

II. SECTION II -- GENERAL PROVISIONS

A. PROJECT OVERVIEW - See RFP Data Sheet

B.

E. CONSTRUCTION MANAGER-AT-RISK GENERAL CONDITIONS ALLOWANCE AND FEESP

1. Pre-Construction Phase (Herein sometimes referred to as Design Phase)
The Construction Manager-at-Risk Pre-Construction Phase Fee shall be an all inclusive lump sum fee for providing all required services as hereinafter set forth for the Design Phases, established by the contract between the Owner and the Designer.
2. The Construction Manager-at-Risk General Conditions Allowance & Construction Phase Fee shall be an all inclusive lump sum management fee which will include all Construction Manager-at-Risk home office, project site and project related costs, including all Construction Manager-at-Risk overhead costs and profit. This fee will be hereinafter referred to as the Construction Management Fee and shall be calculated as a percentage of the Cost of the Work as stated on the RFP Data Sheet. Project site costs in the Construction Management Fee should include:
 - a. Project staff costs – direct salary plus customary labor burden, transportation and/or subsistence, communications, computers & travel expenses related to equipment/material survey & inspections.
 - b. Mobilization – establishment of job site including office & storage trailer set-up & utility connections, site fencing and identification signage.
 - c. Temporary Facilities – rental of field office trailer(s) including an independent office for the Owner’s representative and Project Designer and a conference room for about twenty (20) people; utilities costs for field office trailer(s); rental (or purchase) of field office furniture & equipment; field office telephone(s) with voice mail, dedicated fax lines and high speed internet connections; field office operation cost (i.e. stationary, postage shipping, equipment maintenance, etc); temporary construction utilities (if required); small tools, storage yard rental, parking lot rental, and parking fees.
 - d. Plans/Surveys/Permits – reproduction of Construction Documents during the construction phases; surveyor’s services as required; all required permits, all appropriate contractor and equipment licenses.
 - e. Safety/Cleanup – establishment and maintenance of an on-site safety program; installation and maintenance of temporary facilities (safety barricades, partitions, ladders, stairs, safety signage, first aid, traffic control devices, etc.); daily site clean-up, trash collection and removal; maintenance of site security; site snow removal as required; temporary weather and/or dust protection as required, vehicle wash stations as may be required; fire extinguishers and fire watch as required; safety harnesses, lanyards and fall arrest equipment as required.

Owner within two (2) weeks of the final brainstorming session. Written pro/con evaluation of the cost studies shall be provided to the Owner within two (2) weeks after submission of the cost studies.

- c. A formal written value analysis study document including a summary of value analysis items, applicable cost savings, selected items and their corresponding cost savings shall be presented to the Owner & Project Designer.
- d. The Construction Manager-at-Risk shall also conduct value analysis studies during each of the Construction Document Phases to evaluate specific items as requested by the Owner.

4. Schedule

The Construction Manager-at-Risk shall schedule Pre-Construction Services in accordance with the design schedule established in the agreement between the Owner and Project Designer. The Construction Manager-at-Risk is responsible to monitor this schedule during the pre-construction/design phase, insure that this schedule is updated, and advise the Owner of any deficiencies in adhering to this schedule by any party.

5. Constructability Review

The Construction Manager-at-Risk shall review the design continuously throughout the Pre-Construction Phase as to constructability. With respect to each ger

Manager-at-Risk may be directly compared.

- 6.2 Each CM Cost Model Update must set forth the total construction costs for the facility including alternates, Construction Manager-at-Risk Construction Management Fee, Bonds, Insurance and Contingency.
- 6.3 In the event that the Project Designer's Statement of Probable Construction Costs exceed the Amount Available for Construction, the Owner may direct the Construction Manager-at-Risk to (and the Construction Manager-at-Risk shall without additional compensation) work in conjunction with the Project Designer to redesign the facility as necessary to maintain the Project Program within the Amount Available for Construction as set forth on the RFP Data Sheet.
- 6.4 Each CM Cost Model Update and the Designer's Probable Construction Costs will be reviewed by the Project Designer and the Owner for reasonableness and compatibility with the Amount Available for Construction. Meetings and negotiations between Owner, P

