

**AGENDA**  
**OLIVIA CITY COUNCIL MEETING**  
**OLIVIA PUBLIC LIBRARY**  
**MONDAY, AUGUST 19 at 5:30 PM**



**PLEDGE OF ALLEGIANCE**

**1) CALL TO ORDER AND DETERMINATION OF A QUORUM**

Councilors: \_\_\_Baumgartner \_\_\_Ebbers \_\_\_Ferguson \_\_\_Mayor Hawkinson \_\_\_Padrnos

**2) PUBLIC FORUM**

- A) When addressing the Council, please provide your name for the meeting record
- B) Speaking times will be limited to 3-minutes

**3) AGENDA APPROVAL**

**4) CONSENT AGENDA**

- A) Regular Meeting Minutes of August 5, 2024
- B) Electric Department Purchase Order – Transformers
- C) Application for Payment No. 2 Final for Highway 212 Water Main Improvement Project
- D) Resolution 2024-87, Second Amendment to Marcus Construction Contract

**5) CLOSED SESSION**

- A) Conduct a closed session pursuant to Minn. Stat. § 13D.05, subd. 3(a) to evaluate the performance of the City Administrator

**6) DISCUSSION / BUSINESS ITEMS**

- A) Resolution 2024-88, Approving Step Movement for Elizabeth Torkelson
- B) Resolution 2024-89, Approving a Stipend for Economic Development Authority Board Members
- C) Olivia Library Roof Funding Options

**7) CLOSED SESSION**

- A) Conduct a closed session pursuant to Minn Stat. § 13D.05D, subd. 3(c)(1) Discussion Asking Prices for Possible Sale of Real Property: PID #'s 35-05255-00, 35-05260-00, 35-05261-00 and 35-05275-00

**8) REPORTS**

- A) Reports of Council / Staff

**9) NOTICES AND COMMUNICATIONS**

- A) City Hall Closed on September 2<sup>nd</sup>. Next Council Meeting on September 3<sup>rd</sup>

**10) ADJORNMENT**

## REGULAR MEETING MINUTES

Monday, August 5, 2024

### CALL TO ORDER AND DETERMINATION OF A QUORUM

The Regular Meeting of the City Council of the City of Olivia, Minnesota, was called to order by Mayor Hawkinson at 5:31 P.M.

Council Members Present: Matt Baumgartner, George Ebbers, Mayor Jon Hawkinson and Landon Padrnos.

Others present: Elizabeth Torkelson, City Administrator; Pamela Whitmore, City Attorney (zoom); Justin Black, S.E.H Engineer; Jason Krumheuer, Police Chief; Susie Lang, EDA Director; Marissa Castillo, Planning and Zoning Administrator; Ross Okins, Renville County Register; Todd Howard, resident; Jo Monson, resident; Taxpayer (zoom), Mages iPhone (zoom), iPhone (zoom), Guest (zoom), Jasmine Miller, Deputy Clerk.

### PUBLIC FORUM

Mayor Hawkinson temporarily suspended the regular meeting and opened the public forum at 5:32 P.M.

Jo Monson, resident and former employee, aired grievances regarding her former employment with the city.

No other public comments were offered so Mayor Hawkinson reopened the regular meeting at 5:34 P.M.

### AGENDA

**Motion by Baumgartner, second by Padrnos:** to approve the agenda as presented. Motion passed unanimously.

### CONSENT AGENDA

**Motion by Ebbers, second by Padrnos:** to approve the consent agenda. Motion passed unanimously.

- A) Regular Meeting Minutes of July 15, 2024
- B) Resolution 2024-82, Amending City's Schedule of Regular Meetings to be Kept on File
- C) Resolution 2024-83, Authorizing the City of Olivia to Submit a Point Source Implementation Grant Application
- D) Resolution, 2024-84, Approving City Administrator as the Olivia-designated MMPA representative
- E) Resolution 2024-85, Accepting Donation from FM Bank
- F) Resolution 2024-86, Renville County VOTER Agreement
- G) Ordinance 2024-08, Amending Chapter 92 of the Olivia City Code Regarding Assessable Current Services
- H) Public Works Purchase Order – Crack Sealing
- I) Utility Accounts Coordinator Position Description
- J) Purchasing Agent Agreement with Marcus Construction
- K) MARCO Relocation Quote
- L) July Disbursements

### DISCUSSION / BUSINESS ITEMS

Amendment to the RO Softening Final Design Project

**Motion by Baumgartner, second by Padrnos:** to approve the Amendment to the RO Softening Final Design Project. Motion passed unanimously.

Black discussed an amendment needed for the RO Softening Design project. Black explained that this Amendment includes final design services for the addition of Ozone as a pretreatment process for the recently designed RO softening addition to the City of Olivia's water treatment plant (WTP). During the RO pilot study performed in spring of 2022, it was found that the RO membranes fouled more quickly than expected with the feedwater water from the WTP clearwell. The water from the WTP clearwell was found to have a Silt Density Index (SDI) in the range of 4.5 to 5, higher than the target SDI for a full-scale continuous operation RO system. Concurrently with the RO pilot, SEH performed a filtration pilot study which showed that with filter media replacement the SDI can be reduced significantly, but not necessarily consistently down to the desired target level. An autopsy performed on the membranes following the RO pilot study confirmed that the majority of the foulant was organic in nature. SEH then performed an ozone pilot study to evaluate use of ozone as a pretreatment step at the WTP to evaluate the potential to reduce the organics (and SDI) in the water. The ozone pilot showed addition of ozone as a pretreatment step can more consistently lower the water SDI to target levels, making the RO treatment system more efficient and less costly to operate. This Project includes additional preliminary design efforts and final design services to add Ozone pretreatment equipment to the bid documents prepared for the RO addition at the WTP.

#### Olivia Public Library Roof Replacement

Torkelson shared that two quotes have been obtained to replace the library roof. Both quotes suggested that the entire roof needs to be replaced. Torkelson reviewed the difference between the proposals and noted that staff is waiting to hear back from City's insurance regarding coverage for the project. Padrnos expressed that his preference would be to do this project in 2025 and budget for it. There was council consensus to direct Torkelson to identify the severity of the roof's damage, look for funding to replace the library roof and from there Council will decide if the project will be discussed during the 2025 budget discussions or if they will accept a quote to repair the roof this year.

No additional items or new business items were presented.

### **REPORTS**

#### Reports of Council / Staff

Torkelson shared that the previous Utility Accounts Manager's last day was July 24<sup>th</sup>. The vacant position will be posted following the City Council meeting. Torkelson also congratulated all of staff, community members and volunteers on a successful Corn Capital Day's week, extending gratitude to everyone involved. It was also noted that all future board and commission meetings will be held at the Olivia Public Library community room. Torkelson shared that the Primary Elections will be on August 13<sup>th</sup>, and City Hall will be closed to the public on August 14<sup>th</sup> as staff will be moving to the Liquor Store. August 15<sup>th</sup> is the Airport Zoning Kickoff Meeting. Torkelson also highlighted that August 15<sup>th</sup> is Outdoor Movie Night. A budget workshop is scheduled for August 22<sup>nd</sup> at 5:30 P.M. the Olivia Public Library.

#### Pool Report

Padrnos briefly shared that the pool is closed for the summer, but added that July was going well until the pool was shut down due to construction at the school.

No additional reports were presented.

### **NOTICES AND COMMUNICATIONS**

Torkelson shared that filing for City Council is open until 5:00 P.M. on August 13<sup>th</sup>.

Mayor Hawkinson added that the Chamber is hosting their annual event at the Olivia Golf Course starting at 1:00PM with an open house / cocktail hour following the golf tournament at 5:30 P.M.

Torkelson highlighted the Movie in the Park event on August 15<sup>th</sup>. Donations for the event were generously provided by F&M Bank, HomeTown Bank and Olivia Hospital and Clinics. Food trucks will be available at the event.

Mayor Hawkinson encouraged the citizens of Renville County to participate in Renville County's comprehensive plan project by visiting the County's website.

#### **ADJOURNMENT**

**Motion by Ebbers, second by Padrnos:** to adjourn the meeting at 6:03 P.M. Motion passed unanimously.

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Jon Hawkinson, Mayor

Attest: \_\_\_\_\_  
Jasmine Miller, City Clerk



## AGENDA ITEM REQUEST

**Meeting Date Requested:** 8-19-24

**Agenda Item Request:** Purchase transformers – for a new service installation and the rebuilt unit as inventory for both the school and hospital. This new service is needed by spring/summer of 2025. Rebuilt could not meet this timeline.

**Department:** Electric

**Name & Signature:** Troy Fuoss

#	Item	Purpose	Amount
1	750 KVA new transformer	School project	\$72,488.00
2	750 KVA rebuilt transformer	inventory – backup	\$30,665.00
3	_____	_____	_____
4	_____	_____	_____
5	_____	_____	_____

**Budget Impact:**

The new unit will be paid for by BOLD school for their new service. The rebuilt unit will be put into inventory for a backup or future project.

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**Action Requested / Recommended:**

Approval

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# PURCHASE ORDER

OFFICE USE ONLY

ACCOUNT CODE			
CH0	49550		

AMOUNT	

AMOUNT PAID	

INVOICE NO.

**CITY OF OLIVIA**  
 Attn: Office of City Administrator  
 1009 West Lincoln  
 Olivia, MN 56277-1292  
 Phone: 320-523-2361

P.O. Number Must Appear On  
 All Invoices, Shipping Papers,  
 Packages, And Correspondence.

