



CITY OF CHANDLER, ARIZONA

PECOS SURFACE WATER TREATMENT PLANT SCADA UPGRADE

CITY PROJECT NO. WA2103.251

PRE-CONSTRUCTION SERVICES CONTRACT (CONSTRUCTION MANAGER AT RISK)

**Andrew Goh, P.E.
CIP City Engineer**

CITY OF CHANDLER, ARIZONA

**PECOS SURFACE WATER TREATMENT PLANT SCADA UPGRADE
CITY PROJECT NO.: WA2103.251**

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**CONSTRUCTION MANAGER AT RISK
PRE-CONSTRUCTION SERVICES CONTRACT
PROJECT NO.: WA2103.251**

THIS CONTRACT is made and entered into on the ____ day of _____, 2021, ("Effective Date") by and between City of Chandler, an Arizona municipal corporation, hereinafter called "City" and the "Construction Manager at Risk" or "CM@Risk" designated below (City and CM@Risk may individually be referred to as "Party" and collectively referred to as "Parties").

City and CM@Risk agree as follows:

ARTICLE 1 - PARTICIPANTS AND PROJECT

CITY: CIP City Engineer:
Andrew Goh, P.E.
Public Works & Utilities Department
P.O. Box 4008, Mail Stop 407
Chandler, AZ 85244-4008
Phone: 480-782-3343
Email: andrew.goh@chandleraz.gov

CM@RISK: Quantum Integrated Solutions
Mailing Address: 2141 E. Broadway Rd, Ste. 217, Tempe, AZ 85282
Physical Address (if different than mailing address)
Arizona ROC No.: 220363
Federal Tax ID No.: 26-0009406
Business Organization: corporation
State Where Organized: Arizona
Statutory Agent Name: Thomas Reski
Statutory Agent Mailing Address: 2141 E. Broadway Rd, Ste. 217,
Tempe, AZ 85282
Statutory Agent Physical Address: (if different than mailing address)
CM@Risk's Authorized Project Representative:
Name: Mark Reski
Title: Vice President, Electrical Engineer
Phone: 480-699-7124
Email: Mark.reski@quantumengr.com

PROJECT DESCRIPTION:

This project will upgrade hardware and software for control and data capture for the Pecos Surface Water Treatment Plant as well as all remote water facilities.

PROJECT LOCATION:

Pecos Surface Water Treatment Plant, 1475 East Pecos Road, Chandler

ARTICLE 2 - CONTRACT DOCUMENTS

2.1 CONTRACT DOCUMENTS

The Contract between City and CM@Risk will consist of the following Contract Documents:

1. This Pre-Construction Services Contract and all of its Exhibits, incorporated by reference;
2. **Exhibit A** – Pre-Construction Scope of Work and Schedule;
3. **Exhibit B** – Compensation and Fee Schedule;
4. **Exhibit C** – Insurance Requirements;
5. **Exhibit D** – Submittal Requirements for GMP/Price Proposal;
6. **Exhibit E** - General Conditions and General Conditions Appendices.

2.2 DEFINITIONS

The definitions in Sections 2 and 15.1 of the General Conditions apply to all the Contract Documents, including this Contract.

ARTICLE 3 - PRE-CONSTRUCTION SERVICES

3.1 SERVICES

CM@Risk must provide all of the services and perform in accordance with Section 17 of the General Conditions. The major components of Pre-Construction Services and the corresponding subsections of Section 17 of the General Conditions are set forth below.

3.2 GENERAL REQUIREMENTS

- 3.2.1 CM@Risk must perform the services required by, and in accordance with this Contract and as outlines in the attached **Exhibit A** to the satisfaction of the Project Manager, in full compliance with Section 17.2.1 of the General Conditions.
- 3.2.2 In performance of the Services under this Contract, the CM@Risk must fully comply with all applicable Laws, Regulations, or Legal Requirements applicable to City, the Project, and the Contract.
- 3.2.3 CM@Risk must perform the Services under this Contract using only those firms, team members, and individuals designed by CM@Risk consistent with the Statement of Qualifications or as otherwise approved by City in accordance with the General Conditions. No other entities or individuals may be used without the prior written approval of City.
- 3.2.4 CM@Risk will comply with all terms and conditions of the General Conditions.

