materials are in the course of delivery to the Site or an off-site storage location required to be insured if transit coverage is required, or if transit coverage is not required, when materials are delivered to the Site, or an off-site storage location required to be insured.

- B. **Property Insurance for Facilities of Owner Where Work Will Occur**—Owner is responsible for obtaining and maintaining property insurance covering each existing structure, building, or facility in which any part of the Work will occur, or to which any part of the Work will attach or be adjoined. Such property insurance will be written on a special perils (all-risk) form, on a replacement cost basis, providing coverage consistent with that required for the builder's risk insurance, and will be maintained until the Work is complete, as set forth in Paragraph 15.07.D.
- C. **Property Insurance for Substantially Complete Facilities**—Promptly after Substantial Completion, and before actual occupancy or use of the substantially completed Work, Owner will obtain property insurance for such substantially completed Work and maintain such property insurance at least until the Work is complete, as set forth in Paragraph 15.07.D. Such property insurance will be written on a special perils (all-risk) form, on a replacement cost basis, and provide coverage consistent with that required for the builder's risk insurance. The builder's risk insurance may terminate upon written confirmation of Owner's procurement of such property insurance.
- D. **Partial Occupancy or Use by Owner**—If Owner will occupy or use a portion or portions of the Work prior to Substantial Completion of all the Work, as provided in Paragraph 15.05, then Owner, directly, if it is the purchaser of the builder's risk policy, or through CMAR, will provide advance notice of such occupancy or use to the builder's risk insurer and obtain coverage or an endorsement consenting to the continuation of coverage prior to commencing such partial occupancy or use.
- E. **Insurance of Other Property; Additional Insurance**—If the express insurance provisions of the Contract do not require or address the insurance of a property Item or interest, then the entity or individual owning such property Item will be responsible for insuring it. If CMAR

elects to obtain other special insurance to be included in or supplement the builder's risk or property insurance policies provided under this Paragraph 6.04, CMAR may do so at its expense.

#### 6.05 Property Losses; Subrogation

- A. The builder's risk insurance policy purchased and maintained in accordance with Paragraph 6.04, or an installation floater policy if authorized by the Supplementary Conditions, will contain provisions to the effect that in the event of payment of any loss or damage the insurer will have no rights of recovery against any insureds thereunder, or against Owner's Advisor, Engineer, or their officers, directors, members, partners, employees, agents, consultants, or subcontractors.
  - 1. Owner and CMAR waive all rights against each other and the respective officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, for all losses and damages caused by, arising out of, or resulting from any of the perils, risks, or causes of loss covered by such policies and any other property insurance applicable to the Work; and, in addition, waive all such rights against Owner's Advisor, Engineer, its consultants, all individuals or entities identified in the Supplementary Conditions as builder's risk or installation floater insureds, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, under such policies for losses and damages so caused.
  - 2. None of the above waivers extends to the rights that any party making such waiver may have to the proceeds of insurance held by Owner or CMAR as trustee or fiduciary, or otherwise payable under any policy so issued.
- B. Any property insurance policy maintained by Owner covering any loss, damage, or consequential loss to Owner's existing structures, buildings, or facilities in which any part of the Work will occur, or to which any part of the Work will attach or adjoin; to adjacent structures, buildings, or facilities of Owner; or to part or all of the completed or substantially completed Work, during partial occupancy or use pursuant to Paragraph 15.05, after Substantial Completion pursuant to Paragraph 15.04, or after final payment pursuant to Paragraph 15.07, will contain provisions to the effect that in the event of payment of any loss or damage the insurer will have no rights of recovery against any insureds thereunder, or against CMAR, Subcontractors, Owner's Advisor, or Engineer, or the officers, directors, members, partners, employees, agents, consultants, or subcontractors of each and any of them, and that the insured is allowed to waive the insurer's rights of subrogation in a written contract executed prior to the loss, damage, or consequential loss.
- C. Owner waives all rights against CMAR, Subcontractors, Owner's Advisor, and Engineer, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, for all losses and damages caused by, arising out of, or resulting from fire or any of the perils, risks, or causes of loss covered by such policies. The waivers in this Paragraph 6.05 include the waiver of rights due to business interruption, loss of use, or other consequential loss extending beyond direct physical loss or damage to Owner's property or the Work caused by, arising out of, or resulting from fire or other insured peril, risk, or cause of loss.

- D. CMAR shall assure that each subcontract contains provisions whereby the Subcontractor waives all rights against Owner, CMAR, Owner's Advisor, Engineer, all individuals or entities identified in the Supplementary Conditions as insureds, their consultants, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, for all losses and damages caused by, arising out of, relating to, or resulting from fire or other peril, risk, or cause of loss covered by builder's risk insurance, installation floater, and any other property insurance applicable to the Work.

#### 6.06 Receipt and Application of Property Insurance Proceeds

- A. Any insured loss under the builder's risk and other policies of property insurance required by Paragraph 6.04 will be adjusted and settled with the named insured that purchased the policy. Such named insured will act as fiduciary for the other insureds and give notice to such other insureds that adjustment and settlement of a claim is in progress. Any other insured may state its position regarding a claim for insured loss in writing within 15 days after notice of such claim.
- B. Proceeds for such insured losses may be made payable by the insurer either jointly to multiple insureds, or to the named insured that purchased the policy in its own right and as fiduciary for other insureds, subject to the requirements of any applicable mortgage clause. A named insured receiving insurance proceeds under the builder's risk and other policies of insurance required by Paragraph 6.04 must maintain such proceeds in a segregated account and distribute such proceeds in accordance with such agreement as the parties in interest may reach, or as otherwise required under the dispute resolution provisions of this Contract or applicable Laws and Regulations.
- C. If no other special agreement is reached, CMAR shall repair or replace the damaged Work, using allocated insurance proceeds.

### ARTICLE 7—CMAR'S RESPONSIBILITIES

#### 7.01 CMAR's Means and Methods of Construction

- A. CMAR shall be solely responsible for the means, methods, techniques, sequences, and procedures of construction.
- B. If the Contract Documents note, or CMAR determines, that professional engineering or other design services are needed to carry out CMAR's responsibilities for construction means, methods, techniques, sequences, and procedures, or for Site safety, then CMAR shall cause such services to be provided by a properly licensed design professional, at CMAR's expense. Such services are not Owner-delegated professional design services under this Contract, and neither Owner, Owner's Advisor, nor Engineer has any responsibility with respect to (1) CMAR's determination of the need for such services, (2) the qualifications or licensing of the design professionals retained or employed by CMAR, (3) the performance of such services, or (4) any errors, omissions, or defects in such services.

#### 7.02 Supervision and Superintendence

- A. CMAR shall supervise, inspect, and direct the Work competently and efficiently, devoting such attention thereto and applying such skills and expertise as may be necessary to perform the Work in accordance with the Contract Documents.

- B. At all times during the progress of the Work, CMAR shall assign a competent resident superintendent who will not be replaced without written notice to Owner and Owner's Advisor except under extraordinary circumstances.

#### 7.03 CMAR Services—Key Personnel and Subconsultants

- A. CMAR will provide the services of the key individuals identified in the Agreement for CMAR Services (Preconstruction Services and Procurement Services) for the duration of the time required to provide these services. CMAR may substitute other individuals for the key individuals identified in the Agreement or for individuals previously approved only upon good cause and with the written consent of the Owner. Subject to the foregoing, not providing the individuals proposed may be the grounds for termination of this Contract.
- B. CMAR may provide CMAR Services through one or more subconsultants under contract to CMAR provided, however, that CMAR remains responsible to the Owner for all duties and obligations of the CMAR under this Contract, and in rendering services any such subconsultant must comply with all applicable terms and conditions of the Contract Documents. If the Agreement identifies a specific subconsultant, CMAR will provide the services of such subconsultant for the duration of the time required to complete the subcontracted tasks. CMAR may substitute other subconsultants for the subconsultants identified in the Agreement or previously approved only with the written consent of the Owner. Subject to the foregoing, not providing the subconsultants proposed may be the grounds for termination of this Contract.

#### 7.04 Quality of CMAR Services

- A. The Owner's Advisor, with the concurrence of Owner and Engineer, has the right to reject or disapprove any substandard portion of the CMAR Services. Owner's Advisor will provide written notice stating the reason for the rejection or disapproval. CMAR will revise the services in question to address the inadequacies identified by Owner's Advisor.
- B. CMAR acknowledges that any review or approval of CMAR Services by the Owner or Owner's Advisor does not relieve CMAR of its responsibility to properly and timely perform such services.

#### 7.05 Continuation or Termination of CMAR Services

- A. Owner may terminate this Contract for Owner's convenience at the completion of Preconstruction Services if Owner determines that doing so is in Owner's best interest. Owner is not obligated to cite a reason for such a termination, but in making its determination Owner may wish to consider factors such as the quality of the CMAR Services, facts that indicate that the Project cannot be constructed for a cost within the Owner's budget, and changes in key personnel.
- B. The Owner may terminate the Contract for Owner's convenience at the end of Procurement Services if Owner determines that doing so is in Owner's best interest. Owner is not obligated to cite a reason for such a termination, but in making its determination Owner may wish to consider factors such as whether CMAR is unable to offer a Guaranteed Maximum Price within the Owner's Construction Budget, or whether it will be advantageous to bid out the Work as a whole on a stipulated price basis.

7.06 Labor; Working Hours

- A. CMAR shall provide competent, suitably qualified personnel to survey and lay out the Work and perform construction as required by the Contract Documents. CMAR shall maintain good discipline and order at the Site.
- B. CMAR shall provide or furnish:
  - 1. Construction-related services as described in Division 00 and Division 01 of the Contract Documents;
  - 2. Post-construction services as described in Division 00 and Division 01 of the Contract Documents; and
  - 3. All other construction-related and post-construction services described in the Contract Documents.
- C. CMAR shall be fully responsible to Owner, Owner's Advisor, and Engineer for all acts and omissions of CMAR's employees; of subconsultants, Suppliers, and Subcontractors, and their employees; and of any other individuals or entities performing or furnishing any of the CMAR Services or the Work, just as CMAR is responsible for CMAR's own acts and omissions.
- D. Except as otherwise required for the safety or protection of persons or the Work or property at the Site or adjacent thereto, and except as otherwise stated in the Contract Documents, all Work at the Site will be performed during regular working hours, Monday through Friday. CMAR will not perform Work on a Saturday, Sunday, or legal holiday. CMAR may perform Work outside regular working hours or on Saturdays, Sundays, or legal holidays only with Owner's written consent, which will not be unreasonably withheld.

7.07 Services, Materials, and Equipment

- A. Unless otherwise specified in the Contract Documents, CMAR shall provide and assume full responsibility for all services, materials, equipment, labor, transportation, construction equipment and machinery, tools, appliances, fuel, power, light, heat, telephone, water, sanitary facilities, temporary facilities, and all other facilities and incidentals necessary for the performance, testing, start up, and completion of the Work, whether or not such items are specifically called for in the Contract Documents.
- B. All materials and equipment incorporated into the Work must be new and of good quality, except as otherwise provided in the Contract Documents. All special warranties and guarantees required by the Specifications will expressly run to the benefit of Owner. If required by Owner's Advisor, the CMAR shall furnish satisfactory evidence, including reports of required tests, as to the source, kind, and quality of materials and equipment.
- C. All materials and equipment must be stored, applied, installed, connected, erected, protected, used, cleaned, and conditioned in accordance with instructions of the applicable Supplier, except as otherwise may be provided in the Contract Documents.
- D. CMAR will be fully responsible for the quality and effectiveness (1) of all services performed or provided by CMAR, including but not limited to CMAR Services and general services in support of construction, and (2) of the deliverables and documentation associated with all such services.



## 7.08 “Or Equals”

- A. CMAR’s Request; Governing Criteria—Whenever an Item of equipment or material is specified or described in the Contract Documents by using the names of one or more proprietary items or specific Suppliers, the Guaranteed Maximum Price has been based upon CMAR furnishing such Item as specified. The specification or description of such an Item is intended to establish the type, function, appearance, and quality required. Unless the specification or description contains or is followed by words reading that no like, equivalent, or “or equal” Item is permitted, CMAR may request that Owner’s Advisor authorize the use of other items of equipment or material, or items from other proposed Suppliers, under the circumstances described below.
1. If Owner’s Advisor, in consultation with Engineer, determines that an Item of equipment or material proposed by CMAR is functionally equal to that named and sufficiently similar so that no change in related Work will be required, Owner’s Advisor will deem it an “or equal” item. For the purposes of this paragraph, a proposed Item of equipment or material will be considered functionally equal to an Item so named if:
    - a. in the exercise of reasonable judgment Owner’s Advisor, in consultation with Engineer, determines that the proposed item:
      - 1) is at least equal in materials of construction, quality, durability, appearance, strength, and design characteristics;
      - 2) will reliably perform at least equally well the function and achieve the results imposed by the design concept of the completed Project as a functioning whole;
      - 3) has a proven record of performance and availability of responsive service; and
      - 4) is not objectionable to Owner.
    - b. CMAR certifies that if the proposed Item is approved and incorporated into the Work:
      - 1) there will be no increase in cost to the Owner or increase in Contract Times; and
      - 2) the Item will conform substantially to the detailed requirements of the Item named in the Contract Documents.
- B. CMAR’s Expense—CMAR shall provide all data in support of any proposed “or equal” Item at CMAR’s expense.
- C. Owner’s Advisor’s Evaluation and Determination—Owner’s Advisor, in consultation with Engineer, will be allowed a reasonable time to evaluate each “or-equal” request. Owner’s Advisor may require CMAR to furnish additional data about the proposed “or-equal” item. Owner’s Advisor, in consultation with Engineer, will be the sole judge of acceptability. No “or-equal” Item will be ordered, furnished, installed, or utilized until Owner’s Advisor’s review is complete and Owner’s Advisor, in consultation with Engineer, has determined that the proposed Item is equal, which will be evidenced by an approved Shop Drawing or other written communication. Owner’s Advisor will advise CMAR in writing of any negative determination.

- D. Effect of Owner's Advisor's Determination—Neither approval nor denial of an “or-equal” request will result in any change in Guaranteed Maximum Price. The Owner's Advisor's denial of an “or-equal” request will be final and binding and may not be reversed through an appeal under any provision of the Contract.
- E. Treatment as a Substitution Request—If Owner's Advisor determines that an Item of equipment or material proposed by CMAR does not qualify as an “or-equal” item, CMAR may request that Owner's Advisor consider the Item a proposed substitute pursuant to Paragraph 7.09.

#### 7.09 Substitutes

- A. CMAR's Request; Governing Criteria—Unless the specification or description of an Item of equipment or material required to be furnished under the Contract Documents contains or is followed by words reading that no substitution is permitted, CMAR may request that Owner's Advisor authorize the use of other items of equipment or material under the circumstances described below.
- B. To the extent possible such requests must be made as part of Preconstruction Services, before the completion of the applicable portion of the design, the Procurement of Subcontractors, construction pricing, and execution of the governing Work Authorization (Preconstruction Substitute Requests). Preconstruction Substitute Requests are further addressed in Paragraph 7.09.E below; substitute requests made after the applicable Work Authorization are addressed in Paragraph 7.09.F.
- C. The following provisions apply to all substitute requests:
  - 1. CMAR shall submit adequate information as provided below to allow Owner's Advisor, in consultation with Engineer, to determine if the Item of material or equipment proposed is functionally equivalent to that named and an acceptable substitute therefor. Owner's Advisor will not accept requests for review of proposed substitute items of equipment or material from anyone other than CMAR.
  - 2. The requirements for review by Owner's Advisor, in consultation with Engineer, will be as set forth in Paragraph 7.09.D, as supplemented by the Specifications, and as Owner's Advisor may decide is appropriate under the circumstances.
  - 3. CMAR shall make written application to Owner's Advisor for review of a proposed substitute Item of equipment or material that CMAR seeks to furnish or use. The application:
    - a. will certify that the proposed substitute Item will:
      - 1) adequately perform the functions and achieve the results called for by the general design;
      - 2) be similar in substance to the Item specified; and
      - 3) be suited to the same use as the Item specified.

- b. will state:
    - 1) the extent, if any, to which the use of the proposed substitute Item will necessitate a change in Contract Times;
    - 2) whether use of the proposed substitute Item in the Work will require a change in any of the Contract Documents, or in the provisions of any other direct contract with Owner for other work on the Project, to adapt the design to the proposed substitute item; and
    - 3) whether incorporation or use of the proposed substitute Item in connection with the Work is subject to payment of any license fee or royalty.
  - c. will identify:
    - 1) all variations of the proposed substitute Item from the Item specified; and
    - 2) available engineering, sales, maintenance, repair, and replacement services.
  - d. will contain, to the extent applicable, an itemized estimate of all costs, anticipated price impacts, or credits that will result directly or indirectly from use of such substitute item, including but not limited to changes in Guaranteed Maximum Price, shared savings, costs of redesign, and claims of other contractors affected by any resulting change.
- D. Owner's Advisor's Evaluation and Determination—Owner's Advisor, in consultation with Engineer, will be allowed a reasonable time to evaluate each substitute request, and to obtain comments and direction from Owner. Owner's Advisor may require CMAR to furnish additional data about the proposed substitute item. Owner's Advisor, in consultation with Engineer, will be the sole judge of acceptability. No substitute will be ordered, furnished, installed, or utilized until Owner's Advisor's review is complete and Owner's Advisor determines that the proposed Item is an acceptable substitute.
- E. Preconstruction Substitute Requests—CMAR will research potential substitutes, furnish data, and prepare a Preconstruction Substitute Request as compensable Basic Preconstruction Services. CMAR will not be responsible for costs incurred by Owner, Owner's Advisor, or Engineer in response to a Preconstruction Substitute Request. If such a request is approved, CMAR will not be required to issue a special guarantee with respect to the substitute's inclusion in the final design.
- F. For substitute requests made after a Work Authorization, or in an untimely manner such that the substitution cannot be made part of the final design on which binding construction pricing is based, the following apply:
- 1. Owner's Advisor's determination will be evidenced by a Field Order, or a proposed Change Order issued by the Owner's Advisor accounting for the substitute itself and all related impacts, including changes in Guaranteed Maximum Price or Contract Times. Owner's Advisor will advise CMAR in writing of any negative determination.
  - 2. Special Guarantee —Owner's Advisor may require CMAR to furnish at CMAR's expense a special performance guarantee or other surety with respect to the substitute.
  - 3. Reimbursement of Review Cost—Owner's Advisor and Engineer will record their costs in evaluating the substitute proposed or submitted by CMAR. Whether or not Owner's Advisor approves a substitute so proposed or submitted by CMAR, CMAR shall

reimburse Owner for the reasonable charges of Owner's Advisor and Engineer for evaluating each such proposed substitute. CMAR shall also reimburse Owner for the reasonable charges of Owner's Advisor and Engineer for making changes in the Contract Documents, or in the provisions of any other direct contract with Owner resulting from the acceptance of each proposed substitute.

4. CMAR's Expense—CMAR shall provide all data in support of any proposed substitute at CMAR's expense.
5. Effect of Owner's Advisor's Determination—If Owner's Advisor approves the substitute request, CMAR shall execute a Change Order and proceed with the substitute. The Owner's Advisor's denial of a substitution request will be final and binding and may not be reversed through an appeal under any provision of the Contract. CMAR may challenge the scope of reimbursement costs imposed under Paragraph 7.09.F.3, by timely submittal of a Change Proposal.

#### 7.10 Concerning Subcontractors and Suppliers

- A. CMAR may retain Subcontractors and Suppliers for the performance of parts of the Work. Such Subcontractors and Suppliers must be acceptable to Owner. The CMAR's retention of a Subcontractor or Supplier for the performance of parts of the Work will not relieve CMAR's obligation to Owner to perform and complete the Work in accordance with the Contract Documents.
- B. CMAR shall retain specific Subcontractors and Suppliers for the performance of designated parts of the Work if required by the Contract to do so.
- C. As a general matter, CMAR shall retain Subcontractors and Suppliers for Work Packages through the procurement process described in the Agreement, including but not limited to the Procurement Strategy Plan and Exhibit A Article 3 of the Agreement. If there is a conflict between such provisions of the Agreement and this paragraph, the provisions of the Agreement will govern.
- D. Subsequent to the submittal of CMAR's Proposal or final negotiation of the terms of the Contract, Owner may not require CMAR to retain any Subcontractor or Supplier against which CMAR has reasonable objection to furnish or perform any of the Work.
- E. Prior to entry into any binding subcontract or purchase order, CMAR shall submit to Owner the identity of the proposed Subcontractor or Supplier, unless Owner has already deemed such proposed Subcontractor or Supplier acceptable during the CMAR selection process, the Subcontractor and Supplier procurement process, or otherwise. Such proposed Subcontractor or Supplier will be deemed acceptable to Owner unless Owner raises a substantive, reasonable objection within 5 days.
- F. Owner may require the replacement of a Subcontractor or Supplier. Owner also may require CMAR to retain specific replacements; provided, however, that Owner may not require a replacement to which CMAR has a reasonable objection. If CMAR has submitted the identity of certain Subcontractors or Suppliers for acceptance by Owner, through the Subcontractor and Supplier procurement process or otherwise, and Owner has accepted it, either in writing or by failing to make written objection thereto, then Owner may subsequently revoke the acceptance of any such Subcontractor or Supplier so identified solely on the basis of

substantive, reasonable objection after due investigation. CMAR shall submit an acceptable replacement for the rejected Subcontractor or Supplier.

- G. If Owner requires the replacement of any Subcontractor or Supplier retained by CMAR to perform any part of the Work, then CMAR shall be entitled to an adjustment in Guaranteed Maximum Price or Contract Times, with respect to the replacement; and CMAR shall initiate a Change Proposal for such adjustment within 30 days of Owner's requirement of replacement.
- H. No acceptance by Owner of any such Subcontractor or Supplier, whether initially or as a replacement, will constitute a waiver of the right of Owner to the completion of the Work in accordance with the Contract Documents.
- I. On a monthly basis, CMAR shall submit to Owner's Advisor a complete list of all Subcontractors and Suppliers having a direct contract with CMAR, and of all other Subcontractors and Suppliers known to CMAR at the time of submittal.
- J. CMAR shall be solely responsible for scheduling and coordinating the work of Subcontractors and Suppliers.
- K. The divisions and sections of the Specifications and the identifications of any Drawings do not control CMAR in dividing the Work among Subcontractors or Suppliers, or in delineating the Work to be performed by any specific trade.
- L. All Work performed for CMAR by a Subcontractor or Supplier must be pursuant to an appropriate contractual agreement that specifically binds the Subcontractor or Supplier to the applicable terms and conditions of the Contract for the benefit of Owner, Owner's Advisor, and Engineer.
- M. Owner may furnish to any Subcontractor or Supplier, to the extent practicable, information about amounts paid to CMAR for Work performed for CMAR by the Subcontractor or Supplier.
- N. CMAR shall restrict all Subcontractors and Suppliers from communicating with Owner's Advisor or Owner, except through CMAR or in case of an emergency, or as otherwise expressly allowed in this Contract.
- O. CMAR will perform or undertake the responsibilities of any Subcontractor or Supplier that defaults, fails to perform, declares bankruptcy, or meets any of the other requirements for termination for cause listed as applying to the CMAR as described in Paragraph 16.02 of the General Conditions.
  - 1. If, for a specific Subcontractor or Supplier, CMAR determines that CMAR would not reasonably be able to self-perform the Subcontractor's work or meet the Supplier's obligations in the event of the Subcontractor or Supplier default, then CMAR may require a subcontract/supplier performance bond, the costs of which will be reimbursed as a Cost of the Work under the Subcontract costs category (Paragraph 6.02, Agreement). Before requiring such a bond, CMAR will consult with Owner's Advisor and consider whether other protective measures are feasible and more cost-effective.
  - 2. If Owner requires that CMAR enter into a subcontract with a Subcontractor to which the CMAR has reasonable objections, CMAR may require subcontract performance and payment bonds, the costs of which will be reimbursed as a Cost of the Work under the Subcontract costs category (Paragraph 6.02, Agreement).

#### 7.11 Patent Fees and Royalties

- A. CMAR shall pay all license fees and royalties and assume all costs incident to the use in the performance of the Work or the incorporation in the Work of any invention, design, process, product, or device which is the subject of patent rights or copyrights held by others. If an invention, design, process, product, or device is specified in the Contract Documents for use in the performance of the Work and if, to the actual knowledge of Owner, Owner's Advisor, or Engineer, its use is subject to patent rights or copyrights calling for the payment of any license fee or royalty to others, then the existence of such rights will be disclosed in the Contract Documents.
- B. To the fullest extent permitted by Laws and Regulations, Owner shall indemnify and hold harmless CMAR, and its officers, directors, members, partners, employees, agents, consultants, and subcontractors, from and against all claims, costs, losses, and damages, including but not limited to all fees and charges of construction managers, engineers, architects, attorneys, and other professionals, and all court or arbitration or other dispute resolution costs, arising out of or relating to any infringement of patent rights or copyrights incident to the use in the performance of the Work or resulting from the incorporation in the Work of any invention, design, process, product, or device specified in the Contract Documents, but not identified as being subject to payment of any license fee or royalty to others required by patent rights or copyrights.
- C. To the fullest extent permitted by Laws and Regulations, CMAR shall indemnify and hold harmless Owner, Owner's Advisor, and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them, from and against all claims, costs, losses, and damages, including but not limited to all fees and charges of construction managers, engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs, arising out of or relating to any infringement of patent rights or copyrights incident to the use in the performance of the Work or resulting from the incorporation in the Work of any invention, design, process, product, or device not specified in the Contract Documents.