No 12620
DATE OF P.O. <span style="font-size: 1.2em;">7-29-24</span>
VENDOR NUMBER
DATE PAID
CHECK NUMBER

VENDOR

Wesco

SHIP TO

DATE REQUIRED	SHIPPED VIA	TERMS	DEPARTMENT	
CODE	QUANTITY	DESCRIPTION	UNIT PRICE	TOTAL
Inv	1	250 KVA transformer		72,488.00
		↑ New 30 week lead time		
		Sales Tax		
		<b>TOTAL</b>		

Dept. Head  
 Administration







**Application for Payment**  
(Unit Price Contract)  
No. Two (FINAL)

Eng. Project No.: OLIVA 166766

Location: Olivia, Minnesota

Contractor <u>Northdale Construction Company, Inc.</u>	Contract Date <u>June 5, 2023</u>
<u>9760 71st Street NE</u>	
<u>Albertville, MN 55301</u>	Contract Amount <u>\$ 536,918.69</u>

Contract for Highway 212 Water Main Improvement Project

Application Date <u>November 1, 2023</u>	For Period Ending <u>November 1, 2023</u>
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Item No.	Item	Unit	Est. Quantity	Previous Quantity	Quantity to Date	Unit Price	Total Price
<b>STREET RESTORATION</b>							
2021.501	MOBILIZATION	LUMP SUM	1.0	1.0	1.0	\$22,816.00	\$22,816.00
2104.502	SALVAGE SIGN	EACH	1.0	1.0	1.0	\$157.50	\$157.50
2104.503	SAWING BITUMINOUS PAVEMENT (FULL DEPTH)	LIN FT	250.0	291.0	291.0	\$5.00	\$1,455.00
2104.504	REMOVE BITUMINOUS PAVEMENT	SQ YD	150.0	315.5	315.5	\$20.00	\$6,310.00
2105.507	COMMON EXCAVATION (P)	CU YD	145.0	145.0	145.0	\$39.35	\$5,705.75
2105.604	GEOGRID (TENSAR TX-7)	SQ YD	150.0	268.6	268.6	\$12.60	\$3,384.36
2123.510	INVESTIGATIVE EXCAVATION	HOUR	5.0	1.5	1.5	\$1,562.50	\$2,343.75
2123.510	INVESTIGATIVE EXCAVATION (HYDROVAC)	HOUR	5.0	5.0	5.0	\$892.86	\$4,464.30
2211.509	AGGREGATE BASE (CV) CLASS 5	TON	240.0	207.2	207.2	\$31.50	\$6,526.80
2360.509	TYPE SP 9.5 WEARING COURSE (SPWEA240B)	TON	75.0	80.0	80.0	\$192.15	\$15,372.00
2563.601	TRAFFIC CONTROL	LUMP SUM	1.0	1.0	1.0	\$1,260.00	\$1,260.00
2564.602	INSTALL SIGN	EACH	1.0	1.0	1.0	\$262.50	\$262.50
2573.501	EROSION CONTROL	LUMP SUM	1.0	1.0	1.0	\$3,501.40	\$3,501.40
2575.501	TURF ESTABLISHMENT	LUMP SUM	1.0	1.0	1.0	\$11,743.90	\$11,743.90
	<b>Street Restoration Subtotal</b>						<b>\$85,303.26</b>
<b>SANITARY SEWER</b>							
2503.602	VIDEO INSPECTION MAINLINE (POST INSTALLATION)	LIN FT	2,920.0	2,346.5	2,346.5	\$3.15	\$7,391.48
	<b>Sanitary Sewer Subtotal</b>						<b>\$7,391.48</b>
<b>WATER MAIN</b>							
2104.502	REMOVE GATE VALVE	EACH	4.0	5.0	5.0	\$299.98	\$1,499.90
2104.503	REMOVE WATER MAIN	LIN FT	50.0	50.0	50.0	\$20.00	\$1,000.00
2140.502	SALVAGE HYDRANT	EACH	2.0	2.0	2.0	\$849.76	\$1,699.52
2502.604	4" POLYSTYRENE INSULATION	SQ YD	50.0	0.0	0.0	\$52.25	\$0.00
2504.601	TEMPORARY WATER SERVICE	LUMP SUM	1.0	1.0	1.0	\$17,857.14	\$17,857.14
2504.602	CONNECT TO EXISTING WATER MAIN	EACH	4.0	4.0	4.0	\$2,755.72	\$11,022.88
2504.602	WATER HYDRANT	EACH	4.0	4.0	4.0	\$7,600.78	\$30,403.12
2504.602	1" CURB STOP AND BOX	EACH	9.0	9.0	9.0	\$1,142.22	\$10,279.98
2504.602	1" CORPORATION STOP	EACH	9.0	10.0	10.0	\$965.94	\$9,659.40
2504.602	4" GATE VALVE AND BOX	EACH	1.0	1.0	1.0	\$2,029.54	\$2,029.54
2504.602	6" GATE VALVE AND BOX	EACH	4.0	4.0	4.0	\$2,466.52	\$9,866.08
2504.602	8" GATE VALVE AND BOX	EACH	2.0	2.0	2.0	\$3,307.37	\$6,614.74
2504.602	12" GATE VALVE AND BOX	EACH	4.0	4.0	4.0	\$5,510.65	\$22,042.60
2504.603	1" PE SERVICE PIPE W/TRACER WIRE (HDD OR OPEN CUT)	LIN FT	75.0	163.0	163.0	\$84.41	\$13,758.83



Item No.	Item	Unit	Est. Quantity	Previous Quantity	Quantity to Date	Unit Price	Total Price
2504.603	4" PVC C900 SERVICE PIPE W/TRACER WIRE (HDD OR OPEN CUT)	LIN FT	22.0	26.0	26.0	\$90.86	\$2,362.36
2504.603	6" PVC C900 WATER MAIN HYD LEADS	LIN FT	22.0	33.8	33.8	\$98.38	\$3,320.33
2504.603	8" PVC C900 WATER MAIN W/TRACER WIRE (HDD)	LIN FT	900.0	915.6	915.6	\$93.76	\$85,846.66
2504.603	12" PVC C900 WATER MAIN W/TRACER WIRE (HDD)	LIN FT	1,350.0	1,333.5	1,333.5	\$138.21	\$184,303.04
2504.608	WATER MAIN FITTINGS (CI)	POUND	1,656.0	1,922.0	1,922.0	\$20.72	\$39,823.84
2506.502	CASTING ASSEMBLY, TYPE FORD A1H	EACH	2.0	2.0	2.0	\$395.13	\$790.26
<b>Water Main Subtotal</b>							<b>\$454,180.21</b>
<b>WORK ORDER NO. 1 - LESTER'S WATER WORKS</b>							
2123.510	LABOR COSTS - 9/12/2023	PER HOUR		3.0	3.0	\$690.00	\$2,070.00
2123.601	VAC TRUCK SERVICES	LUMP SUM		1.0	1.0	\$2,403.50	\$2,403.50
<b>WORK ORDER NO. 1 SUBTOTAL</b>							<b>\$4,473.50</b>
<b>WORK ORDER NO. 2 - NORTHDAL CONST</b>							
2123.510	LABOR COSTS	PER HOUR		5.5	5.5	\$691.43	\$3,802.87
2123.510	EQUIPMENT COSTS	PER HOUR		5.5	5.5	\$833.11	\$4,582.11
2503.601	CLEAN & TELEVISE SERVICES	LUMP SUM		1.0	1.0	\$5,977.66	\$5,977.66
<b>WORK ORDER NO. 2 SUBTOTAL</b>							<b>\$14,362.63</b>
<b>WORK ORDER NO.3 - NORTHDAL CONST. SERVICE REPAIR</b>							
2123.510	LABOR COSTS	PER HOUR		3.0	3.0	\$691.43	\$2,074.29
2123.510	EQUIPMENT COSTS	PER HOUR		3.0	3.0	\$689.01	\$2,067.03
2504.602	4" FERNCO	EACH		2.0	2.0	\$68.54	\$137.08
2503.603	4" SDR 35 PIPE	LIN FT		24.0	24.0	\$7.27	\$174.48
2123.602	SERVICE LINE CLEAN OUT	EACH		1.0	1.0	\$1,295.99	\$1,295.99
<b>WORK ORDER NO. 3 SUBTOTAL</b>							<b>\$5,748.87</b>
<b>WORK ORDER NO.4 - NORTHDAL CONST. ADDITIONAL SERVICE CLEANING</b>							
2123.602	HYDROJET DRAINLINE - CULLIGAN	EACH		1.0	1.0	\$537.34	\$537.34
2123.602	CLEAN SEWER SERVICE - RURAL AESTHETICS	EACH		1.0	1.0	\$625.37	\$625.37
<b>WORK ORDER NO.4 SUBTOTAL</b>							<b>\$1,162.71</b>
<b>Total Amount Due</b>							<b>\$572,622.65</b>

**Application for Payment (continued)**

Total Contract Amount	\$ <u>536,918.69</u>	Total Amount Earned	\$ <u>572,622.65</u>
Contract Change Order No. _____		Material Suitably Stored on Site, Not Incorporated into Work	_____
Contract Change Order No. _____		Percent Complete _____	_____
Contract Change Order No. _____		Percent Complete _____	_____
Less Previous Applications:		GROSS AMOUNT DUE	\$ <u>572,622.65</u>
AFP No. 1: <u>561,170.20</u>	AFP No. 6: _____	LESS <u>0</u> % RETAINAGE	\$ <u>0</u>
AFP No. 2: _____	AFP No. 7: _____	AMOUNT DUE TO DATE	\$ <u>572,622.65</u>
AFP No. 3: _____	AFP No. 8: _____	LESS PREVIOUS APPLICATIONS	\$ <u>561,170.20</u>
AFP No. 4: _____	AFP No. 9: _____	AMOUNT DUE THIS APPLICATION	\$ <u>11,452.45</u>
AFP No. 5: _____			

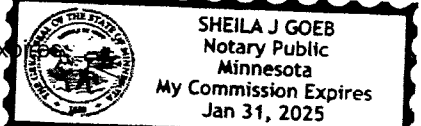
**CONTRACTOR'S AFFIDAVIT**

The undersigned Contractor hereby swears under penalty of perjury that (1) all previous progress payments received from the Owner on account of work performed under the Contract referred to above have been applied by the undersigned to discharge in full all obligations of the undersigned incurred in connection with work covered by prior Applications for Payment under said contract, Highway 212 Water Main Improvement Project, Olivia, Minnesota, and (2) all material and equipment incorporated in said Project or otherwise listed in or covered by this Application for Payment and free and clear of all liens, claims, security interests and encumbrances.