- 3.2.5 In the event of a conflict between this Contract and the General Conditions or any exhibit hereto or appendix thereto, the terms of this Contract will control.
- 3.2.6 **Ownership of Work Product.** Notwithstanding anything to the contrary in this Contract, all Work Product prepared or otherwise created in connection with the performance of this Contract, including the Work, are to be and remain the property of City, as set forth in Section 17.2.6 of the General Conditions.
- 3.3 **DESIGN PROJECT SCHEDULE**
CM@Risk must prepare and present to City a Detailed Project Schedule that is acceptable to the City and in accordance with Section 17.3 of the General Conditions.
- 3.4 **DESIGN DOCUMENT REVIEW**
CM@Risk must conduct the evaluations, perform the design document reviews, make the recommendations, and provide the other Services referenced in accordance with Section 17.4 of the General Conditions.
- 3.5 **BASELINE COST MODEL, DETAILED COST ESTIMATES, AND SCHEDULE OF VALUES**
- 3.5.1 CM@Risk must prepare and submit the Baseline Cost Model, Detailed Cost Estimates, and Schedule of Values in accordance with Section 17.5 of the General Conditions.
- 3.5.2 The submitted Baseline Cost Model, Detailed Cost Estimates, and Schedule of Values must not exceed the City's Construction Budget, which is **\$4,000,000** ("Construction Budget"). If CM@Risk submits a Baseline Cost Model, Detailed Cost Estimates, and Schedule of Values that exceeds the Construction Budget, negotiations could lead to termination or suspension of the Contract.
- 3.6 **SUBCONTRACTOR AND MAJOR SUPPLIER SELECTIONS**
CM@Risk must select and obtain approval of Subcontractors and Suppliers in accordance with Section 17.6 of the General Conditions.
- 3.7 **GUARANTEED MAXIMUM PRICE (GMP) PROPOSAL**
- 3.7.1 CM@Risk must submit a GMP Proposal for the entire Work, and for each phase (if required) of the Work, at the times set forth in the Pre-Construction Schedule included in attached. The GMP Proposal must be presented in a format acceptable to City based upon the attached **Exhibit D**. City may change the schedule, format, and/or requirements for the GMP Proposal as it deems necessary during Pre-Construction, and may request resubmittal of the GMP Proposal to reflect such changes.
- 3.7.2 Preparation, submittal, review, and approval (or disapproval, if applicable) of the GMP Proposal will be done in accordance with Section 17.7 of the General Conditions.

3.7.3 For the purposes of the GMP Proposal, the Parties agree that:

- a. The CM@Risk Fee will be equal to **8%** (percent) of the Cost of Work;
- b. General Conditions costs will be a fixed amount or percentage agreed to as part of the Baseline Cost Model.

3.7.4 The GMP Proposal must not exceed the City's Construction Budget.

3.8 ADDITIONAL PRE-CONSTRUCTION SERVICES

3.8.1 Additional services which are outside the scope of the services required under the Contract Documents will not be performed by CM@Risk without prior written authorization from City. Additional services, when authorized by an executed written Change Order under Section 9 of the General Conditions, will be compensated for by a fee mutually agreed upon in such written Change Order between City and CM@Risk.

3.8.2 No claim for additional services, extra work done or materials furnished by CM@Risk will be allowed by City except as provided herein, nor will CM@Risk provide any additional services, do any work, or furnish any materials(s) not covered by this Contract unless such work or material is first authorized in writing by City. Work or material(s) furnished by CM@Risk without such prior written authorization will be CM@Risk's sole jeopardy, cost, and expense, and CM@Risk hereby agrees that without prior written authorization no claim for compensation for such services, work or materials furnished will be made, and City will not be responsible for such costs.

3.8.3 No Work (as defined by Section 1 of the General Conditions) may be performed under this Pre-Construction Services Contract, without prior written approval by City. As an example, all procurement of long lead time items that must be procured to support the construction schedule or site investigative Work necessary to complete Pre-Construction Services, if done by the CM@Risk, will be performed only after a GMP Proposal for the Work has been approved and accepted in writing by City and all such Work will be done only under an executed Contract for Construction Services, or pursuant to a prior written direction from City to engage in such procurement.

ARTICLE 4 - CONSTRUCTION SERVICES

If City accepts CM@Risk's GMP Proposal, CM@Risk and City will enter a Construction Services Contract for Construction of the Project based upon CM@Risk's Pre-Construction Services performed and GMP Proposal submitted pursuant to this Contract. The terms of the Construction Services Contract are being negotiated contemporaneously with this Contract and CM@Risk agrees to execute the Construction Services Contract, without further modification, upon acceptance by City of the GMP Proposal. All of CM@Risk's obligations, duties and warranties in relation to Pre-Construction Services and Deliverables (including specifically the GMP Proposal) survive the completion of this Contract and will be incorporated into the Construction

Services Contract.

ARTICLE 5 - CITY FURNISHED INFORMATION

5.1 City, at no cost to CM@Risk, will furnish the following to CM@Risk:

- 5.1.1 One copy of data in City's possession or control which City determines in its discretion to be pertinent to the Work. However, CM@Risk will be responsible for searching the records and requesting information it deems reasonably required for the Project.
- 5.1.2 Electronic copies of programs, reports, drawings, and specifications reasonably required by CM@Risk, to the extent in possession of City.

