

## **EXHIBIT B**

City of Gainesville

# **GENERAL TERMS AND CONDITIONS FOR CONTINUING CONSTRUCTION MANAGEMENT SERVICES FOR MINOR PROJECTS**

# ARTICLE 1

## DEFINITIONS

When one of the following capitalized words, terms or phrases is used in the Contract for Continuing Construction Management Services for Minor Projects, it shall be interpreted or construed first as defined below, second according to its generally accepted meaning in the construction industry, and third according to its common and customary usage.

**Construction Manager:** An entity, including but not limited to a general contractor, a trade contractor or a construction manager, engaged directly by the Owner pursuant to an Contract for Continuing Construction Management Services for Minor Projects.

**Construction Documents:** Plans, specifications, change orders, revisions, addenda, and other information which set forth in detail the Work.

**Construction Price:** The dollar amount for which a Construction Manager agrees to perform the Work set forth in the Contract for Continuing Construction Management Services for Minor Projects.

**Construction Schedule:** The timetable which sets forth pertinent dates for timely completion of the Work.

**Contract for Continuing Construction Management Services for Minor Projects:** A written contract between the Owner and a Construction Manager for provision of goods, products, materials, equipment, systems, management, supervision, labor and services required to construct all or part of a Project, as more particularly defined in the Contract for Continuing Construction Management Services for Minor Projects.

**Certificate of Substantial Completion:** Document declaring the Work substantially complete and suitable for occupancy or beneficial use by the Owner.

**Change Order:** Document executed by both Construction Manager and Owner authorizing an increase in the Guaranteed Maximum Price or Project Completion time.

**Contingency Use Directive:** Document executed by both the Construction Manager and Owner authorizing the Construction Manager to use the Construction Manager's contingency.

**Final Completion:** The stage of construction when the Work has been completed in accordance with the Contract for Continuing Construction Management Services for Minor Projects and the Owner has received all documents and items necessary for closeout of the Work.

**Hazardous Substances:** The term "Hazardous Substances" means all hazardous or toxic substances, materials, wastes, pollutants and contaminants which are listed, defined, or regulated under applicable laws, rules, regulations, codes, ordinances, orders and directives pertaining or regulated to health, safety or the environment, including, but not limited to, the Comprehensive Environmental Response Compensation and Liability Act as amended, (42 U.S.C. § 9601 et seq), the Resource Conservation and Recovery Act as amended, (42 U.S.C. § 6901 et seq), the Federal Water Pollution Control Act (33 U.S.C.A. §§ 1251 to 1387), the Clean Air Act (42 U.S.C.A. §§ 7401 to 7671 q), the Emergency Planning and Community Right to Know Act (42 U.S.C.A. §§ 11001 to 11050), the Toxic Substances Control Act (15 U.S.C.A. §§ 2601 to 2692), the Solid Waste Disposal Act (42 U.S.C.A. §§ 6901 to 6992k), the Oil Pollution Act (33 U.S.C.A. §§ 2701 to 2761) and all rules and regulations promulgated pursuant thereto. Without limiting the generality of the foregoing, "Hazardous Substances" shall specifically include polychlorinated biphenyl, asbestos (friable and non-friable), radon, urea formaldehyde, gasoline, diesel, oil, hydrocarbons, petroleum derived constituents, biomedical waste, or hazardous or toxic residue.

**Owner:** Party identified in the Agreement as Owner.

**Professional:** An entity, including but not limited to a licensed architect or engineer, engaged directly by the Owner to provide design or engineering services.

**Project:** Each discrete Scope of Work.

**Project Design Schedule:** The timetable which sets forth the required relationships between, and pertinent dates for, required completion of design architectural and engineering services, documents and related activities.

**Site:** The geographical location of a Project, usually defined by legal boundary lines, and the location characteristics including, but not limited to, grades and lines of streets, alleys, pavements and adjoining structures, rights-of-way, restrictions, easements, encroachments, zoning, deed restrictions, existing buildings and improvements, and service and utility lines.

**Substantial Completion:** The stage of construction when the Owner can occupy or beneficially use satisfactorily completed Work for its intended purpose and a certificate of occupancy has been issued.

**Work:** Any and all computers, construction machinery, documents, equipment, facilities, fixtures, furnishings, goods, heat, items, labor, licenses, management, materials, permits, products, services, supervision, supplies, systems, taxes, testing, tools, utilities, transportation, vehicles, and water, required to be performed or supplied and/or necessary for proper execution and completion of the Project, or some portion thereof, whether or not incorporated or to be incorporated into the Project; provided, however, that Work does not include performance of pre-construction services by a construction manager.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

## ARTICLE 2

### CONTRACT DOCUMENTS

- 2.1 **Sets of Construction Documents.** The Owner shall provide the Construction Manager with one printed set of Construction Documents, with additional copies available for purchase at a local reproduction firm designated by the Professional. Unless otherwise specified in the Contract, the Construction Manager may request that the Construction Documents required by the Construction Manager for the Work also be furnished to it on electronic media. To the extent that such documents are available on electronic media, the Construction Manager will be furnished one set of the requested information on electronic media. Any additional electronic copies of Construction Documents required by the Construction Manager for execution of the Work shall be made by the Construction Manager at the Construction Manager's cost and expense.
- 2.2 **Minimum Requirements.** In every case, requirements established by the Construction Documents shall be considered as the minimum which will be accepted.
- 2.3 **Owner Disclaimer of Warranty.** The Owner has requested that its Professional(s) prepare documents for the Project, including the plans and specifications for the Project, which are to be complete, accurate, coordinated, and adequate for bidding, negotiating and constructing the Work. However, the Owner makes no representation or warranty of any nature whatsoever to the Construction Manager concerning such documents. The Construction Manager hereby acknowledges and represents that it has not relied, and does not and will not rely, upon any representations or warranties by the Owner concerning such documents, as no such representations or warranties have been or are hereby made.
- 2.4 **Conflicts in Documents.** In the event of any conflict, discrepancy, or inconsistency among any of the documents which make up the Contract for Continuing Construction Management Services for Minor Projects, the following shall control:
- 2.4.1 As between figures given on plans and scaled measurements, the figures shall govern;
  - 2.4.2 As between large-scale plans and small-scale plans, the large-scale shall govern; and
  - 2.4.3 As between plans and specifications, the requirements of the specifications shall govern.
- 2.5 **Shop Drawings and Submittals.** Shop drawings and other submittals from the Construction Manager or its subcontractors and suppliers do not constitute a part of the Contract for Continuing Construction Management Services for Minor Projects.
- 2.6 **Contract Changes.** The Construction Manager understands and agrees that the Contract for Continuing Construction Management Services for Minor Projects cannot be changed except as provided herein. No act, omission or course of dealing by the parties shall alter the requirement that modifications of the Contract for Continuing Construction Management Services for Minor Projects can be accomplished only by written documents signed by the parties.

**[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]**

## ARTICLE 3

### CONSTRUCTION MANAGER'S REVIEWS AND EVALUATIONS

- 3.1 **Sufficiency of Construction Documents and Drawings.** The Construction Manager acknowledges its continuing duty to review and evaluate the Construction Documents during the performance of its services and shall immediately notify the Owner and the Professional(s) about any (i) problems, conflicts, defects, deficiencies, inconsistencies or omissions it discovers in or between the Construction Documents; and (ii) variances it discovers between the Construction Documents and applicable laws, statutes, building codes, rules and regulations.
- 3.1.1 If the Construction Manager performs any Work which it knows or should have known involves (i) a recognized problem, conflict, defect, deficiency, inconsistency or omission in the Construction Documents; or (ii) a variance between the Construction Documents and requirements of applicable laws, statutes, building codes, rules and regulations, without notifying the Owner and Professional(s) and prior to receiving written authorization from the Owner or Professional(s) to proceed, the Construction Manager shall be responsible for the consequences of such performance.
- 3.1.2 Drawings are generally drawn to scale; however, the figured dimensions or notes thereon shall govern. Before ordering any materials or doing any Work, the Construction Manager and subcontractors shall verify all measurements at the Site and shall be responsible for the correctness of same. Discrepancies shall be reported in writing to the Owner and Professional prior to proceeding with the Work. No extra charge or compensation will be entertained due to differences between actual measurements and dimensions indicated on drawings, if such differences do not result in a change in the scope of Work or if the Owner and Professional failed to receive written notice before the Work was performed.
- 3.2 **Sufficiency of Site.** Prior to signing Project specific Exhibits as set forth in the Contract for Continuing Construction Management Services for Minor Projects, the Construction Manager has:
- i. visited the Site and become familiar with local conditions under which the Project is to be constructed and operated; and
  - ii. reviewed and familiarized itself with the Site survey and any existing structures on the Site, and gathered all other information necessary for a full understanding of the Work. In addition, if the Work involves modifications to or remodeling of an existing structure(s) or other man-made feature(s) on the Site, the Construction Manager has also:
  - iii. reviewed all as-built and record drawings, plans and specifications of which Owner has informed Construction Manager; and
  - iv. thoroughly inspected the structure(s) and man-made feature(s) to be modified or remodeled prior to submission of bid, if any, but in all events prior to signing the Project specific Exhibits set forth in the Contract for Continuing Construction Management Services for Minor Projects.

Claims resulting from the Construction Manager's failure to familiarize itself with the Site or pertinent documents shall be deemed waived.