Date August 1st, 2024 Northdale Construction Company, Inc.  
(Contractor)

COUNTY OF Wright )  
STATE OF Minnesota ) SS  
By Philip B. Lesnar President  
(Name and Title)

Before me on this 1st day of August, 2024, personally appeared \_\_\_\_\_  
Philip B. Lesnar known to be, who being duly sworn did depose and say that he is the President (office) of the Contractor above mentioned that he executed the above Application for Payment and Affidavit on behalf of said Contractor; and that all of the statements contained therein are true, correct and complete.

My Commission expires \_\_\_\_\_  
 Sheila J Goeb  
(Notary Public)

The undersigned has checked the Contractor's Application for Payment shown above. A part of this Application is the Contractor's Affidavit stating that all previous payments to him under this contract have been applied by him to discharge in full all of his obligations in connecting with the work by all prior Applications for Payment.

In accordance with the Contract, the undersigned recommends approval of payment to the Contractor for the Amount due.

**Short Elliott Hendrickson Inc.**  
By Justin Black, PE (Lic. MN)  
Date July 31, 2024

Justin Black

**CITY OF OLIVIA  
RESOLUTION NO. 2024-87**

**Resolution Approving Guide 27, Attachment 5, as the Second Amendment to the Contract with Marcus Construction for Improvements to City Hall and the Public Safety Building of the City of Olivia**

**WHEREAS**, the City of Olivia Minnesota (the “City”) is a statutory city and has the right, pursuant to Minnesota Statutes, Sections 412.201 and 412.221, as amended, to enter into and execute contracts for improvements within the City; and

**WHEREAS**, the City had previously identified the need for improvements to City Hall and the Public Safety Facility (the “Project”), had hired Marcus Construction on July 21, 2023, as the Construction Manager to oversee the Project and had entered into an agreement with Marcus Construction (“CMAR”) using AIA documents, including A133-2019 and A201-2017 (“Project Agreements”); and

**WHEREAS**, the Minnesota Legislature adopted Minnesota Statute Section 471.463, effective on August 1, 2023, to allow municipalities to use a construction manager at risk method of project delivery subject to the parameters set forth in that statute; and

**WHEREAS**, the City has secured a low-interest rate loan from the United States Department of Agriculture (“USDA”) as one of its financing mechanisms for the Project; and

**WHEREAS**, in order to be able to close on the loan and begin construction, the USDA is requiring the agreement between the City and the CMAR to provide liquidated damages in the case of breach or default on the part of CMAR; and

**WHEREAS**, the Project Agreements did not originally provide for liquidated damages; and

**WHEREAS**, the USDA, before closing on loan, is additionally requiring a number of other amendments to the Project Agreement as set forth in the ATTACHMENT TO AIA DOCUMENT A133-2019, GUIDE 27, Attachment 5, attached hereto; and

**WHEREAS**, the City and Marcus Construction desire to amend certain provisions of the A133 and A201 as set forth in ATTACHMENT TO AIA DOCUMENT A133-2019, GUIDE 27, Attachment 5. The provisions of this Attachment shall delete, modify, and supplement the provisions contained in the executed “Standard Form of Agreement Between Owner and Construction Manager as Constructor”, AIA Document A133-2019 Edition, and any previous additions or deletions and amendments thereto. The provisions contained in this attachment shall supersede any conflicting provisions of the AIA Document. The term "Agency", as used in this Attachment, shall mean the United States of America, acting through the United States Department of Agriculture.

**NOW, THEREFORE, BE IT RESOLVED**, that the City Council of the City of Olivia, Minnesota, that:

1. The Council approves the Second Amendment to the A133 and A201 Agreement, attached to this resolution, with Marcus Construction making the modifications readily identifiable through Guide 27, Attachment 5.
2. The Mayor and City Clerk are hereby authorized and directed to enter into Contracts in accordance with the above ordered Project and are directed to execute and deliver the Second Amendment to Agreement.
3. All of the provisions of Second Amendment to Agreement, when executed and delivered as authorized herein, shall be deemed to be a part of this resolution as fully and to the same extent as if incorporated verbatim herein and shall be in full force and effect from the date of execution and delivery thereof. The Second Amendment to Agreement shall be substantially in the form on file with the City which is hereby approved, with such omissions and insertions as do not materially change the substance thereof, or as the City Administrator, in their discretion, shall determine, and the execution thereof by the Mayor and the City Clerk shall be conclusive evidence of such determination.

Adopted by the City Council of the City of Olivia this 19<sup>th</sup> day of August 2024

\_\_\_\_\_  
Jon Hawkinson, Mayor

ATTEST: \_\_\_\_\_  
Jasmine Miller, City Clerk

ATTACHMENT TO AIA DOCUMENT A133-2019, Standard Form of Agreement Between Owner and Construction Manager as Constructor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price.

The provisions of this Attachment shall delete, modify, and supplement the provisions contained in the "Standard Form of Agreement Between Owner and Construction Manager as Constructor", AIA Document A133-2019 Edition. The provisions contained in this attachment shall supersede any conflicting provisions of the AIA Document. The term "Agency", as used in this Attachment, shall mean the United States of America, acting through the United States Department of Agriculture.

**When the project is not subject to the Build America, Buy America Act the provisions in bold do not apply. This project is not subject to the Build America, Buy America Act since funding for this project was obligated prior to the enactment of Build America, Buy America Act.**

ARTICLE 1, INITIAL INFORMATION

Delete the following references from subparagraph 1.1.5:

"accelerated or fast-track scheduling"

**Add the following subparagraphs and clauses to subparagraph 1.1.15:**

**1.1.15.1 Build America, Buy America Act**

**Domestic Preference Requirements for Federal Financial Assistance to Non-Federal Entities. Federal Financial Assistance to Non-Federal Entities, defined pursuant to 2 CFR 200.1 and 2 CFR 184, as any State, local government, Indian tribe, Institution of Higher Education, or nonprofit organization, shall be governed by the requirements of Section 70914 of the Build America, Buy America Act (BABAA), under Title IX of the Infrastructure Investment and Jobs Act, Pub. L. 177-58. Any requests for waiver of these requirements must be submitted pursuant to USDA's guidance available online at [USDA's Build America Buy America website](#).**

**1.1.15.1.1 This agreement is for services related to a project that is subject to the Build America, Buy America Act (BABAA) requirements under Title IX of the Infrastructure Investment and Jobs Act ("IIJA"), Pub. L. 177-58. Absent an approved waiver, all iron, steel, manufactured products, and construction materials used in this project must be produced in the United States, as further outlined by the Office of Management and Budget's regulation (reference 2 CFR 200, 2 CFR 184) on the application of Buy America Preference in Federal Financial Assistance Programs for Infrastructure.**

**1.1.15.1.2 Unless the Act does not apply, the Construction Manager shall be responsible for:**

- .1 Providing costs and revisions thereof that reflect compliance with BABAA requirements.**



- .2 Providing only iron, steel, construction materials and manufactured products that meet BABAA requirements. Installation of materials or products that are not compliant with BABAA requirements shall be considered defective work.
- .3 Including manufacturer's certification for BABAA requirements with all applicable submittals. If a specific manufacturer is used during subcontractor pricing, a statement that the manufacturer will comply with BABAA requirements must be included with the GMP submission. The Construction Manager shall comply with BABAA requirements, including coordination with manufacturers, distributors, and suppliers to correct deficiencies in any BABAA documentation.
- .4 Providing manufacturer's certification for BABAA requirements with any change order for any new construction materials or manufactured products required by the change.
- .5 Certifying by submitting an application for payment, based in whole or in part on furnishing construction materials or manufactured products; that such materials and products, to the Construction Manager's knowledge, are compliant with BABAA requirements.
- .6 Ensuring that the Architect / Engineer has been provided an approved manufacturer's certification or waiver prior to items being delivered to the project site.
- .7 Certifying upon completion that all work and materials are in compliance with BABAA requirements.

ARTICLE 3, CONSTRUCTION MANAGER'S RESPONSIBILITIES

Delete the following from subparagraph 3.1.5: "accelerated or fast-track"

Insert subparagraph 3.2.1.1 as follows:

3.2.1.1 Agency review and concurrence of the Guaranteed Maximum Price proposal is required. ~~prior to the Owner's acceptance.~~

Insert subparagraph 3.2.6.1 as follows:

3.2.6.1 The Guaranteed Maximum Price proposal shall not be in full force and effect until concurred with in writing by a duly authorized representative of the Agency.

Add the following sentence to the end of subparagraph 3.3.2.1:

3.3.2.1: The Construction Manager shall schedule on-site progress meetings no less than once a month during the periods of active construction.

#### ARTICLE 6, COMPENSATION FOR CONSTRUCTION PHASE SERVICES

Replace subparagraph 6.1.6 with the following:

6.1.6 If the work is not substantially complete on or before the date of Substantial Completion established in paragraph 1.1.4, or extension thereof granted by the Owner, The Construction Manager shall pay to the Owner liquidated damages in the sum of \$100 for each calendar day of delay. Any sums that may be due the Owner as liquidated damages may be deducted from any monies due or to become due the Construction Manager under the Contract or may be collected from the Construction Manager's surety.

#### ARTICLE 9, SUBCONTRACTORS AND OTHER AGREEMENTS

Add the following to the end of paragraph 9.1: "The Contractor shall not contract with any person or entity declared ineligible under Federal laws or regulations from participating in federally assisted construction projects."