8. Construction Guaranteed Maximum Price (GMP)

8.1 Upon agreement of the Owner, Construction Manager-at-Risk and the State Construction Office, the GMP may be submitted at any time after completion and approval of the Design Development Phase, but in no case later than 10 days after final review submission of the construction documents to the State Construction Office. The Construction Manager-at-Risk will develop and provide to the Owner a GMP which will include all construction costs, and all other projected costs including without limitation the Construction Manager-at-Risk Construction Management Fee and Contingency but not including the Owner's Construction Contingency. The GMP shall set out each anticipated trade contract amount. The GMP must not exceed the Amount Available for Construction as set forth on the RFP Data Sheet.

8.2 In the event that the GMP exceeds the Project Construction Budget, the Owner reserves the right to direct the Construction Manager-at-Risk to (and the Construction Manager-at-Risk shall, without additional compensation) work in conjunction with the Project Designer to redesign the Project as necessary to and meet the Project Construction Budget. The Construction Manager-at-Risk shall work with the Project Team to alter and redraft Construction Documents as necessary to accomplish the required reduction in cost and shall provide the Owner with a revised GMP based on the altered and redrafted documents.

8.3 Upon acceptance by the Owner of a GMP, the Owner shall prepare and the Construction Manager-at-Risk shall execute a contract to reflect the GMP. Within ten (10) days after the owner has provided a contract to the Construction Manager-at-Risk shall return to the Owner a signed contract including a Performance Bond and a Labor and Material Payment Bond in accordance with provisions of Article 35 of the General Conditions of the Contract and evidence of insurance in accordance with the provisions of Article 34.(Section III of this RFP).

9. Preliminary Guaranteed Maximum Price (PGMP)

At the option of the Owner, a Preliminary Guaranteed Maximum Price (PGMP) may be requested from the Construction Manager-at-Risk. The purpose of the PGMP would be to authorize the Construction Manager-at-Risk to accept bids from Principal Trade and Specialty Contractors for the Cost of The Work for the project and for the Owner to share financial risk with the Construction Manager-at-Risk. After receipt and acceptance of e of e cceptanc712

no changes will be made to the Construction Management Fee or Construction Manager-at-Risk Contingency. The cost for Bonds and Insurance will be adjusted as required.

10. Non-Acceptance of the GMP

10.1 The Owner, at its sole discretion, may decline to accept the GMP submitted by the Construction Manager-at-Risk for any Construction Phase and thereupon without penalty, the Construction Manager-at-Risk work will end upon completion of the Pre-Construction Phase contract.

10.2 The Construction Manager-at-Risk shall accept the amount negotiated for Pre-Construction Services as full and complete reimbursement of all costs and services performed by the Construction Manager-at-Risk for Pre-Construction Services. Thereafter, the Owner shall have the right to continue its activities to place the project under construction with no obligation or restriction regarding the Construction Manager-at-Risk and with full ownership and use of any data and information written or electronic developed during Pre-Construction activities.

11. Contingencies

11.1

Contingency is the maximum sum available to cover costs incurred as a result of such unanticipated causes and that cost overruns in excess of the amount of this Contingency will be borne by the Construction Manager-at-Risk.

- b. The Construction Manager-at-Risk Contingency may be applied to any items within the Cost of the Work without the necessity of a change order, without constituting a change in the Work, and without resulting in any change in the GMP. The Construction Manager-at-Risk will notify the Owner and Project Designer in writing of the intent to apply any part of this contingency to any item within the Cost of the Work prior to any such application. The Construction Manager-at-Risk shall fully document the change on its copy of the construction documents.
- c. The amount of the Construction Manager-at-Risk Contingency is to be reviewed by the Owner as part of the review of the GMP. The Owner retains the right to specifically request revisions to the amount of the Construction Manager-at-Risk Contingency prior to the Owner's acceptance and approval of the GMP.

12. Ownership of Documents

the participation of the Construction Manager-at-Risk as a guarantor or

2.2 Upon completion of work any and all non-expended funds remaining in the GMP will be retained by the Owner via a change order.

