TACOMA WATER
REQUEST FOR QUALIFICATIONS
TACOMA WATER NEW WAREHOUSE/SHOPS BUILDING AND YARD IMPROVEMENTS PROJECT
SPECIFICATION NO. TW23-0213F
REQUEST FOR QUALIFICATIONS TW23-0213F
Tacoma Water New Warehouse/Shops Building and Yard
Improvements Project

Submittal Deadline: 11:00 a.m., Pacific Time, Tuesday, April 23, 2024

Submittals must be received by the City’s Procurement and Payables Division prior to 11:00 a.m. Pacific Time.

For electronic submittals, the City of Tacoma will designate the time of receipt recorded by our email, sendbid@cityoftacoma.org, as the official time of receipt. This clock will be used as the official time of receipt of all parts of electronic bid submittals. For in person submittals, the City of Tacoma will designate the time of receipt recorded by the timestamp located at the lobby security desk, as the official time of receipt. Late submittals will be returned unopened and rejected as non-responsive.

Submittal Delivery: Sealed submittals will be received as follows:

By Email: sendbid@cityoftacoma.org
Maximum file size: 35 MB. Multiple emails may be sent for each submittal.

Bid Opening: Submittals must be received by the City’s Procurement and Payables Division prior to 11:00 a.m. Pacific Time. Sealed submittals in response to a RFB will be opened Tuesday’s at 11:15 AM by a purchasing representative and read aloud during a public bid opening held at the Tacoma Public Utilities Administrative Building North, 3628 S. 35th Street, Tacoma, WA 98409, conference room M-1, located on the main floor. They will also be held virtually Tuesday’s at 11:15 AM. Attend via this link or call 1 (253) 215 8782. Submittals in response to an RFP, RFQ or RFI will be recorded as received. As soon as possible, after 1:00 PM, on the day of submittal deadline, preliminary results will be posted to www.TacomaPurchasing.org.

Solicitation Documents: An electronic copy of the complete solicitation documents may be viewed and obtained at the City’s plan distribution service provider, ARC, 632 Broadway, Tacoma, WA, or by going to http://www.e-arc.com/location/tacoma. Prospective bidders will be required to pay reproduction costs. A list of vendors registered for this solicitation is also available at their website.

Pre-Proposal Meeting: A pre-proposal meeting will be held at 11:00 AM, Pacific Time, Tuesday, March 26, 2024. The meeting will be virtual, via TEAMS.

Project Scope: The City of Tacoma seeks Statements of Qualifications from qualified firms to provide Progressive Design-Build (PDB) services for the Tacoma Water New Warehouse/Shops Building and Yard Improvements Project. The project will consist of design, procurement, and construction services for a new, approximately 45,000 sf warehouse/shops building. The new building will be located on the existing site and will be constructed adjacent to the existing Water Operations Building while the current warehousing and shop operations continue to function.

Estimate: $22,000,000.00

Paid Sick Leave: The City of Tacoma requires all employers to provide paid sick leave in accordance with Washington State law.

Americans with Disabilities Act (ADA Information): The City of Tacoma, in accordance with Section 504 of the Rehabilitation Act (Section 504) and the Americans with Disabilities Act (ADA), commits to nondiscrimination on the basis of disability, in all of its programs and activities. Specification materials can be made available in an alternate format by emailing the contact listed below in the Additional Information section.
**Title VI Information:** “The City of Tacoma” in accordance with provisions of Title VI of the Civil Rights Act of 1964, (78 Stat. 252, 42 U.S.C. sections 2000d to 2000d-4) and the Regulations, hereby notifies all bidders that it will affirmatively ensure that in any contract entered into pursuant to this advertisement, disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, national origin in consideration of award.

**Additional Information:** Requests for information regarding the specifications may be obtained by contacting Brandon Snow, Senior Buyer by email to bsnow@cityoftacoma.org.

**Protest Policy:** City of Tacoma protest policy, located at www.tacomapurchasing.org, specifies procedures for protests submitted prior to and after submittal deadline.

Meeting sites are accessible to persons with disabilities. Reasonable accommodations for persons with disabilities can be arranged with 48 hours advance notice by calling 253-502-8468.
SUBMITTAL CHECK LIST

This checklist identifies items to be included with your submittal. Any submittal received without these required items may be deemed non-responsive and not be considered for award.

Submittals must be received by the City of Tacoma Purchasing Division by the date and time specified in the Request for Qualifications page.

<table>
<thead>
<tr>
<th>The following items make up your complete electronic submittal package (include all the items below):</th>
</tr>
</thead>
<tbody>
<tr>
<td>Signature Page (Attachment A)</td>
</tr>
<tr>
<td>Index of Confidential and Proprietary Information (Attachment B)</td>
</tr>
<tr>
<td>Surety Letter of Intent Regarding Performance and Payment Bonds (Attachment C)</td>
</tr>
<tr>
<td>Content to be Submitted (Section 3)</td>
</tr>
</tbody>
</table>
TABLE OF CONTENTS

SUBMITTAL CHECK LIST

1.0  INTRODUCTION........................................................................................................1
2.0  PROJECT DESCRIPTION ............................................................................................2
3.0  REQUEST FOR QUALIFICATIONS ...........................................................................9
4.0  REQUEST FOR PROPOSALS ..................................................................................18
5.0  CONTRACT NEGOTIATION, AWARD, AND EXECUTION ....................................18
6.0  GENERAL CONDITIONS ..........................................................................................18

Exhibits
Exhibit A

Attachments
Attachment A  Signature Page
Attachment B  Index of Confidential and Proprietary Information
Attachment C  Surety Letter of Intent Regarding Performance and Payment Bonds
Attachment D  Draft Contract
Attachment E  Draft General Terms and Conditions
Attachment F  Draft Insurance Requirements
1.0 INTRODUCTION

The City of Tacoma (City), is using a two-step process to select a Design-Builder for the Tacoma Water New Warehouse/Shops Building and Yard Improvements Project (Project) utilizing the Design-Build (DB) project delivery method authorized under RCW 39.10. The City was granted project approval from the State of Washington Capital Projects Advisory Review Board, Project Review Committee on December 1, 2023 to use the DB delivery method. The specific method of DB project delivery for this project will be Progressive Design-Build (PDB).

This Request for Qualifications (RFQ) initiates the first step of the procurement process, wherein the City will solicit, receive, evaluate and score Statements of Qualifications (SOQs) from experienced and qualified Proposers (which may include joint ventures), as further defined in Section 3.0 of this RFQ, and shortlist up to four (4) of the highest ranked Proposers (Finalists) to participate in the next step of the process.

The second step will be a Request for Proposals (RFP) process where the City will solicit and receive written Proposals and Cost Factors, conduct Interviews with Finalists, evaluate and score Interviews and Proposals, and score Cost Factor Proposals.

Proposal evaluation criteria will include, but not be limited to: the Finalists management plan to meet time and budget requirements; the Finalist’s project-specific inclusion plan for small business enterprises and disadvantaged business enterprises; the Finalist’s project-specific technical and design approach information; summary of Finalist’s accident prevention plan and intended implementation; and a Cost Factor Proposal for the Project. These Proposal requirements will be specifically described in the final RFP documents.

During the RFP process, prior to Proposals being submitted, each Finalist will have an opportunity to take part in a Design-Builder led Proprietary Meeting with the City’s Selection Advisory Committee (SAC). The purpose of the Proprietary Meeting is to allow the prospective Design-Builders to ask questions, request clarification and gather information which may be relevant to assembly of their Proposal. Since the selection process emphasizes qualifications, project approach, capacity and ability to complete the work, and limited pricing criteria, Design-Builders will not be allowed to present detailed, project-specific design, detailed pricing, 3-D models, renderings or other design or estimating intensive efforts as part of the Proprietary Meeting.

Following the Proprietary Meetings, Finalists will have the opportunity to submit a Proposal. Finalists who submit a Proposal will be asked to attend an Interview conducted by the SAC, prior to evaluation and scoring of Proposals. The purpose of the Interview is to allow each Design-Builder to present their team qualifications, highlight and explain their thoughts and approach to the project and engage in a question-and-answer period with the SAC that will help them to clarify their Proposal. Since the selection process emphasizes qualifications, project approach, capacity and ability to complete the work and limited pricing criteria, Design-Builders will not be allowed to present detailed, project-specific design, detailed pricing, 3-D models, renderings or other design or estimating intensive efforts as part of the Interview.

Following the Interviews, the SAC will score the Proposals according to the criteria set forth in the RFP and identify the most highly qualified DB team based on total cumulative scoring. A summary statement of the selection will be provided to Finalists within two business days of the notification per RCW 39.10.330(6).
The City intends to enter into negotiations with the highest ranked Finalist regarding the terms and conditions of the DB Contract and the scope and fees for the Phase 1 Services for the Project.

The DB Contract (may also be referred to as Contract, Contract Documents or Agreement) will be based on a modified version of the sample Contract Documents attached to this RFQ as Attachment D.

If the City and the highest ranked Finalist cannot agree on terms for this Agreement, the City may, at their sole discretion, terminate negotiations with that Design-Builder and enter into negotiations with the next highest ranked Finalist.

Prospective Design-Builders are responsible for all costs of preparing and submitting qualifications and/or Proposals and participating in the Design-Builder RFQ/RFP process. Submittal and evaluation criteria have been developed to specifically avoid the need for detailed design and cost estimating as a part of the submittal and procurement process. Finalists submitting responsive Proposals, who are not awarded a DB contract, will be paid an honorarium of $1,500.00.

City personnel, and a DB advisor, have formed a team to provide technical oversight and DB support for the Project. The City desires to partner with the Design-Builder to execute the Project, as described in the RFQ, and as will be described in the forthcoming RFP, and the final DB Contract.

For clarity throughout the RFQ, the following terms and definitions apply.

**City** – The terms City, City of Tacoma, Owner, and Tacoma Water are synonymous and interchangeable in respect to this RFQ.

**Contract or Design-Build Contract or DB Contract** – The Design-Build contract the City anticipates executing through this procurement process, as provided under RCW 39.10.330.

**Design-Build Team** – The prime contractor, design consultants and subconsultants, and major and specialty subcontractors, suppliers and others performing the work required by the Design-Build contract documents.

**Design-Builder** – The firm or joint venture awarded the Design-Build Contract.

**Finalists** – The short-listed Proposers after SOQ evaluation.

**GMP** – Guaranteed maximum price.

**Proposers** – The firms or joint ventures responding to the RFQ and/or RFP; proposed Design-Builder.

### 2.0 PROJECT DESCRIPTION

#### 2.1 Reasons for Using DB Delivery

The DB project delivery method allows the opportunity to maximize innovation and efficiencies between the designer and the builder that are not typically available with the traditional delivery methods.
Additionally, the PDB delivery method supports an expedited design and construction schedule that may include early procurement as well as early permit and construction packages, allowing expedited project completion and occupancy.

2.2 Project Background and Scope

The Project will be constructed on the site of the existing Tacoma Water Operations facility located in central Tacoma near the intersection of South Union Ave and S 35th St, at 3506 S 35th St. The existing circa 1937 Water Operations building currently occupies the site and will be required to continue operations during construction of the Project. The existing building currently houses warehousing, shop activities, crew facilities and office spaces and is located in the northwest corner of the property. Refer to Exhibits for site aerial of the property.

This project is the first phase of what is anticipated to be a larger, multi-phased, multi-year expansion and renovation of the Tacoma Water site. It is anticipated that future phases of work will be budgeted and constructed separately from this project. The City reserves the right, at its sole discretion, to increase or decrease the scope, budget and duration of the project work under the contract resulting from this solicitation.

This Project will be to construct a new, approximately 45,000 sf warehouse/shops building. The new building will be located on the existing site and will be constructed while the current warehousing and shop operations continue to function in the existing Water Operations building. Dependent on budget, the project is also anticipated to include covered loading dock space and miscellaneous yard improvements that will optimize yard storage capacity, efficiency and flexibility. Given the importance of Tacoma Water remaining operational at all times, even in the event of an emergency or disaster, the new buildings will be designed and constructed to the classification of a “essential facility”.

Project design scope for the DB team may include, but is not limited to, validation of Owner’s project information and criteria; project scoping/programming; design; cost estimating; value analysis; constructability analysis; scheduling/phasing; submitting for and obtaining required jurisdictional inspections, approvals and permits; subcontractor buy-out/bidding; materials and equipment procurement; subcontractor and supplier scheduling and coordination; utilities, sitework and building construction; obtaining required jurisdictional construction related inspections/approvals and obtaining required jurisdictional approvals for Tacoma Water’s occupancy of the building.

Construction work required of the DB team may include, but is not limited to, temporary erosion and sedimentation control; hazardous materials abatement; demolition of existing utilities and site improvements; new site utilities; grading and earthwork; onsite/offsite site improvements; stormwater facilities; paving, curbs and concrete flatwork; concrete foundations; building construction; mechanical, electrical and plumbing systems; specialty equipment; fire suppression systems; data system; fire alarm system; security alarm system; interior finishes and exterior finishes.

2.3 Project Goals

The City has established the following Project Goals:

1. Execute a successful, collaborative Progressive Design-Build (PDB) Process to produce the envisioned Project.
The Design-Build Team will develop and utilize a collaborative relationship between the Owner, and its stakeholders to exceed the Project Goals within the Owner’s budget and schedule and demonstrating exemplary design and project management.

2. Maximize Design Within Limited Budget. The Design-Build Team will leverage the efficiencies of the progressive design-build process through innovative and lean design and construction techniques that provides an efficient and effective design with the most scope and programming within the Owner’s established budget and is flexible with respect to its use over time and allows for expansion for future phases of the facility.

3. Optimize Quality, Operations, and Revenue. The Design-Build Team will assist the Owner in selecting amenities and features of the facility that will create a high quality facility, minimize operations and maintenance costs, and help meet the facility’s revenue goals, all while being responsive to the input of stakeholder groups.

4. Improve Tacoma Water Operations with appropriately sized spaces, better workflow, and adjacencies that create efficiency between functions and departments.

5. Provide a facility that has a high degree of seismic resiliency, as is appropriate for an essential warehouse, shops and operations facility.

6. Accommodate anticipated twenty-year (20) growth projections for the functions included in Phase 1 of the Master Plan.

2.4 Project Funding

Tacoma Water funds their Capital Improvement Plan with a combination of bonds, low-interest loans, capital and operating reserves. The initial Design-Builder’s preconstruction services and A/E design services for this project will be funded with capital reserves. The remaining, post-GMP costs for A/E design services and construction of the project will be funded by a combination of cash reserves and/or revenue bonds.

2.5 Project Schedule

The following is the anticipated project schedule. The City intends to complete the Design-Builder selection process and execute a contract with the selected Design-Builder in a timely and efficient manner. The dates listed are preliminary and may be adjusted by the City during the procurement or project execution phases. The City reserves the right, at their sole discretion, to change the dates and times below.

<table>
<thead>
<tr>
<th>Key Milestones</th>
<th>Target Date(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Step 1 – RFQ Phase</strong></td>
<td></td>
</tr>
<tr>
<td>RFQ Released for Advertisement</td>
<td>March 19, 2024</td>
</tr>
<tr>
<td>RFQ Pre-Proposal Meeting</td>
<td>March 26, 2024 at 11:00 AM PDT</td>
</tr>
<tr>
<td>Deadline for Submitting Questions</td>
<td>April 2, 2024 at 3:00 PM PDT</td>
</tr>
<tr>
<td>Last Day for City Response to Questions and to Issue Addenda</td>
<td>April 8, 2024</td>
</tr>
<tr>
<td>Statement of Qualifications Deadline</td>
<td>April 23, 2024 at 11:00 AM PDT</td>
</tr>
<tr>
<td>Evaluation of SOQs</td>
<td>April 24-May 2, 2024</td>
</tr>
<tr>
<td>Notification of Selected Finalists</td>
<td>May 6, 2024</td>
</tr>
<tr>
<td>Step 2 – RFP Phase</td>
<td></td>
</tr>
<tr>
<td>-----------------------------------------------------------------------------------</td>
<td>-------</td>
</tr>
<tr>
<td>2-day Statutory Waiting Period</td>
<td>May 7-8, 2024</td>
</tr>
<tr>
<td>RFP Issued</td>
<td>May 13, 2024</td>
</tr>
<tr>
<td>One-on One (Proprietary) Meeting</td>
<td>May 20-22, 2024</td>
</tr>
<tr>
<td>Deadline for Submitting Questions</td>
<td>May 24, 2024 at 3:00 PM PDT</td>
</tr>
<tr>
<td>Last Day for City Response to Questions and to Issue Addenda</td>
<td>May 30, 2024</td>
</tr>
<tr>
<td>Proposal Deadline</td>
<td>June 11, 2024 at 11:00 AM PDT</td>
</tr>
<tr>
<td>Proposal Evaluation</td>
<td>June 12-28, 2024</td>
</tr>
<tr>
<td>Interviews</td>
<td>July 1-3, 2024</td>
</tr>
<tr>
<td>Opening of Cost Factor Proposal</td>
<td>July 5, 2024</td>
</tr>
<tr>
<td>Announcement of Highest-Ranked Finalant</td>
<td>July 9, 2024</td>
</tr>
<tr>
<td>4-day Statutorily Required Waiting Period</td>
<td>July 10-July 15, 2024</td>
</tr>
<tr>
<td>Design-Build Contract and Phase 1 (Pre-GMP) Fee/Scope Negotiations</td>
<td>July 16-August 13, 2024</td>
</tr>
<tr>
<td>Design-Build Contract Execution (on or around)</td>
<td>September 25, 2024</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Project Execution</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Validation/Programming/Schematic Design (0-30% Design)</td>
<td>September 2024-January 2025,</td>
</tr>
<tr>
<td>Phase 1 - Pre-GMP Design (0-60% Design)</td>
<td>September 2024-August 2025</td>
</tr>
<tr>
<td>Owner Schematic Design Review/Approval (Drawings, Cut-Sheets, Cost Estimate)</td>
<td>February 2025</td>
</tr>
<tr>
<td>Permitting - Site Development ROW Work Order Review (Submit @ 30% Design)</td>
<td>February 2025-May 2025</td>
</tr>
<tr>
<td>Design Development (30-60% Design)</td>
<td>February 2025-May 2025</td>
</tr>
<tr>
<td>Owner Design Development Review/Approval (Drawings, Outline Specs, Cost Estimate)</td>
<td>May 2025</td>
</tr>
<tr>
<td>Negotiate GMP Amendment</td>
<td>May 2025-June 2025</td>
</tr>
<tr>
<td>Permitting – Site Development Permit Review (Submit @ 60% Design)</td>
<td>May 2025-September 2025</td>
</tr>
<tr>
<td>Board Review &amp; Approval of GMP Amendment</td>
<td>July 2025</td>
</tr>
<tr>
<td>GMP Amendment Executed (on or before)</td>
<td>August 2025</td>
</tr>
<tr>
<td>Site Development Permit Available</td>
<td>October 2025</td>
</tr>
<tr>
<td>Phase 2 - Final Design, Permitting, Bidding &amp; Construction</td>
<td>September 2025-March 2027</td>
</tr>
<tr>
<td>Phase 2 Design (60-100% Design)</td>
<td>September 2025-March 2026</td>
</tr>
<tr>
<td>Permitting – Early Foundation Permit &amp; Building Permit (submit @ 80% Design)</td>
<td>November 2025-March 2026</td>
</tr>
<tr>
<td>Early Site Development and Foundation Construction</td>
<td>October 2025-April 2026</td>
</tr>
<tr>
<td>Early Foundation Permit Available</td>
<td>February 2026</td>
</tr>
<tr>
<td>Owner 90% Design Review/Approval (Drawings, Specs, Cost Estimate, Schedule)</td>
<td>January 2026</td>
</tr>
<tr>
<td>Construction Documents (100% Design) Complete</td>
<td>March 2026</td>
</tr>
<tr>
<td>Building Permit Available</td>
<td>March 2026</td>
</tr>
<tr>
<td>Building Construction</td>
<td>March 2026-February 2027</td>
</tr>
</tbody>
</table>
2.6 Project Contracting and Delivery Process

Project delivery will be a DB contracting method utilizing a two-phase Agreement process.

Phase 1 – Validation and Pre-design Through Design Development: The first phase in contracting will be an Agreement between City and the Design-Builder for validation, pre-design, programming schematic design and design development services. The Agreement shall include the Design-Builder's fee for Phase 1 services and a negotiated listing of the minimum required Phase 1 tasks, documentation and deliverables to be completed/provided by the Design-Builder to document the design intent. A sample of the DB Contract that will be used to initiate the negotiations is attached as Attachment D.

The listing of minimum required Phase 1 tasks, documentation and deliverables and the associated fee for Phase 1 Services will be negotiated between the City and the Design-Builder prior to signing the Agreement. The Phase 1 Services negotiations shall be completed no later than twenty-eight (28) calendar days from written notification of the most highly qualified DB team.

In the event that the City and the most highly qualified Design-Builder are not able to reach agreement on a mutually satisfactory fee for Phase 1 Services that the City determines to be fair and reasonable, the City reserves the right to terminate negotiations. Should the City choose to cancel the negotiations upon failure to achieve a Phase 1 fee and scope, such cancellation will be effective upon issuance of written notification to the Design-Builder. Upon termination of the negotiations, the City reserves the right to begin negotiations with the next highest ranked Design-Builder.

During Phase 1 services, the Design-Builder will work with the City’s team to validate the City’s project information and criteria and develop a project program for the Project.

The program shall define and communicate the City’s goals and programmatic requirements for the project and shall include:

- Description of the planned project and its intended use and how the planned project is connected to the Tacoma Water Master Plan.
- Description of the project location and operational needs.
- Description of the operational functions and associated staffing.
- General building considerations describing the circulation, vehicle access, security, public access, maintenance, and other considerations.
- Listing of individual functional areas describing area objectives, planned usage, types of activities, the relationship to other activities, spatial requirements, support requirements, environmental variables, furniture and equipment, and other considerations.
- Supporting graphics including sketches, photos, catalog cuts and other sources as required to adequately describe/explain the programmatic requirements.
Once a program has been approved by the City, the Design-Build will develop a design that reflects the program requirements and describes the size and character of the entire project. Design process shall involve City review/input at reasonable intervals and take into consideration the City’s preferences on and the availability, cost, durability and maintenance requirements of materials, finishes, equipment and systems; energy conservation; construction sequencing; construction scheduling; code requirements; sustainable design/construction practices; jurisdictional requirements; aesthetics and context.

For purposes of clarity, as it relates to the requirements and expectations of the design during this phase, refer to:


Design Services shall encompass all of the requirements identified as included in, or requisite to, Schematic Design and Design Development in these two documents. As required to properly define the project design for negotiation of GMP, design related services for this phase shall also include, but are not limited to, consultant design for Schematic and Design Development level designs for the following consultants/scope identified as A/E Extra Services and/or A/E Other Services in the A/E Fee Guidelines:

- Energy Conservation (ELCCA & LCCA)
- Sustainable Design (WSSP or LEED Silver)
- Specialty Consultants including:
  - Acoustical
  - Civil Engineering Specialties
    - Storm Drainage
    - Sensitive Area Design
    - Domestic Water Supply
    - Sanitary Sewer
    - Stormwater
    - Erosion and Sediment Control
  - Communications
  - Cost Estimating
  - Hazardous Materials
  - Kitchen
  - Landscape
  - Security
  - Access Control
  - Door Hardware

In addition to the above design services, the Design-Build shall create formal, detailed cost estimates, based on the design and formatted in CSI modified Uni-format.

Formal, detailed cost estimates shall be developed, and reconciled against the project budget, at the completion of program documents, 95% Schematic Design, 50% Design Development and 100% Design Development.
As part of the Phase 1 services, it shall be the responsibility of the Design-Builder to work with the City and provide ongoing, informal value engineering and constructability recommendations and cost estimating during design with the intent to facilitate a design that is aligned with the City’s available Maximum Allowable Construction Cost and program requirements for the project.

The cost estimate and design documents developed during Phase 1 Services shall be adequate for use to negotiate a GMP to complete the remainder of design and construct the project.

**Phase 2 – Final Design, Permitting and Construction:** The second step in contracting will be a GMP Amendment between the City and the Design-Builder to complete Phase 2 services.

Design work during this phase shall entail refinement of the design documents (program, drawings, specifications, schedule and cost estimate) that were developed during Phase 1 so that they adequately describe the project for purposes of permit review, subcontractor bidding/buyout, construction, commissioning and other aspects of scope and terms sufficient to complete the project as required for use and occupancy by the City.

For purposes of clarity, as it relates to the requirements and expectations of the design during this step, refer to:


Design Services during this step shall encompass all of the requirements identified as included in, or requisite to, Construction Documents, Regulatory Requirements, Bidding, Construction Contract Administration and Project Closeout in these two documents. In addition to the consultants and scope identified as A/E basic Services for Construction Documents, Bidding, Construction Contract Administration and Project Closeout in the A/E Fee Guidelines, design related services for this phase shall also include consultant design fees for Construction Documents, Bidding, Construction Contract Administration and Project Closeout for the consultants/scope listed in Phase 1 above and the following consultants/scope:

- Jurisdictional and Permitting Support
- Early Bid and Procurement Packages
- Commissioning and Training
- Constructability Review Participation and Implementation
- HVAC Balancing and Commissioning Support

As part of the services to complete the design and construct the project, the Design-Builder shall collaborate with the City and provide ongoing, informal value engineering and constructability suggestions and cost estimating during design and construction with the intent to facilitate a project that is aligned with the agreed upon GMP for the project.

Substantial changes to the design and/or the materials/systems utilized or installed during construction, that will negatively impact the character, aesthetics, fit, finish, durability, quality, maintenance or operation from that which was identified, inferred or agreed upon in the design documents that were utilized for negotiation of GMP, shall not be made by the Design-Builder without prior, written approval of the City.
It is anticipated that negotiation of the price to complete the design, obtain permits and construct the project will take place when the building design is at a level of not less than 50% and not more than 60% completion. The Design-Builder and City shall come to a mutual agreement that Phase 1 services have progressed to a point where the Phase 1 design documents have been developed that are adequate to negotiate a price to complete the work.

The Design-Builder’s price proposal to complete the Work shall include an “open book”, transparent tabulation for the design fees to complete the design, including a list of deliverables and a schedule for completion of the work that is tied to the required permitting, bidding, construction and close-out schedule of the project. The Design-Builder’s price proposal to complete the Work shall also include an “open book,” transparent cost estimate for materials, labor, equipment, general conditions, general requirements and overhead and profit to construct the project.

The price proposal for construction shall clearly identify any allowances for work that is not yet detailed enough to be estimated in a detailed manner and/or contingencies for latent/unforeseen conditions or other issues that the Design-Builder deems appropriate. The price proposal for construction shall include a construction contingency, percentage/amount to be negotiated by City and Design-Builder, to be utilized for unexpected situations that may arise during construction and that, per the contract, are reimbursable as a Cost of the Work but do not qualify as the basis for a Change Order and increase to the GMP. The use of this construction contingency must be approved by both the Design-Builder and the City. Remaining contingency at the end of the project will be returned, in full, to the City. These items will be reviewed, revised, and approved as part of the price negotiation process and will be attached to the Amendment/Agreement.

If, at any time, the City and the Design-Builder are unable to agree on a satisfactory price for completing the project that the City determines to be fair, reasonable and within the available budget, a schedule to complete the project or the scope and character of the project, the City may, at its sole discretion, terminate the Agreement and not proceed to execute the remaining project scope with the Design-Builder.

Should the City choose to cancel the negotiations upon failure to achieve a GMP Amendment on the budget to complete the Work, such cancellation will be effective upon issuance of written notification to the Design-Builder. In such cases, the Design-Builder will not be reimbursed for time and effort related to the price negotiations.

In the case where the parties are not able to reach a GMP Amendment to complete design and construct the project and the contract is terminated, the City will maintain ownership of the design developed during Phase 1 services and reserves the right, at its sole discretion, to either cancel the project, move forward with the project utilizing the services of another Design-Builder or to move forward with the project through a design-bid-build delivery process or in any other way that it deems appropriate.

3.0 REQUEST FOR QUALIFICATIONS

3.1 Eligibility

Proposers who have a qualified DB team and are interested in being considered for selection as the Design-Builder may submit a SOQ in accordance with the requirements set forth in this RFQ. Attention is directed to Attachments A, B and C for eligibility and minimum qualifications.
The City reserves the right, at its sole discretion, to waive informalities or non-material irregularities in the SOQs and/or Proposals received, and to reject any and all proposals and/or cancel this RFQ and/or RFP at any time for any reason. In the event that the City does so, it shall provide the reasons for rejection or cancelation in accordance with RCW 39.10.330(2).

3.2 SOQ General Requirements

SOQs must address each topic below in a clear, comprehensive, and concise manner and in the format and order described below. SOQs should be prepared to provide straightforward and concise information that will enable the City’s SAC to efficiently evaluate them.

The SOQ shall be formatted as follows:

1. Table of Contents. Refer to Section 3.5 for required SOQ sections and order.
2. Use tabs, or electronic bookmarks to separate the required SOQ sections.
3. The City has a strict page limit for the SOQ as indicated herein. Any SOQ with pages that exceed the page limit will not have those excess pages be considered for purposes of evaluation. While the City does not intend to reject SOQs for exceeding page limits, it will not consider any information on pages that exceed the page limit.
4. All SOQs shall be in an 8 ½” by 11” format with the exceptions noted. Proposers may use up to four (4) 11” by 17” pages for plans, figures, drawings, schedules, exhibits, tables, or other illustrative and graphical information used in responding to the RFQ requirements. All 11” by 17” pages will be counted as one page. Pages in 11” by 17” format may not be used for narrative responses. SOQs shall be limited to thirty (30) pages in length. (A page shall be defined as one face of a sheet of paper.) The SOQ must include a table of contents with bookmarks and be organized in sections corresponding to the numbering, criteria and order identified in RFQ Section 3.0. The page count does not include the proposal cover sheet, table of contents, resumes of key team members, required forms, tabs or back covers. Tabs, coversheet and back cover shall have no substantive written information included, otherwise they will be counted in the page limit. With the exception of required forms, appendix information, attachments and exhibits will count towards the page limit.
5. All information shall be in English.
6. All narrative text shall be single-spaced in a regular style font at a minimum of 11 points. The type, style and size of headings and figures are not prescribed.
7. No text, tables, figures, photos, or other substantive content shall be printed within 1” of any page edge.
8. SOQs should only include information required by this RFQ.
9. SOQs shall be digital, in PDF format. The complete SOQ shall be contained in a single, unlocked, searchable PDF file with bookmarks. Maximum pdf file size is 35MB.
10. SOQs shall be submitted per the instructions on the information page located at the front of the RFQ. Proposers are encouraged to leave adequate time for transmission of SOQs.
Proposers are discouraged from presenting detailed, project-specific design concepts, detailed pricing, 3-D models, renderings or other design or estimating intensive efforts as part of this DB RFQ/RFP process.

3.3 SOQ Evaluation Process

SOQs will be evaluated by an SAC. The SAC will be comprised of individuals familiar with the Project and knowledgeable in the scope of work, including representatives from the City and the City’s technical consultants.

The SAC will first review SOQs for initial decisions on SOQ responsiveness and on Proposer responsibility. Attachment A – Signature Page, Attachment B – Index of Confidential and Proprietary Information, Attachment C – Surety Letter of Intent Regarding Performance and Payment Bonds, signed documents, completion of required forms, and other initial elements of responsiveness and responsibility will be reviewed during initial screening. Those SOQs and Proposers found responsive and responsible will continue to be evaluated and scored.

The City reserves the right to determine, in its sole discretion, which projects submitted by the Proposer meet the definition of “Projects of Similar Scope and Complexity” and to award more points to Proposers who have performed work on projects that incorporate more of the characteristics set forth in this definition and that are more recent. The City also reserves the right to award more points to projects in which the Proposer’s Key Personnel had substantial responsibility for their respective scopes of work.

The SAC will evaluate and score the SOQs using the evaluation criteria, scoring and weighting presented in this RFQ and any addenda. SOQs will be scored and then ranked in relation to all other SOQs submitted. Scores will be subjective and may range from zero points to the maximum points available, depending on the appropriateness and completeness of the response to the stated criteria.

The SAC will identify significant and minor strengths and weaknesses from the SOQs. The term “strength” is that part of the SOQ which ultimately represents a benefit to the Project and is expected to increase the Proposer’s ability to meet or exceed the Project Goals; a minor strength has a slight positive influence and a significant strength has a considerable positive influence on the Proposer’s ability to exceed the Project Goals. The term “weakness” is that part of the SOQ which detracts from the Proposer’s ability to meet the Project Goals and may result in inefficient or ineffective performance; a minor weakness has a slight negative influence and a significant weakness has a considerable negative influence on the Proposer’s ability to exceed the Project Goals.

The City may contact references furnished by Proposers at any stage in the selection process and may contact other sources, including the City itself, that may not have been named by the Proposer but can assist the City in evaluating Proposers.

The City may perform a review of any Proposer’s financial status and capacity to perform the work.

All Proposers shall comply with requests for information that are deemed necessary by the City to perform a reasonable review of the firm’s financial status. The City reserves the right to reject any Proposer if the City’s analysis of the Proposer’s financial status and capacity indicates, in the City’s sole judgment, that the Proposer will not be able to successfully perform the work.

The City intends to select up to four (4) highest ranked teams to form the short list to which the City intends to issue an RFP.
In the event that only one responsive SOQ and/or Proposal is received at the dates and times noted herein, or as modified by subsequent addenda, the City reserves the right, at its sole discretion, to either proceed with the procurement process with the single respondent; cancel the RFQ and/or RFP and procurement process; or reschedule the due date and time for the SOQs and/or Proposals and the procurement process. The City will notify all Proposers submitting SOQs of the highest ranked Proposers who will be invited to submit Proposals in response to the final RFP issued by the City. Scoring from the RFQ will carry forward and be used in the determination of the selection of the Design-Builder during the RFP phase.

3.4 Projects of Similar Scope and Complexity

The term “Projects of Similar Scope and Complexity”, as used in this RFQ, refers to projects the Proposer and/or their first-tier subcontractors and A/E consultants have successfully completed in the United States within the last five (5) years which have many, or all, of this project including, but not limited to those listed below where the Proposer, and/or their first tier subcontractors and A/E consultants had prime responsibility. This term will be used when evaluating SOQs.

1. Projects that included individual team members and/or A/E consultants/subconsultants and/or subcontractors who are also proposed for this project.

2. Projects that were delivered utilizing alternative project delivery (GC/CM, DB, etc.) with higher preference given to DB and/or PDB delivery and/or delivered in the State of Washington under RCW 39.10.

3. Projects that were constructed on an occupied site while existing building and functions remained fully-operational.

4. Projects for public agencies and utilizing public funds. Clearly indicate any projects for agencies that are public utilities and/or water utilities.

5. Projects that were designed as an “essential facility” to provide resilience and continued operation in the case of an “emergency” or “disaster” situation.

6. Projects that included inclusion and utilization of small business entities and disadvantaged business enterprises (DBE). Inclusive of small business enterprises (SBE), minority-owned business enterprises (MBE), woman-owned business enterprises (WBE), minority/women owned business enterprises (MWBE), veteran-owned business enterprises (VBE). Clearly indicate any projects that required state certification of DBEs, and/or had established goals for DBE participation, and/or met or substantially exceeded the established DBE goals.

7. Projects with similar constraints and characteristics (location, authorities having jurisdiction, site size/type, type of use, type of construction, etc.) to this project.

8. Projects with similar construction budget and/or contract value to this project.

3.5 SOQ Evaluation Criteria

The SOQs submitted by the Proposers should contain information demonstrating how the proposed team meets the evaluation criteria below. The SOQ must include a Table of Contents (not included in the maximum page count of the SOQ) and be organized by sections corresponding to the criteria, in the order shown below and be bookmarked.
### Table

<table>
<thead>
<tr>
<th>SOQ Section No.</th>
<th>Section Title and Required Information</th>
<th>Points Available</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.6</td>
<td>Letter of Interest</td>
<td>Pass/ Fail*</td>
</tr>
<tr>
<td>3.7</td>
<td>DB team Qualifications and Past Performance References</td>
<td>30</td>
</tr>
<tr>
<td>3.8</td>
<td>Key Personnel Experience and Qualifications</td>
<td>30</td>
</tr>
<tr>
<td>3.9</td>
<td>Ability to Perform</td>
<td>15</td>
</tr>
<tr>
<td>3.10</td>
<td>Excellence in Design</td>
<td>15</td>
</tr>
<tr>
<td>3.11</td>
<td>Disadvantaged Business Utilization Performance</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>Forms</td>
<td>Pass/ Fail*</td>
</tr>
<tr>
<td></td>
<td>• Signature Page</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Index of Confidential and Proprietary Information</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Surety Letter of Intent Regarding Performance and Payment Bonds</td>
<td></td>
</tr>
<tr>
<td></td>
<td>TOTAL POINTS</td>
<td>100</td>
</tr>
</tbody>
</table>

*Failure to submit information may result in disqualification of the SOQ*

### 3.6 Letter of Interest – Pass/Fail

At a minimum include the name of the entity submitting as the Proposer and the primary point of contact with address, email, telephone number, and the signature of an authorized representative.

The Letter of Interest should introduce your firm (or joint venture or proposed team), provide supplementary information about your firm and proposed DB team that is not provided elsewhere in the SOQ, and explain what makes your team unique and the best fit for the Project. The Letter of Interest should also include the address(es) of the office(s) that will oversee and manage the Project, including design, and construction.

The City is looking to partner with a DB team with demonstrated qualifications and experience on Projects of Similar Scope and Complexity.

### 3.7 DB Team Qualifications and Past Performance References – 30 points

Please provide a narrative which includes the following information regarding the qualifications, experience and technical capabilities of the Proposer and any known key consultants, subconsultants, subcontractors and/or suppliers that the Proposer intends to subcontract to as a DB team member. The Proposer’s experience and capabilities should be drawn from and reference Projects of Similar Scope and Complexity that the Proposer has completed within the last five (5) years. (Refer to Section 3.4 above) The narrative and supporting information shall include, but not be limited to:
1. Percentage of work over the past five (5) years (based on total revenue dollars) that has been delivered by the Proposer as GC/CM, DB, Design/Bid/Build and other delivery methods.

2. Experience and success that the Proposer, consultants and subcontractors have had:
   - Delivering projects utilizing DB project delivery, with emphasis on PDB delivery in Washington State and under RCW 39.10.
   - Safely conducting construction activities on an occupied site, adjacent to existing operational facilities.
   - Planning and executing construction logistics and phasing of work to minimize impact on existing operational facilities, existing utilities and infrastructure and existing, adjacent arterials/streets that must remain operational and functional during construction.
   - Designing and constructing projects that were designed as an essential facility to provide resilience and continued operation in the case of an emergency or disaster situation.
   - Designing and constructing projects with similar constraints and characteristics (location, authorities having jurisdiction, site size/type, type of use, type of construction, etc.) to this project.

3. Experience working in a collaborative team environment to develop the best value design solutions and to deliver projects on schedule and within budget. Projects may be the same or in addition to those listed in the project profiles (or project tables) described below.

4. Project profiles (or a project table) for three (3) to five (5) projects completed in the last five (5) years that are of Similar Scope and Complexity to this project. Project profiles (or project table) may be submitted on 11" x 17" paper and shall be no more than three pages in length. Project profile (or project table) information shall include, but not be limited to:
   - Project photo(s) (optional).
   - Project name, name of owner, and location.
   - Key Personnel included in this proposal that were involved and their role in the project’s success.
   - Short description of the project.
   - Indicate which elements of the definition of “Projects of Similar Scope and Complexity” are met by the profiled project.
   - Project delivery method (D/B/B, GC/CM, DB, etc.)
   - Contract substantial completion date and actual substantial completion date with an explanation of the difference, if any.
   - Contract final completion date and actual final completion date with an explanation of the difference, if any, between the award contract price and final contract price.
• Original contract value and final contract value (including change orders) with an explanation of the difference, if any.

• Listing of the goals for inclusion, expressed as a percentage of the total contract value, for Disadvantaged Business Enterprises (DBE, SBE, MBE, WBE, MWBE, VBE) and the actual inclusion achieved.

• Contact information (phone and email) for the Owner’s representative who is familiar with your firm’s performance. (Note: the Proposer is responsible for ensuring that contact information provided is correct. The inability to contact a reference may have a detrimental impact on the evaluation of qualifications.)

3.8 Key Personnel Experience and Qualifications – 30 points

Provide a narrative describing the experience and qualifications of the Design-Builder’s proposed staff for the Key Personnel roles identified below.

Proposing staff for Key Personnel Roles who either do not meet, or substantially exceed, the minimum requirements may affect the Design-Builder’s evaluation and scoring. Staff members proposed will be required to fully participate as proposed and deliver the Project during the entire duration of the schedule. Staff changes proposed by the selected Design-Builder after the award of a contract for services will be permitted only by expressed, written permission of the City. The City will expect that all proposed staff substitutions will meet or exceed the qualifications of the staff who were originally proposed.

The City expects a single person for each, specific Key Personnel role. One person may not be proposed for multiple Key Personnel roles unless the Design-Builder can show that the individual has sufficient, previous, experience successfully performing dual roles on Projects of Similar Scope and Complexity. Key Personnel for this project should include, but are not limited to, the following roles and experience:

<table>
<thead>
<tr>
<th>Key Personnel Role</th>
<th>Minimum Preferred Years of Professional Experience</th>
<th>Minimum Preferred Previous DB Project Experience</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-Construction Manager</td>
<td>10</td>
<td>3</td>
</tr>
<tr>
<td>Lead Cost Estimator</td>
<td>10</td>
<td>3</td>
</tr>
<tr>
<td>Lead Scheduler</td>
<td>10</td>
<td>3</td>
</tr>
<tr>
<td>Safety Manager</td>
<td>10</td>
<td>1</td>
</tr>
<tr>
<td>Construction Project Manager</td>
<td>10</td>
<td>2</td>
</tr>
<tr>
<td>Construction Superintendent</td>
<td>10</td>
<td>2</td>
</tr>
<tr>
<td>Project Engineer</td>
<td>5</td>
<td>1</td>
</tr>
<tr>
<td>Construction Quality Control Specialist</td>
<td>5</td>
<td>1</td>
</tr>
<tr>
<td>Onsite Safety Officer</td>
<td>5</td>
<td>1</td>
</tr>
<tr>
<td>A/E Design Lead</td>
<td>10</td>
<td>1</td>
</tr>
</tbody>
</table>
Proposers are encouraged to highlight situations where Key Personnel have worked together on previous Projects of Similar Scope and Complexity.

Please provide resumes (no more than one page each) for Key Personnel, and their identified backup, that include the following information.

1. Name, current firm, geographic location, current title, and years employed by current firm.

2. If employed less than five (5) years at current firm, please list previous firm name, previous title and years employed by previous firm.

3. Proposed role on this Project.

4. Proposed percent time involvement during the various project phases – design, bidding and procurement, construction, startup and commissioning, and project closeout.

5. Identify and discuss the impact of current assignments and other potential projects on the availability of the Key Personnel for this Project.

6. Total years of professional experience.

7. Total years of professional experience in the role for which they are proposed for this project.

8. Previous number of DB projects completed.

9. Education, certifications, professional registration and licenses held.

10. Proficiency in English and other languages spoken.

11. Provide information for at least one (1) previous Project of Similar Scope and Complexity that demonstrates experience that will assist in achieving or exceeding the Project Goals in the role on this Project (Include project name, owner name, project description, current status of project, dates of involvement).

12. Provide three (3) professional references, including name, title, phone number, and email address. References who are current City employees may be provided, but do not count towards the three references. (Note: The Proposer is responsible for ensuring that contact information provided is correct. The inability to contact a reference may have a detrimental impact on the evaluation of qualifications.)

3.9 Ability to Perform – 15 points

Describe Proposer’s abilities and success in managing, performing, and completing DB projects or construction Projects of Similar Scope and Complexity. Demonstrate, through past performance, the Proposers’ ability to exceed the Project Goals and achieve Design Excellence.

Provide a narrative that addresses past successes in the following:

1. Facilitating cooperation and collaboration with DB team, Owner team and third parties. Provide a minimum of three situations and describe how Proposer addressed the challenges and why the outcome was successful.

2. Past projects where team members, reporting structures, and various disciplines have worked well and collaborated regarding unforeseen conditions and/or a difficult owner. Provide a minimum of three situations and describe how Proposer addressed the challenges and why the outcome was successful.
3. Managing and tracking Work during design and construction to ensure that the overall schedule is maintained.

4. Managing and tracking Work costs and budget during design and construction to ensure that the project remains within the available budget.

5. Being responsive to Owner’s requests (scope, quality, performance or cost) and exceeding the stated project goals. Provide a minimum of three situations and describe how Proposer addressed the challenges and why the outcome was successful.

6. Being self-sufficient on site (e.g., supplying appropriate tooling, equipment, and personnel to complete work without assistance from the Owner).

7. Discuss how Proposers’ corporate cultures align/integrate to encourages safety.

In graphical form, provide the following information about your firm:


2. Total construction contract value of projects in Washington State completed and in progress for 2024.

3. Total construction contract value of projects that will be in progress and/or anticipated to begin construction in 2025.

3.10 Excellence in Design – 15 points

Provide at least two project examples where your team (or each member of your team) has achieved a high level of design quality leading to a reduction in project costs, duration, or improved project safety while maximizing value and without compromising project quality or project requirements. Examples may include, but are not limited to, increased capacity or efficiency, unique design features, operational considerations, construction methods, awards and/or certifications achieved, or entire overall projects. Examples may also include how safety was incorporated into design, fabrication and sitework and construction. Projects described here may be in addition to those requested above.

3.11 Disadvantaged Business Utilization Performance – 10 points

The City encourages the inclusion of historically underutilized business enterprises in the performance of City contracts. Business in this classification include businesses that are certified as: disadvantaged business enterprises (DBE); small business enterprises (SBE); minority-owned business enterprises (MBE); woman-owned business enterprises (WBE); minority woman-owned enterprises (MWBE); and veteran-owned business enterprises (VBE). Describe your team’s programs, approaches, and specific steps used to recruit, mentor and include underutilized business enterprises in previous Projects of Similar Scope and Complexity.

1. Using specific past project examples, highlight strategies that were successful in increasing underutilized business participation.

2. For past Projects of Similar Scope and Complexity provide examples of scope of work that was awarded to underutilized businesses.

3. Identify scope items from this RFQ which you would solicit interest from underutilized businesses should you be shortlisted.
4. For the Design-Builder’s last four (4) projects completed that were of Projects of Similar Scope and Complexity and which included Underutilized Business Utilization Goals, provide the following information in a tabular format:

- Project name, name of owner, and location.
- Project delivery method (D/B/B, GC/CM, DB, etc.)
- Contract final completion date.
- Contract final value (including change orders).
- Listing of Underutilized Business Enterprises (DBE, SBE, MBE, WBE, MWBE, VBE) inclusion goals, expressed as a percentage of the total contract value, and the actual inclusion achieved.
- Contact information (phone and email) for the Owner’s representative who is familiar with your firm’s inclusion performance. (Note: The Proposer is responsible for ensuring that contact information provided is correct. The inability to contact a reference may have a detrimental impact on the evaluation of qualifications.)

4.0 REQUEST FOR PROPOSALS

Refer to RFQ Section 1.0 for a general overview of the RFP Step of the procurement process. Additional, detailed information will be provided in the final RFP document that will be issued to shortlisted Finalists following evaluation and scoring of the SOQs.

5.0 CONTRACT NEGOTIATION, AWARD, AND EXECUTION

Refer to RFQ Section 1.0 for a general overview of the RFP Step of the procurement process. Additional, detailed information will be provided in the final RFP document that will be issued to shortlisted Finalists following evaluation and scoring of the SOQs.

6.0 GENERAL CONDITIONS

6.1 Questions and Addenda

All RFQ documents will be posted on http://www.e-arc.com/location/tacoma. It is the Proposer’s responsibility to ensure it has received a complete set of documents from the website.

Finalists will be notified on how to access the RFP documents. It is the Proposer’s responsibility to ensure it has received a complete set of documents from the website.

Any Proposer’s questions regarding a perceived discrepancy, deficiency, ambiguity, error, or omission contained in the RFQ or RFP documents, or regarding any provision that the Proposer otherwise fails to understand in relation to the RFQ/RFP or the Project, must be submitted by email to the City’s Senior Buyer (Brandon Snow, bsnow@cityoftacoma.org) at any time until the deadlines stated in RFQ/RFP Section 2.5 – Project Schedule. Questions must specifically reference the Specification Number, Specification Title, and Sections of the RFQ or RFP. Requests of a general nature do not require a Section reference. No further questions will be accepted after the date and time identified for each phase of procurement. The City will publish RFQ questions and any answers on http://www.e-arc.com/location/tacoma
Finalists will be notified on how to access the RFP questions and answers.

The City reserves the discretion to group similar questions to provide a single answer or not to respond when the requested information is confidential.

The City reserves the right to revise, delete, clarify, or otherwise modify the RFQ or RFP at any time before the submittal deadline stated in the RFQ Section 2.5 – Project Schedule. Such revisions, if any, will be announced by written addendum to the RFQ/RFP and the submittal deadline will be updated accordingly.

The City will issue addenda for any changes to the RFQ/RFP, which will become part of the RFQ/RFP. If an addendum is issued, all other provisions in the RFQ/RFP that are not modified remain unchanged. RFQ addenda will be issued on http://www.e-arc.com/location/tacoma. Finalists will be notified on how to access the RFP addenda.

It is the obligation and responsibility of the Proposer to learn of any addenda, responses, or notices issued by the City. Note: some third-party services may independently post City of Tacoma solicitations or other procurement documents on their websites. Proposer relying on such services do so at their own risk.

Proposers shall acknowledge receipt of addenda on the Signature Page (Attachment A).

6.2 Validity of SOQs

Proposers agree that the information included in the SOQs, including Key Personnel, will remain valid and accurate for a minimum of ninety (90) days from submission. Finalists will be required to extend their validation through final selection and the Finalist awarded a DB Contract will be required to extend through contract execution.

6.3 Cost of Preparing Statement of Qualifications

The Proposer is solely responsible for all costs incurred in the preparation and presentation of a SOQ in response to this RFQ.

The City is not liable for any costs incurred by the Proposer in preparation of materials or a SOQ submitted in response to this RFQ, for attending any interviews, or any other activities related to responding to this RFQ.

6.4 No Objections

By submitting an SOQ in response to this RFQ, the Proposer therein infers that they do not object to any of the provisions of this RFQ prior to the SOQ deadline, the Proposer waives all rights to protest the provisions of this RFQ. By submitting an SOQ in response to this RFQ, Proposer agrees that the process, criteria, and requirements described in this RFQ are fair and proper, and that the Proposer has no objection to any provisions of the RFQ.

6.5 Proposer Responsibility in Responding

It is the Proposer’s responsibility to provide a full and complete written response, which does not require interpretation or clarification by the City. The Proposer is to provide all requested materials, forms, and information. During evaluation and scoring (prior to interviews, if any), the City will rely upon the submitted materials and will not accept materials from the Proposer after the RFQ or RFP deadline; however, this does not limit the right of the City to consider additional information independently available to the City (such as references that are not provided by the Proposer but are known to the City, or past experience by the City in assessing the Proposer), or to seek clarifications from the Proposer as needed by the City.
For a Proposer proposing as a joint venture, each member of the joint venture shall separately provide their own individual information where this RFQ requests specific evidence of a Proposer’s qualifications.

Proposers are advised that the City’s ability to evaluate SOQs or Proposals is dependent in part on the Proposer’s submitting SOQs and Proposals that are well-ordered, detailed, comprehensive, and readable. Proposers are responsible for errors and omissions in their SOQs and Proposals. No such error or omission shall diminish the Proposer’s obligations to the City.

Prior to the SOQ or Proposal deadline, a Proposer may make changes to its SOQ or Proposal. No change shall be allowed after the deadline. If any changes are made to the SOQ or Proposal after submitting to the City and prior to the deadline, the Proposer shall contact the Purchasing representative in writing to request the return of SOQ or Proposal. The Proposer will be required to resubmit the SOQ or Proposal package in its entirety.

6.6 Withdrawal
At any time, by written request, a Proposer may withdraw their SOQ.

6.7 Cancellation and Rejection of Statement of Qualifications
The City reserves the right to reject non-responsive SOQs, and may reject all SOQs for any reason at its sole discretion. The City may choose not to award and/or execute a DB Contract even after declaration of the Highest Ranked Finalist. Proposers acknowledge that a Notice of Award Recommendation confers no right of contract. A decision by the City to cancel the RFQ, RFP, and/or not enter into a contract will not be the basis of any claims or causes of action for costs or damages by any Proposers.

6.8 Ex Parte Communications
Proposers are advised to refrain from initiating and/or engaging in communications specific to this procurement with third party agencies, City consultants, and other non-designated employees of the City and its departments who may or may not have knowledge of the Project. These agencies and/or employees are not authorized to represent the interests of the City in this procurement.

Proposers are advised not to rely on any information obtained other than what is provided by the designated City representative Brandon Snow, Senior Buyer, via email at bsnow@cityoftacoma.org.

The City reserves the right to take actions deemed appropriate to the City, up to and including the disqualification of the Proposer/Finalists, for engaging in unauthorized communications deemed detrimental to this procurement.

6.9 Ethics
The Proposer must be aware, familiar and comply with the City’s Code of Ethics contained in Chapter 1.46 of the Tacoma Municipal Code and educate Proposer/Finalist staff accordingly.

6.10 Gifts and Gratuities
A Proposer/Finalist shall not directly or indirectly offer anything of value (such as retainers, loans, entertainment, favors, gifts, tickets, trips, favors, bonuses, donations, special discounts, work, or meals) to any City employee, consultant, volunteer or official.
6.11 Involvement of Current and Former City Employees

A Proposer/Finalist (including officer, director, trustee, partner or employee) must not have a business interest or a close family or domestic relationship with any City official, officer or employee who was, is, or will be involved in selection, negotiation, drafting, signing, administration or evaluating Proposer/Finalist performance. If a Proposer/Finalist has any current or past (within the most recent 24 months) involvement with City employees, officials or volunteers that are working or assisting on this procurement or on the DB Contract, Proposer/Finalist must notify the Purchasing representative. The City shall make sole determination as to compliance.

6.12 Organizational Conflicts of Interests

Organizational Conflict of Interest means that because of other activities or relationships with other persons or entities, a person or entity:

1. Is unable or potentially unable to render impartial assistance or advice to the City; or
2. Is or might be otherwise impaired in its objectivity in performing the contract work; or
3. Has an unfair competitive advantage.

The integrated nature of the DB project delivery method creates the potential for Organizational Conflicts of Interest. Disclosure, evaluation, neutralization, and management of these conflicts and of the appearance of conflicts, is in the interest of the public, the City, and the consulting and construction communities.

The City will take steps to ensure that individuals involved in the preparation of the procurement documents (e.g., RFQ, RFP), evaluation of SOQs and Proposals, and selection of Design-Builder are not influenced by Organizational Conflicts of Interest, and that no Proposer/Finalist is given an unfair competitive advantage over another.

Proposers/Finalists are required to disclose all relevant facts concerning any past, present, or currently planned interests, activities, or relationships which may present an Organizational Conflict of Interest. Proposers/Finalists shall state how their interests, activities, or relationships, or those of the chief executives, directors, Key Personnel, or any proposed consultant, subconsultant at any tier, contractor, or subcontractor at any tier may result, or could be viewed as, an organizational conflict.

If an Organizational Conflict of Interest is determined to exist, the City may, at its sole discretion, offer the Proposer/Finalist the opportunity to avoid or neutralize the Organizational Conflict of Interest; disqualify the Proposer/Finalist from further participation in the procurement; cancel this procurement; or, if Award has already occurred, declare the Proposal non-responsive and Award the DB Contract to the next highest scored Finalist, or cancel the DB Contract. If the Proposer/Finalist was aware of an Organizational Conflict of Interest prior to Award of a DB Contract and did not disclose the conflict to the City, the City may terminate the DB Contract for default.

6.13 Licensing and Registration

All Proposers must be registered pursuant to RCW 18.27 (Registration of Contractors) at the time of SOQ submittal.

Proposers must be registered with the City of Tacoma's Tax and License Division https://www.cityoftacoma.org/government/city_departments/finance/tax_and_license/ at the time of SOQ submittal.
Finalists must meet all the requirements pursuant to **RCW 39.04.350** at the time of the proposal deadline or the City will find the Finalist non-responsible. All Finalists are encouraged to carefully review bidder responsibility criteria and ensure they are responsible bidders at the time of the proposal deadline.

### 6.14 Team Continuity and Changes to Organizational Structure

Part of the evaluation of SOQs will be based on the qualifications of the proposed Key Personnel. A Proposer/Finalist may not, without the written consent of the City, substitute, or change any of the Key Personnel for the duration of the selection process and for the duration of the DB Contract. Requests shall not be unreasonably withheld. All proposed Key Personnel are to be committed throughout the selection process and be available for the post-Proposal Interview. If a Proposer substitutes any Key Personnel prior to Award, the City reserves the right to revise its scoring of that team.

Requests for removal, replacements, and additions shall be submitted in writing. To qualify for approval, the written request shall document that the proposed removal, replacement, or addition will be equal to or better qualified than the Key Personnel provided in the SOQ. The City will use the criteria specified in the RFQ to evaluate all requests.

### 6.15 Requesting Disclosure of Public Records

This procurement is subject to **RCW 39.10.470(3)** which provides that all documents related to a procurement under **RCW 39.10.330** are exempt from disclosure until the notification of the highest scoring Finalist is made in accordance with **RCW 39.10.330(6)** or the selection required under **RCW 39.10.330(3)**.

### 6.16 Public Disclosure Proprietary and Confidential Material Must be Marked

Proposer submittals, all documents and records related to the submittal, and all other documents and records provided to the City by Proposer are deemed public records subject to disclosure under the Washington State Public Records Act, Chapter **42.56 RCW** (Public Records Act). Thus, City may be required, upon request, to disclose the Contract and documents or records related to it unless an exemption under the Public Records Act or other laws applies. In the event City receives a request for such disclosure, determines in its legal judgment that no applicable exemption to disclosure applies, and Proposer has complied with the requirements to mark records considered confidential or proprietary as such requirements are stated below, City agrees to provide Proposer 10 days written notice of impending release. Should legal action thereafter be initiated by Proposer to enjoin or otherwise prevent such release, all expense of any such litigation shall be borne by Proposer, including any damages, attorneys’ fees or costs awarded by reason of having opposed disclosure. City shall not be liable for any release where notice was provided and Design-Builder took no action to oppose the release of information.