#### 7.12 Permits

- A. Unless otherwise provided in the Contract Documents, CMAR shall obtain and pay for all construction permits, licenses, and certificates of occupancy. Owner shall assist CMAR, when necessary, in obtaining such permits and licenses. CMAR shall pay all governmental charges and inspection fees necessary for the prosecution of the Work which are applicable at the time of the submission of CMAR's Proposal. Owner shall pay all charges of utility owners for connections for providing permanent service to the Work.

#### 7.13 Taxes

- A. CMAR shall pay all sales, consumer, use, and other similar taxes required to be paid by CMAR in accordance with the Laws and Regulations of the place of the Project which are applicable during the performance of the Work.

#### 7.14 Laws and Regulations

- A. CMAR shall give all notices required by and shall comply with all Laws and Regulations applicable to the performance of CMAR Services or the Work. Neither Owner, Owner's

Advisor, nor Engineer will be responsible for monitoring CMAR's compliance with Laws or Regulations.

- B. If CMAR performs any CMAR Services or Work or takes any other action knowing or having reason to know that it is contrary to Laws or Regulations, CMAR shall bear all resulting costs and losses, and shall indemnify and hold harmless Owner, Owner's Advisor, and Engineer, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, from and against all claims, costs, losses, and damages, including but not limited to all fees and charges of construction managers, engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs, arising out of or relating to such CMAR Services, Work, or other action.
- C. It is not CMAR's responsibility to make certain that the Work described in the Contract Documents is in accordance with Laws and Regulations, but this does not relieve CMAR of its obligations under Paragraph 3.03.
- D. Owner or CMAR may give written notice to the other party of any changes after the Effective Date of the Contract in Laws or Regulations having an effect on the cost or time of performance of the Work, including but not limited to changes in Laws or Regulations having an effect on procuring permits and on sales, use, value-added, consumption, and other similar taxes. If Owner and CMAR are unable to agree on entitlement to or on the amount or extent, if any, of any adjustment in Guaranteed Maximum Price or Contract Times resulting from such changes, then within 30 days of such written notice CMAR may submit a Change Proposal, or Owner may initiate a Claim.

#### 7.15 Record Documents

- A. CMAR shall maintain in a safe place at the Site one printed record copy of all Drawings, Specifications, Addenda, Change Orders, Work Change Directives, Field Orders, Contract Amendments, Work Packages, Work Authorizations, written interpretations and clarifications, and approved Shop Drawings. CMAR shall keep such record documents in good order and annotate them to show changes made during construction. These record documents, together with all approved Samples, will be available to Owner's Advisor and Engineer for reference. Upon completion of the Work, CMAR shall deliver these record documents to Owner's Advisor.

#### 7.16 Safety and Protection

- A. CMAR shall be solely responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the Work. Such responsibility does not relieve Subcontractors of their responsibility for the safety of persons or property in the performance of their work, nor for compliance with applicable safety Laws and Regulations.
- B. CMAR shall designate a qualified and experienced safety representative whose duties and responsibilities are the prevention of Work-related accidents and the maintenance and supervision of safety precautions and programs.
- C. CMAR shall take all necessary precautions for the safety of, and shall provide the necessary protection to prevent damage, injury, or loss to:
  - 1. all persons on the Site or who may be affected by the Work;

2. all the Work and materials and equipment to be incorporated therein, whether in storage on or off the Site; and
  3. other property at the Site or adjacent thereto, including trees, shrubs, lawns, walks, pavements, roadways, structures, other work in progress, utilities, and Underground Facilities not designated for removal, relocation, or replacement in the course of construction.
- D. All damage, injury, or loss to any property referred to in Paragraph 7.16.C.2 or 7.16.C.3 caused, directly or indirectly, in whole or in part, by CMAR, any Subcontractor, Supplier, or any other individual or entity directly or indirectly employed by any of them to perform any of the Work, or anyone for whose acts any of them may be liable, will be remedied by CMAR at its expense, except damage or loss attributable to the fault of Drawings or Specifications or to the acts or omissions of Owner, Owner's Advisor, or Engineer or anyone employed by any of them, or anyone for whose acts any of them may be liable, and not attributable, directly or indirectly, in whole or in part, to the fault or negligence of CMAR or any Subcontractor, Supplier, or other individual or entity directly or indirectly employed by any of them.
- E. CMAR shall comply with all applicable Laws and Regulations relating to the safety of persons or property, or to the protection of persons or property from damage, injury, or loss; and shall erect and maintain all necessary safeguards for such safety and protection.
- F. CMAR shall notify Owner's Advisor; Owner; the owners of adjacent property; the owners of Underground Facilities and other utilities, if the identity of such owners is known to CMAR; and other contractors and utility owners performing work at or adjacent to the Site, in writing, when CMAR knows that prosecution of the Work may affect them, and shall cooperate with them in the protection, removal, relocation, and replacement of their property or work in progress.
- G. CMAR shall comply with the applicable requirements of Owner's safety programs, if any. Any Owner's safety programs that are applicable to the Work are identified or included in the Supplementary Conditions or Specifications.
- H. CMAR shall inform Owner, Owner's Advisor, and Engineer of the specific requirements of CMAR's safety program with which Owner's, Owner's Advisor's, and Engineer's employees and representatives must comply while at the Site.
- I. CMAR's duties and responsibilities for safety and protection will continue until all the Work is completed, Owner's Advisor has issued a written notice to Owner and CMAR in accordance with Paragraph 15.07.C that the Work is acceptable, and CMAR has left the Site, except as otherwise expressly provided in connection with Substantial Completion.
- J. CMAR's duties and responsibilities for safety and protection will resume whenever CMAR or any Subcontractor or Supplier returns to the Site to fulfill warranty or correction obligations, or to conduct other tasks arising from the Contract Documents.

#### 7.17 Hazard Communication Programs

- A. CMAR shall be responsible for coordinating any exchange of safety data sheets or other hazard communication information required to be made available to or exchanged between or among employers at the Site in accordance with Laws or Regulations.



## 7.18 Emergencies

- A. In emergencies affecting the safety or protection of persons or the Work or property at the Site or adjacent thereto, CMAR is obligated to act to prevent damage, injury, or loss. CMAR shall give Owner's Advisor prompt written notice if CMAR believes that any significant changes in the Work or variations from the Contract Documents have been caused by an emergency or are required as a result of CMAR's response to an emergency. If Owner's Advisor, in consultation with Engineer, determines that a change in the Contract Documents is required because of an emergency or CMAR's response, a Work Change Directive or Change Order will be issued.

## 7.19 Submittals

### A. Shop Drawing and Sample Requirements

1. Before submitting a Shop Drawing or Sample, CMAR shall:
  - a. review and coordinate the Shop Drawing or Sample with other Shop Drawings and Samples and with the requirements of the Work and the Contract Documents;
  - b. determine and verify:
    - 1) all field measurements, quantities, dimensions, specified performance and design criteria, installation requirements, materials, catalog numbers, and similar information with respect to the Submittal;
    - 2) the suitability of all materials and equipment offered with respect to the indicated application, fabrication, shipping, handling, storage, assembly, and installation pertaining to the performance of the Work; and
    - 3) all information relative to CMAR's responsibilities for means, methods, techniques, sequences, and procedures of construction, and safety precautions and programs incident thereto;
  - c. confirm that the Submittal is complete with respect to all related data included in the Submittal.
2. Each Shop Drawing or Sample must bear a stamp or specific written certification that CMAR has satisfied CMAR's obligations under the Contract Documents with respect to CMAR's review of that Submittal, and that CMAR approves the Submittal.
3. With each Shop Drawing or Sample, CMAR shall give Owner's Advisor specific written notice of any variations that the Submittal may have from the requirements of the Contract Documents. This notice must be set forth in a written communication separate from the Submittal; and, in addition, in the case of a Shop Drawing by a specific notation made on the Shop Drawing itself.

- B. Submittal Procedures for Shop Drawings and Samples—CMAR shall label and submit Shop Drawings and Samples to Owner’s Advisor for review by Engineer in accordance with the accepted Schedule of Submittals.
1. Shop Drawings
    - a. CMAR shall submit the number of copies required in the Specifications.
    - b. Data shown on the Shop Drawings must be complete with respect to quantities, dimensions, specified performance and design criteria, materials, and similar data to show the services, materials, and equipment CMAR proposes to provide, and to enable the information to be reviewed for the limited purposes required by Paragraph 7.19.D.
  2. Samples
    - a. CMAR shall submit the number of Samples required in the Specifications.
    - b. CMAR shall clearly identify each Sample as to material, Supplier, pertinent data such as catalog numbers, the use for which intended and other data as Owner’s Advisor may require to enable Engineer to review the Sample for the limited purposes required by Paragraph 7.19.D.
- C. Proceeding without Engineer’s Approval—Where a Shop Drawing or Sample is required by the Contract Documents or the Schedule of Submittals, Owner will not pay for related Work, including equipment or materials, until Engineer approves the Shop Drawing or Sample. If CMAR proceeds without such approval, CMAR will bear the full risk of all resulting delays, costs, and losses, including but not limited to removal, corrective, purchase, and installation costs, if such approval is not granted.
- D. Engineer’s Review of Shop Drawings and Samples
1. Engineer will provide timely review of Shop Drawings and Samples in accordance with the accepted Schedule of Submittals. Engineer’s review will be only to determine if the items covered by the Submittals will, after installation or incorporation in the Work, comply with the requirements of the Contract Documents, and be compatible with the design concept of the completed Project as a functioning whole as indicated by the Contract Documents.
  2. Engineer’s review and approval, if any, will not extend to means, methods, techniques, sequences, or procedures of construction, or to safety precautions or programs incident thereto.
  3. Engineer’s review and approval, if any, of a separate Item as such will not indicate approval of the assembly in which the Item functions.
  4. Engineer’s review and approval, if any, of a Shop Drawing or Sample will not relieve CMAR from responsibility for any variation from the requirements of the Contract Documents unless CMAR has complied with the requirements of Paragraph 7.19.A.3 and Engineer has given written approval of each such variation by specific written notation thereof incorporated in or accompanying the Shop Drawing or Sample. Owner’s Advisor, in consultation with Engineer, will document any such approved variation from the requirements of the Contract Documents in a Field Order or other appropriate Contract modification.

5. Engineer's review and approval, if any, of a Shop Drawing or Sample will not relieve CMAR from responsibility for complying with the requirements of Paragraphs 7.19.A and B.
6. Engineer's review and approval, if any, of a Shop Drawing or Sample, or of a variation from the requirements of the Contract Documents, will not, under any circumstances, change the Contract Times or Guaranteed Maximum Price, unless such changes are included in a Change Order.
7. Neither receipt, review, acceptance, or approval of a Shop Drawing or Sample will result in such Item becoming a Contract Document.
8. CMAR shall perform the Work in compliance with the requirements and commitments set forth in approved Shop Drawings and Samples, subject to the provisions of Paragraph 7.19.D.4.

**E. Resubmittal Procedures for Shop Drawings and Samples**

1. CMAR shall make required corrections and shall return the required number of corrected copies of Shop Drawings and submit, as required, new Samples for review and approval. CMAR shall direct specific attention in writing to revisions other than the corrections called for on previous Submittals.
2. CMAR shall furnish required Shop Drawing and Sample submittals with adequate information and accuracy to obtain required approval of an Item with no more than two resubmittals. Engineer will record Engineer's time for reviewing a third or subsequent resubmittal of a Shop Drawing or Sample, and CMAR shall be responsible for Engineer's charges to Owner for such time. Owner may impose a set-off against payments due CMAR to secure reimbursement for such charges.
3. If CMAR requests a change of a previously approved Shop Drawing or Sample, CMAR shall be responsible for Engineer's charges to Owner for its review time, and Owner may impose a set-off against payments due CMAR to secure reimbursement for such charges, unless the need for such change is beyond the control of CMAR.

**F. Submittals Other than Shop Drawings, Samples, and Owner-Delegated Designs**

1. The following provisions apply to all Submittals other than Shop Drawings, Samples, and Owner-delegated designs:
  - a. CMAR shall submit all such Submittals to Owner's Advisor in accordance with the Schedule of Submittals and pursuant to the applicable terms of the Contract Documents.
  - b. A timely review will be made of all such Submittals in accordance with the Schedule of Submittals and return such Submittals with a notation of either Accepted or Not Accepted. Any such Submittal that is not returned within the time established in the Schedule of Submittals will be deemed accepted.
  - c. Review will be only to determine if the Submittal is acceptable under the requirements of the Contract Documents as to general form and content of the Submittal.

- d. If any such Submittal is not accepted, CMAR shall confer with Owner's Advisor regarding the reason for the non-acceptance and resubmit an acceptable document.
  - 2. Procedures for the submittal and acceptance of the Progress Schedule, the Schedule of Submittals, and the Schedule of Values are set forth in Paragraphs 4.04, 7.19, and 15.02.
  - G. Owner-delegated Designs—Submittals pursuant to Owner-delegated designs are governed by the provisions of Paragraph 7.22.
- 7.20 CMAR's General Warranty and Guarantee
- A. CMAR warrants and guarantees to Owner that all Work will be in accordance with the Contract Documents and will not be defective. Owner's Advisor and Engineer are entitled to rely on CMAR's warranty and guarantee.
  - B. Owner's rights under this warranty and guarantee are in addition to, and are not limited by, Owner's rights under the correction period provisions of Paragraph 15.09. The time in which Owner may enforce its warranty and guarantee rights under this Paragraph 7.20 is limited only by applicable Laws and Regulations restricting actions to enforce such rights; provided, however, that after the end of the correction period under Paragraph 15.09:
    - 1. Owner shall give CMAR written notice of any defective Work within 60 days of the discovery that such Work is defective; and
    - 2. Such notice will be deemed the start of an event giving rise to a Claim under Paragraph 12.01.B, such that any related Claim must be brought within 30 days of the notice.
  - C. CMAR's warranty and guarantee hereunder excludes defects or damage caused by:
    - 1. abuse, or improper modification, maintenance, or operation, by persons other than CMAR, Subcontractors, Suppliers, or any other individual or entity for whom CMAR is responsible; or
    - 2. normal wear and tear under normal usage.
  - D. CMAR shall perform or provide CMAR Services in accordance with the Contract Documents and good construction management practice.
  - E. CMAR's obligation to perform and complete the CMAR Services and the Work in accordance with the Contract Documents is absolute. None of the following will constitute an acceptance of CMAR Services or Work that is not in accordance with the Contract Documents, a release of CMAR's obligation to perform the CMAR Services or Work in accordance with the Contract Documents, or a release of Owner's warranty and guarantee rights under this Paragraph 7.20:
    - 1. Observations by Owner's Advisor or Engineer;
    - 2. Recommendation by Owner's Advisor or payment by Owner of any progress or final payment;
    - 3. The acceptance of CMAR Services without objection;
    - 4. The issuance of a certificate of Substantial Completion by Owner's Advisor or any payment related thereto by Owner;

5. Use or occupancy of the Work or any part thereof by Owner;
  6. Any review and approval of a Shop Drawing or Sample submittal;
  7. The issuance of a notice of acceptability by Owner's Advisor;
  8. The end of the correction period established in Paragraph 15.09;
  9. Any inspection, test, or approval by others; or
  10. Any correction of defective Work by Owner.
- F. If the Contract requires CMAR to accept the assignment of a contract entered into by Owner, then the specific warranties, guarantees, and correction obligations contained in the assigned contract will govern with respect to CMAR's performance obligations to Owner for the Work described in the assigned contract.

#### 7.21 Indemnification

- A. To the fullest extent permitted by Laws and Regulations, and in addition to any other obligations of CMAR under the Contract or otherwise, CMAR shall indemnify and hold harmless Owner, Owner's Advisor, and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them, from losses, damages, costs, and judgments, including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals, and all court or arbitration or other dispute resolution costs, arising from third-party claims or actions relating to or resulting from the performance or furnishing of CMAR Services or the Work, provided that any such claim, action, loss, cost, judgment or damage is attributable to bodily injury, sickness, disease, or death, or to damage to or destruction of tangible property, other than the Work itself, including the loss of use resulting therefrom, but only to the extent caused by any negligent act or omission of CMAR, any Subcontractor, any Supplier, subconsultant, or any individual or entity directly or indirectly employed by any of them to perform any of the CMAR Services or Work, or anyone for whose acts any of them may be liable.
- B. In claims against Owner, Owner's Advisor, or Engineer, or any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors, by any CMAR employee, or the survivor or personal representative of such employee, any Subcontractor, any Supplier, or any individual or entity directly or indirectly employed by any of them to perform any of the Work, or anyone for whose acts any of them may be liable, the indemnification obligation under Paragraph 7.21.A will not be limited by a limitation on the amount or type of damages, compensation, or benefits payable by or for CMAR or any such Subcontractor, Supplier, or other individual or entity under workers' compensation acts, disability benefit acts, or other employee benefit acts.

#### 7.22 Delegation of Professional Design Services

- A. Owner may require CMAR to provide professional design services for a portion of the Work by express delegation in the Contract Documents. Such delegation will specify the performance and design criteria that such services must satisfy, and the Submittals that CMAR must furnish to Owner's Advisor with respect to the Owner-delegated design.
- B. CMAR shall cause such Owner-delegated professional design services to be provided pursuant to the professional standard of care by a properly licensed design professional, whose signature and seal must appear on all drawings, calculations, specifications,

certifications, and Submittals prepared by such design professional. Such design professional must issue all certifications of design required by Laws and Regulations.

- C. If a Shop Drawing or other Submittal related to the Owner-delegated design is prepared by CMAR, a Subcontractor, or others for submittal to Owner's Advisor, then such Shop Drawing or other Submittal must bear the written approval of CMAR's design professional when submitted by CMAR to Owner's Advisor.
- D. Owner, Owner's Advisor, and Engineer shall be entitled to rely upon the adequacy, accuracy, and completeness of the services, certifications, and approvals performed or provided by the design professionals retained or employed by CMAR under an Owner-delegated design, subject to the professional standard of care and the performance and design criteria stated in the Contract Documents.
- E. Pursuant to this Paragraph 7.22, Engineer's review, approval, and determinations regarding design drawings, calculations, specifications, certifications, and other Submittals furnished by CMAR pursuant to an Owner-delegated design will be only for the following limited purposes:
  - 1. Checking for conformance with the requirements of this Paragraph 7.22;
  - 2. Confirming that CMAR, through its design professionals, has used the performance and design criteria specified in the Contract Documents; and
  - 3. Establishing that the design furnished by CMAR is consistent with the design concept expressed in the Contract Documents.
- F. CMAR shall not be responsible for the adequacy of performance or design criteria specified by Owner or Engineer.
- G. CMAR is not required to provide professional services in violation of applicable Laws and Regulations.

## **ARTICLE 8—OTHER WORK AT THE SITE**

### **8.01 Other Work**

- A. In addition to and apart from the Work under the Contract Documents, the Owner may perform other work at or adjacent to the Site. Such other work may be performed by Owner's employees, or through contracts between the Owner and third parties. Owner may also arrange to have third-party utility owners perform work on their utilities and facilities at or adjacent to the Site.
- B. If Owner performs other work at or adjacent to the Site with Owner's employees, or through contracts for such other work, then Owner shall give CMAR written notice thereof prior to starting any such other work. If Owner has advance information regarding the start of any third-party utility work that Owner has arranged to take place at or adjacent to the Site, Owner shall provide such information to CMAR.
- C. CMAR shall afford proper and safe access to the Site to each contractor that performs such other work, each utility owner performing other work, and Owner, if Owner is performing other work with Owner's employees, and provide a reasonable opportunity for the introduction and storage of materials and equipment and the execution of such other work.

- D. CMAR shall do all cutting, fitting, and patching of the Work that may be required to properly connect or otherwise make its several parts come together and properly integrate with such other work. CMAR shall not endanger any work of others by cutting, excavating, or otherwise altering such work; provided, however, that CMAR may cut or alter others' work with the written consent of Owner's Advisor and the others whose work will be affected.
- E. If the proper execution or results of any part of CMAR's Work depends upon work performed by others, CMAR shall inspect such other work and promptly report to Owner's Advisor in writing any delays, defects, or deficiencies in such other work that render it unavailable or unsuitable for the proper execution and results of CMAR's Work. CMAR's failure to so report will constitute an acceptance of such other work as fit and proper for integration with CMAR's Work except for latent defects and deficiencies in such other work.
- F. The provisions of this Article are not applicable to work that is performed by third-party utilities or other third-party entities without a contract with Owner, or that is performed without having been arranged by Owner. If such work occurs, then any related delay, disruption, or interference incurred by CMAR is governed by the provisions of Paragraph 4.05.C.3.

#### 8.02 Coordination

- A. If Owner intends to contract with others for the performance of other work at or adjacent to the Site, to perform other work at or adjacent to the Site with Owner's employees, or to arrange to have utility owners perform work at or adjacent to the Site, the following will be set forth in the Supplementary Conditions or provided to CMAR prior to the start of any such other work:
  - 1. The identity of the individual or entity that will have authority and responsibility for coordination of the activities among the various contractors;
  - 2. An itemization of the specific matters to be covered by such authority and responsibility; and
  - 3. The extent of such authority and responsibilities.
- B. Unless otherwise provided in the Supplementary Conditions, Owner shall have sole authority and responsibility for such coordination.

#### 8.03 Legal Relationships

- A. If, in the course of performing other work for Owner at or adjacent to the Site, the Owner's employees, any other contractor working for Owner, or any utility owner that Owner has arranged to perform work, causes damage to the Work or to the property of CMAR or its Subcontractors, or delays, disrupts, interferes with, or increases the scope or cost of the performance of the Work, through actions or inaction, then CMAR shall be entitled to an equitable adjustment in the Guaranteed Maximum Price or the Contract Times. CMAR must submit any Change Proposal seeking an equitable adjustment in the Guaranteed Maximum Price or the Contract Times under this paragraph within 30 days of the damaging, delaying, disrupting, or interfering event. The entitlement to, and extent of, any such equitable adjustment will consider information, if any regarding such other work that was provided to CMAR in the Contract Documents prior to the submittal of the Proposal or the final negotiation of the terms of the Contract, and any remedies available to CMAR under Laws or Regulations concerning utility action or inaction. When applicable, any such equitable

adjustment in Guaranteed Maximum Price will be conditioned on CMAR assigning to Owner all CMAR's rights against such other contractor or utility owner with respect to the damage, delay, disruption, or interference that is the subject of the adjustment. CMAR's entitlement to an adjustment of the Contract Times or Guaranteed Maximum Price is subject to the provisions of Paragraphs 4.05.D and 4.05.E.

- B. CMAR shall take reasonable and customary measures to avoid damaging, delaying, disrupting, or interfering with the work of Owner, any other contractor, or any utility owner performing other work at or adjacent to the Site.
  - 1. If CMAR fails to take such measures, and as a result, damages, delays, disrupts, or interferes with the work of any such other contractor or utility owner, then Owner may impose a set-off against payments due CMAR, and assign to such other contractor or utility owner the Owner's contractual rights against CMAR with respect to the breach of the obligations set forth in this Paragraph 8.03.B.
  - 2. When Owner is performing other work at or adjacent to the Site with Owner's employees, CMAR shall be liable to Owner for damage to such other work, and for the reasonable direct delay, disruption, and interference costs incurred by Owner as a result of CMAR's failure to take reasonable and customary measures with respect to Owner's other work. In response to such damage, delay, disruption, or interference, Owner may impose a set-off against payments due CMAR.
- C. If CMAR damages, delays, disrupts, or interferes with the work of any other contractor, or any utility owner performing other work at or adjacent to the Site, through CMAR's failure to take reasonable and customary measures to avoid such impacts, or if any claim arising out of CMAR's actions, inactions, or negligence in performance of the Work at or adjacent to the Site is made by any such other contractor or utility owner against CMAR, Owner, Owner's Advisor, or Engineer, then CMAR shall (1) promptly attempt to settle the claim as to all parties through negotiations with such other contractor or utility owner, or otherwise resolve the claim by arbitration or other dispute resolution proceeding or at law, and (2) indemnify and hold harmless Owner, Owner's Advisor, and Engineer, and their officers, directors, members, partners, employees, agents, consultants and subcontractors from and against any such claims, and against all costs, losses, and damages, including but not limited to all fees and charges of construction managers, engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs arising out of or relating to such damage, delay, disruption, or interference.

## **ARTICLE 9—OWNER'S RESPONSIBILITIES**

### **9.01 Communications to CMAR**

- A. Except as otherwise provided in these General Conditions, Owner shall issue all communications to CMAR through Owner's Advisor.

### **9.02 Replacement of Owner's Advisor or Engineer**

- A. Owner may at its discretion appoint a replacement for Owner's Advisor, provided CMAR makes no reasonable objection to the replacement. The replacement's status under the Contract Documents will be that of the former Owner's Advisor.