#### ARTICLE 11, PAYMENTS FOR CONSTRUCTION PHASE SERVICE

Modify subparagraph 11.1.1 by adding the following:

"using AIA Document G702, 'Application and Certificate for Payment,' or Form RD 1924-18, 'Partial Payment Estimate,'" after "Payment issued by the Architect".

"Agency concurrence is required on all Applications of Payment before payment is made" to the end of subparagraph 11.1.1.

Insert "ten" and "10" in the appropriate spaces of the last sentence in subparagraph 11.1.3.

Insert the following retainage description in subparagraph 11.1.8.1:

The amount retained shall be 5% of the value of Work until 50% of the Work has been completed or a withholding of equal or greater value, such as, 5% for the full duration of the project. If ~~10~~5% is held, at 50% completion, further partial payments shall be made in full to the Contractor and no additional amounts may be retained unless the Architect certifies that the Work is not proceeding satisfactorily but amounts previously retained shall

~~not be paid to the Contractor. At 50% completion or any time thereafter when the progress of the Work is not satisfactory, additional amounts may be retained, but in no event shall the total retainage be more than 10% of the value of Work completed.~~  
Alternate industry-standard retainage proposals may be considered by RD when:

.1 The retainage proposal is mandated by the State in which the project is located.

.2 The retainage proposal does not add risk to the applicant and the Agency.

Replace subparagraph 11.1.11 with the following:

11.1.11 The Owner and the Construction Manager shall agree upon a mutually acceptable procedure for review and approval of payments to Subcontractors. Except with the Owner's prior approval, payments to Subcontractors shall be subject to retention of not less than ~~five ten~~ percent (5%). The Construction Manager shall execute subcontracts in accordance with those agreements.

Replace subparagraph 11.2.2.3 with the following:

11.2.2.3 If the Owner's auditors report the Cost of the Work as substantiated by the Construction Manager's final accounting to be less than claimed by the Construction Manager, the Construction Manager shall not be entitled to request mediation of the disputed amount without seeking an initial decision pursuant to Section 15.2 of A201-2017 unless the Owner specifically authorizes such action in writing. If such action has been authorized by the Owner, the Construction Manager may make a request for mediation within 30 days after the Construction Manager's receipt of a copy of the Architect's final Certificate for Payment.

Insert subparagraph 11.2.5 as follows:

11.2.5 Amounts withheld from the final payment to cover any incomplete Work are not considered retainage and shall not be paid to the Construction Manager until the work is completed and accepted by the Owner. Such withholdings shall not be less than 150% of the estimated cost to complete the Work.

#### ARTICLE 14, MISCELLANEOUS PROVISIONS

Add the following subparagraphs and clauses to paragraph 14.5:

14.5.1 This Agreement and any amendments to this Agreement shall not be in full force and effect until concurred with in writing by a duly authorized representative of the Agency. The concurrence so evidenced by the Agency shall in no way commit the Agency to render financial assistance to the Owner and is without liability to the Agency for any payment thereunder, but in the

event such assistance is provided, the concurrence shall signify that the provisions of this Agreement and any amendments to this Agreement are consistent with Agency requirements.

ARTICLE 15, SCOPE OF THE AGREEMENT

Delete the last sentence of paragraph 15.1 and replace it with the following:

"This Agreement may be amended only by written instrument signed by Agency, the Owner, and the Construction Manager."

The following documents should be referenced, if applicable; in paragraph 15.2, clause .7:

Attachment to the *Standard Form of Agreement Between Owner and Construction Manager as Constructor* (this Attachment)  
Attachment to the General Conditions of the Contract for Construction (RD Instruction 1942-A, Guide 27, Attachment 4)  
Payment Bond  
Performance Bond  
Certification for Contracts, Grants and Loans (RD Instruction 1940-Q, Exhibit A-1)  
Disclosure of Lobbying Activities (Form SF-LLL)  
Compliance Statement (Form RD 400-6)

OWNER AND CONSTRUCTION MANAGER SIGNATURE PAGE

Delete the signature block and replace with the following:

IN WITNESS WHEREOF, the parties hereto have executed, or caused to be executed by their duly authorized officials, this Agreement in duplicate on the respective dates indicated below:

OWNER:

ATTEST: _____	By _____
Type Name _____	Type Name _____
Title _____	Title _____
Date _____	Date _____

CONSTRUCTION MANAGER:

ATTEST: _____	By _____
Type Name _____	Type Name _____
Title _____	Title _____
Date _____	Date _____

AGENCY CONCURRENCE:

By \_\_\_\_\_

Type Name \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

The concurrence so evidenced by the Agency shall in no way commit the Agency to render financial assistance to the Owner and is without liability to the Agency for any payment hereunder, but in the event such assistance is provided, the concurrence shall signify the provisions of this Agreement are consistent with Agency requirements.

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# AIA<sup>®</sup> Document A133<sup>®</sup> – 2019

## **Standard Form of Agreement Between Owner and Construction Manager as Constructor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price**

**AGREEMENT** made as of the Seventeenth day of July in the year Two Thousand Twenty-Three  
(In words, indicate day, month, and year.)

**BETWEEN** the Owner:  
(Name, legal status, address, and other information)

City of Olivia  
1009 W Lincoln Ave  
Olivia, MN 56277

and the Construction Manager:  
(Name, legal status, address, and other information)

Marcus Construction Co., Inc.  
2580 Hwy 12 East  
Willmar, MN 56201

for the following Project:  
(Name, location, and detailed description)

Olivia City Hall, Police, and Fire  
1009 W Lincoln Ave  
Olivia, MN 56277

The Architect:  
(Name, legal status, address, and other information)

To Be Determined

The Owner and Construction Manager agree as follows.

This Agreement is for a Construction Manager at risk. Notwithstanding any provision of this Agreement, it is expressly understood that construction of the Project is subject to Minnesota Statutes, section 471.345 and that contracts awarded for Work for the construction phase of the Project exceeding the threshold for competitive bidding will be bid with award of contracts by the Owner as required by law and pursuant to the bidding process ("Bidding Process") developed by the Parties, and that Owner shall then assign its right to Contract to the Construction Manager under this Agreement and said Construction Manager shall accept such assignment of the Owner's right to contract with contractors who shall be subcontractors thereafter to the general contractor who is the Construction Manager.

**ADDITIONS AND DELETIONS:**  
The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

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

AIA Document A201<sup>™</sup>-2017, General Conditions of the Contract for Construction, is adopted in this document by reference. Do not use with other general conditions unless this document is modified.

## TABLE OF ARTICLES

1	INITIAL INFORMATION
2	GENERAL PROVISIONS
3	CONSTRUCTION MANAGER'S RESPONSIBILITIES
4	OWNER'S RESPONSIBILITIES
5	COMPENSATION AND PAYMENTS FOR PRECONSTRUCTION PHASE SERVICES
6	COMPENSATION FOR CONSTRUCTION PHASE SERVICES
7	COST OF THE WORK FOR CONSTRUCTION PHASE
8	DISCOUNTS, REBATES, AND REFUNDS
9	SUBCONTRACTS AND OTHER AGREEMENTS
10	ACCOUNTING RECORDS
11	PAYMENTS FOR CONSTRUCTION PHASE SERVICES
12	DISPUTE RESOLUTION
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14	MISCELLANEOUS PROVISIONS
15	SCOPE OF THE AGREEMENT

### EXHIBIT A GUARANTEED MAXIMUM PRICE AMENDMENT

### EXHIBIT B INSURANCE AND BONDS

## ARTICLE 1 INITIAL INFORMATION

§ 1.1 This Agreement is based on the Initial Information set forth in this Section 1.1.

*(For each item in this section, insert the information or a statement such as "not applicable" or "unknown at time of execution.")*

§ 1.1.1 The Owner's program for the Project, as described in Section 4.1.1:

*(Insert the Owner's program, identify documentation that establishes the Owner's program, or state the manner in which the program will be developed.)*

Program to be developed by the Architect with input from the Owner and Construction Manager during design phase.

§ 1.1.2 The Project's physical characteristics:

*(Identify or describe pertinent information about the Project's physical characteristics, such as size; location; dimensions; geotechnical reports; site boundaries; topographic surveys; traffic and utility studies; availability of public and private utilities and services; legal description of the site, etc.)*

Physical characteristics to be reviewed and modified by the Architect with input from the Owner and Construction Manager during design phase.

§ 1.1.3 The Owner's budget for the Guaranteed Maximum Price, as defined in Article 6:

*(Provide total and, if known, a line item breakdown.)*

Init.

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To be established at the start of the design phase.

**§ 1.1.4** The Owner's anticipated design and construction milestone dates:

**.1** Design phase milestone dates, if any:

To be established following consultation with the Owner

**.2** Construction commencement date:

To be established following consultation with the Owner

**.3** Substantial Completion date or dates:

To be established following consultation with the Owner

**.4** Other milestone dates:

To be established following consultation with the Owner

**§ 1.1.5** The Owner's requirements for accelerated or fast-track scheduling, or phased construction, are set forth below:  
*(Identify any requirements for fast-track scheduling or phased construction.)*

Unknown at the time of execution.

**§ 1.1.6** The Owner's anticipated Sustainable Objective for the Project:  
*(Identify and describe the Owner's Sustainable Objective for the Project, if any.)*

Not Applicable

**§ 1.1.6.1** If the Owner identifies a Sustainable Objective, the Owner and Construction Manager shall complete and incorporate AIA Document E234™–2019, Sustainable Projects Exhibit, Construction Manager as Constructor Edition, into this Agreement to define the terms, conditions and services related to the Owner's Sustainable Objective. If E234–2019 is incorporated into this agreement, the Owner and Construction Manager shall incorporate the completed E234–2019 into the agreements with the consultants and contractors performing services or Work in any way associated with the Sustainable Objective.