If Proposer provides City with records or information that Proposer considers confidential or proprietary, Proposer must mark all applicable pages or sections of said record(s) as “Confidential” or “Proprietary.” Further, in the case of records or information submitted in response to this RFQ or a subsequent RFP, an index must be provided indicating the affected pages or sections and locations of all such material identified Confidential or Proprietary. Information not included in the required index will not be reviewed for confidentiality or as proprietary before release.
If Proposer fails to so mark or index Submittals and related records, then the City, upon request, may release said record(s) without the need to satisfy the requirements to mark confidential or proprietary content above; and Proposer expressly waives its right to allege any kind of civil action or claim against the City pertaining to the release of said record(s). Proposer may not simply mark everything with a document header or footer, page stamp, or a generic statement that a document is non-disclosable, exempt, confidential, proprietary, or protected.

Submission of materials in response to City’s RFQ and RFP shall constitute assent by Proposer to the foregoing procedure and Proposer shall have no claim against the City on account of actions taken pursuant to such procedure.

6.17 The City’s Rights
Throughout the procurement process, the City reserves the right, at its sole discretion, to:

1. Appoint an SAC to review SOQs and Proposals;
2. Investigate the qualifications of any Proposer/Finalist;
3. Seek or obtain data related to the SOQs or Proposals from any source and consider such data in the evaluation of the SOQ/Proposal;
4. Require confirmation of information furnished by a Proposer/Finalist;
5. Hold meetings and conduct discussions and correspondence with the Proposers/Finalists to seek an improved understanding and evaluation of the SOQs or Proposals;
6. Require additional information from a Proposer/Finalist concerning its SOQ or Proposal;
7. Require additional evidence of qualifications to perform the work;
8. Modify the procurement process as permitted by law;
9. Waive minor deficiencies and irregularities in a SOQ or Proposal;
10. Reject any or all SOQs or Proposals;
11. Issue a new RFQ or RFP;
12. Conduct negotiations with the Highest Ranked Finalist prior to award of the Contract;
13. Cancel a Contract signed by the selected Design-Builder but not yet executed by the City; and

6.18 Debriefing
Within ten (10) business days after execution of the DB Contract, the City will be available for an oral debriefing session upon written request made to the City’s Purchasing representative by an authorized representative of an unsuccessful Proposer. Debriefings may include a review of the debriefed Proposer’s points for each evaluation criteria, overall ranking, the strengths and weaknesses of its SOQ and Proposal, and presentation in the interview, and answers to questions regarding the selection process.

6.19 Protests
The City has rules to govern the rights and obligations of Proposers/Finalists that desire to submit a protest to this process. Please see the City website at Protest Policy for these rules.
Proposers/Finalists have the obligation to be aware of and understand these rules, and to seek clarification as necessary from the City.

Protests shall be limited to the solicitation and/or evaluation process. No protest will be accepted when based solely on a challenge to the City’s exercise of discretion or judgement in evaluation of SOQs or Proposals or in making a contract award recommendation. The City will not consider any protest based on items that could have been or should have been raised prior to the published deadline for submitting questions or requesting addenda.

Protests shall be filed and received by the City as instructed in notification letters sent to Proposers/Finalists of the City’s selection decision.

In no event shall a protest be considered if all SOQs or Proposals are rejected.

Failure to comply with these protest procedures will render a protest waived.

END OF REQUEST FOR QUALIFICATIONS
EXHIBITS

Exhibit A
ATTACHMENT A

Signature Page
SIGNATURE PAGE
CITY OF TACOMA
TACOMA WATER

All submittals must be in ink or typewritten, executed by a duly authorized officer or representative of the bidding/proposing entity, and received and time stamped as directed in the Request for Qualifications page near the beginning of the specification. If the bidder/proposer is a subsidiary or doing business on behalf of another entity, so state, and provide the firm name under which business is hereby transacted.

REQUEST FOR QUALIFICATIONS SPECIFICATION NO. TW23-0213F
Tacoma Water New Warehouse/Shops Building and Yard Improvements Project

The undersigned bidder/proposer hereby agrees to execute the proposed contract and furnish all materials, labor, tools, equipment and all other facilities and services in accordance with these specifications.

The bidder/proposer agrees, by submitting a bid/proposal under these specifications, that in the event any litigation should arise concerning the submission of bids/proposals or the award of contract under this specification, Request for Bids, Request for Proposals or Request for Qualifications, the venue of such action or litigation shall be in the Superior Court of the State of Washington, in and for the County of Pierce.

Non-Collusion Declaration
The undersigned bidder/proposer hereby certifies under penalty of perjury that this bid/proposal is genuine and not a sham or collusive bid/proposal, or made in the interests or on behalf of any person or entity not herein named; and that said bidder/proposer has not directly or indirectly induced or solicited any contractor or supplier on the above work to put in a sham bid/proposal or any person or entity to refrain from submitting a bid/proposal; and that said bidder/proposer has not, in any manner, sought by collusion to secure to itself an advantage over any other contractor(s) or person(s).

Bidder/Proposer’s Registered Name

Address

City, State, Zip

Authorized Signatory E-Mail Address


E-Mail Address for Communications

Signature of Person Authorized to Enter into Contracts for Bidder/Proposer Date

Printed Name and Title

(Area Code) Telephone Number / Fax Number

State Business License Number in WA, also known as UBI (Unified Business Identifier) Number

State Contractor’s License Number (See Ch. 18.27, R.C.W.)

Addendum acknowledgement #1_____ #2_____ #3_____ #4_____ #5_____

THIS PAGE MUST BE SIGNED AND RETURNED WITH SUBMITTAL.
ATTACHMENT B

Index of Confidential and Proprietary Information
# Index of Confidential and Proprietary Information

Per Section 6.16 of the RFQ, in the index below, please provide the affected pages or sections and locations of all material identified Confidential or Proprietary.

<table>
<thead>
<tr>
<th>Item Number (if applicable)</th>
<th>Page Number</th>
<th>Section</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
ATTACHMENT C

Surety Letter of Intent Regarding Performance and Payment Bonds
REQUEST FOR QUALIFICATIONS SPECIFICATION NO.  
TW23-0213F  
Tacoma Water New Warehouse/Shops Building and Yard Improvements  
Project  
Surety Letter of Intent Regarding Performance and Payment Bonds

(To be typed on Surety’s Letterhead)

[Attention]

Re: Tacoma Water New Warehouse/Shops Building and Yard Improvements  
Project – Letter of Intent to Issue Security

Dear [___],

____________________________ (“Proposer”) has submitted its Statement of Qualifications (“SOQ”) in response to the Request for Qualifications (“RFQ”) for the Tacoma Water New Warehouse/Shops Building Project (“Project”), issued by the City of Tacoma (“City”) on March 19, 2024, as amended, pursuant to which the Proposer is seeking to be invited to submit a proposal to a subsequent Request for Proposals and be selected to enter into a Design-Build Contract (“Contract”) with the City for this Project.

We have reviewed the Proposer’s SOQ and the RFQ. We hereby certify that, subject to our review of the terms of the final Contract, we intend to issue on behalf of the Proposer, as security for the performance of the Proposer’s obligations under the Contract, a Performance Bond and a Payment Bond for the benefit of the City, in the event that the Proposer is selected for final negotiations and execution of the Contract. While we understand that the Guaranteed Maximum Price has not yet been determined, we understand that from the City’s RFQ estimates that the Guaranteed Maximum Price will likely be in the range of $22,000,000.00. The Performance Bond and Payment Bond will each be in an amount equal to the Guaranteed Maximum Price under the Contract.

________________________________________  
Name of Surety

________________________________________  
Name of Designated Signatory

________________________________________  
Signature

________________________________________  
Title
ATTACHMENT D

Draft Contract
NOTE: THE CONTRACT IS BASED ON A MODIFIED VERSION OF THE DBIA #530 AND #535 DOCUMENTS. A TRACKED CHANGES VERSION OF THE DOCUMENTS WILL BE MADE AVAILABLE TO PROPOSERS UPON WRITTEN REQUEST.

Standard Form of Agreement Between Owner and Design-Builder – Cost Plus Fee with an Option for a Guaranteed Maximum Price
<table>
<thead>
<tr>
<th>Article</th>
<th>Name</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Article 1</td>
<td>Scope of Work</td>
<td>2</td>
</tr>
<tr>
<td>Article 2</td>
<td>Contract Documents</td>
<td>2</td>
</tr>
<tr>
<td>Article 3</td>
<td>Interpretation and Intent</td>
<td>2</td>
</tr>
<tr>
<td>Article 4</td>
<td>Ownership of Work Product</td>
<td>3</td>
</tr>
<tr>
<td>Article 5</td>
<td>Contract Time</td>
<td>4</td>
</tr>
<tr>
<td>Article 6</td>
<td>Contract Price</td>
<td>5</td>
</tr>
<tr>
<td>Article 7</td>
<td>Procedure for Payment</td>
<td>19</td>
</tr>
<tr>
<td>Article 8</td>
<td>Termination for Convenience</td>
<td>20</td>
</tr>
<tr>
<td>Article 9</td>
<td>Representatives of the Parties</td>
<td>20</td>
</tr>
<tr>
<td>Article 10</td>
<td>Bonds and Insurance</td>
<td>21</td>
</tr>
<tr>
<td>Article 11</td>
<td>Other Provisions</td>
<td>21</td>
</tr>
</tbody>
</table>
Standard Form of Agreement Between Owner and Design-Builder – Cost Plus Fee with an Option for a Guaranteed Maximum Price

This document has important legal consequences. Consultation with an attorney is recommended with respect to its completion or modification.

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:
(Name and address)
City of Tacoma
Tacoma Public Utilities, dba Tacoma Water
3628 S 35th St
Tacoma, WA 98409

DESIGN-BUILDER:
(Name and address)

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

Tacoma Water New Warehouse/Shops Building and Yard Improvements Project

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-Build 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.

Article 2

Contract Documents

2.1 The Contract Documents are comprised of the following:

2.1.1 All written modifications, Contract Amendments, minor changes and Change Orders to this Agreement issued in accordance with the Contract Documents, including but not limited to the GMP Amendment in accordance with Section 6.6 herein, provided such Amendment is executed between the parties;

2.1.2 This Agreement, including all exhibits but excluding, if applicable, the GMP Amendment;

- Exhibit A: Owner’s Project Criteria
- Exhibit B1: Insurance Exhibit – Design-Build’s Insurance Requirements
- Exhibit B2: Payment Bond Form
- Exhibit B3: Performance Bond Form
- Exhibit C: Phase 1 and 2 Scope of Services
- Exhibit D: Validation Period Level of Effort
- Exhibit E: Hourly Rates, Unit Prices, and Allowance Items
- Exhibit F: Contract Amendment Forms
- Exhibit G: Change Order Forms

2.1.3 The General Conditions of Contract; and

2.1.4 Initial Project Scope, Design Submissions, the Design Log, and the Construction Documents prepared and approved in accordance with Exhibit C, the most recent approved documents governing over previously approved documents.

Article 3

Interpretation and Intent

3.1 Design-Build and Owner, prior to execution of the Agreement, shall carefully review all the Contract Documents, including but not limited to the various documents comprising the Owner’s Project Criteria, for any conflicts or ambiguities. Design-Build and Owner will discuss and resolve any identified conflicts or ambiguities prior to execution of the Agreement.

3.2 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 after the parties’ execution of the GMP Amendment, Design-Build 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 and Exhibit C.

3.4 If Owner's Project Criteria contain design or prescriptive specifications: Design-Builder shall be entitled to reasonably rely on the accuracy of the information represented in such design or prescriptive specifications and their compatibility with other information set forth in Owner’s Project Criteria, including any performance specifications, for the purposes of developing the Scope of Services for the Validation Period, the Validation Period Not to Exceed Amount, and the Design-Builder’s Fee Percentage set forth in Design-Builder’s Proposal. However, during the Validation Period in Phase 1, Design-Builder is required to perform an independent evaluation of all Owner Provided Information, including but not limited to any design or prescriptive specifications as required in Exhibit C. Further, regardless of the inclusion of design or prescriptive specifications or criteria, Design-Builder shall remain responsible for meeting the performance requirements of the Project, including but not limited to the requirements that the Project meet the Owner’s Project Criteria, the Initial Project Scope, the Basis of Design Documents as well as all applicable Legal Requirements. Provided Design-Builder complies with other requirements set forth in this Agreement such as those regarding notice of claims to Owner and identification of differing site conditions, Design-Builder shall be entitled to an adjustment in the Scope of Services for the Validation Period Scope, the Validation Period Not to Exceed Amount and/or the Design-Builder’s Fee Percentage, but only to the extent Design-Builder's cost and/or time of performance have been adversely impacted by such inaccurate design specification or prescriptive specifications that are inconsistent with meeting the performance requirements.

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. The Contract Documents may not be changed, modified, or altered except in writing signed by the parties.

Article 4

Ownership of Work Product

4.1 Work Product. All drawings, specifications and other documents and electronic data, including but not limited to such documents identified in the General Conditions of Contract and Exhibit C, 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 Interest in Work Product 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 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 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 2.11B 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, maintain, and furnish 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 Owner’s obligation to provide the indemnity set forth in Section 4.5 below, and

4.3.2 Owner shall not be required to pay Design-Builder 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 2.13 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 ten (10) 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 The Validation Period shall be completed no later than January 31, 2025. The parties will establish a date for Phase 1 Completion at the conclusion of the Validation Period and for Substantial Completion of the entire Work during Phase 1 and as part of the GMP Amendment (“Scheduled Substantial Completion Date”).

5.2.2 Interim milestones and/or Substantial Completion of identified portions of the Work (“Scheduled Interim Milestone Dates”) shall be determined during Phase 1. The Parties may establish separate Substantial Completion Dates for portions of the Project. For each Substantial Completion Date, the parties will comply with the process established in Exhibit C. Substantial Completion of the Project shall occur when the last portion of the Project has achieved 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 1.13.F. of Exhibit C.

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 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. Not Used. See Section 2.47 of the General Conditions of Contract.

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) for which liquidated damages are established.

5.6 Owner's Review Time. Unless otherwise set forth in the Contract Documents, the parties have established the following maximum and minimum amount of time for Owner to review Design Submissions and the Project Schedule or any updates thereto unless the parties agree in writing otherwise.

5.6.1 Owner shall have a minimum of 14 days of receipt by Owner to review all Design Submissions, the Project Schedule and any updates thereto.

5.6.2 Owner shall make reasonable efforts to review and (if applicable) provide a response to Design-Builder on all Design Submissions, the Project Schedule and any updates thereto within 21 days of receipt by Owner. If Owner is unable to review and respond within the established timeline, Owner shall provide written notice to Design-Builder.

Article 6

Contract Price

6.1 Contract Price.

6.1.1 Owner shall pay Design-Builder in accordance with Section 1.13 of Exhibit C a contract price ("Contract Price") as set forth herein.

.1 Subject to the provisions of the Contract Documents, the Owner shall pay Design Builder for each Phase of the Project in accordance with Section 6.6 of the Agreement. Design Builder’s compensation shall be subject to the Phase 1 NTE and the GMP, as applicable. The Phase 1 NTE, and the GMP, as applicable, shall be the maximum amount that the Design Builder may be compensated for the applicable Contract Phase, as amended pursuant to this Contract. The maximum amount that the Design Builder may be compensated pursuant to this Agreement for any given phase shall also be referred to as the Contract Price ("Contract Price"). The elements of the Design Builder’s compensation, subject to the Contract Price are set forth herein. If the sum of the Design-Builder’s compensation is less than the Phase 1 NTE and/or the GMP, as applicable, the savings shall go to the Owner. The Contract Price does not include Washington State Sales Tax, which shall be added to progress payments and paid by the Owner pursuant to the Contract.

.2 The parties acknowledge that the scope of work for this Project is not fully developed at the time of execution of the Agreement. The Design-Builder shall develop the Basis of Design Documents and other deliverables in Exhibit C such that the total compensation to the Design-Builder shall not exceed the GMP, unless the parties agree in writing to increase the GMP or the Design-Builder is otherwise entitled to an increase to the GMP pursuant to the terms of the Contract Documents.
6.2 Design-Build’s Fee Percentage.

6.2.1 Design-Build’s Fee Percentage shall be: percent (%) of the Cost of the Work, as adjusted in accordance with the Contract Documents.

6.2.1.1 The Design-Build’s Fee Percentage shall include the following items, which shall not be charged as a Cost of the Work.

.1 All profit of the Design-Build for this Project;
.2 All regional and home office overhead expenses, including labor and materials, phone, facsimile, postage, internet service, and other incidental home office expenses attributed to Work on this Project
.3 All other costs and risk associated with the Project that are not set forth in the Cost of the Work.

6.2.1.2 The Design-Build’s Fee Percentage shall not be applied to the following:

.1 Design-Build’s costs for insurance, bonding, taxes, or permits; and
.2 The Design-Build’s Contingency as defined in Section 6.4.4.1.b.

6.3 Cost of the Work. The term Cost of the Work shall mean costs reasonably and necessarily incurred by Design-Build in the proper performance of the Work. Unless included in the Lump Sum General Condition the Cost of the Work shall include only the following:

6.3.1 Wages of direct employees of Design-Build performing the Work at the Site or, with Owner’s written agreement, at locations off the Site; provided, however, that the costs for those employees of Design-Build 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-Build’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-Build’s personnel stationed at Design-Build’s principal or branch offices, but only to the extent said personnel are identified in Exhibit E and performing the function set forth in said Exhibit.

6.3.4 Unless included in Lump Sum General Conditions Costs, costs incurred by Design-Build for employee benefits, premiums, taxes, insurance, contributions and assessments required by law, collective bargaining agreements, or which are customarily paid by Design-Build, to the extent such costs are based on wages and salaries paid to employees of Design-Build 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-Build’s personnel necessarily and directly incurred in connection with the performance of the Work. Such costs must be in accordance with Section 6.4.5.d below and approved in writing by Owner in advance.

6.3.6 Payments properly made by Design-Build to Subcontractors and Design Consultants for performance of portions of the Work, including any insurance and bond premiums incurred by Subcontractors and Design Consultants.
Contracts with Subcontractors and Design-Consultants that are paid on the basis of a Lump Sum must be approved in advance by the Owner, such approval shall not be unreasonably withheld. Payments to Subcontractors and Design-Consultants shall be consistent with the hourly rates set forth in Exhibit E.

6.3.7 Costs, including transportation, inspection, testing, storage and handling, of materials, equipment and supplies incorporated or reasonably used in completing the Work. The material costs shall be based upon the net cost after all discounts or rebates, freight costs, express charges, or special delivery costs, when applicable. No lump sum costs will be allowed except when approved in writing in advance by the Owner. Discounts and rebates based on prompt payment need not be included, however, if the Design-Builder offered but the Owner declined the opportunity to take advantage of such discount or rebate.

6.3.8 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.

6.3.9 Costs of removal of debris and waste from the Site.

6.3.10 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.

6.3.11 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. The rental charge the applicable rental cost as established by the lower of the local prevailing rate published in the Rental Rate Blue Book by Data Quest or the actual rate paid to an unrelated third party as evidenced by rental receipts. Rates and quantities of equipment rented that exceed the local fair market rental costs shall be subject to the Owner’s prior written approval. Total rental charges for equipment or tools shall not exceed 75% of the fair market purchase value of the equipment or the tool. Actual, reasonable mobilization costs are permitted if the equipment is brought to the site solely for the change in the Work. The rental rates are the maximum rates allowable for equipment of modern design and in good working condition and include full compensation for furnishing all fuel, oil, lubrication, repairs, maintenance, and insurance. When rental rates payable do not include fuel, lubrication, maintenance, and servicing, as defined as operating costs in the Blue Book; such operating costs shall be reimbursed based on actual costs. Equipment not of modern design and/or not in good working condition will have lower rates. Hourly, weekly, and/or monthly rates, as appropriate, will be applied to yield the lowest total cost. The rate for equipment necessarily standing by for future use (and standing by for no longer than two (2) weeks) on the changed Work shall be 50% of the rate established above. The total cost of rental allowed shall not exceed the cost of purchasing the equipment outright. If equipment is required for which a rental rate is not established, the Rental Rate Blue Book, an agreed rental rate shall be established for the equipment, which rate and use must be approved by the Owner prior to performing the Work.

6.3.12 Premiums for insurance and bonds required by this Agreement or the performance of the Work are reimbursable; however, the Design-Builder’s Fee Percentage shall not be applied to the cost for insurance and bond costs.

6.3.13 All fuel and utility costs incurred in the performance of the Work.
6.3.14 Sales, use or similar taxes, tariffs or duties incurred in the performance of the Work; however, the Design-Builder's Fee Percentage shall not be applied to the cost for taxes.

6.3.15 Costs for permits, royalties, licenses, tests and inspections incurred by Design-Builder as a requirement of the Contract Documents; however, the Design-Builder's Fee Percentage shall not be applied to the cost permits.

6.3.16 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.

6.3.17 Deposits which are lost, except to the extent caused by Design-Builder's negligence.

6.3.18 Costs incurred in preventing damage, injury or loss in case of an emergency affecting the safety of persons and property.

6.3.19 Accounting and data processing costs related to the Work.

6.3.20 Other costs reasonably and properly incurred in the performance of the Work to the extent approved in writing by Owner and not included in the Design-Builder's Contingency pursuant to Section 6.4.4.1.b.

6.4 Other Methods of Compensation
Within the Phase 1 NTE or the GMP, the parties may agree to the following methods of pricing Design-Builder's compensation.

6.4.1 Allowance Items and Allowance Values

.1 Any and all Allowance Items, as well as their corresponding Allowance Values, are set forth in the Exhibit E or the GMP Amendment and are included within any established NTE and the GMP, as applicable.

.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.

.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.

.4 The Allowance Value for an Allowance Item includes the direct cost of labor, materials, equipment, transportation, taxes and insurance directly associated with the applicable Allowance Item. All other costs, including design fees, Design-Builder's overall project management and Lump Sum General Conditions Costs, and Design-Builder's Fee Percentage 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.
.5 Whenever the actual cost 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 6.4.1.4; however, Design-Builder must provide written notice of the difference between the actual cost and the Allowance Value pursuant to the Changes provisions in the General Conditions. 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.

6.4.2 Not To Exceed Amounts

.1 The Owner and Design Builder may establish Not to Exceed ("NTE") Amounts for specific scopes of the Work ("NTE Scopes"). Any such NTE Amount will be negotiated between the Owner and Design-Builder pursuant to Section 6.6.1.5 of the Agreement and memorialized through an NTE Amendment in the form attached as Exhibit H.

.2 For each scope of work for which a NTE Amount has been established, the Design-Builder shall be reimbursed for the NTE Scope as a Cost of the Work; however, Design-Builder’s compensation shall not exceed the NTE Amount without a written Change Order.

.3 Design-Builder shall not request reimbursement for costs that are within the NTE Scope unless those costs are identified in the Payment Application as subject to the NTE Amount. Except as allowed in Section 6.4.4.1.b, costs that are within the NTE Scope that are in excess of the NTE Amount shall be the sole responsibility of the Design-Builder.

.4 NTE Amounts and NTE Scopes may only be modified by Change Order pursuant to the General Conditions.

6.4.3 Lump Sums

.1 The Owner and Design-Builder may establish Lump Sums for specific scopes of the Work. Any such Lump Sum will be negotiated between the Owner and Design-Builder. The Lump Sum agreed upon by the Parties shall be incorporated into the GMP Amendment or a Change Order, and the parties shall include the following information:

a. A specific description of the scope of the Work that is subject to the Lump Sum "Lump Sum Scope";

b. An updated Schedule of Values that incorporates the Lump Sum; and

c. Any milestone dates associated with the with the Lump Sum Scope.

.2 For each Lump Sum Scope the parties have established, the Design-Builder shall be compensated pursuant to the Schedule of Values set forth above based on the percentage of the Lump Sum Scope that has been completed, less the amount already paid to Design-Builder for the Work established in the Lump Sum.

.3 Design-Builder shall not request reimbursement for costs that are within the Lump Sum Scope unless those costs are identified in the Payment Application as subject to the Lump Sum. Except as allowed in Section 6.4.4.1.b, costs that are within the Lump Sum Scope that are in excess of the Lump Sum shall be the sole responsibility of the Design-Builder.
.4 Lump Sums may only be modified via Change Order pursuant to the General Conditions.

6.4.4 Contingencies

.1 The Parties shall establish, as part of any NTE and the GMP, the following Contingencies which are available for Design-Builder’s exclusive use for the below described unanticipated costs it has incurred that are not the basis for a Change Order under the Contract Documents (collectively “Contingency Items”). Contingency Items include the costs described below, which are subject to written approval by the Owner. The Owner may, in its discretion, approve other costs that may be reimbursed under a Contingency; however, in no case shall the Design-Builder be entitled to use the Contingency for payment of Liquidated Damages that it may be assessed pursuant to this Agreement.

(a) Cost of the Work Contingency. The Cost of the Work Contingency is reimbursed as a Cost of the Work. The Cost of the Work Contingency is available to the Design-Builder for the following items:

(i) Trade buy-out differentials;

(ii) Escalation of materials; and

(iii) Other direct Costs of the Work that are not included in the Design-Builder’s Contingency, but only with the prior written consent of the Owner.

(b) Design-Builder’s Contingency. The Design-Builder’s Contingency is available to the Design-Builder for items that are not excluded by Section 6.5 hereof and include but are not limited to the following items:

(i) Overtime or acceleration;

(ii) Costs incurred by Design-Builder in repairing or correcting defective, damaged or nonconforming Work, design errors or omissions (excluding 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;

(iii) 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;

(iv) Subcontractor or other tier defaults to the extent not compensated by any surety or bond; or

(v) Costs that are in excess of an NTE Sum or Lump Sum.
.2 Except as set forth in Section 6.4.4.3 below, the Design-Builder shall be reimbursed for Contingency Items in the same manner as set forth in Section 6.3 of the Agreement; however, Design-Builder’s compensation for Contingency Items shall not cumulatively exceed the amount set forth as the Design-Builder’s Contingency in the applicable NTE or GMP without a written Change Order.

.3 Design-Builder shall not be entitled to apply the Design-Builder’s Fee Percentage for items reimbursed under Section 6.4.4.1.b, the Design-Builder’s Contingency.

.4 Prior to the final accounting, the Contingencies are 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 an NTE or GMP under the Contract Documents. Upon mutual agreement between the Design-Builder and the Owner, unspent amounts in a Contingency may be used to fund upgrades, betterments, revised Work or additional Work.

.5 Design-Builder shall provide Owner notice of all anticipated charges against the Contingencies and shall provide Owner as part of the monthly status report required by the General Conditions of Contract and Exhibit C 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 a 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.

### 6.4.5 Lump Sum General Conditions Costs

.1 If the Parties enter into the GMP Amendment, the Parties shall establish an amount for the Lump Sum General Conditions Costs. The Parties shall determine the portions of the Cost of the Work set forth in Section 6.3 that are included in the Lump Sum General Conditions Costs, and the parties shall include a description of such costs in the GMP Amendment. Unless the Parties agree in writing otherwise, the costs that will be included in the Lump Sum General Conditions Costs are as follows:

a. Wages or salaries of Design-Builder’s supervisory and administrative personnel for that portion of time that they are directly 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. Specifically, the following personnel are included in the Lump Sum General Conditions Costs:
   
i. Project Executive
   ii. Project Manager
   iii. Superintendent and/or Construction Manager
   iv. Quality Control Manager
   v. Project Accountant
   vi. Project Field Engineer and/or Design Manager
   vii. Project Controls
   viii. Project Scheduler
ix. Safety Manager

x. Diversity Manager

xi. Project Estimator

b. 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 approved in advance of the performance of the Work in writing by the Owner.

c. 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 this Section.

d. 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 and with the prior written consent of the Owner as set forth below:

i. Meals and Incidental Expenses: Meals and incidental expenses will be limited to the Federal Per Diem rate for meals and incidentals established for the location where lodging is obtained. Federal Per Diem guidelines which includes the meal breakdown and Federal Per Diem rates for other locations can be found at www.gsa.gov.

ii. Lodging: Lodging will be billed at cost, including applicable taxes, not to exceed the Federal Per Diem maximum lodging rate for the location where the work is being performed.

iii. Travel: Air travel (at coach class or equivalent), airport shuttles, etc. billed at cost. Ground transportation by privately owned vehicle, if utilized, billed at the United States Internal Revenue Service mileage rate for privately owned vehicles in effect at the time of travel. Expenses for a rental car (including fuel), at cost, in the ratio of one mid-size class rental car for each three Contractor’s personnel directly engaged in performance of the work at the prevailing rental rates then in effect. Rental car options such as refueling fees, GPS, collision & liability insurance, etc. will not be reimbursed by the Owner unless such options are approved in advance by the Owner’s Representative. Appropriate insurance coverage should be included in the Contractor’s insurance policies.

e. 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. Reasonable petty cash expenses shall not exceed $2,000 per month without prior written approval from the Owner.

f. Accounting and data processing costs related to the Work.

g. Fees paid by the Design-Builder for the approval of Statements of Intent to Pay Prevailing Wages and certification of Affidavits of Wages Paid by the industrial statistician of the State Department of Labor and Industries. The Design-Builder will remain responsible for the actual submittal of the documents to the industrial statistician and the determination of the locality of the work to confirm the appropriate classification of work.
In order to receive this reimbursement, the Design-Builder will be required to submit to Owner a list of its subcontractors at all tiers and have their Statements of Intent to Pay Prevailing Wages on file with the Owner.

h. General administrative costs not specifically listed in this subsection, including but not limited to the following:
   i. Shop Drawing Reproduction
   ii. Construction Schedule & Updates
   iii. Safety/Security
   iv. Field Office Set-up (mobilization/demobilization)
   v. Office Supplies
   vi. Telephone and communications systems, including but not limited to cellular phones and radio systems
   vii. Computer Network/System Set-up, maintenance and support, including but not limited to software and related licenses for computers and building information modeling systems
   viii. Courier Service
   ix. Postage (Fed-X, USPS)
   x. Furniture/Equipment, including but not limited to printers, scanners, and associate costs
   xi. Office Cleaning
   xii. Project Superintendent Vehicle
   xiii. Computers
   xiv. Copy Machine
   xv. Temporary Electric Hook-up/Removal
   xvi. Temporary Electric Material
   xvii. Project Signage
   xviii. Temporary Water Hook-up/Removal
   xix. Drinking Water & Supplies
   xx. Chemical Toilets
   xxi. O&M Manuals
   xxii. Project Record Documents
   xxiii. Field Engineering/Layout Survey

.2 For the Costs of the Work that are included in the Lump Sum General Conditions Costs, the Design-Builder shall no longer be entitled to be reimbursed separately for such costs as part of the Cost of the Work, and the Design Builder’s sole compensation for the costs set forth in the identified General Conditions in this Section 6.4.5 shall be through the Lump Sum General Conditions Costs.

.3 The Owner shall have the right to examine the back-up documentation establishing the Lump Sum General Conditions Costs, including but not limited to all estimates, proposals, contracts and other financial documentation on a transparent basis.
.4 The Lump Sum General Conditions Costs shall only be modified if the Design-Builder is entitled to compensation for a delay pursuant to Section 2.07 of the General Conditions. Any modification to the Lump Sum General Conditions Costs shall be calculated as follows:

a. The Design Builder shall be entitled to receive a liquidated daily rate for extended General Conditions Costs ("Design-Builder's Delay Rate") for each day that the Contract Time for Substantial Completion is extended pursuant to Section 8.2 of the General Conditions.
   i. The Design-Builder’s Delay Rate shall be calculated by dividing the Lump Sum General Conditions Costs by the number of days in the Contract Time set forth in the GMP Amendment for Phase 2.
   ii. Then, the Design-Builder’s Delay Rate is multiplied by the number of days that the Contract Time is extended for Design-Builder’s Delay, subject to a determination of entitlement pursuant to Section 2.08 of the General Conditions.
   iii. The result from the Design-Builder’s Delay Rate multiplied by the number of days the project is delayed pursuant to Section 2.07 of the General Conditions is the Extended General Conditions Costs which shall be added to the Lump Sum General Conditions Costs by Change Order and paid to the Design Builder pursuant to the Schedule of Values, subject to a determination of entitlement pursuant to Section 2.07 of the General Conditions.

b. The Design-Builder’s Delay Rate shall not apply to delays occurring after Substantial Completion is achieved.

c. The Parties agree that determining the Design Builder’s damages for delay in Phase 2 would be extremely difficult or impracticable to determine and that the Design-Builder’s Delay Rate, as calculated in this Section 6.4.5.4, is a reasonable estimate of and reasonable sum for such damages; therefore, the Design-Builder’s Delay Rate shall be payable to the Design Builder as liquidated damages and not as a penalty.

6.4.6 Unit Prices and Hourly Rates

.1 Any Unit Prices and Hourly Rates shall be agreed upon in writing and set forth in Exhibit E to the Agreement. Design-Builder shall not charge more than a specified Unit Price or Hourly Rate than the amount set forth in Exhibit E, as modified through the Contract Documents.

.2 Once established, Unit Prices and Hourly Rates shall not be subject to audit and may only be changed by Change Order.

.3 Design-Builder must maintain a record of the number of Unit Prices and Hours billed using Hourly Rates for review by Owner.

6.5 Non-Reimbursable Costs

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

.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.

.2 Overhead and general expenses, except as provided for in Section 6.3 hereof, or which may be recoverable for changes to the Work.
.3 The cost of Design-Builders capital used in the performance of the Work.

.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 Project Phases

6.6.1 Phase 1

.1 Compensation. During Phase 1, the Design Builder shall be compensated for the following:

a. The Cost of the Work set forth in Section 6.3;

b. Design-Builder’s Fee Percentage set forth in Section 6.2.1 multiplied by the Cost of the Work, less insurance and bonding costs and taxes costs which shall not be multiplied by the Design-Builder’s Fee Percentage; and

c. Contingency Items charged under Section 6.4.4.1.b.

.2 Validation Period. At the beginning of the Project, Design-Builder shall engage in Validation of the Project information as set forth in Exhibit C, Section 2.02 (the “Validation Period”).

a. Validation Period Not to Exceed Amount. The Validation Period Not to Exceed Amount is ________________________ dollars ($__________________). Design-Builder guarantees that its compensation during the Validation Period of Phase 1 Project shall not exceed the Validation Period Not to Exceed Amount (“Validation Period NTE”) established by the Parties. Documents used as a basis for the Validation Period NTE shall be identified in an Exhibit. Design-Builder agrees that it will be responsible for paying all costs of completing the Work which exceed the applicable Validation Period NTE, as adjusted in accordance with the Contract Documents.

b. Validation Period Completion Date. The Validation Period Completion Date is ________________________.

c. Development of Phase 1 Commercial Terms. During the Validation Period, the parties will collaboratively develop the Phase 1 Not to Exceed Amount (“Phase 1 NTE”), Phase 1 Completion Date, the Phase 1 Scope of Work, a Target Budget, a Target Schedule, the Initial Project Scope, and other Submittals for the Project as set forth in Exhibit C. At the conclusion of the applicable Validation Period, provided the parties agree on the applicable terms, the parties shall enter into a Contract Amendment to establish the Phase 1 NTE, the Phase 1 Completion Date, the Target Budget, the Target Schedule, and the Initial Project Scope and to finalize the other Submittals required by Exhibit C.

.3 Design Development Period. Provided the parties enter into a Contract Amendment establishing the Commercial Terms of the Design Development Period, Design-Builder shall engage in the remainder of the Phase 1 activities as set forth in the Contract Documents and the applicable Contract Amendment for the Project.

a. Compensation during the Design Development Period. Design-Builder shall be compensated during the Design Development Period in the same manner as the Validation Period set forth in Section 6.2.2.1 above.
Design-Build guarantees that its compensation for the remainder of Phase 1 shall not exceed the Phase 1 NTE in the applicable Contract Amendment. Documents used as a basis for a Phase 1 NTE shall be identified as an Exhibit to the Contract Amendment. Design-Build agrees that it will be responsible for paying all costs of completing the Work which exceeds the applicable Phase 1 NTE, as adjusted in accordance with the Contract Documents.

b. **Development of the GMP Proposal.** During the remainder of Phase 1, the parties will collaboratively develop the GMP Proposal for the Project pursuant to Exhibit C.

.4 **GMP Proposal.** On the date set forth in the Project Schedule, Design-Build shall submit a GMP Proposal to Owner for the Project which shall include the deliverables set forth in Exhibit C, unless the parties mutually agree otherwise. The GMP Proposal shall include all Work necessary to complete the Project.

a. **Submission of the GMP Proposal.** Submission of the GMP Proposal constitutes Design-Build’s representation and agreement that it has adequately investigated the site and the project parameters, the Project is adequately defined, the Basis of Design Documents are sufficiently defined to provide an accurate GMP and Project Schedule for the Project, and subject to the assumptions and clarifications in the GMP Proposal, the Project is sufficiently clear and understandable for the Design-Build to perform the Work in accordance with the Contract Documents for an amount that will not exceed the Original GMP of the Project, except as amended pursuant to the Contract Documents.

b. **Review and Adjustment to GMP Proposal.** After submission of the GMP Proposal, Design-Build and Owner shall meet to discuss and review 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-Build of such comments or findings. If appropriate, Design-Build shall, upon receipt of Owner’s notice, make appropriate adjustments to the GMP Proposal. To assist in the Owner’s review of the GMP Proposal, the Design Builder shall, upon the Owner’s Request, provide all information, including but not limited to all data, reports, cost analysis, pricing, designs and specifications on which the Design Builder relied or used as a basis for the GMP Proposal. The Owner shall make its best efforts to review any revised GMP Proposal within thirty (30) days of receipt of the revised GMP Proposal.

c. **Acceptance of GMP Proposal.** If Owner accepts the GMP Proposal, as may be amended by Design-Build, the terms of the GMP Proposal shall be set forth in the GMP Amendment. At the Owner’s option, the GMP for the Project may be converted into a Lump Sum.

d. **Failure to Accept the GMP Proposal.** If Owner rejects the GMP Proposal, the GMP Proposal shall be deemed withdrawn and of no effect. In such event, Owner and Design-Build shall meet and confer as to how the Project will proceed, with Owner having the following options:

i. Owner may suggest modifications to the GMP Proposal, whereupon, if such modifications are accepted in writing by Design-Build, the GMP Proposal shall be deemed accepted and the parties shall proceed in accordance with Section 6.6.1.4.c above;
ii. Owner may terminate this Agreement for convenience in accordance with Article 8 hereof and Section 2.11.B of the General Conditions.

e. **Performance of Work After Submission of GMP Proposal.** The Design-Builder shall not perform any Work after the submission of the GMP Proposal until the Owner has approved and signed the GMP Amendment unless the Design-Builder obtains the Owner's prior, written consent to perform such Work and only to the extent that such Work is expressly described in writing in such written consent. If Design-Builder performs such Work, Design-Builder shall be compensated pursuant to the written approval of the Owner.

.5 **Early GMPs.** The parties may agree to establish a GMP for portions of the Work prior to establishing the GMP for the entire Project “Early GMP”.

a. For each Early GMP, the Design-Builder will follow the process set forth in 6.6.1.5 above to establish the Early GMP, the scope associated with the Early GMP (the “Early GMP Scope”), and the schedule associated with the Early GMP Scope (“the Early GMP Schedule”).

b. For each Early GMP, the parties shall determine the deliverables applicable to each Early GMP Proposal prior to its submission.

c. Early GMPs will be established through an Early GMP Amendment, which shall follow the same form as Exhibit F.

6.6.2 **Phase 2, Post GMP Period**

.1 **Compensation.** During Phase 2 for the Project, the Design Builder shall be compensated for the following, all subject to the GMP for the Project:

a. The Cost of the Work set forth in Section 6.3;

b. Design-Builder’s Fee Percentage established pursuant to Section 6.2;

c. Any Lump Sum amounts established pursuant to Section 6.4.3;

d. Contingency Items charged under Section 6.4.4.1.b;

e. Design-Builder’s Lump Sum General Conditions Costs established pursuant to Section 6.4.5;

f. Any Allowances established by the Parties in the GMP Amendment

g. Any Incentive payments established by the Parties in the GMP Amendment.

.2 **GMP** The Guaranteed Maximum Price (“GMP”) is the total compensation to the Design-Builder as set forth in the GMP Amendment that shall establish a binding GMP between the Parties for the Project. Design Builder agrees that it will be responsible for paying all costs of completing the Phase 2 Work which exceed the GMP for the Project, as adjusted in accordance with the Contract Documents. Execution of a GMP Amendment constitutes Design Builder’s representation and agreement to the following:
a. The Project is adequately defined, that the Basis of Design Documents are sufficiently defined to provide an accurate GMP for the Project;

b. The Project is sufficiently clear and understandable for the Design Builder to perform the Work in accordance with the Contract Documents for an amount that will not exceed the applicable GMP and within the Project Schedule; and

c. If the Work cannot be completed for the agreed GMP, any additional costs shall be the responsibility of the Design Builder, and Design Builder hereby assumes liability for such costs without reimbursement by the Owner.

.3 If the parties decide to convert any GMP into a Lump Sum, Design-BUILDER shall be compensated pursuant to Section 6.4.3 of the Agreement.

6.6.3 Savings and Incentives.

.1 If the sum of the actual Design-BUILDER’s Compensation 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 go 100% to the Owner.

.2 The Parties may establish Incentive payments to the Design-BUILDER as part of the GMP Amendment.

Article 7

Procedure for Payment

7.1 Progress Payments.

7.1.1 Design-BUILDER shall submit to Owner on the fifteenth (15th) day of each month, beginning with the first month after the Date of Commencement, Design-BUILDER’s Application for Payment in accordance with Section 1.13 of Exhibit C.

7.1.2 Owner shall make payment within thirty (30) days after Owner’s receipt of each properly submitted and accurate Application for Payment in accordance with Section 1.13 of Exhibit C, but in each case less the total of payments previously made, and less amounts properly withheld under Section 1.13 of Exhibit C.

7.1.3 If the parties have established a Lump Sum, the Design-BUILDER shall be paid pursuant to Section 6.4.3 of the Agreement.

7.2 Retainage on Progress Payments.

7.2.1 The Owner will withhold retainage pursuant to RCW Chapter 60.28, and Owner shall release such retainage pursuant to state law. Pursuant to RCW Chapter 60.28, the Design-BUILDER may submit a bond in lieu of the retainage that the Owner would otherwise keep under the terms of this Contract and pursuant to applicable law. Any such bond submitted in lieu of retainage must be on form acceptable to the Owner. In the event the Design-BUILDER fails at any time to pay persons protected under RCW Chapter 60.28 or the Owner has reason to believe that the Owner or other obligee under the bond has a claim against the retainage or for other good cause, the Owner may, at its option, resume retaining from monies earned by the Design-BUILDER in such amount as it would otherwise be entitled to retain had the bond not been accepted. Notwithstanding the Owner’s resuming such retainage, said bond shall remain in full force and effect to the extent of its penal sum, limited to the amount of retainage released to the Design-BUILDER.
After the Design-Builder has paid protected persons or otherwise cured any default, the Owner may, at its option, again release retainage pursuant to the terms of the bond. Any costs associated with the Bond in Lieu of Retainage shall be Design-Builder's sole responsibility.

### 7.3 Final Payment
Design-Builder shall submit its Final Application for Payment to Owner in accordance with Section 1.13 of Exhibit C. Owner shall make payment on Design-Builder's properly submitted and accurate Final Application for Payment pursuant and subject to RCW Chapter 60.28 and RCW Chapter 39.08 and all applicable laws and regulations, provided that Design-Builder has satisfied the requirements for final payment set forth in Section 1.13 of Exhibit C.

### 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 statutory rate of interest.

### 7.5 Record Keeping and Finance Controls
Design-Builder acknowledges that this Agreement is to be administered on an Open Book Basis relative to Costs of the Work and all other reimbursable costs set forth in the Agreement.

#### 7.5.1 Design-Builder and all subcontractors and subconsultants 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 on an Open Book Basis. During the performance of the Work and for a period of six (6) years after Final Payment, Owner and Owner's accountants and auditors, the Washington State Auditor, and other governmental agencies entitled to audit the records shall be afforded access to, and the right to audit from time to time, upon reasonable notice, Design-Builder’s and all subcontractors and subconsultants of any tier 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 six (6) 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 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**

Not Used - See Section 2.11.B of the General Conditions of Contract

### 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: (Identify individual’s name, title, address and telephone numbers.)

**9.1.2** Owner designates the individual listed below as its Owner’s Representative, who shall be responsible for providing Owner supplied information in a timely manner to permit Design-Builder to fulfill its obligations under the Contract Documents. Owner’s Representative shall be responsible for provided notices to the Design-Builder and shall communicate regularly with the Design-Builder. (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:  

(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 1.04.A of Exhibit C:  

(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.


Article 11

Other Provisions

11.1 Other provisions, if any, are as follows:  

(Insert any additional provisions)

11.2 Off Site Prefabricated Items.

11.2.1 In accordance with RCW 39.04.370, Design-Builder shall submit certain information about off-site, prefabricated, nonstandard, project specific items produced under the terms of the contract and produced outside Washington as a part of the Affidavit of Wages Paid form filed with the Washington State Department of Labor and Industries.

11.3 Nondiscrimination. No individual shall be excluded from participation in, denied the benefit of, subjected to discrimination under, or denied employment in the administration of or in connection with this contract because of age, sex, race, color, religion, creed, marital status, familial status, sexual orientation, national origin, honorably discharged veteran or military status, the presence of any sensory, mental or physical disability, or use of a service animal by a person with disabilities. Specifically, and without limitation, Design-Builder and its subcontractors and subconsultants of any tier are prohibited from the following:

11.3.1 Refusing to hire any person because of age, sex, marital status, sexual orientation, gender identity, race, creed, color, national origin, citizenship or immigration status, honorably discharged veteran or military status, the presence of any sensory, mental, or physical disability, or the use of a trained dog guide or service animal by a person with a disability, unless based upon a bona fide occupational qualification: PROVIDED, That the prohibition against discrimination because of such disability shall not apply if the particular disability prevents the proper performance of the particular worker involved: PROVIDED, That this section shall not be construed to require an employer to establish employment goals or quotas based on sexual orientation;
11.3.2 Discharging or barring any person from employment because of age, sex, marital status, sexual orientation, gender identity, race, creed, color, national origin, citizenship or immigration status, honorably discharged veteran or military status, the presence of any sensory, mental, or physical disability, or the use of a trained dog guide or service animal by a person with a disability;

11.3.3 Discriminating against any person in compensation or in other terms or conditions of employment because of age, sex, marital status, sexual orientation, gender identity, race, creed, color, national origin, citizenship or immigration status, honorably discharged veteran or military status, the presence of any sensory, mental, or physical disability, the use of a trained dog guide or service animal by a person with a disability: PROVIDED, That it shall not be an unfair practice for an employer to segregate washrooms or locker facilities on the basis of sex, or to base other terms and conditions of employment on the sex of employees where the commission by regulation or ruling in a particular instance has found the employment practice to be appropriate for the practical realization of equality of opportunity between the sexes; or

11.3.4 Printing or circulating, or causing to be printed or circulated, any statement, advertisement, or publication, or to use any form of application for employment, or to make any inquiry in connection with prospective employment, which expresses any limitation, specification, or discrimination as to age, sex, marital status, sexual orientation, gender identity, race, creed, color, national origin, citizenship or immigration status, honorably discharged veteran or military status, or the presence of any sensory, mental, or physical disability, the use of a trained dog guide or service animal by a person with a disability, or any intent to make any such limitation, specification, or discrimination, unless based upon a bona fide occupational qualification: PROVIDED, That nothing contained herein shall prohibit advertising in a foreign language.

11.4 Business Registration Requirement. Design-Builder represents and warrants that it and all of its subconsultants, subcontractors and suppliers are properly licensed to perform the work for which they are contracted and have all applicable business licenses, including but not limited to any licenses or registrations required by the State of Washington and any other regulatory authority. Design-Builder shall be solely responsible for contacting the State of Washington Business License Services at http://bls.dor.wa.gov or 1-800-451-7985 to obtain a business registration.

11.5 Contractor’s Registration Requirement. Design-Builder represents and warrants that it and all of its subconsultants, subcontractors and suppliers performing construction work are properly licensed pursuant to RCW 18.27.

11.6 Submission of Information Regarding Utilization and Inclusion

11.6.1 Design-Builder and its subcontractors and designers shall submit to Owner and project information required by RCW 39.10.320 regarding plans for inclusion of underutilized businesses as subcontractors and suppliers including, but not limited to, businesses certified by the Office of Minority and Women Business Enterprises (“OMWBE”), Veteran Certified Businesses, and Small Businesses.

11.6.2 Design-Builder shall submit to Owner and the Washington State Office of Minority and Women’s Business Enterprises its utilization of businesses certified by the OMWBE and Veteran Certified Businesses as required in RCW 39.10.330(8).

11.6 No Party is Drafter

Each party has had an opportunity to negotiate the provisions of this Agreement and its Exhibits and attachments, and neither party shall be construed as the drafter.

11.7 Successorship
Design-Builder and Owner intend that the provisions of the Contract Documents are binding upon the parties, their employees, agents, heirs, successors and assigns.

11.8 **Headings**

The headings used in any Contract Document, are for ease of reference only and shall not in any way be construed to limit or alter the meaning of any provision.

11.9 **Further Assurances**

Design-Builder shall promptly execute and deliver to Owner all such instruments and other documents and assurances as are reasonably requested by Owner to further evidence the obligations of Design-Builder hereunder, including assurances regarding assignments of Subcontracts contained herein.

11.10 **Turn Over of Designs and Drawings**

Upon final acceptance or termination of this Contract, the Owner shall be entitled to, and the Design-Builder shall turn over to the Owner, all such designs, drawings, tracings and the like prepared pursuant to this Contract, except for record copies, which the Design-Builder may use for its internal reference purposes subject to the nondisclosure provisions of this Contract, which shall survive the completion or termination hereof.

11.11 **Limitation on Third Party Beneficiaries**

Except as expressly provided in this Contract (such as warranty and indemnity provisions), it is not intended by any of the provisions of this Contract to create any other third party beneficiary under this Contract or to authorize anyone not a Party to maintain a suit for personal injury or property damage pursuant to the terms or provisions hereof. Except as otherwise provided in this Section 11.11, the duties, obligations and responsibilities of the Parties pursuant to this Contract with respect to third parties shall remain as imposed by law.

11.12 **Entire Agreement**

The Contract Documents contain the entire understanding of the parties with respect to the subject matter hereof and supersede all prior agreements, understandings, statements, representations and negotiations between the parties with respect to its subject matter.
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:  

(Name of Owner)  

(Signature)  

(Printed Name)  

(Title)  

Date: 

DESIGN-BUILDER:  

(Name of Design-Builder)  

(Signature)  

(Printed Name)  

(Title)  

Date:  

Caution: An original DBIA document has this caution printed in blue. This is a printable copy and an original assures that changes will not be obscured as may occur when documents are reproduced.
Questions? We’re here to help.

Contact us

Design-Build Institute of America
1001 Pennsylvania Ave. NW, Suite 410
Washington, DC 20004

(202) 682-0110
dbia@dbia.org
### NOTE TO PROPOSERS: This Exhibit A may be negotiated with the successful Design-Build to reflect the Design-Build's approach to the Project Criteria.

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.01</td>
<td>Project Location</td>
<td>4</td>
</tr>
<tr>
<td>1.02</td>
<td>Project Background</td>
<td>4</td>
</tr>
<tr>
<td>1.03</td>
<td>Project Goals</td>
<td>5</td>
</tr>
<tr>
<td>1.04</td>
<td>Project Scope</td>
<td>5</td>
</tr>
<tr>
<td>1.05</td>
<td>Project Success Criteria</td>
<td>6</td>
</tr>
<tr>
<td>1.06</td>
<td>Opportunities and Challenges</td>
<td>7</td>
</tr>
<tr>
<td>1.07</td>
<td>Project Budget</td>
<td>7</td>
</tr>
<tr>
<td>1.08</td>
<td>Project Schedule</td>
<td>7</td>
</tr>
<tr>
<td>1.09</td>
<td>Project Stakeholders</td>
<td>9</td>
</tr>
<tr>
<td>1.10</td>
<td>Reference Documents</td>
<td>10</td>
</tr>
<tr>
<td>1.11</td>
<td>Summary of Work</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>A. Project Description</td>
<td></td>
</tr>
<tr>
<td></td>
<td>B. Contract Method</td>
<td></td>
</tr>
<tr>
<td></td>
<td>C. Permit Conditions</td>
<td></td>
</tr>
<tr>
<td></td>
<td>D. Anticipated Construction Completion Schedule</td>
<td></td>
</tr>
<tr>
<td></td>
<td>E. Design-Build Use of Site</td>
<td></td>
</tr>
<tr>
<td></td>
<td>F. Construction Documents</td>
<td></td>
</tr>
<tr>
<td>1.12</td>
<td>Permits and Fees</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>A. Permits paid for by Owner</td>
<td></td>
</tr>
<tr>
<td></td>
<td>B. Permits Paid for by Design-Build</td>
<td></td>
</tr>
<tr>
<td></td>
<td>C. Permit Records</td>
<td></td>
</tr>
<tr>
<td></td>
<td>D. Utility Service Connection Fees Paid for by Owner</td>
<td></td>
</tr>
<tr>
<td></td>
<td>E. Utility Service Connection Fees Paid for by Design-Build (Temporary)</td>
<td></td>
</tr>
<tr>
<td>1.13</td>
<td>Unit Prices</td>
<td>13</td>
</tr>
<tr>
<td>1.14</td>
<td>Substitutions</td>
<td>14</td>
</tr>
<tr>
<td>1.15</td>
<td>Contract Modification</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td>A. General</td>
<td></td>
</tr>
<tr>
<td></td>
<td>B. Documentation of Costs</td>
<td></td>
</tr>
<tr>
<td></td>
<td>C. Changes to Contract Time</td>
<td></td>
</tr>
<tr>
<td></td>
<td>D. Request for Information (RFI)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>E. Architect’s Supplemental Instruction (ASI)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>F. Construction Change Direction (CCD)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>G. Change Order Proposal (COP)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>H. Change Order (CO)</td>
<td></td>
</tr>
<tr>
<td>1.16</td>
<td>Application for Payment</td>
<td>18</td>
</tr>
<tr>
<td></td>
<td>A. Section Includes</td>
<td></td>
</tr>
<tr>
<td></td>
<td>B. Schedule of Values</td>
<td></td>
</tr>
<tr>
<td></td>
<td>C. Prior to Application for Progress Payment</td>
<td></td>
</tr>
<tr>
<td></td>
<td>D. Applications for Progress Payments</td>
<td></td>
</tr>
<tr>
<td></td>
<td>E. Application for Final Payment</td>
<td></td>
</tr>
<tr>
<td>1.17</td>
<td>Project Management and Coordination</td>
<td>20</td>
</tr>
</tbody>
</table>
A. Project Management
B. Coordination
C. Pre-Construction Conference
D. Progress Meetings

1.18 **Construction Schedule**

A. General
B. Format
C. Schedules
D. Updating Schedules
E. Submittal and Distribution of Schedule

1.19 **Submittals**

A. Submittal Procedures
B. Subcontractor and Supplier List
C. Shop Drawings
D. Product Data
E. Samples
F. Design-Build Review
G. Resubmittals
H. Architect Review

1.20 **Alternations Project Procedures, Cutting and Patching**

A. Regulatory Requirements
B. Qualifications
C. Quality Assurance
D. Protection
E. Existing Conditions
F. Products / Materials for Patching and Extending Work
G. Execution Coordination
H. Alternation Project Procedures
I. Cutting and Patching
J. Existing Items for Reuse

1.21 **Quality Control**

A. References
B. Design-Build’s Quality Assurance / Control of Construction
C. ADA Tolerances
D. Manufacturer’s Instructions

1.22 **Construction Facilities and Temporary Controls**

A. Description
B. Protection of Existing Utilities
C. Disposal of Waste Materials
D. Temporary Electricity
E. Temporary Lighting
F. Temporary Telephone
G. Temporary Water Service
H. Temporary Sanitary Facilities
I. Temporary Heat
J. Temporary Ventilation
K. Temporary Dehumidification
L. Building Materials Acclimatization and Dry Out
M. Temporary Barriers and Traffic Control
N. Temporary Storage
O. Protection of Existing and Installed Work
P. Security
Q. Access Roads
R. Progress Cleaning
S. Environmental Procedures
T. Machinery and Equipment Restrictions
U. Emergency Contacts
V. Construction Parking

1.23 **Product Requirements**

A. Products
B. Transportation and Handling
C. Storage and Protection
D. Product Options

1.24 **Execution Requirements**

A. General
B. Examination
C. Preparation
D. Installation
E. Progress Cleaning
F. Starting and Adjusting
G. Protection of Installed Construction
H. Correction of the Work

1.25 **Closeout**

A. Final Cleaning
B. Adjusting
C. Extra Stock
D. Project Record Documents
E. AHJ Approved Permit Drawing Set
F. Operation and Maintenance Data
G. Warranties
H. Spare Parts and Maintenance Manuals
I. Punch List

Appendix 1 – Tacoma Water 20-Year Master Plan
1.01 Project Location

A. The Project will be constructed on the site of the existing Tacoma Water Operations facility located in central Tacoma near the intersection of South Union Ave and S 35th St, at 3506 S 35th St. The existing circa 1937 Water Operations building currently occupies the site and will be required to continue operations during construction of the Project. The existing building currently houses warehousing, shop activities, crew facilities and office spaces and is located in the northwest corner of the property.

Fig 1. Aerial photo of Tacoma Water property, February 2024

1.02 Project Background

A. In 2015, Tacoma Water completed the All-Hazards Vulnerability Assessment. Three different probabilistic earthquake scenarios were analyzed (Tacoma Fault, Cascadia Subduction and the South Whidbey Island earthquakes scenarios) to understand the impacts to the existing building. It was noted in the Tacoma fault scenario, it is likely the building would completely collapse. If the Cascadia Subduction zone scenario were to occur, it is likely there would be substantial damage to the building rendering the building unsuitable for occupation (red tagged).

B. In 2019, Tacoma Water received information from a consultant that it would cost approximately 12 million dollars to renovate the existing building and bring it to a seismic resiliency for a 475-year return event where the building would likely not be inhabitable after a significant earthquake.