## ARTICLE 4

### CONSTRUCTION MANAGER'S DUTIES, OBLIGATIONS AND RESPONSIBILITIES

- 4.1 **Performance of Work.** The Construction Manager shall perform and complete its obligations under the Contract for Continuing Construction Management Services for Minor Projects using its best skill and attention, and covenants with the Owner to furnish management, supervision, coordination, labor and services (i) which expeditiously, economically and properly completes the Work in the manner most consistent with the Owner's interests and objectives; (ii) which comply with the Contract for Continuing Construction Management Services for Minor Projects; and (iii) which are in accordance with the highest standards currently practiced by persons and entities performing or providing management, supervision, coordination, labor and services on projects similar in size, complexity and cost to the Project.
- 4.1.1 The Construction Manager shall not be required to provide professional services which constitute the practice of architecture or engineering, unless provided in the Construction Documents and relating to those divisions of the Work for which it is appropriate for Construction Manager's subcontractors to engage or employ licensed engineers for design associated with the Work, such as trusses.
- 4.1.2 All services rendered by the Construction Manager for the Project shall be performed by or under the immediate supervision of persons possessing expertise in the service being rendered.
- 4.1.3 The Construction Manager shall, in the course of providing the Work, cooperate and communicate with the Owner and all other persons or entities as required for satisfactory completion of the Project.
- 4.1.4 The Construction Manager understands and acknowledges that the Work referred to in the Contract for Continuing Construction Management Services for Minor Projects may be only part of the Project and that the Project may include the construction of other structures or other construction activities on the same Site. The Construction Manager shall conduct all its activities so as not to interfere with the construction of, or operations within or from, other structures on the Site.
- 4.1.5 The Construction Manager shall not damage, endanger, compromise or destroy any part of the Project or the Site, including by way of example and not limitation, work being performed by others on the Site, monuments, stakes, benchmarks and other survey points, utility services, and existing features or structures on the Site. Should the Construction Manager damage, compromise or destroy any part of the Project or the Site, the Construction Manager shall be fully and exclusively responsible for and bear all costs associated therewith.
- 4.2 **Compliance with Governmental Requirements.** The Construction Manager shall:
- i. comply with all applicable laws, statutes, building codes, rules, regulations and lawful orders of all governmental, public and quasi-public authorities and agencies having jurisdiction over the Project;
  - ii. prepare and file documents required to obtain, and shall obtain, all necessary approvals and permits, including building permit(s), of all governmental authorities having jurisdiction over the Work, provided Owner shall pay all building permit and state fire marshal inspection fees directly; and
  - iii. give all notices required of it by governmental authorities relating to the Project.
- 4.3 **Safety.** Safety shall be a prime concern of the Construction Manager at all times. The Construction Manager shall be solely responsible for and have control over the means, methods, techniques, sequences and procedures for coordinating and constructing the Work, including Site safety and safety precautions and programs
- 4.4 **On Site Records.** The Construction Manager shall maintain at the Site one copy of all drawings, specifications, addenda, approved shop drawings, daily logs, change orders, submittals, other modifications and all other documents generated throughout the course of the project in good order and accurately marked depicting all changes as they occur during construction. These records may be hard

copy or electronic with the ability to print if needed. The as-built drawings shall be available at all times to the Owner, the Professional(s), the Owner's consultants, and quality control and testing agency personnel. The drawings shall be neatly and clearly marked in color during construction to record all variations made during construction, and the Construction Manager shall include such supplementary notes and details necessary to clearly and accurately represent as-built construction. The daily logs shall contain detailed information regarding weather conditions, materials delivered, work performed, operating hours, subcontractors working on the Project and staffing of each subcontractor.

- 4.5 **Bribes and Kick-Backs.** The Construction Manager shall not by any means:
- i. induce any person or entity employed in the construction of the Project to give up any part of the compensation to which that person or entity is entitled;
  - ii. offer nor accept any bribes or kick-backs in connection with the Project from or to any individual or entity, including any of its trade contractors, subcontractors, consultants, suppliers or manufacturers of Project goods and materials; or
  - iii. without the express written permission of the Owner, call for or by exclusion require or recommend the use of any subcontractor, consultant, product, material, equipment, system, process or procedure in which the Construction Manager has a direct or indirect proprietary or other pecuniary interest.
- 4.6 **Quality Control and Testing.** The Construction Manager shall develop and implement a quality management program to ensure quality construction. Unless otherwise specified in the Contract for Continuing Construction Management Services for Minor Projects, the Construction Manager shall select the quality control and testing agencies, subject to Owner's written approval. The Construction Manager shall coordinate all tests and inspections required by the Construction Documents, and the Construction Manager shall arrange for tests and inspections to be conducted as necessary to avoid any interference with the progress of Work. No claims for extension of time or extra costs will be allowed on account of any testing, retesting, inspection, re-inspection, or rejection of Work when defective or deficient Work is found. Cost of specified measures and tests required by the Construction Documents and performed by Owner-approved quality control and testing agencies shall be included in the Cost of the Work unless otherwise directed by the Owner.
- 4.7 **Incident Reporting.** The Construction Manager shall immediately notify the Owner and Professional(s), both orally and in writing, of the nature and details of all incidents which may adversely affect the quality or progress of the Work including, but not limited to, union jurisdictional disputes, accidents, delays, damages to Work and other significant occurrences.
- 4.8 **Hazardous Substances.** The Construction Manager shall immediately notify the Owner and the Professional(s), both orally and in writing, of the presence and location of any physical evidence of, or information regarding, environmental contamination on the Site (including but not limited to Hazardous Substances) of which it becomes aware. If the Construction Manager encounters environmental contamination (including but not limited to Hazardous Substances), the Construction Manager shall (i) immediately stop performance of Work or that portion of the Work affected by or affecting such contamination; (ii) secure the contaminated area against intrusion; (iii) not disturb or remove the contamination; (iv) not proceed, or allow any subcontractor or supplier to proceed, with any Work or other activities in the area affected by such contamination until directed to do so by the Owner; and (v) take any other steps necessary to protect life and health.
- 4.9 **Owner's Use Of And Access To The Site.** The Construction Manager shall perform the Work so as not to interrupt any operations of the Owner on the Site.
- 4.9.1 The Construction Manager understands and acknowledges that the Owner may need access to or use of certain areas of the Site or Work prior to the Construction Manager's achievement of Substantial Completion, and that such occupancy, access or cause shall not constitute the Owner's acceptance of any Work.
- 4.9.2 The Construction Manager shall not enter any Owner-occupied area of the Site or Project unless first approved and scheduled by the Owner. The Construction Manager understands and acknowledges that the Owner may incur damages if the Owner's operations on the Site are interrupted or impaired as a result of the Work.

4.9.3 The Construction Manager shall afford the Owner's own forces, and other consultants, trade contractors, subcontractors and suppliers, access to the Site for performance of their activities, and shall coordinate its construction and operations with Owner's as required by the Construction Documents.

4.10 **Commissioning.** If the Work is to be commissioned through the use of a commissioning consultant, the Construction Manager shall, through the Owner or the Owner's commissioning consultant, as the case may be, schedule and coordinate all equipment and systems start-ups and Project commissioning within its scope of the Work.

4.10.1 The Construction Manager shall perform functional performance testing of items being commissioned under the supervision of the Owner's commissioning consultant, as directed by the Owner or Professional.

4.10.2 Owner training and all commissioning activities, including functional performance tests,

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]



## ARTICLE 5

### CONSTRUCTION MANAGER'S PERSONNEL, SUBCONTRACTORS, SUPPLIERS AND SITE FACILITIES

- 5.1 **Project Staffing.** The Construction Manager shall staff the Project with qualified and designated individuals and entities responsible for its obligations and performance.
- 5.1.1 The Construction Manager shall name a representative (the "Construction Manager's Representative") to serve as its primary communication contact with the Owner and the Professional(s).
- 5.1.2 The Construction Manager's Representative, or another authorized representative of the Construction Manager, shall be present at all times when Work is being performed.
- 5.1.3 The Construction Manager shall employ persons skilled in the tasks assigned to them and shall contract with subcontractors and suppliers skilled in the tasks assigned to them and capable of working harmoniously with all trades, crafts and other individuals on the Project. The Construction Manager shall use its best efforts to minimize the likelihood of any strike, work stoppage or other labor disturbance.
- 5.1.4 The Construction Manager shall immediately remove from the Site, for the duration of the Project, any person making an inappropriate comment, statement, or gesture involving religion, race, age, national origin, marital status, disability, gender, sexual orientation, or gender identity toward any other individual.
- 5.1.5 The Construction Manager shall immediately remove from the Site, for the duration of the Project, any person who is incompetent, careless, unsafe or disrupting the work environment.
- 5.1.6 The Construction Manager shall be responsible to the Owner for the acts and omissions of its agents and employees, consultants, subcontractors and suppliers.
- 5.2 **Subcontractor/Supplier Agreements.** The Construction Manager shall enter into written agreements with its subcontractors and suppliers, and those written agreements shall be consistent with the Contract for Continuing Construction Management Services for Minor Projects. It is the intent of the Owner and the Construction Manager that the obligations of the Construction Manager's subcontractors and suppliers inure to the benefit of the Owner and the Construction Manager, and that the Owner be a third-party beneficiary of the Construction Manager's agreements with its subcontractors and suppliers.
- 5.2.1 The Construction Manager shall make available to each subcontractor and supplier, prior to the execution of written agreements with any of them, a copy of the pertinent portions of the Contract for Continuing Construction Management Services for Minor Projects, including those portions of the Construction Documents to which the subcontractor or supplier will be bound, and shall require that each subcontractor and supplier shall similarly make copies of applicable parts of such documents available to its respective subcontractors and suppliers.
- 5.2.2 The Construction Manager shall include in its written agreements with its subcontractors and suppliers a provision which contains the acknowledgment and agreement of the subcontractor or supplier that it has received and reviewed the applicable terms, conditions and requirements of the Contract for Continuing Construction Management Services for Minor Projects that are included by reference in its written agreement with the Construction Manager, and that it will abide by those terms, conditions and requirements.
- 5.2.3 The Construction Manager's written agreements with its subcontractors and suppliers shall preserve and protect the rights of the Owner and include the acknowledgment and agreement of each subcontractor or supplier that the Owner is a third-party beneficiary of the agreement. The Construction Manager's agreements with its subcontractors and suppliers shall require that in the event of default under, or termination of, the Contract for Continuing Construction Management Services for Minor Projects, and upon request of the Owner, the Construction Manager's

Continuing Construction Management General Terms and Conditions | Updated February, 2023 | Page 9

subcontractors and suppliers will perform the services for the Owner under the same terms and conditions.