**§ 1.1.7** Other Project information:  
*(Identify special characteristics or needs of the Project not provided elsewhere.)*

**§ 1.1.8** The Owner identifies the following representative in accordance with Section 4.2:  
*(List name, address, and other contact information.)*

Mary Jo Halliday – Interim City Administrator

**§ 1.1.9** The persons or entities, in addition to the Owner's representative, who are required to review the Construction Manager's submittals to the Owner are as follows:  
*(List name, address and other contact information.)*

**§ 1.1.10** The Owner shall retain the following consultants and contractors:  
*(List name, legal status, address, and other contact information.)*

**.1** Geotechnical Engineer:

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To Be Determined

**.2 Civil Engineer:**

To Be Determined

**.3 Other, if any:**

*(List any other consultants retained by the Owner, such as a Project or Program Manager.)*

**§ 1.1.11 The Architect's representative:**

*(List name, address, and other contact information.)*

To Be Determined

**§ 1.1.12 The Construction Manager identifies the following representative in accordance with Article 3:**

*(List name, address, and other contact information.)*

Jim Bach – Business Development

*(Paragraphs deleted)*

**§ 1.2** The Owner and Construction Manager may rely on the Initial Information. Both parties, however, recognize that such information may materially change and, in that event, the Owner and the Construction Manager shall appropriately adjust the Project schedule, the Construction Manager's services, and the Construction Manager's compensation. The Owner shall adjust the Owner's budget for the Guaranteed Maximum Price and the Owner's anticipated design and construction milestones, as necessary, to accommodate material changes in the Initial Information.

**§ 1.3** Neither the Owner's nor the Construction Manager's representative shall be changed without ten days' prior notice to the other party.

**ARTICLE 2 GENERAL PROVISIONS**

**§ 2.1 The Contract Documents**

The Contract Documents consist of this Agreement, Conditions of the Contract (General, Supplementary and other Conditions), Drawings, Specifications, Addenda issued prior to execution of this Agreement, other documents listed in this Agreement, and Modifications issued after execution of this Agreement, all of which form the Contract and are as fully a part of the Contract as if attached to this Agreement or repeated herein. Upon the Owner's acceptance of the Construction Manager's Guaranteed Maximum Price proposal, the Contract Documents will also include the documents described in Section 3.2.3 and identified in the Guaranteed Maximum Price Amendment and revisions prepared by the Architect and furnished by the Owner as described in Section 3.2.8. The Contract represents the entire and integrated agreement between the parties hereto and supersedes prior negotiations, representations or agreements, either written or oral. If anything in the other Contract Documents, other than a Modification, is inconsistent with this Agreement, this Agreement shall govern. An enumeration of the Contract Documents, other than a Modification, appears in Article 15.

**§ 2.2 Relationship of the Parties**

The Construction Manager accepts the relationship of trust and confidence established by this Agreement and covenants with the Owner to cooperate with the Architect and exercise the Construction Manager's skill and judgment in furthering the interests of the Owner to furnish efficient construction administration, management services, and supervision; to furnish at all times an adequate supply of workers and materials; and to perform the Work in an expeditious and economical manner consistent with the Owner's interests. The Owner agrees to furnish or approve, in a timely manner, information required by the Construction Manager and to make payments to the Construction Manager in accordance with the requirements of the Contract Documents.

**§ 2.3 General Conditions**

**§ 2.3.1** For the Preconstruction Phase, AIA Document A201™–2017, General Conditions of the Contract for Construction, shall apply as follows: Section 1.5, Ownership and Use of Documents; Section 1.7, Digital Data Use and

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Transmission; Section 1.8, Building Information Model Use and Reliance; Section 2.2.4, Confidential Information; Section 3.12.10, Professional Services; Section 10.3, Hazardous Materials; Section 13.1, Governing Law. The term "Contractor" as used in A201–2017 shall mean the Construction Manager.

§ 2.3.2 For the Construction Phase, the general conditions of the contract shall be as set forth in A201–2017, which document is incorporated herein by reference. The term "Contractor" as used in A201–2017 shall mean the Construction Manager.

### **ARTICLE 3 CONSTRUCTION MANAGER'S RESPONSIBILITIES**

The Construction Manager's Preconstruction Phase responsibilities are set forth in Sections 3.1 and 3.2, and in the applicable provisions of A201–2017 referenced in Section 2.3.1. The Construction Manager's Construction Phase responsibilities are set forth in Section 3.3. The Owner and Construction Manager may agree, in consultation with the Architect, for the Construction Phase to commence prior to completion of the Preconstruction Phase, in which case, both phases will proceed concurrently. The Construction Manager shall identify a representative authorized to act on behalf of the Construction Manager with respect to the Project.

#### **§ 3.1 Preconstruction Phase**

##### **§ 3.1.1 Extent of Responsibility**

The Construction Manager shall exercise reasonable care in performing its Preconstruction Services. The Owner and Architect shall be entitled to rely on, and shall not be responsible for, the accuracy, completeness, and timeliness of services and information furnished by the Construction Manager. The Construction Manager, however, does not warrant or guarantee estimates and schedules except as may be included as part of the Guaranteed Maximum Price. The Construction Manager is not required to ascertain that the Drawings and Specifications are in accordance with applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of public authorities, but the Construction Manager shall promptly report to the Architect and Owner any nonconformity discovered by or made known to the Construction Manager as a request for information in such form as the Architect may require.

§ 3.1.2 The Construction Manager shall provide a preliminary evaluation of the Owner's program, schedule and construction budget requirements, each in terms of the other.

##### **§ 3.1.3 Consultation**

§ 3.1.3.1 The Construction Manager shall schedule and conduct meetings with the Architect and Owner to discuss such matters as procedures, progress, coordination, and scheduling of the Work.

§ 3.1.3.2 The Construction Manager shall advise the Owner and Architect on proposed site use and improvements, selection of materials, building systems, and equipment. The Construction Manager shall also provide recommendations to the Owner and Architect, consistent with the Project requirements, on constructability; availability of materials and labor; time requirements for procurement, installation and construction; prefabrication; and factors related to construction cost including, but not limited to, costs of alternative designs or materials, preliminary budgets, life-cycle data, and possible cost reductions. The Construction Manager shall consult with the Architect regarding professional services to be provided by the Construction Manager during the Construction Phase.

§ 3.1.3.3 The Construction Manager shall assist the Owner and Architect in establishing building information modeling and digital data protocols for the Project, using AIA Document E203™–2013, Building Information Modeling and Digital Data Exhibit, to establish the protocols for the development, use, transmission, and exchange of digital data.

##### **§ 3.1.4 Project Schedule**

When Project requirements in Section 4.1.1 have been sufficiently identified, the Construction Manager shall prepare and periodically update a Project schedule for the Architect's review and the Owner's acceptance. The Construction Manager shall obtain the Architect's approval for the portion of the Project schedule relating to the performance of the Architect's services. The Project schedule shall coordinate and integrate the Construction Manager's services, the Architect's services, other Owner consultants' services, and the Owner's responsibilities; and identify items that affect the Project's timely completion. The updated Project schedule shall include the following: submission of the Guaranteed Maximum Price proposal; components of the Work; times of commencement and completion required of each Subcontractor; ordering and delivery of products, including those that must be ordered in advance of construction; and the occupancy requirements of the Owner.



### **§ 3.1.5 Phased Construction**

The Construction Manager, in consultation with the Architect, shall provide recommendations with regard to accelerated or fast-track scheduling, procurement, and sequencing for phased construction. The Construction Manager shall take into consideration cost reductions, cost information, constructability, provisions for temporary facilities, and procurement and construction scheduling issues.

### **§ 3.1.6 Cost Estimates**

**§ 3.1.6.1** Based on the preliminary design and other design criteria prepared by the Architect, the Construction Manager shall prepare, for the Architect's review and the Owner's approval, preliminary estimates of the Cost of the Work or the cost of program requirements using area, volume, or similar conceptual estimating techniques. If the Architect or Construction Manager suggests alternative materials and systems, the Construction Manager shall provide cost evaluations of those alternative materials and systems.

**§ 3.1.6.2** As the Architect progresses with the preparation of the Schematic Design, Design Development and Construction Documents, the Construction Manager shall prepare and update, at appropriate intervals agreed to by the Owner, Construction Manager and Architect, an estimate of the Cost of the Work with increasing detail and refinement. The Construction Manager shall include in the estimate those costs to allow for the further development of the design, price escalation, and market conditions, until such time as the Owner and Construction Manager agree on a Guaranteed Maximum Price for the Work. The estimate shall be provided for the Architect's review and the Owner's approval. The Construction Manager shall inform the Owner and Architect in the event that the estimate of the Cost of the Work exceeds the latest approved Project budget, and make recommendations for corrective action.

**§ 3.1.6.3** If the Architect is providing cost estimating services as a Supplemental Service, and a discrepancy exists between the Construction Manager's cost estimates and the Architect's cost estimates, the Construction Manager and the Architect shall work together to reconcile the cost estimates.

**§ 3.1.7** As the Architect progresses with the preparation of the Schematic Design, Design Development and Construction Documents, the Construction Manager shall consult with the Owner and Architect and make recommendations regarding constructability and schedules, for the Architect's review and the Owner's approval.

**§ 3.1.8** The Construction Manager shall provide recommendations and information to the Owner and Architect regarding equipment, materials, services, and temporary Project facilities.

**§ 3.1.9** The Construction Manager shall provide a staffing plan for Preconstruction Phase services for the Owner's review and approval.

**§ 3.1.10** If the Owner identified a Sustainable Objective in Article 1, the Construction Manager shall fulfill its Preconstruction Phase responsibilities as required in AIA Document E234™-2019, Sustainable Projects Exhibit, Construction Manager as Constructor Edition, attached to this Agreement.

### **§ 3.1.11 Subcontractors and Suppliers**

**§ 3.1.11.1** If the Owner has provided requirements for subcontractor procurement in section 1.1.14, the Construction Manager shall provide a subcontracting plan, addressing the Owner's requirements, for the Owner's review and approval.