C. In 2021, Tacoma Power completed a TPU Master Plan indicating the current footprint of the existing building is not adequate for the future growth of Tacoma Water operations. To incorporate the additional square footage and a longer planning horizon, work was halted on the seismic retrofit design of the existing building at the 30% design level and a new alternatives analysis was started.

D. The 2022 Alternatives Analysis indicated the construction of a new, seismically resilient facility was the preferred and economical choice.
E. In 2023, Tacoma Water started work to develop a 20-Year Master Plan (Master Plan) for the Water Operations site that includes Phase 1 to design and construct a new Warehouse and Shops facility. This project is the first phase of what is anticipated to be a larger, multi-phased, multi-year expansion and renovation of the Tacoma Water site. It is anticipated that future phases of work will be budgeted and constructed separately from the Project. Supplemental documents used for the development of the Master Plan while not part of this RFQ are posted with the solicitation for background purposes.

1.03 Project Goals

A. The Owner has established the following Project Goals:

1. Execute a successful, collaborative Progressive Design-Build (PDB) Process to produce the envisioned Project. The Design-Build Team will develop and utilize a collaborative relationship between the Owner, its stakeholders, and the Design-Build Team to exceed the Project Goals within the Owner’s budget and schedule and demonstrating exemplary design and project management.

2. Maximize Design Within Limited Budget. The Design-Build Team will leverage the efficiencies of the progressive design-build process through innovative and lean design and construction techniques that provides an efficient and effective design with the most scope and programming within the Owner’s established budget and is flexible with respect to its use over time and allows for expansion for future phases of the facility.

3. Optimize Quality, Operations, and Revenue. The Design-Build Team will assist the Owner in selecting amenities and features of the facility that will create a high quality facility, minimize operations and maintenance costs, and help meet the facility’s revenue goals, all while being responsive to the input of stakeholder groups.

4. Improve Tacoma Water Operations with appropriately sized spaces, better workflow, and adjacencies that create efficiency between functions and departments.

5. Provide a facility that has a high degree of seismic resiliency, as is appropriate for an essential warehouse, shops and operations facility.

6. Accommodate anticipated twenty-year (20) year growth projections for the functions included in Phase 1 of the Master Plan.

B. Underutilized Business Participation and Inclusion goals are important to the City of Tacoma. The City’s over-arching annual goal for MBE, WBE, and SBE/DBE combined is 20%, which the City often exceeds. The City may also include goals for LEAP (Local Employment and Apprenticeship Program). Specific goals for this Project are expected to be published at the time of the RFP.

1.04 Project Scope

A. The Tacoma Water 20-Year Master Plan is found in Appendix 1. The Master Plan included an extensive programming effort to determine square footage needs by function. Additional information is provided in this section to clarify project scope.

1. During the Validation Period, the Design-Builder will be asked to propose additional alternatives to accomplish the programmatic spaces in Phase 1 of the Master Plan. The Design-Builder will be asked to calculate Life-Cycle Costs for a short list of the Owner’s final alternatives.

2. The Project is to design and construct a new, approximately 45,000 square foot
warehouse/shops building.

3. The project will include covered or partially covered loading dock space.

4. The new facility will be located on the existing site taking into consideration the site layout alternatives from the Master Plan. Layouts that reduce or avoid the relocation of utilities are preferred.

5. The new building will be seismically resilient to the 2475-year return period event and constructed to the level of “essential” facility that operates twenty-four (24) hours a day, seven (7) days a week.
   a. The new building will house but may not be limited to the following operational functions: warehousing, pipe shop, tool room, meter shop, hydrant/flushing shop, and their associated staff and support areas.
   b. The new building or some other agreed upon alternative will house but may not be limited to the following functions: crew rooms, operations offices, safety office, and their associated staff and support areas.

6. At the completion of the project, no staff will report to the existing circa 1937 building or work inside the existing building on a full-time basis. The existing building may remain operational for part-time use.

7. Offices, workstations, and meeting rooms will follow the Tacoma Public Utilities (TPU) Workplace Planning and Management Standard and Water Amendment which is commonly referred to as ‘TPU Space Standards.’

B. The new facility will be constructed while the current warehousing and shops operations continue to function from the existing Water Operations building twenty-four (24) hours a day, seven (7) days a week.

C. The Project will plan and provide for the temporary relocation and/or re-establishment of functions displaced by the construction of the warehouse/shops facility, such as vehicle loading area (in lieu of existing dock), yard storage, dump station, materials, and equipment and any other functions displaced by the construction zone and that the Owner deems necessary for continuous operations.

D. Demolition may be required depending on the chosen layout and building location.

E. The Project will include all required onsite and offsite improvements required by the City.

F. The Project may include relocation of utilities.

G. The Project will be subject to City requirements.

1. Preliminary comments from the Pre-Application with the City are available for review in the Master Plan Appendix.

H. The Project may include miscellaneous yard improvements that will optimize yard storage capacity, efficiency and flexibility.

I. The Project may include additional work from Phase 2 of the Master Plan.

1.05 Project Success Criteria

A. Reduce seismic risk to operational continuity.

B. Maximize operational efficiency with functional spaces and adjacencies for operational effectiveness.

C. Promote unity and cohesion within Tacoma Water by co-locating Tacoma Water
employees in directly adjacent buildings.

D. Design spaces and building(s) in a modular manner to accommodate possible future layout changes and expansion.

E. Be good stewards of the environment. Meet City environmental objectives related to green buildings (City Resolution 38249).

F. Minimize operational disruptions during construction and after construction (reduce or eliminate need for temporary operations of shops and warehouse, provide adequate yard spaces).

G. Minimize capital cost, including any temporary structures. Plan phases of construction well.

H. Provide desirable employee work environment.

I. Enhance safety.

J. Manage risk from permitting, environmental review, and historical and cultural resource review.

1.06 Opportunities and Challenges

A. Refer to Master Plan Section 1.3 Site and Building Concepts for opportunities, challenges, and constraints.

B. Tacoma Water is party to a Development Agreement between the City of Tacoma, BNSF Railway Company, and a developer (Bridgepoint Industrial) for the sale of a portion of land on the south edge of Tacoma Water's property for the construction of a new public road. The Master Plan assumes the land for the road is not available for Tacoma Water's Project.

1.07 Project Budget

A. The City’s project budget for design and construction is $22,000,000.

1.08 Project Schedule

A. The City’s project schedule is as follows:

<table>
<thead>
<tr>
<th>Key Milestones</th>
<th>Target Date(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Step 1 – RFQ Phase</strong></td>
<td></td>
</tr>
<tr>
<td>RFQ Released for Advertisement</td>
<td>March 19, 2024</td>
</tr>
<tr>
<td>RFQ Pre-Proposal Meeting</td>
<td>March 26, 2024 at 11:00 AM PDT</td>
</tr>
<tr>
<td>Deadline for Submitting Questions</td>
<td>April 2, 2024 at 3:00 PM PDT</td>
</tr>
<tr>
<td>Last Day for City Response to Questions and to Issue Addenda</td>
<td>April 8, 2024</td>
</tr>
<tr>
<td>Statement of Qualifications Deadline</td>
<td>April 23, 2024 at 11:00 AM PDT</td>
</tr>
<tr>
<td>Evaluation of SOQs</td>
<td>April 24-May 2, 2024</td>
</tr>
<tr>
<td>Notification of Selected Finalists</td>
<td>May 6, 2024</td>
</tr>
<tr>
<td><strong>Step 2 – RFP Phase</strong></td>
<td></td>
</tr>
<tr>
<td>2-day Statutory Waiting Period</td>
<td>May 7-8, 2024</td>
</tr>
</tbody>
</table>
# Exhibit A
## Tacoma Water
### Tacoma Water New Warehouse/Shops Building and Yard Improvements Project
#### Project Criteria

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>RFP Issued</td>
<td>May 13, 2024</td>
</tr>
<tr>
<td>One-on One (Proprietary) Meeting</td>
<td>May 20-22, 2024</td>
</tr>
<tr>
<td>Deadline for Submitting Questions</td>
<td>May 24, 2024 at 3:00 PM PDT</td>
</tr>
<tr>
<td>Last Day for City Response to Questions and to Issue Addenda</td>
<td>May 30, 2024</td>
</tr>
<tr>
<td>Proposal Deadline</td>
<td>June 11, 2024 at 11:00 AM PDT</td>
</tr>
<tr>
<td>Proposal Evaluation</td>
<td>June 12-28, 2024</td>
</tr>
<tr>
<td>Interviews</td>
<td>July 1-3, 2024</td>
</tr>
<tr>
<td>Opening of Cost Factor Proposal</td>
<td>July 5, 2024</td>
</tr>
<tr>
<td>Announcement of Highest-Ranked Finalist</td>
<td>July 9, 2024</td>
</tr>
<tr>
<td>4-day Statutorily Required Waiting Period</td>
<td>July 10-July 15, 2024</td>
</tr>
<tr>
<td>Design-Build Contract and Phase 1 (Pre-GMP) Fee/Scope Negotiations</td>
<td>July 16-August 13, 2024</td>
</tr>
<tr>
<td>Design-Build Contract Execution (on or around)</td>
<td>September 25, 2024</td>
</tr>
</tbody>
</table>

## Project Execution

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Validation/Programming/Schematic Design (0-30% Design)</td>
<td>September 2024-January 2025,</td>
</tr>
<tr>
<td>Phase 1 - Pre-GMP Design (0-60% Design)</td>
<td>September 2024-August 2025</td>
</tr>
<tr>
<td>Owner Schematic Design Review/Approval (Drawings, Cut-Sheets, Cost Estimate)</td>
<td>February 2025</td>
</tr>
<tr>
<td>Permitting - Site Development ROW Work Order Review (Submit @ 30% Design)</td>
<td>February 2025-May 2025</td>
</tr>
<tr>
<td>Design Development (30-60% Design)</td>
<td>February 2025-May 2025</td>
</tr>
<tr>
<td>Owner Design Development Review/Approval (Drawings, Outline Specs, Cost Estimate)</td>
<td>May 2025</td>
</tr>
<tr>
<td>Negotiate GMP Amendment</td>
<td>May 2025-June 2025</td>
</tr>
<tr>
<td>Permitting – Site Development Permit Review (Submit @ 60% Design)</td>
<td>May 2025-September 2025</td>
</tr>
<tr>
<td>Board Review &amp; Approval of GMP Amendment</td>
<td>July 2025</td>
</tr>
<tr>
<td>GMP Amendment Executed (on or before)</td>
<td>August 2025</td>
</tr>
<tr>
<td>Site Development Permit Available</td>
<td>October 2025</td>
</tr>
<tr>
<td>Phase 2 - Final Design, Permitting, Bidding &amp; Construction</td>
<td>September 2025-March 2027</td>
</tr>
<tr>
<td>Phase 2 Design (60-100% Design)</td>
<td>September 2025-March 2026</td>
</tr>
<tr>
<td>Permitting – Early Foundation Permit &amp; Building Permit (submit @ 80% Design)</td>
<td>November 2025-March 2026</td>
</tr>
<tr>
<td>Early Site Development and Foundation Construction</td>
<td>October 2025-April 2026</td>
</tr>
<tr>
<td>Early Foundation Permit Available</td>
<td>February 2026</td>
</tr>
<tr>
<td>Owner 90% Design Review/Approval (Drawings, Specs, Cost Estimate, Schedule)</td>
<td>January 2026</td>
</tr>
<tr>
<td>Construction Documents (100% Design) Complete</td>
<td>March 2026</td>
</tr>
<tr>
<td>Building Permit Available</td>
<td>March 2026</td>
</tr>
<tr>
<td>Building Construction</td>
<td>March 2026-February 2027</td>
</tr>
<tr>
<td>Substantial Completion/Occupancy Permit</td>
<td>December 2026</td>
</tr>
</tbody>
</table>
Punchlist & Closeout | January 2027-February 2027
---|---
Final Completion | March 2027
Warranty Period | December 2026-November 2027

### 1.09 Project Stakeholders

A. The City’s project stakeholders are as follows:

<table>
<thead>
<tr>
<th>Title</th>
<th>Department</th>
<th>Stakeholder Role</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water Superintendent</td>
<td>TPU Executive Management</td>
<td>Strategic decision making</td>
</tr>
<tr>
<td>Division Manager</td>
<td>Planning &amp; Engineering</td>
<td>Project Advising</td>
</tr>
<tr>
<td>Division Manager</td>
<td>Maintenance &amp; Construction</td>
<td>Asset Owner</td>
</tr>
<tr>
<td>Engineering Manager</td>
<td>Planning &amp; Engineering</td>
<td>Project Sponsorship</td>
</tr>
<tr>
<td>Civil Engineer, Principal</td>
<td>Planning &amp; Engineering</td>
<td>Project Manager</td>
</tr>
<tr>
<td>Operations Managers</td>
<td>Maintenance &amp; Construction</td>
<td>Project Team</td>
</tr>
<tr>
<td>Construction Manager</td>
<td>Planning &amp; Engineering</td>
<td>Project Team</td>
</tr>
<tr>
<td>Construction Inspector</td>
<td>Planning &amp; Engineering</td>
<td>Project Team during Construction</td>
</tr>
<tr>
<td>Engineering Office Coordinator</td>
<td>Planning &amp; Engineering</td>
<td>Procurement</td>
</tr>
<tr>
<td>Project Management &amp; Construction</td>
<td>Parametrix, Inc.</td>
<td>Owner’s Advisor</td>
</tr>
<tr>
<td>Electrical Engineering</td>
<td>Planning &amp; Engineering</td>
<td>SME</td>
</tr>
<tr>
<td>Warehouse Supervisor</td>
<td>Maintenance &amp; Construction</td>
<td>SME</td>
</tr>
<tr>
<td>Meter Shop Lead</td>
<td>Maintenance &amp; Construction</td>
<td>SME</td>
</tr>
<tr>
<td>Pipe Shop Lead</td>
<td>Maintenance &amp; Construction</td>
<td>SME</td>
</tr>
<tr>
<td>Tool Room Lead</td>
<td>Maintenance &amp; Construction</td>
<td>SME</td>
</tr>
<tr>
<td>Hydrant Shop Lead</td>
<td>Maintenance &amp; Construction</td>
<td>SME</td>
</tr>
<tr>
<td>Technology</td>
<td>Tacoma Power UTS</td>
<td>SME</td>
</tr>
<tr>
<td>HVAC</td>
<td>Tacoma Power Facilities</td>
<td>SME</td>
</tr>
<tr>
<td>Landscaping</td>
<td>Tacoma Power Grounds</td>
<td>SME</td>
</tr>
<tr>
<td>Security</td>
<td>TPU Security</td>
<td>SME</td>
</tr>
<tr>
<td>Safety</td>
<td>TPU and Tacoma Water Safety</td>
<td>SMEs</td>
</tr>
<tr>
<td>Legal</td>
<td>TPU Legal and Outside Counsel</td>
<td>Contracting &amp; Procurement</td>
</tr>
<tr>
<td>Risk Analyst</td>
<td>Risk &amp; Insurance</td>
<td>Contracting</td>
</tr>
<tr>
<td>Senior Buyer</td>
<td>Purchasing</td>
<td>Procurement &amp; Contracting</td>
</tr>
<tr>
<td>Communications</td>
<td>TPU Communications</td>
<td>Public facing communications</td>
</tr>
</tbody>
</table>

B. The City has procured an Owner’s Advisor, Parametrix, Inc., for the duration of the Project. The Owner’s Advisor may act on behalf of the Owner when so directed by the Owner.

### 1.10 Reference Documents
A. Reference documents (inclusive of reference documents provided at time of RFQ) are being made available to the Design-Builder at the start of Phase 1 Validation Period. The Design-Builder is responsible for reviewing and updating the list during the project with additional documents obtained or developed by the Design-Builder. The City may also update the Reference Document list from time to time with new information via addenda to the RFP or amendments to the Design-Build Contract.

B. The Design-Builder is expected to use the survey from 2023 (AHBL) for the Project. Additional survey points are the responsibility of the Design-Builder unless they are agreed upon in writing to be at Owner’s request.

1.11 Summary of Work

A. Project Description
   1. The work of the project is defined by the Contract Documents and consists of the Project Scope defined in Section 1.04 herein.
   2. Provide materials, labor, equipment, temporary facilities and construction expertise as required to complete the Project as shown in the Contract Documents.
   3. Design-Builder represents that they have carefully examined prior to proposing, Contract Documents and site conditions, and understands the character, quality and quantity of work called for and conditions affecting the Contract Work.

B. Contract Method
   1. Design and construct the Work under the terms of the Progressive Design-Build Contract.
   2. The Design-Builder is responsible for coordinating, understanding and directing the work of trades involved in the project.
   3. Design-Builder is responsible for coordinating and scheduling work of each subcontractor to expedite progress of the Project. Cooperate and coordinate with any other separate Contractors under Contract with the Owner. The Design-Builder shall involve the City’s assigned Representative in all communication with the tenant department where work is occurring, and shall to the extent possible conduct all such communication through the City’s Representative throughout the project.
   4. The Design-Builder shall not make changes, or modifications to the scope of work, or any alteration to the scope set forth in the finalized design plans and remaining specifications without the consent of the City’s assigned Project Manager. Such consent shall be communicated by the City’s assigned Project Manager in writing. The Design-Builder shall not accept on-site direction from tenant department staff as approval, acceptance, or agreement to any modification or scope of work changes to any portion of the work herein described, as authorization for any such modification or alteration. Upon such requests the Design-Builder shall direct tenant department staff to contact the City’s assigned Project Manager directly, and that no changes can be made without the Project Manager’s approval per the specifications stated herein.

C. Permit Conditions
   1. Conform to permit conditions and requirements imposed by authority(s) having jurisdiction.
2. Comply with limitations on use of public streets and with other requirements of authorities having jurisdiction. Design-Builder is responsible for coordinating and paying for the cost of any special permit requirements for staging and delivery of materials within the right-of-way.

3. Maintain a notebook on site with copies of all permits and inspection reports. Include same in Maintenance and Operation Manuals furnished at conclusion of project.

4. The Owner will pay directly for fees required for all permanent service connections to utilities (natural gas, electricity, water, sewer, telecommunications). Make all final connection application(s) required, advise Owner when connection fee is ready for payment, and notify Owner of all pertinent permit payment details so that payment can be made.

5. If a SEPA is required, the City will be the Lead Agency.

D. Anticipated Construction Completion Schedule

1. Substantially complete all the work within 250 Calendar Days (estimated 12 months) after Notice to Proceed.
   a. Anticipated Notice to Proceed: March 2026
   b. Anticipated Substantial Completion Date: December 2026

2. Early completion of the work is allowed provided the Owner shall not be obligated for any costs associated with delays to the Design-Builder accelerated schedule which are within the stipulated contract completion schedule above.

E. Design-Builder use of Site

1. The Design-Builder has direct responsibility for and control of the Design-Builder occupied construction areas for the duration of the Project, subject to this Section.

2. Design-Builder’s Use of Site: Limit use of the site for work, storage and access only as required to achieve work of this contract. Design-Builder shall maintain a clean and secure site.
   a. Design-Builder will not use customer or employee parking lots to park equipment and store materials.
   b. Owner will not reserve parking stalls for the Design-Builder’s or subcontractor’s vehicles. Exceptions will require Owner’s approval in writing.
   c. Craft labor will not park in Tacoma Public Utilities’ or Tacoma Water’s customer or employee parking lots. Design-Builder is responsible for communicating this to Subcontractors, vendors, delivery trucks or any vehicle at the site for purpose of the Project. Owner is not responsible if vehicles are towed when parked in customer or employee lots.
   d. Design-Builder and Craft labor will not park along 35th Street in front of any Tacoma Public Utilities or Tacoma Water buildings.

3. Design-Builder’s Materials / Equipment: Limit storage of materials and equipment to within Design-Builder occupied construction areas. Any storage outside of construction areas must be agreed upon in writing with Owner.

4. Emergency Vehicle Access: Maintain access roadway and fire lanes on site for use by emergency vehicles. Design-Builder will coordinate requirements with
5. Access Routes to Construction Areas: Design-Builder shall maintain site access routes in a clean and safe manner free of construction materials, debris and dirt. Maintain access to existing walkways, sidewalks, parking spots, entrances, and other adjacent occupied or used facilities. Do not close or obstruct walkways, sidewalks, parking spots, entrances, or other occupied or used facilities without written approval of authorities having jurisdiction.
   a. The Construction Area is within a secured perimeter. Access to secured area will be negotiated with Owner before work commences.

6. Public Safety: Design-Builder is responsible for performing a safety analysis for the construction work on the project site and shall:
   a. Implement and enforce conclusions from safety analysis for duration of Project.
   b. Maintain site in a manner that prevents any unsafe or potentially unsafe condition.

7. Construction Areas: Monitor to prevent unauthorized persons from entering during construction work. After work hours remove ladders and tools.
   a. Design-Builder shall assume full responsibility for the protection and safekeeping of products under this Contract, stored on the site.
   b. Design-Builder shall assume full responsibility for the protection and safekeeping of the Design-Builder’s and Sub-contractor’s vehicles, equipment, and tools at the work location.
   c. Owner is not responsible for the safekeeping and protection of Design-Builder’s and Sub-contractor’s vehicles, equipment, tools, materials whether inside or outside the Construction Area.

8. Owner Occupancy During Construction: Owner will occupy site and existing building during entire construction period, EXCEPT the Owner will provide access to areas of the building or site as needed for Design-Builder to complete work to the extent possible for continued operation of the building and site. Design-Builder shall coordinate in advance with Owner for access to areas of work to be performed. It is understood that Tacoma Water Maintenance and Construction crews will remain operational twenty-four (24) hours a day, seven (7) days a week throughout the construction process.
   a. Design-Builder to provide temporary barriers to separate areas of work for security and safety.
   b. Coordinate with the City’s assigned Inspector during construction operations to minimize conflicts and facilitate Owner usage.
   c. Perform the Work so as not to interfere with Owner’s day-to-day operations. Tacoma Water emergency work is intermittent and unscheduled. Operations crews must be able to access existing building, yard, fleet, and equipment and materials at any hour on any given day.
   d. Maintain existing exits at all times.

9. Noise: Coordinate operations that may result in high levels of noise and vibration, odors, or other disruptions with the Owner. Design-Builder work hours and noise levels shall comply with Tacoma Municipal Code, Chapter 8.122 – Noise Enforcement.
Exhibit A
Tacoma Water
Tacoma Water New Warehouse/Shops Building and Yard Improvements Project
Project Criteria

1. Construction and demolition activity which exceeds the noise limits of Tacoma Municipal Code Section 8.122.060(a) is not allowed between 9pm and 7am on weekdays.

2. Construction and demolition activity which exceeds the noise limits of Tacoma Municipal Code Section 8.122.060(a) is not allowed between 9pm and 9am on weekends and federal holidays.

10. Design-Builder shall provide a site-specific safety plan in accordance with Exhibit C 3.07.

F. Construction Documents


2. The Design-Builder is responsible for costs to reproduce the Construction documents.

1.12 Permits and Fees

A. PERMITS PAID FOR BY OWNER: The Owner will pay for the Site Development Permit and Building Permit as issued by the City of Tacoma and is outside of the contract.

B. PERMITS PAID FOR BY DESIGN-BUILDER: Design-Builder is responsible to acquire and pay for all other permits and fees required by all other agencies having jurisdiction. These may include: electrical, plumbing permits and dumpster or right of way permits.

C. PERMIT RECORDS: Maintain notebook on site with copies of all permits and inspection reports. Include same in Maintenance and Operation Manuals furnished at conclusion of project.

D. UTILITY SERVICE CONNECTION FEES PAID FOR BY OWNER (Permanent) The Owner will pay directly for fees required for all permanent service connections to utilities (natural gas, electricity, water, sewer, telecommunications). Make all final connection application(s) required, advise Owner when connection fee is ready for payment, and notify Owner of all pertinent permit payment details so that payment can be made.

E. UTILITY SERVICE CONNECTION FEES PAID FOR BY DESIGN-BUILDER (Temporary) A. Pay for all utility service connection fees required by utility vendors that are required for temporary use during the course of construction.

1.13 Unit Prices

A. Administrative and procedural requirements for unit prices and allowances.

B. Unit Pricing

1. A unit price is stated as a price per unit of measurement for materials or services added to or deducted from the Contract Sum by appropriate modification, if estimated quantities of Work required by the Contract Documents are increased or decreased.

C. Procedures

1. Unit prices include all necessary equipment, labor, materials including cost for delivery, installation or removal, disposal, insurance, applicable taxes, overhead, and profit.

2. Owner reserves the right to reject Design-Builder’s measurement of work-in-
Exhibit A  
Tacoma Water  
Tacoma Water New Warehouse/Shops Building and Yard Improvements Project  
Project Criteria

place that involves use of established unit prices and to have this work measured, at Owner's expense, by an independent surveyor acceptable to Design-Builder.

1.14 Substitutions

A. Furnish and install products in accordance with options and conditions for substitutions stated in this Section.

1. Where specified only by performance or reference standards, select a product meeting standards by any Manufacturer.

2. Where specified by naming several products or Manufacturers, select any product and Manufacturer named.

3. Where specified by naming one or more products, but indicating "or approved" or similar wording after specified listing, select specified product or submit Request for Product Substitution on attached form.

4. Where specified by naming only one product and Manufacturer, there is no option, and no substitution will be allowed.

B. Substitutions

1. After execution of GMP, the Owner may, at their option, consider certain other substitutions submitted in accordance with requirements of this Section. Indicate one or more of the following reasons for request:

   a. Substitution is required for compliance with final code interpretation requirements, or insurance regulation.

   b. Specified product is unavailable through no fault of Contractor.

   c. Subsequent information discloses specified product unable to perform properly or fit designated space.

   d. Manufacturer or fabricator refuses to certify or guarantee performance of specified product, as required.

   e. Substitution saves substantial cost, time. (Submit accurate cost and/or time data for proposed substitution in lieu of product specified.

2. In making request for Substitution, Manufacturer/Design-Build represents

   a. It has personally investigated proposed product and, in their opinion, it is equal or superior in all respects to that specified.

      i. Substantiate whenever requested by Architect or Engineer.

   b. It will coordinate installation of accepted substitution into the Work and guarantees to complete it in all respects.

   c. It has identified any and all changes, if any, required to other portions of the Work as a result of the proposed product.

   d. It will provide the same or an improved guarantee for the proposed substitution as for the specified product.

   e. It waives all claims for additional costs related to the proposed substitution that consequently become apparent.

   f. It agrees to pay all of the Owner's additional costs related to the proposed substitution that consequently become apparent, such as redesign expenses, utility and service relocations, etc.

   g. Cost data is complete and includes all related costs under its Contract,
but excludes:

i. Cost under separate Contractors.

ii. Design Consultants' redesign, unless designated.

h. Substitutions will not be considered if:

i. They are indicated or implied on Shop Drawings or other submittals without proper submittal on attached Form.

ii. Acceptance will require substantial revisions of Contract Documents

i. Design-Builder shall pay Architect or Engineer and his Consultants for time required to review substitutions, if requested.

j. Architect or Engineer is sole judge of suitability of substitution and decision is final.

3. Acceptance

a. Accepted substitutions change the work of the Project. They will be documented and incorporated into work of the project by Change Order, Construction Change Directive, Architectural Supplementary Instructions, or similar instruments provided for in the Conditions of the Contract.

1.15 Contract Modification

A. General

1. A monetary change to the GMP is only implemented by a Change Order.

2. Requests for Information (RFIs), Architect’s Supplemental Instruction (ASI), and Submittals transmissions shall be reviewed for approval and signed by Owner for requests and responses. Design-Builder to establish separate numbering systems to track RFIs, ASIs, and Submittals.

B. Documentation of Costs

1. All actual or proposed costs, whether initiated by a Change Order Proposal or Change Order, shall be summarized on forms acceptable to the Owner, with all necessary substantiating documentation attached thereto.

2. Estimates of Not-to-Exceed costs may only be used for the purpose of expediting the Work

3. The Owner reserves the right to request notarized time sheets, invoices and other documentation as necessary to protect the public interest.

4. The Design-Builder’s quotations shall be valid for 60 days.

C. Changes to Contract Time

1. The Design-Builder shall make every effort to comply with the Contract Dates of Substantial and Final Completion.

2. The Design-Builder may not make claim for costs or losses associated with the use of float time, if any, between anticipated completion dates and the Contract Dates of Substantial and Final Completion.

3. Only impacts on critical path activities which can be documented as delaying the
Contract Date of Substantial Completion shall be considered for changes in the Contract Time. Design-Builder shall be responsible for showing clearly on the Progress Schedule that the change or event: had a specific impact on the critical path, and except in case of concurrent delay, was the sole cause of such impact; and could not have been avoided by resequencing of the Work or other reasonable alternatives.

D. Request for Information (RFI)
1. Prepared by Design-Build Contractor and distributed to Owner and Architect.
2. Form provided by Architect, or on a form approved by the Owner and the Architect.
3. Response provided by Architect.
4. Distributed by the Owner following acceptance of Architect response.
5. Contractor must either
   a. Proceed upon receipt of response if no cost impact, or,
   b. Submit a statement of cost impact within 7 days of receipt of response.
      i. If cost impact is justified, Owner shall issue a CCD and/or COP.
      ii. If cost impact is not justified, Owner will issue a Notice to Proceed, directing the Contractor to proceed with the Work in question, with no change to the Contract Sum.
6. RFIs and responses to RFIs shall be numbered consecutively. RFIs reissued for additional clarification or information shall be given decimal extensions (e.g. 12.1).
7. Responses shall be recorded weekly on record drawings and specifications.

E. Architect's Supplemental Instruction (ASI)
1. Prepared by Architect or Engineer.
2. Form provided by Architect or Engineer.
3. No change in time or cost as determined by Architect or Engineer.
4. Acceptance by Owner required prior to issuance to Contractor.
5. Transmitted to Contractor for signature.
6. Contractor must either:
   a. Proceed upon receipt
   b. Submit a state of cost impact within 7 days of receipt.
      i. If cost impact is justified, Owner shall issue a CCD and/or COP.
      ii. If cost impact is not justified, Owner will issue a Notice to Proceed, directing the Contractor to proceed with the work in question, with no change to the Contract sum.
7. Architect's or Engineer's Supplemental Instructions shall be numbered consecutively. Reissued ASIs shall be given decimal extensions (e.g. 17.1). Changes shall be recorded weekly on record drawings and specifications.

F. Construction Change Directive (CCD)
1. Issued by Owner in response to:
a. An unresolved Architect’s or Engineer’s Supplemental Instruction.
b. The absence of agreement on Change Order Proposal costs submitted by Contractor.
c. The need to expedite the work and avoid delays

2. Form provided by Architect or Engineer.

3. Signed by Owner.

4. Contractor must proceed immediately with the work identified in the CCD.

5. Method of adjustment of the Contact Sum shall be determined per General Conditions

G. Change Order Proposal (COP)

1. Issued by Owner and distributed to Design-Builder.

2. Design-Builder must provide cost data and substantiating documentation within 14 days of receipt of COP.

3. All costs must be summarized on the forms provided by the Owner, utilizing the fees indicated.

4. Direct costs of labor and fringe benefits shall be limited to the amounts shown in Statements of Intent to pay Prevailing Wages. Additional labor burden costs shall be limited to actual costs substantiated in writing by the Design-Builder and approved by the Owner.

   a. All indirect costs, including but not limited to such items as insurance, taxes, (except Sales Tax), general conditions, small tool allowance, plant and equipment costs, and the like, shall be included in the fees as provided for on the forms, which shall not exceed the percentages specified in the Contract.

5. Prime Contractor Change Order Proposal to the Owner, must be submitted together with all necessary substantiating documentation.

6. Each subcontractor or sub-subcontractor of any tier must prepare and submit, through the Design-Builder, all of its costs together with all necessary substantiating documentation.

7. Architect or Engineer makes recommendation.

8. Owner accepts or rejects:

   a. Owner prepares Change Order, or,

   b. Owner requests additional cost data, and/or

   c. Owner may issue Notice to Proceed to expedite Work

9. Accepted and signed COP is binding on both Owner and Design-Builder. It is the Notice to Proceed and authorization to do the work as soon as practical.

10. COPs shall be numbered consecutively. Reissued COPs shall be given decimal extensions.

11. Changes shall be recorded on record drawings and specifications.

H. Change Order (CO)

1. Prepared by Owner.
2. May include several COPs
3. Shall be signed by the Design-Builder as soon as practicable.
4. Change Orders shall be numbered consecutively.
5. Changes shall be marked on record drawings and specifications.
6. Costs may be included in Applications for Payment following approval of the Change Order by Owner.

I. Minor Changes in the Work

1. Minor changes in the Work do not involve an adjustment in the Contract Price and/or Contract Time(s) and do not materially and adversely affect the Work, including the design, quality, performance and workmanship required by the Contract Documents. Design-Builder may make minor changes in the Work consistent with the intent of the Contract Documents, provided, however, that Design-Builder shall promptly inform Owner, in writing, of any such changes and record such changes on the documents maintained by Design-Builder.

1.16 Application for Payment

A. Section Includes

1. Procedures for preparation and submittal of applications for progress payments.
2. Procedures for preparation and submittal of application for final payment

B. Schedule of Values

1. Forms: Use AIA G703 or other form agreed to by the Engineer or Architect & Owner for the Schedule of Values.
2. Electronic media printout including equivalent information will be considered in lieu of standard form specified; submit draft to Engineer or Architect for approval.
3. Forms filled out by hand will not be accepted.
4. Submit Schedule of Values electronically within 15 days after the Notice to Proceed.
5. Format: Utilize the Table of Contents of this Project Manual. Identify each line item with number and title of the specification section. Identify site mobilization, bonds and insurance, and Design-Builder’s General Conditions.
   a. Provide additional breakdown of line items if requested by the Architect or the Owner’s Representative.
6. Revise schedule to list approved Change Orders, with each Application for Payment.

C. Prior to Application for Progress Payment

1. Submit Design-Builder’s Construction Schedule for information and Submittal Schedule.
2. Submit a list of all Subcontractors and Suppliers.
3. City of Tacoma LEAP Program Documentation Forms

D. Applications for Progress Payments

1. Payment Period: Submit monthly.
2. Forms: Use modified AIA G702 or other form provided by or agreed to by the Engineer or Architect & Owner for Applications for Payment.
   a. Application for Payment must identify sales tax as a separate item.

3. Electronic media printout including equivalent information will be considered in lieu of standard form specified; submit sample to Architect or Engineer for approval.

4. Forms filled out by hand will not be accepted.

5. For each item, provide a column for listing each of the following:
   a. Item Number.
   b. Description of work.
   c. Scheduled Values.
   d. Previous Applications.
   e. Work in Place and Stored Materials under this Application.
   f. Authorized Change Orders.
   g. Total Completed and Stored to Date of Application.
   h. Percentage of Completion.
   i. Balance to Finish.
   j. Retainage


7. Use data from approved Schedule of Values. Provide dollar value in each column for each line item for portion of work performed and for stored products.
   a. Stored Materials: Requests for payment on materials stored shall be for materials properly stored on the site. Materials stored off-site may be included subject to the following conditions:
      i. A paid invoice from Supplier is provided.
      ii. Materials are stored in a secure facility.
      iii. Design-Builder and its bonding company accepts total responsibility for the stored materials

8. List each authorized Change Order as a separate line item, listing Change Order number and dollar amount as for an original item of work.

9. Submit one electronic and three hard-copies of each Application for Payment.

10. Include the following with the application:
    a. Transmittal letter as specified for submittals.
    b. Partial release of liens from major subcontractors and vendors.
    c. Affidavits attesting to off-site stored products

11. When Architect requires substantiating information, submit data justifying dollar amounts in question.

12. Submit City of Tacoma LEAP Program Documentation Forms.

E. Application for Final Payment
1. Prepare Application for Final Payment as specified for progress payments, identifying total adjusted Contract Sum, previous payments, and sum remaining due.

2. Application for Final Payment will not be considered until the following have been accomplished:
   a. All closeout procedures specified in Section 01 78 00.
   b. Satisfactory completion of the following:
      i. Ensure that unsettled claims will be settled. Receipt by the Owner of General Release of Liens.
      ii. Receipt by the Owner of proof of all project tax payments to the State of Washington Department of Revenue and Department of Labor and Industries for the entire length of the project.
      iii. Receipt by the Owner of release by the Washington State Employment Security Department.
      iv. Receipt by the Owner of all approved Affidavit of Wages Paid.
      v. Punch list items complete and accepted.
      vi. Contract closeout document submittals received and accepted.
      vii. Original documentation of all required permits signed off by Authorities Having Jurisdiction.
      viii. Submittal of Operating and Maintenance Data.
   c. LEAP Program Documentation Forms.

3. Retainage payment will be made separately. Once all completion and release forms have been received, the retainage payment may be released and a Final Acceptance Letter issued by the Owner.

1.17 Project Management and Coordination

A. Project Management

1. Validation and Design: Owner's project team consists of staff who are very involved in day-to-day Tacoma Water operations.
   a. Shorter (sixty to ninety minute) meetings are preferred over long workshop sessions.
   b. In person meetings will offer a hybrid (virtual) option.

2. General: Provide direct, effective, experienced, cooperative, team-oriented, hands-on management of the Work including the daily construction operations on the project site and that part of the Work that the Design-Builder chooses to delegate to Subcontractors / Suppliers.
   a. Project management personnel shall be employees of the Design-Builder and shall not be subcontracted, or delegated to others.
   b. Failure to provide the specified project management personnel is a breach of Contract and subject to Owner's termination of Contract for cause.
   c. Site Management Personnel: This Project requires a minimum of one (1)
project management personnel on the Project site as follows:

i. Superintendent on site full time.

ii. If Superintendent is not available, a representative of the Design-Build Contractor to be onsite any time work is performed.

iii. The Project Manager, Engineer, Safety Manager and Construction Quality Manager as required.

iv. The management personnel listed herein are minimums and shall not be construed as limiting the Design-Build from employing additional or other types of management personnel.

3. SUPERINTENDENT: Employ a Project Superintendent to oversee, direct, and manage the construction of the Work and including, but not limited to, the following minimum characteristics and responsibilities:

a. A good communicator, organized, effective and capable of managing multiple tasks, difficult personalities and tight deadlines without losing self-control or management effectiveness.

b. Trained, knowledgeable and experienced in jobsite safety and shall be responsible for managing safety issues on site in conformance with Federal, State and Local regulations.

c. Superintendent shall become thoroughly familiar with the requirements of the Contract Documents before work is started.

d. Responsible for executing the Work in conformance with the Construction Schedule specified so that Project is completed on time.

e. Oversee and direct the work of Subcontractors and suppliers and confirm they are conforming to the requirements of the Contract Documents.

f. Jointly with the Project Engineer, coordinate the Work of this project as specified under "Coordination" in this section.

g. Responsible for determining the means and methods used to execute the Work.

h. Responsible for managing and controlling the quality of the Work (including work by Subcontractors) in conformance with the Contract Documents and good construction practice.

i. Responsible for coordinating with the local Building Department and Building Inspector(s) inspections and requirements.

j. Responsible for coordinating the final inspections required by Authorities having jurisdiction required for issuance of the Certificate of Occupancy.

k. Responsible for inspecting the work and preparing the Design-Build’s Punch List.

B. Coordination:

1. General

a. Ensure efficient and orderly installation of each part of the Work.

b. Coordinate different work and trades that depend on each other for property installation, connection, and operation.

c. No additional compensation will be approved for extra work incurred
through the lack of cooperation and coordination.

2. Coordination Planning and Administration: Plan out the Work in advance and anticipate the interrelationships between each subcontractor and their relationship to the overall Project.
   a. Provide the leadership, direction and decisions necessary to prevent subcontractor and supplier problems and disputes from affecting the project schedule or the quality of the work.
   b. Coordinate scheduling, submittals, and Work of the various sections of Specifications to assure proper, efficient and orderly sequence of preparation and installation of interdependent construction elements, with provisions for accommodating items installed later.
   c. Hold coordination meetings with each trade to determine Work requiring coordination with other trades / sections.
   d. Verify that utility requirement characteristics of operating equipment are compatible with building utilities. Coordinate work of various sections having interdependent responsibilities for installing, connecting to, and placing in service, such equipment.

3. Coordination Drawings: Before materials are fabricated or Work begun, prepare coordination drawings including plans, elevations, sections and other details as required to clearly define relationships between Work sharing the same space / area, or installed within or passing through Work by other trades so as to avoid any conflicts.
   a. Calculate, backcheck and lay out the horizontal dimensions in conformance with the design concept indicated on the Drawings.
   b. Consult with Owner whenever available space or conditions do not permit any element of the Work to be accomplished in conformance with the design concept indicated on the Drawing.
   c. When requested by Owner, provide copy of coordination drawings; submit with any Request for Information involving coordination issues.
   d. Distribute coordination drawings to affected Subcontractors / suppliers.

4. Subcontractor Coordination: Provide direct supervision and coordination of each Subcontractor and each part of the Work; require each Subcontractor to coordinate their portion of the Work and provide their requirements for coordination of their Work with other related Work
   a. Schedule such work so as to prevent delays in dependent work and so that related work will progress together.
   b. Fully inform each trade or Subcontractor of the relation of its work to other work, and require each to make necessary provisions for the requirements of such other work.
   c. Do not delegate Subcontractor coordination responsibility to any subcontractor.

5. Sequence of Work Coordination: Coordinate the Work of trades and other sections to ensure that elements of the work are installed in their proper sequence, without the need for unplanned modifications to work already installed.

6. Completion and Closeout Coordination: Coordinate the efficient completion and
closeout of the Work by each Subcontractor.

a. Coordinate completion and cleanup of Work of separate trades in preparation for Completion.

b. After substantial completion, coordinate access to site for correction punch list items; minimize disruption to the building occupants if applicable.

7. Existing Conditions Coordination

a. Lay out and mark existing utilities requiring protection or which remain operational or active during construction, to prevent any accidental damage or disruption of Tacoma Water operations during this Project.

8. Coordination with Owner

a. Cooperate with the Owner to resolve any scheduling or construction coordination concerns or problems that arise during the course of this Project and coordinate the work accordingly to minimize the disruption to the Owner and to the construction schedule.

b. Schedule shutdowns of existing equipment, utilities and building systems with the Owner.

c. Coordinate with the Owner for the scheduling of any construction activities that could potentially disturb or threaten the life safety of any site occupants involving the building structure, chemical fumes and smells, noise, change of exiting or access, blocking of any site path or road, or that could potentially result in disruption or damage to any existing utility or system. Work that involves any of these potential disturbances, poses a threat to life safety, or involves any element of risk to site occupants shall be subject to the Owner’s direction to accomplish this work at a time when the site is not occupied.

d. Coordinate with and follow Owner’s security procedures and requirements to maintain site and area / room security throughout the Project.

e. Coordinate deliveries in advance with the Owner. Schedule delivery times so that Owner’s use of the site is not hindered.

9. Variations, Revisions and Clarifications

a. Variations, revisions and clarifications to the work not involving an adjustment to the Contract Sum or Contract Time will be confirmed in writing. These written confirmations may be included in the project minutes, memos to the Design-Build and Owner, e-mail correspondence, or in answers to written Requests for Information (RFI).

C. Pre-Construction Conference

1. Design-Build will schedule a preconstruction conference at start of construction at a time when Design-Build and Owner can be present.

2. Attendance Required: Design-Build including Architect / Engineer, Owner.

3. Design-Build will establish an Agenda for the preconstruction conference to include and not be limited to the following topics:

a. Introduction of personnel and Project role
b. Discussion of list of Subcontractors, schedule of values and progress schedule.

c. Procedures and processing of field decisions, submittals, substitutions, applications for payments, proposal request, Change Orders and Contract closeout procedures.

d. Design-Builder Safety Plan

e. Coordination with Owner

f. Work Hours

g. Project Schedule

h. Requirements for start-up of equipment

i. Inspection and acceptance of equipment put into service during construction period.

j. Discussion of Subcontractors, Materials, schedule of values, and progress schedule.

k. Procedures and processing of field decisions, submittals, substitutions, applications for payments, proposal request, Change Orders.

l. Deliveries and staging areas

m. Procedures for maintaining record documents

n. Permits and Permit Inspections

D. Progress Meetings

1. Progress meetings will be held on a regularly scheduled basis not exceeding once per week.

   a. Meeting Minutes: Design-Builder will administer the meeting, record decisions and actions from the meeting and send copies of the draft Meeting Minutes to Owner's Construction Manager within three (3) days.

   b. Owner will respond with comments to draft Meeting Minutes within five (5) days.

   c. The Design-Builder will be responsible to update the draft Meeting Minutes with Owner's comments and indicate, “Final” on the document.

   d. Design-Builder will distribute copies of the Final Meeting Minutes to Owner, Architect, Engineer, field representatives, Subcontractors and others as requested and approved by Owner.

2. Location of Meeting: Progress meetings will be held at the job site and will be hybrid format. Microsoft Teams is Owner's preferred electronic platform. The Design-Builder shall make physical arrangements for the meeting space.

3. Attendance:

   a. Required attendance: one representative from Design-Builder’s management team; Design-Builder’s Site Superintendent or designee; Owner’s Project Manager or designee.

   b. Attendance as appropriate to agenda: Architect, Design-Builder’s Foreman or other site supervisors or leads; professional consultants;
subcontractors; suppliers; Agency representatives

c. Attendance is strongly encouraged by Subcontractor’s with work on the Look-Ahead Schedule
d. Owner reserves the right to invite Owner’s guests to meeting for purposes of observation or training

4. Agenda to include but not be limited to:
   a. Approval of minutes of previous meetings.
   b. Safety Report
c. Diversity, Equity and Inclusion Update
d. Review of Work progress since previous meeting and work planned.
e. Review project schedule
f. Review submittal schedules; expedite as required
g. Review of Request for Information (RFI)
h. Review deliveries
   i. Review proposed changes
   j. New Business

5. Look-Ahead Schedule
   a. Prior to each meeting, prepare a four (4) week schedule showing work completed during the previous week, work that is in progress for the current week and work planned for the following two weeks. This four-week schedule, which is revised weekly by the Design-Builder, will be presented by the Design-Builder at the progress meeting and a copy will be given to the Owner at that time.
   b. In the event that a progress meeting is not scheduled for the current week, prepare the 4 week schedule and forward it to the Owner in the same week.

1.18 Construction Schedule

A. General

1. The intent of the construction schedule is to assist the Design-Builder in planning and executing the Work in a timely manner and assisting the Design-Builder and Owner in monitoring the construction progress for the purpose of coordination, communication, evaluation of Applications and Certificates for Payment, and evaluation of time extension requests.

2. The Owner’s review of the schedule will be to ensure that it conforms to the requirements of the Contract. The sequence and scheduling of the work is the Design-Builder’s responsibility. Contract completion date(s) is as specified in the Contract Documents. The Owner’s review of the schedule does not change, revise, or amend that date(s).

3. This section supplements Exhibit C with additional schedule requirements, where conflicts exist, the most restrictive requirement shall govern.

4. Any plan by the Design-Builder to complete the Work or any part of the Work
earlier than any contract required milestone or specific completion date shall not be construed as creating any responsibility or liability for the Owner should their actions, or lack thereof, prevent the Design-Builder from achieving the planned early completion. The Owner shall not be liable to the Design-Builder for any costs or other damages if the Design-Builder is unable to achieve early completion of the Work before a milestone or completion date.

5. Float Time: Float time is the amount of time between the earliest start date and the latest start date, or between the earliest finish date and the latest finish date of a chain of activities on the CPM Schedule. Float time belongs to the project and is not for the exclusive use or benefit of either the Design-Builder or the Owner; float time may be used by either the Design-Builder or Owner for offsetting delays. Use of float suppression techniques such as preferential sequencing, special lead / lag logic restraints, zero total or free float constraints, extended activity times or imposed dates shall be cause for rejection of the Construction Schedule or any revisions or updates.

6. Schedule shall anticipate and include sufficient float time for weather dependent work tasks to allow for any delays due to normal inclement weather (defined as any inclement weather within the ten year average of accumulated record mean values from climatological data compiled by the National Oceanic and Atmospheric Administration (NOAA), for the locale of the project, over the full duration of the Contract Time).

B. Format

1. Listings: Reading from left to right, in ascending order for each activity. Able to be printed in 8-1/2 x 11 or 11 x 17 format. Schedule to be legible and allow for notations and revisions.

2. Schedules will provide a time scaled diagram with a separate activity bar for each work activity. Diagram to illustrate order and interdependence of activities and sequence of work, how start of a given activity depends on completion of preceding activities and how completion of the activity may restrain start of subsequent activities. Indicate early and late start, early and late finish, manpower loading and description of each activity. Indicate critical path.

3. Provide as many activities as necessary to clearly show how the project will be constructed within the time allowed. As a minimum, every item on the schedule of values must be shown on the progress schedule. Provide sub-net schedules where necessary to enhance clarity.

C. Schedules

1. Show complete sequence of construction by activity, identifying work of separate stages and other logically grouped activities.

2. Show accumulated percentage of completion of each item of work at time of each Application for Progress Payment.

3. Show anticipated project delivery dates, including those furnished and / or installed by Owner.

4. Show dates when application for permits will be made and when permit is anticipated to be received.

5. Show dates when application for warranties / guarantees will be made and when warranties will be delivered. Final payment will not be made until all warranties / guarantees have been received and found to be acceptable.
D. Updating Schedules

1. Update the construction schedules monthly to reflect actual work activity dates accomplished and any revised work activity dates.
2. Maintain Construction Schedules to record actual start and finish dates of activities as they are completed.
3. Indicate progress of each activity at the time of the revision date. Update diagrams to graphically depict current status of Work.
4. Indicate revision date on revised schedule.
5. Show changes occurring since previous Schedule submission such as any major changes in scope, activities modified since previous submission, revised projections for progress and completion, as applicable, any other identifiable changes.
6. Provide narrative report as needed to define:
   a. Problem areas; anticipated delays; and impact on schedule.
   b. Corrective action to be taken by the Design-Builder to get the project back on schedule. This report will define how and when the Design-Builder will accomplish this.

E. Submittal and Distribution of Schedule

1. Prepare and submit proposed Target schedule per Exhibit C 3.02.C to Owner as soon as possible after contract execution and prior to first Application for Payment.
2. Submit schedule in both paper and digital computer formats acceptable to the Owner.
3. Submit updated schedule with each Application for Payment or more frequent if required.
4. Applications for Payment will not be processed until schedule is in conformance with requirements of this Exhibit.
5. Design Builder to distribute copies of construction schedule to project site file, subcontractors, suppliers, Owner, and other concerned parties.
6. Design Builder to instruct recipients to promptly report, in writing, problems anticipated by projections shown in schedules

1.19 Submittals

A. Submittal Procedures

1. Design-Builder to provide list of expected submittals for the Project and the estimated time frame of their submission. List of expected construction submittals to be received by Owner within seven (7) days of Notice to Proceed.
2. Schedule submittals to expedite the Project. Transmit submittals in accordance with Construction Schedule and in such sequence to avoid delay in the Work. Coordinate submission of related items with schedule.
3. Electronic Submittals – Format: Shop Drawings, Product Data, Certificates, Warranties and any similar submittals, other than physical samples, shall be provided as digital submittals in PDF format suitable for sending via electronic
mail or downloaded from internet file transfer website.

a. PDF security permissions shall be formatted to allow printing, reviewing and editing functions by Architect and Owner using any PDF compatible computer program.

b. When electronic submittals are required to be accompanied by a physical sample, the submittal will not be returned until both the electronic submittal and physical sample are reviewed.

4. Design-Builder Shall:

a. Prepare / obtain submittals for each item required in the specifications in accordance with the Design-Builder’s submission schedule and as required to prevent delays in the ordering, fabrication, delivery and installation of the Work.

   i. Sequence the frequency rate of submittals sent to the Architect to avoid submitting more submittals within the same week than can receive a thorough, timely review, generally 4 to 5 submittals per week. Include a review priority for Architect if multiple and / or large submittals are transmitted to Architect in the same week and plan for longer review times by Architect.

b. Review each submittal for compliance to the Contract Documents, note any deviations and approve in writing prior to submission to Architect; each submittal shall bear the Design-Builder’s review and approval stamp, with the review date and name of reviewer.

c. Reproduce and distribute copies of reviewed submittals to concerned parties. Instruct parties to promptly report any inability to comply with provisions. Pay costs for reproduction, distribution and materials.

d. Coordinate submittals into logical groupings to facilitate inter-relation of the items.

   i. Finishes which involve Architect selection of colors, textures, or patterns.

   ii. Associated items which require correlation for efficient function or for installation.

  e. Identify, in writing, variations from Contract Documents and product or system limitations which may be detrimental to successful performance of the completed Work.

  f. Accompany submittals with transmittal letter containing:

     i. Date.

     ii. Project title and number.

     iii. Design-Builder’s name and address.

     iv. Number of copies of Shop Drawings, Product Data and Samples submitted.

     v. Identification of submittal as it relates to:

        1. Subcontractor / Supplier / Manufacturer: Name. Address. Telephone number. Representative’s name.

        2. Detail number and location in Construction Documents.
4. Applicable Standards.
5. Finishes.

5. Additional Information Required:
   a. Relation to adjacent structure or materials.
   b. Fabrication methods, assembly, special installation requirements, accessories, fasteners, and other pertinent information.
   c. Field dimensions, clearly identified.
   d. Coordination with other trades. Stamped and signed by affected trades.

6. Distribution:
   a. Send submittals to Owner and Architect via electronic mail or from internet file transfer website.
   b. Architect will return reviewed submittals to Contractor and Owner via electronic mail or Architect’s internet file transfer system.
   c. Send copy of Architect reviewed submittal to Subcontractors / Suppliers

B. Subcontractor and Supplier List
   1. Prior to submission of First Application for Payment, submit complete list of subcontractors and suppliers to be used for the Work. Provide specification section identification number, addresses and telephone numbers for each listed subcontractor and supplier providing materials.

C. Shop Drawings
   1. Present in clear and thorough manner. Title each drawing with Project name and number; identify each element of drawings by reference to sheet number and detail, schedule, or room number of Contract Documents.
   2. Identify field dimensions; show relation to adjacent or critical features or Work or products.
   3. Do not submit freehand drawings.
   4. Shop Drawings Requiring Code Agency Approval: Submit on format and media required by Approval Agency. Include information required by Project Documents and Approval Agency. Conform to permit conditions and requirements imposed by authority(s) having jurisdiction.

D. Product Data
   1. Submit only pages which are pertinent; mark each copy of standard printed data to identify pertinent products, referenced to Specification Section and Article number. Show reference standards, performance characteristics, and capacities; wiring and piping diagrams and controls; component parts; finishes; dimensions; and required clearances.
   2. Modify manufacturer’s standard schematic drawings and diagrams to supplement standard information and to provide information specifically applicable to the Work. Delete information not applicable
E. Samples
1. Submit two samples of the specified color and texture for each product unless specified otherwise in other sections; samples will be retained by Architect.
2. Where a specific color has not been specified, submit full range of manufacturer's standard and special finishes except when more restrictive requirements are specified, indicating colors, textures, and patterns, for Architect selection.
3. Label each sample with identification required for transmittal letter.
4. Field samples are to be maintained at the site of the Work and are to be removed after substantial completion unless directed otherwise.

F. Design-Builder Review
2. Apply Design Builder approval stamp with signature. The submittal signed by the Design-Builder certifies that the Design-Builder has reviewed the submittal for accuracy, completeness and compliance with the Contract Documents. It also certifies that the Design-Builder has verified products required, field dimensions, adjacent construction work, and coordination of information, in accordance with the requirements of the Work and Contract Documents. Submittals without Design-Builder's stamp and signature are rejected. Notify Architect in writing at time of submittal, of any deviations from requirements of Contract Documents.

G. Resubmittals
1. Revise and resubmit submittals as required, identify changes made since previous submittal.
2. Shop Drawings, Product Data and Calculations: Revise initial drawings, data or calculations and resubmit as specified for the initial submittal. Indicate any changes which have been made including those requested by the Architect.
3. Submit new samples as required.

H. Architect Review
1. Architect or their consultant(s) will review shop drawings, product data, calculations and samples and return submittals to Design-Builder as soon as possible, generally within 10 working days, except Design-Builder shall plan for large submittals such as mechanical and electrical product binders or numerous submittals sent to Architect at the same timing taking a longer period of time.
2. Architect's review is qualified by the following language included on the review stamp: "This review is only for general conformance with design concept of the Project and general compliance with the information given in the Contract Documents. Corrections or comments made on the shop drawings during this review do not relieve the Design-Builder from compliance with the requirements of the plans and specifications. Approval of a specific item shall not include approval of an assembly of which the item is a component. Design-Builder is responsible for: dimensions to be confirmed and correlated at the jobsite; information that pertains solely to the fabrication processes or to the means,
methods, techniques, sequences and procedures of construction; coordination of his or her Work with that of all other trades; and for performing all work in a safe and satisfactory manner”.

a. Any action shown is subject to Contract Document’s requirements. Architect / Engineer will mark the review submittal in one of the following boxes on review stamp:
   i. Reviewed
   ii. Reviewed with Comments / Corrections
   iii. Rejected
   iv. Revise and Resubmit
   v. Submit Specified Item
   vi. Informational Submittal – Not Reviewed

3. Architect / Engineer review of individual or separate items does not constitute review of assembly in which it functions.

1.20 Alterations Project Procedures, Cutting and Patching

A. Regulatory Requirements
   1. Obtain required permits from authorities.
   2. Do not close or obstruct egress from any building exit.
   3. Do not disable or disrupt existing building utilities or fire and life safety systems without 3 days prior written notice to the Owner; proceed only after receiving the Owner’s confirmation of approval.
   4. Conform to procedures and requirements of authorities having jurisdiction when hazardous or contaminated materials are discovered. Notify the Owner and Architect or Engineer immediately.

B. Qualifications
   1. Design Builder’s on-site management personnel shall be competent to survey the condition of the structures and building systems to determine both their condition and the possibility of unplanned structural collapse or failure. Management Personnel shall be capable of taking prompt corrective action when necessary to protect the safety of persons and the integrity of the building structure or systems.
   2. Definitions:
      a. SKILLED CRAFTSMAN is someone who has journeyman level abilities in a specific trade or craft and is currently working at that trade or craft on a regular basis, is capable of competently performing all aspects of the specific trade or craft and, if work has special warranties involved, has received special training to qualify their work for warranty.
      b. QUALIFIED INSTALLER is someone who has journeyman level abilities for installing a particular product or system and is currently doing this installation work on a regular basis, is capable of competently performing all aspects of the installation and, if work has special warranties involved, has received special training to qualify their work for warranty.
3. Demolition, moving, removing, cutting and drilling is required to be performed by trades qualified to perform the work in a manner to cause the least damage and disruption to existing structure and finishes. Use skilled craftsmen or qualified installers wherever waterproof integrity, structural integrity, sight-exposed finishes or materials or systems that are under warranty are involved.