ARTICLE 6 - CONTRACT TIME

Contract Duration is **430** Calendar Days. The Pre-Construction Services described in this Contract must be performed by CM@Risk in accordance with the Pre-Construction Schedule set forth in attached **Exhibit A**, as updated and expanded in the most current updated/revised and approved Detailed Project Schedule. Failure on the part of CM@Risk to adhere to the Pre-Construction Schedule requirements for activities for which it is responsible and in control will be deemed a material breach and sufficient ground for termination for cause of this Contract by City.

ARTICLE 7 - CONTRACT PRICE

- 7.1 In exchange for CM@Risk's full, timely, and acceptable performance of the Services under this Contract, and subject to all of the terms of this Contract, City will pay CM@Risk a fee of **\$568,524** (the "Contract Price"). The method of payment for this Contract is Hourly, Not-to-Exceed. The amount paid will not exceed the Contract Price for actual costs incurred, based on the negotiated hourly rates and reimbursement schedule as defined in **Exhibit B**, Compensation and Fee Schedule.
- 7.2 The Contract Price is all-inclusive, and City will not pay any additional amounts, costs or expense, except for only those specifically designated reimbursable costs, without markup, as set forth in **Exhibit B**.

SIGNATURE PAGE TO FOLLOW

IN WITNESS WHEREOF, the parties hereto have executed this Contract through their duly authorized representatives and bind their respective entities as of the Effective Date.

"CITY"

CITY OF CHANDLER

MAYOR

Date

Recommended By:

Andrew Goh, P.E.
CIP City Engineer

APPROVED AS TO FORM:

City Attorney
ATTEST:

MBS

City Clerk

Seal

"CM@Risk"

Quantum

Mark Reski

Signature

9/2/2021

Date

MARK RESKI

Print Name

VP, Engineering

Title

mark.reski@quantumengr.com

Signer Email Address

ATTEST: If Corporation

Secretary

EXHIBIT A

PRE-CONSTRUCTION SERVICES
SCOPE OF WORK AND SCHEDULE

Exhibit A
CM@RISK PRE-CONSTRUCTION SERVICES
SCOPE OF WORK
Chandler Pecos Surface Water Treatment Plant SCADA Upgrades
WA2103.251

17.2 General

Project Kick-off Meeting

Attend and participate in Project Kick-off meeting. Quantum and Archer Western will provide drawings, schedule diagrams, budget charts, and other materials describing the Project, if/when their use is required for the meeting.

Project/Design Meetings

Quantum and Archer Western will participate in project/design meetings further defined in the following scope document separated by specific project phases.

Project Workshops/Design Workshops

Participate in Project Workshops and Design Workshops and/or other miscellaneous meetings and partnering sessions as required by City defined further in the following phased scope document. Quantum and Archer Western will provide input consistent with sound and generally accepted construction management and contracting practices related to the procurement, cost impact, schedule, quality, and operations/maintenance.

Construction Document Rolling Reviews

Quantum and Archer Western will participate in Construction Document Rolling Review meetings. Review of documents as received from Project Designer; feedback consistent with sound and generally accepted construction management and contracting practices related to procurement, cost impact, schedule, quality, and operation/maintenance.

Value Engineering Review Meetings

Quantum and Archer Western will participate in Value Engineering Review meetings and workshops. Using industry knowledge, experience, and best practices, the CMAR team will routinely assist to identify and evaluate any alternate systems, approaches, and design changes that have the potential to reduce Project costs while still delivering a quality and functional product that meets the design intent.

Utility Coordination Meetings

Quantum and Archer Western will attend, make presentations, and participate as may be appropriate, in Utility Coordination meetings related to the Project. This will include providing drawings, schedule diagrams, budget charts, and other materials describing the Project, when their use is required for the meeting.

Comment Resolution Meetings

Quantum and Archer Western will participate in meetings with the Consultants and City to review constructability/bid-ability comments after design submission for both 60% and 90% design.

GMP Review/Negotiation Meetings

Participate in meetings with City to review the GMP after submission.

17.3 Detailed Project Schedule

Develop Design Phase Schedule

Quantum and Archer Western will present to City a detailed design phase project schedule with input from City and Project Designer which utilizes the Critical Path method (CPM) technique. This schedule will follow the existing project phases as defined by Jacobs.

Design Phase Schedule - Monthly Updates

During the design phase, Quantum and Archer Western will provide monthly updates to current schedule with monthly progress reports; analysis of progress achieved to-date against baseline, including any concerns regarding delays or potential delays and any recommendations regarding mitigating actions.

Develop Preliminary Construction Schedule & Phasing Plans

Quantum and Archer Western will transition design phase schedule to overall project schedule with consideration to the baseline cost model and proposed phasing plans for early equipment procurement and/or construction activities and the remainder of the construction phase.