**§ 3.1.11.2** The Construction Manager shall develop bidders' interest in the Project.

**§ 3.1.11.3** The processes described in Article 9 shall apply if bid packages will be issued during the Preconstruction Phase.

### **§ 3.1.12 Procurement**

The Construction Manager shall prepare, for the Architect's review and the Owner's acceptance, a procurement schedule for items that must be ordered in advance of construction. The Construction Manager shall expedite and coordinate the ordering and delivery of materials that must be ordered in advance of construction. If the Owner agrees to procure any items prior to the establishment of the Guaranteed Maximum Price, the Owner shall procure the items on terms and conditions acceptable to the Construction Manager. Upon the establishment of the Guaranteed Maximum Price, the Owner shall assign all contracts for these items to the Construction Manager and the Construction Manager shall thereafter accept responsibility for them.

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**§ 3.1.13 Compliance with Laws**

The Construction Manager shall comply with applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities applicable to its performance under this Contract, and with equal employment opportunity programs, and other programs as may be required by governmental and quasi-governmental authorities.

**§ 3.1.14 Other Preconstruction Services**

Insert a description of any other Preconstruction Phase services to be provided by the Construction Manager, or reference an exhibit attached to this document

*(Describe any other Preconstruction Phase services, such as providing cash flow projections, development of a project information management system, early selection or procurement of subcontractors, etc.)*

**§ 3.2 Guaranteed Maximum Price Proposal**

**§ 3.2.1** At a time to be mutually agreed upon by the Owner and the Construction Manager, the Construction Manager shall prepare a Guaranteed Maximum Price proposal for the Owner's and Architect's review, and the Owner's acceptance. The Guaranteed Maximum Price in the proposal shall be the sum of the Construction Manager's estimate of the Cost of the Work, the Construction Manager's contingency described in Section 3.2.4, and the Construction Manager's Fee described in Section 6.1.2.

**§ 3.2.2** To the extent that the Contract Documents are anticipated to require further development, the Guaranteed Maximum Price includes the costs attributable to such further development consistent with the Contract Documents and reasonably inferable therefrom. Such further development does not include changes in scope, systems, kinds and quality of materials, finishes, or equipment, all of which, if required, shall be incorporated by Change Order.

**§ 3.2.3** The Construction Manager shall include with the Guaranteed Maximum Price proposal a written statement of its basis, which shall include the following:

- .1 A list of the Drawings and Specifications, including all Addenda thereto, and the Conditions of the Contract;
- .2 A list of the clarifications and assumptions made by the Construction Manager in the preparation of the Guaranteed Maximum Price proposal, including assumptions under Section 3.2.2;
- .3 A statement of the proposed Guaranteed Maximum Price, including a statement of the estimated Cost of the Work organized by trade categories or systems, including allowances; the Construction Manager's contingency set forth in Section 3.2.4; and the Construction Manager's Fee;
- .4 The anticipated date of Substantial Completion upon which the proposed Guaranteed Maximum Price is based; and
- .5 A date by which the Owner must accept the Guaranteed Maximum Price.

**§ 3.2.4** In preparing the Construction Manager's Guaranteed Maximum Price proposal, the Construction Manager shall include a contingency for the Construction Manager's exclusive use to cover those costs that are included in the Guaranteed Maximum Price but not otherwise allocated to another line item or included in a Change Order.

**§ 3.2.5** The Construction Manager shall meet with the Owner and Architect to review the Guaranteed Maximum Price proposal. In the event that the Owner or Architect discover any inconsistencies or inaccuracies in the information presented, they shall promptly notify the Construction Manager, who shall make appropriate adjustments to the Guaranteed Maximum Price proposal, its basis, or both.

**§ 3.2.6** If the Owner notifies the Construction Manager that the Owner has accepted the Guaranteed Maximum Price proposal in writing before the date specified in the Guaranteed Maximum Price proposal, the Guaranteed Maximum Price proposal shall be deemed effective without further acceptance from the Construction Manager. Following acceptance of a Guaranteed Maximum Price, the Owner and Construction Manager shall execute the Guaranteed Maximum Price Amendment amending this Agreement, a copy of which the Owner shall provide to the Architect. The Guaranteed Maximum Price Amendment shall set forth the agreed upon Guaranteed Maximum Price with the information and assumptions upon which it is based.

§ 3.2.7 The Construction Manager shall not incur any cost to be reimbursed as part of the Cost of the Work prior to the execution of the Guaranteed Maximum Price Amendment, unless the Owner provides prior written authorization for such costs.

§ 3.2.8 The Owner shall authorize preparation of revisions to the Contract Documents that incorporate the agreed-upon assumptions and clarifications contained in the Guaranteed Maximum Price Amendment. The Owner shall promptly furnish such revised Contract Documents to the Construction Manager. The Construction Manager shall notify the Owner and Architect of any inconsistencies between the agreed-upon assumptions and clarifications contained in the Guaranteed Maximum Price Amendment and the revised Contract Documents.

§ 3.2.9 The Construction Manager shall include in the Guaranteed Maximum Price all sales, consumer, use and similar taxes for the Work provided by the Construction Manager that are legally enacted, whether or not yet effective, at the time the Guaranteed Maximum Price Amendment is executed.

### § 3.3 Construction Phase

#### § 3.3.1 General

§ 3.3.1.1 For purposes of Section 8.1.2 of A201–2017, the date of commencement of the Work shall mean the date of commencement of the Construction Phase.

§ 3.3.1.2 The Construction Phase shall commence upon the Owner’s execution of the Guaranteed Maximum Price Amendment or, prior to acceptance of the Guaranteed Maximum Price proposal, by written agreement of the parties. The written agreement shall set forth a description of the Work to be performed by the Construction Manager, and any insurance and bond requirements for Work performed prior to execution of the Guaranteed Maximum Price Amendment.

#### § 3.3.2 Administration

§ 3.3.2.1 The Construction Manager shall schedule and conduct meetings to discuss such matters as procedures, progress, coordination, scheduling, and status of the Work. The Construction Manager shall prepare and promptly distribute minutes of the meetings to the Owner and Architect.

§ 3.3.2.2 Upon the execution of the Guaranteed Maximum Price Amendment, the Construction Manager shall prepare and submit to the Owner and Architect a construction schedule for the Work and a submittal schedule in accordance with Section 3.10 of A201–2017.

§ 3.3.2.3 The Construction Manager shall perform all trade Work through subcontractors; the Construction Manager shall perform no Work itself, except as required to fulfill administrative, supervisory, and general conditions Work (general conditions work defined as labor necessary to facilitate construction of the Work but is not incorporated into the end product, such as house-keeping, temp sheltering, temp shelters, temp barricades, safety measures, snow removal, etc.) as outlined in Article 6 of this agreement, minor scopes of Work falling below competitive bidding requirements, and supplemental Work performed due to a Subcontractor in default. The trade Work to be performed during the construction phase shall be awarded to subcontractors through the Bidding Process. The Owner shall assign its right to contract with subcontractors selected through the Bidding Process to the Construction Manager via an Assignment Letter. The Construction Manager shall issue contracts directly to the Owner-selected subcontractors based on bids received by the Owner and reviewed and recommended to the Owner by the Construction Manager. Construction Manager shall not be required to contract with anyone to whom the Construction Manager has reasonable objections unless Construction Manager and Owner mutually agree to allow Subcontractor to provide a bond to the Construction Manager and Owner allows cost of the Subcontractor bond to be incorporated into the Cost of the Work.

#### § 3.3.2.3 Monthly Report

The Construction Manager shall record the progress of the Project. On a monthly basis, or otherwise as agreed to by the Owner, the Construction Manager shall submit written progress reports to the Owner and Architect, showing percentages of completion and other information required by the Owner.

#### § 3.3.2.4 Daily Logs

The Construction Manager shall keep, and make available to the Owner and Architect, a daily log containing a record for each day of weather, portions of the Work in progress, number of workers on site, identification of equipment on site, problems that might affect progress of the work, accidents, injuries, and other information required by the Owner.

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### § 3.3.2.5 Cost Control

The Construction Manager shall develop a system of cost control for the Work, including regular monitoring of actual costs for activities in progress and estimates for uncompleted tasks and proposed changes. The Construction Manager shall identify variances between actual and estimated costs and report the variances to the Owner and Architect, and shall provide this information in its monthly reports to the Owner and Architect, in accordance with Section 3.3.2.3 above.

## ARTICLE 4 OWNER'S RESPONSIBILITIES

### § 4.1 Information and Services Required of the Owner

§ 4.1.1 The Owner shall provide information with reasonable promptness, regarding requirements for and limitations on the Project, including a written program which shall set forth the Owner's objectives, constraints, and criteria, including schedule, space requirements and relationships, flexibility and expandability, special equipment, systems, sustainability and site requirements.

§ 4.1.2 Prior to the execution of the Guaranteed Maximum Price Amendment, the Construction Manager may request in writing that the Owner provide reasonable evidence that the Owner has made financial arrangements to fulfill the Owner's obligations under the Contract. After execution of the Guaranteed Maximum Price Amendment, the Construction Manager may request such information as set forth in A201-2017 Section 2.2.

§ 4.1.3 The Owner shall establish and periodically update the Owner's budget for the Project, including (1) the budget for the Cost of the Work as defined in Article 7, (2) the Owner's other costs, and (3) reasonable contingencies related to all of these costs. If the Owner significantly increases or decreases the Owner's budget for the Cost of the Work, the Owner shall notify the Construction Manager and Architect. The Owner and the Architect, in consultation with the Construction Manager, shall thereafter agree to a corresponding change in the Project's scope and quality.