4. Patching, repair and restoration work shall be accomplished by skilled craftsmen and qualified installers in those specific trades that normally perform the type of work required (e.g. finish carpentry work by a finish carpenter, plaster work by a plasterer, etc.).

C. Quality Assurance

1. Assign the specific demolition, cutting and patching work required for the work of this contract to the appropriate skilled craftsman or qualified installer.

2. Lay out, coordinate, and direct the demolition and cutting accomplished by the various trades to:
   a. Minimize patching work required for restoration.
   b. Accommodate the existing conditions.
   c. Prevent damage to existing building structure, finishes or equipment / systems.
   d. Prevent removal or cutting of existing elements intended to remain.

D. Protection

1. Protect and prevent damage to existing finishes, equipment / systems and adjacent work scheduled to remain.

2. Protection shall include, but not be limited to, wood timbers or framing, plywood panels, plastic sheeting, canvas drop cloths, carpet scraps etc. or anything required to protect item(s) or areas from damage.

3. Protection shall be in place prior to specific demolition, cutting or patching work is started.

E. Existing Conditions

1. UNFORESEEN CONDITIONS: Should unforeseen conditions be encountered that affect the design or function of the project or the structural or functional integrity of the structure or any building system, notify the Architect and Owner immediately in writing.

F. Products / Materials for Patching and Extending Work

1. New Products / Materials: As specified in Product sections; match existing products / materials and work for patching and extending work.

2. Type and Quality of Existing Products / Materials: Determine by inspecting and testing Products where necessary, referring to existing Work as a standard.

3. As applicable, salvage sufficient quantities of cut or removed material to replace damaged work of existing construction, when materials are not obtainable on the current market. Do not incorporate salvaged or used materials in new construction except with permission of Architect and Owner. Protect stored salvage items in dry, secure place.

G. Execution Coordination. Review, coordinate and accommodate work of other trades that interface with, affect or are affected by the work of this section so as to facilitate the
execution of the overall Work of this project in a coordinated and efficient manner.

H. Alteration Project Procedures

1. Preparation
   a. Replace and restore at completion.
   b. Remove unsuitable material not marked for salvage, such as rotted wood, corroded metals and deteriorated masonry and concrete. Replace materials as specified for finished Work.
   c. Remove debris and abandoned items from area and from concealed spaces.
   d. Prepare surface and remove surface finishes to provide for proper installation of new work and finishes.
   e. Close openings in exterior surfaces to protect existing work from weather and extremes of temperature and humidity. Insulate duct work and piping to prevent condensation in exposed areas.

2. Installation
   a. Coordinate and direct the work of alterations and renovations to expedite completion sequentially.
   b. Remove, cut and patch Work in a manner to minimize damage and to provide a means of restoring Products and finishes to original condition. If original condition is substandard or damaged, restore to level of quality required for new work.
   c. Refinish visible existing surfaces to remain in renovated rooms and spaces, to specified condition for each material, with a neat transition to adjacent finishes.
   d. Install Products as specified in individual sections.

3. Transitions
   a. Where new Work abuts or aligns with existing, perform a smooth and even transition. Patched Work to match existing adjacent Work in texture and appearance.
   b. When finished surfaces are cut so that a smooth transition with new Work is not possible, terminate existing surface along a straight line at a natural line of division and provide trim appropriate to new surface or as determined by Architect.

4. Adjustments
   a. Where a change of plane occurs, provide a smooth transition.
   b. Trim existing doors as necessary to clear new floor finish. Refinish trim as required.
   c. Fit work at penetrations of surfaces as described in Cutting and Patching.

5. Repair of Damaged Surfaces
   a. Patch or replace portions of existing surfaces which are damaged, lifted, discolored or showing other imperfections.
   b. Repair substrate prior to patching finish.
Exhibit A
Tacoma Water
Tacoma Water New Warehouse/Shops Building and Yard Improvements Project
Project Criteria

6. Finishes
   a. Finish surfaces as specified in individual Product sections.
   b. Finish patches to produce uniform finish and texture over entire area. When finish cannot be matched, refinish entire surface to nearest intersections.

I. Cutting and Patching
   1. Examination
      a. Inspect existing conditions prior to commencing Work, including elements subject to damage or movement during cutting and patching.
      b. After uncovering existing work, inspect conditions affecting performance of work.
      c. Beginning of cutting or patching means acceptance of existing conditions.

   2. Preparation
      a. Layout and coordinate the cutting work so that new work can be completed free from conflicts with work of other trades and existing conditions / systems not scheduled for removal. Do not proceed with cutting work until conflicts are resolved.
      b. Provide, erect and maintain temporary barriers and exterior enclosures and protect existing and installed work.
      c. Provide temporary supports, braces or shoring to ensure structural integrity of the Work. Provide devices and methods to protect other portions of Project from damage.
      d. Provide protection from elements for areas which may be exposed by uncovering work.
      e. Maintain excavations free of water.

   3. Cutting and Patching
      a. Provide the tools and equipment best suited for the specific type of cutting and patching required.
      b. Plan and execute cutting work in a manner that results in the least negative impact to the surrounding work.
      c. Execute cutting, fitting and patching including excavation and fill, wherever necessary to construct the work.
      d. Fit products together, to integrate with other work.
      e. Uncover work to install ill-timed work.
      f. Remove and replace defective or non-conforming work.
      g. Remove samples of installed work for testing, when requested.
      h. Provide openings in the work for penetration of mechanical and electrical work
      i. Provide access for installation of items too large to fit through permanent openings

4. Performance
Exhibit A
Tacoma Water
Tacoma Water New Warehouse/Shops Building and Yard Improvements Project
Project Criteria

a. Execute work using methods to avoid damage to other Work, and which will provide appropriate surfaces to receive patching and finishing.
b. Employ skilled craftsmen and/or qualified installer to perform cutting and patching for weather exposed and moisture resistant elements, sight-exposed surfaces and warranted work.
c. Cut rigid materials using masonry saw or core drill. Pneumatic tools not allowed without prior approval. Do not overcut corners of materials exposed to view or where overcutting would weaken its structural integrity.
d. Restore work with new products in accordance with requirements of Contract Documents.
e. Fit work tight to pipes, sleeves, ducts, conduit and other penetrations through surfaces.
f. At penetrations of fire rated walls, partitions, ceiling or floor construction, completely seal voids with fire rated material of equal fire rating.
g. Refinish surfaces to match adjacent finish. For continuous surfaces, refinish to nearest intersection or natural break. For an assembly, refinish entire unit.

J. Existing Items for Reuse
1. Remove the existing item carefully so as not to damage the item.
2. Carefully clean item and store item in a protected location.
3. If the item is damaged during the removal process, replace with new that matches the existing at the Design-Builder's expense.
4. Reinstall item using procedures for installing new work.

1.21 Quality Control
A. References
1. References shall be the edition current as of the date of the Contract Documents.
2. Obtain current copies of referenced standards.
4. The contractual relationship of the parties to the Contract shall not be altered from the Contract Documents by mention or inference otherwise in any reference document.

B. Design Builder’s Quality Assurance / Control of Construction
1. Employ/assign quality control personnel to monitor the work of this project for conformance to the requirements of the Contract Documents and to good construction practices.
   a. Prior to starting their work, review the scope of work, performance requirements, materials and workmanship requirements with each trade and subcontractor.
b. Review materials when delivered to the site for conformance to the Contract Documents and submittals.

c. Monitor work in progress for conformance to the Contract Documents and submittals.

2. Design-Builder is solely responsible for managing and controlling the quality of the work and conformance with the requirements of the Contract Documents.

3. Monitor quality control over suppliers, manufacturers, products, services, site conditions, and workmanship, to produce Work of specified quality.

4. Comply with specified standards as a minimum quality for the Work except when more stringent tolerances, codes, or specified requirements indicate higher standards or more precise workmanship.

5. Work shall be performed by trained and experienced workers qualified to produce workmanship of specified quality.

6. Secure Products in place with positive anchorage devices designed and sized to withstand stresses, vibration, physical distortion and disfigurement.

C. ADA Tolerances

1. ADA Tolerances: The ADA tolerances shown on the Drawings represent the allowable tolerances required for conformance with the ADA and ICC / ANSI A117. Strict conformance with the ADA tolerances shown on the Drawings is required for this project; non-conforming work will require correction at Design-Builder’s expense.

   a. ADA tolerances shown on the Drawings supersede industry standard tolerances and any other tolerances included in any specification section.

2. Submittal Review: Review submittals for conformance with the accessibility requirements of ICC / ANSI A117 and the ADA tolerances shown on the Drawings; mark up submittals that have incorrect or missing ADA tolerance information.

3. Review with Workers: Review the accessibility requirements of ICC / ANSI A117 and the ADA tolerances shown on the Drawings with workers performing work that is required to conform to the accessibility requirements of ICC / ANSI A117.

4. Monitoring: Monitor the work of this project for compliance with the accessibility requirements of ICC / ANSI A117 and the ADA tolerances shown on the Drawings on work that is required to conform to ICC / ANSI A117.

5. Inspection: Inspect the completed work that is required to conform to ICC / ANSI A117 for conformance with the ADA tolerances shown on the Drawings. Inspection shall require accurate measurements to confirm that dimensions, slopes and relationships shown on the Drawings have been constructed within the ADA tolerances shown on the Drawings.

D. Manufacturer’s Instructions

1. Comply with manufacturer’s installation / assembly instructions in full detail, including each step in sequence.

2. Substrates, Site Conditions And Work By Others shall conform to manufacturer’s requirements:

   a. Inspect substrate, site conditions and work by others for conformance to
manufacturer’s requirements for material and condition prior to starting any work.

b. Do not start work if substrate construction, site conditions or work by others does not comply with manufacturer’s recommendations; report any problems to Design-Builder.

c. Start of work / installation indicates installer’s acceptance of substrate, site conditions and work by others as meeting manufacturer’s requirements.

2. Should manufacturer’s instructions conflict with Contract Documents, request clarification from Architect or Engineer before proceeding

### 1.22 Construction Facilities and Temporary Controls

#### A. Description

1. This section specifies minimum actions required. Other actions may be specified elsewhere in the Contract Documents, manufacturer’s literature, and governing regulations.

2. Nothing in this section is intended to limit types or amounts of construction facilities and temporary controls.

3. No omission from this section will be recognized as a temporary activity that is not required to complete the Work.

#### B. Protection of Existing Utilities

1. If unknown utilities are encountered in the course of construction, protect them from damage and notify the utility Owner immediately. Do not remove or disable any unknown existing utility without the approval of the Owner.

2. In the event utilities are damaged during construction, temporary services and / or repairs must be made immediately to maintain continuity of services at Design-Builder's expense.

#### C. Disposal of Waste Materials

1. Transportation and disposal of solid waste shall meet the requirements of Tacoma Municipal Code 12.09.50. Coordinate with the City of Tacoma Solid Waste Division for the collection and disposal of solid wastes.

2. Dispose of refuse and waste material off Owner’s property. Do not stockpile waste material on Owner’s property. Immediately clean up any spilled material.

3. Clean trash and debris from work area daily. Keep work area, site, and adjacent properties free from accumulations of waste materials, rubbish and windblown debris resulting from construction operations.

4. Provide on-site containers for collection of waste materials, debris and rubbish. Periodically remove waste from the site.

5. Waste Construction Liquid Disposal: Provide portable containers for disposal of any waste construction liquids or fluids that are generated by or needed for the construction work. Do not dump any waste construction liquid or fluid (including oil, solvent, cleaning compound, paint, plaster mud, brush and tool cleanup water, etc.) onto the ground or down the building sanitary or storm drain systems or anywhere on the site. Dispose of contents of all portable containers off site daily.
6. Dispose of flammable, hazardous, and toxic waste materials daily.
7. Conform to workplace safety regulations for storage, mixing, application and disposal of all cleaning, sealing and repair related materials to requirements of those authorities having jurisdiction, including Federal, State and Local.
8. Conform to safety precautions in accordance with the latest requirements to Health and Safety regulations, latest edition, of authorities having jurisdiction.

D. Temporary Electricity
1. The Design-Builder to obtain a separate power feed (drop) for the construction of the project.
2. The Design-Builder is not allowed to use the existing building’s electricity for the duration of the construction unless agreed upon with Owner in writing.
3. Provide power outlets for construction operations, with branch wiring and distribution boxes. Provide OSHA / WISHA approved flexible power cords as needed.
4. Provide over current protection at convenient locations for large loads on the existing electrical panels.
5. Permanent convenience receptacles may be utilized during construction, provided they are replaced if damaged or defaced in any way.

E. Temporary Lighting
1. Provide and maintain temporary lighting for construction operations. Provide sufficient lighting to ensure proper workmanship everywhere.
2. Provide branch wiring from power source to distribution boxes with lighting conductors, pigtails, and lamps as required to do the Work safely and at the light levels required by each trade to produce work conforming to the quality specified.
3. Maintain lighting and provide routine repairs

F. Temporary Telephone Service
1. The Superintendent shall carry a cellular phone to allow voice communication at all times.

G. Temporary Water Service
1. The Design-Builder is responsible for obtaining temporary water service for the duration of the construction project.
2. Provide backflow prevention device approved by State of Washington Department of Health for any water connection to domestic water main or system serving the public.
3. A Hydrant Use Permit is required to use a Tacoma Water hydrant. See Hydrant Use Policy at: https://www.mytpu.org/wpontent/uploads/hydrant_use_policy_5.0.pdf

H. Temporary Sanitary Facilities
1. Design-Builder shall provide and maintain required facilities and enclosures. Provide at time of project mobilization. Maintain daily in clean and sanitary condition.

I. Temporary Heat
1. The Owner will allow the Design-Builder to use the existing building’s heating
system for the duration of the construction without charge. Direct fired gas/oil heaters are not allowed for supplemental heat, all combustion/exhaust gases shall be vented to building exterior.

2. Install MERV 8 HEPA filters at return air intakes where construction activities are occurring.

3. Maintain minimum ambient temperature of 50 degrees F in areas where construction is in progress, unless required otherwise by manufacturers, trade associations, and/or the specification sections.

4. Maintain current temperature settings in the existing building. Coordinate with the Owner to determine the correct temperature setting.

J. Temporary Ventilation

1. Provide temporary ventilation equipment to assist curing and drying out of materials, to dissipate humidity, to maintain consistent temperature in areas and to prevent accumulation of dust, fumes, vapors, or gases.

K. Temporary Dehumidification

1. Provide temporary dehumidification equipment as required to lower the moisture content of the building interior and allow materials to dry out to required levels.

L. Building Materials Acclimatization and Dry Out

1. Prior to installation of any wall surfaces or finishes, the Design-Builder shall provide the equipment and expertise required to dry out the building structure and materials, including concrete slabs, to conform with the following minimum criteria:
   a. Design-Builder is responsible for selecting the means and methods utilized to dry out, ventilate and acclimate the building materials, including deciding the proper sequence of construction and other determinates affecting the dry out process; and shall hire an expert consultant to advise in this process if problems or questions are encountered.
   b. Acclimate, ventilate and dry out structure and materials as required by manufacturers of finishes or coverings applied over, onto or within the structure or material.
   c. Acclimate, ventilate and dry out structure and materials as required to allow installed materials to dry evenly and rapidly as recommended by manufacturer or reference standard.
   d. Acclimate, ventilate and dry out structure and materials as required to prevent the formation of water condensation on any material.
   e. Test and record moisture content of each different material on a daily basis during and after acclimatization and dry out process.

M. Temporary Barriers and Traffic Control

1. Provide temporary barriers within the building as required.

2. Provide barriers to protect the public from any potentially unsafe conditions, and from damage from construction operations.

3. Provide protection for existing plant life designated to remain. Replace damaged plant life.
4. Protect non-owned vehicular traffic, stored materials, site and structures from damage.
5. Provide vehicular and pedestrian traffic control as appropriate for the work

N. Temporary Storage
1. Make whatever provisions are necessary to ensure the safe and weathertight protection of materials and equipment temporarily stored

O. Protection of Existing and Installed Work
1. Protect installed work. Provide special protection where specified in individual specification sections or as required to prevent any type of damage or defacement.
2. Provide temporary and removable protection for existing and installed products. Control activity in immediate work area to minimize damage.
3. Prohibit traffic in landscaped areas.
4. Prohibit construction worker access to rooms and areas which do not have construction work. After work in any area or room is complete, prohibit further worker access.
5. Prevent any construction dust and dirt from entering the HVAC equipment and ductwork, computer equipment, electrical switchgear, building systems / equipment, smoke detectors or anything that will be adversely affected.

P. Security
1. Design-Builder is responsible for site security for the construction area and its perimeter.
2. Provide site and building security as required to protect work in progress, stored materials, tools and equipment from vandalism and theft.
3. Maintain security until Substantial Completion when Owner takes responsibility for security.

Q. Access Roads
1. Provide and maintain access to fire hydrants, free of obstructions. Do not block access roads or prevent emergency vehicles access to site.
2. Maintain the emergency vehicle access road on the site in good, drivable condition for any type of emergency vehicle as required by the City of Tacoma code and permit conditions.

R. Progress Cleaning
1. Provide periodic cleaning to prevent any buildup or accumulation of construction debris in the building or on the site.
2. Pre-Cover Cleaning: Remove construction debris and vacuum clean dirt and dust from concealed spaces that will be enclosed or inaccessible after completion of the work, including concealed spaces within walls, shafts, attics, and void spaces.
3. Maintain building and site in a clean and orderly condition.
4. Remove waste materials, debris, and rubbish from building and site weekly and dispose off-site.
5. Provide final cleaning at substantial completion
Environmental Procedures
1. Comply with environmental and health safety regulations. Provide protection, operate temporary facilities, and conduct construction in ways and by methods that comply with environmental regulations, and minimize the possibility that air, waterways and subsoil might be contaminated or polluted, or that other undesirable effects might result.
2. Burning on site is not permitted

Machinery and Equipment Restrictions
1. Equipment and Internal Combustion Engine Noise: The noise level of each vehicle or piece of equipment shall not be greater than 90 DB(A) at a distance of 50 feet as measured under noisiest operating conditions. Mufflers for stationary engines shall be hospital-area quality of silencing.
2. Removal of Utilities, Facilities and Controls
3. Remove temporary utilities, equipment, facilities, materials, etc.
4. Clean and repair damage caused by installation or use of temporary work.

Emergency Contacts
1. Provide Owner with a minimum of two emergency contact names (Superintendent and Project Manager), with cell phone numbers.
2. Provide Emergency Contact designees in the event Emergency Contact personnel are not available for more than one working day.

Construction Parking
1. Design-Builder is responsible to provide temporary parking areas for construction personnel.
2. Collaborate with Owner on location of temporary parking areas. Construction parking to be approved by Tacoma Public Utilities Security department.

Product Requirements
A. Products
1. Products: Means new material, machinery, components, equipment, fixtures, and systems forming the work. Does not include machinery and equipment used for preparation, fabrication, conveying and erection of the work. Products may also include existing materials or components required for reuse.
2. Provide interchangeable components of the same manufacturer, for similar components.
3. Do not use materials and equipment removed from existing premises, except as specifically permitted by the Contract Documents.

B. Transportation and Handling
1. Transport and handle products in accordance with manufacturer's instructions.
2. Promptly inspect shipments to assure that products comply with requirements, quantities are correct, and products are undamaged.
3. Provide equipment and personnel to handle products by methods to prevent soiling, disfigurement or damage
C. Storage and Protection
   1. Store and protect products in accordance with manufacturer's instructions, with seals and labels intact and legible. Store sensitive products in weather-tight, climate controlled enclosures.
   2. For exterior storage of fabricated products, place on sloped supports, above.
   3. Provide and pay for off-site storage and protection when site does not permit onsite storage or protection.
   4. Cover products subject to deterioration with impervious sheet covering. Provide ventilation to avoid condensation.
   6. Provide equipment and personnel to store products by methods to prevent soiling, disfigurement, or damage.
   7. Arrange storage of products to permit access for inspection. Periodically inspect to assure products are undamaged and are maintained under specified conditions.

D. Product Options
   1. Products Specified by Reference Standards or by Description Only: Any product meeting those standards or description.
   2. Products Specified by Naming One or More Manufacturers: Products of manufacturers named and meeting specifications, no options or substitutions allowed.
   3. Products Specified by naming a Manufacturer "or approved equal", or with a provision for Substitution Request: Submit a request for substitution for any manufacturer not named.
   4. Products Specified by "or approved equal" to a Listed Manufacturer: Products with same function and similar quality and features to listed manufacturer.
   5. Products Specified by "Similar To" a Listed Manufacturer: Products with same function and similar quality and features to listed manufacturer.

1.24 Execution Requirements
A. This section includes general procedural requirements governing execution of the Work including, but not limited to, the following:
   1. General Installation of Products
   2. Progress Cleaning
   3. Starting and Adjusting
   4. Protection of Installed Construction
   5. Correction of the Work

B. Examination
   1. Acceptance of Conditions: Start of work / installation indicates acceptance of existing conditions as not conflicting with the requirements of the Contract Documents or the design intent and being acceptable without any modification.
C. Preparation

1. Field Measurements: Take field measurements as required to fit the Work properly. Recheck measurements before installing each product. Where portions of the Work are indicated to fit to other construction, verify dimensions of other construction by field measurements before fabrication. Coordinate fabrication schedule with construction progress to avoid delaying the Work.

2. Space Requirements: Verify space requirements and dimensions of items shown diagrammatically on Drawings.


D. Installation

1. General: Locate the Work and components of the Work accurately, in correct alignment and elevation, as indicated. Where space is limited, install components to maximize space available for maintenance and ease of removal for replacement.

2. Comply with manufacturer’s written instructions and recommendations for installing products in applications indicated.

3. Install products at the time and under conditions that will ensure the best possible results. Maintain conditions required for product performance until Substantial Completion.

4. Conduct construction operations so no part of the Work is subjected to damaging operations or loading in excess of that expected during normal conditions of occupancy.

5. Tools and Equipment: Do not use tools or equipment that produce harmful noise levels.

6. Anchors and Fasteners: Provide anchors and fasteners as required to anchor each component securely in place, accurately located and aligned with other portions of the Work.

7. Hazardous Materials: Use products, cleaners, and installation materials that are not considered hazardous.

E. Progress Cleaning

1. General: Clean Project site and work areas daily, including common areas. Coordinate progress cleaning for joint-use areas where more than one installer has worked. Enforce requirements strictly. Dispose of materials lawfully.
   b. Containerize hazardous and unsanitary waste materials separately from other waste. Mark containers appropriately and dispose of legally, according to regulations.

2. Pre-Cover Cleaning: Remove construction debris and vacuum clean dirt and dust from concealed spaces that will be enclosed or inaccessible after completion of the work, including concealed spaces within walls, shafts, attics, and void spaces.
3. Site: Maintain Project site free of waste materials and debris.

4. Waste Disposal: Burying or burning waste materials on-site will not be permitted. Washing waste materials down sewers or into waterways will not be permitted.

5. During handling and installation, clean and protect construction in progress and adjoining materials already in place. Apply protective covering where required to ensure protection from damage or deterioration at Substantial Completion.

6. Clean and provide maintenance on completed construction as frequently as necessary through the remainder of the construction period. Adjust and lubricate operable components to ensure operability without damaging effects.

7. Limiting Exposures: Supervise construction operations to assure that no part of the construction, completed or in progress, is subject to harmful, dangerous, damaging, or otherwise deleterious exposure during the construction period.

F. Starting and Adjusting

1. Start equipment and operating components to confirm proper operation. Remove malfunctioning units, replace with new units, and retest.

2. Adjust operating components for proper operation without binding. Adjust equipment for proper operation.

3. Test each installed utility and piece of equipment to verify proper operation. Test and adjust controls and safeties. Replace damaged and malfunctioning controls and equipment.

4. Manufacturer’s Field Service: Arrange for a factory-authorized service representative to inspect and repair any piece of equipment that does not function properly or cannot be made to operate as specified.

G. Protection of Installed Construction

1. Provide final protection and maintain conditions that ensure installed Work is without damage or deterioration at time of Substantial Completion.

H. Correction of the Work

1. Repair or remove and replace defective construction.

   a. Repairing includes replacing defective parts, refinishing damaged surfaces, touching up with matching materials, and properly adjusting operating equipment.

2. Remove and replace damaged surfaces that are exposed to view if surfaces cannot be repaired without visible evidence of repair.

3. Repair components that do not operate properly. Remove and replace operating components that cannot be repaired.

1.25 Closeout

A. Final Cleaning

1. Execute final cleaning prior to Substantial Completion review and during the period between Substantial and Final Completion where punch list work causes waste, rubbish or debris.

2. Clean surfaces exposed to view, remove temporary labels, stains and foreign substances. Follow manufacturer’s recommendations for cleaning installed
products.

3. Clean equipment and fixtures to sanitary condition.

4. Clean site; sweep paved areas, rake clean landscaped surfaces if they were impacted by the work of this Project.

5. Remove waste and surplus materials, rubbish, and construction facilities from the site.

B. Adjusting

1. Adjust operating products and equipment in accordance with manufacturer's recommendations and specification section to ensure smooth and unhindered operation.

C. Extra Stock

1. Make arrangements with the Owner to deliver extra stock items.


D. Project Record Documents

1. The Project Record Documents shall consist of the following: Contract Documents (Drawings, Project Manual, Addendums and Change Orders).

2. Maintain on-site throughout the construction period, one set of the project record documents and record actual revisions to the work on these documents. Project record documents and recordings specified below may be kept in electronic format with on-site access and with off-site weekly backup.

a. Store Record Documents separate from documents used for construction.

b. Record information concurrent with construction progress.

c. Project Manual: Legibly mark, cloud and flag Project Manual changes and include a description of actual Products installed, including the following:

   i. Manufacturer's name and product model and number.

   ii. Product substitutions or alternates utilized.

   iii. Changes made by Addenda and Change Order.

   d. Contract Drawings: Legibly mark, cloud and flag each item to record actual construction including:

      i. Measured location of internal utilities concealed in construction, referenced to visible and accessible features of the work.

      ii. Field changes of dimensions and detail.

      iii. Details not on original Contract Drawings.

      iv. Transcribe Addenda to Project Record Documents.

      v. Transcribe Change Orders to Project Record Documents.

3. Prior to contract closeout, prepare and deliver record documents to Owner as follows:
a. Project Record Drawings: One photocopy set of Drawings legibly marked in red ink to show revisions and changes made during construction and as-built conditions. Mark or stamp bottom of each sheet “As-Built Drawings, Name of Construction Company, Date”
   i. Digital Copy: Provide a digital copy of each sheet of the Project Record Drawings on a 4-1/2 inch compact disc or USB compatible flash/thumb drive in PDF format.

b. Project Record Manual: One copy of Project Manual (in good, clean condition) legibly marked with red ink to record construction changes and as-built conditions.
   i. Digital Copy: Provide a digital copy of each sheet of the Project Record Manual on USB compatible flash drive in PDF format.

c. A copy of each addendum and each change order in three-ring binder(s) (match binders specified for Operations and Maintenance Data), on USB compatible flash drive in PDF format. Include the Field Authorizations and / or Change Order Proposals directly behind each Change Order. Insert a labeled, tabbed divider for each Addendum and Change Order. Label front cover and spine of binder as follows:
   Record Addendums and Change Orders
   Project Name – City of Tacoma
   Prepared by (Name of Design-Builder and Date)

E. AHJ Approved Permit Drawing Set
   1. Transmit the AHJ approved Permit Set of drawings to the Owner for their permanent record.
   2. Maintain Permit Set of drawings in good, clean condition, protect from damage or marks

F. Operation and Maintenance Data
   1. Submit three (3) sets, on 8-1/2 x 11 inch text pages, bound in black three ring binders and in also in PDF electronic format. Binders shall have heavy-duty durable vinyl covers, heavy duty metal D-rings with cover label on front and on spine. All binders shall be same manufacturer, size and color where more than one binder is required.
   2. Prepare binder cover labels with printed title “OPERATION AND MAINTENANCE INSTRUCTIONS”, title of project, year project completed, and volume number and subject matter of binder when multiple binders are required.
   3. Internally subdivide the binder contents with permanent page dividers similar to Avery PI Series dividers, logically organized as described below; with tab titling clearly printed under reinforced laminated plastic tabs.
   4. Contents: Prepare a Table of Contents for each volume, with each Product or system description identified. Print on 30 lb. white paper.
6. Part 2: Operation and maintenance instructions, arranged by system and subdivided by specification section. For each category identify names, addresses and telephone numbers of Subcontractors and suppliers. Identify the following:
   a. Significant design criteria.
   b. List of equipment.
   c. Parts list for each component.
   d. Operating instructions.
   e. Maintenance instructions for equipment and systems.
   f. Maintenance instructions for special finishes, including recommended cleaning methods and materials and any special precautions.

7. Part 3: Project documents and certificates, including the following:
   a. Shop drawings and product data.
   b. Certificates required by specification sections

8. Submit one (1) draft copy of completed volumes in final form prior to Substantial Completion for review by Owner. These copies will be returned to Design-Builder with Owner comments. Revise content of documents as required by Owner comments.

9. Submit three (3) sets of the final revised volumes no later than the Substantial Completion date.

G. Warranties
1. Execute and assemble warranty documents from Subcontractors, suppliers, and manufacturers.
2. Provide Table of Contents and assemble in one, three ring binder with durable plastic cover matching the binders provided for operation and maintenance data.
3. Submit at same time as operation and maintenance manuals.
4. For items of Work delayed beyond date of Project Completion, provide updated submittal within ten days after acceptance, listing date of acceptance as start of warranty period for those items

H. Spare Parts and Maintenance Manuals
1. Provide products, spare parts, maintenance and extra materials in quantities specified in individual specification sections.
2. Deliver to project site and place in location as directed. Obtain receipt signed by Owner’s representative prior to final payment and include receipts in Part 1 of Operation and Maintenance binders.

I. Punch List
1. Upon completion of the Work, the Design-Builder shall walk-through each room / area of the Project and prepare a punch list of each item of work that is not completed or does not conform to the requirements of the Contract Documents.
2. After completion of the punch list by the Design-Builder, provide written notice that the Work has been substantially completed and schedule a room by room punch list walk-through with the Architect or Engineer and Owner to review the finished work and Design-Builder’s punch list items.
Exhibit A
Tacoma Water
Tacoma Water New Warehouse/Shops Building and Yard Improvements Project
Project Criteria

a. Any additional items of uncompleted or unacceptable work that are found during this walk-through shall be added onto the Punch List for completion / correction.
Thank you to the many participants from TPU Water, for their time and valuable input to the planning process for this 20-Year Campus Master Plan.

**TEAM DIRECTORY**

**OWNER’S GROUP:**

TACOMA PUBLIC UTILITIES - WATER

Terry Forslund | Project Sponsor
tforslun@cityoftacoma.org

Carol Powers | Project Manager
cpowers@cityoftacoma.org

**DESIGN TEAM:**

TCF Architecture
124 North I Street Tacoma, WA 98403

Mark Hurley | Principal-in-Charge, Planner
mark@tcfarchitecture.com

Gail Merth | Architect, Planner
gail@tcfarchitecture.com

LDC

Mallory Dobbs
mdobbs@LDCcorp.com

**EQUIPMENT SERVICES CONSULTING**

Facility Planning Services

Chris Matthews | Project Manager
chris@facilityplanningservices.com

**COST ESTIMATION**

RC Cost Group

Andy Cluness | Managing Partner
andy@arccostgroup.com

---

**ACKNOWLEDGMENTS**

**TABLE OF CONTENTS**

**Executive Summary**

1.0 | Introduction
Project Background & Purpose

1.1 | Planning Process
Process & Timeline
Stakeholder Teams
Staff Questionnaire
Project Goals & Success Criteria

1.2 | Programming & Design Criteria
Program Development Process
Staffing Summary
Vehicles & Equipment
Space Program

1.3 | Site & Building Concepts
Site Constraints

1.4 | Basis of Design
Summary Statement
Architectural Character & Massing
Civil & Planning
Landscape
Mechanical
Electrical

1.5 | Project Economics
Cost Estimating Methodology
Cost Estimate Assumptions
Off Site Costs
Contingencies

**Appendix**

2.0 | Supporting Documents
Space Program
Vehicle Inventory
Phasing Concepts
Civil Site Concept Plans
Additional Site Layouts Explored
Detailed Preliminary Cost Estimates
Workshop Agendas & Notes
Staff Questionnaire Responses
Pre-App Comments from the City
Site Survey
Site Visit Photos:
  - TPU Water
  - Lakehaven Water & Sewer District
  - Pierce County STOP Facility
1.0 | Introduction

Project Background & Purpose

Tacoma Water, a division of Tacoma Public Utilities (TPU), hereafter Water, is responsible for operating and maintaining one of the country’s oldest municipally-owned water systems. Since 1940, the population of the City of Tacoma has doubled from 109,000 to nearly 220,000 residents - significantly impacting operational requirements of Water to efficiently provide service to its customer base. In addition, Tacoma Water’s physical service area continues to expand into east Pierce and South King Counties.

In 2015, Water conducted a vulnerability assessment of their existing buildings and accessory structures. The 1930’s era Water Distribution building was deemed to be an “essential” facility that has a high likelihood of being unable to be reoccupied following a 2475-year return period seismic event.

The objective of this study is to provide conceptual campus plans with related improvement costs, plus zoning and code-related issues associated with various scenarios for the future build-out of the Water Operations site master plan.

Also included in the study, is the development of space programming and high-level performance Basis-of-Design standards of a new Warehouse & Shop buildings and related structures. An anticipated future design and construction phase with all functions of the existing Water Operations Building including both administrative and crew spaces. While the complete build-out of the redesigned site and new buildings will likely take place over multiple years, careful consideration of phased construction will be needed for facility modifications to occur while maintaining an uninterrupted, fully operational campus.

After an extensive evaluation of alternatives, Water plans to design and construct a new Warehouse & Shops Facility that will increase the organization's resiliency, accommodate future growth, and improve operational effectiveness. To support initial planning efforts, TCF Architecture was engaged to develop a 20-year Master Plan for Water’s existing site - located at 3506 South 35th Street.

The vibrancy of our community depends on life sustaining water. Facilities, comprised of warehouse, shops, and office space provide the needed infrastructure to operate and maintain this municipal water system in standard daily operations, as well as after a seismic event.

1.1 | Planning Process

1 | Establishing the Planning Process: Designing a collaborative process inviting numerous stakeholders from upper management, as well as representatives from each workgroup, to communicate what is working well in the current campus and what needs to be improved upon for greater resiliency, flexibility, growth and operational efficiency.

2 | Surveying Existing Conditions: Studying site parameters, easements and other encumbrances to understand what is needed and how existing conditions affect campus design options. This work included collecting data submitted to the City for the Bridge Industrial warehouse project to the south of Tacoma Power, and the new access road that will border the reconfigured southern property line of Water.

3 | Identifying Program Needs: Confirming current and future programmatic spatial needs through staff questionnaires and workshops. Work included quantifying current and future anticipated staffing levels, plus, inventorying equipment to help specify required heights and square footage. Discussions on program wants vs needs occurred throughout the master plan process. Program needs vs wants were confirmed by group consensus based on what is required to maintain operational efficiency and resiliency.

4 | Touring Relevant Operations Facilities: The team visited two local operations facilities in order to benchmark the opportunities that contemporary work environments and campus layouts can provide.

5 | Developing Conceptual Site Layouts: Exploring a wide variety of conceptual site layouts, and conveying the benefits and challenges of each option. The site layouts accounted for all programmed building area, circulation areas, plus required parking - culminating in selection of a preferred Site Alternative. Multiple options for the final site layout were studied to allow for constructing additional building space and improving site efficiency within the many practical challenges of the property.

6 | Submitting a Pre-Application to the City: Electronically filing the forms, submitting conceptual site plans plus a project narrative and questions to get early feedback from the City. (See City comments in 2.0 | Appendix.)

7 | Outlining a Basis of Design: Describing presumed design parameters for major disciplines to guide the preliminary cost estimating process.

8 | Estimating Project Costs: Early, yet detailed cost estimate for new buildings and proposed site modifications, plus associated soft costs and anticipated escalation.

Stakeholder Teams

Three primary Water stakeholder groups participated in the planning process. Teams included:

Water Upper Management Team: Responsible for all major decision-making on project budget, timing and design.

Core Management Team: Consisting of the project sponsor and lead project manager, plus design team. This group led the exploration, evaluation and decision-making process.

Workgroup Representatives: The primary role of this group was to provide expertise on day to day operations of their division, and thoughtfully consider ways in which the buildings and site can better accommodate a safe and efficient workflow.

The design team sought to understand the unique needs of each group and consider how the workflow of each may overlap with other sections. To be inclusive in the planning process, care was taken to invite staff representatives with varied backgrounds including number of years at Water, age and gender.

These groups included:
- Transmission-Wells
- Distribution Construction
- Hydrant
- Flushing Locates
Establishing clear project goals early in the process is important as these “success criteria” provide the lens under which future decisions are weighed. Among the most important goal is demonstrating exemplary stewardship of public funds, providing a facility that improves the efficiency of Water operations, seismic resiliency and accommodates anticipated growth over the next 20 years.

OPERATIONALLY EFFICIENT:
- Create safe pedestrian flow patterns, vehicular flow patterns and safe materials handling methods
- Reduce physical barriers to workflow and productivity
- Increase communication and collaboration within and between work groups
- Incorporate principles of the newly developed TPU space standards with associated Water Amendments
- Minimize duplicated spaces and/or equipment
- Provide healthy work environments with ample access to daylight and fresh air
- Provide welcoming, easy-to-access service area for external customers and vendors
- Improve resiliency through shortened recovery times and performance during and after major events

ECONOMICALLY RESPONSIBLE:
- Establish a comprehensive project budget through a process of beneficial business cases
- Evaluate life cycle costs for business case decisions
- Align budget under City policies and goals
- Minimize long term maintenance and operational costs
- Reduce costs for unnecessary redundancy in materials, tools and equipment while maintaining operational flow and efficiency.

ENVIRONMENTALLY SENSITIVE:
- Increase tree canopy where possible to reduce heat island effect.
- Help to build a complete, citywide network of bike connections.
- Contribute to a complete, citywide network of sidewalks, safe and ADA-accessible intersections.
- Update equipment and systems to current standards and best practices
- Provide infrastructure for future electric fleet vehicles
- Consider passive strategies such as intentional building orientation to maximize daylighting opportunities and minimize heating/cooling loads and heat island effect
  *(from the City of Tacoma Climate Action Plan)*

SOCIALLY INCLUSIVE:
- Create genuine and meaningful opportunities for employee engagement
- Foster a healthy and professional workplace culture and environment
- Eliminate real or perceived social barriers

Staff Questionnaire

Prior to hosting in-person workshops, an on-line survey was distributed to all staff, to help deepen the design team’s initial understanding of current conditions, work environment preferences, and future expectations for the re-imagined facility.

More than a dozen participants responded to this questionnaire - noting what works well and offering suggestions for how the campus could be improved. Three of the most prevalent themes that emerged were the need for more floor space and clearances - especially in Shops and Warehouse, improved control over the indoor air temperature which fluctuates widely due to a poorly functioning HVAC system, and an overall lack of meeting spaces. On the positive side, some respondents appreciate the size of their current office and that their workgroups are in close proximity to one another which simplifies coordination.

See 2.0 | Appendix for responses to staff questionnaire.

Industry Standards

The Designs Teams extensive experience in planning and implementing similar public agency facilities, as well as industry standards, have been used as sideboards to ensure wants and needs are within reason.
### Program Development Process

A main objective of this Master Plan study is to confirm square footage requirements to create better operational workflow by considering options for phasing full build-out campus improvements while permitting uninterrupted operations during construction.

Programming work is informed by many determinants, including total employees and their respective work area needs, critical functional adjacencies between workgroups, and other performance criteria and applicable codes.

By understanding existing conditions and learning about day-to-day operations, the workshops provided a wealth of information regarding ideal adjacencies, special requirements for work areas, plus storage and best-practice operational approaches.

The tables that follow summarize Staff and Vehicles quantities to be accommodated on the Water campus, as well as the spaces and sizes required. Although it can be difficult to accurately predict future industry changes like new program functions and service area growth, best estimates provide for future projections for an ideal workforce based on what is known today. It was determined that the facility program will account for a modest growth over the next twenty years. Building and site design must be configured to allow for efficient, logical and economical expansion.

### Staffing Summary

Early in the programming process, TCF initiated discussions with Water leadership regarding current and future growth of staff and vehicle and equipment for the main TPU facilities in Tacoma. Other facilities are excluded from these numbers. As of late 2023, a total of 236 staff make up the Water section. Total Water staff is expected to grow to 272 by 2043. See table 1.2A below.

Proposed Phase 1 program includes Maintenance and Construction and Safety sections only totaling 104 staff with expected growth to 124 staff. Phase 2 of the master plan would accommodate the remaining staff noted in table 1.2A. See next page for vehicle counts.

---

**Table 1.2A: SUMMARY OF WATER STAFF - CURRENT & FUTURE ANTICIPATED**

The table below summarizes confirmed staffing levels of Water with current quantities and anticipated staffing levels in 2043.

<table>
<thead>
<tr>
<th>WATER workgroups</th>
<th>Managers 2023</th>
<th>Managers 2043</th>
<th>Supervisor 2023</th>
<th>Supervisor 2043</th>
<th>Admin 2023</th>
<th>Admin 2043</th>
<th>Crew 2023</th>
<th>Crew 2043</th>
<th>Seasonal 2023</th>
<th>Seasonal 2043</th>
<th>TOTALS 2023</th>
<th>TOTALS 2043</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Services</td>
<td>4</td>
<td>4</td>
<td>5</td>
<td>5</td>
<td>3</td>
<td>3</td>
<td>12</td>
<td>13</td>
<td>0</td>
<td>0</td>
<td>24</td>
<td>25</td>
</tr>
<tr>
<td>Customer &amp; Employee Experience (excl. leave in ARB)</td>
<td>3</td>
<td>3</td>
<td>5</td>
<td>5</td>
<td>1</td>
<td>1</td>
<td>17</td>
<td>21</td>
<td>1</td>
<td>1</td>
<td>27</td>
<td>31</td>
</tr>
<tr>
<td>Maintenance &amp; Construction (excl McMillin/Hdwks)</td>
<td>3</td>
<td>3</td>
<td>7</td>
<td>8</td>
<td>9</td>
<td>10</td>
<td>82</td>
<td>100</td>
<td>0</td>
<td>0</td>
<td>101</td>
<td>121</td>
</tr>
<tr>
<td>Planning &amp; Engineering</td>
<td>7</td>
<td>7</td>
<td>10</td>
<td>13</td>
<td>2</td>
<td>2</td>
<td>37</td>
<td>43</td>
<td>6</td>
<td>6</td>
<td>62</td>
<td>71</td>
</tr>
<tr>
<td>Safety</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Source Water &amp; Transmission Operations (excl Hdwks)</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>9</td>
<td>11</td>
<td>0</td>
<td>0</td>
<td>14</td>
<td>16</td>
</tr>
<tr>
<td>Strategy</td>
<td>0</td>
<td>0</td>
<td>2</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>3</td>
<td>3</td>
<td>0</td>
<td>0</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td><strong>TOTALS</strong></td>
<td><strong>20</strong></td>
<td><strong>20</strong></td>
<td><strong>32</strong></td>
<td><strong>33</strong></td>
<td><strong>17</strong></td>
<td><strong>18</strong></td>
<td><strong>157</strong></td>
<td><strong>186</strong></td>
<td><strong>7</strong></td>
<td><strong>7</strong></td>
<td><strong>236</strong></td>
<td><strong>272</strong></td>
</tr>
</tbody>
</table>
Vehicles & Equipment

Vehicle parking and circulation of large equipment utilizes a significant portion of the overall site and building program area of an operations campus. Similar to the development of baseline staffing numbers and departmental program needs, all Water-owned vehicles and equipment, plus anticipated staff parking quantities were determined.

Table 1.2B summarizes the types and quantities of vehicles and equipment parking for both Water vehicles and privately-owned vehicles, and whether they are to receive enclosed or canopy-covered parking.

It is common practice among pier public agencies to cover all vehicles and equipment. This helps to keep rain, snow and sun from degrading weather sensitive materials increasing the longevity and reducing maintenance.

The detailed Space Program is located in 2.0 | Appendix.

Space Program

For preliminary planning purposes, the project has been broken into two phases. The full campus build-out is anticipated to take place over multiple years. Based on discussions with water, minimal growth is anticipated over the next 20 years. Most growth is in the enclosed vehicle storage to accommodate future factors, growth in the warehouse is accommodated by going higher with storage racking.

Table 1.2C EXISTING FACILITIES
(Gross Square Feet, GSF)

<table>
<thead>
<tr>
<th>Program Type</th>
<th>Gross Area (SF)</th>
<th>Summary of Program Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enclosed Office &amp; Crew</td>
<td>12,500</td>
<td>Construction Customer Lobby, Offices, Workstations, Meeting Rooms, Lockers, Crew Rooms, Support</td>
</tr>
<tr>
<td>Canopy Covered Storage</td>
<td>11,300</td>
<td>Warehouse loading dock</td>
</tr>
<tr>
<td></td>
<td>56,100</td>
<td>Total Existing Building Area</td>
</tr>
</tbody>
</table>

Table 1.2D FULL BUILD-OUT SUMMARY OF SPACE PROGRAM
(Gross Square Feet, GSF)

<table>
<thead>
<tr>
<th>Program Type</th>
<th>Gross Area (SF)</th>
<th>Summary of Program Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enclosed Office &amp; Crew</td>
<td>24,552</td>
<td>Construction Customer Lobby, Offices, Workstations, Meeting Rooms, Lockers, Crew Rooms, Support</td>
</tr>
<tr>
<td>Enclosed Vehicle Parking</td>
<td>5,664</td>
<td>Freeze protected vehicle parking</td>
</tr>
<tr>
<td>Canopy Covered Storage</td>
<td>45,983</td>
<td>Vehicle &amp; equipment parking, Materials Storage, Warehouse loading dock</td>
</tr>
<tr>
<td></td>
<td>120,762</td>
<td>Total Recommended Building Program Area</td>
</tr>
</tbody>
</table>

Table 1.2E PHASE 1 SUMMARY OF SPACE PROGRAM
(Gross Square Feet, GSF)

<table>
<thead>
<tr>
<th>Program Type</th>
<th>Gross Area (SF)</th>
<th>Summary of Program Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enclosed Office &amp; Crew</td>
<td>0</td>
<td>Continue to use existing water building as is today. Phase A1.2 alternative adds 5,000 SF of temporary office space in the new warehouse space.</td>
</tr>
<tr>
<td>Enclosed Vehicle Parking</td>
<td>0</td>
<td>Find temporary parking for vehicles requiring freeze protection</td>
</tr>
<tr>
<td>Canopy Covered Storage</td>
<td>22,700</td>
<td>Vehicle parking at warehouse loading dock</td>
</tr>
<tr>
<td></td>
<td>67,263</td>
<td>Total Recommended Building Program Area</td>
</tr>
</tbody>
</table>

Table 1.2F PHASE 2 SUMMARY OF SPACE PROGRAM
(Gross Square Feet, GSF)

<table>
<thead>
<tr>
<th>Program Type</th>
<th>Gross Area (SF)</th>
<th>Summary of Program Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enclosed Office &amp; Crew</td>
<td>24,552</td>
<td>Construction customer lobby, offices, workstations, meetings rooms, lockers, crew rooms, support</td>
</tr>
<tr>
<td>Enclosed Operations, Construction &amp; Maintenance</td>
<td>0</td>
<td>See Phase 1</td>
</tr>
<tr>
<td>Enclosed Vehicle Parking</td>
<td>5,664</td>
<td>Freeze protected vehicle parking</td>
</tr>
<tr>
<td>Canopy Covered Storage</td>
<td>23,283</td>
<td>Vehicle and equipment parking, materials storage</td>
</tr>
<tr>
<td></td>
<td>53,499</td>
<td>Total Recommended Building Program Area</td>
</tr>
</tbody>
</table>
1.3 | Site & Building Concepts

Overview of Opportunities & Challenges

Due to the multiple and varied unknowns of the Water property, Tacoma Water desires to explore options for a 20-year Master Plan that includes options with and without the existing building and takes into consideration existing site constraints. Rethinking the current layout of the Water campus offers significant opportunities and challenges.

MASTER PLANNING OPPORTUNITIES:
- Streamline building footprints and drive aisles allowing for uninterrupted Water operations during construction.
- Improve physical access for both vehicles and pedestrians to new and existing buildings for improved operational efficiency by better grouping similar site functions and maximizing the use of buildable areas to the highest possible capacity.
- Simplify circulation patterns for more clear, intuitive wayfinding.
- Massing and orienting buildings to capture passive environmental benefits such as improved daylight into occupied spaces. In western Washington, this is best accomplished by running office buildings in the east/west direction to better control daylighting and solar gain.
- Positively impact pedestrian and driver experience from public-rights of way. Improving landscape buffers to meet City code, and adding additional greenspace and other staff amenities.
- Making best use of the eastern triangular piece of the Water property so that it is not an island cut off by the railroad spur.
- Enhancing connectedness with Power, for both staff and customers. Include intuitive signaling to the public that the primary interface for Water staff - such as paying bills - is done in the main Lobby across Union.
- Enhance safety and security by planning new facilities to improve pedestrian and vehicle visibility, provide proper material organization and increase perimeter fencing, barriers and access control to meet TPU standards.

MASTER PLANNING CHALLENGES:
- The existing operations building on the northwest corner occupies a large proportion of site and is unable to provide spatial requirements needed for contemporary municipal water operations, yet is costly to retrofit for staff safety.
- An under-scaled parcel that is triangular-shaped with limited area for the amount of building and parking areas required. Tight corners (less than 90 degrees) create areas that are not ideal for the circulation and storage needs of an industrial operations facility.
- A north-south railway “spur” that bisects the site complicating connections for both vehicles and pedestrians. Due to the rail spur the east corner of the Water property easily becomes disconnected from the main portion of the site to the west.
- Redrawing of property lines under a development agreement that reduces the already limited buildable areas on site.
- A significant sanitary and storm sewer trunk line that runs diagonally through the site.

Site Constraints

Following is a list of known site constraints and concerns of Tacoma Water that were explored in the planning process.

New Public Road
The Bridge Industrial Project will construct a new road to the south of Tacoma Water’s property. Tacoma Water is selling land to the developer for the public road, further reducing available space on the property. New gate(s) will be needed to access the property from the new road.

Storm Sewer
There is a 48” stormwater trunk main that bisects Tacoma Water’s property from North to South.

Sanitary Sewer
There is a 24” sanitary sewer main that runs diagonally NE to SW and there are sewer structures and 8-inch sewer main at southeast corner of existing building heading southeast across property.

Railroad
There is an active railroad spur that bisects the property North to South.

Water Well
Tacoma Water owns and operates a well on the property. The zone of influence around the well has limitations on the use of the space.

Hydrant Shop: Pre-fab metal building that houses electrical equipment, flushing hoses and hydrant parts. There is a hydrant test pit in this building.

Existing Water Operations Building
Initial discussions with Landmarks indicate they would like this building to remain and be designated historic. Demolition of this building is not entirely under the control of Tacoma Water, given the City of Tacoma’s code.

Under Bridge Storage and Yard Storage
A significant portion of materials storage is located under Union Ave. This material needs to be moved into a controlled warehouse.

Staff Parking
Limited site size and usual shape site limit location that staff parking can be relocated.

Existing aerial image with easements and other encumbrances noted, which impact optimal site layout.
At the time of this report, with new south access gate designs are still being evaluated, it is assumed that all deliveries and longer vehicles will enter a gate off the new access road onto the Power site, as illustrated to the left. The vehicles will then cross under the Union Avenue overpass to access the Water site.

**PREFERRED SITE ALTERNATIVE**

This full build-out site plan is the preferred option because it successfully meets established project goals and success criteria outlined on page 4.

The layout identifies clear and separate paths for vehicles and pedestrians, improving both site safety and operational efficiency. Buildings are oriented for easy maneuvering in and out of the site through newly planned south access gates. Building layouts maximize buildable area on the property while avoiding existing utility easements.

In the Pacific Northwest, north/south alignment for operations building is ideal as it allows for sunlight to penetrate the drive aisles to reduce icy winter conditions. This site alternative also provides multiple future improvement options. For instance, the existing Water Operations Building, an under-performing building for Water, can remain in place or it can be replaced in the future with a new administration/crew building in the same location. (The current location of administrative Water staff at the corner of Union and 35th is ideal since it is the shortest distance to the Power campus, specifically ABN where some Water staff are now housed.)

Pared with the Space Program that was developed during this master plan study, concept A1 creates optimal adjacencies between multiple workgroups for the sharing of tools and equipment - leading to more efficient workflow.

In addition, the orientation of the new Warehouse and Shops building provides a solid visual buffer from the heavily-traveled Union Avenue, shielding views of the Ops yard from the public rights-of-way.
1.4 Basis of Design

Summary Statement

This Basis of Design criteria is used to establish the general level of project quality, in part, for cost estimating purposes. It provides a starting place that assists in facility and site development, and is typically refined as a project moves through the Schematic Design and Design Development phases.

The following Basis of Design (BOD) criteria was informed by:

- Project goals and objectives
- City of Tacoma’s Municipal Green Building Resolution
- Data gathered through programming meetings, workshops, and the Core Leadership Team.

Construction Delivery Method

The project delivery method will be Progressive Design Build.

Pedestrian, Vehicle and Equipment Circulation

Over the years the water operations building has been remodeled and added onto to creating less than ideal organization, circulation pathways and an overall inefficient operational. In designing operations facilities, logical, safe and efficient circulation is at the heart of functional success.

In planning the site and building layout for Water’s campus improvements, clear circulation systems for the flow of people, materials and vehicles are established throughout the property. Driveways and parking for personnel and visitors are outside the secured ops yard, away from the path of Crew vehicles and vendor trucks. The Preferred Site Alternative full build out shows multiple secured vehicle entry points along the southern perimeter. These are intended for the main entry/exit to be used on a daily basis for Water staff and vendor deliveries. Turning radii and clearances between buildings are sufficient for any vehicle type to flow and circulate throughout the site; the plans depict the turn radius for a vendor semi truck, vactor or fire truck. How the Power and Water sites will be physically connected for vehicle access is yet to be determined and is under separate concurrent study of southern gate access points and a Power site reconfiguration. This work is, in part, due to the new access road being created for a warehouse development south of Power.

Architectural Character & Massing

Maintenance and operations buildings share a generally consistent architectural character informed by study massing and finishes that are able to withstand heavy use and impacts by the climate conditions of our area. It is also important that they provide human centered spaces; work environments designed for the comfort and collaboration of the people who work in the facility.

Roofs: Roof slopes generally fall between 1:2:12 to 2:12 pitch, to shed water and occasional snow. Steep slopes are unnecessary in our climate, and generally avoided (or minimized) to conserve building materials and limit heating and cooling unneeded interior space.

Walls: As a general practice, limiting jogs in walls minimizes the first-cost to construct as well as the long-term impact of transitions, which can be areas more vulnerable to water intrusion.

Windows: Window height and placement are important to increasing site security (visibility to the exterior) and sense of well-being (access to daylight and views to nature).

Unique Architectural Character: Design that captures the spirit of both Tacoma and the Water organization.

Exteriors

For the purpose of preliminary budgeting, the buildings will be skinned with durable, low-maintenance materials that comply with all City design standards. The assumed palette of materials includes metal siding; concrete; CMU (concrete masonry unit aka concrete block), wood (a limited amount, largely as an accent); fiber cement panel siding, aluminum-framed windows, and hollow metal doors. Substrates that require a coating (such as wood, fiber cement, and doors) will have paints, stains, and/or sealers specified for weather-resistance and resilience specific to our climate.

Interiors

The interior palette of materials may include, but not be limited to, textured and painted drywall, ceramic tile, a suspended ceiling system with acoustical panels, polished and sealed concrete floors, carpet, wood paneling or acoustic slatting on walls or ceiling, and high-ceiling areas open to structure. Interior finishes will be durable and appropriate to the function of the spaces (office areas vs. industrial). Industrial areas may include exposed R-Seal insulation panels and roof insulation scrim, MDO or plywood, drywall or other durable materials.

Sustainability

The project should comply with the City of Tacoma’s Climate Action Plan which has specific goals for new projects. This project is required to meet a LEED silver or equivalent, COT Resolution 38249, referenced in the CAP. Also, we are not to use natural gas or other carbon-based fuels per Res 40776.

Security

The operations yard will be fully-fenced. Site entrance points will be fronted by automatic gates operated by card readers, and incorporate 2-way voice communication. Provide for CCTV and ample lighting throughout the site. Building entrances will also include CCTV and card readers at personnel access points. Additional security systems design should be refined during future design phases and in coordination with the new gate access points.

Site Parking for Fleet Vehicles and Equipment

A current fleet vehicle and equipment list was developed indication all vehicles and rollingstock on site. The spreadsheet was analyzed to identify vehicle size (small, medium, large, extra-large) and parking environmental requirements (heated-enclosed, covered, uncovered). See Vehicle Inventory (contained in 2.0 | Appendix) for detail and final counts with growth projections.

Civil, Planning, & Landscape

General

A geotechnical report was conducted by E3RA in 2004 for a proposed Tacoma Water Administration Building Addition. This report was provided by Tacoma Water for this site/civil evaluation.

Proposed paving will consist of asphalt and concrete sections. Actual depths will be determined by an updated geotechnical report that will be conducted with future design phases. Thickened asphalt or concrete sections shall be used in drive aisles and access roads for extended life expectancy and for fire access.

Stormwater Summary

The proposed project was evaluated to the current 2021 City of Tacoma Stormwater Management Manual (SWMM). The project site contains over 35% of existing hard surface coverage and is not a road related project, therefore the project is considered a redevelopment that, at the time of this report, is assumed to trigger all of the minimum requirements for the new and replaced hard surfaces. Per City’s initial interpretation of the redevelopment requirements, the project will create over 2,000 s.f. of new plus replaced hard surfaces, will create over 5,000 s.f. of new hard surfaces, and the new plus the replaced hard surfaces are over 5,000 s.f. Finally, the value of the proposed improvements, including interior upgrades, is assumed to exceed 50% of the assessed value of the existing project site improvements (commercial and industrial projects). The assessed value of all of the project parcels according to the City of Tacoma assessor’s website is approximately $7.5 million. This value assessment is the main catalyst for triggering all of the minimum requirements for the proposed project.