5.2.4 Without limitation of the foregoing subsections, the Construction Manager's written agreements with its subcontractors and suppliers shall include the following provision: "When the Construction Manager receives payment from the Owner for labor, services or materials furnished by subcontractors and suppliers hired by the Construction Manager for the Project, the Construction Manager shall remit payment due to those subcontractors and suppliers, less the value of any item contested in accordance with the Contract for Continuing Construction Management Services for Minor Projects, within ten (10) days after the Construction Manager's receipt of payment from the Owner. When the payment due the subcontractor is for final payment, including retainage, the subcontractor must include with the invoice for final payment, a conditional release of lien and all required warranties and closeout documentation. When the subcontractor receives payment from the Construction Manager for labor, services, or materials furnished by the subcontractors and suppliers hired by the subcontractor, the subcontractor shall remit payment due to those subcontractors and suppliers, less the value of any item contested in accordance with the Contract for Continuing Construction Management Services for Minor Projects, within seven (7) days after the subcontractor's receipt of payment".

5.3 **Apprentice and Disadvantaged Worker Requirements.** In accordance with City Ordinance Number 200586, Article XI, "Purchasing Requirements for Certain City Construction Projects", at least 10 percent of the all labor hours performed on a construction project shall be performed by apprentices and at least 10 percent of all labor hours performed on a construction project shall be performed by disadvantaged workers. Labor hours worked by a person who is both an apprentice and a disadvantaged worker shall count toward meeting both requirements. The apprentices and disadvantaged workers may be employed by the prime contract and/or subcontractor. Reference the ordinance to obtain additional details and reporting requirements.

5.4 **Living Wage Requirements.** During the performance of the Contract for Continuing Construction Management Services for Minor Projects, the Construction Manager agrees to comply with City Ordinance No. 180999 as modified March 31, 2021, and:

- i. The Construction Manager shall comply with the provisions of the City of Gainesville's living wage requirements, as applicable. Failure to do so shall be deemed a breach of contract and shall authorize the city to withhold payment of funds until the living wage requirements have been met.
- ii. The Construction Manager will include the provision of (1) above in each subcontract for covered services with a service contractor/subcontractor, as defined herein, so that the provisions of (1) above will be binding upon each such service contractor/subcontractor. The Construction Manager will take such action with respect to any such subcontract as may be directed by the contract administrator as a means of enforcing such provisions; provided, however, the Owner shall not be deemed a necessary or indispensable party in any litigation between the Construction Manager and a subcontractor concerning compliance with living wage requirements.

#### 5.5 **NON-DISCRIMINATION POLICY AND COMMERCIAL NON-DISCRIMINATION REQUIREMENT**

As a condition of entering into this agreement, the company represents and warrants that it will comply with Title VI and Title VII of the Civil Rights Act of 1964 and all other federal, state or local laws prohibiting discrimination. The company shall not discriminate on the basis of race, color, religion, gender, national origin, marital status, sexual orientation, age, disability or gender identity, or other unlawful forms of discrimination in the solicitation, selection, hiring, commercial treatment of subcontractors, vendors, suppliers or commercial customers, nor shall the company retaliate against any person for reporting instances of such discrimination.

The CITY reserves the right to investigate any claims of illegal discrimination by the Contractor and in the event a finding of discrimination is made and upon written notification thereof, the Contractor shall take all necessary steps to cure and rectify such action to the reasonable satisfaction of the CITY. The company understands and agrees that a violation of this clause shall be considered a material breach of this agreement and may result in termination of this agreement, disqualification of the company from participating in CITY contracts, or other sanctions. This clause is not enforceable by or for the benefit of, and creates no obligation to, any third party.

For more information on this policy and requirement, please visit the [Office of Equity and Inclusion](#)

- 5.6 **Resolution of Trade Disputes.** The Construction Manager shall promptly resolve claims, complaints, labor disputes and disputes over assignment of work tasks by and among its subcontractors and suppliers.

## ARTICLE 6

### GOODS, PRODUCTS AND MATERIALS

- 6.1 **Quality of Materials.** The Construction Manager shall furnish goods, products, materials, equipment and systems which:
- i. comply with the Contract for Continuing Construction Management Services for Minor Projects;
  - ii. conform to applicable specifications, descriptions, instructions, drawings, data and samples;
  - iii. are new (unless otherwise specified or permitted) and without apparent damage;
  - iv. are of quality, strength, durability, capacity or appearance equal to or higher than that required by the Construction Documents;
  - v. are merchantable;
  - vi. are free from defects; and
  - vii. are beyond and in addition to those required by manufacturers' or suppliers' specifications where such additional items are required by the Construction Documents.
- 6.2 **Installation and Use of Materials.** All goods, products, materials, equipment and systems named or described in the Construction Documents, and all others furnished as equal thereto shall, unless specifically stated otherwise, be furnished, used, installed, employed and protected in strict compliance with the specifications, recommendations and instructions of the manufacturer or supplier, unless such specifications, recommendations or instructions deviate from accepted construction practices, or the Construction Documents, in which case the Construction Manager shall so inform the Owner and Professional and shall proceed as directed by the Owner or Professional. Accordingly, there shall be no substitutions of materials and equipment except as otherwise expressly permitted herein. The Construction Manager shall coordinate and interrelate all trade agreements, and subcontracts to ensure compatibility of goods, products, materials, equipment and systems, and validity of all warranties and guarantees, required by the Construction Documents for the Work.
- 6.3 **Unsuitable Materials.** The Construction Manager shall inform the Owner of goods, products, materials and equipment or systems which the Construction Manager knows are unsuitable or unavailable at the time of bid submission, and claims relating to or arising out of claims that goods, products, materials, equipment or systems are unsuitable or unavailable shall not be entertained by the Owner unless the Construction Manager, subcontractor, or supplier notified the Owner in writing at the time of bid submission, along with proposed alternatives. Approval by the Owner and a Professional does not mean or imply final acceptance by the Owner and Professional if such items should be defective or not as previously represented. Should the Construction Manager furnish any approved goods, products, materials, equipment or systems different from or in addition to those required by the Construction Documents which require supplemental materials or installation procedures different from or in addition to those required for specified items, the Construction Manager shall provide such at no increased cost to the Owner.
- 6.4 **Consistency with Overall Project.** Construction Manager shall also inform the Owner and Professional during the various stages of development of the design if proposed materials or equipment do not conform to the Project design concept and the Owner's construction budget.
- 6.5 **Security for the Project.** The Construction Manager shall provide security for the Project, including but not limited to security for its Work in progress and for the goods, products, materials, equipment, systems, construction machinery, tools, devices and other items required, used or to be used for its scope of the Work.

## ARTICLE 7

### DOCUMENTS AND INFORMATION

- 7.1 **Information from Owner.** Without diminishing the Construction Manager's obligations under Section 3.2, The Owner shall provide the Construction Manager with information, which it is aware and in its possession, reasonably necessary to assist the Construction Manager in performing its services including, if applicable and available:
- i. the Site legal description and any required survey;
  - ii. all written and tangible material concerning conditions below ground at the Site;
  - iii. if the Project involves an existing structure, all as-built drawings, record drawings, plans, specifications and structure system information with respect to such structure; and
  - iv. the Owner's pertinent Project dates and key milestone dates.
- 7.2 **Resolution of Questions.** The Construction Manager shall resolve all questions concerning the Construction Documents with the Owner and Professional who has prepared the documents.
- 7.3 **Processing Of Documents.** When requested to do so by the Owner, the Construction Manager shall process documents, and provide other reasonably required drawings, services and certifications, necessary to enable the Owner to (i) obtain permits or other approvals not otherwise required to be obtained by Construction Manager; and (ii) represent that the Work complies with requirements of governmental agencies having jurisdiction over the Project.
- 7.4 **Sufficiency of Owner Information.** The furnishing of information by the Owner to the Construction Manager shall not relieve the Construction Manager of responsibilities contained elsewhere in the Contract for Continuing Construction Management Services for Minor Projects to evaluate information and documents provided by the Owner and the Construction Manager shall timely notify the Owner in writing of any additional information needed or services required from the Owner in order for the Construction Manager to perform the Work.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

## **ARTICLE 8**

### **SUBMITTALS**

- 8.1 **Submittal Schedule.** The Construction Manager shall timely prepare and transmit to the Owner and Professional a schedule for provision of all anticipated submittals. The schedule shall (i) include submittals required by the specifications; (ii) be in a format acceptable to the Owner and Professional; (iii) be coordinated with the construction schedule; and (iv) set forth specific dates for submission of the listed submittals.
- 8.2 **Processing Of Submittals.** The Construction Manager shall in timely fashion review, approve or reject as necessary, and forward approved submittals to the Owner and Professional for review and approval along with such detail and information as the Owner and Professional require. No part of the Work dealt with by a submittal shall be fabricated or performed until such approval has been given.
- 8.2.1 A Professional is responsible to the Owner, but not to the Construction Manager, to verify that the submittals conform to the design concept and functional requirements of the plans and specifications, that the detailed design portrayed in shop drawings and proposed equipment and materials shown in submittals are of the quality specified and will function properly, and that the submittals comply with the Contract for Continuing Construction Management Services for Minor Projects.
- 8.2.2 All Work shall be performed in accordance with approved submittals. Approval of submittals by the Owner or Professional shall not relieve the Construction Manager from complying with the Contract for Continuing Construction Management Services for Minor Projects, including all plans and specifications, addenda thereto and approved Change Orders.
- 8.2.3 Re-submittals required to correct errors, omissions, or invalid substitutions by the Construction Manager or its subcontractors shall not constitute an excusable or compensable delay.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