Long Lead Analysis and Recommendations

With the current state of the global supply chain and unprecedented delays, Quantum and Archer Western will identify all long lead time materials, fabrications, equipment, or other items which may impact the Project Schedule and may require early action on the part of the Project Team including dates required for selecting and procuring such items.

Equipment Plan

Quantum's CMAR team will prepare and present to City an Equipment Plan that addresses all rental and owned equipment that is necessary to construct the Project as outlined in General Conditions Section 17.3.6.

17.4 Design Document Reviews

Value Analysis/Efficiency Analysis

Throughout the project design phase, Quantum and Archer Western will periodically evaluate the availability of labor, materials/equipment, cost-sensitive aspects of the design, and other factors that

may create a variance to the baseline cost model and/or baseline project schedule. Quantum's CMAR team will use established value analysis principles in recommending cost effective alternatives.

Utility Design Review and Comment

Perform reviews and provide written comments on the utility relocation and design submittals and for coordination with the design development for construction of the Project.

Constructability and Bid-ability Reviews

Quantum and Archer Western will perform reviews and provide written comments on the project design submittals and for construction drawings, construction documents, various analyses, and studies and investigations conducted for the design of the Project. Includes, but is not limited to, review and evaluate Design Development documents for clarity, consistency, completeness, and ease of construction to achieve the overall objective of the Project. Review prior project as-built plans. Evaluate construction safety issues and proposals of construction safety improvements, as may be applicable. Quantum's CMAR team will evaluate whether: (a) the Drawings and Specifications are configured to enable efficient construction; (b) design elements are standardized; (c) construction efficiency is properly considered in the Drawings and Specifications; (d) the design promotes accessibility of personnel, material and equipment, and facilitates construction under adverse weather conditions; (e) sequences of Work required by or inferable from the Drawings and Specifications are practicable; and (f) the design has taken into consideration, efficiency issues concerning access and entrance to the site, lay down and storage of materials, staging of site facilities, construction parking, and other similar pertinent issues. Review comments will be compiled at the 80-90% and 100% design milestones proposed by Jacobs.

Document Complementary Review and Cross Checks

Quantum's CMAR team will check cross-references and complementary Drawings and sections within the Specifications, and in general evaluate whether (a) the Drawings and Specifications are sufficiently clear and detailed to minimize ambiguity and to reduce scope interpretation discrepancies; (b) named materials and equipment are commercially available and are performing well or otherwise in similar installations; (c) Specifications include alternatives in the event a requirement cannot be met in the field; and (d) in its professional opinion, the Project is likely to be subject to differing site conditions. Review comments will be compiled at each of the following design phase milestones: 60% and 90%.

Maintenance of Plant Operations (MOPOs)

Quantum and Archer Western will evaluate scope and design for tasks that have the potential to affect plant operations. This includes leading development of planning to minimize or eliminate disruption to Owner's facilities. The CMAR team is keenly aware of the challenges associated with a controls platform migration of this scope and scale. Detailed coordination discussions with the design engineer, bi-weekly meetings and workshops will contribute to the MOPO development effort. MOPOs will account for critical factors such as process modifications/improvements, distributed controls, interlocks, communications and alarms as well as City and facility constraints.

Utility/Site Investigations

The CMAR team will participate in site investigation and utility potholing as deemed necessary to pothole, identify, and record existing utilities to avoid conflicts during design planning.

17.5 BASELINE COSTS MODEL, DETAIL COST ESTIMATE, SCHEDULE OF VALUES

60% Cost Model (Baseline Cost Model)

At approximately the 60% design level, if required, the CMAR team will review all available information regarding design and scope of the Project using our experience in performing similar work, knowledge of similar projects, and current and projected construction costs and develop a Baseline Cost Model for review by the project team and approval by City.

80-90% Cost Model

Upon receipt of acceptable 80-90% drawings and specifications, Quantum and Archer Western will review all available information regarding the design and scope of the Project using our experience in performing similar work, knowledge of similar projects and current and projected construction costs and update the cost model for review by the project team and approval by City.

Continuous Cost Model/Estimate Updates (Design Evolution Log)

Quantum's CMAR team will track, estimate/price, and address the Project Team's overall project cost issues that arise outside of the baseline cost model and the latest approved detailed cost estimate such as: City generated changes, project team proposed changes, alternate system analysis, constructability items and value engineering analysis.

Schedule of Values

Prepare and submit Schedule of Values for review by the Project Team and approval by City.

Cash Flow Projections

Not included.

17.6 – SUBCONTRACTOR AND MAJOR SUPPLIER SELECTIONS

Procurement Prequalifications & Subcontractor Prequalification

Quantum and Archer Western will evaluate potential suppliers and subcontractors with respect to safety, financial capacity, ability to meet/exceed schedule, and past performance/experience with the City and their standards.