- B. Owner may at its discretion appoint an engineer to replace Engineer, provided CMAR makes no reasonable objection to the replacement engineer. The replacement engineer's status under the Contract Documents will be that of the former Engineer.
- 9.03 Furnish Data
  - A. Owner shall promptly furnish the data required of Owner under the Contract Documents.
- 9.04 Pay CMAR
  - A. Owner shall make payments to CMAR when they are due as provided in the Agreement.
- 9.05 Lands and Easements; Reports, Tests, and Drawings
  - A. Owner's duties with respect to providing lands and easements are set forth in Paragraph 5.01.
  - B. Owner's duties with respect to providing engineering surveys to establish reference points are set forth in Paragraph 4.03.
  - C. Article 5 refers to Owner's identifying and making available to CMAR copies of reports of explorations and tests of conditions at the Site, and drawings of physical conditions relating to existing surface or subsurface structures at the Site.
- 9.06 Insurance
  - A. Owner's responsibilities, if any, with respect to purchasing and maintaining liability and property insurance are set forth in Article 6.
- 9.07 Change Orders
  - A. Owner's responsibilities with respect to Change Orders are set forth in Article 11.
- 9.08 Inspections, Tests, and Approvals
  - A. Owner's responsibility with respect to certain inspections, tests, and approvals is set forth in Paragraph 14.02.B.
- 9.09 Owner's Tasks in Support of CMAR Services
  - A. Owner shall provide CMAR with all criteria and full information as to Owner's requirements for the Project including drafts of proposed Contract Documents, general schedules and completion requirements, reports, surveys, permits, record documents from related previous projects, and other information as required for CMAR to provide services. Owner shall be responsible for, and CMAR may rely upon, the accuracy and completeness of all such criteria and information, and of any other programs, instructions, data, and other information furnished by Owner to CMAR pursuant to this Agreement. CMAR may use such criteria and information in performing or furnishing CMAR Services.
  - B. Owner shall provide reasonable assistance to CMAR in securing the release of documents and information held by private entities and by public agencies as needed to provide services required by this Agreement.
  - C. Owner shall arrange for safe access to and make all provisions for CMAR to enter upon public and private property as required for CMAR to perform services.

- D. Owner shall review documents presented by CMAR, make decisions, and carry out Owner's other responsibilities in a timely manner so as not to delay the CMAR's performance of its services.
- E. Owner shall provide the services of attorneys, insurance consultants, financial advisors, and other professional advisors or consultants required for the Project, but not provided by the CMAR.
  - 1. Advise CMAR of the identity and scope of services of any independent consultant, designer, contractor, or other construction manager employed by Owner to perform or furnish services in regard to the Project, including cost estimating, project peer reviews, value engineering, and constructability reviews.
  - 2. Define and set forth the duties, responsibilities, and limitations of authority of these other parties as they relate to the duties, responsibilities, and authority of CMAR.
- F. Owner is not responsible for discovering deficiencies in the CMAR's Services. CMAR will correct any deficiencies without additional compensation, except to the extent this corrective action is directly attributable to deficiencies in Owner-furnished information.

#### 9.10 Limitations on Owner's Responsibilities

- A. The Owner shall not supervise, direct, or have control or authority over, nor be responsible for, CMAR's means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or for any failure of CMAR to comply with Laws and Regulations applicable to the performance of the Work. Owner will not be responsible for CMAR's failure to perform the Work in accordance with the Contract Documents.

#### 9.11 Undisclosed Hazardous Environmental Condition

- A. Owner's responsibility in respect to an undisclosed Hazardous Environmental Condition is set forth in Paragraph 5.06.

#### 9.12 Evidence of Financial Arrangements

- A. Upon request of CMAR, Owner shall furnish CMAR reasonable evidence that financial arrangements have been made to satisfy Owner's obligations under the Contract, including obligations under proposed changes in the Work.

#### 9.13 Safety Programs

- A. While at the Site, Owner's employees and representatives will comply with the specific applicable requirements of CMAR's safety programs of which Owner has been informed.
- B. Owner shall furnish copies of any applicable Owner safety programs to CMAR.

### **ARTICLE 10—STATUS OF OWNER'S ADVISOR AND ENGINEER DURING CONSTRUCTION**

#### 10.01 Owner's Advisor

- A. Owner's Advisor will be Owner's representative during the construction period.
- B. The general duties, responsibilities, and the limitations of authority of Owner's Advisor and Engineer during construction are set forth below.

#### 10.02 Visits to Site

- A. Owner's Advisor will either be based at the Site or make visits to the Site on a regular basis. Owner's Advisor will observe the Work; check the quality, quantity, and progress of the Work; implement Owner's quality assurance program; and administer the Contract as Owner's representative.
- B. Engineer will make visits to the Site at intervals appropriate to the various stages of construction as Engineer deems necessary in order to observe, as an experienced and qualified design professional, the progress that has been made and the quality of the various aspects of CMAR's executed Work. Engineer will not be required to make exhaustive or continuous inspections on the Site to check the quality or quantity of the Work. Engineer will report to Owner's Advisor regarding information obtained during such Site visits and observations.
- C. Owner's Advisor's and Engineer's visits and observations are subject to all the limitations on Owner's Advisor's and Engineer's authority and responsibility set forth in Paragraph 10.05. Particularly, but without limitation, during or as a result of Owner's Advisor's and Engineer's visits or observations of CMAR's Work, neither Owner's Advisor nor Engineer will supervise, direct, control, or have authority over or be responsible for CMAR's means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or for any failure of CMAR to comply with Laws and Regulations applicable to the performance of the Work.

#### 10.03 Determinations for Unit Price Work

- A. Owner's Advisor will determine the actual quantities and classifications of Unit Price Work performed or furnished by CMAR as set forth in Paragraph 13.02.

#### 10.04 Decisions on Requirements of Contract Documents and Acceptability of Work; Exercise of Authority

- A. Owner's Advisor will render decisions regarding the requirements of the Contract Documents, and judge the quality and acceptability of the Work, pursuant to the specific procedures set forth herein for interpretations, Change Proposals, Applications for Payment, and acceptance of the Work.
  - 1. Before rendering such decisions or judgments, and before exercising its authority with respect to differing subsurface or physical conditions, Underground Facilities, "or equal" and substitute requests, emergencies, Field Orders, and similar matters, Owner's Advisor will consult with Engineer as to all matters in question involving (a) the design, as set forth in the Drawings, Specifications, or otherwise, (b) the quality or acceptability of the Work under the Contract Documents, or (c) other engineering matters.
  - 2. With respect to such matters, Owner's Advisor's decisions and judgments as rendered will be in accord with Engineer's professional analysis, opinions, recommendations, and conclusions.
- B. In rendering such decisions and judgments, exercising such authority, or providing professional analysis, opinions, recommendations, or conclusions underlying such decisions and judgments, neither Owner's Advisor nor Engineer will show partiality to Owner or CMAR, and neither Owner's Advisor nor Engineer will be liable to Owner, CMAR, or others in

connection with any proceedings, interpretations, analysis, opinions, recommendations, conclusions, decisions, or judgments conducted or rendered in good faith.

- C. Owner's Advisor may at any time request that CMAR furnish proposed changes to Guaranteed Maximum Price and Contract Times that would result from specified proposed changes to the Contract Documents.

#### 10.05 Limitations on Owner's Advisor's and Engineer's Authority and Responsibilities

- A. Neither Owner's Advisor's nor Engineer's authority or responsibility under this Article 10 or under any other provision of the Contract, nor any decision made by Owner's Advisor or Engineer in good faith either to exercise or not exercise such authority or responsibility or the undertaking, exercise, or performance of any authority or responsibility by Owner's Advisor or Engineer, will create, impose, or give rise to any duty in contract, tort, or otherwise owed by Owner's Advisor or Engineer to CMAR, any Subcontractor, any Supplier, any other individual or entity, or to any surety for or employee or agent of any of them.
- B. Neither Owner's Advisor nor Engineer will supervise, direct, control, or have authority over or be responsible for CMAR's means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or for any failure of CMAR to comply with Laws and Regulations applicable to the performance of the Work. Neither Owner's Advisor nor Engineer will be responsible for CMAR's failure to perform the Work in accordance with the Contract Documents.
- C. Neither Owner's Advisor nor Engineer will be responsible for the acts or omissions of CMAR or of any Subcontractor, any Supplier, or of any other individual or entity performing any of the Work.
- D. Owner's Advisor's review of the final Application for Payment and accompanying documentation, and all maintenance and operating instructions, schedules, guarantees, bonds, certificates of inspection, tests and approvals, and other documentation required to be delivered by CMAR under Paragraph 15.07.A, will only be to determine generally that their content complies with the requirements of the Contract Documents, and in the case of certificates of inspections, tests, and approvals, that the results certified indicate compliance with the Contract Documents.

#### 10.06 Compliance with Safety Program

- A. While at the Site, Owner's Advisor's and Engineer's employees and representatives will comply with the specific applicable requirements of Owner's and CMAR's safety programs of which Owner's Advisor and Engineer have been informed.

### ARTICLE 11—CHANGES TO THE CONTRACT

#### 11.01 Amending and Supplementing the Contract

- A. The Contract may be amended or supplemented by a Contract Amendment, Work Authorization, Change Order, Work Change Directive, or Field Order.
- B. A Work Authorization, as more fully defined in Paragraph 1.01, is used to authorize specified Work, and establish related compensation. Change Orders, Work Change Directives, and Field Orders are used to modify a Work Authorization, including but not limited to

modifications of the authorized Work and changes to the Guaranteed Maximum Price and Contract Times associated with the Work Authorization.

If a modification under a Work Authorization includes a change in the Guaranteed Maximum Price or the Contract Times, such amendment or supplement must be set forth in a Change Order.

- C. A Contract Amendment, as more fully defined in Paragraph 1.01, is used for general contract modification purposes.
- D. All changes to the Contract that involve (1) the performance or acceptability of the Work, (2) the design, as set forth in the Drawings, Specifications, or otherwise, or (3) other engineering matters, must be supported by Engineer's recommendation. Owner and CMAR may amend other terms and conditions of the Contract without the recommendation of the Engineer.

#### 11.02 Change Orders

- A. With respect to a governing Work Authorization, Owner and CMAR shall execute appropriate Change Orders covering:
  - 1. Changes in Guaranteed Maximum Price or Contract Times which are agreed to by the parties, including any undisputed sum or amount of time for Work performed in accordance with a Work Change Directive;
  - 2. Changes in the Work which are: (a) ordered by Owner pursuant to Paragraph 11.05, (b) required because of Owner's acceptance of defective Work under Paragraph 14.04 or Owner's correction of defective Work under Paragraph 14.07, or (c) agreed to by the parties, subject to the need for Engineer's recommendation if the change in the Work involves the design, as set forth in the Drawings, Specifications, or otherwise, or other engineering matters; and
  - 3. Changes that embody the substance of any final and binding results under: Paragraph 11.03.B, resolving the impact of a Work Change Directive; Paragraph 11.09, concerning Change Proposals; Paragraph 13.02.D, final adjustments relating to determination of quantities for Unit Price Work; and similar provisions.
- B. If Owner or CMAR refuses to execute a Change Order that is required to be executed under the terms of Paragraph 11.02.A, it will be deemed to be of full force and effect, as if fully executed.
- C. Owner and CMAR will enter into either a Change Order, if related to a specific Work Authorization, or a Contract Amendment with respect to the following:
  - 1. Changes in Guaranteed Maximum Price resulting from an Owner set-off, unless CMAR has duly contested such set-off;
  - 2. Changes that embody the substance of any final and binding results under Article 12, Claims; Paragraph 13.01, final adjustments resulting from allowances; and similar provisions.

#### 11.03 Work Change Directives

- A. A Work Change Directive will not change the Guaranteed Maximum Price or the Contract Times but is evidence that the parties expect that the modification ordered or documented

by a Work Change Directive will be incorporated in a subsequently issued Change Order, following negotiations by the parties as to the Work Change Directive's effect, if any, on the Guaranteed Maximum Price and Contract Times; or, if negotiations are unsuccessful, by a determination under the terms of the Contract Documents governing adjustments, expressly including Paragraph 11.07 regarding change of Guaranteed Maximum Price.

B. If Owner has issued a Work Change Directive and:

1. CMAR believes that an adjustment in Contract Times or Guaranteed Maximum Price is necessary, then CMAR shall submit any Change Proposal seeking such an adjustment no later than 30 days after the completion of the Work set out in the Work Change Directive.
2. Owner believes that an adjustment in Contract Times or Guaranteed Maximum Price is necessary, then Owner shall submit any Claim seeking such an adjustment no later than 60 days after issuance of the Work Change Directive.

11.04 Field Orders

- A. Owner's Advisor, in consultation with Engineer, may authorize minor changes in the Work if the changes do not involve an adjustment in the Guaranteed Maximum Price or the Contract Times. Such changes will be accomplished by a Field Order and will be binding on Owner and on CMAR, which shall perform the Work involved promptly.
- B. If CMAR believes that a Field Order justifies an adjustment in the Guaranteed Maximum Price or Contract Times, then before proceeding with the Work at issue, CMAR shall submit a Change Proposal as provided herein.

11.05 Owner-Authorized Changes in the Work

- A. Without invalidating the Contract and without notice to any surety, Owner may, at any time or from time to time, order additions, deletions, or revisions in the Work. Changes involving the design, as set forth in the Drawings, Specifications, or otherwise, or other engineering matters will be supported by Engineer's recommendation.
- B. Such changes in the Work may be accomplished by a Change Order, if Owner and CMAR have agreed as to the effect, if any, of the changes on Contract Times or Guaranteed Maximum Price; or by a Work Change Directive. Upon receipt of any such document, CMAR shall promptly proceed with the Work involved; or, in the case of a deletion in the Work, promptly cease construction activities with respect to such deleted Work. Added or revised Work must be performed under the applicable conditions of the Contract Documents.
- C. Nothing in this Paragraph 11.05 obligates CMAR to undertake work that CMAR reasonably concludes cannot be performed in a manner consistent with CMAR's safety obligations under the Contract Documents or Laws and Regulations.

11.06 Unauthorized Changes in the Work

- A. CMAR shall not be entitled to an increase in the Guaranteed Maximum Price or an extension of the Contract Times with respect to any work performed that is not required by the Contract Documents, as amended, modified, or supplemented, except in the case of an emergency as provided in Paragraph 7.18 or in the case of uncovering Work as provided in Paragraph 14.05.C.2.

#### 11.07 Change of Contract Price

- A. The Contract Price may be changed by a Work Authorization, Change Order, or Contract Amendment. Any Change Proposal for an adjustment in the Guaranteed Maximum Price must comply with the provisions of Paragraph 11.09. Any Claim for an adjustment of Contract Price must comply with the provisions of Article 12.
- B. An adjustment in the Guaranteed Maximum Price with respect to the Work will be determined as follows:
  - 1. Where the Work involved is covered by unit prices contained in the Contract Documents, then by application of such unit prices to the quantities of the items involved;
  - 2. Where the Work involved is not covered by unit prices contained in the Contract Documents, then by a mutually agreed lump sum; or
  - 3. Where the Work involved is not covered by unit prices contained in the Contract Documents and the parties do not reach mutual agreement to a lump sum, then on the basis of the Cost of the Work determined in accordance with the Cost of the Work provisions in the Agreement, plus the CMAR Fee, applied proportionally, for overhead and profit determined in accordance with the terms in the Agreement.

#### 11.08 Change of Contract Times

- A. The Contract Times may be changed by a Work Authorization, Change Order, or Contract Amendment. Any Change Proposal for an adjustment in the Contract Times must comply with the provisions of Paragraph 11.09. Any Claim for an adjustment in the Contract Times must comply with the provisions of Article 12.
- B. Delay, disruption, and interference in the Work, and any related changes in Contract Times, are addressed in and governed by Paragraph 4.05.

#### 11.09 Change Proposals

- A. Purpose and Content—CMAR shall submit a Change Proposal to Owner's Advisor to request an adjustment in the Contract Times or Guaranteed Maximum Price; contest a decision by Owner's Advisor concerning the requirements of the Contract Documents or relating to the acceptability of the Work under the Contract Documents; challenge a set-off against payment due; or seek other relief under the Contract. The Change Proposal will specify any proposed change in Contract Times or Guaranteed Maximum Price, or other proposed relief; identify any governing Work Authorization; indicate CMAR's recommendation for the correct means of amending the Contract (Work Authorization, Change Order, or Contract Amendment) if the proposed change is accepted; and explain the reason for the proposed change, with citations to any governing or applicable provisions of the Contract Documents. Each Change Proposal will address only one issue, or a set of closely related issues.
- B. Determination of Changes in Guaranteed Maximum Price for Work—If a Change Order under a Work Authorization entails a change in Guaranteed Maximum Price, then:
  - 1. The change will include the applicable increase or decrease in Cost of the Work, pursuant to the provisions Article 6 of the Agreement.
  - 2. The CMAR Fee for changes will be those agreed to Article 7 of the Agreement.

3. If there is a Guaranteed Maximum Price, it will increase or decrease in an amount equal to the increase or decrease in the Cost of the Work and CMAR Fee, as duly determined.
4. The amount of any increases or decreases in the CMAR Fee, or in Guaranteed Maximum Price, will be set forth in the applicable Change Order.

C. Change Proposal Procedures

1. Submittal—CMAR shall submit each Change Proposal to Owner's Advisor within 30 days after the start of the event giving rise thereto, or after such decision.
2. Supporting Data—The CMAR shall submit supporting data, including the proposed change in Guaranteed Maximum Price or Contract Time, if any, to the Owner's Advisor within 15 days after the submittal of the Change Proposal.
  - a. Change Proposals based on or related to delay, interruption, or interference must comply with the provisions of Paragraphs 4.05.D and 4.05.E.
  - b. Change Proposals related to a change of Guaranteed Maximum Price based on Cost of the Work must include full and detailed account of eligible costs, such as materials incorporated into the Work, labor and equipment used for the subject Work, and Subcontract costs.

The supporting data must be accompanied by a written statement that the supporting data is accurate and complete, and that any requested time or price adjustment is the entire adjustment to which CMAR believes it is entitled as a result of said event.

3. Owner's Advisor's Initial Review—Owner's Advisor, in consultation with Engineer, will advise Owner regarding the Change Proposal and consider any comments or response from Owner regarding the Change Proposal. If in its discretion Owner's Advisor concludes that additional supporting data is needed before conducting a full review and deciding regarding the Change Proposal, then Owner's Advisor may request that CMAR submit such additional supporting data by a date specified by Owner's Advisor, prior to Owner's Advisor beginning its full review of the Change Proposal.
  4. Owner's Advisor's Full Review and Action on the Change Proposal—Upon receipt of CMAR's supporting data, including any additional data requested by Owner's Advisor, Owner's Advisor, in consultation with Engineer, will conduct a full review of each Change Proposal and, within 30 days after such receipt of the CMAR's supporting data, either approve the Change Proposal in whole, deny it in whole, or approve it in part and deny it in part. Such actions must be in writing, with a copy provided to Owner and CMAR. If Owner's Advisor does not act on the Change Proposal within 30 days, then either Owner or CMAR may at any time thereafter submit a letter to the other party indicating that as a result of Owner's Advisor's inaction the Change Proposal is deemed denied, thereby commencing the time for appeal of the denial under Article 12.
  5. Binding Decision—Owner's Advisor's decision is final and binding upon Owner and CMAR, unless Owner or CMAR appeals the decision by filing a Claim under Article 12.
- D. Post-Completion—CMAR shall not submit any Change Proposals after Owner's Advisor issues a written recommendation of final payment pursuant to Paragraph 15.07.B.



#### 11.10 Notification to Surety

- A. CMAR shall notify the performance and payment bond surety of the issuance of each Work Authorization and confirm that the bonds have been adjusted to reflect the changes in Guaranteed Maximum Price and Contract Times.
- B. If the provisions of any bond require notice to be given to a surety of any change affecting the general scope of the Work or the provisions of the Contract Documents, including, but not limited to, Guaranteed Maximum Price or Contract Times, the giving of any such notice will be CMAR's responsibility. The amount of each applicable bond will be adjusted to reflect the effect of any such change.

### ARTICLE 12—CLAIMS

#### 12.01 Claims

- A. Claims Process—The following disputes between Owner and CMAR are subject to the Claims process set forth in this article:
  - 1. Appeals by Owner or CMAR of Owner's Advisor's decisions regarding Change Proposals;
  - 2. Owner demands for adjustments in the Contract Price or Contract Times, or other relief under the Contract Documents; and
  - 3. Subject to the waiver provisions of Paragraph 15.08, any dispute arising after Owner's Advisor has issued a written recommendation of final payment pursuant to Paragraph 15.07.B.
- B. Submittal of Claim—The party submitting a Claim shall deliver it directly to the other party to the Contract promptly, but in no event later than 30 days after the start of the event giving rise thereto; in the case of appeals regarding Change Proposals within 30 days of the decision under appeal. The party submitting the Claim shall also furnish a copy to the Owner's Advisor and Engineer, for their information only. The responsibility to substantiate a Claim rests with the party making the Claim. In the case of a Claim by CMAR seeking an increase in the Contract Times or Contract Price, CMAR shall certify that the Claim is made in good faith, that the supporting data are accurate and complete, and that to the best of CMAR's knowledge and belief the amount of time or money requested accurately reflects the full amount to which CMAR is entitled.
- C. Review and Resolution—The party receiving a Claim shall review it thoroughly and consider its merits. The two parties shall seek to resolve the Claim through the exchange of information and direct negotiations. The parties may extend the time for resolving the Claim by mutual agreement. All actions taken on a Claim will be stated in writing and submitted to the other party, with a copy to Owner's Advisor and Engineer.
- D. Mediation
  - 1. At any time after initiation of a Claim, Owner and CMAR may mutually agree to mediation of the underlying dispute. The agreement to mediate will stay the Claim submittal and response process.
  - 2. If Owner and CMAR agree to mediation, then after 60 days from such agreement, either Owner or CMAR may unilaterally terminate the mediation process, and the Claim submittal and decision process will resume as of the date of the termination. If the

mediation proceeds but is unsuccessful in resolving the dispute, the Claim submittal and decision process will resume as of the date of the conclusion of the mediation, as determined by the mediator.

3. Owner and CMAR shall each pay one-half of the mediator's fees and costs.
- E. Partial Approval—If the party receiving a Claim approves the Claim in part and denies it in part, such action will be final and binding unless within 30 days of such action the other party invokes the procedure set forth in Article 17 for final resolution of disputes.
- F. Denial of Claim—If efforts to resolve a Claim are not successful, the party receiving the Claim may deny it by giving written notice of denial to the other party. If the receiving party does not act on the Claim within 90 days, then either Owner or CMAR may at any time thereafter submit a letter to the other party indicating that as a result of the inaction, the Claim is deemed denied, thereby commencing the time for appeal of the denial. A denial of the Claim will be final and binding unless within 30 days of the denial the other party invokes the procedure set forth in Article 17 for the final resolution of disputes.
- G. Final and Binding Results—If the parties reach a mutual agreement regarding a Claim, whether through approval of the Claim, direct negotiations, mediation, or otherwise; or if a Claim is approved in part and denied in part, or denied in full, and such actions become final and binding; then the results of the agreement or action on the Claim will be incorporated in a Change Order or other written document to the extent they affect the Contract, including the Work, the Contract Times, or the Contract Price.

## **ARTICLE 13—ALLOWANCES; UNIT PRICE WORK**

### **13.01 Allowances**

- A. The CMAR Contingency Allowance (Agreement, Article 8) and Owner's Contingency Allowance (Agreement, Article 12) are governed by the applicable provisions of the Agreement.
- B. CMAR confirms that it has included the CMAR Contingency Allowance in the Guaranteed Maximum Price and shall cause the Work so covered to be performed for such sums and by such persons or entities as may be acceptable to Owner and Owner's Advisor.
- C. CMAR confirms that it has included the Owner's Contingency Allowance in the Contract Price and that use of Owner's Contingency Allowance is subject to the provisions of Article 12 in the Agreement.
- D. Cash Allowances—CMAR agrees that:
  1. the cash allowances include the cost to CMAR, less any applicable trade discounts, of materials and equipment required by the allowances to be delivered at the Site, and all applicable taxes; and
  2. CMAR's costs for unloading and handling on the Site, labor, installation, overhead, profit, and other expenses contemplated for the cash allowances have been included in the Guaranteed Maximum Price and not in the allowances, and no demand for additional payment for any of the foregoing will be valid.

- E. Prior to final payment, an appropriate Change Order will be issued as recommended by Owner's Advisor to reflect actual amounts due CMAR for Work covered by allowances, and the Guaranteed Maximum Price will be correspondingly adjusted.