3. Principal Trade & Specialty Contracts

3.1 One or more Principal Trade Contract packages shall be prepared for each of the General Construction, Electrical, Mechanical, Fire Protection, and Plumbing divisions of the work of the Project. The Construction Manager-at-Risk may at any time prior to the prequalification of bidders, identify and define other Specialty Contract packages which the Construction Manager-at

accounted for all costs associated with the scope of the work on which he was bidding, then the contract shall be awarded to the low bid contractor. If, however, this review shows that the low bid contractor failed to account for all costs associated with the scope of the work on which he was bidding, then the bid may be disqualified at the discretion of the Construction Manager-at-Risk. The Construction Manager-at-Risk shall have the right as outlined above to verify the scope of each low bid in the same manner until he determines the lowest verified bid.

3.5 The Construction Manager-at-Risk may repeat the bidding for a Principal Trade or Specialty Contract only if 1) the initial bidding produces no responsible, responsive bids for that portion of the work, or 2) no responsible, responsive bidder will execute a contract for the bid portion of the work, or 3) in the judgment of the Construction Manager-at-Risk the bids represent an excessive cost based on current market value and 4) the Owner approves of such a re-bid.

3.6 The Construction Manager-at-Risk will require the Principal Trade & Specialty Contractors to provide the applicable contract documents including insurance certificates, Historically Underutilized Businesses (HUB) and Minority Business Enterprise (MBE) participation schedules, and verification of HUB and MBE participation (by submission of letters of intent, copies of purchase orders, etc).

3.7 All contract documents between the Construction Manager-at-Risk and the Principal Trade and Specialty Contractors shall be made available for review by the Owner.

4. Project Control & Management

4.1 The Construction Manager-at-Risk shall accept delivery and arrange for storage, protection and security for any Owner purchased materials, systems and equipment that are a part of the work until such items are turned over to the respective Principal Trade & Specialty Contractors.

4.2 The Construction Manager-at-Risk shall schedule and conduct regular progress meetings as conditions on the Project require but at least weekly, and the Construction Manager-at-Risk shall conduct bi-weekly Owner's meetings and other meetings as may be directed by the Owner, at which Principal Trade and Specialty Contractors, Owner, Project Designer, and other designated representatives, and the Construction Manager-at-Risk can discuss jointly such matters as progress, scheduling, and construction-related problems. The Construction Manager-at-Risk shall prepare and distribute complete minutes of meetings to all attendees and others as directed by the

Owner within three (3) days of such meetings. Representatives of the Owner may attend meetings and shall in any case receive all notices and minutes of meetings.

5. Requests for Information (RFI)

The Construction Manager-at-Risk will be responsible for developing and implementing an RFI process for use on the project and shall be responsible for tracking and monitoring all RFI's throughout the Construction Phase.

6. Claims Avoidance/Resolution

See Appendix H for rules implementing mediated settlement conferences in North Carolina public construction contracts.

7. Reports

7.1 The Construction Manager-at-Risk shall keep accurate and detailed written records of project progress during all stages of construction.

7.2 The Construction Manager-at-Risk shall maintain a detailed daily diary of all events, which occur at the jobsite or elsewhere, and which affect, or may be expected to affect, project progress. The diary shall be available to the Owner at all times and shall be turned over to the Owner upon completion of the contract.

7.3 The monthly report by the Construction Manager-at-Risk shall include the following items: project status, schedule update, cost status, change order summary, shop drawing/submittal/RFI summary, quality control/inspection summary, any current construction and/or cost issues with proposed solutions for resolution, an accident report, and a 30 and 60 day look ahead report.

8. Contract Close-Out

8.1 The Construction Manager-at-Risk is responsible for compliance with all Contract Close Out items per the Contract Documents and shall obtain data from Principal Trade & Specialty Contractors and maintain a current set of record drawings, specifications and operating manuals.

8.2 With mechanical and electrical equipment, the Construction Manager-at-Risk is to obtain the Operating and Maintenance (O&M) manuals at least four (4) months prior to the demonstration for such equipment. These O&M manuals are to be sent to the Owner's Project Manager who is to forward one (1) set to the Owner's department responsible

for maintaining the facility for review prior to the equipment demonstration.

8.3 At the completion of the Project and before final payment, the Construction Manager-at-Risk shall defer review prior to the equipmentT