Subcontractor Selection Plan

Quantum's CMAR team will develop and submit written subcontractor selection plan per general conditions section 17.6 with justification for any qualifications-based selections proposed.

Subcontractor Bid Evaluation/Reports

Prepare and submit detailed list of recommended subcontractors and summary report of the entire selection process.

Pre-bid Conference

Plan, communicate, and conduct pre-bid conference with prospective subcontractors and suppliers.

17.7 – GMP PROPOSAL

Early Equipment/Early GMP Preparation

Quantum and Archer Western will consult with applicable vendors and subcontractors to identify long-lead equipment that will greatly improve schedule if procured in an early GMP; work with Owner and Project Designer in developing required Contract Documents to facilitate this procurement.

GMP Preparation and Submission

Quantum's CMAR team will prepare and submit the GMP Proposal in accordance with City's request for GMP proposal requirements based on the most current completed drawings and specifications at that time, which unless otherwise directed by City in writing, will be at 100% Construction Drawings. Preparation and submission of phased GMP Proposals submitted for the Project (such as a separate GMP for long lead equipment or phased construction) are also included in this item.

17.8 – PAYMENT PROCEDURE FOR PRE-CONSTRUCTION SERVICES

Monthly Progress Reports/Request for Payment

Prepare and submit monthly request for payment accompanied by a progress report, detailed invoices, and receipts, if applicable.

ALLOWANCE ITEMS

Wireless Communications Assessments – Allowance

An allowance to be used for assessments of current and future City remote site communications networks. Scope includes, but is not limited to, radio path studies at up to 66 existing remote sites as well as coordination with the design team to recommend communications infrastructure improvements utilizing industry best practices and available future-resistant technologies. Work is expected to be self-executed by Quantum.

Site Utility Investigations (Potholing) – Allowance

An allowance to supply a potholing subcontractor to continue investigating unknown utilities and locations (if required or not performed by the Project Designer).

Reprographic – Allowance

An allowance to be used to print, prepare, and/or reproduce plans, specifications, exhibits, etc.

Owner's Allowance

An allowance to be used as directed by City.

Subcontractor Consulting Allowance

An allowance to be used for consulting subcontractors for specific trades such as electrical installation, RTU panel fabrication/modification, fiber optic communication or other specialized trades. Any consulting subcontractors would be qualified pursuant to Section 17.6 with proposals provided prior to utilization of this allowance.

EXHIBIT B
COMPENSATION AND FEE SCHEDULE

EXHIBIT B
CM@RISK PRE-CONSTRUCTION SERVICES
FEE PROPOSAL
Pecos Surface Water Treatment Plant SCADA Upgrade
WA2103.251
8/17/2021

	Hours	Cost
17.2 - GENERAL		\$77,068.00
Project Kick-off Meeting	26	\$3,956.00
Stakeholders and Public Agencies Meetings		not included
Partnering Sessions		not included
Project/Design Meetings (32 meetings, 2 engineers)	156	\$24,124.00
Project Workshops/Design Workshops (10 workshops)	128	\$19,812.00
Construction Document Rolling Reviews	88	\$13,724.00
Value Engineering Review Meetings	12	\$1,848.00
Utility Coordination Meetings	16	\$2,464.00
Comment Resolution Meetings	46	\$7,112.00
GMP Review/Negotiation Meetings	26	\$4,028.00
17.3 - DETAILED PROJECT SCHEDULE		\$33,628.00
Develop Design Phase Schedule	44	\$6,896.00
Design Phase Schedule - Monthly Updates	62	\$9,848.00
Develop Preliminary Construction Schedule & Phasing Plans	46	\$7,204.00
Long Lead Analysis and Recommendations	36	\$5,736.00
Equipment Plan	26	\$3,944.00
17.4 - DESIGN DOCUMENT REVIEWS		\$132,672.00
Value Analysis/Efficiency Analysis	128	\$19,492.00
Utility Design Review and Comment	6	\$924.00
Constructability and Bid-ability Reviews	86	\$13,304.00
Document Complementary Review and Cross Checks	172	\$25,608.00
Maintenance of Plant Operations (MOPOs)	360	\$55,500.00
Utility/Site Investigations	116	\$17,844.00
17.5 - BASELINE COSTS MODEL, DETAIL COST EST, SCHEDULE OF VALUES		\$74,936.00
60% Cost Model (Baseline Cost Model)	192	\$29,588.00
80-90% Cost Model	216	\$33,584.00
Continuous Cost Model/Estimate Updates (Design Evolution Log)	72	\$11,148.00
Schedule of Values	4	\$616.00
Cash Flow Projections		not included
17.6 - SUBCONTRACTOR AND MAJOR SUPPLIER SELECTIONS		\$18,648.00
Procurement Prequalifications & Subcontractor Prequalification	16	\$2,480.00
Subcontractor Selection Plan	20	\$3,100.00
Subcontractor Bid Evaluation/Reports	60	\$9,300.00
Pre-bid Conference	24	\$3,768.00
17.7 - GMP PROPOSALS		\$38,736.00
Early Equipment/Early GMP Preparation	62	\$9,604.00
GMP Preparation and Submission	188	\$29,132.00
17.8 - PAYMENT PROCEDURE FOR PRE-CONSTRUCTION SERVICES		\$836.00
Monthly Progress Reports/Request for Payment	8	\$836.00
SUBTOTAL:		\$376,524.00
	Hours	Cost
REIMBURSABLES & ALLOWANCES		\$192,000.00
Wireless Communications Assessments		\$100,000.00
Site Utility Investigations (Potholing)		\$15,000.00
Reprographics		\$4,000.00
Owner's Allowance		\$38,000.00
Subcontractor Consulting		\$35,000.00
TOTAL:		\$568,524.00