## ARTICLE 9

### CONSTRUCTION MANAGER'S INSPECTION AND CORRECTION OF DEFECTIVE OR INCOMPLETE WORK

- 9.1 **Rejection and Correction of Work In Progress.** During the course of Project, the Construction Manager shall inspect and promptly reject any Work (i) which does not conform to the Construction Documents; or (ii) which does not comply with any applicable law, statute, building code, rule or regulation of any governmental, public and quasi-public authorities and agencies having jurisdiction over the Project.
- 9.1.1 The Construction Manager shall promptly correct or require the correction of all rejected Work, whether observed before or after Substantial Completion and whether or not fabricated, installed or completed. The Construction Manager shall bear all costs of correcting such Work, including additional testing and inspections and compensation for all services and expenses necessitated by such correction.
- 9.1.2 The Construction Manager shall bear the cost of correcting destroyed or damaged Work, whether completed or partially completed, of the Owner or other trade contractors or subcontractors caused by the Construction Manager's correction or removal of rejected Work.
- 9.2 **Covered or Concealed Work.** If a portion of the Work has been covered, the Construction Manager shall, if notified to do so by the Owner or a Professional, uncover the designated portion for observation and then replace it.
- 9.2.1 If the designated portion of the Work was covered contrary to the request of the Owner or the Professional, or to requirements specifically expressed in the Construction Documents, the Construction Manager shall receive no additional compensation for the costs of uncovering and replacement or modification of the Construction Schedule.
- 9.2.2 If the designated portion of the Work was covered prior to a specific request by the Owner or the Professional that it remain uncovered, the Construction Manager shall receive additional compensation for the costs of uncovering and replacement or modification of the Construction Schedule(s) only if the designated portion of the Work was in conformance with the Construction Documents.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

## ARTICLE 10

### CHANGE ORDERS AND CHANGES TO THE WORK

- 10.1 **Change Order Requests.** Any party to the construction process may request changes to the Work, compensation or applicable schedules.
- 10.1.1 With respect to such requests for changes by the Construction Manager, the Construction Manager shall prepare and submit change order requests to the Professional, together with appropriate back-up documentation.
- 10.1.2 With respect to requests for changes by parties other than the Construction Manager, the Construction Manager shall promptly review and respond to change order requests submitted by a Professional.
- 10.1.3 When requested to do so, the Construction Manager shall prepare and submit to a Professional drawings, specifications or other data in support of a change order request.
- 10.1.4 Each change order request submitted by Construction Manager shall include any and all time and monetary impacts of the change, whether the change order is considered alone or with all other changes during the course of the Project, together with substantiating back-up documentation.
- 10.2 **Owner-Directed Changes.** The Owner may unilaterally direct the Construction Manager to implement changes in the Work so long as the Work the Owner is requiring is not outside of the general scope of the Contract for Continuing Construction Management Services for Minor Projects, and the Construction Manager, upon written direction from the Owner, shall proceed with such change.
- 10.3 **Professional-Directed Changes.** A Professional, without the Owner's prior approval, may authorize or direct the Construction Manager to make minor changes in the Work which are consistent with the intent of the Construction Documents and which do not involve a change in Project cost, time for construction, scope, or approved design elements, and the Construction Manager shall promptly carry out such changes. Any such minor changes shall be implemented by written field order and executed by the Construction Manager.
- 10.4 **Administration of Changes.** The Professional will administer and manage all change order requests and will prepare required drawings, specifications and other supporting data as necessary in a timely fashion, in recognition of the Project schedule, in connection with minor changes, change order requests, including claims for additional compensation, time or both, and change orders. Change Order requests must be approved by the Owner.
- 10.5 **Compensation for Changes.** With respect to all change order requests involving credit to the Owner or additional compensation to the Construction Manager, the Construction Manager shall (i) obtain from subcontractors and suppliers the best possible price quotations; (ii) review such quotations to ascertain whether they are reasonable; (iii) prepare an itemized accounting together with appropriate supporting data, including reasonable expenditures by, and savings to, those performing the Work involved in the proposed change; and (iv) provide a reasonable price quotation to the Owner and Professional.
- 10.5.1 If price quotations for change order requests are determined by the Owner and Professional to be unreasonable, the Construction Manager shall, in writing, justify said quotations or provide additional back-up materials. If after review of the additional information the Professional determines the quotation is unreasonable, the Owner may require the subject Work be performed on a time and material basis.
- 10.5.2 The Construction Manager and its subcontractors and suppliers shall be allowed no additional compensation for any costs, fees or expenses incurred in performing services already required by the Contract for Continuing Construction Management Services for Minor Projects, and shall not be entitled to additional reimbursement for home-office, other non-job-site or indirect overhead expenses, or tools necessary for construction.
- 10.5.3 It is the responsibility of the Construction Manager to review and approve all pricing of additional work required of its subcontractors and suppliers.



- 10.6 **Performance of Changes.** Upon receipt of an executed change order or approved change order request, changes in the Work shall be promptly performed. All changes in the Work shall be performed under applicable conditions of the Construction Documents.
- 10.7 **Disputes Regarding Changes.**
- 10.7.1 Regardless if there is a dispute (i) that a change has occurred; (ii) whether a change in the Work will result in adjustment of compensation or applicable schedules; or (iii) as to the amount of any adjustment of compensation or applicable schedules, the change shall be carried out if the Owner so directs. No claim shall be prejudiced by performance of the Work so long as the Owner is notified of the claim in writing prior to performance of the Work which is the subject of the dispute and the party disputing the decision of the Owner recites the reasons for its dispute in the written notice. Failure to notify the Owner in writing seven (7) days after completion of work shall constitute a waiver of any claim resulting from the change.
- 10.7.2 In the event a change order request is approved by the Owner in the absence of an agreement as to cost, time, or both, the Professional will (i) receive and maintain all documentation pertaining thereto; (ii) examine such documentation on the Owner's behalf; (iii) take such other action as may be reasonably necessary or as the Owner may request; and (iv) make a written recommendation to the Owner concerning any appropriate adjustment in the Construction Price and/or time.
- 10.8 **Necessity for Signature Approval.** No act, omission or course of dealing shall alter the requirement that change orders shall be in writing and signed by the Owner, and that change orders are the exclusive method for effecting any adjustment to compensation or applicable schedules. The Construction Manager understands and agrees, on behalf of itself and its subcontractors and suppliers, that neither compensation nor applicable schedules can be changed by implication, oral agreement, or unwritten change order.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

# ARTICLE 11

## OWNER'S CONSULTANT(S), PROFESSIONAL(S) AND CONSTRUCTION ADMINISTRATION

- 11.1 **Owner's Designated Professional Representative.** Unless otherwise directed by the Owner, the Professional shall act as the Owner's representative.
- 11.1.1 The Professional will be the Owner's design representative during performance of the Work and will consult with and advise the Owner on all design and technical matters.
- 11.1.2 The Professional will act as an interpreter of the requirements of the Contract for Continuing Construction Management Services for Minor Projects and as the Owner's advisor on claims.
- 11.2 **Site Visits.** The Professional will visit the Site with sufficient frequency for familiarization with the progress and quality of the Work and to inspect the Work to determine compliance of the Work with (i) the Agreement for Construction Management Services, including approved shop drawings and other submittals; (ii) the Construction Schedule; and (iii) applicable laws, statutes, building codes, rules or regulations of all governmental, public and quasi-public authorities and agencies having or asserting jurisdiction over the Project.
- 11.3 **Rejection of Work.** The Owner or Professional may disapprove or reject the work which does not comply with (i) the Contract for Continuing Construction Management Services for Minor Projects including approved shop drawings and other submittals; or (ii) applicable laws, statutes, building codes, rules or regulations of any governmental, public and quasi-public authorities and agencies having or asserting jurisdiction over the Project.
- 11.4 **Evaluations.**
- 11.4.1 The Owner or Professional will review and evaluate the results of all inspections, tests and written reports required by the Contract for Continuing Construction Management Services for Minor Projects and by any governmental entity having or asserting jurisdiction over the Project. The Owner or Professional will take appropriate action on test results, including acceptance, rejection, requiring additional testing or corrective work, or such other action deemed appropriate by the Owner or Professional. The Owner or Professional will promptly reject Work which does not conform to and comply with testing requirements.
- 11.4.2 The Owner or Professional may require inspection or testing of any Work in addition to that required by the Contract for Continuing Construction Management Services for Minor Projects or governmental entities having or asserting jurisdiction over the Project when such additional inspections and testing is necessary or advisable, whether or not such Work is then fabricated, installed or completed. The Owner or Professional will take appropriate action on all such special testing and inspection reports, including acceptance, rejection, requiring additional testing or corrective work, or such other action deemed appropriate by the Owner or Professional.
- 11.5 **Submittal Activities.** The Owner or Professional will review and approve, reject or take other appropriate action on submittals such as shop drawings, product data, samples and proposed equal materials or equipment and requested substitutions not more than fourteen (14) calendar days after receipt, and will not approve any submittals unless such submittals conform to the Construction Documents. An Owner or Professional's review of submittals shall not constitute final acceptance of materials or equipment furnished or installed if such materials or equipment should be defective or not as represented by approved submittals or as otherwise required by the Construction Documents. The Construction Manager remains responsible for details and accuracy, for confirming and correlating all quantities and dimensions, for selecting fabrication processes, for techniques of assembly, and for performance of the Work.
- 11.6 **Interpretations.** An Owner or Professional will, when requested to do so in writing by the Construction Manager, promptly and so as to cause no unnecessary delay, render written or graphic interpretations and decisions necessary for the proper execution of the Work. An Owner or Professional's interpretations and decisions relating to artistic effect shall be final if not inconsistent with the Contract for Continuing Construction Management Services for Minor Projects.

