



City of Commerce, TX

**AGREEMENT BETWEEN OWNER AND DESIGN-
BUILDER - COST PLUS FEE
WITH AN OPTION FOR A GUARANTEED
MAXIMUM PRICE**

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This **AGREEMENT** is made as of the _____ day of _____ in the year of 20_____, by and between the following parties, for services in connection with the Project identified below:

OWNER:

**CITY OF COMMERCE, TEXAS
1119 ALAMO ST.
COMMERCE, TEXAS 75428**

DESIGN-BUILDER:

(Name and address)

PROJECT:

(Include Project name and location as it will appear in the Contract Documents)

In consideration of the mutual covenants and obligations contained herein, Owner and Design-Builder agree as set forth herein.

Article 1

Scope of Work

- 1.1** Design-Builder shall perform all design and construction services, and provide all material, equipment, tools and labor, necessary to complete the Work described in and reasonably inferable from the Contract Documents. Attached hereto as Exhibit _____ is a general description of the Scope of Work.
- 1.2** The Owner and Design-Builder may agree for the construction phase to commence prior to completion of the preconstruction phase, in which case, both phases will proceed concurrently.
- 1.3** The Design-Builder shall provide a preliminary evaluation of the Owner's program, schedule and construction budget requirements, each in terms of the other.
- 1.4** The Design-Builder's budget ("Owner's Budget") for the preconstruction phase services and the construction phase services is _____ dollars (\$ _____). No preliminary cost estimates of the Cost of the Work or the cost of the program requirements or any Guaranteed Maximum Price proposal shall cause the Owner's Budget to be exceeded.

Article 2

Contract Documents

- 2.1** The Contract Documents are comprised of the following:
 - 2.1.1** All written modifications, amendments, minor changes, and Change Orders to this Agreement issued in accordance with the *Standard Form of General Conditions of Contract Between Owner and Design-Builder* ("General Conditions of Contract");
 - 2.1.2** The GMP Exhibit referenced in Section 6.6.1.1 herein or, if applicable, the GMP Proposal accepted by Owner in accordance with Section 6.6.2 herein;
 - 2.1.3** This Agreement, including all exhibits (List for example, performance standard requirements, performance incentive arrangements, markup exhibits, allowances, unit prices, or exhibit detailing offsite reimbursable personnel) but excluding, if applicable, the GMP Exhibit;
 - 2.1.4** The General Conditions of Contract; and
 - 2.1.5** Construction Documents prepared and approved in accordance with Section 2.4 of the General Conditions of Contract.

Article 3

Interpretation and Intent

- 3.1** Design-Builder and Owner, prior to execution of the Agreement (and again, if applicable, at the time of acceptance of the GMP Proposal by Owner in accordance with Section 6.6.2 hereof), shall carefully review all the Contract Documents, including the various documents comprising the Basis of Design Documents, for any conflicts or ambiguities. Design-Builder and Owner will discuss and resolve any identified conflicts or ambiguities prior to execution of the Agreement or, if applicable, prior to Owner's acceptance of the GMP Proposal.
- 3.2** The Contract Documents are intended to permit the parties to complete the Work and all obligations required by the Contract Documents within the Contract Time(s) for the Contract Price. The Contract Documents are intended to be complementary and interpreted in harmony so as to avoid conflict, with words and phrases interpreted in a manner consistent with construction and design industry standards. In the event inconsistencies, conflicts, or ambiguities between or among the Contract Documents are discovered after execution of the Agreement, or if applicable, after Owner's acceptance of the GMP Proposal, Design-Builder and Owner shall attempt to resolve any ambiguity, conflict or inconsistency informally, recognizing that the Contract Documents shall take precedence in the order in which they are listed in Section 2.1 hereof.
- 3.3** Terms, words and phrases used in the Contract Documents, including this Agreement, shall have the meanings given them in the General Conditions of Contract.
- 3.4** If Owner's Project Criteria contain design specifications: (a) Design-Builder shall be entitled to reasonably rely on the accuracy of the information represented in such design specifications and their compatibility with other information set forth in Owner's Project Criteria, including any performance specifications; and (b) Design-Builder shall be entitled to an adjustment in the Contract Price and/or Contract Time(s) to the extent Design-Builder's cost and/or time of performance have been adversely impacted by such inaccurate design specification.
- 3.5** The Contract Documents form the entire agreement between Owner and Design-Builder and by incorporation herein are as fully binding on the parties as if repeated herein. No oral representations or other agreements have been made by the parties except as specifically stated in the Contract Documents.

Article 4

Ownership of Work Product

- 4.1** **Work Product.** All drawings, specifications and other documents and electronic data, including such documents identified in the General Conditions of Contract, furnished by Design-Builder to Owner under this Agreement ("Work Product") are deemed to be instruments of service and Design-Builder shall retain the ownership and property interests therein, including but not limited to any intellectual property rights, copyrights and/or patents, subject to the provisions set forth in Sections 4.2 through 4.5 below.

- 4.2 Owner's Limited License upon Project Completion and Payment in Full to Design-Builder.** Upon Owner's payment in full for all Work performed under the Contract Documents, Design-Builder shall grant Owner a limited license to use the Work Product in connection with Owner's occupancy of the Project, conditioned on Owner's express understanding that its alteration of the Work Product without the involvement of Design-Builder is at Owner's sole risk and without liability or legal exposure to Design-Builder or anyone working by or through Design-Builder, including Design Consultants of any tier (collectively the "Indemnified Parties"), and on the Owner's obligation to provide the indemnity set forth in Section 4.5 below.
- 4.3 Owner's Limited License upon Owner's Termination for Convenience or Design-Builder's Election to Terminate.** If Owner terminates this Agreement for its convenience as set forth in Article 8 hereof, or if Design-Builder elects to terminate this Agreement in accordance with Section 11.4 of the General Conditions of Contract, Design-Builder shall, upon Owner's payment in full of the amounts due Design-Builder under the Contract Documents, grant Owner a limited license to use the Work Product to complete the Project and subsequently occupy the Project, and Owner shall thereafter have the same rights as set forth in Section 4.2 above, conditioned on the following:
- 4.3.1** Use of the Work Product is at Owner's sole risk without liability or legal exposure to any Indemnified Party, and on the Owner's obligation to provide the indemnity set forth in Section 4.5 below, and
- 4.3.2** Owner agrees to pay Design-Builder the additional sum of _____ Dollars (\$ _____) as compensation for the right to use the Work Product to complete the Project and subsequently use the Work Product in accordance with Section 4.2 if Owner resumes the Project through its employees, agents, or third parties.
- 4.4 Owner's Limited License upon Design-Builder's Default.** If this Agreement is terminated due to Design-Builder's default pursuant to Section 11.2 of the General Conditions of Contract, then Design-Builder grants Owner a limited license to use the Work Product to complete the Project and subsequently occupy the Project, and Owner shall thereafter have the same rights and obligations as set forth in Section 4.2 above. Notwithstanding the preceding sentence, if it is ultimately determined that Design-Builder was not in default, Owner shall be deemed to have terminated the Agreement for convenience, and Design-Builder shall be entitled to the rights and remedies set forth in Section 4.3 above.
- 4.5 Owner's Indemnification for Use of Work Product.** If Owner is required to indemnify any Indemnified Parties based on the use or alteration of the Work Product under any of the circumstances identified in this Article 4, Owner shall defend, indemnify and hold harmless such Indemnified Parties from and against any and all claims, damages, liabilities, losses and expenses, including attorneys' fees, arising out of or resulting from the use or alteration of the Work Product.