EXHIBIT C

INSURANCE REQUIREMENTS

1. General.
 - 1.1 At the same time as execution of this Agreement, CM@Risk must furnish City a certificate of insurance on a standard insurance industry ACORD form. The ACORD form must be issued by an insurance company authorized to transact business in the State of Arizona possessing a current A.M. Best, Inc. rating of A-7, or better and legally authorized to do business in the State of Arizona with policies and forms satisfactory to City. Provided, however, the A.M. Best rating requirement will not be deemed to apply to required Workers' Compensation coverage.
 - 1.2 CM@Risk and any of its subconsultants must procure and maintain, until all of their obligations have been discharged, including any warranty periods under this Agreement are satisfied, the insurances set forth below.
 - 1.3 The insurance requirements set forth below are minimum requirements for this Agreement and in no way limit the indemnity covenants contained in this Agreement.
 - 1.4 City in no way warrants that the minimum insurance limits contained in this Agreement are sufficient to protect CM@Risk from liabilities that might arise out of the performance of the Agreement services under this Agreement by CM@Risk, its agents, representatives, employees, subconsultants, and CM@Risk is free to purchase any additional insurance as may be determined necessary.
 - 1.5 Failure to demand evidence of full compliance with the insurance requirements in this Agreement or failure to identify any insurance deficiency will not relieve CM@Risk from, nor will it be considered a waiver of its obligation to maintain the required insurance at all times during the performance of this Agreement.
 - 1.6 Use of subconsultants: If any work is subcontracted in any way, CM@Risk must execute a written contract with subconsultant containing the same Indemnification Clause and Insurance Requirements as City requires of CM@Risk in this Agreement. CM@Risk is responsible for executing the Agreement with the subconsultant and obtaining Certificates of Insurance and verifying the insurance requirements.
2. Minimum Scope and Limits of Insurance. CM@Risk must provide coverage with limits of liability not less than those stated below.
 - 2.1 *Commercial General Liability-Occurrence Form.* CM@Risk must maintain "occurrence" form Commercial General Liability insurance with a limit of not less than \$2,000,000 for each occurrence, \$4,000,000 aggregate. Said insurance must also include

EXHIBIT C

coverage for products and completed operations, independent contractors, personal injury and advertising injury. If any Excess insurance is utilized to fulfill the requirements of this paragraph, the Excess insurance must be "follow form" equal or broader in coverage scope than underlying insurance.

- 2.2 *Automobile Liability-Any Auto or Owned, Hired and Non-Owned Vehicles Vehicle Liability:* CM@Risk must maintain Business/Automobile Liability insurance with a limit of \$1,000,000 each accident on CM@Risk owned, hired, and non-owned vehicles assigned to or used in the performance of CM@Risk's work or services under this Agreement. If any Excess or Umbrella insurance is utilized to fulfill the requirements of this paragraph, the Excess or Umbrella insurance must be "follow form" equal or broader in coverage scope than underlying insurance.
- 2.3 *Workers Compensation and Employers Liability Insurance:* CM@Risk must maintain Workers Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of CM@Risk employees engaged in the performance of work or services under this Agreement and must also maintain Employers' Liability insurance of not less than \$1,000,000 for each accident and \$1,000,000 disease for each employee.
- 2.4 *Professional Liability.* If the Agreement is the subject of any professional services or work performed by CM@Risk, or if CM@Risk engages in any professional services or work adjunct or residual to performing the work under this Agreement, CM@Risk must maintain Professional Liability insurance covering errors and omissions arising out of the work or services performed by CM@Risk, or anyone employed by CM@Risk, or anyone whose acts, mistakes, errors and omissions CM@Risk is legally liable, with a liability limit of \$1,000,000 each claim and \$2,000,000 all claims. In the event the Professional Liability insurance policy is written on a "claims made" basis, coverage must extend for 3 years past completion and acceptance of the work or services, and CM@Risk, or its selected Design Professional will submit Certificates of Insurance as evidence the required coverage is in effect. The Design Professional must annually submit Certificates of Insurance citing that the applicable coverage is in force and contains the required provisions for a 3 year period.
- 2.6 *Cyber Technology Errors and Omissions, Network Security, and Privacy Liability Insurance.* The policy must cover professional misconduct or lack of ordinary skill for those positions defined in the Scope of Services of this Agreement with a limit of not less than \$3,000,000 for each occurrence, \$3,000,000 aggregate. [Note: If Agreement is over \$500,000, each occurrence AND aggregate are both raised to \$6,000,000]. In the event that the professional liability insurance required by this Agreement is written on a claims-made basis, CM@Risk warrants that any retroactive date under the policy must precede the effective date of this Agreement; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a