- 11.7 **Change Order Activities.** The Professional will consult with and advise the Owner concerning, regarding all change order requests and change orders on behalf of the Owner, or the Owner will administer and manage, all change order requests and change orders.
- 11.8 **Pay Application Activities.** The Professional or Owner will review applications for payment, including such accompanying data, information and schedules as the Professional or Owner requires, to determine the amounts due to the Construction Manager and shall authorize payment by the Owner to the Construction Manager in writing. After the Work is determined to be finally complete by the Professional or Owner, the Professional will certify to the Owner in writing that the Construction Manager is entitled to final payment and submit the pay application to the Owner for final approval or the Owner will certify in writing that the that the Construction Manager is entitled to final payment and submit the pay application for final approval.
- 11.9 **Relationship to Construction Manager.** The duties, obligations and responsibilities of the Construction Manager under the Contract for Continuing Construction Management Services for Minor Projects shall not be changed, abridged, altered, discharged, released, or satisfied by any duty, obligation or responsibility of any Professional. The Construction Manager shall not be a third-party beneficiary of any agreement by and between the Owner and any Professional. The duties of the Construction Manager to the Owner shall be independent of, and shall not be diminished by, any duties or obligations of any Professional to the Owner.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

## ARTICLE 12

### INSPECTION, CORRECTION OF WORK, AND PROJECT CLOSE OUT

- 12.1 **Substantial Completion.** Substantial Completion of the Work shall be deemed to have occurred on the later of: (i) the dates that the Work or portion of the Work passes a Substantial Completion inspection, (ii) the date the required Substantial Completion documentation and items have been produced for the work or portion of the Work, or (iii) the date a certificate of occupancy is issued for the Work or portion of the Work.
- 12.1.1 When the Construction Manager believes that the Work is substantially complete, it shall notify the Owner and the Professional that it's Work is ready for a Substantial Completion inspection. The Construction Manager shall endeavor to give the Owner and Professional notice two (2) weeks prior to the predicted Substantial Completion inspection date.
- 12.1.2 The Construction Manager will coordinate with the Owner and the Professional on an inspection date to determine whether the work is substantially complete.
- 12.1.3 At inspection(s) to determine whether the Work is substantially complete, the Owner or Professional will:
- i. inspect the Work;
  - ii. list additional items to be completed or corrected; and
  - iii. determine, in consultation with the Owner, whether Substantial Completion of the Work has occurred.
- 12.1.4 If the Work is determined not to be substantially complete, the Work shall be prosecuted until the Work is substantially complete and the inspection process shall be repeated at no additional cost to the Owner until the Work is determined to be substantially complete. Construction Manager will be responsible for costs of the Professional associated with premature inspections.
- 12.1.5 On or prior to the required date of Substantial Completion, the Construction Manager shall deliver keys, permits, and other necessary and customary documents and items pre-requisite for the Owner's occupancy and use of the Work for its intended purpose. The Owner or Professional will obtain and review Substantial Completion documentation and items, and will inform the Construction Manager of any deficiencies.
- 12.1.6 When the Owner, the Construction Manager and the Professional agree that the Work has passed the Substantial Completion inspection and the Construction Manager has produced the required Substantial Completion documentation and items, they shall each sign the Owner's standard form Certificate of Substantial Completion declaring the Work substantially complete and establishing the actual date of Substantial Completion. The Certificate of Substantial Completion shall also include a list of and timeline for the completion of Work needing completion and correction developed by the Owner or Professional based upon the review and communications described in 12.1.5, within thirty (30) days thereof.
- 12.1.7 If the Work is commissioned through the services of a commissioning consultant, such commissioning shall be completed as a pre-requisite to the Work being declared Substantially Complete, provided Construction Manager shall not be responsible for delays in commissioning not the fault of Construction Manager.
- 12.1.8 The Construction Manager shall provide the Owner with operation and maintenance manuals and other operational documentation not less than twenty-eight (28) calendar days prior to the required date of Substantial Completion to allow adequate time for training prior to commissioning and the Owner's occupancy of the Project.
- 12.1.9 The Construction Manager shall meet with the Owner's personnel not less than twenty-eight (28) calendar days prior to the required date of Substantial Completion to familiarize and train them with

respect to maintenance and use of the Project. All training sessions shall be videotaped, with copies provided to the Owner.

12.1.10 The date of Substantial Completion shall fix the commencement date of warranties and guaranties and allocate between the Owner and the Construction Manager responsibility for security, utilities, damage to the Work and insurance.

12.2 **Final Completion.** Final Completion of the Work shall be deemed to have occurred on the later of: (i) the date that the Work passes a Final Completion inspection or (ii) the date that the Construction Manager has produced all required Final Completion close-out documentation and items. Final Completion shall not be deemed to have occurred and no final payment shall be due the Construction Manager or any of its subcontractors or suppliers until the Work has passed the Final Completion inspection and all required Final Completion close-out documentation and items have been produced to the Owner by the Construction Manager.

12.2.1 When the Construction Manager believes the Work is finally complete, the Construction Manager shall notify the Owner and the Professional that the Work is ready for Final Completion inspection.

12.2.2 The Construction Manager will coordinate with the Owner and the Professional on an inspection date to determine whether the work is finally complete.

12.2.3 At the Final Completion inspection to determine whether the Work is finally complete, the Owner or Professional will:

- i. inspect the Work;
- ii. determine whether all items on the list included with the Certificate of Substantial Completion have been satisfactorily completed and corrected;
- iii. determine whether the Work complies with (a) the Contract for Continuing Construction Management Services for Minor Projects; (b) applicable laws, statutes, building codes, rules or regulations of all governmental, public and quasi-public authorities and agencies having jurisdiction over the Project; and (c) applicable installation and workmanship standards;
- iv. determine whether required inspections and approvals by the official(s) having or asserting jurisdiction over the Project have been satisfactorily completed; and
- v. determine, in consultation with the Owner, whether the Work is finally complete.

12.2.4 If the Work is not finally complete, the Construction Manager shall continue to prosecute the Work, and the inspection process shall be repeated at no additional cost to the Owner, until the Work is finally complete.

12.2.5 On or prior to the date of Final Completion, the Construction Manager shall deliver to the Professional the following Final Completion close-out documentation and items:

- i. Certificate of Final Completion - executed on Owner's standard form;
- ii. all operation and maintenance manuals not previously produced;
- iii. Owner maintenance or "attic" stock as prescribed in the technical specifications;
- iv. one (1) set of as-built plans and specifications;
- v. certification and affidavit that all insurance required of the Construction Manager beyond final payment, if any, is in effect and will not be canceled or allowed to expire without notice to the Owner;
- vi. written consent of the surety(ies), if any, to final payment;
- vii. full, final and unconditional waivers of mechanics or construction liens, from each contractor, subcontractor, supplier or other person or entity who has, or might have a claim;
- viii. full, final and unconditional certification and affidavit that all of the Construction Manager's obligations to contractors, subcontractors, suppliers and other third parties for payment for labor, materials or equipment related to the Project have been paid or otherwise satisfied;

- ix. all written warranties and guarantees relating to the labor, goods, products, materials, equipment and systems incorporated into the Work, endorsed, countersigned, and assigned as necessary;
  - x. affidavits, releases, bonds, waivers, permits and other documents necessary for final close-out of Work;
  - xi. a list of any item(s) due but unable to be delivered and the reason for non-delivery;
  - xii. when requested, signed and sealed as built shall be submitted electronically to the owner in CADD as per the City's Engineering, Design and Construction Manual; and
  - xiii. any other documents reasonably and customarily required or expressly required herein for full and final close-out of the Work.
- 12.2.6 The Professional will review and determine the sufficiency of all Final Completion close-out documentation and items required for Final Completion which are submitted by the Construction Manager, and will immediately inform the Construction Manager about any deficiencies and omissions.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

## ARTICLE 13

### CONSTRUCTION MANAGER'S WARRANTIES AND GUARANTEES

- 13.1 **One-Year Warranty.** In addition to the warranties and guarantees set forth elsewhere in the Contract for Continuing Construction Management Services for Minor Projects, the Construction Manager, upon request by the Owner or the Professional, shall promptly correct all failures or defects in the Work for a period of one year after the actual date of Substantial Completion, or the date of acceptance by the Owner, whichever is later.
- 13.1.1 The Construction Manager shall schedule, coordinate and participate in a walk-through inspection of the Work one month prior to the expiration of the one-year correction period, and shall notify the Owner, the Professional, and any necessary subcontractors and suppliers of the date of, and request their participation in, the walk-through inspection. The purpose of the walk-through inspection will be to determine if there are defects or failures which require correction.
- 13.1.2 Should the Construction Manager fail to promptly correct any failure or defect, the Owner may take whatever actions it deems necessary to remedy the failure or defect and the Construction Manager shall promptly reimburse the Owner for any expenses or damages it incurs as a result of the Construction Manager's failure to correct the failure or defect.
- 13.2 **Express Warranties and Guarantees - Construction Manager.** In addition to the warranties and guarantees set forth elsewhere herein, the Construction Manager expressly warrants and guarantees to the Owner:
- i. that the Work complies with (a) the Construction Documents; and (b) all applicable laws, statutes, building codes, rules and regulations of all governmental, public and quasi-public authorities and agencies having jurisdiction over the Project.
  - ii. that all goods, products, materials, equipment and systems incorporated into the Work conform to applicable specifications, descriptions, instructions, drawings, data and samples and shall be and are (a) new (unless otherwise specified or permitted) and without apparent damage or defect; (b) of quality equal to or higher than that required by the Construction Documents; and (c) merchantable; and
  - iii. that all management, supervision, labor and services required for the Work shall comply with the Contract for Continuing Construction Management Services for Minor Projects and shall be and are performed in a workmanlike manner.
- 13.3 **Express Warranties And Guarantees - Subcontractors And Suppliers.** The Construction Manager shall require that all of its subcontractors and suppliers provide written warranties, guarantees and other undertakings to the Owner and the Construction Manager in a form identical to the warranties, guarantees and other undertakings set forth in the Contract for Continuing Construction Management Services for Minor Projects, including the warranties, guarantees and undertakings set forth in this Article, which warranties, guarantees and undertakings shall run to the benefit of the Owner as well as the Construction Manager.
- 13.4 **Non-Exclusivity and Survival.** The warranties and guarantees set forth in this Article shall be in addition to all other warranties, express, implied or statutory, and shall survive the Owner's payment, acceptance, inspection of or failure to inspect the Work, and review of the Construction Documents.
- 13.5 **Non-Limitation.** Nothing contained in Paragraph 13.1, shall be construed to establish a period of limitation with respect to the Construction Manager's obligations under the Contract for Continuing Construction Management Services for Minor Projects. Paragraph 13.1 relates only to the Construction Manager's specific obligations with respect to the Work, and has no relationship to the time within which the Construction Manager's contractual obligations under the Contract for Continuing Construction Management Services for Minor Projects may be enforced, nor to the time within which proceedings may be commenced to establish the Construction Manager's liability with respect to any contractual obligations pursuant to Paragraph 13.1 or contained elsewhere herein.