§ 4.1.4 **Structural and Environmental Tests, Surveys and Reports.** During the Preconstruction Phase, the Owner shall furnish the following information or services with reasonable promptness. The Owner shall also furnish any other information or services under the Owner's control and relevant to the Construction Manager's performance of the Work with reasonable promptness after receiving the Construction Manager's written request for such information or services. The Construction Manager shall be entitled to rely on the accuracy of information and services furnished by the Owner but shall exercise proper precautions relating to the safe performance of the Work.

§ 4.1.4.1 The Owner shall furnish tests, inspections, and reports, required by law and as otherwise agreed to by the parties, such as structural, mechanical, and chemical tests, tests for air and water pollution, and tests for hazardous materials.

§ 4.1.4.2 The Owner shall furnish surveys describing physical characteristics, legal limitations and utility locations for the site of the Project, and a written legal description of the site. The surveys and legal information shall include, as applicable, grades and lines of streets, alleys, pavements and adjoining property and structures; designated wetlands; adjacent drainage; rights-of-way, restrictions, easements, encroachments, zoning, deed restrictions, boundaries and contours of the site; locations, dimensions and other necessary data with respect to existing buildings, other improvements and trees; and information concerning available utility services and lines, both public and private, above and below grade, including inverts and depths. All the information on the survey shall be referenced to a Project benchmark.

§ 4.1.4.3 The Owner, when such services are requested, shall furnish services of geotechnical engineers, which may include test borings, test pits, determinations of soil bearing values, percolation tests, evaluations of hazardous materials, seismic evaluation, ground corrosion tests and resistivity tests, including necessary operations for anticipating subsoil conditions, with written reports and appropriate recommendations.

§ 4.1.5 During the Construction Phase, the Owner shall furnish information or services required of the Owner by the Contract Documents with reasonable promptness. The Owner shall also furnish any other information or services under the Owner's control and relevant to the Construction Manager's performance of the Work with reasonable promptness after receiving the Construction Manager's written request for such information or services.

§ 4.1.6 If the Owner identified a Sustainable Objective in Article 1, the Owner shall fulfill its responsibilities as required in AIA Document E234™-2019, Sustainable Projects Exhibit, Construction Manager as Constructor Edition, attached to this Agreement.

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**§ 4.2 Owner's Designated Representative**

The Owner shall identify a representative authorized to act on behalf of the Owner with respect to the Project. The Owner's representative shall render decisions promptly and furnish information expeditiously, so as to avoid unreasonable delay in the services or Work of the Construction Manager. Except as otherwise provided in Section 4.2.1 of A201-2017, the Architect does not have such authority. The term "Owner" means the Owner or the Owner's authorized representative.

**§ 4.2.1 Legal Requirements.** The Owner shall furnish all legal, insurance and accounting services, including auditing services, that may be reasonably necessary at any time for the Project to meet the Owner's needs and interests.

**§ 4.3 Architect**

The Owner shall retain an Architect to provide services, duties and responsibilities as described in AIA Document B133™-2019, Standard Form of Agreement Between Owner and Architect, Construction Manager as Constructor Edition, including any additional services requested by the Construction Manager that are necessary for the Preconstruction and Construction Phase services under this Agreement. The Owner shall provide the Construction Manager with a copy of the scope of services in the executed agreement between the Owner and the Architect, and any further modifications to the Architect's scope of services in the agreement.

**ARTICLE 5 COMPENSATION AND PAYMENTS FOR PRECONSTRUCTION PHASE SERVICES**

**§ 5.1 Compensation**

**§ 5.1.1** For the Construction Manager's Preconstruction Phase services described in Sections 3.1 and 3.2, the Owner shall compensate the Construction Manager as follows:

*(Insert amount of, or basis for, compensation and include a list of reimbursable cost items, as applicable.)*

Compensation for labor to be per hourly rates and cost plus 10% for any reimbursable cost items.

**§ 5.1.2** The hourly billing rates for Preconstruction Phase services of the Construction Manager and the Construction Manager's Consultants and Subcontractors, if any, are set forth below.

*(If applicable, attach an exhibit of hourly billing rates or insert them below.)*

Individual or Position	Rate
Architect	\$120 per hour
Project Designer	\$90 per hour
Drafter	\$70 per hour
Estimating	\$82 per hour
Project Manager	\$95 per hour

**§ 5.1.2.1** Hourly billing rates for Preconstruction Phase services include all costs to be paid or incurred by the Construction Manager, as required by law or collective bargaining agreements, for taxes, insurance, contributions, assessments and benefits and, for personnel not covered by collective bargaining agreements, customary benefits such as sick leave, medical and health benefits, holidays, vacations and pensions, and shall remain unchanged unless the parties execute a Modification.

**§ 5.1.3** If the Preconstruction Phase services covered by this Agreement have not been completed within twelve ( 12 ) months of the date of this Agreement, through no fault of the Construction Manager, the Construction Manager's compensation for Preconstruction Phase services shall be equitably adjusted.

**§ 5.2 Payments**

**§ 5.2.1** Unless otherwise agreed, payments for services shall be made monthly in proportion to services performed.

**§ 5.2.2** Payments are due and payable upon presentation of the Construction Manager's invoice. Amounts unpaid thirty ( 30 ) days after the invoice date shall bear interest at the rate entered below, or in the absence thereof at the legal rate prevailing from time to time at the principal place of business of the Construction Manager.

*(Insert rate of monthly or annual interest agreed upon.)*

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One % Monthly

## ARTICLE 6 COMPENSATION FOR CONSTRUCTION PHASE SERVICES

### § 6.1 Contract Sum

§ 6.1.1 The Owner shall pay the Construction Manager the Contract Sum in current funds for the Construction Manager's performance of the Contract after execution of the Guaranteed Maximum Price Amendment. The Contract Sum is the Cost of the Work as defined in Article 7 plus the Construction Manager's Fee.

§ 6.1.2 The Construction Manager's Fee:

*(State a lump sum, percentage of Cost of the Work or other provision for determining the Construction Manager's Fee.)*

10% of Cost of the Work

§ 6.1.3 The method of adjustment of the Construction Manager's Fee for changes in the Work:

10% of Cost of Work

§ 6.1.4 Limitations, if any, on a Subcontractor's overhead and profit for increases in the cost of its portion of the Work:

§ 6.1.5 Rental rates for Construction Manager-owned equipment shall not exceed One Hundred percent ( 100 %) of the standard rental rate paid at the place of the Project.

*(Paragraphs deleted)*

§ 6.1.7 Other:

*(Insert provisions for bonus, cost savings or other incentives, if any, that might result in a change to the Contract Sum.)*

### § 6.2 Guaranteed Maximum Price

The Construction Manager guarantees that the Contract Sum shall not exceed the Guaranteed Maximum Price set forth in the Guaranteed Maximum Price Amendment, subject to additions and deductions by Change Order as provided in the Contract Documents. Costs which would cause the Guaranteed Maximum Price to be exceeded shall be paid by the Construction Manager without reimbursement by the Owner.

### § 6.3 Changes in the Work

§ 6.3.1 The Owner may, without invalidating the Contract, order changes in the Work within the general scope of the Contract consisting of additions, deletions or other revisions. The Owner shall issue such changes in writing. The Construction Manager may be entitled to an equitable adjustment in the Contract Time as a result of changes in the Work.

§ 6.3.1.1 The Architect may order minor changes in the Work as provided in Article 7 of AIA Document A201–2017, General Conditions of the Contract for Construction.

§ 6.3.2 Adjustments to the Guaranteed Maximum Price on account of changes in the Work subsequent to the execution of the Guaranteed Maximum Price Amendment may be determined by any of the methods listed in Article 7 of AIA Document A201–2017, General Conditions of the Contract for Construction.

§ 6.3.3 Adjustments to subcontracts awarded on the basis of a stipulated sum shall be determined in accordance with Article 7 of A201–2017, as they refer to "cost" and "fee," and not by Articles 6 and 7 of this Agreement. Adjustments to subcontracts awarded with the Owner's prior written consent on the basis of cost plus a fee shall be calculated in accordance with the terms of those subcontracts.

§ 6.3.4 In calculating adjustments to the Guaranteed Maximum Price, the terms "cost" and "costs" as used in Article 7 of AIA Document A201–2017 shall mean the Cost of the Work as defined in Article 7 of this Agreement and the term "fee" shall mean the Construction Manager's Fee as defined in Section 6.1.2 of this Agreement.

§ 6.3.5 If no specific provision is made in Section 6.1.3 for adjustment of the Construction Manager's Fee in the case of changes in the Work, or if the extent of such changes is such, in the aggregate, that application of the adjustment provisions of Section 6.1.3 will cause substantial inequity to the Owner or Construction Manager, the Construction Manager's Fee shall be equitably adjusted on the same basis that was used to establish the Fee for the original Work, and the Guaranteed Maximum Price shall be adjusted accordingly.

## ARTICLE 7 COST OF THE WORK FOR CONSTRUCTION PHASE

### § 7.1 Costs to Be Reimbursed

§ 7.1.1 The term Cost of the Work shall mean costs necessarily incurred by the Construction Manager in the proper performance of the Work. The Cost of the Work shall include only the items set forth in Sections 7.1 through 7.7.

§ 7.1.2 Where, pursuant to the Contract Documents, any cost is subject to the Owner's prior approval, the Construction Manager shall obtain such approval in writing prior to incurring the cost.

§ 7.1.3 Costs shall be at rates not higher than the standard rates paid at the place of the Project, except with prior approval of the Owner.

### § 7.2 Labor Costs

§ 7.2.1 Wages or salaries of construction workers directly employed by the Construction Manager to perform the construction of the Work at the site or, with the Owner's prior approval, at off-site workshops.

§ 7.2.2 Wages or salaries of the Construction Manager's supervisory and administrative personnel when stationed at the site and performing Work.

§ 7.2.2.1 Wages or salaries of the Construction Manager's supervisory and administrative personnel when performing Work and stationed at a location other than the site, but only for that portion of time required for the *(Paragraphs deleted)* Work.