EXHIBIT C

period of two (2) years beginning at the time work under this Agreement is completed. If such insurance is maintained on an occurrence form basis, CM@Risk must maintain such insurance for an additional period of one (1) year following termination of Agreement. If such insurance is maintained on a claims-made basis, CM@Risk must maintain such insurance for an additional period of three (3) years following termination of the Agreement. If CM@Risk contends that any of the insurance it maintains pursuant to other sections of this **Exhibit C** satisfies this requirement (or otherwise insures the risks described in this section), then CM@Risk must provide proof of same.

2.6.1. The insurance must provide coverage for the following risks:

2.6.1.1 Liability arising from theft, dissemination, or use of confidential information (a defined term including but not limited to bank account, credit card account, personal information such as name, address, social security numbers, etc. information) stored or transmitted in electronic form.

2.6.1.2 Network Security Liability arising from the unauthorized access to, use of, or tampering with computer systems including hacker attacks, inability of an authorized third party, to gain access to your services including denial of service, unless caused by a mechanical or electrical failure.

2.6.1.3 Liability arising from the introduction of a computer virus into, or otherwise causing damage to, a customer's or third person's computer, computer system, network, or similar computer related property and the data, software, and programs thereon.

2.6.2. The policy must provide a waiver of subrogation.

3. Additional Policy Provisions Required.

3.1 *Self-Insured Retentions or Deductibles.* Any self-insured retentions and deductibles must be declared and approved by City. If not approved, City may require that the insurer reduce or eliminate any deductible or self-insured retentions with respect to City, its officers, officials, agents, employees, and volunteers.

3.1.1. CM@Risk's insurance must contain broad form contractual liability coverage.

3.1.2. CM@Risk's insurance coverage must be primary insurance with respect to City, its officers, officials, agents, and employees. Any insurance or self-insurance maintained by City, its officers, officials, agents, and employees will be in excess of the coverage provided by CM@Risk and must not contribute to it.

EXHIBIT C

- 3.1.3. CM@Risk's insurance must apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- 3.1.4. Coverage provided by CM@Risk must not be limited to the liability assumed under the indemnification provisions of this Agreement.
- 3.1.5. The policies must contain a severability of interest clause and waiver of subrogation against City, its officers, officials, agents, and employees, for losses arising from Work performed by CM@Risk for City.
- 3.1.6. CM@Risk, its successors and or assigns, are required to maintain Commercial General Liability insurance as specified in this Agreement for a minimum period of 3 years following completion and acceptance of the Work. CM@Risk must submit a Certificate of Insurance evidencing Commercial General Liability insurance during this 3 year period containing all the Agreement insurance requirements, including naming City of Chandler, its agents, representatives, officers, directors, officials and employees as Additional Insured as required.
- 3.1.7. If a Certificate of Insurance is submitted as verification of coverage, City will reasonably rely upon the Certificate of Insurance as evidence of coverage but this acceptance and reliance will not waive or alter in any way the insurance requirements or obligations of this Agreement.
- 3.2. *Insurance Cancellation During Term of Contract/Agreement.*
 - 3.2.1. If any of the required policies expire during the life of this Agreement, CM@Risk must forward renewal or replacement Certificates to City within 10 days after the renewal date containing all the required insurance provisions.
 - 3.2.2. Each insurance policy required by the insurance provisions of this Agreement must provide the required coverage and must not be suspended, voided or canceled except after thirty (30) days prior written notice has been given to City, except when cancellation is for non-payment of premium, then ten (10) days prior notice may be given. Such notice must be sent directly to Chandler Law-Risk Management Department, Post Office Box 4008, Mailstop 628, Chandler, Arizona 85225. If any insurance company refuses to provide the required notice, CM@Risk or its insurance broker must notify City of any cancellation, suspension, non-renewal of any insurance within seven (7) days of receipt of insurers' notification to that effect.
- 3.3 *City as Additional Insured.* The policies are to contain, or be endorsed to contain, the following provisions:

EXHIBIT C

- 3.3.1. The Commercial General Liability and Automobile Liability policies are to contain, or be endorsed to contain, the following provisions: City, its officers, officials, agents, and employees are additional insureds with respect to liability arising out of activities performed by, or on behalf of, CM@Risk including City's general supervision of CM@Risk; Products and Completed operations of CM@Risk; and automobiles owned, leased, hired, or borrowed by CM@Risk.
- 3.3.2. City, its officers, officials, agents, and employees must be additional insureds to the full limits of liability purchased by CM@Risk even if those limits of liability are in excess of those required by this Agreement.