- 13.6 **Commencement of Obligations.** Unless otherwise specified, all of the Construction Manager's warranty and guaranty obligations, including the time period(s) for all written warranties and guarantees of specifically designated equipment required by the Construction Documents, shall begin on the actual date of Substantial Completion or the date of acceptance by the Owner, whichever is later.

## ARTICLE 14

### OWNER'S DUTIES, OBLIGATIONS AND RESPONSIBILITIES

- 14.1 **Timely Compensation of Construction Manager.** The Owner shall timely compensate the Construction Manager in accordance with the Contract for Continuing Construction Management Services for Minor Projects and the requirements of Florida Statutes.
- 14.2 **Owner Review of Documents.** The Owner shall review documents prepared by the Construction Manager in a timely manner and in accordance with schedule requirements. Review by the Owner shall be solely for the purpose of determining whether such documents are generally consistent with the Owner's intent. No review of such documents shall relieve the Construction Manager of any of its responsibilities. In addition, the Owner's review of documents for purposes of issuing a building permit shall not relieve the Construction Manager of any of its responsibilities.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]



## ARTICLE 15

### CONSTRUCTION MANAGER'S COMPENSATION

- 15.1 **Unit Prices.** If any portion of the Construction Price is determined by the application of unit prices, the number of units contained in the Construction Manager's Compensation Schedule is an estimate only, and the compensation to the Construction Manager shall be determined by the actual number of units incorporated in, or required by, the Work provided that in any event the GMP shall not be exceeded.
- 15.2 **Schedule of Values.** The Construction Manager shall prepare and present to the Owner and the Professional the Construction Manager's schedule of values, apportioning the different elements of the Work for purposes of periodic and final payment. The Construction Manager's schedule of values shall be presented in the format, and with such detail and supporting information, requested by the Professional or Owner. The Construction Manager shall not imbalance or artificially inflate any element of its schedule of values. Upon the Professional and Owner's acceptance, the schedule of values shall be used to process and pay the Construction Manager's payment requests. The schedule of values shall not be changed without written approval authorized by the Owner.
- 15.3 **Trench Safety Act.** The Construction Manager shall comply with the Trench Safety Act (Chapter 553, Part VI, Florida Statutes) which requires that Construction Managers delineate in their Schedules of Values the cost of compliance with applicable trench safety standards.
- 15.4 **Invoicing.** The Construction Manager shall submit invoices to the Professional or Owner requesting payment for labor and services rendered during the preceding thirty calendar days. Each invoice shall contain such detail and be backed up with whatever supporting information the Owner or a Professional requests and shall at a minimum state:
- i. the total original Construction Price and total current Construction Price;
  - ii. the amount due for properly provided labor, materials and equipment properly incorporated into the Project; and with respect to amounts invoiced for materials or equipment necessary for the Project and properly stored at the Site (or elsewhere if offsite storage is approved in writing by the Owner), be accompanied by written proof that the Owner has title to such materials or equipment and that such material and equipment is fully insured against loss or damage;
  - iii. a breakdown of the various phases, bid packages, or parts of the Work as related to the Construction Price in accordance with standard Construction Specifications Institute (CSI) format;
  - iv. the value of the various phases, bid packages, or parts of the Work actually performed;
  - v. previously invoiced amounts and credit payments made;
  - vi. the total amount due, less any agreed retainage; and
  - vii. a summary of change orders to date;
  - viii. and shall also have attached such lien waiver and other documentation verifying the Construction Manager's payment to subcontractors and suppliers as the Owner or Professional may request.
- 15.5 **Payment Procedures.**
- 15.5.1 The City will execute payments in compliance with [§218.735 Timely payment for purchases of construction services](#)
- 15.5.2 In the case of unit price work, the Owner or Professional will make final determination of quantities and classifications of such work.
- 15.6 **Owner's Right to Refuse Payment.** A Professional's approval of the Construction Manager's invoice shall not preclude the Owner from exercising any of its remedies under the Contract for Continuing Construction Management Services for Minor Projects. In the event of a dispute, payment shall be made on or before the date provided in Section 15.7 for amounts not in dispute, subject to any setoffs claimed by the Owner. The Owner shall have the right to refuse to make payment and, if necessary, may demand the return of a portion or the entire amount previously paid to the Construction Manager due to:

- i. the Construction Manager's failure to perform the Work in compliance with the requirements of the Contract for Continuing Construction Management Services for Minor Projects or any other agreement between the parties;
- ii. the Construction Manager's failure to correctly and accurately represent the Work performed in a payment request, or otherwise;
- iii. the Construction Manager's performance of the Work at a rate or in a manner that, in the Owner's opinion, is likely to result in the Project or any portion of the Project being inexcusably delayed;
- iv. the Construction Manager's failure to use funds previously paid the Construction Manager by the Owner, to pay the Construction Manager's Project-related obligations including, but not limited to, the Construction Manager's subcontractors, materialmen, and suppliers;
- v. claims made, or likely to be made, against the Owner;
- vi. loss caused by the Construction Manager or the Construction Manager's subcontractors, or suppliers; or
- vii. the Construction Manager's failure or refusal to perform any of its obligations to the Owner.

15.7 **Construction Manager's Right to Refuse Performance for Non-Payment.** If, within thirty (30) calendar days from the receipt of the Construction Manager's application for payment properly prepared and approved by the Professional or Owner, the Owner, without cause or basis hereunder, fails to pay the Construction Manager any amounts then due and payable to the Construction Manager, the Construction Manager shall have the right, in addition to all other rights and remedies contained herein, to cease performance of the Work until receipt of proper payment after first providing fourteen (14) calendar days written notice to the Owner of its intent to cease work.

15.8 **Correction of Past Payments.** All prior payments, whether based on estimates or otherwise, may be corrected and adjusted in any subsequent payment and shall be corrected and adjusted in the final payment. In the event that any invoice contains a defect or impropriety which would prevent payment by the date due, the Owner shall notify the Construction Manager in writing of such defect or impropriety. Any disputed amounts determined by the Owner to be payable to the Construction Manager shall be due ten (10) calendar days from the date the dispute is resolved.

15.9 **Invoice Warranties and Guarantees.** The Construction Manager expressly warrants and guarantees to the Owner that:

- i. title to all goods, products, materials, equipment and systems covered by an invoice will pass to the Owner either by incorporation into the Work, or upon receipt of payment by the Construction Manager, whichever occurs first;
- ii. all goods, products, materials, equipment and systems covered by an invoice are free and clear of liens, claims, security interests or encumbrances; and
- iii. no goods, products, materials, equipment or systems covered by an invoice have been acquired by the Construction Manager, or its subcontractors or suppliers, subject to an agreement under which an interest therein or an encumbrance thereon is retained by the seller or otherwise imposed by the Construction Manager, or its subcontractors or suppliers.

15.10 **Construction Manager's Signature.** The signature of the Construction Manager on any invoice constitutes the Construction Manager's certification to the Owner that (i) the Construction Manager's services listed in the invoice have progressed to the level indicated and have been performed as required by the Agreement for Construction Management Services; (ii) the Construction Manager has paid its subcontractors and suppliers their proportional share of all previous payments received from the Owner; (iii) the amount requested is currently due and owing; and (iv) all subcontractors performing the Work for which payment is made hold all necessary State of Florida licenses.

15.11 **Taxes.** The Construction Manager shall incorporate into the Construction Price, and pay, all sales, consumer, use and similar taxes for goods, products, materials, equipment and systems incorporated into the Work which were legally required at the time of execution of the Contract for Continuing Construction Management Services for Minor Projects, whether or not yet effective or merely scheduled to go into effect.

The Construction Manager shall cooperate with and assist the Owner in securing qualified refunds of any sales or use tax paid by the Owner or Construction Manager on goods, products, materials, equipment or systems. Any refund secured shall be paid to the Owner.

- 15.12 **Compensation of Construction Manager's Subcontractors and Suppliers.** Forty five (45) days after satisfactory completion of their portion of the Work, subcontractors may invoice Construction Manager for remaining unpaid Work, including the full value of the retainage related to such Work less the value of any contested item(s), and provided each such subcontractor has provided Construction Manager with all required close-out documentation. Construction Manager shall include subcontractor pay requests in the Construction Manager's application for payment. No later than ten (10) days after receipt of payment from the Owner, the Construction Manager shall pay each of its subcontractors and suppliers out of the amount received by the Construction Manager on account of such subcontractor's or supplier's portion of the Work, the amount to which each entity is entitled, reflecting percentages actually retained from payments to the Construction Manager on account of such entity's portion of the Work, if any. The Owner shall have no obligation to pay, and shall not be responsible for payments to, the Construction Manager's subcontractors or suppliers. However, the Owner reserves the right, but has no duty, to make payment jointly to the Construction Manager and to any of its subcontractors or suppliers in the event that the Owner becomes aware that the Construction Manager fails to pay or unreasonably withholds payment from one or more of those entities. Such joint check procedure, if employed by the Owner, shall create no rights in favor of any person or entity beyond the right of the named payees to payment of the check and shall not be deemed to commit the Owner to repeat the procedure in the future.
- 15.13 **Retainage.** Subject to Section 15.6, retainage shall be withheld from each payment, in an amount not to exceed five percent (5%) of the approved payment amount or in accordance with §255.078 Public construction retainage. at the time of payment.
- 15.14 **Final Payment.** Prior to being entitled to receive final payment and as a condition precedent thereto, the Construction Manager must achieve Final Completion. The Owner shall, subject to its rights set forth above in this Article, make final payment of all sums due the Construction Manager within fourteen (14) calendar days of Owner's execution of a final approval for payment.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