#### 13.02 Unit Price Work

- A. Where the Contract Documents provide that all or part of the Work is to be Unit Price Work, initially the Guaranteed Maximum Price will be deemed to include for all Unit Price Work an amount equal to the sum of the unit price for each separately identified Item of Unit Price Work times the estimated quantity of each Item as indicated in the Agreement.
- B. The estimated quantities of items of Unit Price Work are not guaranteed and are solely for the purpose of comparison of Proposals and determining an Estimated Guaranteed Maximum Price. Payments to CMAR for Unit Price Work will be based on actual quantities.
- C. Each unit price will be deemed to include an amount considered by CMAR to be adequate to cover CMAR's overhead and profit for each separately identified item.
- D. Owner's Advisor will determine the actual quantities and classifications of Unit Price Work performed or furnished by CMAR. Owner's Advisor will review with CMAR the Owner's Advisor's preliminary determinations on such matters before rendering a written decision thereon, by recommendation of an Application for Payment or otherwise. Owner's Advisor's written decision thereon will be final and binding except as modified by Owner's Advisor to reflect changed factual conditions or more accurate data upon Owner and CMAR, and the final adjustment of Guaranteed Maximum Price will be set forth in a Change Order, subject to the provisions of the following Paragraph.
- E. Adjustments in Unit Price
  - 1. CMAR or Owner shall be entitled to an adjustment in the unit price with respect to an Item of Unit Price Work if:
    - a. the quantity of the Item of Unit Price Work performed by CMAR differs materially and significantly from the estimated quantity of such Item indicated in the Agreement; and
    - b. CMAR's unit costs to perform the Item of Unit Price Work have changed materially and significantly as a result of the quantity change.
  - 2. The adjustment in unit price will account for and be coordinated with any related changes in quantities of other items of Work, and in CMAR's costs to perform such other Work, such that the resulting overall change in Guaranteed Maximum Price is equitable to Owner and CMAR.
  - 3. Adjusted unit prices will apply to all units of that item.

### ARTICLE 14—TESTS AND INSPECTIONS; CORRECTION, REMOVAL, OR ACCEPTANCE OF DEFECTIVE WORK

#### 14.01 Access to Work

- A. Owner, Owner's Advisor, Engineer, their consultants and other representatives and personnel of Owner, independent testing laboratories, and authorities having jurisdiction have access to the Site and the Work at reasonable times for their observation, inspection, and testing. CMAR shall provide them with proper and safe conditions for such access and

advise them of CMAR's safety procedures and programs so that they may comply with such procedures and programs as applicable.

#### 14.02 Tests, Inspections, and Approvals

- A. CMAR shall give Owner's Advisor timely notice of readiness of the Work, or specific parts thereof, for all required inspections and tests and shall cooperate with inspection and testing personnel to facilitate required inspections and tests.
- B. Owner shall retain and pay for the services of an independent inspector, testing laboratory, or other qualified individual or entity to perform all inspections and tests expressly required by the Contract Documents to be furnished and paid for by Owner, except those costs incurred in connection with tests or inspections of covered Work will be governed by the provisions of Paragraph 14.05.
- C. If Laws or Regulations of any public body having jurisdiction require any Work, or part thereof, specifically to be inspected, tested, or approved by an employee or other representative of such public body, CMAR shall assume full responsibility for arranging and obtaining such inspections, tests, or approvals, pay all costs in connection therewith, and furnish Owner's Advisor the required certificates of inspection or approval.
- D. CMAR shall be responsible for arranging, obtaining, and paying for all inspections and tests required:
  - 1. by the Contract Documents, unless the Contract Documents expressly allocate responsibility for a specific inspection or test to Owner;
  - 2. to attain acceptance of materials or equipment to be incorporated in the Work;
  - 3. by manufacturers of equipment furnished under the Contract Documents;
  - 4. for testing, adjusting, and balancing of mechanical, electrical, and other equipment to be incorporated into the Work; and
  - 5. for acceptance of materials, mix designs, or equipment submitted for approval prior to CMAR's purchase thereof for incorporation in the Work.

Such inspections and tests will be performed by independent inspectors, testing laboratories, or other qualified individuals or entities acceptable to Owner and Owner's Advisor.

- E. If the Contract Documents require the Work, or part thereof, to be accepted by Owner, Owner's Advisor, Engineer, or another designated individual or entity, then CMAR shall assume full responsibility for arranging and obtaining such approvals.
- F. If any Work, or the work of others that is to be inspected, tested, or approved is covered by CMAR without written concurrence of Owner's Advisor, CMAR shall, if requested by Owner's Advisor, uncover such Work for observation. Such uncovering will be at CMAR's expense unless CMAR has given Owner's Advisor timely notice of CMAR's intention to cover the same and Owner's Advisor had not acted with reasonable promptness in response to such notice.

#### 14.03 Defective Work

- A. CMAR's Obligation—It is CMAR's obligation to assure that the Work is not defective.
- B. Owner's Advisor's Authority—Owner's Advisor has the authority to determine, in consultation with Engineer, whether Work is defective, and to reject defective Work.
- C. Notice of Defects—Prompt written notice of all defective Work of which Owner, Owner's Advisor, or Engineer has actual knowledge will be given to CMAR.
- D. Correction, or Removal and Replacement—Promptly after receipt of written notice of defective Work, CMAR shall correct all such defective Work, whether or not fabricated, installed, or completed, or, if Owner's Advisor has rejected the defective Work, remove it from the Project and replace it with Work that is not defective.
- E. Preservation of Warranties—When correcting defective Work, CMAR shall take no action that would void or otherwise impair Owner's special warranty and guarantee, if any, on said Work.
- F. Costs and Damages—In addition to its correction, removal, and replacement obligations with respect to defective Work, CMAR shall pay all claims, costs, losses, and damages arising out of or relating to defective Work, including but not limited to the cost of the inspection, testing, correction, removal, replacement, or reconstruction of such defective Work, fines levied against Owner by governmental authorities because the Work is defective, and the costs of repair or replacement of work of others resulting from defective Work. Prior to final payment, if Owner and CMAR are unable to agree as to the measure of such claims, costs, losses, and damages resulting from defective Work, then Owner may impose a reasonable set-off against payments due under Article 15.

#### 14.04 Acceptance of Defective Work

- A. If, instead of requiring correction or removal and replacement of defective Work, Owner prefers to accept it, Owner may do so. If such acceptance occurs prior to final payment, to Engineer's confirmation that such acceptance is in general accord with the design intent and applicable engineering principles and will not endanger public safety. CMAR shall pay all claims, costs, losses, and damages attributable to Owner's evaluation of and determination to accept such defective Work; such costs to be approved by Owner's Advisor as to reasonableness, and for the diminished value of the Work to the extent not otherwise paid by CMAR. If any such acceptance occurs prior to final payment, the necessary revisions in the Contract Documents with respect to the Work will be incorporated in a Change Order. If the parties are unable to agree as to the decrease in the Guaranteed Maximum Price, reflecting the diminished value of Work so accepted, then Owner may impose a reasonable set-off against payments due under Article 15. If the acceptance of defective Work occurs after final payment, CMAR shall pay an appropriate amount to Owner.

#### 14.05 Uncovering Work

- A. Owner's Advisor has the authority to require additional inspection or testing of the Work, whether or not the Work is fabricated, installed, or completed.
- B. If any Work is covered contrary to the written request of Owner's Advisor, then CMAR shall, if requested by Owner's Advisor, uncover such Work for Owner's Advisor's or Engineer's observation, and then replace the covering, all at CMAR's expense.

- C. If Engineer or Owner's Advisor considers it necessary or advisable that covered Work be observed by Owner's Advisor or Engineer, or inspected or tested by others, then Owner's Advisor will so advise CMAR, and CMAR shall uncover, expose, or otherwise make available for observation, inspection, or testing as Owner's Advisor may require, that portion of the Work in question, and provide all necessary labor, material, and equipment.
  - 1. If it is found that the uncovered Work is defective, CMAR shall be responsible for all claims, costs, losses, and damages arising out of or relating to such uncovering, exposure, observation, inspection, and testing, and of satisfactory replacement or reconstruction, including but not limited to all costs of repair or replacement of work of others, and pending CMAR's full discharge of this responsibility the Owner shall be entitled to impose a reasonable set-off against payments due under Article 15.
  - 2. If the uncovered Work is not found to be defective, CMAR shall be allowed an increase in the Guaranteed Maximum Price or an extension of the Contract Times, directly attributable to such uncovering, exposure, observation, inspection, testing, replacement, and reconstruction. If the parties are unable to agree as to the amount or extent thereof, then CMAR may submit a Change Proposal within 30 days of the determination that the Work is not defective.

#### 14.06 Owner May Stop the Work

- A. If the Work is defective, or CMAR fails to supply sufficient skilled workers or suitable materials or equipment, or fails to perform the Work in such a way that the completed Work will conform to the Contract Documents, then Owner may order CMAR to stop the Work, or any portion thereof, until the cause for such order has been eliminated; however, this right of Owner to stop the Work will not give rise to any duty on the part of Owner to exercise this right for the benefit of CMAR, any Subcontractor, any Supplier, any other individual or entity, or any surety for, or employee or agent of any of them.

#### 14.07 Owner May Correct Defective Work

- A. If CMAR fails within a reasonable time after written notice from Owner's Advisor to correct defective Work, or to remove and replace defective Work as required by Owner's Advisor, then Owner may, after 7 days' written notice to CMAR, correct or remedy any such deficiency.
- B. In exercising the rights and remedies under this Paragraph 14.07, Owner shall proceed expeditiously. In connection with such corrective or remedial action, Owner may exclude CMAR from all or part of the Site, take possession of all or part of the Work and suspend CMAR's services related thereto, and incorporate in the Work all materials and equipment stored at the Site or for which Owner has paid CMAR but which are stored elsewhere. CMAR shall allow Owner, Owner's representatives, agents and employees, Owner's other contractors, Owner's Advisor, Engineer, and their consultants access to the Site to enable Owner to exercise the rights and remedies under this paragraph.
- C. All claims, costs, losses, and damages incurred or sustained by Owner in exercising the rights and remedies under this Paragraph 14.07 will be charged against CMAR as set-offs against payments due under Article 15. Such claims, costs, losses, and damages will include but not be limited to all costs of repair, or replacement of work of others destroyed or damaged by correction, removal, or replacement of CMAR's defective Work.

- D. CMAR shall not be allowed an extension of the Contract Times because of any delay in the performance of the Work attributable to the exercise by Owner of Owner's rights and remedies under this Paragraph 14.07.

## **ARTICLE 15—PAYMENTS TO CMAR; SET-OFFS; COMPLETION; CORRECTION PERIOD**

### **15.01 Payment for CMAR Services**

- A. The basis and procedures for payment for CMAR Services are set forth in the Agreement, Article 3. The provisions of this Article 15 pertain to payment for performance and furnishing of the Work, unless noted otherwise.

### **15.02 Progress Payments**

#### **A. Basis for Progress Payments**

1. CMAR will, at least 10 days prior to applying for Payment, prepare and submit for approval by Owner's Advisor a schedule allocating portions of the Guaranteed Maximum Price to various portions of the Work, as determined by the applicable Work Authorizations.
2. The Schedule of Values will serve as the basis for progress payments and will be incorporated by Owner's Advisor into an Application for Payment form. Progress payments for Unit Price Work will be based on the number of units completed during the pay period, as determined under the provisions of Paragraph 13.02. Progress payments for cost-based Work will be based on Cost of the Work completed by CMAR during the pay period.

#### **B. Applications for Payments**

1. At least 20 days before the date established in the Agreement for each progress payment, but not more often than once a month, CMAR shall submit to Owner's Advisor for review an Application for Payment filled out and signed by CMAR covering the Work completed as of the date of the Application and accompanied by such supporting documentation as is required by the Contract Documents.
2. If payment is requested on the basis of materials and equipment not incorporated in the Work but delivered and suitably stored at the Site or at another location agreed to in writing, the Application for Payment must also be accompanied by: (a) a bill of sale, invoice, copies of subcontract or purchase order payments, or other documentation establishing full payment by CMAR for the materials and equipment; (b) at Owner's request, documentation warranting that Owner has received the materials and equipment free and clear of all Liens; and (c) evidence that the materials and equipment are covered by appropriate property insurance, a warehouse bond, or other arrangements to protect Owner's interest therein, all of which must be satisfactory to Owner.
3. Beginning with the second Application for Payment, each Application must include an affidavit of CMAR stating that all previous progress payments received by CMAR have been applied to discharge CMAR's legitimate obligations associated with prior Applications for Payment.

4. The amount of retainage with respect to progress payments will be as stipulated in the Agreement.

C. Review of Applications

1. Owner's Advisor will, within 10 days after receipt of each Application for Payment, including each resubmittal, either indicate in writing a recommendation of payment and present the Application to Owner, or return the Application to CMAR indicating in writing Owner's Advisor's reasons for refusing to recommend payment. In the latter case, CMAR may make the necessary corrections and resubmit the Application.
2. Owner's Advisor's recommendation of any payment requested in an Application for Payment will constitute a representation by Owner's Advisor to Owner, based on Owner's Advisor's (a) observations of the executed Work, (b) consultations with Engineer, and (c) review of the Application for Payment and the accompanying data and schedules, that to the best of Owner's Advisor's knowledge, information, and belief:
  - a. the Work has progressed to the point indicated;
  - b. the quality of the Work is generally in accordance with the Contract Documents subject to an evaluation of the Work as a functioning whole prior to or upon Substantial Completion, the results of any subsequent tests called for in the Contract Documents, a final determination of quantities and classifications for Unit Price Work under Paragraph 13.02, and any other qualifications stated in the recommendation; and
  - c. the conditions precedent to CMAR's being entitled to such payment appear to have been fulfilled in so far as it is Owner's Advisor's responsibility to observe the Work.
3. By recommending any such payment Owner's Advisor will not thereby be deemed to have represented that:
  - a. inspections made to check the quality or the quantity of the Work as it has been performed have been exhaustive, extended to every aspect of the Work in progress, or involved detailed inspections of the Work beyond the responsibilities specifically assigned to Owner's Advisor in the Contract; or
  - b. there may not be other matters or issues between the parties that might entitle CMAR to be paid additionally by Owner or entitle Owner to withhold payment to CMAR.
4. Neither Owner's Advisor's review of CMAR's Work for the purposes of recommending payments nor Owner's Advisor's recommendation of any payment, including final payment, will impose responsibility on Owner's Advisor:
  - a. to supervise, direct, or control the Work;
  - b. for the means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto;
  - c. for CMAR's failure to comply with Laws and Regulations applicable to CMAR's performance of the Work;
  - d. to make any examination to ascertain how or for what purposes CMAR has used the money paid by Owner; or



- e. to determine that title to any of the Work, materials, or equipment has passed to Owner free and clear of any Liens.
- 5. Owner's Advisor may refuse to recommend the whole or any part of any payment if, in Owner's Advisor's opinion, it would be incorrect to make the representations to Owner stated in Paragraph 15.02.C.2.
- 6. Owner's Advisor will recommend reductions in payment (set-offs) necessary in Owner's Advisor's opinion to protect Owner from loss because:
  - a. the Work is defective, requiring correction or replacement;
  - b. the Guaranteed Maximum Price has been reduced by Change Orders or other Contract modifications;
  - c. Owner has been required to correct defective Work in accordance with Paragraph 14.07, or has accepted defective Work pursuant to Paragraph 14.04;
  - d. Owner has been required to remove or remediate a Hazardous Environmental Condition for which CMAR is responsible; or
  - e. Owner's Advisor has actual knowledge of the occurrence of any of the events that would constitute a default by CMAR and therefore justify termination for cause under the Contract Documents.
- D. Payment Becomes Due
  - 1. Ten days after Owner's Advisor's presentation of the Application for Payment to Owner with Owner's Advisor's recommendation, the amount recommended, subject to any Owner set-offs, will become due, and when due will be paid by Owner to CMAR.
- E. Reductions in Payment by Owner
  - 1. In addition to any reductions in payment (set-offs) recommended by Owner's Advisor, Owner is entitled to impose a set-off against payment based on any of the following:
    - a. Claims have been made against Owner based on CMAR's conduct in the performance or furnishing of the Work, or Owner has incurred costs, losses, or damages resulting from CMAR's conduct in the performance or furnishing of the Work, including but not limited to claims, costs, losses, or damages from workplace injuries, adjacent property damage, non-compliance with Laws and Regulations, and patent infringement;
    - b. CMAR has failed to take reasonable and customary measures to avoid damage, delay, disruption, and interference with other work at or adjacent to the Site;
    - c. CMAR has failed to provide and maintain required bonds or insurance;
    - d. Owner has been required to remove or remediate a Hazardous Environmental Condition for which CMAR is responsible;
    - e. Owner has incurred extra charges for advisory services or engineering costs related to submittal reviews, evaluations of proposed substitutes, tests, and inspections, or return visits to manufacturing or assembly facilities;
    - f. The Work is defective, requiring correction or replacement;

- g. Owner has been required to correct defective Work in accordance with Paragraph 14.07, or has accepted defective Work pursuant to Paragraph 14.04;
  - h. The Guaranteed Maximum Price has been reduced by Change Orders or other Contract modifications;
  - i. An event has occurred that would constitute a default by CMAR and therefore justify a termination for cause;
  - j. Liquidated or other damages have accrued as a result of CMAR's failure to achieve Milestones, Substantial Completion, or final completion of the Work;
  - k. Liens have been filed in connection with the Work, except where CMAR has delivered a specific bond satisfactory to Owner to secure the satisfaction and discharge of such Liens;
  - l. Claims have been made or costs have been incurred arising from CMAR Services; or
  - m. Other items entitle Owner to a set-off against the amount recommended.
- 2. If Owner imposes any set-off against payment, whether based on its own knowledge or on the written recommendations of Owner's Advisor, Owner will give CMAR immediate written notice, with a copy to Owner's Advisor, stating the reasons for such action and the specific amount of the reduction, and promptly pay CMAR any amount remaining after deduction of the amount so withheld. Owner shall promptly pay CMAR the amount so withheld, or any adjustment thereto agreed to by Owner and CMAR, if CMAR remedies the reasons for such action. The reduction imposed will be binding on CMAR unless it duly submits a Change Proposal contesting the reduction.
  - 3. Upon a subsequent determination that Owner's refusal of payment was not justified, the amount wrongfully withheld will be treated as an amount due as determined by Paragraph 15.02.D.1 and subject to interest as provided in the Agreement.
- F. Where the Contract Price is based on the Cost of Work, if Owner determines that progress payments made to date substantially exceed the actual progress of the Work, as measured by reference to the Schedule of Values, or present a potential conflict with the Guaranteed Maximum Price, then Owner may require that CMAR prepare and submit a plan for the remaining anticipated Applications for Payment that will bring payments and progress into closer alignment and take into account the Guaranteed Maximum Price, if any, through reductions in billings, increases in retainage, or other equitable measures. Owner will review the plan, discuss any necessary modifications, and implement the plan as modified for all remaining Applications for Payment.

#### 15.03 CMAR's Warranty of Title

- A. CMAR warrants and guarantees that title to all Work, materials, and equipment furnished under the Contract will pass to Owner free and clear of (1) all Liens and other title defects, and (2) all patent, licensing, copyright, or royalty obligations, no later than 7 days after the time of payment by Owner.

#### 15.04 Substantial Completion

- A. When CMAR considers the entire Work ready for its intended use CMAR shall notify Owner's Advisor in writing that the entire Work is substantially complete and request that Owner's

Advisor issue a certificate of Substantial Completion. CMAR shall at the same time submit to Owner's Advisor CMAR's proposed punch list of items to be completed or corrected before final payment.

- B. Promptly after CMAR's notification, Owner, CMAR, Owner's Advisor, and Engineer will inspect the Work to determine the status of completion. If the Work is not determined to be substantially complete, Owner's Advisor will notify CMAR in writing, giving the reasons for the determination.
- C. If the Work is deemed substantially complete, Owner's Advisor will deliver to Owner a preliminary certificate of Substantial Completion which will fix the date of Substantial Completion. Owner's Advisor will attach to the certificate the Owner's Advisor's proposed punch list of items to be completed or corrected before final payment. Owner shall have 7 days after receipt of the preliminary certificate during which to make written objection to Owner's Advisor as to any provisions of the certificate or attached punch list. If, after considering the objections to the provisions of the preliminary certificate, Owner's Advisor, in consultation with Engineer, concludes that the Work is not substantially complete, Owner's Advisor will, within 14 days after submission of the preliminary certificate to Owner, notify CMAR in writing that the Work is not substantially complete, stating the reasons for the conclusion. If Owner does not object to the provisions of the certificate, or if despite consideration of Owner's objections Owner's Advisor, in consultation with Engineer, concludes that the Work is substantially complete, then Owner's Advisor will, within said 14 days, execute and deliver to Owner and CMAR a final certificate of Substantial Completion, with a revised punch list of items to be completed or corrected, reflecting such changes from the preliminary certificate as Owner's Advisor believes justified after consideration of any objections from Owner.
- D. At the time of receipt of the preliminary certificate of Substantial Completion, Owner and CMAR will confer regarding Owner's use or occupancy of the Work following Substantial Completion, review the builder's risk insurance policy with respect to the end of the builder's risk coverage, and confirm the transition to coverage of the Work under a permanent property insurance policy held by Owner. Unless Owner and CMAR agree otherwise in writing, Owner shall bear responsibility for security, operation, protection of the Work, property insurance, maintenance, heat, and utilities upon Owner's use or occupancy of the Work.
- E. After Substantial Completion the CMAR shall promptly begin work on the punch list of items to be completed or corrected prior to final payment. In appropriate cases CMAR may submit monthly Applications for Payment for completed punch list items, following the progress payment procedures set forth above.
- F. Owner shall have the right to exclude CMAR from the Site after the date of Substantial Completion subject to allowing CMAR reasonable access to remove its property and complete or correct items on the punch list.

#### 15.05 Partial Use or Occupancy; Completion of Authorized Work

- A. Prior to Substantial Completion of all the Work, Owner may use or occupy any substantially completed part of the Work which has specifically been identified in the Contract Documents, or which Owner, Owner's Advisor, Engineer, and CMAR agree constitutes a separately functioning and usable part of the Work that can be used by Owner for its

intended purpose without significant interference with CMAR's performance of the remainder of the Work, subject to the following conditions:

1. At any time, Owner may request in writing that CMAR permit Owner to use or occupy any such part of the Work that Owner believes to be substantially complete. If and when CMAR agrees that such part of the Work is substantially complete, CMAR, Owner, Owner's Advisor and Engineer will follow the procedures of Paragraph 15.04.A through 15.04.E for that part of the Work.
2. At any time, CMAR may notify Owner and Owner's Advisor in writing that CMAR considers any such part of the Work substantially complete and request Owner's Advisor to issue a certificate of Substantial Completion for that part of the Work.
3. Within a reasonable time after either such request, Owner, CMAR, Owner's Advisor and Engineer will inspect that part of the Work to determine its status of completion. If Owner's Advisor, in consultation with Engineer, does not consider that part of the Work to be substantially complete, Owner's Advisor will notify Owner and CMAR in writing, giving the reasons for its determination. If Owner's Advisor, in consultation with the Engineer, considers that part of the Work to be substantially complete, then for that part of the Work the provisions of Paragraph 15.04 will apply with respect to certification of Substantial Completion, the Division of responsibility, and access.
4. No use or occupancy or separate operation of part of the Work may occur prior to compliance with the requirements of Paragraph 6.04 regarding builder's risk or other property insurance.
5. Neither the organization of the Work into Work Packages, nor the authorization of specified parts of the Work in a Work Authorization, establishes (a) that such packages or parts of the Work have been identified in the Contract Documents or otherwise as a part of the Work that Owner may use or occupy upon completion, or (b) that any such Work constitutes a separately functioning and usable part of the Work that upon completion can be used by Owner for its intended purpose without significant interference with CMAR's performance of the remainder of the Work. The determination of whether any part of the Work qualifies for partial use or occupancy under this Paragraph 15.05 will be made on the merits without reference to Work Packages or Work Authorizations.

**B. Substantial Completion of Authorized Work**

1. When CMAR considers the entire Work authorized under a specific Work Authorization is ready for its intended use, CMAR shall notify Owner's Advisor in writing that such authorized Work is substantially complete and request that Owner's Advisor issue a certificate of Substantial Completion applicable solely to such authorized Work. CMAR shall at the same time submit to Owner's Advisor the CMAR's proposed punch list of items to be completed or corrected before such authorized Work is deemed complete.
2. CMAR, Owner, Owner's Advisor, and Engineer will follow the procedures of Paragraphs 15.04.A, B, C, E, and F for such authorized Work. The terms of Paragraph 15.04.D are not applicable to the determination of Substantial Completion of the Work authorized under a Work Authorization.

3. Until Substantial Completion of the entire Work under this Contract under Paragraph 15.04, such authorized Work will not be eligible for Owner's use or occupancy, unless otherwise eligible for partial use or occupancy under Paragraph 15.05.A; the determination of a date of Substantial Completion for such authorized Work will not mark the commencement of the contractual correction period and applicable warranties required by the Contract for such authorized Work; and the authorized Work will remain the responsibility of CMAR.

#### 15.06 Final Inspection

- A. Upon written notice from CMAR that the entire Work or an agreed portion thereof is complete, Owner's Advisor will promptly make a final inspection with Owner, Engineer, and CMAR and will notify CMAR in writing of all particulars in which this inspection reveals that the Work, or agreed portion thereof, is incomplete or defective. CMAR shall immediately take such measures as are necessary to complete such Work or remedy such deficiencies.