Article 5

Contract Time

- 5.1 Date of Commencement.** The Work shall commence within five (5) days of Design-Builder's receipt of Owner's Notice to Proceed ("Date of Commencement") unless the parties mutually agree otherwise in writing.
- 5.2 Substantial Completion and Final Completion.**
- 5.2.1** Substantial Completion of the entire Work shall be achieved no later than _____ (_____) calendar days after the Date of Commencement ("Scheduled Substantial Completion Date"). This date is approximate as of the time of this Agreement execution and may be modified in writing by the parties if and when the GMP proposal for the entire Work is established.
- 5.2.2** Interim milestones and/or Substantial Completion of identified portions of the Work ("Scheduled Interim Milestone Dates") shall be achieved as follows: *(Insert any interim milestones for portions of the Work with different scheduled dates for Substantial Completion)*
- 5.2.3** Final Completion of the Work or identified portions of the Work shall be achieved as expeditiously as reasonably practicable. Final Completion is the date when all Work is complete pursuant to the definition of Final Completion set forth in Section 1.2.7 of the General Conditions of Contract.
- 5.2.4** All of the dates set forth in this Article 5 (collectively the "Contract Time(s)") shall be subject to adjustment in accordance with the General Conditions of Contract.
- 5.3 Time is of the Essence.** Owner and Design-Builder mutually agree that time is of the essence with respect to the dates and times set forth in the Contract Documents.
- 5.4 Liquidated Damages.** Design-Builder understands that if Substantial Completion is not attained by the Scheduled Substantial Completion Date, Owner will suffer damages which are difficult to determine and accurately specify. Design-Builder agrees that if Substantial Completion is not attained by _____ (_____) days after the Scheduled Substantial Completion Date (the "LD Date"), Design-Builder shall pay Owner _____ Dollars (\$_____) as liquidated damages for each day that Substantial Completion extends beyond the LD Date. If a GMP is not established upon execution of this Agreement, the parties shall set liquidated damages after GMP negotiations.
- 5.4.1** Design-Builder understands that if Final Completion is not achieved within _____ days of the Substantial Completion Date, Owner will suffer damages which are difficult to determine and accurately specify. Design-Builder agrees that if Final Completion is not achieved within _____ (_____) days of Substantial Completion, Design-Builder shall pay to Owner _____ Dollars (\$_____) as liquidated damages for each calendar day that Final Completion is delayed beyond the above-referenced number of days.

5.5 Any liquidated damages assessed pursuant to this Agreement shall be in lieu of all liability for any and all extra costs, losses, expenses, claims, penalties and any other damages, whether special or consequential, and of whatsoever nature, incurred by Owner which are occasioned by any delay in achieving the Contract Time(s).

5.6 **Early Completion Bonus.** If Substantial Completion is attained on or before _____ (_____) days before the Scheduled Substantial Completion Date (the "Bonus Date"), Owner shall pay Design-Builder at the time of Final Payment under Section 7.3 hereof an early completion bonus of _____ Dollars (\$ _____) for each day that Substantial Completion is attained earlier than the Bonus Date. If a GMP is not established upon execution of this Agreement, the parties shall set the early completion bonus after GMP negotiations.

5.6.1 Owner and Design-Builder agree that the maximum aggregate amount that Design-Builder shall receive as the early Completion Bonus is _____ Dollars (\$ _____).

Article 6

Contract Price

6.1 Contract Price.

6.1.1 Owner shall pay Design-Builder in accordance with Article 6 of the General Conditions of Contract a contract price ("Contract Price") equal to Design-Builder's Fee (as defined in Section 6.2 hereof) plus the Cost of the Work (as defined in Section 6.3 hereof), subject to any GMP established in Section 6.6 hereof and any adjustments made in accordance with the General Conditions of Contract. The Owner's Budget for the Work is \$ _____. The Contract Price shall not exceed the Owner's Budget, except that the Owner in its sole discretion may approve in writing any Contract Price that exceeds the Owner's Budget.

6.2 Design-Builder's Fee.

6.2.1 Design-Builder's Fee shall be:

_____ Dollars (\$ _____), as adjusted in accordance with Section 6.2.2 below.

or

_____ percent (_____) of the Cost of the Work, as adjusted in accordance with Section 6.2.2 below.

6.2.2 Design-Builder's Fee will be adjusted as follows for any changes in the Work:

6.2.2.1 For additive Change Orders, including additive Change Orders arising from both additive and deductive items, it is agreed that Design-Builder shall receive a Fee of _____ percent (_____ %) of the additional Costs of the Work incurred for that Change Order, plus any other markups set forth in Exhibit _____ hereto.

6.2.2.2 For deductive Change Orders, including deductive Change Orders arising from both additive and deductive items, the deductive amounts shall include:

No additional reduction to account for Design-Builder's Fee or any other markup.

or

An amount equal to the sum of: (a) _____ percent (_____ %) applied to the direct costs of the net reduction (which amount will account for a reduction associated with Design-Builder's Fee); plus (b) any other markups set forth in Exhibit _____ hereto applied to the direct costs of the net reduction.

6.3 Cost of the Work. The term Cost of the Work shall mean costs reasonably and actually incurred by Design-Builder in the proper performance of the Work. The Cost of the Work shall include only the following:

6.3.1 Wages of direct employees of Design-Builder performing the Work at the Site or, with Owner's agreement, at locations off the Site; provided, however, that the costs for those employees of Design-Builder performing design services shall be calculated on the basis of prevailing market rates for design professionals performing such services or, if applicable, those rates set forth in an exhibit to this Agreement.