## ARTICLE 16

### SCHEDULE REQUIREMENTS

- 16.1 **Construction Schedule.** The Construction Schedule shall include all pertinent dates and periods for timely completion of the Work.
- 16.1.1 Unless otherwise directed and approved by the Owner, the Construction Manager shall, within fourteen (14) calendar days of the Notice to Proceed, prepare a Critical Path Method schedule updated monthly with separate divisions for each major portion of the Work or operations. The Construction Schedule shall include and properly coordinate dates for performance of all divisions of the Work, including completion of off-Site requirements and tasks, so that the Work can be completed in a timely and orderly fashion consistent with the required dates of Substantial Completion and Final Completion. When preparing the schedule Construction Manager shall consider and account for Owner's operational needs on the site and adjacent thereto, particularly with regard to utility interruptions and access restrictions.
- 16.1.2 The Construction Schedule shall depict all activities necessary for, or incidental to, performance of the Work, showing the logic (sequence, dependency), duration, and "float" of each activity, with the critical path highlighted and shall include (i) the required Commencement Date, the required dates of Substantial Completion and Final Completion; (ii) any guideline and milestone dates required by the Owner; (iii) any applicable subcontractor and supplier schedules; (iv) coordination with the submittal schedule which allows sufficient time for review of documents and submittals; (v) allowances for procurement, fabrication, and delivery of materials, especially "long lead" items; (vi) the complete sequence of construction by activity, with dates for beginning and completion of each element of construction; (vii) the time required for testing, inspections, and commissioning, if applicable; (viii) time for schedule constraints, such as holidays and events on Owner's property and adverse weather conditions which are normal and may be reasonably anticipated; and (ix) required decision dates.
- 16.1.3 By reviewing the Construction Schedule, the Owner and Professional do not assume any of the Construction Manager's responsibility (i) that the Construction Schedule be coordinated or complete; or (ii) for timely and orderly completion by the required dates of Substantial Completion, Final Completion and any milestone dates required by the Owner.
- 16.1.4 The Construction Manager shall review, on a weekly basis, the actual status of the Work against the Construction Schedule. The Construction Manager shall discuss the status of the Work bi-weekly with the Professional and/or Owner, so that proper overall management may be provided.
- 16.1.5 The Construction Manager shall periodically and in all instances when the Construction Manager anticipates that performance of the Work will be delayed or in fact has been delayed, but not less frequently than monthly, prepare a revised Construction Schedule and show actual progress of the Work through the revision date, projected completion of each remaining activity, activities modified since previous submittal, major changes in scope, and other identifiable changes. The updated Construction Schedule shall be accompanied by a narrative report which (i) states and explains any modifications of the critical path schedule, including any changes in logic; (ii) defines problem areas and lists areas of anticipated delays; (iii) explains the anticipated impact the problems and delays will have on the schedule and scheduled activities; (iv) reports corrective action taken or proposed; and (v) states how problems anticipated by projections shown on the schedule will be resolved to avoid delay in delivering the Work by the required dates of Substantial Completion and Final Completion, and other milestone dates required by the Owner, if any.
- 16.2 **Delay in Performance.** If at any time the Construction Manager anticipates that performance of the Work will be delayed or in fact has been delayed, the Construction Manager shall (i) immediately notify the Owner and Professional of the probable cause of and effect from the delay, and possible alternatives to minimize the delay; and (ii) take all corrective actions reasonably necessary to deliver the Work by the required dates of Substantial Completion and Final Completion, and other milestone dates required by the Owner, if any.

- 16.3 **Modifications of Time for Performance.** The Construction Manager may submit delay claims or otherwise propose modifications of the required dates of Substantial Completion or Final Completion, or other milestone dates required by the Owner, if any. However, such claims shall be submitted in writing and supported by evidence that the delay was excusable, critical, and compensable by modification of required dates. The Construction Manager shall determine and promptly notify the Owner and the Professional in writing when it believes such adjustments are necessary, but no such adjustments shall be effective unless approved in writing by the Owner and Professional.
- 16.3.1 Modification(s) of the required dates of Substantial Completion or Final Completion shall be accomplished only by duly authorized and accepted change order(s) stating the new date(s) with specificity and reciting that all references in the Contract for Continuing Construction Management Services for Minor Projects to the required dates of Substantial Completion or Final Completion shall thereafter refer to the date(s) as modified, and all rights and obligations, including the Construction Manager's liability for actual damages, delay damages and liquidated damages, shall be determined in relation to the date(s) as modified.
- 16.4 **Early Completion.** The Construction Manager may attempt to achieve Substantial Completion before the required date of Substantial Completion. However, such planned early completion shall be for the Construction Manager's sole convenience and shall not create any additional Construction Manager rights or Owner obligations under the Contract for Continuing Construction Management Services for Minor Projects, nor shall it change the required dates of Substantial Completion or Final Completion. The Owner shall not pay the Construction Manager any additional compensation for achievement of Substantial Completion or Final Completion prior to the required dates nor will the Owner owe the Construction Manager any compensation should the Owner cause the Construction Manager not to achieve Substantial Completion earlier than the required date of Substantial Completion or Final Completion earlier than the required date of Final Completion.
- 16.5 **Document Review.** The Construction Manager shall provide documents to the Owner and Professional(s) for review in accordance with schedule requirements and with sufficient lead time to allow the Owner and Professional reasonable time for review.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

# ARTICLE 17

## TIME OF PERFORMANCE

17.1 **Time of the Essence.** The parties hereto mutually understand and agree that time is of the essence in the performance of the Contract for Continuing Construction Management Services for Minor Projects and that the Owner will incur damages if the Work is not completed on time. The Construction Manager shall at all times carry out its duties and responsibilities as expeditiously as possible and shall begin, perform and complete its services so that (i) the Work progresses in accordance with the Construction Schedule; (ii) the Work is substantially completed by the required date of Substantial Completion; and (iii) the Work is finally complete by the date of Final Completion.

17.2 **Delay Claims.** The Construction Manager may submit delay claims or otherwise propose modifications of the required dates of Substantial Completion or Final Completion, or other milestone dates required by the Owner, if any. However, such claims shall be submitted in writing and supported by evidence that the delay was excusable, critical, and, if applicable, compensable. Extensions of time will be granted only to the extent that equitable time adjustments for the effected activity or activities exceed the total float along the network paths involved. Such claims shall include an estimate of cost, if any, and substantiate the projected impact on the overall critical path schedule of the Project. In the case of a continuing delay, only one claim is necessary.

17.2.1 If adverse weather conditions are the basis for a delay claim, the claim shall be documented by data substantiating that: the weather conditions were abnormal for the given location and period of time; the weather conditions could not have been reasonably anticipated; and that the weather conditions had an adverse effect on the overall critical path of the schedule. Delays caused by adverse weather conditions are not compensable by other than extensions of time.

17.3 **Compensable Delay.** If the Construction Manager is delayed at any time in the progress or performance of the Work by (i) acts or omissions of the Owner or Professional, constituting active interference with the Construction Manager's performance of the Work, and only to the extent such acts continue after the Construction Manager furnishes the Owner or Professional with notice of such interference; or (iii) any other cause which the Owner determines may justify the compensation of the Construction Manager for the delay, the Construction Manager's compensation shall be equitably adjusted to cover the Construction Manager's actual and direct increased costs as described in Paragraph 4.2 of the Contract for Continuing Construction Management Services for Minor Projects. In no event shall the Construction Manager be entitled to collect consequential damages, lost opportunity costs, impact damages or other similar remuneration.

17.3.1 Construction Manager's compensation for changes in the work ordered by the Owner shall be calculated pursuant to Paragraph 4.2 of the Contract for Continuing Construction Management Services for Minor Projects and agreed to by written change order. Construction Manager shall not be entitled to compensable delay damages. In no event shall the Construction Manager be entitled to collect consequential damages, lost opportunity costs, impact damages or other similar remuneration.

17.4 **Force Majeure:** No Party shall hold the other responsible for damages or for delays in performance caused by force majeure, acts of God, or other acts or circumstances beyond the control of the other party or that could not have been reasonably foreseen and prevented. For this purpose, such acts or circumstances shall include, but not be limited to weather conditions affecting performance, floods, epidemics, war, riots, strikes, lockouts, or other industrial disturbances, or protest demonstrations. Should such acts or circumstances occur, the parties shall use their best efforts to overcome the difficulties arising therefrom and to resume the Work as soon as reasonably possible with the normal pursuit of the Work.

Inclement weather, continuous rain for less than three (3) days or the acts or omissions of subcontractors, third-party contractors, materialmen, suppliers, or their subcontractors, shall not be considered acts of force majeure.

No Party shall be liable for its failure to carry out its obligations under the Agreement during a period when such Party is rendered unable by force majeure to carry out its obligation, but the obligation of the Party or

Parties relying on such force majeure shall be suspended only during the continuance of the inability and for no longer period than the unexpected or uncontrollable event.