#### 15.07 Final Payment

##### A. Application for Final Payment

1. After Owner's Advisor, in consultation with Engineer, determines that CMAR has (a) satisfactorily completed all corrections identified during the final inspection, (b) has delivered, in accordance with the Contract Documents, all maintenance and operating instructions, schedules, guarantees, bonds, certificates or other evidence of insurance, certificates of inspection, annotated record documents, as provided in Paragraph 7.15, and other documents, and (c) completed performance of all services required by the Contract, CMAR may make application for final payment.
2. The final Application for Payment must be accompanied, except as previously delivered by:
  - a. all documentation called for in the Contract Documents;
  - b. consent of the surety, if any, to final payment;
  - c. satisfactory evidence that all title issues have been resolved such that title to all Work, materials, and equipment has passed to Owner free and clear of any Liens or other title defects or will so pass upon final payment;
  - d. a list of all duly pending Change Proposals and Claims; and
  - e. complete and legally effective releases or waivers, satisfactory to Owner, of all Lien rights arising out of the Work, and of Liens filed in connection with the Work.
3. In lieu of the releases or waivers of Liens specified in Paragraph 15.07.A.2 and as approved by Owner, CMAR may furnish receipts or releases in full and an affidavit of CMAR that: (a) the releases and receipts include all labor, services, material, and equipment for which a Lien could be filed; and (b) all payrolls, material and equipment bills, and other indebtedness connected with the Work for which Owner might in any way be responsible, or which might in any way result in liens or other burdens on Owner's property, have been paid or otherwise satisfied. If any Subcontractor or Supplier fails to furnish such a release or receipt in full, CMAR may furnish a bond or other collateral satisfactory to Owner to indemnify Owner against any Lien, or Owner at

its option may issue joint checks payable to CMAR and specified Subcontractors and Suppliers.

- B. **Owner's Advisor's Review of Final Application and Recommendation of Payment**—If, on the basis of Owner's Advisor's observation of the Work during construction and final inspection, consultation with Engineer regarding completion, and review of the final Application for Payment and accompanying documentation as required by the Contract Documents, Owner's Advisor is satisfied that CMAR has completed the Work and fulfilled CMAR's other obligations under the Contract, Owner's Advisor will, within 10 days after receipt of the final Application for Payment, indicate in writing Owner's Advisor's recommendation of final payment and present the final Application for Payment to Owner for payment. Such recommendation will account for any set-offs against payment that are necessary in Owner's Advisor's opinion to protect Owner from loss for the reasons stated above with respect to progress payments. Otherwise, Owner's Advisor will return the Application for Payment to CMAR, indicating in writing the reasons for refusing to recommend final payment, in which case CMAR shall make the necessary corrections and complete the Work and all remaining services, and resubmit the Application for Payment.
- C. **Notice of Acceptability of the Work**—In support of its recommendation of payment of the final Application for Payment, Owner's Advisor, with Engineer's express approval, will also give written notice to Owner and CMAR that the Work is acceptable, subject to stated limitations in the notice and to the provisions of Paragraph 15.08.
- D. **Completion of Work**—The Work is complete, subject to surviving obligations, when it is ready for final payment as established by the Owner's Advisor's written recommendation of final payment and issuance of Notice of Acceptability of the Work.
- E. **Final Payment Becomes Due**—Upon receipt from Owner's Advisor of the final Application for Payment and accompanying documentation, Owner shall set off against the amount recommended by Owner's Advisor for final payment any further sum to which Owner is entitled, including but not limited to set-offs for liquidated damages and set-offs allowed under the provisions of this Contract with respect to progress payments. Owner shall pay the resulting balance due to CMAR within 30 days of Owner's receipt of the final Application for Payment from Owner's Advisor.

#### 15.08 Waiver of Claims

- A. By making final payment, Owner waives its claim or right to liquidated damages or other damages for late completion by CMAR, except as set forth in an outstanding Claim, appeal under the provisions of Article 17, set-off, or express reservation of rights by Owner. Owner reserves all other claims or rights after final payment.
- B. The acceptance of final payment by CMAR will constitute a waiver by CMAR of all claims and rights against Owner other than those pending matters that have been duly submitted as a Claim or appealed under the provisions of Article 17.

#### 15.09 Correction Period

- A. **Scheduled Correction Period Inspection**—Within one month before the end of the Contract's correction period, CMAR will participate in an inspection of the Work with the Owner, Owner's Advisor, and Engineer to ascertain whether any portion of the Work or the repair of

any damage to the Site or adjacent areas is defective and therefore subject to correction by CMAR.

- B. If within one year after the date of Substantial Completion, or such longer period of time as may be prescribed by the Supplementary Conditions or the terms of any applicable special guarantee required by the Contract Documents, Owner gives CMAR written notice that any Work has been found to be defective, whether as a result of the scheduled correction period inspection or otherwise, or that CMAR's repair of any damages to the Site or adjacent areas has been found to be defective, then after receipt of such notice of defect CMAR shall promptly, without cost to Owner and in accordance with Owner's written instructions:
1. return to the Site with Owner, Owner's Advisor and Engineer to inspect any apparent or discovered defects in the Work, or unrepaired damage to the Site or adjacent areas;
  2. consult with Owner's Advisor and Engineer regarding recommendations as to replacement or correction of such defective Work, or the repair of any damage;
  3. correct the defective repairs to the Site or such adjacent areas;
  4. correct such defective Work;
  5. remove the defective Work from the Project and replace it with Work that is not defective, if the defective Work has been rejected by Owner, and
  6. satisfactorily correct or repair or remove and replace any damage to other Work, to the work of others, or to other land or areas resulting from the corrective measures.
- C. Owner shall give any such notice of defect within 60 days of the discovery that such Work or repairs is defective. If such notice is given within 60 days but after the end of the correction period, the notice will be deemed a notice of defective Work under Paragraph 7.20.B.
- D. If, after receipt of a notice of defect within 60 days and within the correction period, CMAR does not promptly comply with the terms of Owner's written instructions, or in an emergency where delay would cause serious risk of loss or damage, Owner may have the defective Work corrected or repaired or may have the rejected Work removed and replaced. CMAR shall pay all costs, losses, and damages, including but not limited to all fees and charges of construction managers, engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs, arising out of or relating to such correction or repair or such removal and replacement, including but not limited to all costs of repair or replacement of work of others. CMAR's failure to pay such costs, losses, and damages within 10 days of invoice from Owner will be deemed the start of an event giving rise to a Claim under Paragraph 12.01.B, such that any related Claim must be brought within 30 days of the failure to pay.
- E. In special circumstances where a particular Item of equipment is placed in continuous service before Substantial Completion of all the Work, the correction period for that Item may start to run from an earlier date if so provided in the Specifications.
- F. Where defective Work, and damage to other Work resulting therefrom, has been corrected or removed and replaced under this paragraph, the correction period hereunder with respect to such Work will be extended for an additional period of one year after such correction or removal and replacement has been satisfactorily completed.

- G. CMAR's obligations under this paragraph are in addition to all other obligations and warranties. The provisions of this paragraph are not to be construed as a substitute for, or a waiver of, the provisions of any applicable statute of limitation or repose.

## **ARTICLE 16—SUSPENSION AND TERMINATION**

### **16.01 Owner May Suspend CMAR Services or Work**

- A. At any time and without cause, Owner may suspend the CMAR Services or the Work, or any portion thereof, for a period of not more than 90 consecutive days by written notice to CMAR and Owner's Advisor. Such notice will fix the date on which CMAR Services or Work will be resumed. CMAR shall resume the CMAR Services or Work on the date so fixed. CMAR shall be entitled to an adjustment in the Contract Price or an extension of the Contract Times directly attributable to any such suspension. With respect to a suspension of the Work, any Change Proposal seeking such adjustments must be submitted no later than 30 days after the date fixed for resumption of Work.

### **16.02 Owner May Terminate for Cause**

- A. The occurrence of any one or more of the following events will constitute a default by CMAR and justify termination for cause:
  - 1. CMAR's persistent failure to perform the Work in accordance with the Contract Documents, including, but not limited to, failure to supply sufficient skilled workers or suitable materials or equipment, or failure to adhere to the Progress Schedule;
  - 2. Failure of CMAR to perform or otherwise to comply with a material term of the Contract Documents;
  - 3. CMAR's disregard of Laws or Regulations of any public body having jurisdiction; or
  - 4. CMAR's repeated disregard of the authority of Owner, Owner's Advisor or Engineer.
- B. If one or more of the events identified in Paragraph 16.02.A occurs, then after giving CMAR and any surety 10 days' written notice that Owner is considering a declaration that CMAR is in default and termination of the Contract, Owner may proceed to:
  - 1. declare CMAR to be in default, and give CMAR, and any surety, written notice that the Contract is terminated; and
  - 2. enforce the rights available to Owner under any applicable performance bond.
- C. Subject to the terms and operation of any applicable performance bond, if Owner has terminated the Contract for cause, Owner may exclude CMAR from the Site, take possession of the Work, incorporate in the Work all materials and equipment stored at the Site or for which Owner has paid CMAR but which are stored elsewhere, and complete the Work as Owner may deem expedient.
- D. Owner may not proceed with termination of the Contract under Paragraph 16.02.B if CMAR within 7 days of receipt of notice of intent to terminate begins to correct its failure to perform and proceeds diligently to cure such failure.
- E. If Owner proceeds as provided in Paragraph 16.02.B, CMAR shall not be entitled to receive any further payment until the Work is completed. If the unpaid balance of the Contract Price exceeds the cost to complete the Work, including all related claims, costs, losses, and



damages, including but not limited to all fees and charges of Owner's Advisors, engineers, architects, attorneys, and other professionals, sustained by Owner, such excess will be paid to CMAR. If the cost to complete the Work including such related claims, costs, losses, and damages exceeds such unpaid balance, CMAR shall pay the difference to Owner. Such claims, costs, losses, and damages incurred by Owner will be reviewed by Owner's Advisor as to their reasonableness and, when so approved by Owner's Advisor, incorporated in a Change Order. When exercising any rights or remedies under this paragraph, Owner shall not be required to obtain the lowest price for the Work performed.

- F. Where CMAR's services have been so terminated by Owner, the termination will not affect any rights or remedies of Owner against CMAR then existing or which may thereafter accrue, or any rights or remedies of Owner against CMAR or any surety under any payment bond or performance bond. Any retention or payment of money due CMAR by Owner will not release CMAR from liability.
- G. If and to the extent that CMAR has provided a performance bond under the provisions of Paragraph 6.01.A, the provisions of that bond will govern over any inconsistent provisions of Paragraphs 16.02.B and 16.02.D.

#### 16.03 Owner May Terminate for Convenience

- A. Upon 7 days' written notice to CMAR and Owner's Advisor, Owner may, without cause and without prejudice to any other right or remedy of Owner, terminate the Contract. In such case, CMAR shall be paid for without duplication of any items:
  - 1. completed and acceptable Work executed in accordance with the Contract Documents prior to the effective date of termination, including fair and reasonable sums for overhead and profit on such Work;
  - 2. expenses sustained prior to the effective date of termination in performing services and furnishing labor, materials, or equipment as required by the Contract Documents in connection with uncompleted Work, plus fair and reasonable sums for overhead and profit on such expenses; and
  - 3. other reasonable expenses directly attributable to termination, including costs incurred to prepare a termination for convenience cost proposal.
- B. CMAR shall not be paid for any loss of anticipated profits or revenue, post-termination overhead costs, or other economic loss arising out of or resulting from such termination.

#### 16.04 CMAR May Stop Work or Terminate

- A. If, through no act or fault of CMAR, (1) the Work is suspended for more than 90 consecutive days by Owner or under an order of court or other public authority, or (2) Owner's Advisor fails to act on any Application for Payment within 30 days after it is submitted, or (3) Owner fails for 30 days to pay CMAR any sum finally determined to be due, then CMAR may, upon 7 days' written notice to Owner and Owner's Advisor, and provided Owner or Owner's Advisor do not remedy such suspension or failure within that time, terminate the contract and recover from Owner payment on the same terms as provided in Paragraph 16.03.
- B. In lieu of terminating the Contract and without prejudice to any other right or remedy, if Owner's Advisor has failed to act on an Application for Payment within 30 days after it is submitted, or Owner has failed for 30 days to pay CMAR any sum finally determined to be due, CMAR may, 7 days after written notice to Owner and Owner's Advisor, stop the Work

until payment is made of all such amounts due CMAR, including interest thereon. The provisions of this paragraph are not intended to preclude CMAR from submitting a Change Proposal for an adjustment in Contract Price or Contract Times or otherwise for expenses or damage directly attributable to CMAR's stopping the Work as permitted by this paragraph.

## **ARTICLE 17—FINAL RESOLUTION OF DISPUTES**

### **17.01 Methods and Procedures**

- A. Disputes Subject to Final Resolution—The following disputed matters are subject to final resolution under the provisions of this article:
  - 1. A timely appeal of an approval in part and denial in part of a Claim, or of a denial in full, pursuant to Article 12; and
  - 2. Disputes between Owner and CMAR concerning the Work, or obligations under the Contract Documents, that arise after final payment has been made.
- B. Final Resolution of Disputes—For any dispute subject to resolution under this article, Owner or CMAR may:
  - 1. elect in writing to invoke the dispute resolution process provided for in the Supplementary Conditions;
  - 2. agree with the other party to submit the dispute to another dispute resolution process; or
  - 3. if no dispute resolution process is provided for in the Supplementary Conditions or mutually agreed to, give written notice to the other party of the intent to submit the dispute to a court of competent jurisdiction.

## **ARTICLE 18—MISCELLANEOUS**

### **18.01 Giving Notice**

- A. Whenever any provision of the Contract requires the giving of written notice to Owner, Owner's Advisor, CMAR, or Engineer when required, it will be deemed to have been validly given only if delivered:
  - 1. in person, by a commercial courier service or otherwise, to the recipient's place of business;
  - 2. by registered or certified mail, postage prepaid, to the recipient's place of business; or
  - 3. by e-mail to the recipient, with the words "Formal Notice" or similar in the e-mail's subject line.

### **18.02 Computation of Times**

- A. When any period is referred to in the Contract by days, it will be computed to exclude the first and include the last day of such period. If the last day of any such period falls on a Saturday or Sunday or on a day made a legal holiday by the law of the applicable jurisdiction, such day will be omitted from the computation.

#### 18.03 Cumulative Remedies

- A. The duties and obligations imposed by these General Conditions and the rights and remedies available hereunder to the parties hereto are in addition to and are not to be construed in any way as a limitation of, any rights and remedies available to any or all of them which are otherwise imposed or available by Laws or Regulations, by special warranty or guarantee, or by other provisions of the Contract. The provisions of this Paragraph will be as effective as if repeated specifically in the Contract Documents in connection with each particular duty, obligation, right, and remedy to which they apply.

#### 18.04 Limitation of Damages

- A. With respect to Change Proposals, Claims, disputes subject to final resolution, and other matters at issue, neither Owner, Owner's Advisor, nor Engineer, nor any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors, shall be liable to CMAR for any claims, costs, losses, or damages sustained by CMAR on or in connection with any other project or anticipated project.

#### 18.05 No Waiver

- A. A party's non-enforcement of any provision will not constitute a waiver of that provision, nor will it affect the enforceability of that provision or of the remainder of this Contract.

#### 18.06 Survival of Obligations

- A. All representations, indemnifications, warranties, and guarantees made in, required by, or given in accordance with the Contract, as well as all continuing obligations indicated in the Contract, will survive final payment, completion, and acceptance of the Work or termination of the Contract or of the services of CMAR.

#### 18.07 Controlling Law

- A. This Contract is to be governed by the law of the state in which the Project is located.

#### 18.08 Assignment of Contract

- A. Unless expressly agreed to elsewhere in the Contract, no assignment by a party to this Contract of any rights under or interests in the Contract will be binding on the other party without the written consent of the party sought to be bound; and, specifically but without limitation, money that may become due and money that is due may not be assigned without such consent, except to the extent that the effect of this restriction may be limited by law, and unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under the Contract.

#### 18.09 Successors and Assigns

- A. Owner and CMAR each binds itself, its successors, assigns, and legal representatives to the other party hereto, its successors, assigns, and legal representatives in respect to all covenants, agreements, and obligations contained in the Contract Documents.

#### 18.10 Headings

- A. Article and Paragraph headings are inserted for convenience only and do not constitute parts of these General Conditions.

## **APPENDIX E**

### **SUPPLEMENTARY CONDITIONS**

# **SUPPLEMENTARY CONDITIONS OF THE CONSTRUCTION MANAGER AT RISK CONTRACT**

## **TABLE OF CONTENTS**

	<b>Page</b>
Article 1— Definitions and Terminology .....	1
Article 2— Preliminary Matters.....	1
Article 3— Contract Documents—Intent, Requirements, Reuse .....	1
Article 4— Commencement and Progress of the Work .....	2
Article 5— Site; Subsurface and Physical Conditions; Hazardous Environmental Conditions .....	3
Article 6— Bonds and Insurance.....	4
Article 7— CMAR’s Responsibilities .....	7
Article 8— Other Work at the Site .....	10
Article 9— Owner’s Responsibilities .....	10
Article 10— Status of Owner’s Advisor and Engineer During Construction .....	10
Article 11— Changes to the Contract.....	10
Article 12— Claims.....	11
Article 13— Allowances; Unit Price Work .....	11
Article 14— Tests and Inspections; Correction, Removal, or Acceptance of Defective Work .....	11
Article 15— Payments to CMAR; Set Offs; Completion; Correction Period .....	11
Article 16— Suspension and Termination.....	12
Article 17— Final Resolution of Disputes.....	12
Article 18— Miscellaneous .....	14

# **SUPPLEMENTARY CONDITIONS OF THE CONSTRUCTION MANAGER AT RISK CONTRACT**

These Supplementary Conditions amend or supplement EJCDC® CMAR-700, Standard General Conditions of the Construction Manager at Risk Contract (2023). The General Conditions remain in full force and effect except as amended.

The terms used in these Supplementary Conditions have the meanings stated in the General Conditions. Additional terms used in these Supplementary Conditions have the meanings stated below, which are applicable to both the singular and plural thereof.

The address system used in these Supplementary Conditions is the same as the address system used in the General Conditions, with the prefix "SC" added: for example, "Paragraph SC-4.05" references modifications to General Conditions Paragraph 4.05.

## **ARTICLE 1—DEFINITIONS AND TERMINOLOGY**

SC-1.01 Add the following definitions.

63. Calendar Day – A "Calendar Day" is any day of the week or month; no days being excepted.
64. Written Notice - written notice shall be deemed to have been duly served if delivered in person to the individual or to a member of the firm or to an officer of the entity for whom it is intended, or if delivered at or sent by registered mail to the last business address known to him who gives the notice.
65. Contract Documents – shall consist of the Notice to Bidders, Proposal, Standard Form of Agreement, Performance Bond, Payment Bond, Maintenance Bond, Certification of Insurance, General Conditions of Agreement, Special Conditions, Minimum Wage Rates, Construction Specifications, Construction Plans, and all modifications thereof incorporated in any of the documents before the execution of the Agreement.

The Contract documents are complementary, and what is called for by any one shall be as binding as if called by all. In case of conflict between any of the Contract Documents, priority of interpretation shall be in the following order: Signed Agreement, Performance and Payment Bonds, Special Bonds (if any), Proposal, Special Conditions, Notice to Bidders, Construction Plans, Special Specifications, Standard Specifications, and General Conditions of Agreement.

## **ARTICLE 2—PRELIMINARY MATTERS**

2.01 Delivery of Bonds and Evidence of Insurance.

SC-2.01 Delete Paragraph 2.01.C. in its entirety.

## **ARTICLE 3—CONTRACT DOCUMENTS—INTENT, REQUIREMENTS, REUSE**

3.01 Intent

SC-3.01 Delete Paragraph 3.01.C in its entirety, and replace with the following paragraph:

- C. The Contract documents are complementary, and what is called for by any one shall be as binding as if called by all. In case of conflict between any of the Contract Documents, priority of interpretation shall be in the following order: Signed Agreement, Performance and Payment Bonds, Special Bonds (if any), Proposal, Special Conditions, Notice to Bidders, Construction Plans, Special Specifications, Standard Specifications, and General Conditions of Agreement.

#### ARTICLE 4—COMMENCEMENT AND PROGRESS OF THE WORK

##### 4.03 Reference Points

Add the following new paragraph immediately after Paragraph 7.06.A

- B. The Engineer shall furnish horizontal control as shown in the plans and benchmarks as shown in the plans. The Contractor shall be responsible for all further alignment and grade staking which may be required through his construction operations based on the control points provided by the Engineer. All survey work shall be performed by a Texas registered land surveyor.

##### 4.05 Delays in CMAR's Progress

###### 2. Abnormal Weather Conditions

- a. If abnormal weather conditions are the basis for a request for an equitable adjustment in the Contract Times, such request must be documented by data substantiating each of the following: (1) that weather conditions were abnormal for the period of time in which the delay occurred, (2) that such weather conditions could not have been reasonably anticipated, and (3) that such weather conditions had an adverse effect on the Work as scheduled.
- b. The existence of abnormal weather conditions will be determined on a month-by-month basis in accordance with the following:
  - 1) Every workday on which total precipitation, as rain equivalent, occurs between 7:00 p.m. on the preceding day, regardless of whether such preceding day is a workday, through 7:00 p.m. on the workday in question equals or exceeds **[threshold precipitation quantity]** of precipitation, as rain equivalent, based on the snow/rain conversion indicated in the table entitled Foreseeable Bad Weather Days; such table is hereby incorporated in this SC-4.05.C by reference.
- c. CMAR shall anticipate a reasonable number of foreseeable bad weather days per month and indicate that estimate in the schedule.
- d. In each month, every bad weather day exceeding the number of foreseeable bad weather days established in the schedule, "Foreseeable Bad Weather Days" will be considered as "abnormal weather conditions." The existence of abnormal weather conditions will not relieve CMAR of the obligation to demonstrate and document that delays caused by abnormal weather are specific to the planned work activities or that such activities thus delayed were on CMAR's then-current Progress Schedule's critical path for the Project.

## ARTICLE 5—SITE; SUBSURFACE AND PHYSICAL CONDITIONS; HAZARDOUS ENVIRONMENTAL CONDITIONS

### 1.02 Use of Site and Other Areas

SC-5.03 Add the following new paragraphs to Paragraph 5.03.A

3. The building of structures of housing employees, or the erection of tents or other forms of protection, will be permitted only at such places as the Engineer shall direct, and the sanitary conditions of the grounds in or about such structures shall at all times be maintained in a manner satisfactory to the Engineer.
4. Necessary sanitary conveniences for the use of laborers on the work, properly secluded from public observation, shall be constructed and maintained by the Contractor in such manner and at such points as shall be approved by the Engineer, and their use shall be strictly enforced.

### 5.03 Subsurface and Physical Conditions

SC-5.03 Add the following new paragraphs immediately after Paragraph 5.03.G:

- E. The following table lists the reports of explorations and tests of subsurface conditions at or adjacent to the Site that contain Technical Data, and specifically identifies the Technical Data in the report upon which CMAR may rely:

Report Title	Date of Report
Geotechnical Investigation Farmers Branch Lift Station Rehabilitation NWC of I-635 and Dallas North Tollway, Farmers Branch Texas	October, 2022

- F. The following table lists the drawings of existing physical conditions at or adjacent to the Site, including those drawings depicting existing surface or subsurface structures at or adjacent to the Site, except Underground Facilities, that contain Technical Data, and specifically identifies the Technical Data upon which CMAR may rely:

Drawings Title	Date of Drawings
Site Development Plans, Farmers Branch Office Park	Jan. 3, 1985

### 5.06 Hazardous Environmental Conditions

SC-5.06 Add the following new paragraphs immediately after Paragraph 5.06.A.3:

4. The following table lists the reports known to Owner relating to Hazardous Environmental Conditions at or adjacent to the Site, and the Technical Data, if any, upon which CMAR may rely: **None.**
4. The following table lists the drawings known to Owner relating to Hazardous Environmental Conditions at or adjacent to the Site, and Technical Data, if any, contained in such Drawings upon which CMAR may rely: **None.**

## ARTICLE 6—BONDS AND INSURANCE

### 6.01 Performance, Payment, and Other Bonds



SC-6.01 Add the following paragraphs immediately after Paragraph 6.01.B:

1. Unless otherwise specified, it is further agreed by the parties to this Contract that the Contractor will execute separate performance and payment bonds, each in the sum of one- hundred percent (100%) of the total Contract Price, in standard forms for this purpose, guaranteeing faithful performance of the work and the fulfillment of any guarantees required, and further guaranteeing payment to all persons supplying labor and materials or furnishing him any equipment in the execution of the Contract, and it is agreed that this Contract shall not be in effect until such performance and payment bonds are furnished and approved by the Owner. The Contractor must furnish to the City a fully executed performance and payment bond to reflect an automatic adjustment in the amount of the bonds due to any change orders approved by the City. Unless otherwise approved in writing by the Owner, the Surety Company underwriting the bonds shall be acceptable according to the latest list of companies holding certificates of authority from the Secretary of the Treasury of the United States. Unless otherwise specified, the cost of the premium for the performance and payment bonds shall be included in the Contractor's proposal.

The surety Company providing the performance, Payment and Maintenance Bonds shall provide a Certificate of Authority from the United States Treasury that reflects that said Bonding Company is an acceptable surety on Federal Bonds, Department Circular 570, in compliance with Texas Government Code, Section 2253.021 and Texas Insurance Code, Sections 3503.001. The Surety Company shall also provide from the State Board of Insurance the amount of its allowed capital and surplus as of the date of the last Annual Statutory Financial Statement for a Surety or Reinsurer, and that such Surety is authorized to issue statutory Performance and Payment Bonds in the State of Texas and authorized to do business in the State of Texas.