6.3.2 Wages or salaries of Design-Builder's supervisory and administrative personnel engaged in the performance of the Work and who are located at the Site or working off-Site to assist in the production or transportation of material and equipment necessary for the Work.

6.3.3 Wages or salaries of Design-Builder's personnel stationed at Design-Builder's principal or branch offices, but only to the extent said personnel are identified in Exhibit _____ and performing the function set forth in said Exhibit. The reimbursable costs of personnel stationed at Design-Builder's principal or branch offices shall include a _____ percent (_____ %) markup to compensate Design-Builder for the Project-related overhead associated with such personnel.

6.3.4 Costs incurred by Design-Builder for employee benefits, premiums, taxes, insurance, contributions and assessments required by law, collective bargaining agreements, or which are customarily paid by Design-Builder, to the extent such costs are based on wages and salaries paid to employees of Design-Builder covered under Sections 6.3.1 through 6.3.3 hereof.

6.3.5 The reasonable portion of the cost of travel, accommodations and meals for Design-Builder's personnel necessarily and directly incurred in connection with the performance of the Work.

- 6.3.6** Payments properly made by Design-Builder to Subcontractors and Design Consultants for performance of portions of the Work, including any insurance and bond premiums incurred by Subcontractors and Design Consultants. The price for the Work contained in the Design-Builder's bid or proposal that is accepted by the Owner as the lowest responsive bid or best value proposal for self-perform Work in accordance with Section 2.7.8 of the General Conditions.
- 6.3.7** Costs incurred by Design-Builder in repairing or correcting defective, damaged or nonconforming Work (including any warranty or corrective Work performed after Substantial Completion), provided that such Work was beyond the reasonable control of Design-Builder, or caused by the ordinary mistakes or inadvertence, and not the negligence, of Design-Builder or those working by or through Design-Builder. If the costs associated with such Work are recoverable from insurance, Subcontractors or Design Consultants, Design-Builder shall exercise its best efforts to obtain recovery from the appropriate source and provide a credit to Owner if recovery is obtained.
- 6.3.8** Costs, including transportation, inspection, testing, storage and handling, of materials, equipment and supplies incorporated or reasonably used in completing the Work.
- 6.3.9** Costs (less salvage value) of materials, supplies, temporary facilities, machinery, equipment and hand tools not customarily owned by the workers that are not fully consumed in the performance of the Work and which remain the property of Design-Builder, including the costs of transporting, inspecting, testing, handling, installing, maintaining, dismantling and removing such items.
- 6.3.10** Costs of removal of debris and waste from the Site.
- 6.3.11** The reasonable costs and expenses incurred in establishing, operating and demobilizing the Site office, including the cost of facsimile transmissions, long-distance telephone calls, postage and express delivery charges, telephone service, photocopying and reasonable petty cash expenses.
- 6.3.12** Rental charges and the costs of transportation, installation, minor repairs and replacements, dismantling and removal of temporary facilities, machinery, equipment and hand tools not customarily owned by the workers, which are provided by Design-Builder at the Site, whether rented from Design-Builder or others, and incurred in the performance of the Work.
- 6.3.13** Premiums for insurance and bonds required by this Agreement or the performance of the Work.
- 6.3.14** All fuel and utility costs incurred in the performance of the Work.
- 6.3.15** Sales, use or similar taxes, tariffs or duties incurred in the performance of the Work.
- 6.3.16** Legal costs, court costs and costs of mediation and arbitration reasonably arising from Design-Builder's performance of the Work, provided such costs do not arise from disputes between Owner and Design-Builder.

- 6.3.17** Costs for permits, royalties, licenses, tests and inspections incurred by Design-Builder as a requirement of the Contract Documents.
- 6.3.18** The cost of defending suits or claims for infringement of patent rights arising from the use of a particular design, process, or product required by Owner, paying legal judgments against Design-Builder resulting from such suits or claims, and paying settlements made with Owner's consent.
- 6.3.19** Deposits which are lost, except to the extent caused by Design-Builder's negligence.
- 6.3.20** Costs incurred in preventing damage, injury or loss in case of an emergency affecting the safety of persons and property.
- 6.3.21** Accounting and data processing costs related to the Work.
- 6.3.22** Other costs reasonably and properly incurred in the performance of the Work to the extent approved in writing by Owner.
- 6.3.23** Owner and Design-Builder agree that an escrow account in the amount of _____ Dollars (\$ _____) shall be established prior to Final Completion, which escrow shall be used to reimburse Design-Builder for the Costs of the Work incurred after Final Completion to perform warranty Work. The escrow agreement will provide that any sums not used at the expiration of the warranty period shall be returned to Owner, subject to any savings Design-Builder may be entitled to under this Agreement. In the event the warranty escrow account is exhausted, but funds remain under the GMP, Owner shall be obligated to pay Design-Builder the Costs of the Work incurred after Final Completion to perform warranty Work up to the GMP.

6.4 Allowance Items and Allowance Values.

- 6.4.1** Any and all Allowance Items, as well as their corresponding Allowance Values, are set forth in the GMP Exhibit or GMP Proposal and are included within the GMP.
- 6.4.2** Design-Builder and Owner have worked together to review the Allowance Items and Allowance Values based on design information then available to determine that the Allowance Values constitute reasonable estimates for the Allowance Items. Design-Builder and Owner will continue working closely together during the preparation of the design to develop Construction Documents consistent with the Allowance Values. Nothing herein is intended in any way to constitute a guarantee by Design-Builder that the Allowance Item in question can be performed for the Allowance Value.
- 6.4.3** No work shall be performed on any Allowance Item without Design-Builder first obtaining in writing advanced authorization to proceed from Owner. Owner agrees that if Design-Builder is not provided written authorization to proceed on an Allowance Item by the date set forth in the Project schedule, due to no fault of Design-Builder, Design-Builder may be entitled to an adjustment of the Contract Time(s) and Contract Price.

6.4.4 The Allowance Value for an Allowance Item includes the direct cost of labor, materials, equipment, transportation, taxes and insurance associated with the applicable Allowance Item. All other costs, including design fees, Design-Builder's overall project management and general conditions costs, overhead and fee, are deemed to be included in the original Contract Price, and are not subject to adjustment, regardless of the actual amount of the Allowance Item.