Tacoma Water believes the entire site is already considered non-pervious and the City’s initial pre-application comments warrant conversation. However, it’s also the case the City of Tacoma Stormwater Management Manual (SWMM) is undergoing draft revisions due to be published in 2025, hence it is currently unclear to what extent Minimum Requirements 6 through 9 will affect the project.

It is important to note that an existing City of Tacoma stormwater trunk main runs south to north through the project parcel that will remain throughout the duration of this project. Additionally, no permanent structure(s) shall be erected within the stormwater or sanitary public easement areas(s) unless specifically approved in writing by the City of Tacoma Director of Environmental Services.
Stormwater: Minimum Requirement #6 – Water Quality
The project is located within the South Tacoma Groundwater Protection District (STGPD). According to the Tacoma – Pierce County Health Department General Guidance and Performance Standards for the South Tacoma Groundwater Protection District, facilities that provide infiltration will be subject to STGPD regulations and permitting regardless if hazardous substances are stored or used on site. According to the STFPO Infiltration Policy, the project would be considered a medium intensity site. The medium intensity site requirements are as follows: (1) Enhanced treatment is required for all pollution generating surfaces that are infiltrated. (2) Oil control will be required for sites meeting the thresholds in the SWMM (see below). (3) Monitoring ports shall be installed. (4) Health Department to review site plan showing stormwater facilities and the O&M manual. (5) STGPD application shall be submitted and approved by TPCHD prior to COT permit issuance. (6) STGPD annual permit required. (7) Stormwater features shall be designed per the requirements of the SWMM.

Oil Control: Oil control is required for: (1) areas of commercial or industrial sites subject to an expected average daily traffic count equal to or greater than 100 vehicles per 1,000 square feet of gross building area or 300 total trips per day; (2) Areas of commercial or industrial sites subject to petroleum storage and transfer in excess of 1,500 gallons per year; or (3) areas of commercial or industrial sites subject to parking, storage, or maintenance of 25 or more vehicles that are over 10 tons gross weight (trucks, buses, trains, heavy equipment, etc.).

Based on these requirements, it is assumed that oil control is not required.

Phosphorous Treatment: The project does not discharge to Wapato Lake or any other watersheds that are sensitive to phosphorus treatment; the project does not discharge to fresh waters designated for aquatic life use or that have an existing aquatic life use; or (3) infiltrate stormwater within 1/4 mile of fresh waters designated for aquatic life use or that have an existing aquatic life use. The project does not discharge to any aquatic waters or infiltrate within aquatic waters. However, the project is located within the STGPD and therefore enhanced treatment is required. It is important to note that covered parking areas are not anticipated to require treatment.

Stormwater: Minimum Requirement #7 and Minimum Requirement #8
Flow control is required for all of the new and replaced hard surfaces and the land disturbed. It is anticipated that additional testing for infiltration will be conducted prior to the design of the on-site facilities. At that time, it will be determined if the project will provide flow control through the use of infiltration systems or detention systems. Due to the site plan and the use of the site, it is assumed that any flow control facility for the project will be located underground. According to the pre-application notes from the City of Tacoma, it appears that the site indirectly contributes to a wetland downstream and requirements for protecting the wetland may be required.

Sewer/Wastewater
Wastewater generated from the site structures will be served by the existing 8” gravity sanitary sewer lines throughout the site. A sewage dump station will possibly be constructed as well. It is assumed at this time that the proposed waste enclosures will also be required to drain to a structure with a downturned elbow and be discharged to the sewer system. Depending on the City of Tacoma’s requirements for covered parking areas, the existing 8” sewer main may have to be relocated around the canopy covered parking. All abandoned sewer systems or side sewers shall be plugged or capped at the main. Any existing side sewers that will be re-used shall be television inspected and pressure tested per the City of Tacoma standards. Any side sewers that do not pass inspection shall not be re-used. If the site will have a car wash location/facility, an oil/water separator will be required.

According to the City’s pre-application comments, there is an outstanding in-lieu sewer assessment on the parcel that will be required to be paid by the owner prior to any work on the proposed sewer.

Water
Domestic and fire service water will be extended from the existing mains throughout the site. The site is currently served by an existing 2” service with a 5/8” meter and an existing 8” service with a 6” meter. There is an existing 12” water main in South 35th Street and the calculated pressure is approximately 99 psi. New water services and meters will be placed directly in front of each parcel where possible. Prior approval by Tacoma Water is required for other non-localized locations.

Landscape
All buffer plantings will be in accordance with the applicable jurisdictional requirements. Plant material proposed for the project include native and drought tolerant species where possible. Trees will include species adapted to the climate and tolerant of local conditions. All planting beds or planting pits will be amended with suitable planting soil. All plant beds will receive a mulch layer to conserve water and minimize weed species.

Mechanical

Plumbing
Low flow plumbing fixtures will be provided. Urinals, water closets, and lavatory faucets will be hard-wired and sensor operated; there will be no waterless urinals.

Baseline water heating will be through electric, tank-type water heaters. Alternate water heating may be point-of-use, instantaneous heaters or heat pump water heaters with electric back-up and storage. Piping materials will be determined during later design phases of the project.

HVAC (Heating, Ventilation & Air Conditioning)
Baseline HVAC systems for areas with heating and cooling will be packaged heat pumps and split system heat pumps with Dedicated Outside Air Systems (DOAS) including heat recovery for ventilation. Alternate HVAC systems such as Variable Refrigerant Flow (VRF) with DOAS and geo-exchange with distributed water-source heat pumps (WSHP) should be studied for possible incorporation at the Schematic Design phase.

Spaces requiring only heat will be provided with electric unit heaters as allowed per code.

Indoor air will be filtered for distribution in people and crew spaces to meet industry standard. Minimum ventilation requirements will comply with the current building codes with the 2021 International Mechanical Code with Washington State amendments, WSEC 2021, and systems will meet comfort requirements as stated in ASHRAE Standard 55-2020.

Carbon dioxide (CO2) monitors will be present in high occupancy areas such as crew, conference, and training rooms. Specialized exhaust systems will be provided in shops and vehicle maintenance spaces with required make-up air.

Building Automation System (BAS) and HVAC controls are typically addressed in the Schematic Design phase.

Electrical

Conduit & Wiring
HDPE (High-density Polyethylene) conduit instead of rigid PVC (polyvinyl chloride) conduit. HDPE is strong, flexible, and requires less labor to install.

XLPE (Cross-linked Polyethylene) wire insulation instead of THHN (Thermoplastic High Heat-resistant Nylon-coated). THHN wire is designed with a PVC (polyvinyl chloride) insulated nylon sheath. A side benefit of XLPE wire insulation: in a fire it off-gases less smoke and is therefore superior for use in defend-in-place buildings.

Service
The typical electrical design standard for long-term use public infrastructure projects is to provide 25-percent spare capacity for building main services, 30-percent spare capacity for branch circuit panelboards, 20-percent spare capacity on any generator, and 50-percent spare capacity on UPS Systems.

Photovoltaics (PV) & Electric Vehicle Charging (EV)
Code-minimum photovoltaic panels will be provided. WSEC 2021 requires .5 Watt/SF installed and an area of solar-ready equal to 40% of roof area of 20% of the new building’s total electrical demand. Code also requires electric vehicle charging units for 10% of vehicles installed at time of construction, plus 10% EV-ready parking stalls.

Lighting
Exterior lighting will be designed to create a secure environment and to enhance the facility’s night appearance with the lowest energy consumption, dark sky compliant, and maintenance methods available. A facility-wide wireless IP-based lighting control system will form the basis of the lighting control strategy. Every permanently-installed luminaire in the facility will be controlled by the centralized system to allow for accurate and adjustable facility-wide control, energy management and metering of the lighting system.

Data & Communications Systems
Data & Communication (Comm) Systems will meet the needs of Water, TPU and City of Tacoma Requirements. The specifics are to be confirmed during schematic design.
1.5 | Project Economics

Cost Estimating Methodology

Upon completion of the space program and selection of a preferred Site Alternative, budgetary cost estimates were prepared using identified quantities and preliminary Basis of Design criteria to establish general project quality.

TCF retained the services of professional estimating firm RC Cost Group to prepare progressive design build planning-level estimates for the site, equipment and building concept. Cost estimates were also provided by the project’s Civil Engineer and Equipment Planner to assist in the process. The Cost Estimate summary sheets, included in this section, are a 1-page summary that uses the more detailed cost estimate information (located in the appendix) and additional project related costs. Full in-depth estimating, as well as greater scope definition, detailed programming, and value analysis, will occur in subsequent design phases.

The cost budget summary consists of the following sections:
- Site Work
- Buildings
- Equipment (GC Provided)
- Contingencies
- Progressive Design Build Costs and Fees

Cost Estimate Assumptions

For the predesign estimates, it is assumed that the project will be delivered using Progressive Design Build delivery method. Costs include contractor’s general conditions and fee, future project cost escalation determined by the current market, and project soft costs such as sales taxes, professional engineering and design fees, and permitting fees. Escalation costs have been included to correspond to an assumed start date of August 2025 for phase 1 and August 2026 for phase 2. For construction start dates beyond these dates, add 4.5% per year. Other owner realted costs like FF&E, moving and temporary facilities are not included unless specifically noted.

Off Site Costs

Off site costs have not been determined for Phase 1 construction; however, Water has a placeholder in their project cost estimate. Work done in association with the new south access road is assumed to be the responsibility of the developer with whom Water has a signed development agreement.

Contingencies

Since it is impossible to fully identify all potential costs at this early planning stage, a design contingency of 12.5% was included for building elements and 25% for site and equipment. An additional Design Builder’s contingency of 3% was also included.

<table>
<thead>
<tr>
<th>Project Category</th>
<th>Budgetary Cost Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction Costs</td>
<td></td>
</tr>
<tr>
<td>Shops</td>
<td>$4,837,631</td>
</tr>
<tr>
<td>Warehouse</td>
<td>$6,836,873</td>
</tr>
<tr>
<td>Loading Dock Structure &amp; Canopy</td>
<td>$2,853,931</td>
</tr>
<tr>
<td>Canopy Loading Dock Demolition</td>
<td>$117,600</td>
</tr>
<tr>
<td>Sitework</td>
<td>$5,347,474</td>
</tr>
<tr>
<td>Equipment, Allowance</td>
<td>$200,000</td>
</tr>
<tr>
<td>Direct Cost of Work</td>
<td>$20,193,509</td>
</tr>
<tr>
<td>Design/Estimating Contingency at Building Elements</td>
<td>$1,830,754</td>
</tr>
<tr>
<td>Design/Estimating Contingency at Site Elements &amp; Equipment</td>
<td>$1,386,869</td>
</tr>
<tr>
<td>Escalation: August 2025</td>
<td>$1,757,532</td>
</tr>
<tr>
<td>Design Builders Contingency</td>
<td>$755,060</td>
</tr>
<tr>
<td>B&amp;O Tax</td>
<td>$365,525</td>
</tr>
<tr>
<td>General Conditions/General Requirements</td>
<td>$2,891,817</td>
</tr>
<tr>
<td>Pre-Construction Services</td>
<td>$875,432</td>
</tr>
<tr>
<td>Design Costs</td>
<td>$3,306,215</td>
</tr>
<tr>
<td>Fee, P&amp;P Bonds, BRI, GLI, Sub Bonding</td>
<td>$2,402,115</td>
</tr>
<tr>
<td>Total Construction Cost</td>
<td>$35,764,829</td>
</tr>
</tbody>
</table>

Note: Costs here do not include any modifications to the existing Water operations building.

Tables below summarize the key categories of the budgetary cost estimate developed for Preferred Site Alternative A1. Phase 1 and 2 Detailed Cost Estimates are located in the 2.0 | Appendix.

Table 1.5A PHASE 1 SUMMARY COST ESTIMATE of PREFERRED SITE ALTERNATIVE A1.1

<table>
<thead>
<tr>
<th>Construction Costs</th>
<th>Budgetary Cost Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shops</td>
<td>$1,220,692</td>
</tr>
<tr>
<td>Warehouse</td>
<td>$2,515,874</td>
</tr>
<tr>
<td>Loading Dock Structure &amp; Canopy</td>
<td>$642,258</td>
</tr>
<tr>
<td>Canopy Covered Storage</td>
<td>$447,983</td>
</tr>
<tr>
<td>Sitework</td>
<td>$5,093,348</td>
</tr>
<tr>
<td>Equipment, Allowance</td>
<td>$125,000</td>
</tr>
<tr>
<td>Direct Cost of Work</td>
<td>$10,045,155</td>
</tr>
<tr>
<td>Design/Estimating Contingency at Building Elements</td>
<td>$603,351</td>
</tr>
<tr>
<td>Design/Estimating Contingency at Site Elements &amp; Equipment</td>
<td>$1,304,587</td>
</tr>
<tr>
<td>Escalation: August 2026</td>
<td>$1,426,451</td>
</tr>
<tr>
<td>Design Builders Contingency</td>
<td>$401,386</td>
</tr>
<tr>
<td>B&amp;O Tax</td>
<td>$194,311</td>
</tr>
<tr>
<td>General Conditions/General Requirements</td>
<td>$1,537,277</td>
</tr>
<tr>
<td>Pre-Construction Services</td>
<td>$465,376</td>
</tr>
<tr>
<td>Design Costs</td>
<td>$1,757,568</td>
</tr>
<tr>
<td>Fee, P&amp;P Bonds, BRI, GLI, Sub Bonding</td>
<td>$1,276,953</td>
</tr>
<tr>
<td>Total Construction Cost</td>
<td>$19,012,414</td>
</tr>
</tbody>
</table>

Table 1.5B PHASE 2 SUMMARY ESTIMATE of PREFERRED SITE ALTERNATIVE A1
NOTE TO PROPOSERS: This Exhibit C will be negotiated with the successful Design-Builder to reflect the Design-Builder’s plan for the Project.

PART 1 APPLICABLE TO ALL PHASES
1.01 INTEGRATED DELIVERY ................................................................. 1
1.02 PROJECT GOALS ........................................................................... 1
1.03 DEFINITIONS ................................................................................ 2
1.04 GENERAL SERVICES ..................................................................... 7
1.05 DESIGN SERVICES ......................................................................... 7
   A. General ......................................................................................... 7
   B. Design Submissions ...................................................................... 8
   C. Design Log .................................................................................. 9
   D. Trend Log .................................................................................... 9
   E. Construction Documents .............................................................. 9
   F. Owner’s Review of Design Submissions ..................................... 10
   G. Work Phasing ............................................................................. 10
1.06 STANDARD OF CARE FOR PROFESSIONAL SERVICES. ........ 10
1.07 CONSTRUCTION SERVICES. ............................................................ 10
   A. General ......................................................................................... 10
   B. Title ............................................................................................. 11
1.08 CORRECTION OF DEFECTIVE OR NONCONFORMING WORK .... 11
   A. Nonconforming Work .................................................................. 11
   B. Not a Limitations Period ............................................................... 12
1.09 SUBCONTRACTS ............................................................................ 12
   A. General ......................................................................................... 12
   B. Subcontract Plan ......................................................................... 14
   C. Self-Performed Construction Work ............................................. 14
1.10 APPLICABLE LAW ......................................................................... 15
1.11 GOVERNMENT APPROVALS AND PERMITS ............................... 15
1.12 ARCHAEOLOGICAL RESOURCES ................................................... 15
1.13 PAYMENT AND COMPLETION ......................................................... 16
   A. Monthly Progress Payments ....................................................... 16
   B. Withholding of Payments ............................................................. 18
   C. Design-Builder’s Payment Obligations ....................................... 19
   D. Substantial Completion ............................................................... 19
   E. Final Completion ......................................................................... 20
   F. Final Payment ............................................................................ 20
1.14 INDEMNIFICATION ....................................................................... 21
   A. Patent and Copyright Infringement ............................................. 21
   B. Payment Claim Indemnification ................................................ 22
   C. Design-Builder’s General Indemnification .................................. 22
   D. Lower Tier Contractors Indemnification Obligations .................. 23
   E. Survival ...................................................................................... 23
1.15 ELECTRONIC DATA ..................................................................... 23
   A. Transmission of Electronic Data ................................................. 23
   B. Electronic Data Protocol ............................................................. 24
PART 2 PHASE 1 SCOPE OF SERVICES

2.01 SUMMARY OF WORK ......................................................... 24
2.02 VALIDATION PERIOD ......................................................... 25
   A. Owner Provided Information ........................................... 25
   B. Site and Other Investigations ......................................... 25
   C. Validation Period Report .............................................. 26
2.03 DESIGN DEVELOPMENT PERIOD ......................................... 26
   A. Development of the Basis of Design Documents .................. 26
   B. Development of Project Cost and GMP .............................. 27
   C. Development of Project Schedule .................................... 27
   D. Submission of GMP .................................................... 27

PART 3 PHASE 1 SUBMITTALS ................................................. 28

3.01 SUBMITTALS ................................................................. 28
   A. Submittals After issuance of the Notice to Proceed ............... 28
   B. Periodic submittals During Phase 1 .................................. 28
   C. Submittals in the Validation Period Report ......................... 28
   D. Early GMP Proposals .................................................. 29
   E. GMP Proposal ......................................................... 29
3.02 PROJECT SCHEDULE ....................................................... 30
   A. Schedule Development Plan ........................................... 30
   B. Phase 1 Schedule ..................................................... 30
   C. Target Schedule ..................................................... 30
   D. Project Schedule ..................................................... 31
   E. Pull Planning .......................................................... 31
   F. Critical Path Method (CPM) Resource loaded schedule ......... 31
3.03 BIM MODEL AND EXECUTION PLAN .................................... 32
   A. BIM Protocol .......................................................... 32
   B. BIM Model and BIM Execution Plan ................................. 32
   C. Use of BIM for Design and Construction ........................... 34
   D. Use of BIM for Facility Management and Maintenance ......... 34
3.04 DESIGN SUBMISSIONS AND SPECIFICATIONS ....................... 34
   A. Design Management Plan ............................................ 34
   B. Initial Project Scope .................................................. 35
   C. Phase 1 Scope of Work .............................................. 35
   D. Work Groups ........................................................ 35
   E. Design Submissions .................................................. 36
   F. Basis of Design Documents ........................................... 36
   G. Milestone Deliverables .............................................. 37
3.05 COST AND GMP ......................................................... 38
   A. GMP Development Plan .............................................. 38
   B. Schedule of Values .................................................... 39
   C. Cost Model .......................................................... 40
   D. Work Breakdown Structure (WBS) .................................. 40
   E. Target Budget ........................................................ 40
   F. Establishment of the GMP ............................................ 41
3.06 SUBCONTRACT PLAN ..................................................... 42
3.07 PROJECT SAFETY AND JOB SITE HAZARD ANALYSIS ................................................................. 42
3.08 PROJECT PHASING /STAGING ................................................................................................. 42
   A. Early GMP Plan ................................................................. 42
   B. Project Phasing/Staging Analysis ........................................ 43
3.09 PERMITTING STRATEGY PLAN ......................................................................................... 43
3.10 UNDERUTILIZED BUSINESS PARTICPATION AND INCLUSION PLAN ................................. 43
3.11 QA/QC PLANS ..................................................................................................................... 44
   A. Quality Manual ..................................................................... 44
   B. Quality Manager .................................................................... 44
   C. Design Quality Management Plan .......................................... 45
   D. Construction Quality Management Plan .................................. 46
3.12 CONTRACT CLOSEOUT PLAN ............................................................................................... 47
3.13 CHANGED CONDITIONS REPORT ...................................................................................... 47

PART 4 PHASE 2 SCOPE OF SERVICES .................................................................................. 48
4.01 PHASE 2 SCOPE .................................................................................................................... 48
4.02 COMPLETION OF DESIGN .................................................................................................. 48
4.03 SCHEDULE OF VALUES AND COST MODEL .................................................................... 48
4.04 SCHEDULE ............................................................................................................................ 48
4.05 CONSTRUCTION SERVICES ................................................................................................ 48
4.06 COMMISSIONING, TESTING AND CLOSEOUT .................................................................... 48
4.07 PHASE 2 SUBMITTALS ......................................................................................................... 49
   A. Periodic Submittals ............................................................... 49
   B. Milestone Submittals ............................................................ 49
   C. Other Submittals ................................................................. 49
PART 1 APPLICABLE TO ALL PHASES

1.01 INTEGRATED DELIVERY

A. Owner and Design-Builders commit at all times to cooperate fully with each other and proceed on the basis of trust and good faith, to permit each party to realize the benefits afforded under the Contract Documents.

B. The Parties wish to fully embrace the principles of collaboration and integrated delivery in the performance of the Work of this Project. Integrated delivery emphasizes a cooperative approach to problem solving involving all key parties to the Project: the Owner, Design-Builders, Designers and principal Subcontractors (electrical, mechanical and others as the Design-Builders and the Owner jointly agree are appropriate). Toward that end, the Parties agree to employ the following techniques to maximize efficiency and minimize waste:

1. Create a culture of open and honest communication throughout the course of the Project;
2. Resolve disputes at the lowest possible level;
3. Integrate the design and construction team (including key specialty contractors and trade partners) as early as possible into the design process;
4. Utilize lean construction methods efficiently and effectively;
5. Utilize Building Information Modeling efficiently and effectively;
6. Establish a collaborative environment where all parties have the opportunity to contribute their best efforts for the benefit of the Project as a whole rather than to the benefit of individual parties;
7. Develop the Project consistent with the Project Goals; and
8. Establish business terms that allow for equitable shared risk and reward for the parties who are members of the Design-Build Team.

1.02 PROJECT GOALS

The Owner has established the following Project Goals.

1. Execute a successful, collaborative Progressive Design-Build (PDB) Process to produce the envisioned Project. The Design-Build Team will develop and utilize a collaborative relationship between the Owner, its stakeholders, and the Design-Build Team to exceed the Project Goals within the Owner’s budget and schedule and demonstrating exemplary design and project management.

2. Maximize Design Within Limited Budget. The Design-Build Team will leverage the efficiencies of the progressive design-build process through innovative and lean design and construction techniques that provides an efficient and effective design with the most scope and programming within the Owner’s established budget and is flexible with respect to its use over time and allows for expansion for future phases of the facility.

3. Optimize Quality, Operations, and Revenue. The Design-Build Team will assist the Owner in selecting amenities and features of the facility that will create a high quality facility, minimize operations and maintenance costs, and help meet the facility’s revenue goals, all while being responsive to the input of stakeholder groups.

4. Improve Tacoma Water Operations with appropriately sized spaces, better workflow, and adjacencies that create efficiency between functions and
departments.

5. Provide a facility that has a high degree of seismic resiliency, as is appropriate for an essential warehouse, shops and operations facility.

6. Accommodate anticipated twenty-year (20) year growth projections for the functions included in Phase 1 of the Master Plan.

1.03 DEFINITIONS

A. The following definitions supplement the definitions in the General Conditions of Contract.

1. **Allowance Item** is a description of the subject of an Allowance Value established pursuant to Section 6.4.1 of the Agreement.

2. **Allowance Value** is the amount established for an Allowance Item pursuant to Section 6.4.1 of the Agreement.

3. **Application for Payment** is the Submittal from the Design-Build supporting payment pursuant to Article 7 of the Agreement.

4. **Basis of Design Documents** are the documents set forth in Section 3.04.F of Exhibit C.

5. **Commercial Terms** are any documents that establish an agreement between the parties regarding a maximum cost, a scope of work, or a schedule, including but not limited to the GMP, an Early GMP, Not to Exceed Amount, Lump Sum, Hourly Rate, Contract Time, Target Budget, Target Schedule, Owner’s Project Criteria, Initial Project Scope, or Basis of Design Documents.

6. **Contingencies** are the amounts available for Design-Build’s use and are defined in Section 6.4.4 of the Agreement. The Cost of the Work Contingency is defined in Section 6.4.4.a. The Design-Build’s Contingency is defined in Section 6.4.4.b.

7. **Construction Documents** are the documents, consisting of Drawings and Specifications, to be prepared or assembled by Design-Build consistent with the Owner’s Project Criteria and the Basis of Design Documents unless a deviation from the Owner’s Project Criteria or Basis of Design Documents (as applicable) is specifically set forth in a Change Order executed by both Owner and Design-Build, as part of the design review process contemplated by Section 1.05 herein.

8. **Contract Amendment** is a written amendment to the Contract Documents that incorporates additional terms into the Contract Documents. Later Contract Amendments govern over earlier Contract Amendments.

9. **Contract Price** shall mean the maximum amount that the Design-Build may be compensated pursuant to this Agreement for any given phase.

10. **Contract Time** consists of the dates set forth in Article 5 of the Agreement.

11. **Date of Commencement** is the date set forth in Section 5.1 of the Agreement.

12. **Day** or **Days** shall mean calendar days unless otherwise specifically noted in the Contract Documents.

13. **Design-Build’s Delay Rate** is the amount established in Section 6.4.5.4 of the Agreement.

14. **Design-Build’s Fee Percentage** is the percentage set forth in Section 6.2.1 of the Agreement.

15. **Design Consultant** is a qualified, licensed design professional who is not an employee of Design-Build, but is retained by Design-Build, or employed or retained by anyone under
contract with Design-Builder, to furnish design services required under the Contract Documents. A Design Sub-Consultant is a qualified, licensed design professional who is not an employee of Design Consultant but is retained by Design Consultant or employed or retained by anyone under contract to Design Consultant, to furnish design services required under the Contract Documents.

16. *Design Log* is a log of Reliable Decisions agreed upon by the parties. The Design Log supplements the Owner’s Project Criteria, the Initial Project Scope, and Basis of Design Documents, as applicable.

17. *Design Development Period* is the period in Phase 1 that is described in Section 6.6 of the Agreement.

18. *Design Submission or Submittal* means any and all documents, shop drawings, electronic information, including computer programs and computer generated materials, data, plans, drawings, sketches, illustrations, specifications, descriptions, models, and other information developed, prepared, furnished, delivered or required to be delivered by, or for, Design-Builder (1) to the Owner under the Contract Documents; or (2) developed or prepared by or for the Design-Builder specifically to discharge its duties under the Contract Documents.

19. *Early GMP* is a GMP for a portion of the Work that is established prior to the establishment of the GMP for the entire Work as set forth in Section 6.6.1.6 of the Agreement.

20. *Early GMP Schedule* is the Schedule for progress and completion of an Early GMP Scope.

21. *Early GMP Scope* is the Scope of Work for an Early GMP.

22. *Extended General Conditions Costs* the result from the Design-Builder’s Delay Rate multiplied by the number of days the project is delayed pursuant to Section 2.07 of the General Conditions as set forth in Section 6.4.5.4 of the Agreement.

23. *Final Completion* of the entire Project shall be deemed to have occurred when all of the following have occurred:

   a. All requirements for Final Completion of the Project have been achieved and Punch List Completion has been fully satisfied;

   b. Owner shall have received and accepted a final certificate of occupancy allowing use and occupancy of the Project;

   c. Owner shall have received and accepted all Construction Documents, Record Documents, as-built schedule, right-of-way record maps, surveys, test data and other deliverables required under the Contract Documents;

   d. Design-Builder shall have delivered all operating manuals, warranties and other deliverables required by the Contract Documents;

   e. All special tools, equipment, furnishings and supplies purchased and/or used by Design-Builder as provided in this Contract have been delivered to Owner and all replacement spare parts shall have been purchased and delivered to Owner free and clear of Liens;

   f. All of Design-Builder’s obligations under the Contract Documents (other than obligations which by their nature are required to be performed after Final Completion) shall have been satisfied in full or waived in writing by Owner;

   g. Design-Builder shall have delivered to Owner a Notice of Final Completion for the Project; and

   h. All other conditions to Final Completion in this Contract shall have been satisfied.

(1) Owner will issue a Certificate of Final Acceptance to Design-Builder at such time as Owner determines that Final Acceptance has occurred.
(2) Final Completion will not prevent Owner from correcting any measurement, estimate or certificate made before or after completion of the Work, nor shall it prevent Owner from recovering from Design-Builder, its Surety(ies), or other provider of performance security or any combination of the foregoing, overpayment or other costs sustained for failure of Design-Builder to fulfill the obligations under the Contract Documents.

24. **GMP Amendment** means an amendment to the Agreement entered into the parties at the conclusion of Phase 1 that establishes the Basis of Design Documents, the GMP, the Project Schedule and other terms agreed to by the parties.

25. **GMP Proposal** or **Proposal** means that proposal developed by Design-Builder in accordance with Section 6.6 of the Agreement.

26. **Guaranteed Maximum Price** ("GMP") is the total compensation to the Design-Builder as set forth in the GMP Amendment that shall establish a binding GMP between the Parties for the Project pursuant to Section 6.2.2 of the Agreement.

27. **Hourly Rates** are the amounts per hour established pursuant to Section 6.4.6 of the Agreement.

28. **Initial Project Scope** is the scope of the project that the parties collaboratively establish at the conclusion of the Validation Period that represents the parties’ best determination of an achievable project scope within the Target Budget.

29. **Key Personnel** mean those individuals and position descriptions identified by Design-Builder during the project procurement and other individuals identified as Key Team Members with the agreement of both parties, such agreement shall not be unreasonably withheld.

30. **Liens** mean any pledge, Lien, security interest, mortgage, deed of trust or other charge or encumbrance of any kind, or any other type of preferential arrangement (including any agreement to give any of the foregoing, any conditional sale or other title retention agreement, any lease in the nature of a security instrument and the filing of or agreement to file any financing statement or other instrument intended to perfect a security interest).

31. **Lump Sum** is the amount established by the Parties pursuant to Section 6.4.3 of the Agreement.

32. **Lump Sum General Conditions Costs** is the amount established by the Parties pursuant to Section 6.4.5 of the Agreement.

33. **Lump Sum Scope** is the description of the scope of the Work subject to the Lump Sum established pursuant to Section 6.4.3 of the Agreement.

34. **Nonconforming Work** is any Work that is found to not be in conformance with the Contract Documents.

35. **Not to Exceed Amount** is an amount that is established pursuant to Section 6.4.2 of the Agreement.

36. **Not to Exceed Scope** is the scope of Work subject to the Not to Exceed Amount established by the parties pursuant to Section 6.4.2 of the Agreement.


38. **Open Book Basis** means providing the Owner all underlying assumptions, price quotes and data associated with pricing or compensation (whether of the Design-Builder or the Owner) or adjustments thereto, including assumptions as to costs of the Work, schedule, composition of equipment spreads, equipment rates, labor rates, productivity, estimating factors, design and productivity allowance, contingency and indirect costs, risk pricing,
discount rates, interest rates, and other items reasonably required by the Owner to satisfy itself as to the reasonableness of the amount.

39. Original GMP is the GMP set forth in the GMP Amendment.

40. Owner’s Budget is the amount of money set aside by the Owner for the Project.

41. Owner’s Project Criteria are developed by or for Owner to describe Owner’s program requirements and objectives for the Project, including use, space, price, time, site and expandability requirements, as well as submittal requirements and other requirements governing Design-Builder’s performance of the Work. Owner’s Project Criteria may include conceptual documents, design criteria, design performance specifications, design specifications, LEED® or other sustainable design criteria and other Project-specific technical materials and requirements.

42. Owner Provided Information is any document or information provided by the Owner at any time, including but not limited to the Request for Qualifications, Request for Proposals, or Owner’s Criteria.

43. Project Schedule is the schedule provided by the Design-Builder and approved by the Owner pursuant to the General and Exhibit C.

44. Reliable Decision is a decision, development, or election that refines the Owner’s Project Criteria or Basis of Design Documents, that is approved by the Owner and that is set forth in the Design Log. A Reliable Decision cannot change the Owner’s Project Criteria or Basis of Design Documents but shall instead constitute a further development or refinement of the design for the Project with which all subsequent design, development and Construction Documents shall be consistent.

45. Schedule of Values is the submission required pursuant to Section 3.05.B herein.

46. Site are those areas designated in writing by the Owner for performance of the Work and such additional areas as may, from time to time, be designated in writing by the Owner for the Design-Builder’s use in performance of the Work. For purposes of insurance (subject to any notification and other requirements imposed by the insurer(s) for approval), indemnification, safety and security requirements, the prevailing wage requirements, and payment for use of equipment, the term “Site” shall also include (a) the field office sites, (b) any property used for bonded storage of material for the Project approved by the Owner, (c) staging areas dedicated to the Project, and (d) areas where activities incidental to the Project are being performed by the Design-Builder or Subcontractors covered by the worker’s compensation policy included in the insurance described in Exhibit B, but excluding any permanent locations of Design-Builder or such covered Subcontractors.

47. Small Businesses are those defined by RCW 39.04.010.

48. Subcontractor is any person or entity retained by Design-Builder as an independent contractor to perform a portion of the Work and shall include Design Consultants, materialmen and suppliers.

49. Sub-Subcontractor is any person or entity retained by a Subcontractor as an independent contractor to perform any portion of a Subcontractor’s Work and shall include Design Subconsultants, materialmen and suppliers.

50. Substantial Completion or Substantially Complete means:

a. The Design-Builder has completed the Work or designated portion of the Work, in accordance with the Contract, such that the Project is in a condition that it can be used in a normal and safe manner, subject only to Punch List items and other Work that do not affect the ability to occupy the Project or designated portion thereof for such normal use and operation;
b. The Project or designated portion thereof is sufficiently completed in accordance
   with the Contract, as modified by any executed Change Orders, so that it can be
   used for its intended purpose;

c. All conditions to acceptance by utility Owners have been satisfied or waived, and
   any waivers approved by the Owner, in its sole discretion;

d. The Design-Builders has completed commissioning the Work or designated portion
   thereof in accordance with the commissioning requirements in the Contract
   Closeout Plan set forth in Section 3.12 of Exhibit C, and the commissioning tests
   have been successfully performed and satisfied (subject to such commissioning
   which is identified in the commissioning requirements to be conducted after
   Substantial Completion);

e. To the extent applicable, all authorities having jurisdiction have confirmed and
   issued all pertinent approvals or other documents in respect thereof that the
   building and structures on the Site applicable to the portion of the Work for which
   Substantial Completion is sought are ready for occupancy; and

f. All other conditions to Substantial Completion in the Contract shall have been
   satisfied.

51. Target Budget is the estimate for the GMP that is collaboratively established by the parties
    after the conclusion of the Validation Period that represents the parties’ best determination
    of an achievable GMP.

52. Target Schedule is the estimated Project Schedule collaboratively established by the parties
    at the conclusion of the Validation Period that represents the parties’ best
determination of an achievable Schedule.

53. Trend is an issue identified in the Trend Log.

54. Trend Log is a log of issues that have been identified by the Design-

55. Underutilized Business means businesses that are traditionally underutilized in the
    construction industry including but not limited to businesses certified by OMWBE, Veteran
    Owned Businesses, as well as small, regional, and local businesses.

56. Unit Prices Are the prices established for specific units of Work as set forth in Section 6.4.6
    of the Agreement.

57. Unusually Adverse Weather means weather that satisfies all of the following conditions:
    a. Unusually severe precipitation, sleet, snow, hail, heat, or cold conditions in excess
       of the norm for the location and time of year it occurred and could not have been
       reasonably anticipated, documented by 10-year climatological data obtained by
       the U.S. National Oceanic and Atmospheric Administration from the nearest
       nationally recognized reporting station to the Site;

    b. Unanticipated for the time of year;

    c. Occurring at the Site; and

    d. Having a materially adverse effect on the scheduled Work.

58. Validation Period is the time period established in Section 6.6 of the Agreement to
    accomplish the tasks set forth in Exhibit C, Section 2.02 for the Project.

59. Veteran Owned Business is one certified by the Washington State Office of Veterans’
    Affairs.

60. Work Group is a team of individuals with representatives from both the Owner and Design-
Build Team that are responsible for developing Design Submissions, updated estimates, and updated schedules for the applicable Design Submissions Package.

1.04 GENERAL SERVICES

A. Design-Builder’s Representative shall be reasonably available to Owner and shall have the necessary expertise and experience required to supervise the Work. Design-Builder’s Representative shall communicate regularly with Owner and shall be vested with the authority to act on behalf of Design-Builder. Design-Builder’s Representative may be replaced only with the mutual agreement of Owner and Design-Builder.

B. The parties will meet within seven (7) days after execution of the Agreement to discuss issues affecting the administration of the Work and to implement any procedures additional to Exhibit C, including those relating to submittals and payment, to facilitate the ability of the parties to perform their obligations under the Contract Documents.

C. Representatives of the Design-Build Team, including at a minimum of the Design-Builder’s Representative and a representative from the lead designer and lead constructor, shall meet with the Owner at least on a weekly basis and shall provide to the Owner a written update regarding the status of the Project, including but not limited to the information required in Exhibit C and any issues that may have a material effect on the Project. For all meetings, the Design-Build Team shall issue meeting minutes within three days of meeting.

D. Design-Builder hereby assigns to Owner all its interest in first-tier subcontracts now or hereafter entered into by Design Builder for performance of any part of the Work. The assignment will be effective upon acceptance by Owner in writing and only as to those subcontracts which the Owner designates in writing. The Owner may accept said assignment at any time during the course of the Work and prior to Final Completion in the event of a suspension or termination of Design Builder's rights under the Contract Documents. Such assignment is part of the consideration to the Owner for entering into the Contract with Design Builder and may not be withdrawn prior to Final Completion.

1.05 DESIGN SERVICES

A. General

1. Owner does not intend to contract for, pay for, or receive any design services which are in violation of any professional licensing laws, and by execution of the Agreement, Design-Builder acknowledges that Owner has no such intent. Design-Builder shall, consistent with applicable state licensing laws, furnish through qualified, licensed design professionals employed by Design-Builder, or procured from qualified, independent licensed Design Consultants, the necessary design services, including architectural, engineering and other design professional services, for the preparation of the required drawings, specifications and other design submittals to permit Design-Builder to complete the Work consistent with the Contract Documents. Nothing in the Contract Documents is intended or deemed to create any legal or contractual relationship between Owner and any Design Consultant.

2. Design-Builder shall employ only Design Consultants and/or Design Subconsultants who are duly licensed and qualified to perform the Work consistent with the Contract Documents. Prior to the date that Design Consultants and/or Design Subconsultants perform Work on the Project, Design-Builder shall identify in writing to Owner all Design Consultants and Design Subconsultants.

To the extent that Design-Builder has not selected a Design Consultant or Design Subconsultant prior to performing the Work, Design-Builder shall provide Owner in writing a list of any subsequently added Design Consultants and/or Design Subconsultants and their scope of Work prior to their performing Work on the Project. Owner may reasonably object to Design-Builder’s selection of any Design Consultant or Design Subconsultant, provided that the Contract Price and/or Contract Time(s) shall be adjusted to the extent that Owner’s decision impacts Design-Builder’s cost and/or time of performance. Design-
Builder shall not substitute a listed Design Consultant or Subconsultant without obtaining Owner’s prior written consent; such consent shall not be unreasonably withheld. Nothing in the Contract Documents is intended or deemed to create any legal or contractual relationship between Owner and any Design Consultant or Design Subconsultant, including but not limited to any third-party beneficiary rights. Design-Builder assumes responsibility to Owner for the proper performance of the Work of the Design Consultants and any Sub-Consultant and any acts and omissions in connection with such performance.

3. Any references in the Contract Documents to Design-Builder’s responsibilities or obligations to “perform” the design portions of the Work shall be deemed to mean that Design-Builder shall “furnish” the design for the Project.

B. Design Submissions

1. Design-Builder shall provide the Design Submissions set forth in the Contract Documents. Design-Builder and Owner shall, consistent with any applicable provision of the Contract Documents, agree upon any interim Design Submissions that Owner may wish to review, which interim Design Submissions may include design criteria, drawings, diagrams and specifications setting forth the Project requirements.

2. Design Submissions shall be consistent with the Owner’s Project Criteria as well as the Basis of Design Documents, as the Basis of Design Documents may have been changed or supplemented through the design process set forth in this Section as well as the Commercial Terms. By submitting Design Submissions, Design-Builder represents to the Owner that the Work depicted and otherwise shown, contained, or reflected in Design Submissions may be constructed in compliance with the then current Contract Price and Contract Time and are consistent with the Owner’s Project Criteria, the Design Log and Basis of Design Documents, as applicable. Notwithstanding the above, Design-Builder may propose Design Submissions that may alter the Owner’s Project Criteria, the Basis of Design Documents, the Contract Price and/or Contract Time; however, Design-Builder must provide notice thereof in accordance with Section 2.18 of the General Conditions and obtain a Change Order before such proposed Design Submissions are incorporated into the Construction Documents.

3. On or about the date for submission of a Design Submission, Design-Builder and Owner shall meet and confer about the Design Submission, with Design-Builder identifying during such meetings, among other things, the evolution of the design and any changes to the Basis of Design Documents, or, if applicable, previously submitted Design Submissions. Changes to the Basis of Design Documents, including those that are deemed minor changes under shall be processed in accordance with Section 2.18 of the General Conditions. Minutes of the meetings, including a full listing of all changes, will be maintained by Design-Builder and provided to all attendees for review. Following the design review meeting, Owner shall review and approve the interim Design Submissions and meeting minutes in a time that is consistent with the turnaround times set forth in Design-Builder’s schedule.

4. Owner shall review and respond to Design Submissions, providing any comments and/or concerns about the Design Submissions. Owner shall provide all comments on the Design Submissions within the time provided by the Contract Documents.

Design-Builder shall revise the Design Submissions (and any other deliverables) in response to Owner’s comments and incorporate said responses into the next submission of Design Submissions.

5. If incorporation of Owner’s comments results in a design that is inconsistent with or otherwise gives rise to a change in Owner’s Project Criteria, the Basis of Design Documents, the Contract Price and/or the Contract Time, Design-Builder shall provide notice thereof in accordance with Section 2.18 of the General Conditions. Changes to the
Basis of Design Documents, the Contract Price and/or the Contract Time, including those that are deemed minor changes, shall be processed in accordance with Section 2.18 of the General Conditions.

6. The Design-Builder shall provide an updated cost model for the Project periodically as required. The Design-Builder shall also schedule and facilitate a one-day review meeting with the Owner to present and summarize changes in the Design Submission, changes to the scheduled Milestone dates and present an overview of cost model.

C. Design Log
1. A Design Log, including a full listing of Reliable Decisions and all changes to the Initial Project Scope and Basis of Design Documents, will be maintained by the Design-Builder and provided to all attendees for review.
2. Both parties must agree to include a Reliable Decision in the Design Log.
3. The Design Log shall be updated after every Design Review Meeting, and in any case, on a weekly basis.
4. Once a Reliable Decision in the Design Log is approved in writing by the Owner, it shall be binding on the Design-Builder as if set forth in the Initial Project Scope or Basis of Design Documents.
5. The Design Log is for the sole purpose of tracking the development of the Design Submissions.
6. If a Reliable Decision will cause a change in the Owner’s Project Criteria, the Initial Project Scope or Basis of Design Decisions, or any of the Commercial Terms, such changes must be processed pursuant to Articles 9 and 10.

D. Trend Log
1. If either party does not know the extent to which a Design Submission or other potential change will alter a Commercial Term, either party may request in writing to identify a Trend in the Trend Log.
2. The request to include a Trend in the Trend Log must include the following information:
   a. Identification of the portion of the Design Submission for which the costs are uncertain and may cause any Commercial Term to be exceeded;
   b. The estimated change in the applicable Commercial Term; and
   c. Potential impacts or changes to the Initial Project Scope or Basis of Design Documents as a result of the Trend.
3. Both parties must consent in writing to include the Trend in the Trend Log. The Design-Builder will track the Trend on the Trend Log, and the Trend Log shall be updated with the most recent information on a weekly basis.
4. The parties will work collaboratively to resolve Trends in the Trend Log as quickly as possible. When a Trend in the Log is resolved and the resolution changes the Initial Project Scope or Basis of Design Documents and/or any Commercial Term, the resolution shall be memorialized in a Change Order.
   If the resolution does not change the Initial Project Scope or Basis of Design Documents and/or any Commercial Term, it shall be removed from the Trend Log.

E. Construction Documents
1. Design-Builder shall submit to Owner Construction Documents setting forth in detail drawings and specifications describing the requirements for construction of the Work.
2. The Construction Documents shall be consistent with the latest set of interim Design...
Submissions, as such submissions may have been modified by the parties and recorded as set forth in the Contract Documents.

3. The parties shall have a design review meeting to discuss, and Owner shall review and approve, the Construction Documents in accordance with the procedures set forth above and elsewhere in this Exhibit C. Design-Builder shall proceed with construction in accordance with the approved Construction Documents and shall submit one set of approved Construction Documents to Owner prior to commencement of construction.

F. **Owner’s Review of Design Submissions**
   1. Owner’s review and approval of Design Submissions, meeting minutes, the Design Log, the Trend Log, and the Construction Documents is for the purpose of mutually establishing a conformed set of Contract Documents compatible with the requirements of the Work.
   2. Neither Owner’s review nor approval of any interim Design Submissions, meeting minutes, the Design Log, the Trend Log, and Construction Documents shall be deemed to transfer any design liability from Design-Builder to Owner. Design-Builder shall provide Owner with sufficient time in the Project Schedule to review and approve the Design Submissions.

G. **Work Phasing**
   1. To the extent not prohibited by the Contract Documents or Applicable Laws, Design-Builder may prepare Design Submissions and Construction Documents for a portion of the Work to permit construction to proceed on that portion of the Work prior to completion of the Construction Documents for the entire Work.
   2. Owner must approve all construction, and Design-Builder may not proceed with construction without a separate Notice to Proceed with Construction.

1.06 **STANDARD OF CARE FOR PROFESSIONAL SERVICES.**

A. The standard of care for all professional services performed to execute the Work shall be the care and skill ordinarily used by members of the applicable profession practicing under similar conditions at the same time and locality of the Project. The Design-Builder shall also perform the design and construction so that the Work meets or exceeds the performance requirements set forth in the Owner’s Project Criteria, the Initial Project Scope and/or the Basis of Design Documents.

B. Design Builder shall perform all activities efficiently and with the requisite expertise, skill and competence to satisfy the requirements of the Contract Documents.

1.07 **CONSTRUCTION SERVICES**

A. **General**
   1. Unless otherwise provided in the Contract Documents to be the responsibility of Owner or a separate contractor, Design-Builder shall provide through itself or Subcontractors the necessary supervision, labor, inspection, testing, start-up, material, equipment, machinery, temporary utilities and other temporary facilities to permit Design-Builder to complete construction of the Project consistent with the Contract Documents.
   2. The Design-Builder shall assemble and install all equipment according to the applicable manufacturer’s installation instructions.

   Work that does not conform to the applicable instructions and/or any resulting errors in assembly or installation shall be corrected by the Design-Builder. If the Owner determines that the Design-Builder has incorrectly assembled, installed and/or damaged any such equipment, the Design-Builder shall, at its own expense, furnish a competent manufacturer’s representative to assist, instruct and approve the Design-Builder’s corrected work.

   3. If any materials or equipment are stored by Design-Builder, they shall be stored so as to ensure the preservation of their quality and fitness. Materials and equipment shall be placed on platforms or other hard, clean surfaces, and not on the ground, and shall be placed under
cover and heated adequately to prevent condensation, oxidation or freezing. Stored materials and equipment shall be located so as to facilitate observation. The Design-Builder shall be responsible for all damage or loss that occurs as a result of its fault or negligence in connection with the care and protection of all materials and equipment until acceptance by the Owner.

4. Design-Builder is responsible for verifying that any equipment supplied by the Owner is in working order and sufficient for the purposes for which it was intended in the Project. If equipment furnished by Owner is not in working order or is not sufficient for the Project, Design-Builder shall notify Owner immediately, and Owner shall either repair or replace the equipment, at Owner's sole discretion. Design-Builder is responsible for the proper installation of the equipment furnished by Owner.

5. Design-Builder shall provide appropriate security for the Site and shall take all reasonable precautions and provide protection to prevent damage, injury, vandalism, theft, and loss to the Work, equipment and materials used to perform the Work, real property within the Site, and other property at or on the Site, whether owned by Design-Builder, Owner, or any other third party.

6. Design-Builder shall maintain, rebuild, repair, restore or replace all Work (including plans and specifications, and materials, equipment, supplies and maintenance equipment which are purchased for permanent installation in, or for use during construction of, the Project, regardless of whether the Owner has title thereto) that is injured or damaged prior to Substantial Completion. Following Substantial Completion, Design-Builder shall continue to have responsibility to maintain, build, repair, restore or replace all Work not 100% completed at Substantial Completion, until Owner accepts maintenance responsibility with respect to such Work. Maintenance responsibility under this Section includes rebuilding, repairing and restoring all other property at the Project Site whether owned by Design-Builder, Owner or any other Person.

B. Title

1. Design-Builder warrants that it owns, or will own, and has, or will have, good and marketable title to all materials, equipment, tools and supplies provided, or to be provided, by it and its Subcontractors that become part of the Project or are purchased for Owner for the operation, maintenance, rebuild, repair or replacement thereof, free and clear of all Liens.

2. Title to all such materials, equipment, tools and supplies delivered to the Site shall pass to Owner, free and clear of all Liens, upon the sooner of (a) incorporation into the Project, or (b) payment by Owner to Design-Builder of invoiced amounts pertaining thereto.

3. Notwithstanding any such passage of title, Design-Builder shall retain sole care, custody, and control of, and risk of loss with respect to, such materials, equipment, tools and supplies and shall exercise due care with respect thereto until Final Acceptance or until Design-Builder is removed from the Project.

1.08 CORRECTION OF DEFECTIVE OR NONCONFORMING WORK

A. Nonconforming Work

1. Design-Builder agrees to correct any Work that is found to not be in conformance with the Contract Documents (“Nonconforming Work”), including that part of the Work subject to Section 1.08 hereof, from the date of discovery of the Nonconforming Work through a period of one year from the date of Substantial Completion of the Work or any portion of the Work, or within such longer period to the extent required by any specific warranty included in the Contract Documents.
2. Nonconforming Work rejected by Owner shall be removed and replaced so as to conform to the requirements of the Contract Documents, at Design-Builder’s cost and without any adjustment to the Contract Price or time extension or any other relief; and Design-Builder shall promptly take all action necessary to prevent similar deficiencies from occurring in the future. The fact that Owner may not have discovered the Nonconforming Work shall not constitute an acceptance of such Nonconforming Work. Design-Builder shall, within seven (7) days of receipt of written notice from Owner of Nonconforming Work, take meaningful steps to commence correction of such Nonconforming Work, including the correction, removal or replacement of the Nonconforming Work and any damage caused to other parts of the Work affected by the Nonconforming Work. If the correction of Nonconforming Work cannot be completed within such seven (7) day period, Design-Builder must (a) provide a schedule for correcting the Nonconforming Work and (b) commence and diligently prosecute such correction in accordance with the approved schedule to completion. If Design-Builder fails to commence the necessary steps within such seven (7) day period, Owner, in addition to any other remedies provided under the Contract Documents, may provide Design-Builder with written notice that Owner will commence correction of such Nonconforming Work with its own forces. If Owner does perform such corrective Work, Design-Builder shall be responsible for all reasonable costs incurred by Owner in performing such correction. If the Nonconforming Work creates an emergency requiring an immediate response, the seven (7) day period identified herein shall be deemed inapplicable. This one-year correction period shall be extended with respect to portions of Work first performed after Final Acceptance and by corrective Work performed by the Design-Builder by the period of time between Substantial Completion and the actual performance of the Work.

3. Owner may agree to accept any Nonconforming Work without requiring it to be fully corrected. In such event, Owner shall be entitled to reimbursement of a portion of the Contract Price (which shall also reduce the GMP) in an amount equal to the greater of: (a) the amount deemed appropriate by Owner to provide compensation for future maintenance and/or other costs relating to the Nonconforming Work, or (b) 100% of Design-Builder’s cost savings associated with its failure to perform the Work in accordance with Contract requirements. Such reimbursement (plus an administrative charge equal to 10% of the costs and expenses) shall be payable to Owner within ten days after Design-Builder’s receipt of an invoice therefore. Alternatively, Owner may deduct the amount of such costs and expenses (plus an administrative charge equal to 10% of the costs and expenses) from any sums owed by Owner to Design-Builder pursuant to this Contract. Design-Builder acknowledges and agrees that Owner shall have sole discretion regarding acceptance or rejection of Nonconforming Work and the amount payable in connection therewith. Payment, reimbursement or deduction of the amounts owing to Owner under this Section shall be a condition precedent to the acceptance of the applicable Nonconforming Work.

B. Not a Limitations Period

The one-year period referenced in Section 1.08.A above applies only to Design-Builder’s obligation to correct Nonconforming Work and is not intended to constitute a period of limitations for any other rights or remedies Owner may have regarding Design-Builder’s other obligations under the Contract Documents.

1.09 SUBCONTRACTS

A. General.

1. Design-Builder shall employ only Subcontractors who are duly licensed and qualified to perform the Work consistent with the Contract Documents. Prior to the date that Subcontractors perform Work on the Project, Design-Builder shall identify in writing to Owner all Subcontractors. To the extent that Design-Builder has not selected a Subcontractor prior to performing the Work, Design-Builder shall provide Owner in writing a list of any subsequently added Subcontractors prior to their performing Work on the
Project. Owner may reasonably object to Design-Builders selection of any Subcontractor, provided that the Contract Price and/or Contract Time(s) shall be adjusted to the extent that Owner’s decision impacts Design-Builders cost and/or time of performance. Design-Builders may not substitute listed Subcontractors without Owners prior written consent; such consent shall not be unreasonably withheld. The Contract Documents shall not be construed to create a contractual relationship of any kind between Owner and any Subcontractor of any tier.

2. Design-Builders assumes responsibility to Owner for the proper performance of the Work of Subcontractors and any acts and omissions in connection with such performance. Nothing in the Contract Documents is intended or deemed to create any legal or contractual relationship between Owner and any Subcontractor or Sub-Subcontractor, including but not limited to any third-party beneficiary rights.

3. Design-Builders shall coordinate the activities of all Subcontractors. If Owner performs other work on the Project or at the Site with separate contractors under Owners control, Design-Builders agrees to reasonably cooperate and coordinate its activities with those of such separate contractors so that the Project can be completed in an orderly and coordinated manner without unreasonable disruption.

4. Design-Builders shall ensure that each Subcontract (at all tiers) shall include those terms that are specifically required by the Contract Documents to be included therein as well as such additional terms and conditions as are sufficient to ensure compliance by the Subcontractor with all applicable requirements of the Contract Documents, including but not limited to the following provisions:
   a. Effective procedures for timely resolution of claims and disputes, including an agreement by the Subcontractor to participate in any dispute proceeding pursuant to Section 2.18 of the General Conditions, if such participation is requested by Owner;
   b. A standard of professional responsibility or a standard for quality equal to or better than the requirements of the Contract Documents;
   c. A requirement to maintain usual and customary books and records for the type and scope of operations of the business in which the Subcontractor is engaged;
   d. A provision permitting audits to be conducted by the Design-Builders and Owner according to the terms of the Contract;
   e. A requirement to provide progress reports to the Design-Builders appropriate for the type and scope of Work performed and to meet the requirements of Exhibit C;
   f. A requirement that the Subcontractor maintain all appropriate licenses and registrations;
   g. A provision prohibiting assignment of the Subcontract without the Design-Builders written consent;
   h. The following provision: “Nothing contained herein shall be deemed to create any privity of contract between Owner and the Subcontractor, nor does it create any duties, obligations, or liabilities on the part of Owner to the Subcontractor except those allowed under Washington law. In the event of any claim or dispute arising under the Subcontract and/or Design-Builders contract with Owner, the Subcontractor shall look only to Design-Builder for any payment, redress, relief, or other satisfaction. The Subcontractor hereby waives any claim or cause of action against Owner arising out of the Subcontract or otherwise arising in connection with the Subcontractors Work.”; and
   i. Provisions in form and substance satisfactory to Owner, (a) Owner is a third party beneficiary?
beneficiary of the Subcontract and shall have the right to enforce all of the terms of the Subcontract for its own benefit, and (b) all guarantees and warranties, express or implied, shall inure to the benefit of Owner, and its respective successors and assigns.

B. Subcontract Plan

1. Design-Builder shall submit a Subcontract Plan as required herein, subject to the approval of the Owner. After approval by the Owner, Design-Builder may only modify the Subcontract Plan upon obtaining written approval from the Owner. Design-Builder may not award any Subcontract on the basis of a lump sum price without obtaining prior written permission from the Owner, such permission shall not be unreasonably withheld.

2. All subcontracted Work associated with the performance of the construction shall be awarded by Design-Builder in accordance with the Subcontractor Plan established during Phase 1.

3. Subcontractor Procurement. Unless approved in writing by the Owner, the procurement section of the Subcontract Plan shall comply with the following:
   a. All subcontracted work associated with performance of construction packages shall be awarded by the Design-Builder to Subcontractors in accordance with a best value selection process established between the parties. Unless otherwise agreed in writing by the parties, the best value selection process shall contain mutually acceptable evaluation criteria for the proposal and selection process that is clear and consistent and includes both qualifications and price.
   b. The Design-Builder may only modify the Subcontractor Procurement Procedure after obtaining written approval from the Owner. Any such modification shall be at the sole risk and responsibility of the Design-Builder and without any modification to any applicable Commercial Terms.
   c. The Design-Builder’s selection of Subcontractors shall comply with the following requirements, unless modified by the Subcontractor Procurement Procedure approved in writing by the Owner:
   d. The Design-Builder shall identify the scope of the Work to be subcontracted and shall identify at least three pre-qualified Subcontractors for such scope for written approval by the Owner.
   e. After approval of the pre-qualified Subcontractors by the Owner, the Design-Builder shall select from the three pre-approved Subcontractors for the identified scope of the Work, unless it obtains prior written approval from the Owner to select a different Subcontractor.
   f. If the Design-Builder cannot reasonably identify three pre-qualified Subcontractors, it shall inform the Owner in writing as to the reason for the inability to identify the Subcontractors and shall not proceed with the selection of a Subcontractor without the prior written approval of the Owner.
   g. The Design-Builder shall select Subcontractors on the basis of the best value to the Project. If in the Design-Builder’s determination, the Subcontractor who proposes the best value did not propose the lowest cost, the Design-Builder shall i) provide a written justification for the selection of the Subcontractor, and ii) obtain the Owner’s written approval prior to Design-Builder entering into the Subcontract.