- a. Required Performance Bond Form—As provided with the Agreement (CMAR-525).
  - b. Required Payment Bond Form— As provided with the Agreement (CMAR-525).
  - c. Required Maintenance Bond Form— As provided with the Agreement (CMAR-525).
2. The warranty bond must be issued by the same surety that issues the performance bond required under Paragraph 6.01.A of the General Conditions.

6.02 Insurance—General Provisions

SC-6.02 Add the following paragraph immediately after Paragraph 6.02.B:

1. CMAR may obtain worker's compensation insurance from an insurance company that has not been rated by A.M. Best, provided that such company (a) is domiciled in the state in which the Project is located, (b) is certified or authorized as a worker's compensation insurance provider by the appropriate state agency, and (c) has been accepted to provide worker's compensation insurance for similar projects by the state within the last 12 months.

SC-6.02 Delete Paragraph 6.02.E. in its entirety.

SC-6.02 Add the following paragraph immediately after Paragraph 6.02.N:

- B. Proof of insurability must be submitted to the Owner before award of Contract. Before commencing any of the work, Contractor shall file with the Owner valid Certificates of Insurance acceptable to the Owner and the Engineer. Such Certificates shall contain a provision that coverage afforded under the policies will not be canceled until at least thirty (30) days' prior written notice has been given to the Owner. It is agreed that the City of Farmers Branch, Texas and its officers, employees and elected officials are included as additional insured as their interest may appear.

ADDITIONALLY, A WAIVER OF SUBROGATION IN FAVOR OF THE CITY OF FARMERS BRANCH AND ITS OFFICERS, EMPLOYEES AND ELECTED OFFICIALS SHALL APPLY.

The Contractor shall also file with the Owner valid Certificates of Insurance covering all Sub-contractors. The insurance carrier shall be an admitted insurance company to do business in Texas and exception shall be approved by Owner.

### 6.03 CMAR's Insurance

SC-6.03 Add the following paragraph following Paragraph 6.03.C:

- D. The Contractor at his own expense shall purchase, maintain and keep in force such insurance as will protect him from claims set forth below which may arise out of or result from the Contractor's operations under the Contract, whether such operations be by himself or by any Subcontractor or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable:

- (1) Workers' Compensation claims;
- (2) Claims for damages because of bodily injury, occupational sickness or disease or death of his employees, and claims insured by usual bodily injury liability coverage;
- (3) Claims for damages because of bodily injury, sickness or disease, or death of any person other than his employees, and claims insured by usual bodily injury liability coverage; and
- (4) Claims for damages because of injury to or destruction of tangible property, including loss of use resulting therefrom.

The insurance required to be furnished by Contractor and all Subcontractors and Sub-subcontractors shall be written in the form and for coverage and limits not less than the following:

- (1) **Workers' Compensation** (including occupational disease) Insurance to cover full liability under the Workers' Compensation Laws of the State of Texas with Employer's Liability coverage in limits not less than the following:

\$1,000,000.....per accident

\$1,000,000.....per person for disease

\$1,000,000.....for disease aggregate

THE FOLLOWING INSURANCE POLICIES MUST BE ENDORSED WITH WAIVER OF SUBROGATION ENDORSEMENT, WAIVING THE CARRIER'S RIGHT OF SUBROGATION WITH RESPECT TO OWNER AND ENGINEER.

- (2) **Comprehensive General Liability Insurance**, including, on an "occurrence" basis, insurance for Hazards of Operations, Elevators, Independent Contractors, products and Completed Operations. Contractual Liability Insurance either designating this contract or written "Blanket" designating all written agreements. Such Comprehensive General Liability and Contractual Liability Insurance must be endorsed with Broad Form Property Damage Endorsement (including Completed Operations) and afford coverage for explosion, collapse, and underground hazards. The insurance required by this clause (2) shall be in limits not less than the following:

Bodily Injury or Death Liability and Property Damage Liability

Combined single limit of \$1,000,000 per occurrence

Personal Injury Liability

\$1,000,000.....each occurrence

\$1,000,000.....aggregate

- (3) **Automobile Liability Insurance** covering all owned, non-owned and hired automobiles used in connection with the Work with the following minimum limits:

Bodily Injury and Property Damage

Combined single limit of \$1,000,000 per occurrence

- (4) **Comprehensive Catastrophe Liability** (Umbrella) indemnifying for ultimate net loss, sustained by reason of liability imposed by law or assumed under contract arising out of:

- (a) Personal Injury, including death at any time resulting therefrom, sustained by any person or persons:
- (b) Property damage for damages because of injury to or destruction of tangible property including consequential loss resulting therefrom, caused by an occurrence;
- (c) Advertising, for damages because of libel, slander, defamation, infringement of copyright, title or slogan, piracy, unfair competition, idea misappropriation or invasion of rights of privacy arising out of advertising activities. As respects Contractor, such insurance shall be in limits not less than the difference between:

A. \$2,000,000 with respect to each occurrence for each annual period with respect to the Products Hazard; and

B. The applicable limits of the insurance set forth in (1), (2), and (3) above.

As respects Subcontractors and Sub-subcontractors, such insurance shall be in limits not less than the difference between:

C. \$1,000,000 with respect to each occurrence; for each annual period with respect to the Products Hazard; and

- D. The applicable limits of the insurance set forth in (1), (2) and (3) above. This insurance shall include property damage coverage for property in care, custody, or control of the insured at least to the extent such coverage is provided by the Broad Form property damage Endorsement required in (2) above.

Certain minor Subcontractors and Sub-subcontractors may have less than limits outlined above coverage, subject to Owner expressed approval. Insurance described herein shall be written in company or companies, satisfactory to Owner. If the Contractor, all Subcontractors and Sub-subcontractors fail to procure and maintain the said insurance, Owner shall have the right, but not the obligation, to procure and maintain the said insurance for and in the name of such parties and such parties shall pay the cost thereof and shall furnish all necessary information to make effective and maintain such insurance. Such parties will not violate or knowingly permit to be violated any conditions of insurance described herein. All such policies and any other policies of insurance which Contractor and all subcontractors and Sub-subcontractors may elect to secure and maintain to the work shall and which are in any way related to the work shall also be endorsed waiving carrier's rights of subrogation with respect to Owner.

#### 6.04 Builder's Risk and Other Property Insurance

SC-6.04 Delete section 6.04 in its entirety. Builders Risk Insurance is not required

#### 6.05 Property Losses; Subrogation

SC-6.05 Delete section 6.05 in its entirety. Builders Risk Insurance is not required

#### 6.06 Receipt and Application of Property Insurance Proceeds

SC-6.05 Delete section 6.05 in its entirety. Builders Risk Insurance is not required

### ARTICLE 7—CMAR'S RESPONSIBILITIES

#### 7.06 Labor; Working Hours

SC-7.06 Add the following new subparagraphs immediately after Paragraph 7.06.D:

1. Regular working hours will be 7:00 AM to 6:00 PM.
2. Owner's legal holidays are
  - a. New Year's Day (January 1)
  - b. Martin Luther King, Jr. Day (the third Monday in January)
  - c. Memorial Day (the last Monday in May)
  - d. Independence Day (July 4)
  - e. Labor Day (the first Monday in September)
  - f. Columbus Day (the second Monday in October)
  - g. Veterans Day (November 11) – if this holiday falls on a Sunday, employees will generally have off the very next day.
  - h. Thanksgiving (the fourth Thursday in November)
  - i. Christmas Eve & Day (December 24, 25)

SC-7.06 Add the following new paragraph immediately after Paragraph 7.06.D:

- E. CMAR shall be responsible for the cost of any overtime pay or other expense incurred by the Owner for OA's or Engineer's services, including but not limited to, construction observation services, occasioned by the performance of Work on

Saturday, Sunday, any legal holiday, or as overtime on any regular work day. If CMAR is responsible but does not pay, or if the parties are unable to agree as to the amount owed, then Owner may impose a reasonable set-off against payments due under Article 15.

SC-7.06 Insert the following after the second sentence of Paragraph 7.06.E:

- E. A "Working Day" is defined as any day not including Saturdays, Sundays or any legal holidays, in which weather or other conditions, not under the control of the Contractor, will permit construction of the principal units of the work for a period of not less than seven (7) hours between 7:00 a.m. and 6:00 p.m.

SC-7.06 Add the following new subparagraph immediately after Paragraph SC-7.06.E:

3. For purposes of administering the foregoing requirement, additional overtime costs are defined as **[Here insert parameters for compensated overtime hours].**

SC-7.06 Add the following new subparagraph immediately after Paragraph SC-7.06.E:

1. The Contractor shall not discriminate against any employee or applicant for employment because of race, gender, age, color, religion, sex, ancestry, national origin, or place of birth. The Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, gender, age, color, religion, sex ancestry, national origin or place of birth. This action shall include, but not be limited to, the following: employment, upgrading, demotion or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
4. The Contractor shall, in all solicitations or advertisements for employees placed by, or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, gender, color, religion, sex, age, ancestry, national origin, or place of birth.

## 7.10 Concerning Subcontractors and Suppliers

SC-7.10 Add a new paragraph immediately after Paragraph 7.10.O:

- P. The Contractor agrees that he will indemnify and save the Owner and Engineer harmless from all claims growing out of the lawful demands of Sub-contractors, laborers, workmen, mechanics, materialmen and furnishers of machinery and parts thereof, equipment, power tools, and all supplies, including commissary, incurred in the furtherance of the performance of this Contract. When so desired by the Owner, the Contractor shall furnish satisfactory evidence that all obligations of the nature herein above designated have been paid, discharged or waived. If the Contractor fails so to do, then the Owner may at the option of the Contractor either pay directly any unpaid bills, of which the Owner has written notice, or withhold from the Contractor's unpaid compensation a sum of money deemed reasonably sufficient to liquidate any and all such lawful claims until satisfactory evidence is furnished that all liabilities have been fully discharged, whereupon payments to the Contractor shall be resumed in full, in accordance with the terms of this Contract, but in no event shall the provisions of this sentence be construed to impose any obligation upon the Owner by either the Contractor or his Surety

## 7.13 Taxes

SC-7.13 Add a new paragraph immediately after Paragraph 7.13.A:

- B. Owner is exempt from payment of sales and compensating use taxes of the State of Texas and of cities and counties thereof on all materials to be incorporated into the Work.
  - 5. Owner will furnish the required certificates of tax exemption to CMAR for use in the purchase of supplies and materials to be incorporated into the Work.
  - 6. Owner's exemption does not apply to construction tools, machinery, equipment, or other property purchased by or leased by CMAR, or to supplies or materials not incorporated into the Work.

#### 7.14 Laws and Regulations

SC-7.14 Add a new paragraph immediately after Paragraph 7.14.D:

- E. The Contractor shall comply with all applicable laws including the Occupational Safety and Health Act of 1970 (as amended), ordinances, rules, regulations and orders of any public authority having jurisdiction for the safety of persons or property to protect them from damage, injury, or loss. He shall erect and maintain, as required by existing conditions and progress of the work, all reasonable safeguards for safety and protection, including posting danger signs and other warnings against hazards, promulgating safety regulations and notifying owners and users of adjacent utilities. The Contractor shall conform to the Texas Manual on Uniform Traffic Control Devices for Streets and Highways, as amended.

Contractor shall at all times observe and comply with all applicable Federal labor and immigration laws with respect to performance of work relative to this Contract.

#### 7.16 Safety and Protection

SC-7.16 Add the following new Paragraph 7.16.J:

- K. The Contractor shall always exercise reasonable precautions for the safety of the employees and others on or near the work and shall comply with all applicable provisions of Federal, State, County, and Municipal safety laws and buildings and construction codes. All machinery and equipment and other physical hazards shall be guarded in accordance with the "Manual of Accident Prevention in Construction" of the Associated General Contractors of America, except where incompatible with Federal, State, County, or Municipal laws or regulations. The Contractor shall provide such machinery guards, safe walkways, ladders, bridges, gangplanks, and other safety devices. The safety precautions actually taken and their adequacy shall be the sole responsibility of the Contractor, acting at his discretion as an independent contractor."

#### 7.21 Indemnification

SC-7.21 Add the following new Paragraph 7.21.C:

- C. The obligation of the Contractor under this Paragraph shall not extend to the liability of the Engineer, his agents or employees arising out of the preparation or approval of maps, drawings, reports, surveys, change orders, designs, specifications, or the giving of or the failure to give directions or instructions by the Engineer, his agents or employees, provided such giving or failure to give is the primary cause of the injury or damage.

## **ARTICLE 8—OTHER WORK AT THE SITE**

No Supplementary Conditions in this Article

## **ARTICLE 9—OWNER'S RESPONSIBILITIES**

No Supplementary Conditions in this Article.

## **ARTICLE 10—STATUS OF OWNER'S ADVISOR AND ENGINEER DURING CONSTRUCTION**

SC-10.01 Add the following new Paragraph 10.01.C immediately after Paragraph 10.01.B:

- C. The Owner's Advisor for this project is the Engineer and the two terms are interchangeable in the Contract Documents. Changes to the Contract

## **ARTICLE 11—CHANGES TO THE CONTRACT**

11.07 Change of Contract Price

SC-11.07 Delete Paragraph 11.07.B.3 in its entirety, and replace with the following:

3. In the event said Extra Work be performed and cannot be paid for 1 or 2, then the provisions of this paragraph shall apply and the "actual field cost" is hereby defined to include the cost to the Contractor of all workmen, such as foreman, timekeepers, mechanics and laborers, and materials, supplies, teams, trucks, rentals on machinery and equipment, for the time actually employed or used on such Extra Work, plus actual transportation charges necessarily incurred, together with all power, fuel, lubricants, water and similar operating expenses, also all necessary incidental expenses incurred directly on account of such Extra Work, including Social Security, Old Age Benefits and other payroll taxes, and, a rateable proportion of premiums on Performance and Payment Bonds and Maintenance Bonds, Public Liability and Property Damage and Workmen's Compensation, and all other insurance as may be required by any law or ordinance, or directed by the Owner, or by them agreed to. The Engineer may direct the form in which accounts of the "actual field cost" shall be kept and the records of these accounts shall be made available to the Engineer. The Engineer or Owner may also specify in writing, before the work commences, the method of doing the work and the type and kind of machinery and equipment to be used; otherwise these matters shall be determined by the Contractor. Unless otherwise agreed upon, the prices for the use of machinery and equipment shall be determined by using one hundred percent (100%), unless otherwise specified, of the latest schedule of Equipment Ownership Expense adopted by the Associated General Contractors of America. Where practicable the terms and prices for the use of machinery and equipment shall be incorporated in the Written Extra Work Order. The fifteen percent (15%) of the "actual field cost" to be paid the Contractor shall cover and compensate him for his profit, overhead, general superintendence and field office expense, and all other elements of cost and expense not embraced within the "actual field cost" as herein defined, save that where the Contractor's Camp or Field Office must be maintained primarily on account of such Extra Work; then the cost to maintain and operate the same shall be included in the "actual field cost."

## **ARTICLE 12—CLAIMS**

No Supplementary Conditions in this Article.

## **ARTICLE 13—ALLOWANCES; UNIT PRICE WORK**

No Supplementary Conditions in this Article.

## **ARTICLE 14—TESTS AND INSPECTIONS; CORRECTION, REMOVAL, OR ACCEPTANCE OF DEFECTIVE WORK**

### **14.03 Defective Work**

SC-14.03 Add the following new Paragraph 14.03.G:

- G. Defective materials shall be immediately removed from the site of the work. Work done without line and grade having been given, work done beyond the lines or not in conformity with the grades shown on the drawings or as given, save as herein provided, work done without proper inspection, or any extra or unclassified work done without written authority and prior agreement in writing as to prices, shall be done at the Contractor's risk, and will be considered unauthorized, and at the option of the Owner, may not be measured and paid for, and may be ordered removed at the Contractor's expense. Upon failure of the Contractor to repair satisfactorily or to remove and replace, if so directed, rejected, unauthorized and condemned work or materials immediately after receiving notice from the Owner, the Owner will, after giving written notice to the Contractor, have the authority to cause defective work to be remedied or removed and replaced, or to cause unauthorized work to be removed and to deduct the cost thereof from any monies due or to become due the Contractor.

## **ARTICLE 15—PAYMENTS TO CMAR; SET OFFS; COMPLETION; CORRECTION PERIOD**

### **15.02 Progress Payments**

SC-15.02 Add the following to the end of 15.02.A:

3. No progress or final estimate certificate given or payment made under this Contract shall be evidence of the performance of this contract, or construed to be acceptance of defective work or improper materials, either wholly, or in part

### **15.04 Substantial Completion**

SC-15.04 Add the following to the end of Paragraph 15.04.B:

"If some or all of the Work has been determined not to be at a point of Substantial Completion and will require re-inspection or re-testing by OA and Engineer, the cost of such re-inspection or re-testing, including the cost of time, travel and living expenses, will be paid by CMAR to Owner. If CMAR does not pay, or the parties are unable to agree as to the amount owed, then Owner may impose a reasonable set-off against payments due under this Article 15."

### **15.06 Final Inspection**



SC-15.06 Add the following new Paragraph 15.06.B:

- B. Upon completion of the work and before acceptance and final payment is made, the Contractor shall clean, remove rubbish and temporary structures from the site of the work, restore in an acceptable manner all property; both public and private which has been damaged during the prosecution of the work, and leave the site of the work in a neat and presentable condition throughout. Material cleaned from the site of the work and deposited on property adjacent thereto will not be considered as satisfactorily disposed of, unless approved by the Engineer. No payment will be made for this work, its cost being included in the unit prices bid.

## **ARTICLE 16—SUSPENSION AND TERMINATION**

16.01 Owner May Suspend CMAR Services or Work

SC-16.01 Add the following new Paragraph 15.09.H:

- B. The Owner shall have authority to suspend the work wholly or in part for such period or periods of time as he may deem necessary due to unsuitable conditions considered unfavorable for the suitable prosecution of the work; or for the failure of the Contractor to carry out instructions or to perform any provisions of the Contract. During periods of suspension, the Contractor shall properly protect the work from possible injury.

Add the following Section to Article 16

16.05 Owners Right to do Work

- A. If the Contractor should neglect to prosecute the work properly, or fail to perform any provision of this Contract, the Owner, after seven (7) days written notice to the Contractor, may, without prejudice to any other remedy the Owner may have, make good such deficiency, and may deduct the cost thereof from the payment then or thereafter due the Contractor. Any money due the Owner after such deduction shall be paid by the Contractor or his Sureties, who hereby agree to this provision.

## **ARTICLE 17—FINAL RESOLUTION OF DISPUTES**

17.02 Arbitration

SC-17.02 Add the following new paragraph immediately after Paragraph 17.01.

17.02 Arbitration

- A. All matters subject to final resolution under this Article will be settled by arbitration administered by the American Arbitration Association in accordance with its Construction Industry Arbitration Rules, subject to the conditions and limitations of this Paragraph SC-17.02. Any controversy or claim in the amount of \$100,000 or less will be settled in accordance with the American Arbitration Association's supplemental rules for Fixed Time and Cost Construction Arbitration. This agreement to arbitrate will be specifically enforceable under the prevailing law of any court having jurisdiction.
- B. The demand for arbitration will be filed in writing with the other party to the Contract and with the selected arbitration administrator, and a copy will be sent to Engineer

and OA for information. The demand for arbitration will be made within the specific time required in Article 17, or if no specified time is applicable within a reasonable time after the matter in question has arisen, and in no event will any such demand be made after the date when institution of legal or equitable proceedings based on such matter in question would be barred by the applicable statute of limitations.

- C. The arbitrator(s) must be licensed engineers, contractors, attorneys, or construction managers. Hearings will take place pursuant to the standard procedures of the Construction Arbitration Rules that contemplate in-person hearings. The arbitrators will have no authority to award punitive or other damages not measured by the prevailing party's actual damages, except as may be required by statute or the Contract. Any award in an arbitration initiated under this clause will be limited to monetary damages and include no injunction or direction to any party other than the direction to pay a monetary amount.
- D. The Arbitrators will have the authority to allocate the costs of the arbitration process among the parties but will only have the authority to allocate attorneys' fees if a specific Law or Regulation or this Contract permits them to do so.
- E. The award of the arbitrators must be accompanied by a reasoned written opinion and a concise breakdown of the award. The written opinion will cite the Contract provisions deemed applicable and relied on in making the award.
- F. The parties agree that failure or refusal of a party to pay its required share of the deposits for arbitrator compensation or administrative charges will constitute a waiver by that party to present evidence or cross-examine witness. In such event, the other party shall be required to present evidence and legal argument as the arbitrator(s) may require for the making of an award. Such waiver will not allow for a default judgment against the non-paying party in the absence of evidence presented as provided above.
- G. No arbitration arising out of or relating to the Contract will include by consolidation, joinder, or in any other manner any other individual or entity, including Owner's Advisor, Engineer, or their consultants, or the officers, directors, partners, agents, employees, or consultants of any entity that is not a party to this Contract unless:
  - 1. the inclusion of such other individual or entity will allow complete relief to be afforded among those who are already parties to the arbitration;
  - 2. such other individual or entity is substantially involved in a question of law or fact which is common to those who are already parties to the arbitration, and which will arise in such proceedings;
  - 3. such other individual or entity is subject to arbitration under a contract with either Owner or CMAR, or consents to being joined in the arbitration; and
  - 4. the consolidation or joinder complies with the arbitration administrator's procedural rules.
- H. The award will be final. Judgment may be entered upon it in any court having jurisdiction thereof, and it will not be subject to modification or appeal, subject to provisions of the Laws and Regulations relating to vacating or modifying an arbitral award.

- I. Except as may be required by Laws or Regulations, neither party nor an arbitrator may disclose the existence, content, or results of any arbitration hereunder without the prior written consent of both parties, with the exception of any disclosure required by Laws and Regulations or the Contract. To the extent any disclosure is allowed pursuant to the exception, the disclosure must be strictly and narrowly limited to maintain confidentiality to the extent possible.

SC-17.03 Add the following new paragraph immediately after Paragraph 17.02.

17.03 Attorneys' Fees

- A. For any matter subject to final resolution under this Article, the prevailing party shall be entitled to an award of its attorneys' fees incurred in the final resolution proceedings, in an equitable amount to be determined in the discretion of the court, mediator, arbitrator, arbitration panel, or other arbiter of the matter subject to final resolution, considering the parties' proportional fault, initial demand or defense positions in comparison with the final result.

## **ARTICLE 18—MISCELLANEOUS**

18.08 Assignment of Contract

SC-18.08 Delete Paragraph 18.08.A in its entirety, and insert the following:

- A. The Contractor further agrees that he will retain personal control and will give his personal attention to the fulfillment of this Contract and that he will not assign by Power of Attorney, or otherwise, or sublet said Contract without the written consent of the Engineer, and that no part or feature of the work will be sublet to anyone objectionable to the Engineer or the Owner. The Contractor further agrees that the subletting of any portion or feature of the work, or materials required in performance of this Contract, shall not relieve the Contractor from his full obligations to the Owner, as provided by this Agreement.

**APPENDIX F**  
**SPECIAL CONDITIONS**

<b>I. SPECIAL CONDITIONS .....</b>	<b>I-1</b>
1. GENERAL	I-4
2. ENGINEER	I-4
3. CONTRACT DOCUMENTS	I-4
4. GENERAL SPECIFICATIONS	I-4
5. PRECONSTRUCTION CONFERENCE	I-4
6. WORK ON SATURDAY, SUNDAY & HOLIDAYS	I-4
7. MATERIAL STORAGE	I-4
8. SITE	I-5
9. WARNING DEVICES	I-5
10. EXISTING UTILITIES, STRUCTURES AND OTHER PROPERTY	I-6
11. LOCATE OF CITY-OWNED LINES	I-6
12. RECORD OF EXISTING CONDITIONS	I-7
13. TESTING	I-7
14. MAINTENANCE PROVISIONS FULFILLMENT	I-7
15. LIQUIDATED DAMAGES	I-8
16. CHANGE ORDERS	I-8
17. ACCESS TO PROPERTY	I-8
18. NOTIFICATION OF RESIDENTS - UTILITIES	I-8
19. NOTIFICATION OF RESIDENTS	I-9
20. SPECIAL MEETING	I-9
21. LANDSCAPE & TREE TREATMENTS	I-9
22. MOWING AND DEBRIS MAINTENANCE	I-9
23. INCIDENTAL WORK	I-9
24. DUST CONTROL	I-10
25. TRADE NAMES AND ALTERNATIVES	I-10
26. SITE DRAINAGE	I-10
27. WATER SERVICE INTERRUPTION	I-10
28. SEWER SERVICE INTERRUPTION	I-10
29. TIME & ORDER OF COMPLETION	I-10
30. CONSTRUCTION PHASING	I-10
31. CONSTRUCTION SEQUENCING	I-10
32. EMBANKMENT CONSTRUCTION	I-11
33. FILL OR EXCAVATION REQUIRED TO MAKE GRADE	I-11
34. DISPOSAL OF EXCESS SPOIL EXCAVATION	I-11
35. OBJECTS WITHIN THE TEMPORARY CONSTRUCTION EASEMENT	I-11
36. REMOVAL OF PARKED VEHICLES	I-11
37. REMOVAL OF PAVEMENT MARKINGS	I-11
38. PAVEMENT REMOVAL	I-11
39. CONCRETE REMOVAL	I-11
40. LIMITS OF PLACEMENT	I-12
41. INSTALLATION OF UTILITY ADJUSTING RINGS	I-12
42. OPENING PAVEMENT TO TRAFFIC	I-12
43. TRENCH SAFETY	I-12
44. FENCING	I-12
45. OZONE ACTION DAYS	I-12
46. BORING IN CITY R.O.W. AND EASEMENT	I-12
47. PROJECT SIGN	I-13
48. UNFORESEEN ITEMS – BID ITEM	I-13

49.	CONSTRUCTION MATERIAL TESTING	I-13
II.	MINIMUM WAGE RATES .....	II-1
III.	CONSTRUCTION SPECIFICATIONS .....	III-1
IV.	EXHIBITS .....	IV-1
V.	PROJECT SIGN .....	V-1
VI.	SOILS REPORT .....	VI-1

1. **GENERAL**

The provisions of this section of the specifications shall govern in the event of any conflict between them and the General Conditions.