6.4.5 Whenever the actual costs for an Allowance Item is more than or less than the stated Allowance Value, the Contract Price shall be adjusted accordingly by Change Order, subject to Section 6.4.4. The amount of the Change Order shall reflect the difference between actual costs incurred by Design-Builder for the particular Allowance Item and the Allowance Value.

6.5 Non-Reimbursable Costs.

6.5.1 The following shall not be deemed as costs of the Work:

6.5.1.1 Compensation for Design-Builder's personnel stationed at Design-Builder's principal or branch offices, except as provided for in Sections 6.3.1, 6.3.2 and 6.3.3 hereof.

6.5.1.2 Overhead and general expenses, except as provided for in Section 6.3 hereof, or which may be recoverable for changes to the Work.

6.5.1.3 The cost of Design-Builder's capital used in the performance of the Work.

6.5.1.4 If the parties have agreed on a GMP, costs that would cause the GMP, as adjusted in accordance with the Contract Documents, to be exceeded.

6.6 The Guaranteed Maximum Price ("GMP").

6.6.1 GMP Established Upon Execution of this Agreement.

6.6.1.1 Design-Builder guarantees that it shall not exceed the GMP of _____ Dollars (\$_____). Documents used as a basis for the GMP shall be identified in an exhibit to this Agreement ("GMP Exhibit"). Design-Builder does not guarantee any specific line item provided as part of the GMP, and has the sole discretion to apply payment due to overruns in one line item to savings due to underruns in any other line item. Design-Builder agrees, however, that it will be responsible for paying all costs of completing the Work which exceed the GMP, as adjusted in accordance with the Contract Documents. Although the GMP Exhibit may be established in advance or upon the execution of this Agreement, the GMP Exhibit shall include the items set forth in Section 6.6.2.1 below.

6.6.1.2 The GMP includes a Contingency in the amount of _____ Dollars (\$_____) which is available for Design-Builder's exclusive use for unanticipated costs it has incurred that are not the basis for a Change Order under the Contract Documents. By way of example only, and not as a limitation, such

costs may include: (a) trade buy-out differentials; (b) overtime or acceleration; (c) escalation of materials; (d) correction of defective, damaged or nonconforming Work, design errors or omissions, however caused; (e) Subcontractor defaults; or (f) those events under Section 8.2.2 of the General Conditions of Contract that result in an extension of the Contract Time but do not result in an increase in the Contract Price. Design-Builder shall not be allowed to use any part of the Contingency without the written approval of Owner, which approval shall not be unreasonably withheld. Except as it is considered Savings, the Contingency is not available to Owner for any reason, including, but not limited to changes in scope or any other item which would enable Design-Builder to increase the GMP under the Contract Documents. Design-Builder shall provide Owner notice of all anticipated charges against the Contingency, which shall include a detailed listing and written justification as to any need to use any part of the Contingency. Owner's approval of use of Contingency may be reasonably withheld if Design-Builder does not provide such notice. Design-Builder shall also provide Owner as part of the monthly status report required by Section 2.1.2 of the General Conditions of Contract an accounting of the Contingency, including all reasonably foreseen uses or potential uses of the Contingency in the upcoming three (3) months. Design-Builder agrees that with respect to any expenditure from the Contingency relating to a Subcontractor default or an event for which insurance or bond may provide reimbursement, Design-Builder will in good faith exercise reasonable steps to obtain performance from the Subcontractor and/or recovery from any surety or insurance company. Design-Builder agrees that if Design-Builder is subsequently reimbursed for said costs, then said recovery will be credited back to the Contingency. Any unused Contingency at the end of the Work shall be added to the amount of any Savings as described in Section 6.6.3 hereof, and shall be distributed in accordance with that section.

6.6.2 GMP Established after Execution of this Agreement.

6.6.2.1 GMP Proposal. Design-Builder shall submit a GMP Proposal to Owner which shall include the following:

6.6.2.1.1 A proposed GMP, which shall be the sum of:

- i. Design-Builder's Fee as defined in Section 6.2.1 hereof;
- ii. The estimated Cost of the Work as defined in Section 6.3 hereof, inclusive of any Design-Builder's Contingency as defined in Section 6.6.1.2 hereof; and
- iii. If applicable, any prices established under Section 6.1.2 hereof.

6.6.2.1.2 The Basis of Design Documents, which may include, by way of example, Owner's Project Criteria, which are set forth in detail and are attached to the GMP Proposal;

- 6.6.2.1.3** A list of the assumptions and clarifications made by Design-Builder in the preparation of the GMP Proposal, which list is intended to supplement the information contained in the drawings and specifications and is specifically included as part of the Basis of Design Documents;
- 6.6.2.1.4** The Scheduled Substantial Completion Date upon which the proposed GMP is based, to the extent said date has not already been established under Section 5.2.1 hereof, and a schedule upon which the Scheduled Substantial Completion Date is based;
- 6.6.2.1.5** If applicable, a list of Allowance Items, Allowance Values, and a statement of their basis;
- 6.6.2.1.6** If applicable, a schedule of alternate prices;
- 6.6.2.1.7** If applicable, a schedule of unit prices;
- 6.6.2.1.8** If applicable, a statement of Additional Services which may be performed but which are not included in the GMP and which, if performed, shall be the basis for an increase in the GMP and/or Contract Time(s);
- 6.6.2.1.9** If applicable, a statement regarding an early Work package; and
- 6.6.2.1.10** The time limit for acceptance of the GMP Proposal.

6.6.2.2 Review and Adjustment to GMP Proposal. After submission of the GMP Proposal, Design-Builder and Owner shall meet to discuss, review and negotiate the GMP Proposal. If Owner has any comments regarding the GMP Proposal, or finds any inconsistencies or inaccuracies in the information presented, it shall promptly give written notice to Design-Builder of such comments or findings. Design-Builder shall, upon receipt of Owner's notice, make appropriate adjustments to the GMP Proposal.

6.6.2.3 Acceptance of GMP Proposal. If Owner accepts the GMP Proposal, the GMP and its basis shall be set forth in an amendment to this Agreement.