The Contractor further agrees and stipulates, that its right to excuse its failure to perform by reason of force majeure shall be conditioned upon giving written notice of its assertion that a Force Majeure delay has commenced within 96 hours after such an occurrence. The Contractor shall use its reasonable efforts to minimize such delays. The Contractor shall promptly provide an estimate of the anticipated additional time required to complete the Project.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

## ARTICLE 18

### CONCEALED AND UNFORESEEN CONDITIONS

- 18.1 **Notification Regarding Unusual Conditions.** If, notwithstanding Construction Manager's full compliance with Section 3.2, (i) the Construction Manager encounters concealed and unforeseen conditions of an unusual nature which affect the performance of the Work; or (ii) the conditions vary from those indicated by the Construction Documents; and (iii) such conditions are not ordinarily found to exist or differ materially from those generally recognized as inherent in work of the character provided by the Construction Manager, the Construction Manager shall promptly, but in no event later than three calendar days after first observance of the conditions, notify the Professional and the Owner before conditions are disturbed and give the Professional or the Owner opportunity to observe the condition in its undisturbed state.
- 18.1.1 The conditions will be promptly investigated and, if they differ substantially and cause a material increase or decrease in the Construction Manager's cost of, or time required for, performance of the Work, compensation or time for performance or both will be equitably adjusted.
- 18.1.2 All adjustments in compensation or extensions of time shall be by change order. Change order requests must be made within fourteen (14) calendar days from the date of observation of the changed conditions.
- 18.1.3 The Construction Manager's failure to notify the Professional and Owner as provided in this Article shall constitute a waiver of any claim arising out of or relating to such concealed or unknown condition.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]



## ARTICLE 19

### PROPRIETARY DOCUMENTS

- 19.1 **Nature and Use of Information.** Even as otherwise provided by law, all information, documents, and electronic media furnished by the Owner to the Construction Manager (i) belong to the Owner; (ii) are proprietary; (iii) are furnished solely for use on the Owner's Project; and (iv) shall not be used by the Construction Manager on any other project or in connection with any other person or entity, unless disclosure or use thereof in connection with any matter other than services rendered to the Owner hereunder is specifically authorized in writing by the Owner in advance or is required by law. The Owner hereby grants to the Construction Manager a limited license to use and reproduce applicable portions of the Construction Documents necessary for execution of the Work. All copies made under this license shall bear the statutory copyright notice, if any, shown on the documents.
- 19.2 **Ownership of Information.** All information, documents, and electronic media prepared by or on behalf of the Construction Manager for the Project are the sole property of the Owner free of any retention rights of the Construction Manager. The Construction Manager hereby grants to the Owner an unconditional right to use, for any purpose whatsoever, any information, documents or electronic media prepared by or on behalf of the Construction Manager for the Project, free of any copyright claims, trade secrets or other proprietary rights with respect to such documents.
- 19.3 **Non-Publication.** Submission or distribution of documents to meet official regulatory requirements or for other required purposes in connection with the Project is not to be construed as publication in derogation of the Owner's common law copyrights or other reserved rights.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

## ARTICLE 20

### INSURANCE REQUIREMENTS

20.1 **Basic Insurance Requirements.** The Construction Manager shall maintain the following insurances with a company or companies lawfully authorized to do business in Florida, and with an A.M. Best Rating of no less than A, VI. All insurance policies shall be issued and countersigned by duly authorized representatives of such companies and shall be written on ISO standard forms or their equivalents. The insurance policies shall require that the insurer shall provide at least thirty (30) days written notice to Owner if a policy is to be canceled or the coverage there under reduced before the expiration date thereof and Construction Manager shall provide Owner with a copy of an endorsement to the policy evidencing the same. The insurance required hereunder shall be carried by Construction Manager at least until the Project is finally completed and accepted by Owner. Owner may require the Construction Manager and its Subcontractor to carry additional types and amounts of insurance it deems appropriate given the nature and size of a particular Project. In such case, Owner shall notify Construction Manager within a reasonable period of time prior to the commencement of the Work of such additional requirements.

20.1.1 **Liability Insurance.**

20.1.1.1. **Commercial General Liability Insurance.**

The Construction Manager shall provide a commercial general liability insurance policy which has liability limits of at least \$1,000,000.00 per occurrence for bodily injury, death and property damage. The Owner shall be named as additional insureds on such policy and the policy shall provide cross liability coverage. Such insurance policy shall protect Construction Manager from claims which may arise whether such claims may arise out of the operations of the Construction Manager or by anyone directly or indirectly employed by the Construction Manager. In addition, the policy shall contain the following endorsements (i) "XCU" (explosion, collapse, underground damage) for those classifications excluded under the policy. If Construction Manager is performing asbestos-related work, the policy shall also contain a pollution liability endorsement.

20.1.1.2. **Automobile Liability Insurance.**

Construction Manager shall carry an automobile liability insurance which has liability limits of at least \$500,000.00. The Owner shall be named as additional insureds on such policy and the policy shall provide cross liability coverage.

20.1.1.3. **Deductibles**

Deductibles under these liability policies shall not exceed \$5,000.00. Owner shall not be liable for amounts that may represent a deductible in any insurance policy. The payment of such deductible shall be the sole responsibility of the Construction Manager and/or Subcontractor providing such insurance.

20.1.2 **Worker's Compensation.**

Construction Manager shall maintain worker's compensation insurance which complies with the requirements of Chapter 440, Florida Statutes.

20.1.3 **Builder's Risk Insurance.**

The Construction Manager shall maintain Construction Manager's risk insurance, at replacement cost, covering the full value of the construction being performed, including where applicable, the existing structure. Such policy shall be written on a cause of loss special form policy, and shall include coverage for reasonable compensation for the Architect/Engineer's services and expenses required as a result of such insured loss. This insurance shall insure the interests of the Construction Manager and Subcontractor in the Work. Property covered by the insurance shall include temporary building(s) or structure(s) at the Project site, other than any of Construction Manager's office trailer(s). In addition, such insurance shall cover portions of the Work stored off the site, after written approval of the Owner, at the value established in the approval, and portions of the Work in transit. The Owner shall be named as additional insureds on such policy. The policy shall include a waiver of subrogation endorsement and a severability of interests endorsement.

The deductible under the policy shall not exceed \$5,000.00. Owner shall not be liable for amounts that may represent a deductible in any insurance policy. The payment of such deductible shall be the sole responsibility of the Construction Manager.

When the Work includes the repair, removal, installation and/or testing of live steam boilers, valves, pipes or lines, then such insurance shall include boiler and machine coverage, written on an ISO form or its equivalent.

A loss or losses insured under this insurance policy shall be adjusted by the Construction Manager and its insurance company. The Construction Manager shall repair or replace the damaged property with the proceeds from the Construction Manager's risk policy. The Construction Manager shall be responsible for all damages and necessary repairs whether or not the loss is covered by the Construction Manager's risk policy.

- 20.2 **Certificates of Insurance.** Certificates of Insurance and/or evidence of insurance for all insurance required to be carried under this Article, together with certified copies of the insurance policies (including required endorsements), shall be filed with, and approved by, the Owner prior to commencement of the Work. The Certificates of Insurance shall be dated and show the name of the insurer, the number of the policy, its effective date, and its termination date. Owner will not issue a Notice to Proceed for the Work until Construction Manager has complied with this Article. Construction Manager shall not be entitled to an extension of time or to compensation which may result from delays in the issuance of a Notice to Proceed caused by its failure to provide the foregoing certificates and policies in a timely manner. Certificates of Insurance evidencing the renewal of all insurance required to be carried under this Article shall be provided to Owner at least thirty (30) days prior to the date each applicable insurance policy is scheduled to expire. Owner's review, inspection, or approval of Construction Manager's insurance shall not relieve Construction Manager of its responsibility for providing the insurance required hereby nor constitute a waiver of any such requirements.
- 20.3 **Effect of Insurance.** Compliance with insurance requirements shall not relieve the Construction Manager of any responsibility to indemnify the Owner for any liability to the Owner as specified in any other provision of the Contract for Continuing Construction Management Services for Minor Projects, and the Owner shall be entitled to pursue any remedy in law or equity if the Construction Manager fails to comply with the provisions of the Contract for Continuing Construction Management Services for Minor Projects. Indemnity obligations specified elsewhere in the Contract for Continuing Construction Management Services for Minor Projects shall not be negated or reduced by virtue of any insurance carrier's (i) denial of insurance coverage for the occurrence or event which is the subject matter of the claim; or (ii) refusal to defend any named insured.
- 20.4 **Waiver of Subrogation.** The Construction Manager hereby releases and discharges the Owner and the Owner's Related Parties of and from all liability to the Construction Manager, and to anyone claiming by, through or under the Construction Manager, by subrogation or otherwise, on account of any loss or damage to tools, machinery, and equipment or other property, however caused. The Construction Manager shall cause its Construction Manager's risk property insurance company to issue a waiver of subrogation consistent with this provision.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

## ARTICLE 21

### GENERAL BOND REQUIREMENTS

- 21.1 **General Bond Requirements.** Recognizing the Project is a public project with a Construction Price which exceeds \$200,000.00, and as such is required to be bonded pursuant to 255.05, Florida Statutes, the Construction Manager shall furnish Payment and Performance bonds on Owner's standard form covering the full and faithful performance of the Contract for Continuing Construction Management Services for Minor Projects and the payment of obligations arising hereunder.
- 21.2 **Requests for Copies of Bonds.** Upon the request of any person or entity appearing to be a potential beneficiary of bonds covering payment of obligations arising under the Contract for Continuing Construction Management Services for Minor Projects, the Construction Manager shall promptly furnish a copy of the bonds or shall permit a copy to be made.
- 21.3 **Delivery of Bonds.** The Construction Manager shall deliver required bonds and powers of attorney to the Owner prior to commencement of the Work.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

## ARTICLE 22

### OWNER'S RIGHT TO STOP WORK

- 22.1 **Cease And Desist Order.** If the Construction Manager fails or refuses to perform or fails to correct defective Work as required, or persistently fails to carry out the Work in accordance with the Contract for Continuing Construction Management Services for Minor Projects, the Owner may, by written notice, order the Construction Manager to cease and desist in performing the Work or any portion of the Work until the cause for the order has been eliminated to the satisfaction of the Owner. Upon receipt of such instruction, the Construction Manager shall immediately cease and desist as instructed by the Owner and shall not proceed further until the cause for the Owner's order has been corrected, no longer exists, or the Owner instructs that the Work may resume.
- 22.1.1 The Construction Manager shall not be entitled to an adjustment in the time for performance or the Construction Price under this clause since such stoppages are considered to be the fault of the Construction Manager.
- 22.1.2 The right of the Owner to stop Work shall not give rise to a duty on the part of the Owner to exercise this right for the benefit of the Construction Manager or others.
- 22.1.3 In the event the Owner issues instructions to cease and desist, and in the further event that the Construction Manager fails and refuses with seven calendar days to provide adequate assurance to the Owner that the cause of such instructions will be eliminated or corrected, then the Owner shall have the right, but not the obligation, to carry out the Work or any portion of the Work with its own forces, or with the forces of another Construction Manager, and the Construction Manager shall be responsible for the cost of performing such Work by the Owner.
- 22.1.4 The rights set forth herein are in addition to, and without prejudice to, any other rights or remedies the Owner may have against the Construction Manager.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]