C. Self-Performed Construction Work

1. Self-Performed Construction Work means construction Work that would normally be performed by a subcontractor and does not include any costs associated with design, construction management, or Work that would be included in or described as part of any Lump Sum established by the Parties. Design-Builder must obtain prior, written approval
from the Owner for the Design-Builder or the lead Constructor (if the lead Constructor is not also the Design-Builder) to perform Self-Performed Construction Work.

2. For each scope of Work for which Design-Builder proposes Self-Performed Construction Work, Design-Builder must submit to the Owner a proposal that contains the following minimum information as well as any other information reasonably requested by the Owner:
   a. A detailed description of the scope of the Self-Performed Construction Work;
   b. A Schedule of Values including all costs associated with the Self-Performed Construction Work; and
   c. A detailed explanation of the effect of the Self-Performed Construction Work on the Project, including but not limited to cost savings, benefits to the Project, and risks to the Project.

3. Design-Builder will provide the Owner with an estimate of the costs for all Self-Performed Construction Work on an open book and transparent basis. In calculating the costs for Self-Performed Construction Work, the following shall apply.
   a. The estimate for costs for Self-Performed Construction Work may not include lump sum costs and must show all estimated labor, material, and equipment costs by unit.
   b. The costs for Self-Performed Construction Work shall not include costs that are also included in the Lump Sum General Conditions Costs or any Lump Sum.
   c. Notwithstanding the above, Design-Builder may include in the costs for Self-Performed Construction Work additional general conditions costs that are directly associated with the Self-Performed Construction Work that Design-Builder would not have incurred but for the Self-Performed Construction Work.

1.10 APPLICABLE LAW
A. Design-Builder shall perform the Work in accordance with all Applicable Law and shall provide all notices applicable to the Work as required by the Applicable Law.

B. The Contract Price and/or Contract Time(s) shall be adjusted to compensate Design-Builder for the effects of any changes in the Applicable Law that directly affect the Work that are enacted after the date the parties agree upon the Guaranteed Maximum Price. Such effects may include, without limitation, revisions Design-Builder is required to make to the Construction Documents because of changes in Applicable Law.

1.11 GOVERNMENT APPROVALS AND PERMITS
A. Design-Builder shall identify in the Permitting Strategy Plan under Section 3.09 below those permits for which Owner is responsible and those permits for which Design-Builder is responsible.

B. Unless the permit is specifically identified as Owner’s responsibility, Design-Builder shall obtain and pay for all necessary permits, approvals, licenses, government charges and inspection fees required for the prosecution of the Work by any government or quasi-government entity having jurisdiction over the Project.

C. Design-Builder shall provide reasonable assistance to Owner in obtaining those permits, approvals and licenses that are Owner’s responsibility.

1.12 ARCHAEOLOGICAL RESOURCES
A. In the event the Design-Builder or any of its Subcontractors inadvertently discover any archaeological, paleontological, biological, cultural, or other resources at any time during the project, Design-Builder shall immediately notify the Owner telephonically and suspend all
excavation activities at the site.

B. Design-Builder shall follow the procedures set forth in Section 2.18 of the General Conditions with respect to addressing the discovery of and shall be entitled to a Change Order as set forth therein, provided, however, that the Design-Builder shall not be entitled to a Change Order if the archaeological, paleontological, biological, cultural, or other resource was discovered or could have been discovered, with reasonable diligence, during Phase 1.

C. "Archaeological Resource" shall mean any material remains of human life or activities which are of interest. This shall include all sites, objects, structures, artifacts, implements, and locations of prehistoric or archaeological interest, whether previously recorded or still unrecognized, including, but not limited to objects pertaining to prehistoric and historic American Indian or aboriginal burials, campsites, dwellings, and their habitation sites, including rock shelters and caves, their artifacts and implements of culture such as projectile points, arrowheads, skeletal remains, grave goods, basketry, pestles, mauls and grinding stones, knives scrapers, rock carvings and paintings, and other implements and artifacts of any material or form.

D. Any Archaeological Resources that may be discovered during progress of the Work shall, at Owner’s sole discretion, be the property of Owner.

1.13 PAYMENT AND COMPLETION

A. Monthly Progress Payments

1. On or before the date established in the Agreement, Design-Builder shall submit for Owner’s review and approval its Application for Payment requesting payment for all Work performed as of the date of the Application for Payment.

2. Prior to submitting an invoice Design-Builder will provide to the Owner on the 10th day of each month a proposed progressed schedule and progress reports for Owner’s review for 1 week.

3. After the monthly Schedule progress and progress reports are reviewed and approved Design-Builder will provide to the Owner on the 30th day of each month an invoice and Schedule of Values, along with the Schedule and progress reports provided fifteen (15) days prior. Invoices from the Design-Builder will be based on the actual time and reimbursable expenses incurred to complete the work for items included in the Cost of the Work. Lump Sum General Conditions Costs will be invoiced as required pursuant to the Agreement. The Application for Payment shall be accompanied by all supporting documentation required by the Contract Documents and shall be in a form acceptable to Owner, including but not limited to the following information:

a. An Invoice Cover Sheet that will include the following items:

i. Project name and title;
   ii. Invoice number (numbered consecutively, starting with “1”);
   iii. Period covered by the invoice (specific beginning and ending calendar days);
   iv. Total amount authorized;
   v. Total amount invoiced through last period;
   vi. Current invoice amount;
   vii. Total invoiced to-date;
   viii. Percent invoiced;
   ix. Remaining Contract Price (exclusive of the Allowance amounts), GMP, and remaining Allowance amounts;
   x. Retainage withheld;
   xi. Net amount due Design-Builder
   xii. Total amount earned to date for the Project as a whole;
   xiii. Authorized signature, title of signer and date of signature; and
xiv. Signatures of Design-Builder and Design-Builder’s Quality Control Manager

b. An itemization of the costs incurred pursuant to the Contract, including but not limited to:
   i. The detailed amounts spend for the Cost of the Work under Section 6.3 of the Agreement incurred during the period of the Application for Payment and the back-up documentation for the Cost of the Work, including but not limited to timesheets, invoices, purchase orders, or any other document that evidences the Cost of the Work or any other cost for which Design-Builder requests reimbursement;
   ii. The Design-Builder’s Fee Percentage incurred;
   iii. Allowance Items established under Section 6.4.1 of the Agreement;
   iv. Not to Exceed Amounts established under Section 6.4.2 of the Agreement;
   v. Any Lump Sums established pursuant to Section 6.4.3 of the Agreement;
   vi. Costs charged to Contingencies under Section 6.4.4. of the Agreement;
   vii. Design-Builder’s Lump Sum General Conditions Costs established under Section 6.4.5 of the Agreement, if applicable; and
   viii. Unit Prices and Hourly Rates established under Section 6.4.6 of the Agreement, if applicable.

c. The monthly periodic deliverables in Exhibit C for the relevant Phase of the Work;

d. Certification by the Design-Builder’s Quality Control Manager certifying that
   i. The Work has been performed in accordance with the approved quality Control Program; and
   ii. the elements of the approved Quality Control Program and all the measures and procedures provided for therein are functioning properly and are being followed.

e. A Conditional Waiver and Release on Progress Payment, in the statutory form, signed by Design-Builder and each Subcontractor or supplier that provided services, materials or equipment included in the invoice.

f. An Unconditional Waiver and Release Upon Progress Payment, in the statutory form, signed by Design-Builder and each Subcontractor or supplier that provided materials or equipment included in any preceding invoice and for which Design-Builder received payment.

g. Other supporting documents as requested by Owner to facilitate its determination of the amount payable including but not limited to:
   i. Hours and rates for sole sourced work.
   ii. Material and equipment purchase orders and delivery backup.
   iii. Progressed CPM resource loaded Primavera project schedule.
   iv. Subcontractor invoices.

4. Cash Flow

a. Along with the baseline CPM resource loaded schedule the Design-Builder will provide an overall anticipated monthly cash flow for the project. The format for this cash flow will follow the example set forth in Exhibit C.
b. Every month the Design-Builder will update this cash flow with the following information
   i. Baseline planned monthly costs
   ii. Actual monthly costs
   iii. Earned (Budgeted Work Completed) Monthly Costs
   iv. Forecast monthly costs to complete the project

5. **Payment for Materials**
The Application for Payment may request payment for equipment and/or materials delivered to the Site and suitably stored, or for completed preparatory work. Payment may similarly be requested for material stored off Site, provided Design-Builder complies with or furnishes satisfactory evidence of the following:
   a. The material will be placed in a warehouse that is structurally sound, dry, lighted and suitable for the materials to be stored;
   b. The warehouse is located within a 10-mile radius of the Project. Other locations may be utilized, if approved in writing, by Owner.
   c. Only materials for the Project are stored within the warehouse (or a secure portion of a warehouse set aside for the Project);
   d. Design-Builder furnishes Owner a certificate of insurance extending Design-Builder’s insurance coverage for damage, fire, and theft to cover the full value of all materials stored, or in transit;
   e. The warehouse (or secure portion thereof) is continuously under lock and key, and only Design-Builder’s authorized personnel shall have access.
   f. Owner shall at all times have the right of access in the company of Design-Builder.
   g. Design-Builder and its surety assume total responsibility for the stored materials;
   h. Design-Builder furnishes to Owner certified lists of materials stored, bills of lading, invoices, and other information as may be required, and shall also furnish notice to Owner when materials are moved from storage to the Site; and. Upon payment, Owner will receive the equipment and materials free and clear of all Liens and encumbrances.

6. All discounts offered by Subcontractors, Sub-Subcontractors, and suppliers to Design-Builder for early payment shall accrue one hundred percent to Design-Builder to the extent Design-Builder advances payment.

   Unless Owner advances payment to Design-Builder specifically to receive the discount, Design-Builder may include in its Application for Payment the full undiscounted cost of the item for which payment is sought.

7. The Application for Payment shall constitute Design-Builder’s representation that the Work described therein has been performed consistent with the Contract Documents, has progressed to the point indicated in the Application for Payment, and that title to all Work will pass to Owner free and clear of all claims, Liens, encumbrances, and security interests upon the incorporation of the Work into the Project, or upon Design-Builder’s receipt of payment, whichever occurs earlier.

B. **Withholding of Payments**

1. On or before the date established in the Agreement, Owner shall pay Design-Builder all amounts properly due. If Owner determines that Design-Builder is not entitled to all or part of an Application for Payment as a result of Design-Builder’s failure to meet its obligations
hereunder, it will notify Design-Builder in writing at least five (5) days prior to the date payment is due. The notice shall indicate the specific amounts Owner intends to withhold, the reasons and contractual basis for the withholding, and the specific measures Design-Builder must take to rectify Owner’s concerns. Design-Builder and Owner will attempt to resolve Owner’s concerns prior to the date payment is due. If the parties cannot resolve such concerns, Design-Builder may pursue its rights under the Contract Documents, including those under Section 2.18 of the General Conditions hereof. When Design-Builder removes the grounds for withholding payment, Design-Builder shall provide written evidence thereof. If such evidence is satisfactory to Owner, Owner will include the amount so withheld in the next scheduled progress payment.

2. Specifically, and without limitation, Owner may deduct from each payment the following:
   a. Claims against Design-Builder;
   b. Defective Work not remedied or Work not performed in accordance with the Contract Documents;
   c. Failure of Design-Builder to make proper payments to any of its Subcontractors;
   d. Failure to perform the Work in accordance with the Current Schedule;
   e. Damage to other work or property caused by Design-Builder or any entity for which Design-Builder is responsible;
   f. Damages owing to Owner under the terms of the Contract;
   g. Any and all other circumstances in which Owner determines that it is necessary to protect its interests.

3. Notwithstanding anything to the contrary in the Contract Documents, Owner shall pay Design-Builder all undisputed amounts in an Application for Payment within the times required by the Agreement.

C. Design-Builder’s Payment Obligations

Design-Builder will pay Design Consultants and Subcontractors pursuant to Washington law, unless its contractual obligations to such parties provide for a shorter time period, all the amounts Design-Builder has received from Owner on account of their work. Design-Builder will impose similar requirements on Design Consultants and Subcontractors to pay those parties with whom they have contracted. Design-Builder will indemnify and defend Owner against any claims for payment and mechanic’s Liens as set forth in Section 1.14 hereof.

D. Substantial Completion

1. Design-Builder shall notify Owner when it believes the Work, or to the extent permitted in the Contract Documents, a portion of the Work representing an Interim Milestone, has achieved Substantial Completion. Within five (5) days of Owner’s receipt of Design-Builder’s notice, Owner and Design-Builder will jointly inspect such Work to verify that Design-Builder has achieved Substantial Completion in accordance with the requirements of the Contract Documents. Owner will conduct reasonable inspections, surveys and/or testing as Owner deems necessary. If such inspections, surveys and/or tests disclose that any Work does not meet the requirements of the Contract Documents, Owner will promptly advise Design-Builder as to any errors, omissions, deviations, defects, or deficiencies in the Work necessary to be corrected as a condition to Substantial Completion and as to any errors, omissions, deviations, defects or deficiencies which may be corrected as Punch List items. Upon correction of the errors, omissions, deviations, defects, or deficiencies identified as a prerequisite to Substantial Completion, Design-Builder shall provide written notification to Owner and Owner will conduct another round of inspections, surveys and/or
tests. This procedure shall be repeated until Owner finds that all prerequisites to Substantial Completion have been met. If such Work is Substantially Complete, Owner shall prepare and issue a Certificate of Substantial Completion that will set forth (i) the date of Substantial Completion of the Work or portion thereof; (ii) the remaining items of Work that have to be completed before final payment; (iii) provisions (to the extent not already provided in the Contract Documents) establishing Owner’s and Design-Builder’s responsibility for the Project’s security, maintenance, utilities and insurance pending final payment; and (iv) an acknowledgment that warranties commence to run on the date of Substantial Completion, except as may otherwise be noted in the Certificate of Substantial Completion.

2. Owner, at its option, may use a portion of the Work which has been determined to be Substantially Complete, provided, however, that (i) a Certificate of Substantial Completion has been issued for the portion of Work addressing the items set forth in Section 1.13.D.1 above; (ii) Design-Builder and Owner have obtained the consent of their sureties and insurers, and to the extent applicable, the appropriate government authorities having jurisdiction over the Project; and (iii) Owner and Design-Builder agree that Owner’s use or occupancy will not interfere with Design-Builder’s completion of the remaining Work.

E. Final Completion

Design-Builder shall notify Owner when it believes the entire Work, or to the extent permitted in the Contract Documents a portion of the Work, has achieved Final Completion. Within five (5) days of Owner’s receipt of Design-Builder’s notice, Owner and Design-Builder will jointly inspect such Work to verify that Design-Builder has achieved Final Completion in accordance with the requirements of the Contract Documents. Owner will conduct reasonable inspections, surveys and/or testing as Owner deems necessary. If such inspections, surveys and/or tests disclose that any Work does not meet the requirements of the Contract Documents, Owner will promptly advise Design-Builder as to any errors, omissions, deviations, defects or deficiencies in the Work necessary to be corrected as a condition to Final Completion and as to any errors, omissions, deviations, defects or deficiencies which may be corrected as Punch List items. Upon correction of the errors, omissions, deviations, defects, or deficiencies identified as a prerequisite to Final Completion, Design-Builder shall provide written notification to Owner and Owner will conduct another round of inspections, surveys and/or tests. This procedure shall be repeated until Owner finds that all prerequisites to Final Completion have been met. If such Work is Substantially Complete, Owner shall prepare and issue a Certificate of Final Completion that will set forth the date of Final Completion of the Work or portion thereof.

F. Final Payment

1. When the Design-Builder has completed all work in accordance with the terms of the Contract Documents and received a Certificate of Final Completion, the Design-Builder shall properly execute and submit a Final Application for Payment final invoice to Accounts Payable. Once the Final Application for Payment has been processed, the Owner’s Procurement Department will issue the Certificate of Completion and Release to be executed by the Design-Builder and returned to the Procurement Officer. The Certificate of Completion and Release shall constitute a waiver of all claims by the Design-Builder except for unsettled claims specifically stated, if any.

2. At the time of submission of its Final Application for Payment, Design-Builder shall provide the following:

   a. The Certificate of Completion and Release which shall warrant that the Design-Builder has fully completed its work included in the Contract and has fully paid for labor, materials, equipment, services, taxes and all other costs and expenses of every nature and kind whatsoever resulting from this Contract. If any dispute exists
between the Design-Build er and any person, firm or corporation to which Design-
Builder might be obligated in connection with this Contract, the Design-Builder shall state the name of claimant and amount and general nature of claim against the Contractor. The Certificate of Completion and Release shall state the amount and nature of all present and future claims that the Design-Build er may have against the Owner relative to this Contract. The Contract work shall not be complete until after the Design-Build er has returned to the Procurement Officer a properly completed Certificate of Completion and Release;

b. Unconditional Waiver and Release Upon Final Payment, in a form acceptable to Owner, from all Subcontractors;
c. Consent of Design-Build er’s surety, if any, to Final Payment;
d. Certificates of insurance confirming that required coverages will remain in effect consistent with the requirements of the Contract Documents; and
e. Any additional documents, certificates, records, plans, releases or other materials established in the Project Closeout Plan as required for Final Completion.

3. Sixty days after Final Acceptance, retainage may be released to the Design-Build er; provided, however, that there are no claims filed of materialmen or laborers and that the Owner has received the certificate of the Washington State Department of Revenue of payment in full of all taxes, Employment Security Department release, the approved Washington State Department of Labor and Industries Certificate of Release of the State’s Lien on Public Works Contracts form and the approved affidavit showing payment of prevailing wages for the Design-Build er and any Subcontractors. If any liens remain unsatisfied from the retainage, the Design-Build er shall refund to the Owner such amounts as the Owner may have been compelled to pay in discharging such liens including all costs and reasonable legal fees.

4. Upon making final payment, Owner waives all claims against Design-Build er except claims relating to (i) Design-Build er’s failure to satisfy its payment obligations, if such failure affects Owner’s interests; (ii) Design-Build er’s failure to complete the Work consistent with the Contract Documents, including defects appearing after Substantial Completion; and (iii) the terms of any special warranties required by the Contract Documents.

5. Deficiencies in the Work discovered after Substantial Completion, whether or not such deficiencies would have been included on the punch list if discovered earlier, shall be deemed warranty Work.

Such deficiencies shall be corrected by Design-Build er as provided herein and shall not be a reason to withhold final payment from Design-Build er; provided, however, that Owner shall be entitled to withhold from the Final Payment the reasonable value of completion of such deficient work until such work is completed.

6. Owner shall release the Contract Retainage pursuant to RCW 60.28.011.

1.14 INDEMNIFICATION
A. Patent and Copyright Infringement

1. Design-Build er shall defend any action or proceeding brought against Owner based on any claim that the Work, or any part thereof, or the operation or use of the Work or any part thereof, constitutes infringement of any United States patent or copyright, now or hereafter issued. Owner shall give prompt written notice to Design-Build er of any such action or proceeding and will reasonably provide authority, information and assistance in the defense of same. Design-Build er shall indemnify and hold harmless Owner from and against all damages and costs, including but not limited to attorneys’ fees and expenses awarded against Owner or Design-Build er in any such action or proceeding. Design-Build er agrees
to keep Owner informed of all developments in the defense of such actions.

2. If Owner is enjoined from the operation or use of the Work, or any part thereof, as the result of any patent or copyright suit, claim, or proceeding, Design-Build shall at its sole expense take reasonable steps to procure the right to operate or use the Work. If Design-Build cannot so procure such right within a reasonable time, Design-Build shall promptly, at Design-Build’s option and at Design-Build’s expense, (i) modify the Work so as to avoid infringement of any such patent or copyright; or (ii) replace said Work with Work that does not infringe or violate any such patent or copyright.

3. Sections 1.14.A.1 and 1.14.A.2 above shall not be applicable to any suit, claim or proceeding based on infringement or violation of a patent or copyright (i) relating solely to a particular process or product of a particular manufacturer specified by Owner and not offered or recommended by Design-Build to Owner; or (ii) arising from modifications to the Work by Owner or its agents after acceptance of the Work. If the suit, claim or proceeding is based upon events set forth in the preceding sentence, Owner shall defend, indemnify and hold harmless Design-Build to the same extent Design-Build is obligated to defend, indemnify and hold harmless Owner in Section 1.14.A.1 above.

4. The obligations set forth in this Section 1.14.A shall constitute the sole agreement between the parties relating to liability for infringement of violation of any patent or copyright.

B. Payment Claim Indemnification

Provided that Owner is not in breach of its contractual obligation to make payments to Design-Build for the Work, Design-Build shall indemnify, defend and hold harmless Owner from any claims or mechanic’s Liens brought against Owner or against the Project as a result of the failure of Design-Build, or those for whose acts it is responsible, to pay for any services, materials, labor, equipment, taxes or other items or obligations furnished or incurred for or in connection with the Work. Within three (3) days of receiving written notice from Owner that such a claim or mechanic’s Lien has been filed, Design-Build shall commence to take the steps necessary to discharge said claim or Lien, including, if necessary, the furnishing of a mechanic’s Lien bond. If Design-Build fails to do so, Owner will have the right to discharge the claim or Lien and hold Design-Build liable for costs and expenses incurred, including attorneys’ fees.

C. Design-Build’s General Indemnification

1. Except as set forth in Section 1.14.C.2 below, Design-Build acknowledges that pursuant to the terms of this agreement, Design-Build is solely and totally responsible for the safety of all persons and property in the performance of this Contract.

   To the greatest extent allowed by law, Design-Build assumes the risk of all damages, loss, cost, penalties and expense and agrees to indemnity, defend and hold harmless the City, from and against any and all liability which may accrue to or be sustained by the City on account of any third party claim, suit or legal action made or brought against the City for the death of or injury to persons (including Design-Build’s or subcontractor’s employees) or damage to property involving Design-Build, or subcontractor(s) and their employees or agents, arising out of and in connection with or incident to Design-Build’s negligence in connection with the Contract including if the City is found to have a nondelegable duty to see that work is performed with requisite care. In the case of concurrent negligence, Design-Build shall only be liable to the extent of the negligence of Design-Build and the parties for which it is responsible.

2. For indemnity obligations that arise from professional errors and omissions, Design-Build, to the fullest extent permitted by law, shall indemnify Owner, its officers, directors, and employees from and against claims, losses, damages, liabilities, including attorneys’ fees and expenses, for bodily injury, sickness or death and property damage or destruction (other than to the Work itself) but only to the extent resulting from the negligent acts or omissions of Design-Build, Design Consultants, Subcontractors, anyone employed directly or indirectly by any of them or anyone for whose acts any of them may be liable.
3. Should a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then Design-Builder’s duty to indemnify shall not apply to liability for damages arising out of Design-Builder’s services or out of bodily injury to persons or damage to property that are (a) caused by or resulting from the sole negligence of Indemnitee or (b) caused by or resulting from the concurrent negligence of (i) Indemnitee, its agents or employees and (ii) Design-Builder, its agents or employees, with such liability limited only to the extent of the negligence of Design-Builder, its agents or employees.

4. If an employee of Design-Builder, Design Consultants, Subcontractors, anyone employed directly or indirectly by any of them or anyone for whose acts any of them may be liable has a claim against Owner, its officers, directors, employees, or agents, Design-Builder’s indemnity obligations set forth above shall not be limited by any limitation on the amount of damages, compensation or benefits payable by or for Design-Builder, Design Consultants, Subcontractors, or other entity under any employee benefit acts, including workers’ compensation or disability acts. Solely for the purposes of the indemnification obligations under this Agreement, Design Builder specifically and expressly waives any immunity that may be granted it under the worker’s compensation laws under the Washington State Industrial Insurance Act, Title 51 RCW; provided that such waiver shall be expressly limited to Design-Builder’s indemnity obligations herein and shall not be intended as a benefit to any third party. Further, the indemnification obligation under this Agreement shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable to or for any third party under workers compensation acts, disability benefits acts, or other employee benefits acts.

5. THE PARTIES ACKNOWLEDGE THAT THE INDEMNIFICATION OBLIGATIONS IN THIS AGREEMENT AND THE WAIVER OF IMMUNITY UNDER RCW TITLE 51 WERE MUTUALLY NEGOTIATED.

OWNER’S INITIALS _____
DESIGN-BUILDER’S INITIALS _____

6. No Effect on Other Rights. The obligations described in this Section 1.14.C shall not be construed to limit rights and obligations provided by law or equity which would otherwise exist in favor of a Person indemnified hereunder.

7. Notification of Third Party Claim. Owner and Design-Builder shall each provide timely notification to the other party of the receipt of any third party claim relating to the Contract.

D. Lower Tier Contractors Indemnification Obligations

Design-Builder shall include in its contracts with all lower tier contractors, including but not limited to its Design Consultant, Subconsultants, and Subcontractors, the indemnification obligations set forth in this Agreement and this Exhibit C and shall include Owner as an Indemnitee for all such indemnification provisions.

E. Survival

The Indemnification obligations in this Article shall survive the expiration or termination of this Agreement.

1.15 ELECTRONIC DATA

The parties recognize that Contract Documents, including drawings, specifications and three-dimensional modeling (such as Building Information Models) and other Work Product may be transmitted among Owner, Design-Builder and others in electronic media as an alternative to paper hard copies (collectively “Electronic Data”).

A. Transmission of Electronic Data

1. Owner and Design-Builder shall agree upon the software and the format for the transmission of Electronic Data. Each party shall be responsible for securing the legal
rights to access the agreed-upon format, including, if necessary, obtaining appropriately licensed copies of the applicable software or electronic program to display, interpret and/or generate the Electronic Data.

2. Neither party makes any representations or warranties to the other with respect to the functionality of the software or computer program associated with the electronic transmission of Work Product. Unless specifically set forth in the Agreement, ownership of the Electronic Data does not include ownership of the software or computer program with which it is associated, transmitted, generated or interpreted.

3. By transmitting Work Product in electronic form, the transmitting party does not transfer or assign its rights in the Work Product. The rights in the Electronic Data shall be as set forth in Article 4 of the Agreement. Under no circumstances shall the transfer of ownership of Electronic Data be deemed to be a sale by the transmitting party of tangible goods.

B. Electronic Data Protocol

1. The parties acknowledge that Electronic Data may be altered or corrupted, intentionally or otherwise, due to occurrences beyond their reasonable control or knowledge, including but not limited to compatibility issues with user software, manipulation by the recipient, errors in transcription or transmission, machine error, environmental factors, and operator error. Consequently, the parties understand that there is some level of increased risk in the use of Electronic Data for the communication of design and construction information and, in consideration of this, agree, and shall require their independent contractors, Subcontractors and Design Consultants to agree, to the following protocols, terms and conditions set forth in this Section 1.15.C.

2. Electronic Data will be transmitted in the format agreed upon in Section 1.15.C.1 above, including file conventions and document properties, unless prior arrangements are made in advance in writing.

3. The Electronic Data represents the information at a particular point in time and is subject to change. Therefore, the parties shall agree upon protocols for notification by the author to the recipient of any changes which may thereafter be made to the Electronic Data, which protocol shall also address the duty, if any, to update such information, data or other information contained in the electronic media if such information changes prior to Final Completion of the Project.

4. The transmitting party specifically disclaims all warranties, expressed or implied, including, but not limited to, implied warranties of merchantability and fitness for a particular purpose, with respect to the media transmitting the Electronic Data. However, transmission of the Electronic Data via electronic means shall not invalidate or negate any duties pursuant to the applicable standard of care with respect to the creation of the Electronic Data, unless such data is materially changed or altered after it is transmitted to the receiving party, and the transmitting party did not participate in such change or alteration.

PART 2 PHASE 1 SCOPE OF SERVICES

2.01 SUMMARY OF WORK

1. This Section sets forth the Scope of Work, the Deliverables, and the execution activities for Phase 1.

2. Design Builder shall review, analyze, and validate the Owner Provided Information, the Owner’s Project Criteria, the Owner’s Budget, and the Schedule.

3. Design Builder shall conduct such site investigations, environmental assessments, review of regulatory and legal authority and restrictions, and all other actions and
review and assess other information as reasonably necessary to verify and validate the Owner Provided Information.

4. Design Builder shall review, analyze and validate the concepts for the scope as shown in the Owner’s Project Criteria. In addition, Design Builder shall work collaboratively with the Owner and the Stakeholders to examine whether new concepts will better maximize the Owner’s Project Goals, and if approved by the Owner, further develop such new concepts and incorporate them into the Project.

5. Design Builder will study the suitability of sustainability objectives for the Project and provide Owner with options to incorporate sustainable materials and the use of sustainable building techniques into the Project.

6. Design Builder shall engage and work collaboratively with the Owner and the Project Stakeholders to obtain input regarding the Project design and functionality, as well as other major elements of the Project Scope and to develop the Basis of Design Documents.

7. Design Builder shall provide the Submittals as set forth in the Contract Documents. All Submittals shall be provided in a format acceptable to the Owner.

2.02 VALIDATION PERIOD.

A. Owner Provided Information

1. Within the time period set forth in the schedule, Design Builder shall perform such assessments, reviews and investigations of the Owner Provided Information, as determined by Design Builder to be reasonably necessary to validate the Owner Provided Information, the Commercial Terms, and the Owner’s Project Criteria.

2. Additional reviews, assessments and investigations of Owner Provided Information shall include, if reasonably necessary, the following:
   a. Verification that any drawings or specifications provided by Owner, including but not limited to the As-Built drawings and other architectural and engineering drawings, plans and specifications are correct,
   b. Constructability, including but not limited to proposed methods of construction, of the proposed structures in the Owner’s Project Criteria,
   c. Verification of the architectural, engineering, and other assumptions and calculations in any Owner Provided Information,
   d. Examination and verification of actual site conditions as set forth below,
   e. Verification of any surveys,
   f. Review and assessment of all applicable Legal Requirements on the Project,
   g. Verification and validation of assumptions regarding the establishment of the Commercial Terms, including but not limited to the Owner’s Budget, the Schedule, and the Owner’s Project Criteria.

B. Site and Other Investigations

1. Design Builder shall perform site investigations as necessary for Design Builder to verify the Owner Provided Information and to validate the Commercial Terms and the Owner Project Criteria. Design Builder shall visit the Site and examine thoroughly and understand the nature and extent of the Work, site, locality, actual conditions, underground facilities, all physical conditions at or contiguous to the Site, and all local conditions and federal, state, and local laws and regulations that in any manner may affect cost, time, progress, performance or furnishing of the Work or which relate to any aspect of the design and the means, methods, techniques, sequences or procedures of construction to be employed by Design Builder and safety precautions and programs incident thereto.
2. Such additional investigations shall be conducted to sufficiently identify or characterize utility locations, site conditions, contaminated materials, and observable or concealed conditions in the existing facilities, including but not limited to the following:
   a. If applicable, develop requirements for survey by the Owner and submit them to the Owner at least two (2) weeks prior to the need for the survey results.
   b. Undertake surveys, investigations and analysis to provide necessary data and information for project design including sufficient information to evaluate design alternatives.
   c. Perform soils sampling, testing, and analysis to provide necessary data and information for Project design and provide a final Geotechnical Report. Test for contamination during this process.
   d. Complete a comprehensive archaeological site survey and conduct a literature and data search to determine potentially archaeologically significant sites and conditions.

3. To the extent that the Owner provides any reports or other information regarding the site conditions, including but not limited to a Geotechnical Report, Design-Builder may rely on the data provided by Owner but may not rely on any analysis in the report or other information.

4. All reports or analyses generated by Design Builder’s testing, inspections, and investigations, including but not limited to geotechnical evaluations and hazardous materials studies, shall be provided to the Owner promptly, within seven (7) business days, after such reports are analyzed and generated.

5. Design Builder shall be responsible for ensuring that its design documents and construction work accurately conforms to, and interfaces with, the existing conditions and shall not request a change or claim for unforeseen or concealed conditions except as provided under the provisions of the contract.

6. Design-Builder shall work collaboratively with the Owner to establish the Initial Project Scope, the Target Budget, and the Target Scope, as set forth below.

C. Validation Period Report.
   1. At the time set forth in the Validation Period Schedule, the Design-Builder will provide to Owner a Validation Period Report with the deliverables set forth in Section 3.01.C herein, and the parties shall negotiate and collaboratively establish a Target Price, Target Budget and Initial Project Scope.
   2. With the Validation Period Report, Design-Builder will be deemed to have reviewed and verified all Owner Provided Information and Commercial Terms for the Project; therefore, Design-Builder cannot rely on any Owner Provided Information or the Owner’s Project Criteria for the purposes of performing the Work, unless specifically noted in writing by the Owner.

2.03 DESIGN DEVELOPMENT PERIOD

Provided the Owner accepts the Validation Period Report, the Design-Builder shall proceed with the project through the Design Development Period to develop a GMP Proposal pursuant to the requirements below.

A. Development of the Basis of Design Documents
   1. Design Builder shall manage the design and estimating process on an Open Book Basis and in a transparent collaborative, efficient, and coordinated manner and conduct design workshops as required by the Contract Documents. The Basis of Design Documents will establish the scope of the Work and provide the basis for the GMP. The Basis of Design Documents must be consistent with the Owner’s Project...
Criteria as modified by the Initial Project Scope, unless the Owner has consented to modify its requirements in writing through a Change Order, Field Directive, or other written means allowed by the Contract Documents.

2. Design Builder shall provide for an orderly and timely approval process by the Owner and third parties, document review comments from the Owner and third parties, and take appropriate action.

3. The Owner will review and comment on the Design Submissions in a timely fashion.

4. Design Builder shall submit a written response to the Owner's design review comments, describing the action taken for each comment. Design Builder shall, in a timely fashion, bring to the attention of the Owner areas where new technologies, such as BIM or Design-Build processes, may require modifications to these requirements.

5. By submitting Design Submissions, Design Builder represents to the Owner that the Design Submissions may be designed and constructed for the then current Commercial Terms. Notwithstanding the above, Design Builder may propose Designs, Plans or other Submissions that may alter a Commercial Term; however, with any such Design Submissions, Design Builder must provide notice pursuant to Section 2.18 of the General Conditions.

B. Development of Project Cost and GMP

1. The forecasting and development of accurate project cost estimates throughout each phase of the Project is vital to the Owner's financial management strategy. The Owner relies on the Design Builder to provide and validate current and detailed cost estimates and forecasts that will be incorporated into the overall cost controls for the Owner.

2. Throughout the Project, Design Builder will update estimates and forecasts and provide data to the Owner to reflect real time information. Design Builder will provide all pricing, estimates and other data used to develop the Commercial Terms on an Open Book and transparent basis.

The project controls system used by the Design Builder shall be acceptable to the Owner and will be capable of being broken down and reported in a number of different work breakdown structures, including but not limited to organizing the financial data by cost element codes, subcontracts, vendors, Construction Document packages, etc.

3. The Design Builder will coordinate the development of the project cost and GMP with the development of the Basis of Design Documents as well as the Schedule so that the Owner may obtain an accurate GMP within the Target Budget and Schedule.

C. Development of Project Schedule

1. The forecasting and development of the Schedule, including but not limited to the project phasing and Schedule of Values, is a vital element of the Design Builder’s ability to deliver this Project in a timely fashion. The Owner will rely on the Design Builder’s scheduling information to coordinate with its Stakeholders, schedule activities in and around the Project, and manage its campus.

2. Design Builder shall provide the Owner with frequent updates to the Schedule in a format acceptable to the Owner.

D. Submission of GMP

1. Design Builder shall engage and work collaboratively with the Owner and the Project Stakeholders to progress the design to a sufficient state to develop the Basis of Design Documents, the Guaranteed Maximum Price, and the Schedule.

2. The timing of the GMP Proposal and the percentage complete of the designs and specifications will be jointly determined by the Owner and the Design-Builder and shall be set forth in the Validation Period Report. Owner anticipates that the GMP Proposal
will be provided at approximately 60% design.

3. At the time set forth in the Validation Period Report, Design Builder shall prepare a GMP Proposal, including Phase 2 Submittals as set forth in Section 3.01.E herein.

4. If the Design-Builder discovers or should have discovered with reasonable diligence Changed Conditions from the actual conditions at the Site or the Owner Provided Information, Design-Builder shall, upon discovery but no later than at the conclusion of Phase 1, provide Owner with written notice of any such Changed Conditions. Design-Builder shall not be entitled to a Change Order for any Changed Condition during Phase 2 if the Changed Condition could have been discovered, with reasonable diligence, during Phase 1 and was not disclosed in the Changed Conditions Report.

PART 3 PHASE 1 SUBMITTALS
3.01 SUBMITTALS

A. Submittals After issuance of the Notice to Proceed:
   1. Design Builder shall provide the following Submittals within twenty-eight calendar days after issuance of the Notice to Proceed, unless otherwise noted in the Notice to Proceed or applicable schedule.
      a. Schedule Development Plan pursuant to Section 3.02.A
      b. Phase 1 Schedule pursuant to Section 3.02.B.
      c. BIM Protocol pursuant to 3.03.A.
      d. Proposed Work Groups pursuant to Section 3.04.D.
      e. Design Management Plan pursuant to Section 3.04.A
      f. GMP Development Plan pursuant to Section 3.05.A
      g. Proposed Cost Model Structure pursuant to Section 3.05.C.
      h. Proposed Work Breakdown Structure pursuant to Section 3.05.D.
   2. Owner will review the Submittals. Upon the Owner’s written approval, the Submittals will be finalized and incorporated into the Contract Documents by Contract Amendment.

B. Periodic submittals During Phase 1:
   Design Builder shall provide the following submittals throughout Phase 1.
   1. On a monthly basis and with each Application for Payment:
      a. Updates to the Phase 1 Schedule, and Project Schedule pursuant to Section 3.02.
      b. Updated Schedule of Values pursuant to Section 3.05.
   2. Pursuant to the Design Submission Schedule established by the parties:
      a. Updated Design Submissions pursuant to Section 3.02.
      b. Updated project budget information pursuant to Section 3.05.
   3. Milestone Design Deliverables pursuant to Section 3.04.G.

C. Submittals in the Validation Period Report:
   1. Design-Builder shall provide the following Submittals in the Validation Period Report, unless otherwise noted in the approved Phase 1 Schedule.
a. Phase 1 Not to Exceed Amount with Phase 1 Schedule of Values pursuant to Section 3.05.B
b. Phase 1 Schedule pursuant to Section 3.02.B
c. Phase 1 Scope of Work pursuant to Section 3.04.C
d. Target Schedule pursuant to Section 3.02.C
e. Target Budget for Phase 2 and updated Cost Model pursuant to Section 3.05.E
f. Preliminary Schedule of Values for Phase 2 pursuant to Section 3.05.B.
g. Initial Project Scope pursuant to Section 3.04.B.
h. Design Submission Packages and Design Submission Schedule pursuant to Section 3.04.E.
i. BIM Model and Execution Plan pursuant to 3.03.B.
j. Project Safety and Job Hazard Analysis for Phase 1 pursuant to Section 3.07.A.
k. Subcontract Plan pursuant to Section 3.06.A
l. Early GMP Plan pursuant to 3.08.A
m. Underutilized Business Participation and Inclusion Plan pursuant to 3.10.
n. Quality Management Plan pursuant to Section 3.11.A and Design Quality Management Plan pursuant to Section 3.11.C.
o. List of additional submittals (if any) required for the GMP Proposal

2. Owner will review the Validation Report. Upon the Owner’s written approval, the Submittals in the Validation Report will be finalized and incorporated into the Contract Documents by Contract Amendment pursuant to Section 6.6.1.2.c of the Agreement.

D. Early GMP Proposals:
1. If the parties agree to the submission of Early GMPs, Early GMP Proposals shall be submitted based on the Phase 1 Schedule agreed by the Parties.
2. The content of Early GMP Proposals will be determined pursuant to Section 6.6.1.4 of the Agreement.

E. GMP Proposal:
With the GMP Proposal, Design Builder shall include the following Submittals.
1. Schedule of Values depicting the Proposed GMP pursuant to Section 3.05.F.
2. Basis of Design Documents pursuant to Section 3.04.F.
3. Project Schedule pursuant to Section 3.02.D.
4. Project Safety and Job Site Hazard Analysis pursuant to Section 3.07.B.
5. Project Phasing/Staging Analysis pursuant to 3.08.B.
6. Permitting Strategy Plan pursuant to Section 3.09.A
7. Construction Quality Management Plan pursuant to 3.11.D.
10. Any other Submittals determined by the Parties in the Validation Period Report.
3.02 PROJECT SCHEDULE

A. Schedule Development Plan.

1. By the date set forth in Section 3.01.A herein, Design-Builder shall provide a Schedule Development Plan for review and approval by Owner.

2. The Schedule Development Plan will show the following:
   a. The Key Team Member and other personnel responsible for developing and updating the Project Schedule;
   b. The process for collaboratively developing the Project Schedule, including all phases of the Schedule;
   c. The process for developing and communicating updates to the Project Schedule;
   d. The Design-Builder's plan for mitigating schedule delays and impacts;
   e. The tools and systems that the Design-Builder will use to develop and update the Project Schedule;

3. Upon approval by the Owner, the Schedule Development Plan will be incorporated into the Contract Documents via Contract Amendment.

B. Phase 1 Schedule.

1. As set forth in Section 3.01.C herein, Design Builder shall provide a Phase 1 Schedule.

2. Phase 1 Schedule shall show the activities of the Owner and Design Builder necessary to meet Phase 1 requirements.

3. Phase 1 Schedule shall be updated with a minimum of one month intervals and within five business days of a known change in the Phase 1 Schedule, with the level of detail for each schedule update reflecting the information then available. During Phase 1, Design Builder will establish the timing for schedule Updates with acceptance from the Owner.

4. If an update to Phase 1 Schedule indicates that a previously approved milestone will not be met, Design Builder shall submit a corrective action plan and recovery schedule to the Owner within five (5) business days.

C. Target Schedule.

1. Pursuant to Section 3.01.C, Design Builder shall submit a Proposed Target Schedule that reflects Design Builder's sequence of design, procurement and construction activities including the interrelationships of the Demolition and Construction Packages.

2. The Proposed Target Schedule shall show the activities of the Owner and Design Builder necessary to meet the Project completion requirements.

3. The Proposed Target Schedule shall be updated periodically monthly with the level of detail for each schedule update reflecting the information then available.
   a. During Phase 1, Design Builder will establish the timing for schedule Updates with acceptance from the Owner.
   b. Design Builder shall also provide updates during the development of the Basis of Design Documents.

4. Design Builder shall meet with the Owner to review the Proposed Target Schedule and the parties shall collaboratively develop a final Target Schedule. In the event that the Owner has any comments relative to the Proposed Target Schedule or Target Schedule Updates or finds any inconsistencies or inaccuracies in the information presented, it shall give prompt written notice of such comments or findings to Design Builder, who shall make appropriate adjustments to the Preliminary Schedule, its basis, or both. The parties will
work collaboratively to make adjustments in the Basis of Design Document, the Project Schedule, or Target Budget to fit within the Owner’s objectives.

5. The Target Schedule will be used as a basis for scheduling the Project throughout Phase 1.

6. If an update to the Target Schedule indicates that a previously approved milestone will not be met, Design Builder shall submit a corrective action plan and recovery schedule to the Owner pursuant to the Contract Documents.

D. **Project Schedule**

With the GMP Proposal, Design Builder shall provide a Project Schedule that will incorporate the Target Schedule developed collaboratively during Phase 1 along with any updates to the schedule.

E. **Pull Planning**

All schedules will be developed using pull planning. After the schedules are developed, Design-Builder will deliver the schedule in the format of a Critical Path Method (CPM) Resource loaded schedule as set forth below.

F. **Critical Path Method (CPM) Resource loaded schedule**

1. The CPM Schedule will contain the following
   
   a. All tasks required to complete the scope of work for the project.
   
   b. Durations for all tasks in the project schedule.
   
   c. Logical ties and sequence of work for every task in the schedule.

2. Project Schedule shall be detailed and organized according to the approved Work Breakdown Structure ("WBS"). The project schedule will include all activities and relationships identified in the Design-Builder’s Scope of Work Narrative. Each major area of work within Design-Builder’s scope shall be represented by activities in the schedule.

3. The detailed schedule shall reflect, at a minimum, design, engineering, procurement, construction, fabrication, and delivery activities for each design package and each piece of procured equipment, key drawing release dates by discipline, and logic and interrelationships between activities so that a logical progression of the work is depicted. Project Milestones shall also be included in schedule.

4. Design-Builder and subcontractors shall meet with the Owner to review and approve the detailed CPM baseline Project Schedule.

5. Once the detailed project schedule has been approved by the Owner, Design-Builder will establish a baseline schedule. Thereafter Design-Builder shall advise the Owner of any proposed Critical Path Schedule changes and promptly provide the Owner with any revisions thereto and recovery plans as required to meet the contractual dates.

6. **Schedule Validity and Content**

   a. Prepare schedules.
   
   b. Contain Work Breakdown Structure coding matching deliverables and work packages.
   
   c. Schedule will reflect all deliverables and tasks mention in the Scope of Work narrative.
   
   d. Schedules shall be coded for grouping by engineering, procurement, construction, and commissioning.
   
   e. Design, engineering, procurement and construction activities shall be included, such that Project staffing requirements can be determined or verified with
schedule. The original resource-loaded construction schedule shall form basis for progress reporting and payment.

f. Schedules shall be provided on a monthly basis unless otherwise agreed by the parties.

g. Complete sequence of design, engineering, procurement and construction by activity.

h. Schedules will be reported and calculated using retained logic. No progress override.

i. An unlocked and searchable PDF of monthly schedule with the following
   (1) Columns showing (Activity ID, Activity Description, Original Duration, Remaining Duration, Activity Percent Complete, Start, Finish, Total Float, Baseline Start, Baseline Finish, and Baseline Finish Variance)
   (2) Gantt chart illustrating schedule activities start and finish dates, baseline planned progress, actual earned progress, and critical tasks.

j. No open ends with the exception of one predecessor open end for starting the project and one successor open end for completing the project.

k. No out-of-sequence logic.

l. Critical path for Design-Builder’s schedule activities.

3.03 BIM MODEL AND EXECUTION PLAN

If the parties agree to utilize Building Information Modeling, Design-Build will provide the following:

A. BIM Protocol

1. The parties shall discuss the use of BIM for the project and determine the extent that BIM will be used on the Project. Design-Build shall incorporate the Owner’s desired uses for BIM in subsequent submittals regarding the BIM Protocol, BIM Model and BIM Execution Plan.

2. Design Builder shall develop and submit an appropriate technology protocol for BIM and digital information modeling. The protocol shall define the ownership, access and responsibility with respect to project information, in particular with respect to shared BIM. On a more detailed level the protocol shall develop standards for data interfaces, layering and other criteria to be developed during the validation Phase.

3. Design Builder shall provide the BIM Protocol by the date set forth in Section 3.01.A.

B. BIM Model and BIM Execution Plan

1. With the Validation Period Report, Design Builder shall submit for the Owner’s review and approval a BIM Model plus a BIM Execution Plan which shall meet the objectives and requirements set forth in the Owner’s Project Criteria.

2. The BIM Execution Plan is anticipated to include the following elements:

3. BIM System Requirements

4. If requested by the Owner, a description of the following capabilities, including the implementation thereof:
   a. Design Modeling
      (1) Existing Conditions Modeling
      (2) Design Authoring
(3) Asset Management
(4) Design Model Reviews
(5) Analysis
(6) Reconciled Record Design Models

b. Construction Modeling
   (1) 3D Coordination
   (2) 4D Modeling/Phase Planning
   (3) 5D Modeling/Cost Estimating

c. Commissioning and Closeout
   (1) QA/QC
   (2) Commissioning
   (3) Punch List
   (4) Record Model/As Built

d. Facilities Operations and Maintenance
   (1) As Built Management
   (2) Data Integration Capability
   (3) Existing System Integration

5. The BIM Execution Plan will provide for BIM Reviews where Design Builder will present the BIM model for review.
   BIM Reviews will occur at the frequency agreed by the parties during the design period and as necessary during Construction. The BIM review will generally consist of a walkthrough of the 3D model showing all systems both individually and integrated, and an identification of any clashes among disciplines. Design Builder will be responsible for administering this process and resolving any clashes in a timely fashion.

6. Design Builder shall meet with the Owner to review the proposed BIM Model and BIM Execution Plan.
   a. Design Builder shall highlight any material differences between the proposed BIM Model and BIM Execution Plan and the Owner’s Project Criteria.
   b. In the event that the Owner has any comments relative to the proposed BIM Model and BIM Execution Plan or finds any inconsistencies from the Owner’s Project Criteria or inaccuracies in the proposed BIM Model and BIM Execution Plan, it shall give prompt written notice of such comments or findings to Design Builder, who shall make appropriate adjustments to the proposed BIM Model and BIM Execution Plan.
   c. The parties will work collaboratively to make adjustments in the proposed BIM Model and BIM Execution Plan, or any Commercial Term to fit within the Owner’s objectives.

7. The intended use of BIM for the Project shall accomplish the following objectives:
   a. For illustrations and presentation to the Owner and Stakeholders of the intended design
   b. For coordination between disciplines and trades (clash detection) during design and construction
c. For verification of progress payments  
d. Monitor work-in-place including (if applicable) updating of 3-D Model for portraying key progress elements to the Commission.  
e. Construction Phasing and Sequencing  
f. If requested by Owner, as a data reach legacy document for Facility Management and Maintenance.  

C. **Use of BIM for Design and Construction:**

BIM shall be an integral part of project delivery and shall enable all stakeholders to see the project clearly as it develops. BIM shall support the use of SD models to iron out sequencing and cost issues where appropriate during construction and allow pull-driven fabrication and just-in-time delivery of information, materials, parts, assemblies and required equipment and resources. Design Builder shall appoint a Modeling Coordinator who will coordinate the use and protocol of BIM with the Owner’s BIM Consultant.

D. **Use of BIM for Facility Management and Maintenance:**

If requested by the Owner, Design Builder and Owner shall establish the initial requirements for the use of the model for Facility Management Monitoring and Maintenance, and additionally, Design Builder shall investigate and perform assessment of software programs to meet these requirements. During the preparation of Construction Documents, Design Builder shall meet with the Owner’s operations and maintenance staff and discuss specific requirements that shall be built into the BIM model. It is the intent that any implementation of additions to the BIM design model for Building Monitoring Management and Maintenance will be included as part of future task authorizations.

3.04 **DESIGN SUBMISSIONS AND SPECIFICATIONS**

A. **Design Management Plan.**

1. By the date set forth in Section 3.01.A herein, Design-Builder shall provide a Design Management Plan for review and approval by Owner.

a. The Design Management Plan will show the following:  
b. Organizational structure of the Design Team, including identification of Key Team Members and how the Design Team will integrate with Owner;  
c. A comprehensive description of the process by which the Design-Builder will develop a design collaboratively with the Owner and the Owner’s Advisor. In addition to an explanation of the process, include the following information:  
d. Describe the process of conducting a robust validation process that will significantly reduce the risks on the Project and incorporate relevant information as soon as practicable into the completion of the design;  
e. Describe the process of identifying and evaluating design alternatives and selecting the preferred alternative that considers stakeholder input, budget, early work packages, material procurement, etc. and provides balanced design solutions to meet the Project needs within the Owner’s budget;  
f. Describe the process of designing to take advantage of efficient techniques, including but not limited to pre-fabrication, modularization, and other efficient construction means and method;  
g. Describe the process to incorporate constructability into the design;  
h. Describe the process for scheduling Submittals so that the Owner can review them in a logical and efficient manner;
1. Describe the process for managing comments from Owner, stakeholders, and permitting authorities;

2. Upon approval by the Owner, the Design Management Plan will be incorporated into the Contract Documents via Contract Amendment

B. Initial Project Scope

1. During the Validation Period, the Design-Builder shall review the Project Scope and evaluate the feasibility of including the Owner’s Project Criteria within the Owner’s Budget and Schedule.

2. Design-Builder shall develop a Proposed Initial Project Scope that represents the Design-Builder’s best estimate of a reasonably feasible scope of work that can be accomplished for the Proposed Target Budget and Proposed Target Schedule.

3. The Design-Builder shall submit its Proposed Initial Project Scope to Owner with the Validation Period Report, and the parties shall collaboratively develop the final Initial Project Scope that will be used as a basis for designing the Project throughout Phase 1.

4. Should the Design Builder believe the Owner’s Project Criteria is not feasible within the Owner’s Budget and schedule, the Design Builder will provide options, recommendations and/or alternative technical concepts for the Owner to consider. The parties may decide to determine whether to designate certain parts of the Work as Deferred Scope. Deferred Scope is work that the parties determine is not in the Initial Project Scope; however, the parties will continue to develop the work with the goal of adding the Deferred Scope back into the Project at a later time within the applicable Target Budget or GMP.

C. Phase 1 Scope of Work

1. With the Validation Period Report, Design-Builder shall submit a Phase 1 Scope of Work for Owner’s review and approval.

2. The Phase 1 Scope of Work will provide detail on the Work Design-Builder will perform during the remainder of Phase 1, including but not limited to the following:
   a. Design hours by Design Submission Package
   b. General Conditions Costs as described in Section 6.4.5 of the Agreement.
   c. Other Costs of the Work, described in detail.

D. Work Groups

1. The parties will establish Work Groups that correspond with the Cost Model and the Design Submission Packages. The purpose of the Work Group is to develop Design Submissions within the applicable Design Submission Package that are consistent with the Target Budget, Target Schedule, and Initial Project Scope. Not every scope may benefit from a Work Group. The Design-Builder is anticipated to propose the most efficient approach to developing design and cost within the Target Budget.

2. By the date set forth in Section 3.01.A. of this Exhibit, the Design-Builder will provide the Owner with a list of proposed Work Groups. The parties will then collaboratively establish the final Work Groups.

3. Each Work Group will contain representatives from both the Owner and the Design-Builder.

4. The Work Groups will provide updated reports pursuant to this Exhibit C to the Owner’s and the Design-Builder’s Representatives.
5. Work Groups will make decisions consistent with the Project Goals and the Commercial Terms. If a Work Group cannot make a decision by consensus, then the Work Group shall refer the decision to the Owner’s Representative and the Design-Builder’s Representative.

6. Work Groups will collaboratively develop the Work Group Estimate using Target Value Design and a continuous estimating process that provides real time estimates of the costs of the Design Submission to the Owner. The Design-Builder will use the Work Group Estimates to develop the GMP.

7. Additionally, the Work Groups will be expected to look for opportunities for removed scope, additional scope, higher quality of materials or equipment, alternates, or similar to create additional value to the Project. If applicable, reviewing scope that may have been removed when establishing the Project Program and Scope is expected to be given first consideration.

E. Design Submissions

1. As Design Builder develops the Basis of Design Documents, Design Builder shall collaborate with the Owner to submit and review the Design Submissions and specifications that will be incorporated into the Basis of Design Documents. The Design Submissions will be submitted pursuant to the Design Submission Schedule.

2. Design Builder shall segregate the Project into separate Design Submission Packages that represent a scope of work that should be logically assigned to a Work Group for development (“Design Submission Packages”) for review and approval by the Owner pursuant to Section 3.01.C. of this Exhibit. The parties will then collaboratively develop the final Design Submission Packages for the Project. The Design Submission Packages will correspond with Work Groups established by the Design-Builder and the Owner to develop the Basis of Design Documents.

3. Each Work Group will submit a schedule of Design Submissions pursuant to Section 3.01.C. of this Exhibit for the applicable Design Submission Packages (“Design Submission Schedule”) for review and approval by the Owner. The Design Submission Schedule will be developed such that the review of each Design Submission is of reasonable scope for prompt, efficient, and thorough review by the Owner.

4. Design Builder shall highlight in writing any material differences between the Design Submissions as they are being developed and the Owner’s Project Criteria and Initial Project Scope, as applicable.

5. In the event that the Owner has any comments relative to the Design Submissions or finds any inconsistencies from the Owner’s Project Criteria and Initial Project Scope, as applicable, or inaccuracies in the Design Submissions, it shall give prompt written notice of such comments or findings to Design Builder, who shall make appropriate adjustments to the proposed Basis of Design Documents.

6. The parties will work collaboratively to make adjustments in the Design Submissions and in the proposed Basis of Design Documents to fit within the Owner’s Project Goals.

F. Basis of Design Documents.

1. The Owner and Design Builder shall work collaboratively to develop the Basis of Design Documents provided as part of the GMP Proposal.

2. The Basis of Design Documents submitted with the GMP Proposal shall include at a minimum the following documents.

3. Project Manual, which shall set forth both the general objectives for the Owner, as well as specific uses for each element of the Project set forth in the Owner’s Project Criteria.

4. The Specifications.
5. Performance Requirements, which shall set forth the specific requirements for the project and identification of each major system, including but not limited to the following:
   a. Mechanical, electrical and plumbing systems
   b. Structural capacities and requirements
   c. Warranty obligations
   d. Operations and maintenance requirements
   e. Building envelope materials and systems, including but not limited to roofs, windows, walls, and air barrier systems
   f. Vertical conveyances, including but not limited to elevators, escalators, etc.

6. Designs developed during Phase 1.

7. Legal Requirements on which the GMP Proposal is based.

8. If applicable, Sustainability Requirements and Plan which shall document the Project sustainability goals and include the following:
   a. Outline Subcontractor requirements for Sustainability in the subcontract bid documents;
   b. Include a process to
      (1) monitor the submittal process to ensure compliance with Sustainability goals;
      (2) train Subcontractors in Sustainability requirements;
      (3) review design changes during construction for Sustainability impacts and inform Owner of impacts;
      (4) ensure installed products are compliant with the Sustainability requirements; and
      (5) assemble and maintain records to document Sustainability goals compliance.

9. A list of the assumptions and clarifications on which the GMP and Project Schedule are based.

G. **Milestone Deliverables**

1. The parties will agree on any Milestone Design Submission deliverables in the Design Submission plan.

2. The Milestone Deliverables shall include major building elements and components, such as curtain walls, and finishes and shall include, but not be limited to the following.
   a. Regional Plan
   b. Concept, Character, and Principals
   c. Landscape Plan
   d. Existing Site Photos
   e. Site Plan and Access;
   f. Massing Plan
   g. Exterior Elevations
   h. Floor Plate Stacking
3. Design-Build must have written approval from the Owner to proceed with the project after submission of each of the Milestone Design Deliverables set forth above.

3.05 COST AND GMP

A. GMP Development Plan

1. By the date set forth in Section 3.01.A herein, Design-Build shall provide a final GMP Development Plan for review and approval by Owner.