6.6.2.4 Failure to Accept the GMP Proposal. If Owner rejects the GMP Proposal, or fails to notify Design-Builder in writing on or before the date specified in the GMP Proposal that it accepts the GMP Proposal, the GMP Proposal shall be deemed withdrawn and of no effect. In such event, Owner and Design-Builder shall meet and confer as to how the Project will proceed, with Owner having the following options:

- 6.6.2.4.1** Owner may suggest modifications to the GMP Proposal, whereupon, if such modifications are accepted in writing by Design-Builder, the GMP Proposal shall be deemed accepted and the parties shall proceed in accordance with Section 6.6.2.3 above;

- 6.6.2.4.2** Owner may authorize, in writing Design-Builder to continue to proceed with the Work on the basis of reimbursement as provided in Section 6.1 hereof without a GMP, in which case all references in this Agreement to the GMP shall not be applicable; or
- 6.6.2.4.3** Owner may terminate this Agreement for convenience in accordance with Article 8 hereof; provided, however, in this event, Design-Builder shall not be entitled to the payment provided for in Section 8.2 hereof.
- 6.6.2.4.4** In the case of an Early Work package, if Owner rejects the GMP Proposal, or fails to notify Design-Builder in writing on or before the date specified in the GMP Proposal that it accepts the GMP Proposal, the GMP Proposal shall be deemed withdrawn and of no effect and the scope of work will be included in a future GMP Proposal.

If Owner fails to exercise any of the above options, Design-Builder shall have the right to (i) continue with the Work as if Owner had elected to proceed in accordance with Item 6.6.2.4.2 above, and be paid by Owner accordingly, unless and until Owner notifies it in writing to stop the Work, or (ii) suspend performance of Work in accordance with Section 11.3.1 of the General Conditions of Contract, provided, however, that in such event Design-Builder shall not be entitled to the payment provided for in Section 8.2 hereof.

6.6.3 Savings.

6.6.3.1 If the sum of the actual Cost of the Work and Design-Builder’s Fee (and, if applicable, any prices established under Section 6.1.2 hereof) is less than the GMP, as such GMP may have been adjusted over the course of the Project, the difference (“Savings”) shall be shared as follows:

_____ percent (_____ %) to Design-Builder and _____ percent (_____ %) to Owner.

6.6.3.2 Savings shall be calculated and paid as part of Final Payment under Section 7.3 hereof, with the understanding that to the extent Design-Builder incurs costs after Final Completion which would have been payable to Design-Builder as a Cost of the Work, the parties shall recalculate the Savings in light of the costs so incurred, and Design-Builder shall be paid by Owner accordingly.

6.6.3.3 Savings shall include any remaining Contingency.

6.6.3.4 The maximum Savings amount shall be _____ dollars (\$ _____). In the event that Savings exceed this maximum amount, any Savings amount in excess of the maximum amount shall be paid one-hundred percent (100%) to Owner, notwithstanding 6.6.2.1 above.

6.7 Performance Incentives

6.7.1 Owner and Design-Builder have agreed to the performance incentive arrangements set forth in Exhibit _____.

Article 7

Procedure for Payment

7.1 Progress Payments.

7.1.1 Design-Builder shall submit to Owner on the _____ (_____) day of each month, beginning with the first month after the Date of Commencement, Design-Builder's Application for Payment in accordance with Article 6 of the General Conditions of Contract.

7.1.2 Owner shall make payment within ten (10) days after Owner's receipt of each properly submitted and accurate Application for Payment in accordance with Article 6 of the General Conditions of Contract, but in each case less the total of payments previously made, and less amounts properly withheld under Section 6.3 of the General Conditions of Contract.

7.1.3 If Design-Builder's Fee under Section 6.2.1 hereof is a fixed amount, the amount of Design-Builder's Fee to be included in Design-Builder's monthly Application for Payment and paid by Owner shall be proportional to the percentage of the Work completed, less payments previously made on account of Design-Builder's Fee.

7.2 Retainage on Progress Payments.

7.2.1 Owner will retain _____ percent (_____%) of each Application for Payment. Owner will also reasonably consider reducing retainage for Subcontractors completing their work early in the Project.

7.2.2 Within fifteen (15) days after Substantial Completion of the entire Work or, if applicable, any portion of the Work, pursuant to Section 6.6 of the General Conditions of Contract, Owner shall release to Design-Builder all retained amounts relating, as applicable, to the entire Work or completed portion of the Work, less an amount equal to: (a) the reasonable value of all remaining or incomplete items of Work as noted in the Certificate of Substantial Completion; and (b) all other amounts Owner is entitled to withhold pursuant to Section 6.3 of the General Conditions of Contract.

7.2.3 If a warranty reserve has been established pursuant to Section 6.3.23 above, Owner shall at the time of Substantial Completion retain the agreed-upon amounts and establish an escrow account as contemplated by Section 6.3.23 above.

7.3 **Final Payment.** Design-Builder shall submit its Final Application for Payment to Owner in accordance with Section 6.7 of the General Conditions of Contract. Owner shall make payment on Design-Builder's properly submitted and accurate Final Application for Payment (less any

amount the parties may have agreed to set aside for warranty work) within ten (10) days after Owner's receipt of the Final Application for Payment, provided that Design-Builder has satisfied the requirements for final payment set forth in Section 6.7.2 of the General Conditions of Contract.

7.4 Interest. Payments due and unpaid by Owner to Design-Builder, whether progress payments or final payment, shall bear interest commencing five (5) days after payment is due at the rate of ___ percent (___ %) per month until paid.

7.5 Record Keeping and Finance Controls. Design-Builder acknowledges that this Agreement is to be administered on an "open book" arrangement relative to Costs of the Work. Design-Builder shall keep full and detailed accounts and exercise such controls as may be necessary for proper financial management, using accounting and control systems in accordance with generally accepted accounting principles and as may be provided in the Contract Documents. During the performance of the Work and for a period of three (3) years after Final Payment, Owner and Owner's accountants shall be afforded access to, and the right to audit from time-to-time, upon reasonable notice, Design-Builder's records, books, correspondence, receipts, subcontracts, purchase orders, vouchers, memoranda and other data relating to the Work, all of which Design-Builder shall preserve for a period of three (3) years after Final Payment. Such inspection shall take place at Design-Builder's offices during normal business hours unless another location and time is agreed to by the parties. Any multipliers or markups agreed to by the Owner and Design-Builder as part of this Agreement are only subject to audit to confirm that such multiplier or markup has been charged in accordance with this Agreement, with the composition of such multiplier or markup not being subject to audit.