EXHIBIT D

SUBMITTAL REQUIREMENTS FOR GMP/PRICE PROPOSAL (Page 1 of 2)

1. Unless otherwise instructed, CM@Risk must submit 3 bound copies of any GMP Proposal(s) that includes the following documents, complies with the requirements specified in this Contract and the following instructions. The GMP Proposal(s) must be organized as follows:
 - A. Table of Contents
 - B. Project Description
 - C. GMP Proposal and the following attachments:
 - i. Detailed Cost Estimate upon which the GMP is based and if for phased work, a total project Detailed Cost Estimate as of the time of the phased GMP Proposal.
 - ii. List of Subcontractors
 - iii. Schedule of Manufacturers and Suppliers
 - D. Schedule of Values ("SOV")
 - E. Project Schedule and a variance report to the Baseline Project Schedule
 - F. Construction phasing/traffic control (if applicable)
 - G. List of GMP Plans and Specifications
2. A summary breakdown of the GMP Proposal is shown on page 2 of this Exhibit, along with instructions regarding certain line items. The definitions included in Section 1 of the General Conditions apply to the line items, as appropriate, and set-forth the criteria to be used by CM@Risk in providing the required breakdown.
3. The most current version of CM@Risk's SOV must be submitted with the GMP Proposal. Supporting documents for the SOV, including the request for bids, copies of bids received and clarification assumptions used for the particular bid item listed must be provided in an organized matter that correlates with the SOV.
4. The final accepted GMP must not include any clarifications/assumptions made by CM@Risk in the preparation of the GMP Proposal, unless any such clarification or assumption is agreed to in writing by City.
5. The most current version of CM@Risk's Detailed Project Schedule must be submitted with the GMP Proposal with a variance report from the project's Baseline Schedule. The Detailed Project Schedule must be prepared as specified in this Contract.
6. A table listing all drawing sheets included in the GMP Plans and Specifications must be included with the GMP package. The table must include the following information: Sheet Number, Sheet Name, Sheet Version, and Date of Issuance. The GMP Proposal and Specifications, as defined, must be transmitted as specified in this Contract.

NOTE: The submittal package must be kept as simple as possible all on 8 ½ x 11 sheets. Color or shading must be kept to a minimum. If used, make sure the color or shading will not affect the reproduction of the submittal in black and white.

EXHIBIT D
CM@RISK GMP SUMMARY (PAGE 2 of 2)

Project Name: _____	Date: _____
Project Location: _____	
City of Chandler Project No.: _____	

	Amount
A. Cost of Work	
A1 Cost of Work (self perform, no mark-up)	\$0.00
A2 Cost of Work (subcontractors, suppliers, materialmen)	\$0.00
TOTAL COST OF WORK:	\$0.00
B. General Conditions	\$0.00
<i>SUBTOTAL 1 (Cost of Work) (A + B):</i>	\$0.00
C. CM@Risk's Fee	\$0.00
<i>SUBTOTAL 2 (A + B + C):</i>	\$0.00
D. Bonds and Insurance (on Subtotal 1)	
D1 Bonds (Payment and Performance)	\$0.00
D2 Insurance	\$0.00
TOTAL BONDS & INSURANCE:	\$0.00
<i>SUBTOTAL 3 (SUBTOTAL 2 + BONDS & INS):</i>	\$0.00
E. Sales Tax	
E1 Sales Tax	\$0.00
E2 Tax Credits	\$0.00
TOTAL SALES TAX:	\$0.00
F. Approved Allowances	
F1 Owner's Allowance	\$0.00
F2 Owner's Allowance for Water and Wastewater	\$0.00
TOTAL ALLOWANCES:	\$0.00
G. Contingencies	
G1	\$0.00
G2	\$0.00
TOTAL CONTINGENCIES:	\$0.00
<i>TOTAL GMP PROPOSAL:</i>	\$0.00

Establishment of Values:

- a. Cost of Work (A) and Allowances (F) to be submitted with GMP Proposal.
- b. General Conditions Cost (B) to be established in Baseline Cost Model.
- c. CM@Risk Fee as set forth in Section 3.7.3 of this Contract

**EXHIBIT E
GENERAL CONDITIONS
AND
GENERAL CONDITIONS APPENDICES**