2. The GMP Development Plan will include the following:

   a. Describe the Design-Build’s strategies for exceeding the Project Goals.

   b. Describe the process by which the Design-Build will collaborate with Owner to establish the final GMP, including communication strategies and tools.

   c. Describe the Design-Build’s processes and tools for monitoring, reporting and managing cost, including but not limited to:

      (1) Design to budget control and reporting processes, including the project controls software that the Design-Build will use to provide transparency and to monitor and communicate the project costs to the Owner, including self-performed and subcontracted work;

      (2) Scope, cost, and schedule baseline development and management/change control processes and the participation and interaction among the scheduling and estimating, project, design, construction and operations management teams to execute these processes;

      (3) Incorporating input from design-build or other sub-contractors;

      (4) How the Design-Build will quantify the cost of risk and how risk is factored into the cost and schedule baseline, the project costs, and schedule performance;

      (5) Describe the Design-Build’s processes to avoiding surprises in unexpected costs and increases in project estimates. Specifically address the Design-Build’s approach to escalation, supply chain management, and resource scarcity;

      (6) Describe the specific tools that will be used for the financial management of the Project including a description of the tool and how the tool will provide value to the Project.
3. Upon approval by the Owner, the GMP Development Plan will be incorporated into the Contract Documents via Contract Amendment.

B. Schedule of Values

1. Schedule of Values. At the times set forth herein, Design-Build will submit Schedules of Values for the Project in such a form and supported by such data to substantiate its accuracy in reflecting the breakdown for administrative and payment purposes as the Owner may require. The Schedule of Values shall be further organized to conform to the Construction Specifications Institute (CSI) standard format for divisions and sections.

2. With the submission of Design Submission Packages, Design Builder shall provide updated estimates of costs associated with the Design Submission in a format acceptable to the Owner that will be incorporated into the development of the GMP.

3. The updated estimates shall be provided on a monthly basis and shall be updated with new information as Design Builder develops and finalizes the GMP.

4. Schedule of Values.
   a. With the Validation Period Report, Design-Builder shall provide a proposed Schedule of Values for Phases 1 and 2 for Owner's review and acceptance.
   b. With the GMP Proposal, Design-Builder will provide a Schedule of Values for Phase 2.

5. On a monthly basis, Design Builder shall provide an updated Schedule of Values for the Work with actual start and/or finish dates and percentages complete.

   Updates shall compare the planned progress from baseline schedule with actual progress from the current schedule. The Schedule of Values shall be in conformance with the requirements below and in such a form and supported by such data to substantiate its accuracy in reflecting the breakdown for administrative and payment purposes as the Owner may reasonably require. The Schedule of Values shall be further organized to conform to the Construction Specifications Institute (CSI) standard format for divisions and sections.

6. Schedule of Values Requirements
   a. Submit to Owner schedule of values allocated to various portions of Work.
   b. Submit to Owner an updated progressed CPM Schedule will substantiate the % complete of each task.
   c. Schedule of values shall be used as basis for Design-Builder's Applications for Payment, as well as a basis for identifying savings and overruns at the end of the project.

7. Sum of all values listed in schedule shall equal total GMP Contract Price.

8. Each item shall include directly proportional amount of Design-Builder's fee, as applicable.

9. Schedule of Values Form and Content
   a. Schedule of Values will match a format acceptable to Owner.
   b. Title of Project and location.
   c. Project number.
   d. Name and Address of Design-Builder.
   e. Date of submission.
   f. Schedule of Values columns will contain at a minimum the following information
C. **Cost Model**

1. Within the time frame set forth in Section 3.01.A, Design Builder shall provide a Proposed Cost Model Structure, for the Owner’s review and acceptance.

2. The Cost Model shall, at a minimum, provide the following information:
   a. List for all Design and Construction Packages, organized by CSI;
   b. Estimated base bid amounts for all Construction Packages;
   c. Construction Package Allowances.

3. Design Builder shall utilize a project controls management system (PCMS) that will be reviewed for acceptance to the Owner.

4. Estimates and forecasts within the Cost Model will need to have the capability to be broken down and reported on in many different formats. These formats may include organizing the estimate by different projects, project funding types, Owner cost element codes, contracts, vendors, Construction Package Sets, Construction Packages, etc. Design-Builder shall collaborate with the Owner to determine the appropriate Work Breakdown Structure that will be used for the development of the Cost Model and all Project cost estimates.

5. In developing its Construction Packages, Design-Builder shall coordinate with the Owner to determine a packaging strategy deemed advantageous to all parties. The agreed-upon packaging strategy will be incorporated into the Cost Model and Project schedule.

6. On a monthly basis, Design-Builder shall update estimates and forecasts as data becomes available to reflect real time information. The Owner will rely on this real-time information for accuracy of overall Owner cost forecasts across all Owner projects.

D. **Work Breakdown Structure (WBS)**

1. The Work Breakdown Structure (WBS) is a task-oriented division of work necessary to engineer, procure, and construct the Project. It categorizes successively smaller tasks, in order to achieve scope, schedule, and budget control at the most practical level. The WBS should correspond with the Cost Model.

2. Within the time frame set forth in Section 3.01.A, Design-Builder will propose a WBS structure. Design-Builder will work with the Owner to develop a mutually compatible WBS system to satisfy the intent of the project. The WBS structure will represent the Design-Builder’s entire scope for the project, broken down into manageable Submittals or work packages. This Hierarchy will be used to organize the project’s scope narrative, the project’s schedule, and the project’s budgeted Schedule of Values (SOV). This will not be presented as a list of Submittals but as breakdown of work packages and their Submittals. The parties will agree on a form of WBS for use in the Project.

E. **Target Budget**
1. Pursuant to Section 3.01.C, Design Builder shall submit a Proposed Target Budget that reflects Design Builder’s best estimate of an achievable GMP for the Initial Project Scope.

2. The Proposed Target Budget shall include a Schedule of Values and Cost Model.

3. The Proposed Target Budget shall be updated periodically monthly with the level of detail for each update reflecting the information then available.
   a. During Phase 1, Design Builder will establish the timing for Target Budget Updates with acceptance from the Owner.
   b. Design Builder shall also provide updates during the development of the Basis of Design Documents.

4. Design Builder shall meet with the Owner to review the Proposed Target Budget and the parties shall collaboratively develop a final Target Budget. In the event that the Owner has any comments relative to the Proposed Target Budget or Target Budget Updates or finds any inconsistencies or inaccuracies in the information presented, it shall give prompt written notice of such comments or findings to Design Builder, who shall make appropriate adjustments to the Target Budget. The parties will work collaboratively to make adjustments in the Basis of Design Document, the Project Schedule, or GMP to fit within the Owner’s objectives.

5. The Target Budget will be used as a basis for estimating and developing the GMP throughout Phase 1.

6. If an update to the Target Budget indicates that the Target Budget will be exceeded, Design Builder shall submit a corrective action plan to the Owner.

7. The Target Budget will be segregated into separate budgets for each Work Group (the “Work Group Budget”). Each Work Group Budget will form the basis of the Target Value Design process for the applicable Work Group to develop the estimated costs for the Work Group (the “Work Group Estimate”).

8. Work Groups will collaboratively develop the Work Group Estimate using Target Value Design and a continuous estimating process that provides real time estimates of the costs of the Design Submissions to the Owner. The Design-Builder will use the Work Group Estimates to develop the GMP.

F. Establishment of the GMP.

1. With the GMP Proposal, Design Builder shall prepare and submit a Schedule of Values that depicts the proposed GMP to the Owner, in a format acceptable to the Owner, reflecting Design Builder’s total cost for the Project on an open book basis. The Schedule of Values shall include:
   a. The Design-Builder’s Fee Percentage pursuant to Section 6.2 of the Agreement;
   b. The Cost of the Work pursuant to Section 6.3 of the Agreement;
   c. If applicable, a list of Allowance Items, Allowance Values, and a statement of their basis pursuant to Section 6.4.1 of the Agreement;
   d. If applicable, a list of all Not to Exceed Amounts and the information required pursuant to Section 6.4.2 of the Agreement;
   e. If applicable, a list of Lump Sums and the information required pursuant to 6.4.3 of the Agreement;
   f. The Cost of the Work Contingency pursuant to Section 6.4.4.1.a of the Agreement;
   g. The Design-Builder’s Contingency pursuant to Section 6.4.4.1.b of the Agreement;
h. The Lump Sum General Conditions Cost pursuant to Section 6.4.5 of the Agreement;

i. If applicable, a schedule of Unit Prices and Hourly Rates pursuant to Section 6.4.6 of the Agreement

2. In support of the proposed GMP, Design Builder shall provide:
   a. A list of the assumptions and clarifications made by Design Builder in the preparation of the GMP to supplement the information contained in the Basis of Design Documents.
   b. All material changes from the Owner’s Project Criteria and Design Builder’s Proposal and the costs associated with such changes.

3. Design Builder shall meet with the Owner to review the proposed GMP. In the event that the Owner has any comments relative to the proposed GMP or finds any inconsistencies or inaccuracies in the information presented, it shall give prompt written notice of such comments or findings to Design Builder, who shall make appropriate adjustments to the proposed GMP, its basis, or both. The parties will work collaboratively to make adjustments in the Basis of Design Documents, Project Schedule, or GMP to meet the Owner’s objectives.

3.06 SUBCONTRACT PLAN

A. By the date set forth in Section 3.01.C herein, Design Builder shall submit for approval the Subcontract Plan that will include the following:

1. Identification of the Work anticipated to be subcontracted, including the scope of the subcontracted Work (“Subcontract Package”);

2. A comprehensive explanation regarding the process for identifying, prequalifying, and negotiating with qualified Subcontractors;

3. The form Subcontracts that Design-Builder anticipates using, all of which must be in compliance with Section 1.09 herein;

4. A Subcontractor Procurement Process that either follows the process set forth in 1.09 herein or provides an explanation as to the suggested deviation from that process;

5. The anticipated Self-Performed Construction Work, including the information set forth in Section 1.09 herein; and

6. An explanation regarding how Design-Builder will incorporate Subcontractor input into the design.

3.07 PROJECT SAFETY AND JOB SITE HAZARD ANALYSIS

A. By the date set forth in Section 3.01.C herein, Design Builder shall submit a Project Safety and Job Site Hazard Analysis for the activities associated with Phase 1.

B. With GMP Proposal, Design Builder shall submit a Project Safety Plan with Job Site Hazard Analyses addressing all phases of the project after Phase 1.

C. No field investigation or construction activities will be authorized without acceptance of safety plans as required for the Work.

3.08 PROJECT PHASING /STAGING

A. Early GMP Plan

1. With the Validation Period Report, Design-Builder will provide its Early GMP Plan that will include the Design-Builder’s proposed plan to complete portions of the Work prior to completion of the entire Project that would be subject to an Early GMP pursuant to Section 6.6.1.6 of the Agreement.
2. The Early GMP Plan will include the following elements for each Early GMP Scope:
   a. A detailed description of the Early GMP Scope, including but not limited to the portion of the WBS and/or Basis of Design Documents that are applicable to the Early GMP Scope;
   b. The Early GMP Schedule; and
   c. The deliverables required for the Early GMP Proposal.

3. If approved after negotiation with the Owner, the Early GMP Plan will be incorporated into the Contract Documents via Contract Amendment.

B. Project Phasing/Staging Analysis.

With the GMP Proposal, Design Builder shall provide a Project Phasing/Staging Analysis for all Demolition and Construction Packages that includes detailed plans for the phasing of the elements, including but not limited to all modifications and all other construction activities including the staging of construction materials and facilities.

3.09 PERMITTING STRATEGY PLAN:

A. With the GMP Proposal, Design Builder shall provide a Permitting Strategy Plan detailing the process for obtaining the building and site development permits for various phases of the project. During Phase 1, Design Builder must meet with the applicable building officials and develop processes and timelines for plan check approvals.

B. The Permitting Strategy Plan must include the following:
   1. A plan for conducting an efficient permitting process that minimizes re-design and obtains the required permits within the Project Schedule;
   2. A list of permits required for the Project;
   3. For each permit, the entity responsible for obtaining the permit, the process and plan for obtaining the permit, including coordination of communications with permitting agency staff;
   4. For each permit, a check list for each task required to obtain the permit; and
   5. For each permit, a schedule for obtaining the Permit.

3.10 UNDERUTILIZED BUSINESS PARTICPATION AND INCLUSION PLAN

A. With the Validation Period Report, Design Builder shall analyze the capabilities of underutilized businesses as subcontractors, including but not limited to businesses certified by OMWBE, Veteran Owned Businesses, as well as small, regional, and local businesses and the projected manpower availability to determine and report on the percentage of the Work that such firms could reasonably be expected to perform during the Design, Preconstruction and Construction Phases of the Project.

B. Based on this analysis, Design Builder shall prepare an outreach, inclusion and participation plan for underutilized businesses as subcontractors, including but not limited to businesses certified by OMWBE, Veteran Owned Businesses, as well as small, regional, and local businesses, subject to the review and approval of the Owner (“Underutilized Business Participation and Inclusion Plan”). The Underutilized Business Participation and Inclusion Plan will be a thoughtful commitment to underutilized businesses as subcontractors, including but not limited to businesses certified by OMWBE, Veteran Owned Businesses, as well as small, regional, and local businesses in the design and construction for the Project. Work performed by Underutilized Businesses must have a Commercially Useful Function.

C. As a minimum, the Underutilized Business Participation and Inclusion Plan shall include:
   1. Outreach strategies to identify Underutilized Businesses capable of performing the work in the geographic region of the Project;
2. A complete description of the efforts to be taken on the part of Design Builder to tailor design, preconstruction services and Construction Packages so as to be capable of being performed by Underutilized consultants, designers, and/or subcontractors.

3. The approach to procure consultants and subcontractors (e.g., open bid, prequalification, best-value, etc.) to maximize participation by Underutilized Businesses.

4. Contracting strategies to remove barriers that allow Underutilized Businesses to be able to subcontract for the Project, such as the use of joint ventures in partnering with non-Underutilized Businesses;

5. Business strategies to support Underutilized Businesses in being successful on the project such as introductions to banks and/or bonding companies, progressive design-build training, and retainage;

6. Training opportunities in supporting the successful performance of the work by Underutilized Businesses.

3.11 **QA/QC PLANS**

A. **Quality Manual**

1. The Design-Builder shall provide a comprehensive Quality Manual that describes the Quality Management System for all aspects of the Work. The Quality Manual shall establish the Quality Policy and Quality Objectives for all aspects of the Work conforming to the requirements of the ISO 9001:2015 Standard, and shall describe the processes that shall be established, implemented, controlled, and continually improved to achieve the Quality Objectives established for the Project.

2. The Quality Objectives shall be measurable and linked to meeting the needs and performance expectations of the Owner in respect of the Project. The Quality Management System described in the Quality Manual shall include all the activities required to achieve these Quality Objectives, including the Design-Builder’s controls such as scope, cost, schedule and general document control management activities. All these activities shall be subject to Internal Quality Audits and External Quality Audits.

3. The Quality Manual shall describe the members of the Design-Build Team, including Subcontractors and Key Team Members involved in performing the Work and how key management activities (such as the Design-Builder’s controls, design management and construction activities) shall interface with each other. The Quality Manual shall also provide the organization chart identifying the authority and responsibilities of all Key Team Members and other key personnel involved with the aforementioned aspects of the Project. The Quality Manual shall also show how the various levels of Quality Management System documentation are linked together.

4. The Quality Manual shall clearly define the reporting function and authority of the Design-Builder’s Quality Manager who shall liaise with the Owner and act as the single point representative of the Design-Builder for all matters relating to quality management for design and construction.

B. **Quality Manager**

1. At all times during the Project, the Design-Builder shall employ a Quality Manager who shall
   a. have experience in a similar quality management representative role for a project
   b. have a minimum 10 years of experience overseeing the design and construction of projects of similar scope and complexity to this Project;
   c. have sufficient organizational authority to implement required actions to ensure compliance with all quality requirements of this Agreement;
d. have full access to all Quality Documentation described in the Quality Management System, including documentation maintained by all Design-Build Team Members;

e. be responsible for developing, implementing, maintaining, and ensuring the effective operation of, the Quality Management System including auditing, reporting and implementing corrective actions for Nonconforming Work;

f. ensure that reviews, checking, and verification are undertaken for all designs;

g. be responsible for the supervision of any personnel supporting the Quality Manager in the execution of the Quality Plan; and

h. be independent of the Design-Build Team and shall have the authority to immediately stop any work activity not being performed in accordance with the Agreement and not in accordance with the Quality Management Plans.

2. The Quality Manager will be responsible, at a minimum, for the following items

   a. developing, implementing and maintaining the Quality Plans;

   b. initiating periodic management reviews, annually at a minimum;

   c. preparing Quality Audit Plans, both internally and externally;

   d. approving and signing off on the action taken in close out of Non-Conformance Reports; and

   e. developing and implementing a program for corrective actions and preventive action for Non-Conforming Work.

C. Design Quality Management Plan.

1. The Design-Builder shall implement and conform to a comprehensive Design Quality Management Plan that describes how it intends to manage the design processes for the Project in conformance with the ISO 9001:2015 Standard, its Quality Manual and the provisions of the Project Agreement. The DQMP is to apply throughout the Work.

2. The DQMP shall contain an organizational chart identifying Key Team Members and other key personnel responsible for design management and their relationship with the Quality Manager for the Design-Builder’s overall Quality Management System as documented in the Design-Builder’s Quality Manual. It shall also contain a description of the responsibilities, qualifications, and authority of the above personnel and the organizational interfaces between those responsible for design management and other engineering and construction management disciplines. The DQMP shall address all phases and aspects of the Work including design and construction.

3. The DQMP shall, at a minimum, include or reference detailed Quality Management System procedures and process flow charts for the following processes:

   a. design and development planning;

   b. determination of design inputs and outputs;

   c. design development reviews;

   d. design verification to ensure that design input requirements have been met;

   e. design validation to ensure that the completed project is capable of meeting its intended use;

   f. design changes;

   g. quality control of design deliverables;

   h. handling of Owner review comments on submittals;
i. quality assessment and procurement of the Design-Build Team members responsible for design;

j. if approved by Owner, External Quality Audits of the Design-Build Team members responsible for design;

k. Internal Quality Audits;

l. Corrective Actions, Preventive Actions and opportunities for improvement;

m. document control management;

n. Submittal scheduling and the Project Schedule audits;

o. control of revisions construction documentation during construction; and

p. control of records relating to Quality Management.

4. The above procedures and flow charts shall document who does the work, what they do, and what evidence is generated that they have done the work correctly.

D. Construction Quality Management Plan

1. The Design-Builder shall provide a comprehensive Construction Quality Management Plan that describes how it intends to manage the construction activities in conformance with the ISO 9001:2015 Standard, its Quality Manual and the provisions of the Agreement. The CQMP is to apply throughout the Project.

2. The CQMP shall contain an organizational chart identifying Key Team Members and other key personnel responsible for construction management and their relationship with the Quality Manager for the Design-Builder’s overall Quality Management System as documented in the Design-Builder’s Quality Manual. It shall also contain a description of the responsibilities, qualifications, and authority of the above personnel and the organizational interfaces between those responsible for construction management and other disciplines such as design management and environmental management. The CQMP shall address all phases and aspects of the Works, including design and construction.

3. The CQMP shall, at a minimum, include or reference detailed quality system procedures and process flow charts for the following processes:

a. Project Schedule management and audits;

b. inspection, testing and monitoring;

c. materials identification and traceability;

d. quality assessment and procurement of the Design-Build Team Members responsible for construction;

e. if approved by Owner, External Quality Audits of the Design-Build Team Members responsible for construction;

f. Internal Quality Audits;

g. control of nonconforming product;

h. Corrective Actions, Preventive Actions and opportunities for improvement;

i. document control management;

j. control of Construction Documents drawing mark ups to reflect the as-built condition including capture of the reasons for any changes from the issued for construction documents and any necessary authorizations; and

k. control of Quality Records.
4. The above procedures and flow charts shall document who does the work, what they do, and what evidence is generated that they have done the work correctly.

3.12 CONTRACT CLOSEOUT PLAN

A. With the GMP Proposal, Design Builder shall provide a Contract Closeout Plan that integrates all aspects of project closeout proactively over the life of the project. The Contract Closeout Plan will be a comprehensive outline of the process to verify that the requirements of the Work are satisfactorily completed and to manage the commissioning and closeout of the Project. The Contract Closeout Plan is a living document that will grow and expand as the design and construction progress. The Contract Closeout Plan should include, but not be limited to mechanisms and procedures for:

1. A list of all closeout provisions included in subcontract procurement documents;
2. A list of specific requirements for achieving Substantial and Final Completion;
3. An outline of proposed phased completions and early subcontract closeouts;
4. The system by which Design-Builder will determine and achieve commissioning and testing requirements;
5. A list of all Warranties and Warranty requirements;
6. A list of all requirements by any Utilities for acceptance and completion;
7. A check list of all training required at the conclusion of the Project;
8. A check list of all O&M Documentation that will be provided at the conclusion of the Project;
9. A process for developing and transferring Record Documents;
10. A process for managing audits and cost reconciliations of the Cost of the Work and all other costs submitted by Design-Builder;
11. Coordination with the Permitting Strategy Plan;
12. A plan for finalizing all requirements and documentation required for completion of the Project.

3.13 CHANGED CONDITIONS REPORT

A. With the GMP Proposal, Design Builder shall provide a report of all Changed Conditions as defined in Section 4.2 of the General Conditions of Contract that are discovered during Phase 1.

B. The Changed Conditions Report shall include the following information for each of the identified Differing Site Conditions identified in the Report.

1. The location of the Changed Condition;
2. A description of the Changed Condition that explains why it qualifies as a Changed Condition pursuant to Section 1.01 of the General Conditions;
3. The date the Changed Condition was discovered;
4. The impact of the Changed Condition on the Technical Requirements Owner’s Project Criteria, the Basis of Design Documents, and/or any Commercial Term, as applicable.
PART 4 PHASE 2 SCOPE OF SERVICES

Unless the parties agree otherwise in writing, this Section sets forth the Scope of Work, the Deliverables, and the execution activities for Phase 2.

4.01 PHASE 2 SCOPE

A. Design Builder shall complete the design and construction services as set forth in the GMP Amendment and any Early GMP Amendments.

B. Design Builder shall provide the Submittals set forth in this Attachment during the course of Phase 2. Submittals shall be provided in a format acceptable to the Owner.

4.02 COMPLETION OF DESIGN

A. Design Builder shall provide for an orderly and timely approval process by the Owner and third parties, document review comments from the Owner and third parties, and take appropriate action.

B. The Owner will review and comment on the Construction Documents and other Design Submissions in a timely fashion.

C. Design Builder shall submit a written response to the Owner's design review comments, describing the action taken for each comment. Design Builder shall, in a timely fashion, bring to the attention of the Owner areas where new technologies, such as BIM or Design-Build processes, may require modifications to these requirements.

4.03 SCHEDULE OF VALUES AND COST MODEL

A. The forecasting and development of accurate project cost estimates throughout each phase of the Project is vital to the Owner's financial management strategy. The Owner relies on the Design Builder to provide and validate current and detailed cost estimates and forecasts that will be incorporated into the overall cost controls for the Owner.

B. On a monthly basis, Design Builder will continue to update estimates and forecasts in the format required above and provide data to the Owner to reflect real time information. Design Builder will provide all pricing, estimates and other data used to develop the Commercial Terms on an open and transparent basis.

C. The Schedule of Values and Cost Model must be consistent with the GMP Amendment and any Early GMP Amendment and the format required above, unless the parties have agreed on a Change pursuant to Section 2.18 of the General Conditions.

4.04 SCHEDULE

A. The forecasting and development of the Schedule, including but not limited to the project phasing and Schedule of Values, is a vital element of the Design Builder's ability to deliver this Project in a timely fashion. The Owner will rely on the Design Builder's scheduling information to coordinate with its Stakeholders, schedule activities in and around the Project, and manage its property.

B. Design Builder shall provide the Owner with frequent updates to the Project Schedule on a monthly basis in the format required above for a scheduled completion within the GMP established in the GMP Amendment and any Early GMP Amendment.

4.05 CONSTRUCTION SERVICES

Design-Builder shall provide Construction Services and complete the construction of the Project pursuant to the Contract Documents.

4.06 COMMISSIONING, TESTING AND CLOSEOUT

A. Design Builder shall provide commissioning, testing, and closeout of the Project pursuant to the Contract Documents and the Closeout Plan.
4.07 PHASE 2 SUBMITTALS

A. Periodic Submittals
   1. On a monthly basis and with each Application for Payment:
      a. Updates to the Schedule pursuant to Section 3.02.
      b. Updated Schedule of Values pursuant to Section 3.05.
   2. Pursuant to the Design Submission Schedule established by the parties:
      a. Updated Design Submissions pursuant to Section 3.04.
      b. Updated project budget information pursuant to Section 3.05.

B. Milestone Submittals.
   Design Builder shall provide the following Milestone Design Submissions pursuant to the Project Schedule:
   1. 100% Construction Documents for review and approval by the Owner.
   2. Design Builder shall not proceed with the project after submission of the 100% Construction Documents until it receives the Owner’s written approval.

C. Other Submittals
   Design Builder shall provide such other Submittals as set forth in the Contract Documents to successfully complete the Project.
ATTACHMENT E

Draft General Terms and Conditions
GENERAL TERMS AND CONDITIONS

SECTION I DEFINITIONS

1.01 DEFINITIONS


B. “Applicable Law” means (1) any federal, State or local law, code or regulation, including the City’s rules and regulations; (2) any formally adopted and generally applicable rule, requirement, determination, standard, policy, implementation schedule, or other order of any Governmental Body having appropriate jurisdiction; (3) any established interpretation of law or regulation utilized by an appropriate regulatory Governmental Body if such interpretation is documented by such regulatory body and generally applicable; (4) any Governmental Approval; and (5) any consent order or decree, settlement agreement or similar agreement between the City and any Governmental Body, in each case having the force of law and applicable from time to time, over the Project, the Design-Build Work or any other transaction contemplated hereby.

C. “Changed Condition” means any act, event or condition that (1) is beyond the reasonable control of the affected party, (2) could not reasonably have been assumed, anticipated or provided for in the Design-Builder’s Proposal, and (3) materially expands the scope, interferes with, delays, or increases the cost of performing the Design-Build Work under the Contract, to the extent that such act, event or condition is not the result of the willful or negligent act, error or omission, failure to exercise reasonable diligence, or breach of this Contract on the part of the party claiming the occurrence of a Changed Condition. Notwithstanding the above, if the Parties enter into the GMP Amendment, a condition shall not be considered a “Changed Condition” if the condition was or could have been discovered with reasonable diligence during Phase 1 of the Project.

D. “City” or “City of Tacoma” means City of Tacoma, inclusive of Tacoma Public Utilities, Water Division dba Tacoma Water.

E. “Contract” means the City of Tacoma’s Contract Documents as listed in Section 2.1 of the Agreement.

F. “Days” means calendar days.

G. “Design-Builder” The firm or joint venture awarded the Design-Build Contract.

H. “Design-Build Team” The prime contractor, designer, and major and specialty subs and suppliers including, but not limited to, those parties performing the following: design, supply and/or manufacturing of major components and commissioning and testing.

I. “Design-Build Work” or “Work” means everything required to be furnished and done for and relating to the design and construction required by the Contract both during the term of the Contract and relating to the Warranty Obligations set forth in the Contract Documents. Design-Build Work includes the employment and furnishing of all labor, materials, equipment, supplies, tools, scaffolding, transportation, insurance, temporary facilities and other things and services of every kind whatsoever necessary for the full performance and completion of the Design-Builder’s design, engineering, procurement, manufacturing, construction, quality assurance and quality control, acceptance and performance testing, and related obligations with respect to the design and construction required by the Contract, including all completed structures, assemblies, fabrications, acquisitions and installations, all testing, and all of the Design-Builder’s administrative, accounting, recordkeeping, notification and similar responsibilities of every kind whatsoever under this Contract pertaining to such obligations. A reference to Design-Build Work shall mean any part and all of the Design-Build Work unless the context otherwise requires and shall include all Design-Build Work authorized by change order or other Contract amendment or modification.

J. “Event(s) of Default” means those events permitting termination of the Contract and which are set forth in Sections 2.13 and 2.14.

K. “Force Majeure Event” means an event which (1) is not the result of a party’s action or failure to act, and (2) is not foreseeable, (3) is otherwise beyond a party’s reasonable control, and (4) prevents a party from performing its obligations under the Contract. Examples of possible Force Majeure Events include but are not limited to an act of nature, act of civil or military authority, fire, flood, windstorm, earthquake, terrorism, or war.


M. “Good Engineering and Construction Practice” means those methods, techniques, standards and practices which, at the time they are to be employed and in light of the circumstances known or reasonably believed to exist at such time, are generally recognized and accepted as good design, engineering, equipping, installation, construction and commissioning practices for the design, construction and improvement of capital assets in the electrical utility industry as followed in the northwestern region of the United States.

N. “Governmental Approval” means all orders of approval, permits, licenses, authorizations, consents, certifications, exemptions, rulings, entitlements and approvals issued by a Governmental Body of whatever kind and however described
which are required under Applicable Law to be obtained or maintained by any person with respect to the Design-Build Work.

O. “Governmental Body” means any federal, state, regional or local legislative, executive, judicial or other governmental board, agency, authority, commission, administration, court or other body, or any official thereof having jurisdiction other than the City.

P. “Hazardous Substances” means any waste, substance, object or material designated as, or containing any component designated as, hazardous, toxic or harmful under Applicable Law including, without limitation, “hazardous substances” as defined under the Compressive Environmental Response, Compensation, and Liability Act (CERCLA) and “hazardous waste” as defined under the Resource Conservation and Recovery Act (RCRA).

Q. “Project” means the Design-Build Work required by the Contract.


S. “Performance Test” means the tests set forth in the General and Technical Requirements to determine whether the applicable item met the Performance Guarantees.

T. “Project Site” or “Site” means the project site as more fully set forth in the General and Technical Requirements.

U. “Punch List” shall be a list of incomplete aspects of the Design-Build Work which need to be completed as a condition of Project Completion. It shall also include resolution of aforementioned items.

V. “Regulated Site Condition” means, and is limited to, the presence of Regulated Substances in environmental media anywhere in, on or under the Project Site, whether or not disclosed to the Design-Builder.

W. “Regulated Substance” means (1) any oil, petroleum or petroleum product and (2) any pollutant, contaminant, hazardous substance, hazardous material, toxic substance, toxic pollutant, solid waste, municipal waste, industrial waste or hazardous waste that is defined as such by and is subject to regulation under any Applicable Law. Regulated Substances include Hazardous Substances.

X. “Subcontractor” means every other person or entity (other than employees of the Design-Builder) employed or engaged by the Design-Builder or any person directly or indirectly in privity with the Design-Builder (including but not limited to all subcontractors and every sub-subcontractor of whatever tier) for any portion of the Design-Build Work, whether for the furnishing of design, services, labor, materials, equipment, supplies, services, or otherwise.

Y. “Technical Requirements” means the technical requirements for the Design-Build Work set forth in the Technical Requirements and as developed through the process set forth in Exhibit C to the Agreement. The Technical Requirements are also referred to as the Owner’s Project Criteria.

SECTION II CONTRACT REQUIREMENTS

2.01 DESIGN-BUILDER’S RESPONSIBILITY

A. Contract Documents

The Respondent to whom the Contract is awarded, hereinafter called the Design-Builder, shall enter into a Contract with the City within 10 days after receipt from the City of a properly prepared Contract subsequent to the successful completion of negotiations. The Contract Documents will consist of the documents set forth in Section 2.1 of the Agreement.

B. Surety Bonds

Upon execution of the Contract, Design-Builder shall provide performance and payment bonds pursuant to RCW Chapter 39.08 equal to one hundred percent (100%) of the applicable Validation NTE, including power of attorney. Upon execution of each Contract Amendment increasing the amount of a Not to Exceed Amount or the GMP, Design-Builder shall provide a performance and payment bond pursuant to RCW Chapter 39.08 equal to one hundred percent (100%) of the increase of the Not to Exceed Amount or the GMP, as applicable. The payment bond and performance bond, including power of attorney are provided to insure complete performance of the Contract including any guarantee. In addition, a warranty/ maintenance bond for 25% of the amount of their Guaranteed Maximum Price shall also be provided if the parties enter into the GMP Amendment. The bonds must utilize City forms and be executed by a surety company licensed to do business in the State of Washington.

C. Independent Contractor

Design-Builder is an independent contractor; no personnel furnished by the Design-Builder shall be deemed under any circumstances to be the agent or servant of the City. Design-Builder shall be fully responsible for all acts or omissions of Subcontractors and its and their suppliers, and of persons employed by them, and shall be specifically responsible for sufficient and competent supervision and inspection to assure compliance in every respect with the Contract. There shall be no contractual relationship between any Subcontractors or supplier and the City arising out
of or by virtue of this agreement. No provision of the Contract is intended or is to be construed to be for the benefit of any third party.

D. Assistance

The obligations of a party to cooperate with, to assist or to provide assistance to the other party hereunder shall be construed as an obligation to use the party’s personnel resources to the extent reasonably available in the context of performance of their normal duties, and not to incur material additional overtime or third party expense unless requested and reimbursed by the assisted party.

E. Good Engineering and Construction Practice

The Design-Builder shall utilize Good Engineering and Construction Practice in carrying out the Design- Build Work and to supplement and in no event displace or lessen the stringency of, the requirements under this Contract. In the event that, over the course of the performance of this Contract, Good Engineering and Construction Practice evolves in a manner which in the aggregate materially and adversely affects the cost of compliance therewith by the Design-Builder, the Design-Builder shall be relieved of its obligation to comply with such evolved construction practice (but not Good Engineering and Construction Practice as of the Contract Date) unless the City agrees to adjust the Contract Price, as appropriate, to account for such additional costs. Except to the extent that the Design-Builder is relieved of its obligation to comply with such evolved Good Engineering and Construction Practice, as provided above, in no event shall any evolution of Good Engineering and Construction Practice, or any City election to pay or not pay any such additional costs, relieve the Design-Builder of its obligations under the Contract.

F. Key Personnel

The Design-Builder has identified, and the City has approved, the Key Personnel who are assigned to the Project as part of their Proposal. Prior to award of Contract, the Design-Builder shall submit a table, which sets forth the key Project staff, their Project assignments, and the expected amounts of their available time that will be spent on the Project.

Percentage of time estimates shall be based on 100% of the hours available over the entire phase, assuming 40 hours per week (for non-construction personnel only), minus time for vacations, sick leave, training, professional societies, and conferences as a basis.

G. City Rights With Respect to Key Personnel

The Design-Builder acknowledges that the identity of the Key Personnel proposed by the Design-Builder and its Subcontractors in its responses to the RFQ and RFP was a material factor in the selection of the Design-Builder. The Design-Builder shall utilize the Key Personnel to perform the tasks at the level of effort identified in the Design-Builder submitted table. If any Key Personnel must be changed or are added during the Project, the Design-Builder shall provide the City with thirty (30) days written Notice of the proposed change with such additional information as the City may reasonably require. For the duration of the Project, Design-Builder may not, without written consent of the City, substitute or change any of Key Personnel. To qualify for the City’s approval, the written request must document that the proposed change will be equal to or more qualified than the Key Personnel identified in the RFQ and RFP.

H. Character of Design-Builder’s Employees

The Design-Builder shall employ only competent, skillful, faithful and orderly persons fluent in spoken and written English to do the work, and whenever the City staff administering the Contract shall notify the Design-Builder in writing that any person on the work is, in City staff’s opinion, incompetent, unfaithful, disorderly or otherwise unsatisfactory, the Design-Builder shall forthwith discharge such persons from the work and shall not again employ him or her on this Contract.

2.02 INSPECTION

A. Observation and Design Review Program

During the progress of the Design-Build Work through Project completion, the Design-Builder shall at all times during normal working hours afford the City every reasonable opportunity for observation and shall comply with any Design-Build Work review procedures set forth in the Contract. The Design-Builder shall use its best efforts to provide City employees with safe access to the Design-Build Work. During any such observation, all representatives of the City shall comply with the Design-Builder’s site-specific health and safety plan applicable to areas visited and shall in no material way interfere with the Design-Builder’s performance of any Design-Build Work.

B. Design-Builder Tests

The Design-Builder shall conduct all tests or inspections of the Design-Build Work as required by the Contract or per Good Engineering and Construction Practice. The Design-Builder shall give the City reasonable advance notice (unless otherwise noted in the Contract, at least twenty-one (21) days) of tests or inspections prior to the conduct
C. City Tests, Observations and Inspections

The City, its employees, agents, representatives and contractors (which may be selected in the City’s sole discretion), and all Governmental Bodies having lawful jurisdiction, may at any reasonable time and with reasonable notice conduct such on-site or off-site observations and inspections, and such civil, structural, mechanical, electrical or other tests as the City deems necessary or desirable to ascertain whether the Design-Build Work complies with this Contract. Off-site locations include, but are not limited to, any Design-Build or Subcontractor fabrication sites. The costs of such test, observation or inspection shall be borne by the City unless such test, observation or inspection reveals a material failure of the Design-Build Work to comply with this Contract or Applicable Law, in which event the Design-Build shall bear all reasonable costs and expenses of such observation, inspection or test. In the event that any requested test, observation or inspection causes a material delay in the progress schedule, the progress schedule shall be adjusted to reflect the actual period of time needed for completion as directly caused by the requested testing, but only if such testing, observation or inspection does not reveal any material failure or non-compliance as set forth herein.

D. Certificates and Reports

The Design-Build shall secure and deliver to the City promptly, at the Design-Build’s sole cost and expense, all required certificates of inspection, test reports, work logs, certified payroll and approvals with respect to the Design-Build Work as and when required by the Contract. The Design-Build shall provide to the City, immediately after the receipt thereof, copies of any notice of default, breach or non-compliance received by the Design-Build from or in connection with any Governmental Body, Subcontract, or Payment and Performance Bond.

E. Notice of Covering Design-Build Work

The Design-Build shall give the City notice in the monthly progress report of its upcoming schedule with respect to the covering and completion of any Design-Build Work, and shall update such notice, if necessary, within a reasonable time period (at least fourteen (14) days) before such covering and completion. The City shall give the Design-Build reasonable notice (a minimum of 48 hours) of any intended inspection or testing of such Design-Build Work in progress prior to its covering or completion, which notice shall be sufficient to afford the City a reasonable opportunity to conduct a full inspection of such Design-Build Work. At the City’s written request, the Design-Build shall take apart or uncover Design-Build Work in progress as and when required by the Contract or if such Design-Build Work was covered prior to any observation or test required by the Contract or if such Design-Build Work was covered prior to any observation or test for which the City was not provided reasonable advance notice hereunder, and, therefore, did not observe the test; and

(1) by the Design-Build, if such Design-Build Work was covered prior to any observation or test required by the Contract or if such Design-Build Work was covered prior to any observation or test for which the City was not provided reasonable advance notice hereunder, and, therefore, did not observe the test; and

(2) in all other cases, as follows:

a. by the Design-Build, if such observation or test reveals that the Design-Build Work does not comply with this Contract; or
b. by the City, if such observation or test reveals that the Design-Build Work complies with this Contract.

In the event such Design-Build Work does comply with this Contract, the delay caused by such observation or test shall be treated as having been caused by a Changed Condition and any costs incurred with respect to such observation or test shall be borne by the City (through and only through a written modification to the Contract).

2.03 REPORTS, RIGHT TO AUDIT

A. Reports

Design-Build shall, at such times and in such form as the City may reasonably require, furnish the City with periodic status reports pertaining to the services undertaken or goods provided pursuant to the Contract.

B. Right to Audit

Upon City’s request, Design-Build shall make available to City all accounts, records and documents related to the scope of work for City’s inspection, auditing, or evaluation during normal business hours as reasonably needed by City to assess performance, compliance and/or quality assurance under the Contract or in satisfaction of City’s public disclosure obligations as applicable.

2.04 INDEMNIFICATION

A. Indemnification Not Used. See Section 1.14 of Exhibit C
2.05 ASSIGNMENT AND SUBCONTRACTING OF CONTRACT

A. Assignment

The Contract shall not be assigned except with the consent of the City.

Requests for assignment of this Contract must be in writing with the written consent of the surety, and the request must show the proposed person or organization to which the contract is assigned is capable, experienced and equipped to perform such work. The proposed substitute person or organization may be required to submit to the City information as to their experience, financial ability and give statements covering tools, equipment, organization, plans and methods to fulfill any portion of the Contract prior to approval of assignment. City’s acceptance of any assignment shall be documented in writing using the City’s Assignment of Agreement template.

B. Subcontracting

The Contract shall not be subcontracted except with the written consent of the City.

Requests for subcontracting of this Contract must be in writing with the written consent of the Surety, and the request must show the proposed person or organization to which the Contract is subcontract is capable, experienced and equipped to perform such work. The proposed substitute person or organization may be required to submit to the City information as to his experience, financial ability and give statements covering tools, equipment, organization, plans and methods to fulfill any portion of the Contract prior to approval of subcontracting.

The written consent approving the subcontracting of the Contract shall not be construed to relieve the Design-Builder of their responsibility for the fulfillment of the Contract. The Subcontractor shall be considered to be the agent of the Design-Builder and the Design-Builder agrees to be responsible for all the materials, work and indebtedness incurred by the agent.

Subcontractor shall not subcontract any portion of a subcontract for work with the City without the written consent of the City.

2.06 EXTENSION

The Contract may be mutually extended in writing by the parties, subject to the same prices, terms and conditions.

2.07 DELAY

A. Extension of Time

With the written approval of the City, the Design-Builder may be granted additional time for completion of the work required under this Contract, if, in the City’s opinion the additional time requested arises from unavoidable delay.

B. Unavoidable Delay

Unavoidable delays in the prosecution of the work shall include only delays from causes beyond the control of the Design-Builder and which they could not have avoided by the exercise of due care, prudence, foresight and diligence. Delay caused by persons other than the Design-Builder, Subcontractors or their employees will be considered unavoidable delays insofar as they necessarily interfere with the Design-Builder's completion of the work, and such delays are not part of this Contract.

Unavoidable delay will not include delays caused by ordinary weather conditions, surveys, measurements, inspections and submitting plans to the Engineer of the particular Division involved in administering this Contract.

2.08 FORCE MAJEURE; CHANGED CONDITIONS

A. Relief from Obligations

Except as expressly provided under the terms of this Contract, neither party to this Contract shall be liable to the other for any loss, damage, delay, default or failure to perform any obligation to the extent it results from a Force Majeure Event; however if a Force Majeure Event would otherwise operate to relieve Design-Builder from an obligation under the Contract, the City may elect to treat the Force Majeure Event as a Changed Condition. The occurrence of a Force Majeure Event shall not excuse or delay the performance of a party’s obligation to pay monies previously accrued and owing under this Contract, or to perform any obligation hereunder not affected by the occurrence of the Force Majeure Event.

B. Changed Condition - Notice and Mitigation

If Design-Builder encounters or experiences any Changed Condition for which the Design-Builder does or should reasonably anticipate may result in a request for an adjustment to the Contract Time or Price, the City shall be entitled to prompt notice and information in order to allow the City to anticipate and mitigate any costs. The party that asserts the occurrence of a Changed Condition shall notify the other party in writing within 72 hours of the date and time the party experiencing such Changed Condition first knew of the occurrence, followed within 15 days by a written
Conditions to Performance, Schedule and Exclusions

The affected party shall also provide prompt written notice of the cessation of such Changed Condition. Whenever such act, event or condition shall occur, the party claiming to be adversely affected thereby shall, as promptly as reasonably practicable, use its best efforts to eliminate the cause therefor, reduce costs and resume performance under this Contract, except that with respect to the discovery of possible Regulated Substances the parties shall follow the process described in Section 2.38. While the Changed Condition continues, the affected party shall give notice to the other party, before the first day of each succeeding month, updating the information previously submitted. The party claiming to be adversely affected by a Changed Conditions shall bear the burden of proof and shall furnish promptly any additional documents or other information relating to the Changed Condition reasonably requested by the other party.

C. Conditions to Performance, Schedule and Contract Price Relief

If and to the extent that any Changed Condition materially expands the scope of the Design-Builders obligations hereunder, materially interferes with, materially delays or materially increases the cost of the Design-Builders performing its obligations hereunder, the Design-Builders shall be entitled to relief from the performance of its obligations hereunder, an extension of schedule or an increase in the Contract Price, or any combination thereof, which properly reflects the interference with performance, the time lost or the amount of the increased cost, in each case as a result thereof, but only to the minimum extent reasonably forced on the Design-Builders by the event, and the Design-Builders shall perform all other Design-Build Work without delay in time or increase in cost. The proceeds of any Required Insurance available to meet any such increased cost, and the payment by the Design-Builders of any deductible, shall be applied to such purpose prior to any determination of cost increase payable by the City under this Section. Any cost reduction achieved through the mitigating measures undertaken by the Design-Builders pursuant to subsection (B) of this Section upon the occurrence of a Changed Condition shall be reflected in a reduction of the amount by which the Contract Price would have otherwise been increased or shall serve to reduce the Contract Price to reflect such mitigation measures, as applicable. In the event that the Design-Builders believes it is entitled to any relief on account of a Changed Condition, it shall furnish the City written notice of the specific relief requested and detailing the event giving rise to the claim within 30 days after the giving of notice delivered pursuant to subsection (B) of this Section, or if the specific relief cannot reasonably be ascertained and such event detailed within such 30-day period, then within such longer period within which it is reasonably possible to detail the event and ascertain such relief. Within 30 days after receipt of such a timely submission from the Design-Builders the City shall issue a written determination as to the extent, if any, it concurs with the Design-Builders claim for performance, price or schedule relief, and the reasons therefor. The Design-Builders acknowledges that its failure to give timely notice pertaining to a Changed Condition as required under this Section may adversely affect the City. To the extent the City asserts that any such adverse effect has occurred and that the relief to the Design-Builders or the additional cost to be borne by the City under this subsection should be reduced to account for such adverse effect, the Design-Builders shall have the affirmative burden of refuting the City’s assertion. Absent such refutation, the reduction in relief to the Design-Builders and the reduction in additional cost to the City asserted by the City in such circumstances shall be effective. The agreement of the parties as to the specific relief to be given the Design-Builders hereunder on account of a Changed Condition shall be evidenced by a Change Order.

D. Exclusions

It is specifically understood that, without limitation, none of the following acts, events or circumstances shall constitute a Changed Condition for purposes of any adjustment to the Contract:

1. any act, event or circumstance that would not have occurred but for the affected party’s failure to comply with its obligations hereunder;
2. changes in interest rates, inflation rates, wage rates, insurance premiums, commodity prices, currency values, exchange rates or other general economic conditions, except as addressed in the Contract;
3. changes in the financial condition of the City, the Design-Builders or their affiliates or Subcontractors affecting the ability to perform their respective obligations;
4. the consequences of error, neglect or omissions by the Design-Builders, any Subcontractor, any of their Affiliates or any other person in the performance of the Design-Build Work;
5. union or labor work rules, requirements or demands (other than City changes to its union or labor work rules, requirements or demands) which have the effect of increasing the number of employees employed at the Project or otherwise increasing the cost to the Design-Builders of performing the Design-Build Work;
6. weather conditions normal for the area surrounding the Project Site;
7. any and all surface, subsurface and other conditions affecting the Project Site that are discovered after Phase 1, which may increase costs of performing or cause delay in the performance of the Design-Build Work, except those constituting Regulated Site Conditions or unfavorable Changed Conditions;
(8) mechanical failure of equipment;
(9) power outages caused by the Design-Builder or its Subcontractors;
(10) failure of the Design-Builder to secure any patent or other intellectual property right which is or may be necessary for the performance of the Design-Build Work;
(11) a Change in Law pertaining to Taxes (except an increase or decrease in the rate of the local Tax currently imposed on building materials used in the construction of the Project); or
(12) local labor disputes or strikes involving employees of the Design-Builder, its Affiliates, or Subcontractors which affect the performance of the Design-Build Work.

E. Acceptance of Relief Constitutes Release

Either party’s acceptance of any performance, price or schedule relief under this Section shall be construed as a release of the other party for any and all Loss-and-Expense resulting from, or otherwise attributable to, the event giving rise to the relief claimed.

2.09 WARRANTY

A. Design-Builder’s Warranty

Design-Builder warrants to Owner that (i) the construction, including all materials and equipment furnished as part of the construction, shall be new unless otherwise specified in the Contract Documents, of good quality, in conformance with the Contract Documents and free of defects in materials and workmanship, (ii) the Project shall be fit for use for the purposes, objectives, functions, uses and requirements set out in or reasonably inferred from this Contract, and (iii) the Work shall meet all of the requirements of the Contract Documents. Design-Builder’s warranty obligation excludes defects caused by abuse, alterations, or failure to maintain the Work in a commercially reasonable manner. Nothing in this warranty is intended to limit any manufacturer’s warranty which provides Owner with greater warranty rights than set forth in this Section 2.10 or the Contract Documents. Design-Builder will provide Owner with all manufacturers’ warranties upon Substantial Completion.

B. Warranty for Construction, Labor or Services Contract

Neither the final certificate of payment or any provision in the Contract Documents, nor partial or entire occupancy of the premises by the City, shall constitute an acceptance of work not done in accordance with the Contract Documents or relieve the Design-Builder of liability in respect to any express warranties or responsibility for faulty materials or workmanship. The Design-Builder shall remedy any defects in the work and pay for any damage to other work resulting therefrom, which shall appear or could have been reasonably discovered within the warranty period. The City will give notice of observed defects with reasonable promptness.

If it has been discovered, before payment is required under the terms of the Contract, that there is a failure to comply with any of the terms and provisions of this Contract, the City has the right and may withhold payment.

In case of a failure of any part of the work, materials, labor and equipment furnished by the Contract or to fully meet all of the requirements of the Contract, the Design-Builder shall make such changes as may be necessary to fully meet all of the specifications and requirements of this Contract. Such changes shall be made at the Design-Builder’s sole cost and expense without delay and with the least practicable inconvenience to the City. Rejected material and equipment shall be removed from the City’s property by and at the expense of the Design-Builder.

C. Warranty

Unless a longer period is specified, the Design-Builder and/or manufacturer of the supplies, materials and/or equipment furnished and all Work pursuant to this Contract agrees to correct any Nonconforming Work, defect or failure of the supplies, materials, equipment and/or Work which occurs within five (5) years from the date of Substantial Completion. All of the costs (including shipping, dismantling and reinstallation) of repairs and/or corrections of substandard, defective or failed equipment, supplies material and/or Nonconforming Work is the responsibility of the Design-Builder and/or manufacturer.

When the Design-Builder is not the manufacturer of the item of equipment, Design-Builder agrees to be responsible for this warranty and Design-Builder is not relieved by a manufacturer’s warranty.

D. Warranty Period Extension

The Contract warranty period shall be suspended from the time a significant defect is first documented by the City until the work or equipment is repaired or replaced by Design-Builder and accepted by the City. In addition, in the event less than ninety (90) days remain on the warranty period (after recalculating), the warranty period shall be extended to allow for at least ninety (90) days from the date the work or equipment is repaired or replaced and accepted by the City.

2.10 DEDUCTIONS FOR UNCORRECTED WORK

If the City deems it expedient to correct work not done in accordance with the terms of this Contract, an equitable deduction from the Contract price shall be made.
2.11 CITY’S RIGHT TO TERMINATE CONTRACT

A. City Termination for Cause

The City shall have the right during the term of the Contract to terminate the Contract for cause and to pursue all remedies available pursuant to this Section, without cost or liability to the City, if the Design-Builder should be adjudged as bankrupt, or makes a general assignment for the benefit of creditors, or a receiver should be appointed on account of their insolvency, or if they or any of their subcontractors should violate any of the provisions of the Contract, or if the work is not being properly and diligently performed, or in the case of and other Event of Default by the Design-Builder.

The City may serve written notice upon the Design-Builder and Surety executing the Payment and Performance Bond of City’s intention to terminate the Contract; such notice will contain the reasons for termination of the Contract, and unless within 10 days after the serving of such notice, such violation shall cease and an arrangement satisfactory to the City for correction thereof shall be made, the Contract shall, upon the expiration of said 10 days, cease and terminate and all rights of the Design-Builder hereunder shall be forfeited. In the event the Contract is terminated for cause, Design-Builder shall not be entitled to any lost profits resulting therefrom.

In the event of any such termination, the City shall immediately send (by regular mail or other method) written notice thereof to the Surety and the Design-Builder. Upon such termination the Surety shall have the right to take over and perform the Contract, provided however, the Surety must provide written notice to the City of its intent to complete the work within 15 calendar days of its receipt of the original written notice (from the City) of the intent to terminate. If the Surety fails to so confirm its intent to perform, or having done so fails to perform accordingly, the City may take over the Work and prosecute the same to completion by any method it may deem advisable, for the account of and at the expense of the Design-Builder, and the Design-Builder and the Surety shall be liable to the City for all reasonable excess cost occasioned to the City thereby. The City may without liability for doing so, take possession of and utilize in completing the work, such materials, equipment, plant and other property belonging to the Design-Builder as may be on the Site of the Work and necessary therefor.

B. City Convenience Termination Option

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

1. All Work executed and for proven loss, cost or expense in connection with the Work allowable pursuant to the Agreement;

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

3. The Design-Builder’s Fee Percentage on the costs set forth above.

(2) Notwithstanding anything to the contrary contained herein, if a termination occurs prior to execution of the applicable GMP Amendment, the amount payable to Design-Builder, inclusive of all payments previously made to Design-Builder and costs of demobilization, shall in no event exceed the applicable Not To Exceed Amount.

(3) The total amount to be paid to Design-Builder under this Section 2.11.B shall not exceed the total GMP. Under no circumstances is Design-Builder entitled to anticipatory or unearned profits or consequential or other damages as a result of a termination or partial termination under this Section 2.11.B. The payment to Design-Builder determined in accordance with this Section 2.11.B constitutes Design-Builder’s sole and exclusive remedy for a termination under this Section 2.11.B.

(4) If Owner terminates this Agreement pursuant to Section 2.11.B 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 of the Agreement. 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 of the Agreement.

2.12 REMEDIES FOR BREACH

(1) The parties agree that, except as otherwise provided in the Contract with respect to termination rights, in the event that either party breaches this Contract, the other party may exercise any legal rights it may have under this Contract, under the Payment and Performance Bond and under Applicable Law to recover damages or to secure specific performance, and that such rights to recover damages and to secure specific performance shall ordinarily constitute adequate remedies for any such breach. Neither party shall have the right to terminate this Contract
Consequential Damages. Notwithstanding anything herein to the contrary (except as set forth in Section 2.12(3) below), neither Design-Build nor Owner shall be liable to the other for any consequential losses or damages, whether arising in contract, warranty, tort (including negligence), strict liability or otherwise, including but not limited to losses of use, profits, business, reputation or financing.

The limitations of liability for consequential damages under Section 2.12(2) above shall not apply to or limit any right of recovery a party may have respecting the following:

1. Losses (including defense costs) to the extent (i) the loss is covered by the proceeds of insurance required to be carried hereunder or for which Design-Build was required to provide insurance coverage, or (ii) Design-Build is deemed to have self-insured the loss pursuant to the Contracts;
2. Losses in connection with any illegal activities, fraud, recklessness, criminal conduct, intentional misconduct, bad faith, or gross negligence;
3. Design-Build’s indemnities under this Contract;
4. Design-Build obligation to pay liquidated damages under this Contract; and

2.13 Events of Default by the Design-Build or Design-Build Team

A. Events of Default Not Requiring Previous Notice or Cure Opportunity for Termination

Each of the following shall constitute an Event of Default by the Design-Build or a major subcontractor or team member of the Design-Build upon which the City, by notice to the Design-Build, may terminate this Contract without any requirement of having given notice previously or of providing any further cure opportunity:

1. Insolvency. The insolvency of the Design-Build as determined under the Bankruptcy Code;
2. Voluntary Bankruptcy. The filing by the Design-Build of a petition of voluntary bankruptcy under the Bankruptcy Code; the consenting of the Design-Build to the filing of any bankruptcy or reorganization petition against the Design-Build under the Bankruptcy Code; or the filing by the Design-Build of a petition to reorganize the Design-Build pursuant to the Bankruptcy Code; or
3. Involuntary Bankruptcy. The issuance of an order of a court of competent jurisdiction appointing a receiver, liquidator, custodian or trustee of the Design-Build or of a major part of the Design-Build’s property, respectively, or the filing against the Design-Build of a petition to reorganize the Design-Build pursuant to the Bankruptcy Code, which order shall not have been discharged or which filing shall not have been dismissed within 90 days after such issuance or filing, respectively.

B. Events of Default Requiring Previous Notice and Cure Opportunity for Termination

It shall be an Event of Default by the Design-Build upon which the City may terminate this Contract, by notice to the Design-Build, if:

1. any representation or warranty of the Design-Build hereunder was false or inaccurate in any material respect when made, and the legality of this Contract or the ability of the Design-Build to carry out its obligations hereunder is thereby materially and adversely affected; or
2. The Design-Build fails, refuses or otherwise defaults in its duty (a) to pay any amount required to be paid to the City under this Contract within sixty (60) days following the due date for such payment, or (b) to perform any other material obligation under this Contract (unless such default is excused by an Changed Conditions as and to the extent provided herein), except that no such default (other than those set forth in subsection (A) of this Section) shall constitute an Event of Default giving the City a right to terminate this Contract for cause under this subsection unless:
   a. The City has given prior written notice to the Design-Build stating that a specified default has occurred which gives the City a right to terminate this Contract for cause under this Section, and describing the default in reasonable detail; and
   b. The Design-Build has neither challenged in an appropriate forum the City’s conclusion that such a default has occurred or constitutes a material breach of this Contract nor corrected or diligently taken steps to correct such default within a reasonable time but not more than 30 days from the date of the notice given pursuant to item (1) above (but if the Design-Build shall have diligently taken steps to correct such default within a
reasonable period of time, the same shall not constitute an Event of Default for so long as the Design-Builder is continuing to take such steps to correct such default).

2.14 EVENTS OF DEFAULT BY THE CITY

A. Events of Default Permitting Termination

Each of the following shall constitute an Event of Default by the City upon which the Design-Builder, by notice to the City, may terminate this Contract:

1. **Failure to Pay or Perform.** The failure, refusal or other default by the City in its duty to perform any material obligation under this Contract (unless such default is excused by a Changed Conditions as and to the extent provided herein); or

2. **Bankruptcy.** The authorized filing by the City of a petition seeking relief under the Bankruptcy Code, as applicable to political subdivisions which are insolvent or unable to meet their obligations as they mature; provided that the appointment of a financial control or oversight board by the State for the City shall not in and of itself constitute an Event of Default hereunder.