Article 8

Termination for Convenience

8.1 Upon ten (10) days' written notice to Design-Builder, Owner may, for its convenience and without cause, elect to terminate this Agreement. In such event, Owner shall pay Design-Builder for the following:

8.1.1 All Work executed and for proven loss, cost or expense in connection with the Work;

8.1.2 The reasonable costs and expenses attributable to such termination, including demobilization costs and amounts due in settlement of terminated contracts with Subcontractors and Design Consultants; and

8.1.3 Overhead and profit in the amount established in Section ___ for ___ on the sum of items 8.1.1 and 8.1.2 above.

8.2 If Owner terminates this Agreement pursuant to Section 8.1 above and proceeds to design and construct the Project through its employees, agents or third parties, Owner's rights to use the Work Product shall be as set forth in Section 4.3 hereof. Such rights may not be transferred or assigned to others without Design-Builder's express written consent and such third parties' agreement to the terms of Article 4.

Article 9

Representatives of the Parties

9.1 Owner's Representatives.

9.1.1 Owner designates the individual listed below as its Senior Representative ("Owner Senior Representative"), which individual has the authority and responsibility for avoiding and resolving disputes under Section 10.2.3 of the General Conditions of Contract: *(Identify individual's name, title, address and telephone numbers)*

9.1.2 Owner designates the individual listed below as its Owner's Representative, which individual has the authority and responsibility set forth in Section 3.4 of the General Conditions of Contract: *(Identify individual's name, title, address and telephone numbers)*

9.2 Design-Builder's Representatives.

9.2.1 Design-Builder designates the individual listed below as its Senior Representative ("Design-Builder's Senior Representative"), which individual has the authority and responsibility for avoiding and resolving disputes under Section 10.2.3 of the General Conditions of Contract: *(Identify individual's name, title, address and telephone numbers)*

9.2.2 Design-Builder designates the individual listed below as its Design-Builder's Representative, which individual has the authority and responsibility set forth in Section 2.1.1 of the General Conditions of Contract: *(Identify individual's name, title, address and telephone numbers)*

Article 10

Bonds and Insurance

10.1 **Insurance.** Design-Builder and Owner shall procure the insurance coverages set forth in the Insurance Exhibit attached hereto and in accordance with Article 5 of the General Conditions of Contract.

10.2 **Bonds and Other Performance Security.** Design-Builder shall provide the following performance bond and labor and material payment bond or other performance security:

10.2.1 Performance Bond.

The awarded contractor shall provide a performance bond made payable to the City of Commerce, executed by a corporate surety acceptable to the City who is licensed pursuant to the Texas Insurance Code and listed on the United States Department of Treasury's Listing of Approved Sureties (Dept. Circular 570) in the amount of **the cost of the entire Project**, (except for design services as limited by Sec. 2269.311, Texas Government Code). Said bond shall further provide coverage for all damages or losses resulting from the principal's default. Said bond shall further guarantee the principal's performance of all terms and obligations under this contract. Said bond must have attached thereto a Power of Attorney as evidence of the authority of the person executing the bond to bind the surety. This bond must be furnished in compliance

with the statutory requirements of the Texas Government Code, chapter 2253. This bond must be executed and delivered to the City prior to commencement of work under this contract. Any repairs exceeding the bond's value must be approved separately, and Contractor must supply a supplemental performance bond, meeting the same requirements herein, to cover the incremental increase between this bond's value and the cost of the repair.

10.2.2 Payment Bond.

The awarded contractor shall provide a payment bond as a security for all persons supplying labor and material in the performance of the Project completion. Bond shall be made payable to the City of Commerce, executed by a corporate surety acceptable to the City who is licensed pursuant to the Texas Insurance Code and listed on the United States Department of Treasury's Listing of Approved Sureties (Dept. Circular 570) in the amount of **the cost of the entire Project**, (except for design services as limited by Sec. 2269.311, Texas Government Code). Said bond shall further provide coverage for all damages or losses resulting from the principal's default. Said bond shall further guarantee the principal's payment of all terms and obligations under this contract. Said bond must have attached thereto a Power of Attorney as evidence of the authority of the person executing the bond to bind the surety. This bond must be furnished in compliance with the statutory requirements of the Texas Government Code, Chapter 2253. This bond must be executed and delivered to the City prior to commencement of work under this contract. Any repairs exceeding the bond's value must be approved separately, and Contractor must supply a supplemental bond, meeting the same requirements herein, to cover the incremental increase between this bond's value and the cost of the repair.

10.2.3 Other Performance Security.

The awarded contractor shall provide a maintenance bond to guarantee Contractor will resolve all maintenance incidents on the Project for a 12-month period. Maintenance bond shall be made payable to the City of Commerce, executed by a corporate surety acceptable to the City who is licensed pursuant to the Texas Insurance Code and listed on the United States Department of Treasury's Listing of Approved Sureties (Dept. Circular 570) in the amount of **the cost of the entire Project**, (except for design services as limited by Sec. 2269.311, Texas Government Code). Said bond shall further provide coverage for all damages or losses resulting from the principal's default. Said bond shall further guarantee the principal's performance of all terms and obligations under this contract. Said bond must have attached thereto a Power of Attorney as evidence of the authority of the person executing the bond to bind the surety. This bond must be furnished in compliance with the statutory requirements of the Texas Government Code, chapter 2253. This bond must be executed and delivered to the City prior to commencement of work under this contract. Any repairs exceeding the bond's value must be approved separately, and Contractor must supply a supplemental bond, meeting the same requirements herein, to cover the incremental increase between this bond's value and the cost of the repair.

- 10.3** Cost of Bonds and Insurance premiums shall be reimbursed under Article 6.3, as part of the first GMP proposal.

Article 11

Other Provisions

11.1 Claims, Disputes and Controversies

Any claims, disputes, or controversies between the parties arising out of or related to the Agreement, or the breach thereof, which have not been resolved in accordance with the procedures set forth in Section 10.2 of the General Conditions of Contract shall be resolved in a court of competent jurisdiction in Taylor County, Texas.

11.2 Status of Design-Builder

The Design-Builder is an Independent Contractor. Design-Builder and Design-Builder's employees are not agents, servants or employees of Owner.

11.3 Verification of Employment Eligibility

Design-Builder must comply with the Immigration Reform and Control Act (IRCA) and may not knowingly obtain labor or services of an unauthorized alien. Design-Builder -- not Owner -- must verify eligibility for employment as required by IRCA.

11.4 Indebtedness to Owner

Design-Builder agrees that no payments owed by him, of any nature whatsoever, to the Owner, including payment in advance for service charges or any sums of any character whatsoever, shall become delinquent or in arrears.

The Owner will not knowingly award contracts for goods or services to any bidder in arrears to the Owner for any debt, claim, demand, or account whatsoever, including taxes, penalty and interest. Design-Builder is responsible for ensuring that no indebtedness exists.