2. **ENGINEER**

The "Engineer" as referred to in this Contract is to be understood as referring to the Director of Public Works, City of Farmers Branch, Texas, or such other Engineer, Supervisor or Inspector as may be authorized by said Owner to act in any particular instance. The Engineer's representative for preparation of the plans and technical specifications is «CityofFBConsultant» and «CityofFBConsultant» shall be included within the meaning of "Engineer" as «CityofFBConsultant» shall appear. In particular, but without limitation to other matters, «CityofFBConsultant» shall be included under the indemnifications in General Conditions Sections C.12, C.13, C.14, and C.16.

3. **CONTRACT DOCUMENTS**

All items listed are part of the Contract Documents:

- A. **«ProjectName»** Contract Documents and Specifications.
- B. Plans for the Construction **«ProjectName»** consisting of sheets 1 through \_\_ inclusive.
- C. Geotechnical Reports  
Title:  
Firm:  
Date:

All modifications thereof incorporated in any of the documents.

4. **GENERAL SPECIFICATIONS**

All work shall comply with the Standard Specifications for Public Works Construction by North Central Texas Council of Governments, Divisions 2 through 8, most recent amendments. This document may be obtained from the North Central Texas Council of Governments.

5. **PRECONSTRUCTION CONFERENCE**

Before the construction work begins, a meeting will be arranged by the Owner wherein the Contractor and representatives of the Public Works Department will discuss procedures for the work. The Contractor will present his proposed "sequence of construction procedure" to be studied for effect on public convenience, work progress, and for approval of the engineer. The Contractor will provide a visual layout of his proposed program.

6. **WORK ON SATURDAY, SUNDAY & HOLIDAYS**

When work must be performed on these days the Contractor must request permission to work at least forty-eight (48) hours in advance. The Contractor shall bear the entire cost of inspection (4 hour minimum) for this work with said amount to be withheld from any monies to be due or to become due to the Contractor upon completion of this Contract. Any additional costs associated with working on these days shall be borne by the Contractor.

7. **MATERIAL STORAGE**

Materials may be stockpiled at locations approved by the Engineer. All stockpiling methods must be approved by the Owner.

The storage site shall be determined at the preconstruction meeting after the award of Contract.

Contractor shall be fully responsible for the storage site.

If necessitated, Contractor shall erect a temporary fence and store materials inside of the fenced area.

The Contractor shall maintain the storage area in a neat and orderly manner. If, in the opinion of the Engineer, the storage site becomes unsightly, the Contractor shall clean up the storage site within two (2) days of notification to do so.

At the completion of the Contract, the Contractor shall remove the temporary storage fence and all debris in the area. The Contractor shall restore the storage site to the original condition, including, if necessary, grading and turf re-establishment.

**8. SITE**

The Contractor shall limit his work to the rights-of-way, easements, or construction limits shown on the Drawings.

**9. WARNING DEVICES**

The Contractor shall have the responsibility to provide and maintain all warning devices and take all precautionary measures required by law to protect persons and property while said persons or property are approaching, leaving or within the work site or any area adjacent to said work site. No separate compensation will be paid to the Contractor for the installation or maintenance of any warning devices, barricades, lights, signs or any other precautionary measures required by law for the protection of persons or property.

The Contractor shall assume all duties owned by the Owner to the general public in connection with the general public's immediate approach to and travel through the work site and the area adjacent to said work site.

Where the work is carried on, in, or adjacent to, any street, alley, sidewalk, public right-of-way or public place, the Contractor shall, at his own cost and expense, provide such flagmen and watchmen and furnish, erect and maintain such warning devices, barricades, signs, and lights, and other precautionary measures shall not cease until the project shall have been accepted by the Owner.

If the Engineer discovers that the Contractor has failed to comply with the applicable Federal and State law (by failing to furnish the necessary flagmen, warning devices, barricades, lights, signs or other precautionary measures for the protection of persons or property), the Engineer may order such additional precautionary measures, as required by law, to be taken to protect persons and property, and to be reimbursed by the Contractor for any expense incurred by the Owner, in ordering such additional precautionary measures.

In addition, the Contractor will be held responsible for all damages to the work and other public or private property due to the failure of warning devices, barricades, signs, lights, or other precautionary measures in protecting said property, and whenever evidence is found of such damage, the Owner may order the damaged portion immediately removed and replaced by, and at the cost and expense of, the Contractor. All of this work is considered incidental and shall not be separate pay items.



**10. EXISTING UTILITIES, STRUCTURES AND OTHER PROPERTY**

The Contractor's attention is directed to the necessity of taking adequate measures to protect all existing structures, improvements and utilities which may be encountered. These may include, but are not limited to the following:

- a. Utilities: Including water mains and services, water meter boxes, oil and air lines, gas mains and services, sanitary sewers and service connections, storm sewers, telephone conduits, and electric conduits.
- b. Street and Drives: Contractor shall at all times maintain streets and drives in a condition which will provide easy ingress and egress.

It shall be the responsibility of the Contractor to cooperate with the Owners of all utilities to locate, prior to opening trench, existing underground facilities and to notify the Engineer at once of any conflicts in grades and alignment. Every effort will be made by the Engineer to control alignment and grading to avoid conflict with existing utilities but should change in alignment and grade be necessary, such changes will be made by the Contractor at his expense and no extra payment beyond the unit prices bid will be allowed by the Owner.

Where excavation endangers adjacent structures and utilities, the Contractor shall at his own expense carefully support and protect all such structures and/or utilities so that there will be no failure due to settlement, where it is necessary to move services, poles, guy and he shall cooperate with the utility owner.

Except as indicated on the drawings that utilities are to be moved by others, any costs of temporarily or permanently relocating utilities shall be borne by the Contractor without extra compensation from the Owner. In case damage to an existing structure or utility occurs, whether failure or settlement; the Contractor shall restore the structure or utility to its original condition and position without compensation from the Owner. Before beginning work on this project the Contractor shall submit, for approval by the Engineer, a plan of construction operations outlining in detail a sequence of work to be followed, setting out the method of handling traffic.

The Contractor shall, plan his construction phasing in such a manner as to cause minimal interference with traffic during the construction operations.

The Contractor shall provide, construct and maintain barricades and signs in accordance with the "Texas Manual on Uniform Control Devices for Streets and Highways" and "Standard Highway Signs for Texas."

The Contractor shall keep travelled surfaces clean and free of debris and other materials of construction.

To facilitate shifting, barricades and signs used in lane closure or traffic staging may be erected and mounted on portable supports, the design of these being subject to the approval of the Engineer.

**11. LOCATE OF CITY-OWNED LINES**

The Public Works Department, Utility Division (972.919-2597), shall be contacted to locate City-owned water lines and sanitary sewer lines. The Parks and Recreation Department (972.919-2620) shall be contacted to locate City-owned irrigation lines and electric (lighting) lines. The Public Works Department, Traffic Division (972.919-2597) shall be contacted to locate City-owned fiber optic lines and traffic signal lines.

When the City-owned lines are located by any City department, the locates shall be considered valid up to two weeks, after which new locates shall be required. Unless the lines are physically uncovered, surface locates of City-owned lines shall be considered to be approximate. For any facilities to be constructed within 3 feet of the surface locates, additional subsurface investigation should be considered to ensure that the City-owned lines are appropriately located.

**12. RECORD OF EXISTING CONDITIONS**

Prior to the start of construction, the Contractor shall videotape, in DVD or VHS format, the area of construction in its entirety. The DVD or tape will be indexed with the date and time. Identifying physical structures such as street signs and house numbers shall be shown in order to identify locations. This tape will be given to the Owner for its approval prior to the start of construction. This will become the record of existing project conditions.

**13. TESTING**

Unless specified otherwise, testing and laboratory services will be performed by independent testing agencies selected and paid by the Owner. All initial material testing shall be performed at the direction and expense of the Owner. In the event certain materials of construction do not measure up to the required standards and certain performance obligations are not met, the defective material and/or work shall be removed and replaced, and the Contractor shall pay all subsequent testing and related work necessitated by the replacement.

The failure of the Owner to make any tests of materials shall in no way relieve the Contractor of his responsibility of furnishing materials conforming to the contract documents.

Tests, unless otherwise specified, shall be made in accordance with the latest methods of the American Society for Testing and Materials. The Contractor shall provide such facilities as the Owner may require for collecting and forwarding samples and shall not use the materials represented by the samples until tests have been made. The Contractor shall furnish adequate samples without charge.

The inspections and tests made by the Owner, its inspectors or agents shall ordinarily be made without cost to the Contractor unless otherwise expressly specified in the Contract Documents. The Contractor shall furnish without additional cost to the Owner such materials for testing as may be reasonably necessary. Retesting after failure to pass tests shall be at the expense of the Contractor. Should the percentage of rejected material or equipment be unreasonably large, the additional cost of such inspection and tests resulting therefrom shall be borne by the Contractor. The Owner shall judge what warrants extra inspection and shall determine the additional cost incurred thereby and payable by the Contractor.

**14. MAINTENANCE PROVISIONS FULFILLMENT**

Prior to the expiration of the specified maintenance period provided for in the Contract, the Owner will make a detailed inspection of the project and will advise the Contractor and his Surety of the items that require correction. The Owner will make subsequent inspection and if the corrections have been properly performed, the Owner will issue a letter of release on the maintenance stipulations to the Contractor and his Surety. If, for any reason, the Contractor has not made the required corrections before the expiration of the maintenance period, the maintenance stipulations, as provided for in the Contract, shall remain in effect until the corrections have been properly performed and a letter of release issued.

**15. LIQUIDATED DAMAGES**

The Contractor agrees that time is of the essence of this Contract, and that for each day of delay beyond the number of calendar days herein agreed upon for the completion of the work herein specified and contracted for (after due allowance for such extension of time as is provided for extension of time hereinabove), the Owner may withhold permanently from the Contract's total compensation as stipulated in the Agreement.

The sum of money thus deducted for such delay, failure of non-completion is not to be considered as a penalty, but shall be deemed, taken and treated as reasonable liquidated damages, since it would be impracticable and extremely difficult to fix the actual damages. No plea of ignorance of conditions that exist or may hereafter exist, or of conditions or difficulties that may be encountered in the execution of the work under this Contract, as a result of failure to make the necessary examinations and investigations, shall be accepted as an excuse for any failure or omission on the part of the Contractor to fulfill, in every detail, all requirements of the Contract Documents, or will be accepted as a basis for any claims whatsoever for extra compensation or for an extension of time.

**16. CHANGE ORDERS**

Pursuant to Section F of the General Conditions of Contract, the City Council of the City of Farmers Branch, Texas does hereby give the City Manager the authorization to execute change orders to this Contract in an amount not to exceed fifty thousand dollars (\$50,000). Change orders to this Contract in the amount of or greater than fifty thousand dollars (\$50,000) must be authorized by the City Council of the City of Farmers Branch, Texas. Those change orders include additions and deletions.

**17. ACCESS TO PROPERTY**

To the fullest extent practicable, the Contractor shall conduct his operations and work in such a manner that necessary ingress and egress will be provided to the tenants of both residential and commercial property. During all construction operations bridges, or other means of crossing trenches, ditches, and the Contractor at his expense shall provide other excavation and all operations shall be conducted in a manner which will result in a minimum of inconvenience to tenants of property adjacent to the work.

**18. NOTIFICATION OF RESIDENTS - UTILITIES**

The Contractor shall notify in writing all residents and businesses that abut the limits of the project, forty-eight (48) hours in advance of work that may cause interruption to utility service regardless of the length of interruption. The notice shall include the approximate time construction is to begin and the estimated length of the anticipated interruption. No resident shall have any utility interrupted for more than two hours in a twenty-four (24) hour period.

**19. NOTIFICATION OF RESIDENTS**

The Contractor shall notify in writing all residents and businesses that abut the street to be resurfaced or reconstructed, forty-eight (48) hours in advance of any work.

**20. SPECIAL MEETING**

Five (5) days prior to any landscaping work, the Contractor shall notify the Engineering Inspector for a special meeting. The meeting will be held with the Parks and Public Works Departments to discuss the landscaping portion of the Contract.

**21. LANDSCAPE & TREE TREATMENTS**

Where trees, plants, shrubbery, etc., are adjacent to the line of the work and are not to be removed or are to be removed and replaced, the Contractor shall protect such trees, plants, shrubbery, etc., by substantial wooden boxes or guards to be installed beyond the dripline, and shall not permit machinery or employees to scrape, tear the limbs from, damage or attach guy

cables to them and if, in the opinion of the Engineer, such trees, plants, shrubbery, etc., would be damaged by machinery, etc., hand excavation may be required. The Contractor shall be responsible for all damages to adjacent trees, plants, shrubbery, etc.

Existing trees, plants, shrubbery, etc., encountered on the site, which are not indicated on the plans, shall be considered as trees to remain and shall be protected. If these trees are in conflict with construction, the Contractor shall relocate the trees to an approved location, unless otherwise directed by the Engineer, at no additional cost to the Owner.

All disturbed turf shall be reestablished to original condition prior to completion of construction. This Turf Re-establishment shall not be a separate pay item and shall be subsidiary to the entire project, unless noted otherwise.

**22. MOWING AND DEBRIS MAINTENANCE**

During construction and through to final acceptance, the Contractor, at his expense, shall be responsible for maintaining the existing turf areas within the easements and rights-of-way as shown on the plans. The Contractor shall mow these areas as often as necessary to maintain the turf areas, at a two to two and one-half inches (2" to 2 ½") maximum height. Minimum cutting height for the turf shall be one and one-half inches (1 ½"). At no time shall weeds within the maintenance limits reach a height greater than twelve inches (12") in compliance with City Ordinance 908.

If, in the opinion of the Engineer, the site becomes unsightly, the Contractor shall mow the site within two (2) days after notification from Engineer to do so.

The Contractor at all times shall keep the construction site free from accumulation of waste materials, rubbish, debris, etc. Caused by his operations. Waste materials, rubbish, debris, etc. Shall be cleaned up daily and removed from the project site at least once a week.

No payment will be made for this work, its cost being subsidiary to the entire project.

**23. INCIDENTAL WORK**

All minor details of work which are not shown on the plans, as well as such items which are not specifically mentioned in the specifications, but are obviously necessary for the proper completion of the work, shall be considered as incidental, and as being a part of and included with the work for which prices are given in the proposal, and no extra compensation shall be allowed the Contractor for the performance thereof.

**24. DUST CONTROL**

Water Sprinkling as ordered by the Engineer to allay dust on this project will not be paid for directly but shall be considered subsidiary to the various bid items.

**25. TRADE NAMES AND ALTERNATIVES**

For convenience in designation on the plans or in the specifications, certain articles or materials to be incorporated in the work may be designated under a trade name or the name of a manufacturer and its catalogue information. The use of an alternative article or material which is of equal quality and of required characteristics for the purpose intended, will be permitted subject to the following requirements:

The burden of proof as to the quality and suitability of alternatives shall be upon the Contractor, and the Contractor shall furnish all necessary information required by the engineer. The Owner shall be the sole judge as to the quality and suitability of alternative articles or materials, and the Owner's decision shall be final.

Whenever the specifications permit the substitution of a similar or equivalent material or article, no test or action relating to the approval of such substitution will be made until the request for substitution is made in writing by the Contractor, accompanied by the complete data as to the quality of the material or article proposed. Such request shall be made in accordance with the section of these documents entitled **NOTICE TO BIDDERS** item 17. **PRE-BID CONFERENCE**.

**26. SITE DRAINAGE**

The Contractor shall maintain adequate site drainage at all times. Drainage runoff will be confined to the limits of the construction project and shall not be diverted over private property. Any runoff presently traversing private property shall not be increased by cause of construction.

**27. WATER SERVICE INTERRUPTION**

Water service shall not be interrupted for any reason. The Contractor shall be responsible for maintaining adequate water service for the duration of the project.

**28. SEWER SERVICE INTERRUPTION**

Sewer service shall not be interrupted for any reason. The Contractor shall be responsible for maintaining adequate sewage removal for the duration of the project.

**29. TIME & ORDER OF COMPLETION**

The Contractor will not be authorized to work on more than one location at a time, unless he provides separate work crews and receives authorization from the Engineer. The Contractor, under this contract, shall substantially complete the work at one location before relocating to a second location.

**30. CONSTRUCTION PHASING**

A recommended procedure for construction phasing is shown in the construction plans. The Contractor shall submit to the owner for approval a schedule outlining the Contractor's construction operations at the pre-construction meeting. Start of work shall be contingent upon approved construction phasing. All work and material necessary for barricading the project will not be paid for directly but shall be considered as subsidiary to various bid items.

**31. CONSTRUCTION SEQUENCING**

The Contractor shall submit a construction sequence plan to the Engineer in accordance with item #5 **PRE-CONSTRUCTION CONFERENCE** of this section. Start of work shall be contingent upon approval of the construction sequencing.

It is of utmost importance that the Contractor maintain access to the businesses by keeping at least one driveway open to each establishment at all times. Driveways that are allowed to be open cut per the plans shall be backfilled and topped with crushed rock or steel plated over at the end of each day to return the driveways to use.

The Contractor shall stage his activities to maintain access to and thru fire lanes at all times.

**32. EMBANKMENT CONSTRUCTION**

Failed slopes shall be cut back beyond the limits of the slide area with embankment construction beginning at the bottom of the slope. The slopes shall be reconstructed according to the plans and specifications section of this document. The Contractor shall slope and terrace excavated areas as necessary to maintain safe working conditions and eliminate potential additional slope failures.

**33. FILL OR EXCAVATION REQUIRED TO MAKE GRADE**

Any excavation or fill required to make grade after removing the existing concrete pavement, curbs, and drive approaches will not be a pay item. Payment for this work should be included in the concrete pavement pay item.

**34. DISPOSAL OF EXCESS SPOIL EXCAVATION**

All excess excavation not used in backfill shall be offered the right of refusal to the owner. If refused, the spoil shall be disposed of by the Contractor daily, at his own expense, outside the limits of the right of way. If accepted, the spoil shall be delivered by the Contractor, at his own expense, as directed and approved by the Engineer.

**35. OBJECTS WITHIN THE TEMPORARY CONSTRUCTION EASEMENT**

The Contractor shall not relocate, remove or otherwise damage any existing structures, fences, shrubs, plants or trees within the temporary construction easement. Should it become necessary to relocate or remove any above-mentioned item, not specifically detailed on the construction plans, the Contractor shall notify the Engineer before commencing with work in that area.

**36. REMOVAL OF PARKED VEHICLES**

The Contractor shall notify, in writing, the City of Farmers Branch Police Department, 3723 Valley View Lane, forty-eight (48) hours prior to performing any work within a residential area. Any removal of vehicles, which are parked within the limits of the work area, will be the responsibility of the Police Department.

**37. REMOVAL OF PAVEMENT MARKINGS**

All pavement markings, including raised markings, will be removed prior to placement of any overlay materials. This item is considered incidental and shall not be a separate pay item. All raised pavement markers that are removed intact and in a reusable condition, will become the property of the Owner.

**38. PAVEMENT REMOVAL**

All of the existing old pavement material to be removed on this project will become the property of the Contractor and be disposed of by him outside the limits of the right-of-way at his own expense.

**39. CONCRETE REMOVAL**

All of the existing old concrete material to be removed on this project will become the property of the Contractor and be disposed of by him outside the limits of the right-of-way at his own expense.

**40. LIMITS OF PLACEMENT**

No asphaltic material or asphaltic concrete pavement shall be placed between November 1 to May 1 except by written permission of the Engineer.

**41. INSTALLATION OF UTILITY ADJUSTING RINGS**

The Contractor shall be responsible for installation of all utility adjustment rings. In the case of a standard adjusting ring assembly being of an unacceptable height, the Contractor shall be responsible for the work required to make the ring to an acceptable height.

**42. OPENING PAVEMENT TO TRAFFIC**

After concrete in any sections has obtained 3600 PSI, the Contractor shall open these sections to all traffic. On those sections of the pavement open to traffic, all joints shall be first cleaned, the pavement sealed, earth placed against the pavement edges and all other work performed

as required for the safety of traffic. Such openings, however, shall in no manner relieve the contractor from his responsibility for the work.

**43. TRENCH SAFETY**

The Contractor shall install a trench safety system to provide safety for all trenches exceeding a depth of five (5) feet as per Occupational Safety and Health Administration (OSHA) requirements, Texas House Bill 1569 effective as of September 1, 1989 as amended. It shall be the responsibility of the Contractor to provide and maintain a viable trench safety system at all times during construction activities. The Contractor is directed to become knowledgeable and familiar with the standards as set forth by OSHA for trench safety that will be in effect during the period of construction of the project and the Contractor is responsible for conforming to such regulations as prescribed by OSHA standards.

The Contractor is responsible for obtaining any additional borings and soil analysis as required for determining Trench Safety and Support and accepts sole responsibility for compliance with all applicable safety requirements.

The Contractor's attention is directed to Bid Item Trench Safety and Support, under which full compensation at unit bid price will be made for all materials, equipment, and labor required to furnish, install, and remove the trench safety system.

**44. FENCING**

All areas, which have greater than a five (5) foot vertical drop, or where designated on the plans shall be protected by the Contractor installing an orange plastic safety fence (Up to 400 LF). The cost of the fence shall be subsidiary to other items of the project.

**45. OZONE ACTION DAYS**

The Owner can require the Contractor to suspend until 12:00 noon, any work activity which would contribute to the production of ozone on any day designated as an Ozone Action Day by the Texas Commission on Environmental Quality (TCEQ). Such work may include, but is not limited to, lane closures, the use of gasoline-powered engines and the use of petroleum distillates. The Contractor will be notified of any suspension of work before 3:30 p.m. on the day prior to an Ozone Action Day. The Contract shall be extended one calendar day for each Ozone Action Day in which work is suspended.

**46. BORING IN CITY R.O.W. AND EASEMENT**

All boring in City of Farmers Branch rights-of-way and easements must be performed with a steerable, traceable boring machine.

**47. PROJECT SIGN**

The Contractor shall furnish a maximum of two (2) project signs at the beginning and end of the project. The location of each sign shall be within the project limits and at the locations specified by the Engineer. The project signs must be erected within fourteen (14) calendar days of the date of the Notice to Proceed. The cost of the signs shall be included in the Contract price and not a separate pay item.

The project signs shall be constructed as shown on Exhibit "Project Sign". Stickers are available from the Public Works Department.

**UNFORESEEN ITEMS – BID ITEM**

An allowance is allotted to the Contractor for the purpose of adjusting and repairing Unforeseen Items during the construction of the project. These items shall not have been previously covered by any notes to be subsidiary to other items. When such items occur, City Inspector

shall be informed to review said item and approval obtained from City Engineer prior to any work commencing on said work. Contractor shall submit detailed expense receipts to the City for reimbursement on approved work. Any damage to existing facilities as a result of neglect on the part of the Contractor shall be repaired by the Contractor at his expense. Payment on this bid item shall only be for work approved by the City Engineer.

**48. CONSTRUCTION MATERIAL TESTING**

It is the contractor's responsibility to hire a professional engineering company for the Construction Material Testing Services in connection with the project and it is a separate pay item under the bid proposal section.



## **II. MINIMUM WAGE RATES**

### **MINIMUM WAGE SCALE**

This is a "Public Work" project, as defined in Section 2258.002 of the Texas Government Code, as amended, and as such is subject to the provisions of said Statute.

The Contractor, and each Sub-contractor, shall keep, or cause to be kept, an accurate record showing the names and occupations of all laborers, workmen and mechanics employed by him in connection with the said "Public Work" project, and showing also the actual per diem wages paid to each of such workers, which record shall be open at all reasonable hours to the inspection of the Owner.

In accordance with the provisions of said Statute, the Owner ascertained that the following wage rates per hour, for each craft or type of workman or mechanic needed to execute this Contract, now prevail in the locality in which this work is to be performed. The Contractor shall pay not less than the wage rates shown (attached herein) for each craft or type of labor, workman or mechanic employed in the execution of this Contract. The Contractor shall forfeit as penalty to the City of Farmers Branch, Ten Dollars (\$10.00) for each laborer, workman or mechanic employed for each calendar day, or portion thereof, such laborer, is paid less than the said stipulated rates of any work done under said Contract by him, or by any Sub-Contractor under him. All money forfeited pursuant to the above stipulation shall be withheld from the estimate.