B. Notice and Cure Opportunity

No such default described in subsection (A) of this Section shall constitute an Event of Default giving the Design-Builder the right to terminate this Contract for cause under this subsection unless:

1. The Design-Builder has given prior written notice to the City stating that a specified default has occurred which gives the Design-Builder a right to terminate this Contract for cause under this Section, and describing the default in reasonable detail; and

2. The City has neither challenged in an appropriate forum the Design-Builder’s conclusion that such default has occurred or constitutes a material breach of this Contract nor corrected or diligently taken steps to correct such default within a reasonable period of time but not more than 30 days from the date of the notice given pursuant to item (1) above (but if the City shall have diligently taken steps to correct such default within a reasonable period of time, the same shall not constitute an Event of Default for as long as the City is continuing to take such steps to correct such default).

2.15 OBLIGATIONS OF THE DESIGN-BUILDER UPON TERMINATION

A. Design-Builder Obligations

Upon a termination of the Design-Builder’s right to perform this Contract or upon expiration of this Contract, the Design-Builder shall, as applicable:

1. stop the Design-Build Work on the date and to the extent specified by the City;

2. promptly deliver to the City all design documents and "as-built" construction record drawings prepared by the Design-Builder in carrying out the Design-Build Work which have been paid for but have not previously been delivered to the City;

3. promptly take all action as necessary to protect and preserve all materials, equipment, tools, and other property;

4. promptly remove from the Project all equipment, implements, machinery, tools, temporary facilities of any kind and other property owned or leased by the Design-Builder (including, but not limited to sheds, trailers, and workshops), and repair any damage caused by such removal;

5. clean the Project and the Project Site and leave them in a neat and orderly condition;

6. promptly remove all employees of the Design-Builder and any Subcontractors and vacate the Project Site;

7. promptly deliver to the City a list of all supplies, materials, equipment, property and special order items previously delivered or fabricated by the Design-Builder or any Subcontractor but not yet incorporated in the Project;

8. provide the City with any spare parts and additional materials required by the Contract Documents; (9) deliver to the City the Operation and Maintenance Manual used at the Project in the performance of the Design-Build Work, including all revisions and updates thereto;

9. deliver to the City a copy of all books and records in its possession relating to the performance of the Design-Build Work;

10. advise the City promptly of any special circumstances which might limit or prohibit cancellation of any Subcontract;

11. promptly deliver to the City copies of all Subcontracts, together with a statement of:
   a. the items ordered and not yet delivered pursuant to each agreement;
   b. the expected delivery date of all such items;
   c. the total cost of each agreement and the terms of payment; and
   d. the estimated cost of canceling each agreement;
(13) assign to the City any Subcontract that the City elects in writing, at its sole election and without obligation, to have assigned to it. The City shall assume, and the Design-Builder shall be relieved of its obligations under, any Subcontract so assigned;
(14) unless the City directs otherwise, terminate all Subcontracts related to this Project;
(15) provide the City with a list of all Project equipment subject to patents, licenses, franchises, trademarks or copyrights and the associated royalties and license fees associated therewith which the City will be responsible for paying on or after the Termination Date;
(16) as directed by the City, transfer to the City by appropriate instruments of title, and deliver to the Project (or such other place as the City may specify), all special order items pursuant to this Contract for which the City has made or is obligated to make payments;
(17) notify the City promptly in writing of any Legal Proceedings against the Design-Builder by any Subcontractor or other third parties relating to the termination of the Design-Build Work (or any Subcontracts);
(18) give written notice of termination, effective as of date of termination of this Contract, promptly under each policy of Required Insurance (with a copy of each such notice to the City), but permit the City to continue such policies thereafter at its own expense, if possible; and
(19) take such other actions and execute such other documents as may be necessary to effectuate and confirm the foregoing matters, or as may be otherwise necessary or desirable to minimize the City’s costs and take no action which shall increase any amount payable by the City under this Contract.

B. Design-Builder Payment of Certain Costs

If termination is pursuant to cause, the Design-Builder shall be obligated to pay the costs and expenses of undertaking its obligations under subsection A. of this Section. If the Design-Builder fails to comply with any obligation under this Section, the City may perform such obligation and the Design-Builder shall pay on demand all reasonable costs thereof subject to Cost Substantiation.

C. City Payment of Certain Costs

If termination is due to a City Event of Default or termination for the City’s convenience, the City shall pay to the Design-Builder within 60 days of the date of the Design-Builder’s invoice supported by Cost Substantiation all reasonable cost and expenses incurred by the Design-Builder in satisfying its obligations under the Contract.

D. Delivery of Design-Build Work to the City

Concurrently with payment by the City to the Design-Builder of the amount due upon any termination of this Contract under this Section, the Design-Builder shall deliver to the City all materials including Deliverables-in-progress produced for this Contract during the period to the Termination Date hereunder, which Deliverables and Deliverables-in-progress immediately shall become the property of the City. The City’s use of any such Deliverables and Deliverables-in-progress for any purpose other than the continuation of the Design-Build Work shall be at its own risk and the Design-Builder shall have no liability therefor.

2.16 SURVIVAL OF CERTAIN PROVISIONS UPON TERMINATION

All representations and warranties of the parties hereto contained in this Contract, the Design-Builder’s indemnity obligations in this Contract with respect to events that occurred prior to the Termination Date, and all other provisions of this Contract that so provide shall survive the termination of this Contract. No termination of this Contract shall (1) limit or otherwise affect the respective rights and obligations of the parties hereto accrued prior to the date of such termination; or (2) preclude either party from impleading the other party in any Legal Proceeding originated by a third-party as to any matter occurring during the performance of this Contract.

2.17 LIENS

In the event that there are any liens on file against the City, the City shall be entitled to withhold final or progress payments to the extent deemed necessary by the City to properly protect the outstanding lien claimants until proper releases have been filed with the City Clerk.

2.18 LEGAL DISPUTES

A. General

Washington law shall govern the interpretation of the Contract. The state or federal courts located in Pierce County Washington shall be the sole venue of any mediation, arbitration, or litigation arising out of the Contract. The Design-Builder and the City each irrevocably consents to the jurisdiction of such courts in any such Legal Proceeding and waives any objection it may have to the laying of the jurisdiction of any such Legal Proceeding.

B. Attorney Fees

If the Contract becomes the subject of litigation or arbitration, the substantially prevailing party may be entitled to reasonable attorney fees, as provided in RCW 39.04.240. Provided, however, the attorney fee hourly rate for the City’s Deputy City Attorneys is agreed to be $250 per hour or the same as the hourly rate for Design-Builder’s legal counsel, whichever is greater.
C. Dispute Resolution Process

All claims, disputes and other matters in question between the City and the Design-Builder arising out of, or relating to, this Contract, shall be resolved in accordance with the following procedures: (1) dispute, (2) claims, (3) mediation, and (4) judicial resolution.

D. Claims

(1) The City and the Design-Builder acknowledge the benefits of resolving, and attempting to resolve, all disputes by discussion between themselves, without proposing to any third parties, and agree therefore to negotiate in good faith as set forth in Subsection E below to resolve all disputes before invoking any other method of dispute resolution as provided for in this Contract; provided, however, that the period of time for good faith negotiations shall not exceed 30 days, unless a longer period is mutually agreed. If either Design-Builder or Owner believes that it is entitled to relief against the other for any event arising out of or related to the Work or Project, such party shall provide an initial written notice to the other party of the basis for its claim for relief. The initial written notice shall, if possible, be made prior to incurring any cost or expense and in accordance with any specific notice requirements contained in applicable sections of these General Conditions of Contract. In the absence of any specific notice requirement, the initial written notice shall be given within a reasonable time, in any case not to exceed twenty-one (21) days, after the occurrence giving rise to the claim for relief or after the claiming party reasonably should have recognized the event or condition giving rise to the request, whichever is later. Such written notice shall be separate from the Design Log or Trend Log maintained by the Design-Builder unless the parties specifically agree to allow the Design Log or Trend Log to operate as such written notice of claims. The initial written notice shall include a description of the claim for relief requested, a description of the occurrence giving rise to the claim for relief, and a preliminary analysis of the cost and schedule impact of the claim for relief.

(2) The claimant shall provide more complete information with respect to the claim within fourteen (14) days of the initial notice. The more complete information shall include sufficient information to advise the other party of the following:

1. The circumstances giving rise to the claim for relief,

2. The specific contractual adjustment or relief requested;

3. The basis of the entitlement to the claim for relief;

4. The cost of the claim for relief, including an itemized description of the Cost of the Work associated with the claim for relief;

5. The impact of the claim for relief on the Project Schedule, including a proposed revised Project Schedule;

6. Proposed efforts to mitigate the impacts on the cost and schedule.

(3) The failure to provide timely written notice of any claim for relief shall operate as a waiver of such claim, but only to the extent that the failure to provide timely written notice prejudices the position of the non-claiming party.

E. Dispute Avoidance

(1) The parties are fully committed to working with each other throughout the Project and agree to communicate regularly with each other at all times so as to avoid or minimize disputes or disagreements. If disputes or disagreements do arise, Design-Builder and Owner each commit to resolving such disputes or disagreements in an amicable, professional and expeditious manner so as to avoid unnecessary losses, delays and disruptions to the Work.

(2) Design-Builder and Owner will first attempt to resolve disputes or disagreements at the field level through discussions between Design-Builder’s Representative and Owner’s Representative which shall conclude within fourteen (14) days of the written notice provided for in Subsection D above unless Owner and Design-Builder mutually agree otherwise.

(3) If a dispute or disagreement cannot be resolved through Design-Builder’s Representative and Owner’s Representative, Design-Builder’s Senior Representative and Owner’s Senior Representative, upon the request of either party, shall meet as soon as conveniently possible, but in no case later than thirty (30) days after such a request is made, to attempt to resolve such dispute or disagreement. Five (5) days prior to any meetings between the Senior Representatives, the parties will exchange relevant information that will assist the parties in resolving their dispute or disagreement.

F. Mediation
(1) If the City and the Design-Builder cannot resolve a dispute through the process set forth in Subsection E above, either party may request mediation. The party requesting mediation shall do so within 30 days of receiving the other parties written notice.

(2) The parties will select and agree upon a mediator. If they are unable to agree, the City and the Design-Builder shall seek the selection of the mediator by Pierce County Superior Court, Tacoma, WA. Mediation will occur within sixty (60) days of the filing of the written notice to mediate unless both parties agree to a later date or unless the mediator’s schedule requires a later date. Each part will participate in the mediation process in good faith and may be represented at the mediation by lawyers. The parties shall each bear their respective costs incurred in connection with this procedure, except that they shall share equally the fees and expenses of the mediator and the cost of the facility for the mediation. If mediation does not resolve the disputed matter, the Design-Builder may pursue judicial resolution as provide herein.

G. Judicial Resolution

(1) If mediation does not resolve the disputed matter, the Design-Builder may serve and file a lawsuit in Pierce County Superior Court in Tacoma, WA. Such lawsuit shall be filed within one hundred eighty (180) days of the Project Completion Date or within ninety (90) days of the mediation process under Section C, whichever is later. This requirement cannot be waived except by an explicit waiver signed by the City. The failure to file a lawsuit within the 180 day period shall result in the City’s decision rendered in accordance with Section B being final and binding on the Design-Builder and all its Subcontractors.

(2) Actions by the Design-Builder against the City or between the Design-Builder and its Subcontractor arising out of a common set of circumstances shall, upon demand by the City, be submitted in a single forum or the City may consolidate such claims or join any party necessary to the complete adjudication of the matter in the same forum.

2.19 CONTINUANCE OF WORK DURING DISPUTE

At all times during the course of any dispute process, the Design-Builder shall continue with the Design-Build Work as per the Contract, in a diligent manner and without delay or conform to the City’s decision or order and shall be governed by the applicable provisions of this Contract. Records of the Design-Build Work performed during such time shall be kept in sufficient detail to enable payment in accordance with the applicable provisions in this Contract, if necessary.

2.20 CONFLICT OF INTEREST

No officer, employee, or agent of the City, nor any member of the immediate family of any such officer, employee or agent as defined by City ordinance, shall have any personal financial interest, direct or indirect, in a Contract, either in fact or in appearance. Design-Builder shall comply with all federal, state, and City conflict of interest laws, statutes, and regulations. Design-Builder represents that Design-Builder presently has no interest and shall not acquire any interest, direct or indirect, in the program to which the Contract pertains that would conflict in any manner or degree with the performance of Design-Builder’s services and obligations hereunder. Design-Builder further covenants that, in performance of a Contract, no person having any such interest shall be employed. Design-Builder also agrees that its violation of the City’s Code of Ethics contained in Chapter 1.46 of the Tacoma Municipal Code shall constitute a breach of Contract subjecting the Contract to termination.

2.21 DESIGN-BUILDER’S DUTY TO EXAMINE

Design-Builder agrees to be responsible for examining the site(s) and to have compared them with the Specifications and Contract Drawings, and to be satisfied as to the facilities and difficulties attending the execution of the proposed Contract (such as uncertainty of weather, floods, nature and condition of materials to be handled and all other conditions, obstacles and contingencies) before the delivery of their Proposals. No allowance will be subsequently made by the City on behalf of the Respondent by reason of any error or neglect on Respondent’s part, for such uncertainties as aforesaid.

2.22 PERMITS

Unless otherwise stated in this Contract, the Design-Builder shall procure and pay for all permits and licenses necessary for the completion of this Contract including those permitted required by the City. The City will obtain county or state road crossing permits if required. In the event a necessary permit is not obtained, the Design-Builder will not be permitted to work on items subject to said permit and any delays caused thereby will not be subject to extra compensation or extensions.

2.23 NOTIFICATION OF OTHER GOVERNMENTAL AGENCIES AND UTILITIES WHEN UNDERGROUND WORK IS INVOLVED

The Design-Builder shall notify all other affected governmental agencies and utilities whenever underground work is done under the terms of this Contract. The Design-Builder is required to obtain permission of the appropriate public and private utilities and governmental agencies before performing underground work pursuant to the terms of this Contract.
Design-Builder is required to call “one call” at 1-800-424-5555 for all work involving excavation or digging more than 12 inches beneath ground or road surface.

The City may have indicated on the plans and specifications the existence of certain underground facilities that are known to the City division responsible for this Contract. It is the Design-Builder’s responsibility to fully comply with the Underground Utility Locate Law, Chapter 19.122 RCW. If the site conditions are "changed or differing" as defined by RCW 19.122.040(l), the Design-Builder may pursue the party responsible for not properly marking or identifying the underground facility. The Design-Builder agrees not to file any claim or legal action against the City for said “changed or differing” conditions unless the City is solely responsible for the delay or damages that the Design-Builder may have incurred.

2.24 INSURANCE

A. During the course and performance of a Contract, Design-Builder will provide proof and maintain the insurance coverage in the amounts and in the manner specified in the City Insurance Requirements as is applicable to the services, products, and deliverables provided under the Contract. The City Insurance Requirements document, if issued, is fully incorporated into the Contract by reference.

B. Failure by City to identify a deficiency in the insurance documentation provided by Design-Builder or failure of City to demand verification of coverage or compliance by Design-Builder with these insurance requirements shall not be construed as a waiver of Design-Builder’s obligation to maintain such insurance.

C. The Design-Builder shall not commence work under this Contract until all required insurance has been obtained and such insurance has been approved by the City, nor shall the Design-Builder allow any subcontractor to commence work on any subcontract until all insurance required herein has been obtained by Subcontractor. It is the Design-Builder’s responsibility to ascertain that all Subcontractors have the insurance as required by this Contract at all times such Subcontractors are performing the work. The insurance coverages required herein shall be maintained and effective at all times any work including warranty work is being performed by the Design-Builder or a Subcontractor.

2.25 SAFETY

A. General

The Design-Builder shall, at all times, exercise adequate precautions for the safety of all persons, including its employees and the employees of a Subcontractor, in the performance of this Contract and shall comply with all applicable provisions of federal, state, county and municipal safety laws and regulations. It is the Design-Builder’s responsibility to furnish safety equipment or to contractually require Subcontractors to furnish adequate safety equipment relevant to their responsibilities.

The City may advise the Design-Builder of any safety violations. It is the Design-Builder’s responsibility to make the necessary corrections. Failure to correct safety violations is a breach of this Contract and, as such, shall be grounds for an order from the City to cease further work and remove from the Site until the condition is corrected. Time and wages lost due to such safety shutdowns shall not relieve the Design-Builder of any provisions of this Contract and shall be at the sole cost of the Design-Builder. The purpose of this authority to stop work is to enforce the contract and not to assume control except to the extent necessary to ensure compliance with the provisions of this contract.

Any of the above actions by employees of the City shall in no way relieve the Design-Builder of their responsibility to provide for the safety of all persons, including their employees.

B. Work Hazard Analysis Report

The Design-Builder will be required to complete a work hazard analysis report. This report shall outline how the Design-Builder proposes to satisfy all safety laws and regulations involved in performing the work. This report shall be completed and submitted to the City before the pre-construction conference. In addition, the report shall be updated at least monthly to account for changing work hazards and submitted to the City within 5 days of update. A copy of the most recent report shall be maintained at the work site (accessible to the supervisor).

2.26 PROTECTION OF WORKERS AND PROPERTY

The Design-Builder shall erect and maintain good and sufficient guards, barricades and signals at all unsafe places at or near the work and shall, in all cases, maintain safe passageways at all road crossings, and crosswalks, and shall do all other things necessary to prevent accident or loss of any kind.

The Design-Builder shall protect from damage all utilities, improvements, and all other property that is likely to become displaced or damaged by the execution of the work under this Contract.

The Design-Builder is responsible for all roads and property damaged by their operations as shall be determined by the Engineer administering this Contract and for all costs associated with the repairs. The Design-Builder shall be responsible for repairing all damage to roads caused by their operations to the satisfaction of the particular governmental body having jurisdiction over the road. The Design-Builder shall also be responsible for repairing all damage to City-owned property to the City’s satisfaction.
2.27 DESIGN-BUILDER’S COMPLIANCE WITH THE LAW

A. Hours of Labor

The Design-Builder and Subcontractors shall be bound by the provisions of RCW Chapter 49.28 (as amended) relating to hours of labor.

In the event that the work is not performed in accordance with this provision and in accordance with the laws of the State of Washington, then this Contract may be terminated by the City for the reason that the same is not performed in accordance with the public policy of the State of Washington as defined in said statutes.

B. Prevailing Wages

The Design-Builder and any Subcontractors shall be bound by the provisions of Chapter 39.12 RCW, as amended, relating to prevailing wages and usual fringe benefits. No worker, laborer, or mechanic employed in the performance of any part of this Contract shall be paid less than the “prevailing rate of wage” as determined by the industrial Statistician of the Department of Labor and industries. The schedule of the prevailing wage rates for the locality or localities where this Contract will be performed is by reference made a part of this Contract as though fully set forth herein. Current prevailing wage data will be furnished by the Industrial Statistician upon request. The Design-Builder shall immediately upon award of the Contract, contact the Department of Labor and Industries, ESAC Division, General Administration Building, Olympia, Washington 98504, to obtain full information, forms and procedures relating to these matters.

Before payment is made by or on behalf of the City, of any sum or sums due on account of a Public Works contract, it shall be the duty of the officer or person charged with the custody and disbursement of public funds to require the Design-Builder and each and every Subcontractor from the Design-Builder or a Subcontractor to submit to such officer a “Statement of Intent to Pay Prevailing Wages.” Each statement of intent to pay prevailing wages must be approved by the industrial statistician of the Department of Labor and Industries before it is submitted to said officer. Unless otherwise authorized by the Department of Labor and Industries each voucher claim submitted by a Design-Builder for payment on a project estimate shall state that the prevailing wages have been paid in accordance with the prefilled statement or statements of intent to pay prevailing wages on file with the public agency.

Following the final acceptance of a Public Works project, it shall be the duty of the officer charged with the disbursement of public funds to require the Design-Builder and each and every Subcontractor from the Design-Builder or a Subcontractor to submit to such officer an “Affidavit of Wages Paid” before the funds retained according to the provisions of RCW 60.28.010 are released to the Design-Builder. Each affidavit of wages paid must be certified by the industrial statistician of the Department of Labor and Industries before it is submitted to said officer.

In the event any dispute arises as to what are the prevailing rates of wages for work of a similar nature and such dispute cannot be adjusted by the parties in interest, including labor and management representatives, the matter shall be referred for arbitration to the Director of the State of Washington, Department of Labor and industries whose decision shall be final, conclusive and binding on all parties involved in the dispute.

2.28 TAXES

A. Applicable federal, state, City, and local taxes shall be included in the Contract price. As used herein, the term “taxes” shall include any and all taxes, assessments, fees, charges, interest, penalties, and/or fines imposed by applicable laws and regulations in connection with the procurement of goods and/or services hereunder.

(1) Federal Excise Tax. The City is exempt from federal excise tax. The City will furnish a Federal Excise Tax Exemption certificate, if required.

(2) State and Local Sales Tax. The City is subject to Washington state sales tax. It is Design-Builder’s obligation to state the correct sales tax percentage and include the applicable Washington state, city and local sales tax as a separate line item(s) in the prices submitted.

(3) City of Tacoma Business and Occupation Tax. It is Design-Builder’s obligation to include City of Tacoma Business and Occupation tax in the unit and/or lump sum prices submitted; it shall not be shown separately on the submittal. Per Sub-Title 6A of the City of Tacoma Municipal Code, transactions with the City may be subject to the City’s Business and Occupation Tax.

B. Any or All Other Taxes. Any or all other taxes are the responsibility of Design-Builder unless otherwise required by law. Except for state sales tax, Design-Builder acknowledges that it is responsible for the payment of all taxes applicable to the Contract and Design-Builder agrees to comply with all applicable laws regarding the reporting of income, maintenance of records, and all other requirements and obligations imposed pursuant to applicable law.

C. If the City is assessed, made liable, or responsible in any manner for taxes contrary to the provisions of the Contract, Design-Builder agrees to hold the City harmless from such costs, including attorney’s fees. In the event Design-Builder fails to pay any taxes, assessments, penalties, or fees imposed by any governmental body, including a court of law, other than those taxes the City is required to pay, then Design-Builder authorizes the City to deduct and withhold or pay over to the appropriate governmental body those unpaid amounts upon demand by the governmental body. It is agreed that this provision shall apply to taxes and fees imposed by City ordinance. Any such payments shall be deducted from Design-Builder’s total compensation.
2.29 LICENSES/PERMITS
A. Design-Builder must register with the City of Tacoma’s Tax and License Division, 733 South Market Street, Room 21, Tacoma, WA 98402-3768, 253-591-5252, https://www.cityoftacoma.org/government/city_departments/finance/tax_and_license/.
B. During the term of the Contract, Design-Builder, at its expense, shall obtain and keep in force any and all necessary licenses and permits including a Washington State business license and a business license as is required by Tacoma Municipal Code Subtitle 6C.20.

2.30 COMPENSATION
A. The City shall compensate Design-Builder in accordance with the Contract. Said compensation shall be the total compensation for Design-Builder’s performance hereunder including, but not limited to, all work, services, deliverables, materials, supplies, equipment, subcontractor’s fees and all reimbursable travel and miscellaneous or incidental expenses to be incurred by Design-Builder. Unless stated otherwise the total stated compensation may not be changed without a written change order or other form of contract amendment.
B. Payment(s) made in accordance with the Contract shall fully compensate Design-Builder for all risk, loss, damages or expense of whatever nature, and acceptance of payment shall constitute a waiver of all claims submitted by Supplier.

2.31 PROGRESS PAYMENT
See Article 7 of the Agreement and Section 1.13 of Exhibit C.

2.32 FINAL PAYMENT
The final payment of five percent (5%) of the Contract price shall be approved on final acceptance of the work under this Contract by the City. Also, before final payment is made, the Design-Builder shall, in addition to the requirements set forth in Section 1.13.F of Exhibit C be required to:
A. Provide a certificate from the Washington State Department of Revenue that all taxes due from the Design-Builder have been paid or are collectible in accordance with the provisions of Chapter 60.28 and Title 82 of the Revised Code of Washington;
B. Provide the General Release to the City on the form set forth in these Contract documents;
C. Provide a release of any outstanding liens that have been otherwise filed against any monies held or retained by the City of Tacoma;
D. File with the City Director of Finance, and with the Director of the Washington State Department of Labor and Industries, on the state form to be provided, an affidavit of wages paid;
E. File with the City Director of Finance, on the state form to be provided, a statement from the State of Washington, Department of Labor and Industries, certifying that the prevailing wage requirements have been satisfied;
F. File with the City Director of Finance, on the state form to be provided, a statement of release from the Public Works Contracts Division of the State of Washington, Department of Labor and Industries, verifying that all industrial insurance and medical aid premiums have been paid;
G. If there is a fee assessed to the City for any certificate, release or other form required by law, the Design-Builder agrees that the fee amount may be passed on to the Design-Builder and deducted from the monies paid to the Design-Builder.

2.33 CHANGES
A. In Plans or Quantities
The City, without invalidating this Contract, or any part of this Contract, may order extra work or make reasonable changes by altering, adding to or deducting from the materials, work and labor and the Contract sum will be adjusted accordingly. All such work and labor shall be executed under the conditions of the original Contract except that any claim for extension of time caused thereby shall be adjusted at the time of ordering such change. When work or bid items are deducted, reduced or eliminated, it is agreed that no payment will be made to Design-Builder for anticipated profit.
B. Extra Work
Any claim or order for extra materials, work and labor made necessary by alterations or additions to the plans or by other reasons for which no price is provided in this Contract, shall not be valid unless the Design-Builder and City have agreed upon a price prior to commencing extra work, and the agreement has been signed by the Design-Builder and approved by the City, and approved by the payment and performance bond surety.
C. Extra Work – No Agreed Price
If it is impracticable to fix an increase in price definitely in advance, the order may fix a maximum price which shall not under any circumstances, be exceeded, and subject to such limitation, such alteration, modification, or extra shall be paid for at the actual necessary cost as determined by the City, which cost (including an allowance for profit) shall be determined pursuant to Article 6 of the Agreement:

D. Claims for Extra Work

If the Design-Builder claims Design-Build Work involve extra cost under this Contract, they shall give the City written notice thereof within 30 days after receipt of such instruction, and in any event before proceeding to execute the work, except in an emergency endangering life or property, and the procedures governing the same shall be as provided for immediately above in this paragraph. The method in these paragraphs is the only method available to the Design-Builder for payment of claims for extra work performed under the terms of this Contract.

2.34 CLEANING UP

The Design-Builder shall at all times, at their own expense, keep the premises free from accumulation of waste materials or debris caused by any workers or the work, at the completion of the work the Design-Builder shall remove all his waste materials from and about the Site and all their equipment, sanitary facilities and surplus materials. In the case of dispute, the City may remove the debris and charge the cost to the Design-Builder as the City determine to be just. All material that is deposited or placed elsewhere than in places designated or approved by the City will not be paid for and the Design-Builder may be required to remove such material and deposit or place it where directed.

2.35 LIST OF SUBCONTRACTORS

Provide a list of subcontractors as required in the RFP.

2.36 ACCESS TO AND SUITABILITY OF THE PROJECT SITE - Not Used

2.37 PROJECT PHASES AND VALIDATION PERIODS – Not Used

2.38 REGULATED SITE CONDITIONS

A. Design-Builder Obligations

In performing the Design-Build Work, the Design-Builder shall exercise due care, in light of all relevant facts and circumstances, to avoid exacerbating any Regulated Site Condition or otherwise address and manage such Regulated Site Conditions in accordance with Good Engineering and Construction Practice after the location and existence of such Regulated Site Condition has been disclosed to the Design-Builder, or becomes actually known by the Design-Builder through physical observation (including any such observation made during any demolition). The Design-Builder shall also comply with all requirements concerning Regulated Site Conditions. The Design-Builder shall be liable for any loss and expense incurred by the City arising out of or resulting from: (1) the Design-Builder’s, or its agents’ or Subcontractors’, failure to exercise due care with respect to such disclosed or known Regulated Site Condition; (2) the Design-Builder’s, or its agents’ or Subcontractors’, failure to comply with any requirements in the Schedules concerning Regulated Site Conditions; and (3) any new release of Regulated Substances caused by the Design-Builder or its agents or Subcontractors, such as a spill.

The Design-Builder shall not otherwise be responsible for any Regulated Site Condition, including any loss and expense relating to any Regulated Site Condition.

B. Asbestos Discovery – Notification Obligations

(1) The City has provided notice of existing asbestos in the Project Site. In the event that the presence of any additional asbestos is discovered in the vicinity of the Work that existed prior to the Design-Builder’s entry (“pre-existing asbestos”), the Design-Builder shall promptly suspend all work and notify the City. The Design-Builder shall be responsible for the removal, abatement, and disposal of any pre-existing asbestos in accordance with the Contract.

(2) To the extent that the Design-Builder fails to promptly suspend all work and notify the City of the discovery of any additional pre-existing asbestos, or to the extent the Design-Builder, its Subcontractors or agents, negligently cause any pre-existing asbestos, the location of which the City has notified the Design-Builder, to become disturbed, the Design-Builder shall remain responsible for such asbestos related claims.

C. City Obligations

If at any time a Regulated Site Condition is determined to exist which (1) reasonably requires a Response Action or other action in order to comply with Applicable Law, (2) interferes with the performance of the Design-Build Work, or (3) increases the cost to the Design-Builder of performing the Design-Build Work, then the Design-Builder shall immediately provide written notice to the City of such Regulated Site Condition. The City shall promptly after written notice from any Governmental Body or the Design-Builder of the presence or existence thereof, commence and
diligently prosecute Response Actions or other actions as may be necessary to dispose of, remediate or otherwise correct the Regulated Site Condition or otherwise make the Regulated Site Condition comply with Applicable Law.

2.39 COMMENCEMENT OF DESIGN-BUILD WORK

A. Commencement

The Design-Builder shall proceed, promptly following the Contract Date, to undertake, perform and complete the Design-Build Work in accordance with the Contract Documents. The Design-Builder shall not commence the manufacturing or construction portion of the Design-Build Work until the Design-Builder has satisfied all pre-construction requirements set forth in or such requirements have been waived by the City.

B. Sole Responsibility and Liability

The Design-Builder shall have the sole and exclusive responsibility and liability for the design, construction and performance of the Project hereunder, notwithstanding any term, condition or provision pertaining to the Project set forth in the RFQ or RFP. The Design-Builder acknowledges that, in the proposal and negotiation process leading to the execution of this Contract, the Design-Builder had the unrestricted right and opportunity not to execute this Contract if the Design-Builder had determined that any such term, condition or provision would in any manner or to any degree impair the Design-Builder’s ability to perform the Design-Build Work in compliance herewith.

C. City Review and Comment on Design Documents

The City shall have the right to review and comment on the Design-Builder’s design documents in order to confirm the compliance and consistency of the design documents with the General and Technical Requirements. The Design-Builder shall give due consideration and provide written responses, in the time and manner provided in the Contract Documents, to any comments delivered by the City as to the Design-Builder’s design documents. Neither compliance by the Design-Builder with the General and Technical Requirements, nor review and comment by the City of the design documents, nor any failure or delay by the City in commenting on any design documents shall in any way relieve the Design-Builder of full responsibility for the timely design, construction and performance of the Project in accordance with the Contract.

D. Documents at the Project Site

The Design-Builder shall maintain at the Project Site all design and construction documents, including a complete set of record drawings, in accordance with the Contract Documents. These documents shall be available to the City for reference, copying and use. Construction and other record drawings shall be updated at least bi-weekly with redline markups to reflect as-installed or constructed conditions.

2.40 DESIGN-BUILDER DESIGN – GENERAL AND TECHNICAL REQUIREMENTS

A. Conformity of Design-Builder Design Documents with the General and Technical Requirements

The Design-Builder shall prepare all design documents necessary or appropriate to carry out and complete the Project. All working and final design documents shall comply with the General and Technical Requirements and shall ensure that the Project is constructed to a standard of quality, integrity, durability and reliability which is equal to or better than the standard established by the Contract Documents.

B. City Interest in the General and Technical Requirements

The Design-Builder acknowledges the City’s material interest in each provision of the General and Technical Requirements and no change to the General and Technical Requirements shall be made except with the consent of the City, which may be withheld or conditioned in its sole discretion. Any such changes shall be evidenced by a Change Order, as applicable.

C. General and Technical Requirement Changes Made At Design-Builder Request

The Design-Builder may request for City consideration changes to the General or Technical requirements that do not negate, dilute, or supersede any other General or Technical requirement and which also do not negatively impact the quality, integrity, reliability, and service life. The Design-Builder shall provide the City timely written notice of any such request such that the City has at least 30 days to review such request, and if approved, sufficient time develop and execute a Change Order so that the project schedule is not affected. The notice shall contain sufficient technical, cost, and schedule information for the City to determine that the General or Technical Requirements change: (1) does not diminish the capacity of the Project to comply with the Contract; (2) does not impair the quality, integrity, durability and reliability of the Project; (3) is reasonably necessary or is advantageous for the Design-Builder to fulfill its obligations under this Contract; and (4) is feasible. The City shall have the absolute right to accept, reject or modify any General or Technical Requirements change proposed by the Design-Builder. Any such General or Technical Requirement change accepted or modified by the City, and any related change in the terms and conditions of this Contract, shall be reflected in a Change Order.

D. General and Technical Requirement Changes Made On Account Of Changed Condition
Upon the Notice of Changed Conditions, the City shall promptly proceed, subject to the terms, conditions and procedures set forth in Section 2.33, to make or cause to be made all General and Technical Requirements changes reasonably necessary to address the Changed Condition(s). The Design-Builder shall consult with the City concerning possible means of addressing and mitigating the effect of any Changed Conditions, and both parties shall cooperate in order to minimize any delay, lessen any additional cost and modify the Project so as to permit the Design-Builder to continue performing the Design-Build Work in light of such Changed Conditions. The design and construction costs resulting from any General or Technical Requirement resulting from a Changed Condition shall be borne by the City. Any General or Technical Requirement change made on account of Changed Conditions, and any related change in the terms and conditions of this Contract, shall be reflected in a Change Order.

E. General and Technical Requirement Changes Required By Governmental Bodies

The parties recognize that a Governmental Body may impose conditions in connection with a Governmental Approval, not known at the time of Technical and Price Proposal submittals, that requires a General or Technical Requirement(s) change. In the event of any such additional conditions are set by a Governmental Body, the City shall promptly proceed to accommodate any General or Technical Requirement changes reasonably necessary to comply with such additional conditions by Change Order.

F. General and Technical Requirement Changes Made At City Direction

The City shall have the right to make General and Technical Requirement changes at any time for any reason whatsoever, whether and however the exercise of such rights affects this Contract. The design and construction costs resulting from any such General or Technical Requirement change made at the City's direction under this Section shall be added to the Contract by Change Order. No General or Technical Requirement change shall be made at the direction of the City under this Section that impairs any right, impairs the ability to perform, imposes any additional obligation or liability, or increases the costs of the Design-Builder hereunder, unless the Design-Builder is specifically compensated or specifically provided relief for such impairment, obligation, cost or liability.

2.41 COMMENCEMENT OF CONSTRUCTION

A. Pre-Construction Requirements

The Design-Builder shall not commence construction of the Project or any portion thereof until all of the following pre-construction requirements have been satisfied by the Design-Builder or waived by the City:

(1) Plans and Reports for Design-Build Work. The Design-Builder shall have received approval from the City on all final versions of plans, drawings and reports required for the Design-Build Work in accordance with the requirements set forth in the Contract Documents.

(2) Updated Construction Schedule. The Design-Builder shall have provided the City an updated Construction Schedule in accordance with the Contract Documents.

(3) Materials on Site. The Design-Builder shall have delivered and inspected all materials required to be on Site in accordance with the requirements of the Contract Documents.

(4) Pre-Construction Conference. The Design-Builder has held a pre-construction conference for the construction with the City in accordance with the requirements of the Contract Documents.

2.42 CONSTRUCTION PRACTICE

The Design-Builder shall perform the Design-Build Work in accordance with the Contract and shall have exclusive responsibility for all construction means, methods, techniques, sequences, and procedures necessary or desirable for the correct, prompt, and orderly prosecution and completion of the Design-Build Work as required by this Contract. The responsibility to provide the construction means, methods, techniques, sequences and procedures referred to above shall include, but not be limited to, the obligation of the Design-Builder to provide the following construction requirements: construction trailers; required design certifications; required approvals; weather protection; clean-up and housekeeping of the Project Site; construction personnel; temporary parking; vehicle traffic; safety and first aid facilities and equipment; correction of or compensation for defective work or equipment; Subcontractors’ insurance; additional storage areas; temporary fire protection; Subcontractor and vendor qualification; receipt and unloading of delivered materials and equipment; erection rigging; temporary supports; and construction coordination and supervision.

2.43 ENGAGEMENT OF CITY

The Design-Builder shall fully cooperate with the City’s Contract Representative of this Contract and the performance of its duties for the City. In the performance of such services, the Design-Builder agrees that the City may, without limiting other possible services to the City: review and monitor construction progress, payments and procedures; determine the completion of specified portions of the Design-Build Work; review proposed changes to the General and Technical Requirements; review plans, drawings and specifications of the Project for compliance with the General and Technical Requirements; review the validity of any Design-Builder written notice that an Changed Conditions has occurred (including the discovery of Regulated Site Conditions); and provide certificates and perform such other duties as may be specifically conferred on the City hereunder. It is understood that while the services intended to be provided by the City shall be of an observational and review nature, the City may, if appropriate, have the authority to interfere with, halt or delay, in any way it...
deems necessary, the construction of the Project or require or approve changes to the General and Technical Requirements or the Design-Builder's design documents prepared in connection therewith.

2.44 PROGRESS SCHEDULE AND REPORTS

A. General
The Design-Builder shall submit to the City design submittals, monthly progress schedules and reports in accordance with the requirements of the Contract Documents. The Design-Builder agrees that the Design-Builder's submission of the monthly progress schedule and report (or any revised progress schedule and report) is for the City’s information only, and the City’s acceptance of the monthly progress schedule and report (or any revised progress schedule and report) shall not bind the City in any manner. Thus, the City’s acceptance of the monthly progress schedule and report (or any revised monthly progress schedule and report) shall not imply City approval or consent to any of the matters set forth therein.

B. Design and Construction Schedule
The Design-Builder shall perform the Design-Build Work according to the accepted Project Schedule.

2.45 SUBSTANTIAL COMPLETION – Not Used

A. Substantial Completion Process
See Section 1.13 D of Exhibit C.

B. Substantial Completion Date Conditions – Not Used

C. Concurrence Or Disagreement With Substantial Completion Date Conditions – Not Used

2.46 FINAL COMPLETION

A. Requirements
“Final Completion” shall be deemed to have occurred when all of the conditions in Section 1.13 E of Exhibit C have been satisfied:

2.47 LIQUIDATED DAMAGES

A. General
This Contract provides for the assessment of Liquidated Damages against the Design-Builder for delay or failure of the Project to achieve Performance Guarantees that are set forth in the GMP Amendment. Each party agrees that the City’s actual damages in each such circumstance would be difficult or impossible to ascertain (particularly with respect to the public harm that could occur as a result of such non-performance, breach or default of the Design-Builder), and that the Liquidated Damages provided for herein with respect to each such circumstance are a fair and reasonable determination of such damages and are intended to place the City in the same economic position as it would have been had the circumstance not occurred. Liquidated Damages shall constitute the only damages that will be assessed against the Design-Builder for delay or failure to achieve Performance Guarantees, and are the exclusive remedy of the City; provided that such Liquidated Damages shall not preclude, limit or alter any other remedies available at law or equity for default or breach for which Liquidated Damages are not specifically provided for in this Contract. The parties acknowledge and agree that such additional remedies are intended to address harms and damages which are separate and distinct from those which the Liquidated Damages are meant to remedy. The City’s assessment of Liquidated Damages shall not be construed as a penalty.

B. Liquidated Damages for Delay
(1) The parties have agreed that Liquidated Damages resulting from failure to achieve specific progress schedule milestones. The Design-Builder authorizes the City to deduct the Liquidated Damages pursuant to the schedule set forth below from any money due or become due the Design-Builder. Liquidated Damages will not be assessed for any Day for which an extension of time is granted. No deduction or payment of such damages for delay will release the Design-Builder, in any degree, from further obligations and liability to complete the Contract.

(2) Liquidated Damages for Failure to Achieve Substantial Completion. In the event that the Design-Builder fails to achieve Substantial Completion and other applicable specified requirements by the Scheduled Substantial Completion Date
2.48 COST RECORDS AND REPORTING

The Term of this Contract, the Design-Builder shall prepare and maintain proper, accurate and complete books and records of the cost and description of the Design-Build Work that the Design-Builder has performed since the Contract Date, the cost of which would be the responsibility of the City if the City were to elect to terminate this Contract pursuant to this Section. All financial records of the Design-Builder and its Subcontractors shall be maintained in accordance with generally accepted accounting principles and auditing standards. The Design-Builder shall submit a reasonably detailed summary thereof acceptable to the City, together with a summary statement of monthly and aggregate reimbursable expenses incurred, to the City at any time after the Contract Date at its request. Specific requests by the Design-Builder for the payment of reimbursable expenses shall be supported by Cost Substantiation. In the event that the City terminates the Contract, the Design-Builder shall make available to the City a copy of all books and records of the Design-Build Work.

2.49 NO WAIVERS

No action of the City or Design-Builder pursuant to this Contract (including, but not limited to, any investigation or payment), and no failure to act, shall constitute a waiver by either party of the other party’s compliance with any term or provision of this Contract. No course of dealing or delay by the City or Design-Builder in exercising any right, power or remedy under this Contract shall operate as a waiver thereof or otherwise prejudice such party’s rights, powers and remedies. No single or partial exercise of (or failure to exercise) any right, power or remedy of the City or the Design-Builder under this Contract shall preclude any other or further exercise thereof or the exercise of any other right, power or remedy.

2.50 NOTICES

Unless otherwise specified, except for routine operational communications, which may be delivered personally or transmitted by electronic mail, all notices required by the Contract shall be in writing and shall be deemed to have been duly given if delivered personally or mailed first-class mail, postage prepaid, to Design-Builder’s registered agent and to the applicable City representative.

2.51 NONDISCRIMINATION

Design-Builder agrees to take all steps necessary to comply with all federal, state, and City laws and policies regarding non-discrimination and equal employment opportunities. Design-Builder shall not discriminate in any employment action because of race, religion, color, national origin or ancestry, sex, gender identity, sexual orientation, age, marital status, familial status, or the presence of any sensory, mental, or physical handicap. In the event of non-compliance by Design-Builder with any of the non-discrimination provisions of the Contract, the City shall be deemed to have cause to terminate the Contract, in whole or in part.

2.52 FEDERAL, STATE, AND MUNICIPAL LAWS AND REGULATIONS

Design-Builder shall comply with all federal, state, municipal, and/or local laws and regulations in the performance of all terms and conditions of the Contract. Design-Builder shall be solely responsible for all violations of the law from any cause in connection with its performance of work under the Contract.

2.53 FEDERAL, STATE AND MUNICIPAL REGULATIONS

All federal, state, municipal and/or local regulations shall be satisfied in the performance of all portions of the Contract. The Design-Builder shall be solely responsible for all violations of the law from any cause in connection with work performed under this Contract.

2.54 PUBLIC DISCLOSURE: PROPRIETARY OR CONFIDENTIAL INFORMATION

A. Design-Builder submittals, all documents and records comprising the Contract, and all other documents and records provided to the City by Design-Builder are deemed public records subject to disclosure under the Washington State Public Records Act, Chapter 42.56 RCW (Public Records Act). Thus, City may be required, upon request, to disclose the Contract and documents or records related to it unless an exemption under the Public Records Act or other laws applies. In the event City receives a request for such disclosure, determines in its legal judgment that no applicable exemption to disclosure applies, and Design-Builder has complied with the requirements to mark records considered confidential or proprietary as such requirements are stated below, City agrees to provide Design-Builder 10 days written notice of impending release. Should legal action thereafter be initiated by Design-Builder to enjoin or otherwise prevent such release, all expense of any such litigation shall be borne by Design-Builder, including any damages, attorneys’ fees or costs awarded by reason of having opposed disclosure. City shall not be liable for any release where notice was provided and Design-Builder took no action to oppose the release of information.
B. If Design-Builder provides City with records or information that Design-Builder considers confidential or proprietary, Design-Builder must mark all applicable pages or sections of said record(s) as "Confidential" or "Proprietary." Further, in the case of records or information submitted in response to a Request for Proposals, an index must be provided indicating the affected pages or sections and locations of all such material identified Confidential or Proprietary. Information not included in the required index will not be reviewed for confidentiality or as proprietary before release. If Design-Builder fails to so mark or index Submittals and related records, then the City, upon request, may release said record(s) without the need to satisfy the requirements of subsection A above; and Design-Builder expressly waives its right to allege any kind of civil action or claim against the City pertaining to the release of said record(s).

C. Submission of materials in response to City’s Solicitation shall constitute assent by Design-Builder to the foregoing procedure and Design-Builder shall have no claim against the City on account of actions taken pursuant to such procedure.

2.55 WAIVER
A waiver or failure by either party to enforce any provision of the contract shall not be construed as a continuing waiver of such provisions, nor shall the same constitute a waiver of any other provision of the Contract.

2.56 SEVERABILITY AND SURVIVAL
If any term, condition or provision herein or incorporated by reference is declared void or unenforceable or limited in its application or effect, such event shall not affect any other provisions hereof and all other provisions shall remain fully enforceable. The provisions of the Contract, which by their sense and context are reasonably intended to survive the completion, expiration or cancellation of the Contract, shall survive termination of the Contract.

2.57 NO CITY LIABILITY
Neither the City, its officials, staff, agents, employees, representatives, or consultants will be liable for any claims or damages resulting from any aspect of this procurement process.

2.58 SIGNATURES
A signed copy of Submittals, Contract Documents, including but not limited to contract amendments, contract exhibits, task orders, statements of work and other such Contract related documents, delivered by email or other means of electronic transmission including by using a third party service, which service is provided primarily for the electronic execution of electronic records, shall be deemed to have the same legal effect as delivery of an original signed copy.
ATTACHMENT F

Draft Insurance Requirements
This Insurance Requirements shall serve as an attachment and/or exhibit form to the Contract. The Agency entering a Contract with City of Tacoma, whether designated as a Supplier, Contractor, Vendor, Proposer, Bidder, Respondent, Seller, Merchant, Service Provider, or otherwise referred to as “Contractor”.

1. **GENERAL REQUIREMENTS**

The following General Requirements apply to Contractor and to Subcontractor(s) performing services and/or activities pursuant to the terms of this Contract. Contractor acknowledges and agrees to the following insurance requirements:

1.1. Contractor shall not begin work under the Contract until the required insurance has been obtained and approved by the City of Tacoma.

1.2. Contractor shall keep in force during the entire term of the Contract, at no expense to the City of Tacoma, the insurance coverage and limits of liability listed below and for Thirty (30) calendar days after completion of all work required by the Contract, unless otherwise provided herein.

1.3. Liability insurance policies, except for Professional Liability and Workers’ Compensation, shall:

   1.3.1. Name the City of Tacoma and its officers, elected officials, employees, and agents as additional insured
   
   1.3.2. Be considered primary and non-contributory for all claims with any insurance or self-insurance or limits of liability maintained by the City of Tacoma
   
   1.3.3. Contain a “Waiver of Subrogation” clause in favor of City of Tacoma
   
   1.3.4. Include a “Separation of Insureds” clause that applies coverage separately to each insured and additional insured
   
   1.3.5. Name the “City of Tacoma” on certificates of insurance and endorsements and not a specific person or department
   
   1.3.6. Be for both ongoing and completed operations using Insurance Services Office (ISO) form CG 20 10 04 13 and CG 20 37 04 13 or the equivalent
   
   1.3.7. Be satisfied by a single primary limit or by a combination of a primary policy and a separate excess umbrella

1.4. A notation of coverage enhancements on the Certificate of Insurance shall not satisfy these requirements below. Verification of coverage shall include:

   1.4.1. An ACORD certificate or equivalent
   
   1.4.2. Copies of requested endorsements

1.5. Contractor shall provide to City of Tacoma Procurement & Payable Division, prior to the execution of the Contract, Certificate(s) of Insurance and endorsements from the insurer certifying the coverage of all insurance required herein. Contract or Permit number and the City of Tacoma Department must be shown on the Certificate of Insurance.
1.6. A renewal Certificate of Insurance shall be provided electronically prior to coverage expiration via email sent annually to coi@cityoftacoma.org.

1.7. Contractor shall send a notice of cancellation or non-renewal of this required insurance within Thirty (30) calendar days to coi@cityoftacoma.org.

1.8. “Claims-Made” coverages, except for pollution coverage, shall be maintained for a minimum of three years following the expiration or earlier termination of the Contract. Pollution coverage shall be maintained for six years following the expiration of the Contract. The retroactive date shall be prior to or coincident with the effective date of the Contract.

1.9. Each insurance policy must be written by companies licensed or authorized (or issued as surplus line by Washington surplus line broker) in the State of Washington pursuant to RCW 48 with an (A-) VII or higher in the A.M. Best key rating guide.

1.10. Contractor shall not allow any insurance to be cancelled, voided, suspended, or reduced in coverage/limits, or lapse during any term of this Contract. Otherwise, it shall constitute a material breach of the Contract.

1.11. Contractor shall be responsible for the payment of all premiums, deductibles and self-insured retentions, and shall indemnify and hold the City of Tacoma harmless to the extent such a deductible or self-insured retained limit may apply to the City of Tacoma as an additional insured. Any deductible or self-insured retained limits in excess of Twenty Five Thousand Dollars ($25,000) must be disclosed and approved by City of Tacoma Risk Manager and shown on the Certificate of Insurance.

1.12. City of Tacoma reserves the right to review insurance requirements during any term of the Contract and to require that Contractor make reasonable adjustments when the scope of services changes.

1.13. All costs for insurance are included in the initial Contract and no additional payment will be made by City of Tacoma to Contractor.

1.14. Insurance coverages specified in this Contract are not intended and will not be interpreted to limit the responsibility or liability of Contractor or Subcontractor(s).

1.15. Failure by City of Tacoma to identify a deficiency in the insurance documentation or to verify coverage or compliance by Contractor with these insurance requirements shall not be construed as a waiver of Contractor’s obligation to maintain such insurance.

1.16. If Contractor is a government agency or self-insured for any of the above insurance requirements, Contractor shall be liable for any self-insured retention or deductible portion of any claim for which insurance is required. A certification of self-insurance shall be attached and incorporated by reference and shall constitute compliance with this Section.
2. SUBCONTRACTORS

It is Contractor's responsibility to ensure that each subcontractor obtain and maintain adequate liability insurance coverage that applies to the service provided. Contractor shall provide evidence of such insurance upon City of Tacoma's request. Failure of any subcontractor to comply with insurance requirements does not limit Contractor's liability or responsibility.

3. REQUIRED INSURANCE AND LIMITS

The insurance policies shall provide the minimum coverages and limits set forth below. Providing coverage in these stated minimum limits shall not be construed to relieve Contractor from liability in excess of such limits.

3.1 Commercial General Liability Insurance
Contractor shall maintain Commercial General Liability Insurance policy with limits not less than One Million Dollars ($1,000,000) each occurrence and Two Million Dollars ($2,000,000) annual aggregate. This policy shall be written on ISO form CG 00 01 04 13 or its equivalent and shall include product liability especially when a Contract is solely for purchasing supplies. It includes Products and Completed Operations for three years following the completion of work related to performing construction services. It shall be endorsed to include: A per project aggregate policy limit (using ISO form CG 25 03 05 09 or equivalent endorsement) and/or Contractual Liability - Railroad using ISO form CG 24 17 10 01 or equivalent if Contractor is performing work within Fifty (50) feet of a City of Tacoma railroad right of way.

3.2 Commercial (Business) Automobile Liability Insurance
Contractor shall maintain Commercial Automobile Liability policy with limits not less than One Million Dollars ($1,000,000) each accident for bodily injury and property damage and bodily injury and property damage coverage for owned (if any), non-owned, hired, or leased vehicles. Commercial Automobile Liability Insurance shall be written using ISO form CA 00 01 or equivalent. Contractor must also maintain MCS 90 and CA 99 48 endorsements or equivalent if “Pollutants” are to be transported unless in-transit Pollution coverage is covered under required Contractor's Pollution Liability Insurance.

3.3 Workers’ Compensation
Contractor shall comply with Workers’ Compensation coverage as required by the Industrial Insurance laws of the State of Washington, as well as any other similar coverage required for this work by applicable federal laws of other states. Contractor must comply with their domicile State Industrial Insurance laws if it is outside the State of Washington.

3.4 Employers’ Liability Insurance
Contractor shall maintain Employers’ Liability coverage with limits not less than One Million Dollars ($1,000,000) each employee, One Million Dollars ($1,000,000) each accident, and One Million Dollars ($1,000,000) policy limit.

3.5 Professional Liability Insurance or Errors and Omissions
For contracts with professional licensing, design, or engineering services. Contractor and/or its subcontractor shall maintain Professional Liability or Errors and Omissions with limits of One Million Dollars ($1,000,000) per claim and Two Million Dollars ($2,000,000) in the aggregate covering acts, errors and omissions arising out of the professional services under this Contract. Contractor shall maintain this coverage for Two Million Dollars ($2,000,000) if the policy limit includes the payment of claims or defense costs, from the policy limit.
If the scope of such design-related professional services includes work related to pollution conditions, the Professional Liability policy shall include Pollution Liability coverage.

3.6 **Excess or Umbrella Liability Insurance**
Contractor shall provide Excess or Umbrella Liability Insurance with limits not less than Ten Million Dollars ($10,000,000) per occurrence and in the aggregate. This coverage shall apply, at a minimum, in excess of primary underlying Commercial General Liability, Employer’s Liability, Pollution Liability, Marine General Liability, Protection and Indemnity, and Automobile Liability if required herein.

3.7 **Pollution Liability Insurance**
Contractor shall maintain Pollution Liability or Environmental Liability Insurance with limits not less than One Million Dollars ($1,000,000) each occurrence and Two Million Dollars ($2,000,000) in the aggregate. Coverage shall include investigation and defense costs for bodily injury and property damage, loss of use of damaged or destroyed property, Natural Resource Damage, and Hazardous Substance Removal. Such coverage shall provide both on-site and off-site cleanup costs, cover gradual and sudden pollution, and include in its scope of coverage the City of Tacoma damage claims for loss arising out of Contractor’s work.

3.8 **Installation Floater Insurance**
Contractor shall maintain during the term of the Contract, at its own expense, Installation Floater Insurance covering Contractor’s labor, materials, and equipment to be used for completion of the work performed under this Contract against all risks of direct physical loss, excluding earthquake and flood, for an amount equal to the full amount of the Contract improvements.

3.9 **Builder’s Risk Insurance**
Contractor shall maintain during the term of the Contract and until final acceptance of the work by the City of Tacoma, a policy of Builder’s Risk Insurance providing coverage for all-risk of physical injury to all structures to be constructed according to the Contract. City of Tacoma shall be included as a named insured (not named as additional insured) on the policy. Builder’s Risk Insurance policy shall:

3.9.1 Have a deductible of no more than Five Thousand Dollars ($5,000) for each occurrence, the payment of which will be the responsibility of Contractor. Any increased deductibles accepted by City of Tacoma will remain the responsibility of Contractor

3.9.2 Be on an ISO Special Form Causes of Loss or the equivalent and also include coverage for Collapse, Earthquake and Flood. The deductible for Earthquake and Flood may be higher than the $5,000 deductible required in 3.18.1

3.9.3 Include coverage for temporary buildings, debris removal, and damage to materials in transit or stored off-site

3.9.4 Be written in the amount of the completed value of the structures, with no coinsurance provisions exposure on the part of Contractor or City of Tacoma

3.9.5 Contain a Waiver of Subrogation provision whereby each insured waives their subrogation rights to the extent the loss is covered by this insurance

3.9.6 Grant permission to occupy, allowing the building or structure to be partially occupied prior to completion, without detrimental effect to the coverage provided
3.9.7 Include coverage for the testing and startup of the building’s operating systems
3.9.8 Include coverage for City of Tacoma’s loss of use or business interruption arising out of a covered loss which delays completion
3.9.9 Include resultant damage coverage for loss due to faulty workmanship and defective material
3.9.10 Include coverage for startup and testing
3.9.11 Include coverage for resultant damage coverage for loss due to faulty workmanship and defective material

Contractor and City of Tacoma waive all rights against each other, their respective subcontractors, agents, and representatives for damages caused by fire or other perils to the extent covered by Builder’s Risk Insurance or other property insurance applicable to the work. The policies shall provide such waivers by endorsement or otherwise.

3.10 Railroad Protective Liability Insurance
Contractor shall maintain Railroad Protective Liability coverage with limits of Two Million Dollars ($2,000,000) per occurrence and Six Million Dollars ($6,000,000) in the aggregate during the term of the Contract if Contractor’s work will involve working on, above, under or being within Fifty (50) feet of City of Tacoma railroad right of ways. The policy must be issued on a standard ISO form CG 00 35 (04-13), or equivalent, with City of Tacoma as a named insured (not named as an additional insured) and shall include Limited Seepage, Pollution Endorsement and Evacuation Expense Coverage Endorsements.

3.11 Owners and Contractors Protective Liability Insurance
Contractor shall maintain during the performance of all work pursuant to the Contract, an ISO form Owners and Contractors Protective Liability policy, on which City of Tacoma shall be a named insured. Said policy shall provide coverage for bodily injury and property damage arising from the work to be performed under the Contract, and shall have policy limits of no less than Ten Million Dollars ($10,000,000) combined single limit of liability with a dedicated aggregate limit of no less than Ten Million Dollars ($10,000,000).

3.12 Inland Marine (Cargo) Insurance
Contractor shall maintain Cargo Insurance. Coverage shall protect the property from all risk of injury, and coverage shall be in an amount of the full replacement cost of the property, with no coinsurance exposure. Any applicable deductible shall not exceed Five Thousand Dollars ($5,000).

3.13 Other Insurance
Other insurance may be deemed appropriate to cover risks and exposures related to the scope of work or changes to the scope of work required by City of Tacoma. The costs of such necessary and appropriate Insurance coverage shall be borne by Contractor.

3.14 Other Conditions
Contractor will be responsible to comply with all specific insurance requirements associated with any highway or rail crossings, e.g., Washington State Department of Transportation (WSDOT), Burlington Northern Santa Fe Railway (BNSF), and Union Pacific Railroad (UPRR).