Section 130 of the City of Commerce Charter authorizes the Owner to counterclaim and offset against any debt, claim, demand or account owed by the Owner to any person, firm or corporation in arrears to the Owner for any debt, claim, demand or account of any nature whatsoever, including taxes, penalty and interest.

11.5 Equal Employment Opportunity

It is the Owner's policy to recruit, employ, and to provide compensation, promotion, and other conditions of employment without regard to race, color, religion, sex, age, national origin, or disability. The Owner affirms that employment decisions shall be made only on the basis of bona fide occupational qualifications. The Owner shall continually review its employment practices and personnel procedures and take positive steps to assure that equality of employment opportunity in the City of Commerce, Texas, is a fact as well as an ideal.

11.6 Minority and Women Business Enterprises

The Owner hereby gives notice that Minority and Women Business Enterprises will be afforded equal opportunities to submit bids in for this contract and will not be discriminated against on the

grounds of race, ethnicity, color, sex, religion or national origin in awarding the contract. Technical assistance is available to Minority and Women Business Enterprises through the Texas Tech University Small Business Development Center, 500 Chestnut St., 6th floor, Commerce, Texas, 79602, 325-690-0300.

11.7 Sales Tax

The City qualifies as an exempt agency under the Texas Limited Sales, Excise and Use Tax Act (the Tax Act), and is not subject to any State or City sales taxes on materials incorporated into the project. Labor used in the performance of this contract is also not subject to State or City sales taxes. The City will provide an exemption certificate to the Design-Builder. The Design-Builder must have a sales tax permit issued by the Comptroller of Public Accounts and shall issue a resale certificate complying with the Tax Act, as amended, when purchasing said materials. The Design-Builder is responsible for any sales taxes applicable to equipment purchases, rentals, leases, consumable supplies which are not incorporated into the project, tangible personal property purchased for use in the performance of this contract and not completely consumed, or other taxable services used to perform this contract, or other taxes required by law in connection with this contract.

11.8 No Boycotting Israel Verification

Contractor agrees that it does not boycott Israel and will not do so during the term of this Agreement. This provision is in compliance with §2270.001 of the Texas Government Code. The City agrees to comply with the United States and Texas Constitutions in consideration of whether to enforce this provision.

In executing this Agreement, Owner and Design-Builder each individually represents that it has the necessary financial resources to fulfill its obligations under this Agreement, and each has the necessary corporate approvals to execute this Agreement, and perform the services described herein.

OWNER:

DESIGN-BUILDER:

City of Commerce _____

(Name of Owner)

(Name of Design-Builder)

(Signature)

(Signature)

Robert Hanna

(Printed Name)

(Printed Name)

City Manager

(Title)

(Title)

Date: _____

Date: _____

Exhibit A

Preconstruction Services of the Design Development Services

- A. Attend general progress review and coordination meetings with Owner.
- B. Attend periodic design meetings to provide consultation on aspects of the design and construction that will impact the budget, schedule and quality of the completed Work.
 - 1. Consult with Owner regarding Site use and improvements, and the selection of materials, building systems and equipment.
 - 2. Provide recommendations on construction feasibility; actions designed to minimize adverse effects of labor or material shortages; time requirements for procurement, installation and construction completion; and factors related to construction cost including estimates of alternative designs or materials, preliminary budgets and possible opportunities for savings.
 - 3. Provide recommendations on construction schedule for possible opportunities for time savings.
- C. Provide input to the Owner regarding current construction market, bidding climate, status of key Subcontractor and supplier markets, and other local economic conditions. Develop Subcontractor and supplier interest in the Work, consistent with Legal Requirements.
- D. Recommend a schedule for procurement of long-lead time items and other Work required to meet the schedule to the Owner.
- E. Identify critical elements of the Work that may require special procurement processes, such as prequalification of Subcontractors or suppliers who may have certain prior experience which is necessary for the Subcontractor or supplier to be able to perform the Work.
- F. In conjunction with the Owner, identify the appropriate Work packages from the Contract Documents for distribution to prospective bidders or proposers for providing all elements of Work not included in the General Conditions. Appropriate Work packages shall generally mean scopes of work that will maximize the local competition for those Work packages.
- G. Time management
 - 1. Provide a preliminary master schedule including design and construction for the Work. If preliminary master schedule does not meet Owner's Contract Time, Design-Builder shall provide reasons why and recommendations on how to meet Contract Time. Update master schedule when preliminary design is completed and when design development documents have been completed. Incorporate into the preliminary master schedule allowances provided by Owner for reasonable periods required for the review of items by the Owner and for approvals of governmental authorities having jurisdiction over the Work. Prepare the preliminary master schedule in a way that the detailed progress schedule can be incorporated into the master schedule as the Work becomes better defined. For any master schedule updates, if Owner's Contract Time cannot be met, Design-Builder will provide recommendations on how to meet Contract Time.
 - 2. Identify critical design milestones that must be met in order to keep the Work on schedule. Coordinate and integrate the preliminary master schedule with the activities

of the Owner, and Design-Builder. Update the preliminary master schedule as design progresses to indicate proposed activity sequences and durations, milestone dates for receipt and approval of pertinent information, submittal of a GMP Proposal, preparation and processing of shop drawings and samples, delivery of materials or equipment requiring long-lead time procurement, and Owner's occupancy requirements.

3. Make appropriate recommendations to the Owner if preliminary master schedule updates indicate that previously approved schedules may not meet Contract Time requirements.
4. Revise the master schedule after each GMP Proposal and the GMP Proposal when the GMP for the entire Work is established.

H. Cost Management

1. Provide a preliminary evaluation based on the existing information as of the date of the Agreement execution of the Owner's program and budget requirements to determine that the Design-Builder will be able to design and construct the Work within the Owner's Budget. If preliminary evaluation does not meet Owner's Budget Design-Builder shall provide preliminary's recommendations on how to meet Owner's Budget.
2. Prepare a detailed estimate with supporting data for review by the Owner when preliminary design has been completed and when design development documents have been completed. Update and refine these estimates at appropriate intervals agreed to by the Owner and Design-Builder during the preparation of the Construction Documents. If estimates do not meet Owner's Budget Design-Builder shall provide recommendations on how to meet Owner's Budget.
3. Prepare a pre-bid line item estimate to be used for comparison of bids or proposals received at the bid opening(s). Make appropriate recommendations to the Owner if any estimate exceeds previously approved Owner Budget.
4. Revise the construction cost estimate to reflect actual cost as determined by bid amounts. Use this revised estimate to establish the schedule of values used for periodic Applications for Payment.
5. Notify the Owner immediately if any construction cost estimate exceeds the Owner's Budget.
6. Work with the Owner at each stage in the design process to develop a GMP within the Owner's Budget and a master schedule.