## SUPPLEMENTARY SPECIAL PROVISIONS TO REQUIRED

### CONTRACT PROVISIONS FOR CITY PROJECT

The Owner has ascertained that the following wage rates for each craft or type of laborer, workman or mechanic needed to fully perform this Contract are the current rates of per hour wages for like work in the locality where the Work is to be performed. The Contractor shall pay not less than the wage rates shown below for each craft or type of laborer, workman and mechanic employed in the performance of this Contract.

#### PREVAILING WAGE RATES IN THE LOCALITY OF THIS PROJECT FOR LABORERS, WORKMEN, AND MECHANICS FOR THE ROADWAY EXCAVATION, SITE GRADING, DRAINAGE, AND PAVING TRADES.

	Rates	Fringes
CONCRETE FINISHER (Paving and Structures).....	\$ 14.12	
ELECTRICIAN.....	\$ 19.80	
FORM BUILDER/FORM SETTER		
Paving & Curb.....	\$ 13.16	
Structures.....	\$ 13.84	
LABORER		
Asphalt Raker.....	\$ 12.69	
Flagger.....	\$ 10.06	
Laborer, Common.....	\$ 10.72	
Laborer, Utility.....	\$ 12.32	
Pipelayer.....	\$ 13.24	
Work Zone Barricade		
Servicer.....	\$ 11.68	
POWER EQUIPMENT OPERATOR:		
Asphalt Distributor.....	\$ 15.32	
Asphalt Paving Machine.....	\$ 13.99	
Broom or Sweeper.....	\$ 11.74	
Concrete Pavement		
Finishing Machine.....	\$ 16.05	
Concrete Saw.....	\$ 14.48	
Crane Operator, Lattice		
Boom 80 Tons or Less.....	\$ 17.27	
Crane Operator, Lattice		
Boom over 80 Tons.....	\$ 20.52	
Crane, Hydraulic 80 Tons		
or Less.....	\$ 18.12	
Crawler Tractor.....	\$ 14.07	
Excavator, 50,000 pounds		
or less.....	\$ 17.19	

Excavator, over 50,000 pounds.....	\$ 16.99
Foundation Drill , Truck Mounted.....	\$ 21.07
Foundation Drill, Crawler Mounted.....	\$ 17.99
Front End Loader 3 CY or Less.....	\$ 13.69
Front End Loader, over 3 CY.	\$ 14.72
Loader/Backhoe.....	\$ 15.18
Mechanic.....	\$ 17.68
Milling Machine.....	\$ 14.32
Motor Grader, Fine Grade....	\$ 17.19
Motor Grader, Rough.....	\$ 16.02
Pavement Marking Machine....	\$ 13.63
Reclaimer/Pulverizer.....	\$ 11.01
Roller, Asphalt.....	\$ 13.08
Roller, Other.....	\$ 11.51
Scraper.....	\$ 12.96
Small Slipform Machine.....	\$ 15.96
Spreader Box.....	\$ 14.73
 Servicer.....	 \$ 14.58
 Steel Worker (Reinforcing).....	 \$ 16.18
 TRUCK DRIVER	
Lowboy-Float.....	\$ 16.24
Off Road Hauler.....	\$ 12.25
Single Axle.....	\$ 12.31
Single or Tandem Axle Dump Truck.....	\$ 12.62
Tandem Axle Tractor with Semi-Trailer.....	\$ 12.86
Transit-Mix.....	\$ 14.14
 WELDER.....	 \$ 14.84

### **III. CONSTRUCTION SPECIFICATIONS**

## **CONSTRUCTION SPECIFICATIONS**

The "Standard Specifications for Public Works Construction" by North Central Texas Council of Governments (NCTCOG) most recent amendment, shall be the construction specifications for this project with supplements and additions provided herein.

The "Standard Specifications for Public Works Construction" by NCTCOG shall be considered part of these Contract Documents.

#### **IV. EXHIBITS**

## **V. PROJECT SIGN**



## **VI. SOILS REPORT**

**PERFORMANCE TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA**  
**BOND** Hartford, Connecticut 06183

Bond No.: 108063538

**CONTRACTOR:**

*(Name, legal status and address)*

Felix Construction Company  
403 International Parkway, Suite 500  
Richardson, TX 75081

**OWNER:**

*(Name, legal status and address)*

City of Farmers Branch, TX  
13000 William Dodson Parkway  
Farmers Branch, TX 75234

**CONSTRUCTION CONTRACT**

Date: 7/02/2024

Amount: \$ FORTY SIX THOUSAND NINE HUNDRED THIRTEEN AND 00/100

\$46,913.00

Description:

*(Name and location)* Farmers Branch Office Park Lift Station Rehabilitation  
Construction Manager at Risk (CMAR)  
Project No. 7648

**BOND**

Date: 7/17/2024

*(Not earlier than Construction Contract Date)*

Amount: \$ FORTY SIX THOUSAND NINE HUNDRED THIRTEEN AND 00/100

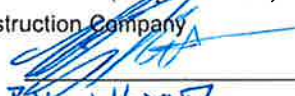
\$46,913.00

Modifications to this Bond: ☒ None ☐ See Section 16

**CONTRACTOR AS PRINCIPAL**

Company: *(Corporate Seal)*

Felix Construction Company

Signature: 

Name and Title: **EVAN KOONTZ**

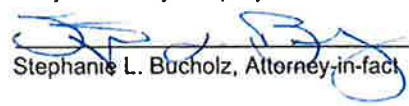
**GENERAL MANAGER**

*(Any additional signatures appear on the last page of this Performance Bond.)*

**SURETY**

Company: *(Corporate Seal)*

Travelers Casualty And Surety Company Of America

Signature: 

Name and Title: **Stephanie L. Bucholz, Attorney-in-fact**

Title:



*(FOR INFORMATION ONLY — Name, address and telephone)*

**AGENT or BROKER:**

CBI Bonding, Inc.  
535 E. McKellips Road, Suite 129  
Mesa, AZ 85203  
(480)968-0100

**OWNER'S REPRESENTATIVE:**

*(Architect, Engineer or other party:)*

§ 1 The Contractor and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors and assigns to the Owner for the performance of the Construction Contract, which is incorporated herein by reference.

§ 2 If the Contractor performs the Construction Contract, the Surety and the Contractor shall have no obligation under this Bond, except when applicable to participate in a conference as provided in Section 3.

§ 3 If there is no Owner Default under the Construction Contract, the Surety's obligation under this Bond shall arise after  
1 the Owner first provides notice to the Contractor and the Surety that the Owner is considering declaring a Contractor Default. Such notice shall indicate whether the Owner is requesting a conference among the Owner, Contractor and Surety to discuss the Contractor's performance. If the Owner does not request a conference, the Surety may, within five (5) business days after receipt of the Owner's notice, request such a conference. If the Surety timely requests a conference, the Owner shall attend. Unless the Owner agrees otherwise, any conference requested under this Section 3.1 shall be held within ten (10) business days of the Surety's receipt of the Owner's

notice. If the Owner, the Contractor and the Surety agree, the Contractor shall be allowed a reasonable time to perform the Construction Contract, but such an agreement shall not waive the Owner's right, if any, subsequently to declare a Contractor Default;

- .2 the Owner declares a Contractor Default, terminates the Construction Contract and notifies the Surety; and
- .3 the Owner has agreed to pay the Balance of the Contract Price in accordance with the terms of the Construction Contract to the Surety or to a contractor selected to perform the Construction Contract.

§ 4 Failure on the part of the Owner to comply with the notice requirement in Section 3.1 shall not constitute a failure to comply with a condition precedent to the Surety's obligations, or release the Surety from its obligations, except to the extent the Surety demonstrates actual prejudice.

§ 5 When the Owner has satisfied the conditions of Section 3, the Surety shall promptly and at the Surety's expense take one of the following actions:

§ 5.1 Arrange for the Contractor, with the consent of the Owner, to perform and complete the Construction Contract;

§ 5.2 Undertake to perform and complete the Construction Contract itself, through its agents or independent contractors;

§ 5.3 Obtain bids or negotiated proposals from qualified contractors acceptable to the Owner for a contract for performance and completion of the Construction Contract, arrange for a contract to be prepared for execution by the Owner and a contractor selected with the Owner's concurrence, to be secured with performance and payment bonds executed by a qualified surety equivalent to the bonds issued on the Construction Contract, and pay to the Owner the amount of damages as described in Section 7 in excess of the Balance of the Contract Price incurred by the Owner as a result of the Contractor Default; or

§ 5.4 Waive its right to perform and complete, arrange for completion, or obtain a new contractor and with reasonable promptness under the circumstances:

- .1 After investigation, determine the amount for which it may be liable to the Owner and, as soon as practicable after the amount is determined, make payment to the Owner; or
- .2 Deny liability in whole or in part and notify the Owner, citing the reasons for denial.

§ 6 If the Surety does not proceed as provided in Section 5 with reasonable promptness, the Surety shall be deemed to be in default on this Bond seven days after receipt of an additional written notice from the Owner to the Surety demanding that the Surety perform its obligations under this Bond, and the Owner shall be entitled to enforce any remedy available to the Owner. If the Surety proceeds as provided in Section 5.4, and the Owner refuses the payment or the Surety has denied liability, in whole or in part, without further notice the Owner shall be entitled to enforce any remedy available to the Owner.

§ 7 If the Surety elects to act under Section 5.1, 5.2 or 5.3, then the responsibilities of the Surety to the Owner shall not be greater than those of the Contractor under the Construction Contract, and the responsibilities of the Owner to the Surety shall not be greater than those of the Owner under the Construction Contract. Subject to the commitment by the Owner to pay the Balance of the Contract Price, the Surety is obligated, without duplication, for

- .1 the responsibilities of the Contractor for correction of defective work and completion of the Construction Contract;
- .2 additional legal, design professional and delay costs resulting from the Contractor's Default, and resulting from the actions or failure to act of the Surety under Section 5; and
- .3 liquidated damages, or if no liquidated damages are specified in the Construction Contract, actual damages caused by delayed performance or non-performance of the Contractor.

§ 8 If the Surety elects to act under Section 5.1, 5.3 or 5.4, the Surety's liability is limited to the amount of this Bond.

§ 9 The Surety shall not be liable to the Owner or others for obligations of the Contractor that are unrelated to the Construction Contract, and the Balance of the Contract Price shall not be reduced or set off on account of any such unrelated obligations. No right of action shall accrue on this Bond to any person or entity other than the Owner or its heirs, executors, administrators, successors and assigns.

§ 10 The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders and other obligations.

§ 11 Any proceeding, legal or equitable, under this Bond may be instituted in any court of competent jurisdiction in the location in which the work or part of the work is located and shall be instituted within two years after a declaration of Contractor Default

or within two years after the Contractor ceased working or within two years after the Surety refuses or fails to perform its obligations under this Bond, whichever occurs first. If the provisions of this Paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable.

§ 12 Notice to the Surety, the Owner or the Contractor shall be mailed or delivered to the address shown on the page on which their signature appears.

§ 13 When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. When so furnished, the intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

**§ 14 Definitions**

§ 14.1 **Balance of the Contract Price.** The total amount payable by the Owner to the Contractor under the Construction Contract after all proper adjustments have been made, including allowance to the Contractor of any amounts received or to be received by the Owner in settlement of insurance or other claims for damages to which the Contractor is entitled, reduced by all valid and proper payments made to or on behalf of the Contractor under the Construction Contract.

§ 14.2 **Construction Contract.** The agreement between the Owner and Contractor identified on the cover page, including all Contract Documents and changes made to the agreement and the Contract Documents.

§ 14.3 **Contractor Default.** Failure of the Contractor, which has not been remedied or waived, to perform or otherwise to comply with a material term of the Construction Contract.

§ 14.4 **Owner Default.** Failure of the Owner, which has not been remedied or waived, to pay the Contractor as required under the Construction Contract or to perform and complete or comply with the other material terms of the Construction Contract.

§ 14.5 **Contract Documents.** All the documents that comprise the agreement between the Owner and Contractor.

§ 15 If this Bond is issued for an agreement between a Contractor and subcontractor, the term Contractor in this Bond shall be deemed to be Subcontractor and the term Owner shall be deemed to be Contractor.

§ 16 Modifications to this bond are as follows: NONE

*(Space is provided below for additional signatures of added parties, other than those appearing on the cover page.)*

**CONTRACTOR AS PRINCIPAL**

Company: \_\_\_\_\_  
(Corporate Seal)

**SURETY**

Company: \_\_\_\_\_  
(Corporate Seal)

Signature: \_\_\_\_\_  
Name and Title: \_\_\_\_\_  
Address: \_\_\_\_\_

Signature: \_\_\_\_\_  
Name and Title: \_\_\_\_\_  
Address: \_\_\_\_\_

# PAYMENT BOND

TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA  
Hartford, Connecticut 06183

Bond No.: 108063538

**CONTRACTOR:**

(Name, legal status and address)

Felix Construction Company  
403 International Parkway, Suite 500  
Richardson, TX 75081

**OWNER:**

(Name, legal status and address)

City of Farmers Branch, TX  
13000 William Dodson Parkway  
Farmers Branch, TX 75234

**CONSTRUCTION CONTRACT**

Date: 7/02/2024

Amount: \$ FORTY SIX THOUSAND NINE HUNDRED THIRTEEN AND 00/100

\$46,913.00

Description:

(Name and location) Farmers Branch Office Park Lift Station Rehabilitation  
Construction Manager at Risk (CMAR)  
Project No. 7648

**BOND**

Date: 7/17/2024

(Not earlier than Construction Contract Date)

Amount: \$ FORTY SIX THOUSAND NINE HUNDRED THIRTEEN AND 00/100

\$46,913.00

Modifications to this Bond:

☒ X

NONE

☐

See Section 18

**CONTRACTOR AS PRINCIPAL**

Company: (Corporate Seal)

Felix Construction Company

Signature:

Name and

Title:

(Any additional signatures appear on the last page of this Payment Bond.)

**SURETY**

Company:

(Corporate Seal)

Travelers Casualty And Surety Company Of America

Signature:

Name and

Title:

Stephanie L. Bucholz, Attorney-in-fact



(FOR INFORMATION ONLY — Name, address and telephone)

**AGENT or BROKER:**

CBI Bonding, Inc.  
535 E. McKellips Road, Suite 129  
Mesa, AZ 85203  
(480)968-0100

**OWNER'S REPRESENTATIVE:**

(Architect, Engineer or other party:)

§ 1 The Contractor and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors and assigns to the Owner to pay for labor, materials and equipment furnished for use in the performance of the Construction Contract, which is incorporated herein by reference, subject to the following terms.

§ 2 If the Contractor promptly makes payment of all sums due to Claimants, and defends, indemnifies and holds harmless the Owner from claims, demands, liens or suits by any person or entity seeking payment for labor, materials or equipment

furnished for use in the performance of the Construction Contract, then the Surety and the Contractor shall have no obligation under this Bond.

§ 3 If there is no Owner Default under the Construction Contract, the Surety's obligation to the Owner under this Bond shall arise after the Owner has promptly notified the Contractor and the Surety (at the address described in Section 13) of claims, demands, liens or suits against the Owner or the Owner's property by any person or entity seeking payment for labor, materials or equipment furnished for use in the performance of the Construction Contract and tendered defense of such claims, demands, liens or suits to the Contractor and the Surety.

§ 4 When the Owner has satisfied the conditions in Section 3, the Surety shall promptly and at the Surety's expense defend, indemnify and hold harmless the Owner against a duly tendered claim, demand, lien or suit.

§ 5 The Surety's obligations to a Claimant under this Bond shall arise after the following:

§ 5.1 Claimants, who do not have a direct contract with the Contractor,

- .1 have furnished a written notice of non-payment to the Contractor, stating with substantial accuracy the amount claimed and the name of the party to whom the materials were, or equipment was, furnished or supplied or for whom the labor was done or performed, within ninety (90) days after having last performed labor or last furnished materials or equipment included in the Claim; and
- .2 have sent a Claim to the Surety (at the address described in Section 13).

§ 5.2 Claimants, who are employed by or have a direct contract with the Contractor, have sent a Claim to the Surety (at the address described in Section 13).

§ 6 If a notice of non-payment required by Section 5.1.1 is given by the Owner to the Contractor, that is sufficient to satisfy a Claimant's obligation to furnish a written notice of non-payment under Section 5.1.1.

§ 7 When a Claimant has satisfied the conditions of Sections 5.1 or 5.2, whichever is applicable, the Surety shall promptly and at the Surety's expense take the following actions:

§ 7.1 Send an answer to the Claimant, with a copy to the Owner, within sixty (60) days after receipt of the Claim, stating the amounts that are undisputed and the basis for challenging any amounts that are disputed; and

§ 7.2 Pay or arrange for payment of any undisputed amounts.

§ 7.3 The Surety's failure to discharge its obligations under Section 7.1 or Section 7.2 shall not be deemed to constitute a waiver of defenses the Surety or Contractor may have or acquire as to a Claim, except as to undisputed amounts for which the Surety and Claimant have reached agreement. If, however, the Surety fails to discharge its obligations under Section 7.1 or Section 7.2, the Surety shall indemnify the Claimant for the reasonable attorney's fees the Claimant incurs thereafter to recover any sums found to be due and owing to the Claimant.

§ 8 The Surety's total obligation shall not exceed the amount of this Bond, plus the amount of reasonable attorney's fees provided under Section 7.3, and the amount of this Bond shall be credited for any payments made in good faith by the Surety.

§ 9 Amounts owed by the Owner to the Contractor under the Construction Contract shall be used for the performance of the Construction Contract and to satisfy claims, if any, under any construction performance bond. By the Contractor furnishing and the Owner accepting this Bond, they agree that all funds earned by the Contractor in the performance of the Construction Contract are dedicated to satisfy obligations of the Contractor and Surety under this Bond, subject to the Owner's priority to use the funds for the completion of the work.

§ 10 The Surety shall not be liable to the Owner, Claimants or others for obligations of the Contractor that are unrelated to the Construction Contract. The Owner shall not be liable for the payment of any costs or expenses of any Claimant under this Bond, and shall have under this Bond no obligation to make payments to, or give notice on behalf of, Claimants or otherwise have any obligations to Claimants under this Bond.

§ 11 The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders and other obligations.

§ 12 No suit or action shall be commenced by a Claimant under this Bond other than in a court of competent jurisdiction in the state in which the project that is the subject of the Construction Contract is located or after the expiration of one year from the

date (1) on which the Claimant sent a Claim to the Surety pursuant to Section 5.1.2 or 5.2, or (2) on which the last labor or service was performed by anyone or the last materials or equipment were furnished by anyone under the Construction Contract, whichever of (1) or (2) first occurs. If the provisions of this Paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable.

**§ 13 Notice and Claims to the Surety.** the Owner or the Contractor shall be mailed or delivered to the address shown on the page on which their signature appears. Actual receipt of notice or Claims, however accomplished, shall be sufficient compliance as of the date received.

**§ 14** When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. When so furnished, the intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

**§ 15** Upon request by any person or entity appearing to be a potential beneficiary of this Bond, the Contractor and Owner shall promptly furnish a copy of this Bond or shall permit a copy to be made.

**§ 16 Definitions**

**§ 16.1 Claim.** A written statement by the Claimant including at a minimum:

- .1 the name of the Claimant;
- .2 the name of the person for whom the labor was done, or materials or equipment furnished;
- .3 a copy of the agreement or purchase order pursuant to which labor, materials or equipment was furnished for use in the performance of the Construction Contract;
- .4 a brief description of the labor, materials or equipment furnished;
- .5 the date on which the Claimant last performed labor or last furnished materials or equipment for use in the performance of the Construction Contract;
- .6 the total amount earned by the Claimant for labor, materials or equipment furnished as of the date of the Claim;
- .7 the total amount of previous payments received by the Claimant; and
- .8 the total amount due and unpaid to the Claimant for labor, materials or equipment furnished as of the date of the Claim.

**§ 16.2 Claimant.** An individual or entity having a direct contract with the Contractor or with a subcontractor of the Contractor to furnish labor, materials or equipment for use in the performance of the Construction Contract. The term Claimant also includes any individual or entity that has rightfully asserted a claim under an applicable mechanic's lien or similar statute against the real property upon which the Project is located. The intent of this Bond shall be to include without limitation in the terms "labor, materials or equipment" that part of water, gas, power, light, heat, oil, gasoline, telephone service or rental equipment used in the Construction Contract, architectural and engineering services required for performance of the work of the Contractor and the Contractor's subcontractors, and all other items for which a mechanic's lien may be asserted in the jurisdiction where the labor, materials or equipment were furnished.

**§ 16.3 Construction Contract.** The agreement between the Owner and Contractor identified on the cover page, including all Contract Documents and all changes made to the agreement and the Contract Documents.

**§ 16.4 Owner Default.** Failure of the Owner, which has not been remedied or waived, to pay the Contractor as required under the Construction Contract or to perform and complete or comply with the other material terms of the Construction Contract.

**§ 16.5 Contract Documents.** All the documents that comprise the agreement between the Owner and Contractor.

**§ 17** If this Bond is issued for an agreement between a Contractor and subcontractor, the term Contractor in this Bond shall be deemed to be Subcontractor and the term Owner shall be deemed to be Contractor.

§ 18 Modifications to this bond are as follows: NONE

*(Space is provided below for additional signatures of added parties, other than those appearing on the cover page.)*

**CONTRACTOR AS PRINCIPAL**

Company: \_\_\_\_\_  
(Corporate Seal)

Signature: \_\_\_\_\_  
Name and Title: \_\_\_\_\_  
Address: \_\_\_\_\_

**SURETY**

Company: \_\_\_\_\_  
(Corporate Seal)

Signature: \_\_\_\_\_  
Name and Title: \_\_\_\_\_  
Address: \_\_\_\_\_





**SURETY BOND ELECTRONIC SIGNATURE & SEAL ADDENDUM  
TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA**

Travelers Casualty and Surety Company of America ("Travelers") has authorized Its Attorneys-In-Fact to utilize an electronic, facsimile, or digital signature (each an "Electronic Signature") to execute bonds on behalf of Travelers and has further authorized its Attorneys-In-Fact to attach this Addendum to any such bonds.

Travelers hereby acknowledges and agrees that the attached bond executed by the Attorney-in-Fact on behalf of Travelers with an Electronic Signature shall have the same force and effect as if executed by the Attorney-in-Fact with a wet ink signature.

Travelers also hereby agrees that the seal below shall be deemed affixed to the attached bond to the same extent as if Travelers' raised corporate seal was physically affixed to the face of the bond.

Dated this 1st day of April, 2023.

**Travelers Casualty and Surety Company of America**



By:   
Robert L. Raney, Senior Vice President



**Travelers Casualty and Surety Company of America**  
**Travelers Casualty and Surety Company**  
**St. Paul Fire and Marine Insurance Company**

**POWER OF ATTORNEY**

**KNOW ALL MEN BY THESE PRESENTS:** That Travelers Casualty and Surety Company of America, Travelers Casualty and Surety Company, and St. Paul Fire and Marine Insurance Company are corporations duly organized under the laws of the State of Connecticut (herein collectively called the "Companies"), and that the Companies do hereby make, constitute and appoint **STEPHANIE L BUCHOLZ** of **MESA**, **Arizona**, their true and lawful Attorney(s)-in-Fact to sign, execute, seal and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

**IN WITNESS WHEREOF**, the Companies have caused this Instrument to be signed, and their corporate seals to be hereto affixed, this 21st day of April, 2021.



State of Connecticut

City of Hartford ss.

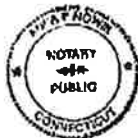
By: \_\_\_\_\_

*Robert L. Raney*  
Robert L. Raney, Senior Vice President

On this the 21st day of April, 2021, before me personally appeared Robert L. Raney, who acknowledged himself to be the Senior Vice President of each of the Companies, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of said Companies by himself as a duly authorized officer.

**IN WITNESS WHEREOF**, I hereunto set my hand and official seal.

My Commission expires the 30th day of June, 2026



*Anna P. Nowik*

Anna P. Nowik, Notary Public

This Power of Attorney is granted under and by the authority of the following resolutions adopted by the Boards of Directors of each of the Companies, which resolutions are now in full force and effect, reading as follows:

**RESOLVED**, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary may appoint Attorneys-in-Fact and Agents to act for and on behalf of the Company and may give such appointee such authority as his or her certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors at any time may remove any such appointee and revoke the power given him or her; and it is

**FURTHER RESOLVED**, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary; and it is

**FURTHER RESOLVED**, that any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary; or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more Company officers pursuant to a written delegation of authority; and it is

**FURTHER RESOLVED**, that the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any Power of Attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such Power of Attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding on the Company in the future with respect to any bond or undertaking to which it is attached.

I, Kevin E. Hughes, the undersigned, Assistant Secretary of each of the Companies, do hereby certify that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which remains in full force and effect.

Dated this 17th day of July, 2024



*Kevin E. Hughes*  
Kevin E. Hughes, Assistant Secretary

**To verify the authenticity of this Power of Attorney, please call us at 1-800-421-3880.**

**Please refer to the above-named Attorney(s)-in-Fact and the details of the bond to which this Power of Attorney is attached.**