I. Quality Management and Design Review

1. Design-Builder shall review in-progress design documents, including at a minimum the documents generally described as preliminary design completion, design development documents, and the final draft of the Construction Documents and provide input and advice to Owner on constructability, materials and equipment selections, and availability. Provide timely suggestions for modifications to improve:
 - a. Constructability, including sequencing or coordination issues, to enable Work to be completed with a minimum of RFI's and change orders:
 - 1). Adequacy of details for construction.
 - 2). Potential conflicts during construction.

- 3). Feasibility of construction.
 - 4). Construction sequencing.
 - 5). Ability to coordinate among Subcontractors and Suppliers.
 - 6). Coordination between Contract Documents.
 - 7). Elimination of ambiguities, conflicts, discrepancies or lack of clarity in the Contract Documents.
- b. Operability:
- 1). Ability to minimize disruptions to existing operations, if applicable.
 - 2). Ability to complete construction connections to existing facilities or utilities.
 - 3). Ability of Owner to operate/maintain the Work in a safe and time and cost efficient manner when completed.
- c. Risk Management Plan:
- 1). Analyze construction risk to assess risk impact and develop appropriate risk management strategies to minimize associated costs and schedule impacts.
 - 2). Provide recommendations for appropriate allocation of and construction risks.
 - 3). Identify additional information that will assist with risk assessment and management.
 - 4). Suggest procurement strategies to minimize risk.
- J. Procurement Services
1. Assemble Work Packages
 - a. Identify and assemble appropriate Work packages from the Contract Documents for distribution to prospective bidders or proposers for providing all elements of Work not included in the General Conditions. Appropriate Work packages shall generally mean scopes of work that will maximize the local competition for those Work packages.
 2. Advertise for Bids or Proposals
 - a. Publicly advertise the Work soliciting bids or proposals from Subcontractors and suppliers for providing all elements of Work not included in the General Conditions in accordance with provisions of Texas Government Code 2269 for competitive bidding method or competitive sealed proposals method.
 3. Publish the advertisement in a manner that meets the requirements placed on the Owner by Legal Requirements.
 4. Maintain a list of all entities that have requested bid or proposal documents for any portion of the Work until bids or proposals are received. Provide weekly updates of the plan holders list to the Owner.
 5. Encourage multiple Subcontractors and suppliers to submit bids or proposals so that a minimum of three bids or proposals are received for each trade or Work package.
 6. Submit a bid or proposal complying with the requirements for bids or proposals from other Subcontractors and suppliers for any portion of the Work that the Design-Builder

may wish to perform. The Design-Builder may self-perform this portion of the Work if the Owner determines that the bid or proposal of the Design-Builder is the low responsive bid or proposal that offers the best value to the Owner.

K. Pre-Bid/Proposal Conferences

1. Conduct a pre-bid/proposal conference with prospective Subcontractor and suppliers.
2. Provide responses to all questions at pre-Bid/Proposal conferences and issue addenda which require a modification to the Contract Documents.

L. Design-Builder Self-Performance

1. For any Work packages that the Design-Builder will submit a bid, or proposal, the Design-Builder shall notify the Owner prior to any advertisement. The Design-Builder and Owner shall decide on the protocol for advertisement, pre-Bid/Proposal conferences and opening of bids or proposals. All bid and proposals will be submitted directly to the Owner.

M. Addenda

1. Prepare and issue addenda.

N. Opening Bids or Proposals

1. Open bids or proposals submitted by Subcontractors and suppliers for all elements of Work not included in the General Conditions at the time and location so indicated in the advertisement for bid or proposal as altered by addendum sent to all plan holders.
2. Review all bids or proposals submitted in the presence of the Owner in a way that does not disclose the contents of the bid or proposal during the selection process to any entity other than the Owner and Design-Builder.
3. Compare bids or proposals received to the line item budget prepared for the Work prior to the opening of bids or proposals. Resolve discrepancies or overlaps in Work packages to eliminate duplications or the omission of elements of the Work that are not included in the General Conditions. Discuss each bid or proposal received with the Owner and recommend which bid or proposal received will provide the low responsive cost or best value for the Owner.

EXHIBIT B

INSURANCE

A. GENERAL REQUIREMENTS

Design-Builder agrees to maintain the type and amounts of insurance required in this contract throughout the term of the agreement. The Design-Builder is solely responsible for providing the required certificates of insurance. The City may terminate this agreement if the Design-Builder fails to timely comply with the insurance requirements.

The required insurance must be issued by a company or companies of sound and adequate financial responsibility and authorized to do business in the State of Texas. All policies are subject to examination and approval by the City's Office of Risk Management for their adequacy as to content, form of protection, and providing company.

The required insurance naming the City as additional insured must be primary insurance and not contributing with any other insurance available to City, under any third party liability policy.

Before the City executes the notice to proceed with any work under this agreement, the Design-Builder must provide the City Secretary with either an original certificate of insurance or a certified copy of the insurance policy evidencing the required insurance. Thereafter, the Design-Builder must furnish new certificates or copies of the policy before the expiration date.

B. ADDITIONAL REQUIREMENTS

The required liability insurances and their certificates must:

1. Name the City as an additional insured for operations under this contract.
2. Provide for 30 days advance written notice of cancellation or material change.

C. TYPES AND AMOUNTS OF INSURANCE

The following insurance is required under this contract:

	<u>Type</u>	<u>Amount</u>
___ 1.	Workers' Compensation Employer's Liability	Statutory \$100,000 per occurrence
___ 2.	Commercial (Public) Liability including, but not limited to: . Premises/Operations . Independent Contractors . Products/Completed Operations . Contractual Liability (Insuring above indemnity) and where the exposures exist . Explosion Collapse and Underground	\$1,000,000 combined single limit for bodily injury and property damage (per occurrence)

- | | | |
|--------|------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|
| ___ 3. | Business Automobile Liability
to include coverage for:
. Owned/Leased Autos
. Non-Owned Autos
. Hired Cars | \$1,000,000 combined single
limit for bodily injury
and property damage
(per occurrence) |
| ___ 4. | Professional Liability | \$1,000,000 combined
single limit
(per occurrence) |
| ___ 5. | See Addendum for Special
Coverages and/or revisions | |
| ___ 6. | No Insurance Required | |