§ 7.2.3 Wages and salaries of the Construction Manager's supervisory or administrative personnel engaged at factories, workshops or while traveling, in expediting the production or transportation of materials or equipment required for the Work, but only for that portion of their time required for the Work.

§ 7.2.4 Costs paid or incurred by the Construction Manager, as required by law or collective bargaining agreements, for taxes, insurance, contributions, assessments and benefits and, for personnel not covered by collective bargaining agreements, customary benefits such as sick leave, medical and health benefits, holidays, vacations and pensions, provided such costs are based on wages and salaries included in the Cost of the Work under Sections 7.2.1 through 7.2.3.

§ 7.2.5 If agreed rates for labor costs, in lieu of actual costs, are provided in this Agreement, the rates shall remain unchanged throughout the duration of this Agreement, unless the parties execute a Modification.

### § 7.3 Subcontract Costs

Payments made by the Construction Manager to Subcontractors in accordance with the requirements of the subcontracts and this Agreement.

### § 7.4 Costs of Materials and Equipment Incorporated in the Completed Construction

§ 7.4.1 Costs, including transportation and storage at the site, of materials and equipment incorporated, or to be incorporated, in the completed construction.

§ 7.4.2 Costs of materials described in the preceding Section 7.4.1 in excess of those actually installed to allow for reasonable waste and spoilage. Unused excess materials, if any, shall become the Owner's property at the completion of the Work or, at the Owner's option, shall be sold by the Construction Manager. Any amounts realized from such sales shall be credited to the Owner as a deduction from the Cost of the Work.

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**§ 7.5 Costs of Other Materials and Equipment, Temporary Facilities and Related Items**

**§ 7.5.1** Costs of transportation, storage, installation, dismantling, maintenance, and removal of materials, supplies, temporary facilities, machinery, equipment and hand tools not customarily owned by construction workers that are provided by the Construction Manager at the site and fully consumed in the performance of the Work. Costs of materials, supplies, temporary facilities, machinery, equipment, and tools, that are not fully consumed, shall be based on the cost or value of the item at the time it is first used on the Project site less the value of the item when it is no longer used at the Project site. Costs for items not fully consumed by the Construction Manager shall mean fair market value.

**§ 7.5.2** Rental charges for temporary facilities, machinery, equipment, and hand tools not customarily owned by construction workers that are provided by the Construction Manager at the site, and the costs of transportation, installation, dismantling, minor repairs, and removal of such temporary facilities, machinery, equipment, and hand tools. Rates and quantities of equipment owned by the Construction Manager, or a related party as defined in Section 7.8, shall be subject to the Owner's prior approval. The total rental cost of any such equipment may not exceed the purchase price of any comparable item.

**§ 7.5.3** Costs of removal of debris from the site of the Work and its proper and legal disposal.

**§ 7.5.4** Costs of the Construction Manager's site office, including general office equipment and supplies.

**§ 7.5.5** Costs of materials and equipment suitably stored off the site at a mutually acceptable location, subject to the Owner's prior approval.

**§ 7.6 Miscellaneous Costs**

**§ 7.6.1** Premiums for that portion of insurance and bonds required by the Contract Documents that can be directly attributed to this Contract.

**§ 7.6.1.1** Costs for self-insurance, for either full or partial amounts of the coverages required by the Contract Documents, with the Owner's prior approval.

**§ 7.6.1.2** Costs for insurance through a captive insurer owned or controlled by the Construction Manager, with the Owner's prior approval.

**§ 7.6.2** Sales, use, or similar taxes, imposed by a governmental authority, that are related to the Work and for which the Construction Manager is liable.

**§ 7.6.3** Fees and assessments for the building permit, and for other permits, licenses, and inspections, for which the Construction Manager is required by the Contract Documents to pay.

**§ 7.6.4** Fees of laboratories for tests required by the Contract Documents; except those related to defective or nonconforming Work for which reimbursement is excluded under Article 13 of AIA Document A201-2017 or by other provisions of the Contract Documents, and which do not fall within the scope of Section 7.7.3.

**§ 7.6.5** Royalties and license fees paid for the use of a particular design, process, or product, required by the Contract Documents.

**§ 7.6.5.1** The cost of defending suits or claims for infringement of patent rights arising from requirements of the Contract Documents, payments made in accordance with legal judgments against the Construction Manager resulting from such suits or claims, and payments of settlements made with the Owner's consent, unless the Construction Manager had reason to believe that the required design, process, or product was an infringement of a copyright or a patent, and the Construction Manager failed to promptly furnish such information to the Architect as required by Article 3 of AIA Document A201-2017. The costs of legal defenses, judgments, and settlements shall not be included in the Cost of the Work used to calculate the Construction Manager's Fee or subject to the Guaranteed Maximum Price.

**§ 7.6.6** Costs for communications services, electronic equipment, and software, directly related to the Work and located at the site, with the Owner's prior approval.



§ 7.6.7 Costs of document reproductions and delivery charges.

§ 7.6.8 Deposits lost for causes other than the Construction Manager's negligence or failure to fulfill a specific responsibility in the Contract Documents.

§ 7.6.9 Legal, mediation and arbitration costs, including attorneys' fees, other than those arising from disputes between the Owner and Construction Manager, reasonably incurred by the Construction Manager after the execution of this Agreement in the performance of the Work and with the Owner's prior approval, which shall not be unreasonably withheld.

§ 7.6.10 Expenses incurred in accordance with the Construction Manager's standard written personnel policy for relocation and temporary living allowances of the Construction Manager's personnel required for the Work, with the Owner's prior approval.

§ 7.6.11 That portion of the reasonable expenses of the Construction Manager's supervisory or administrative personnel incurred while traveling in discharge of duties connected with the Work.

### § 7.7 Other Costs and Emergencies

§ 7.7.1 Other costs incurred in the performance of the Work, with the Owner's prior approval.

§ 7.7.2 Costs incurred in taking action to prevent threatened damage, injury, or loss, in case of an emergency affecting the safety of persons and property, as provided in Article 10 of AIA Document A201–2017.

§ 7.7.3 Costs of repairing or correcting damaged or nonconforming Work executed by the Construction Manager, Subcontractors, or suppliers, provided that such damaged or nonconforming Work was not caused by the negligence of, or failure to fulfill a specific responsibility by, the Construction Manager, and only to the extent that the cost of repair or correction is not recovered by the Construction Manager from insurance, sureties, Subcontractors, suppliers, or others.

§ 7.7.4 The costs described in Sections 7.1 through 7.7 shall be included in the Cost of the Work, notwithstanding any provision of AIA Document A201–2017 or other Conditions of the Contract which may require the Construction Manager to pay such costs, unless such costs are excluded by the provisions of Section 7.9.

### § 7.8 Related Party Transactions

§ 7.8.1 For purposes of this Section 7.8, the term "related party" shall mean (1) a parent, subsidiary, affiliate, or other entity having common ownership of, or sharing common management with, the Construction Manager; (2) any entity in which any stockholder in, or management employee of, the Construction Manager holds an equity interest in excess of ten percent in the aggregate; (3) any entity which has the right to control the business or affairs of the Construction Manager; or (4) any person, or any member of the immediate family of any person, who has the right to control the business or affairs of the Construction Manager.

§ 7.8.2 If any of the costs to be reimbursed arise from a transaction between the Construction Manager and a related party, the Construction Manager shall notify the Owner of the specific nature of the contemplated transaction, including the identity of the related party and the anticipated cost to be incurred, before any such transaction is consummated or cost incurred. If the Owner, after such notification, authorizes the proposed transaction in writing, then the cost incurred shall be included as a cost to be reimbursed, and the Construction Manager shall procure the Work, equipment, goods, or service, from the related party, as a Subcontractor, according to the terms of Article 9. If the Owner fails to authorize the transaction in writing, the Construction Manager shall procure the Work, equipment, goods, or service from some person or entity other than a related party according to the terms of Article 9.

### § 7.9 Costs Not To Be Reimbursed

§ 7.9.1 The Cost of the Work shall not include the items listed below:

- .1 Salaries and other compensation of the Construction Manager's personnel stationed at the Construction Manager's principal office or offices other than the site office, except as specifically provided in Section 7.2, or as may be provided in Article 14;
- .2 Bonuses, profit sharing, incentive compensation, and any other discretionary payments, paid to anyone hired by the Construction Manager or paid to any Subcontractor or vendor, unless the Owner has provided prior approval;
- .3 Expenses of the Construction Manager's principal office and offices other than the site office;

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- .4 Overhead and general expenses, except as may be expressly included in Sections 7.1 to 7.7;
- .5 The Construction Manager's capital expenses, including interest on the Construction Manager's capital employed for the Work;
- .6 Except as provided in Section 7.7.3 of this Agreement, costs due to the negligence of, or failure to fulfill a specific responsibility of the Contract by, the Construction Manager, Subcontractors, and suppliers, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable;
- .7 Any cost not specifically and expressly described in Sections 7.1 to 7.7;
- .8 Costs, other than costs included in Change Orders approved by the Owner, that would cause the Guaranteed Maximum Price to be exceeded; and
- .9 Costs for services incurred during the Preconstruction Phase.

#### **ARTICLE 8 DISCOUNTS, REBATES, AND REFUNDS**

§ 8.1 Cash discounts obtained on payments made by the Construction Manager shall accrue to the Owner if (1) before making the payment, the Construction Manager included the amount to be paid, less such discount, in an Application for Payment and received payment from the Owner, or (2) the Owner has deposited funds with the Construction Manager with which to make payments; otherwise, cash discounts shall accrue to the Construction Manager. Trade discounts, rebates, refunds, and amounts received from sales of surplus materials and equipment shall accrue to the Owner, and the Construction Manager shall make provisions so that they can be obtained.

§ 8.2 Amounts that accrue to the Owner in accordance with the provisions of Section 8.1 shall be credited to the Owner as a deduction from the Cost of the Work.

#### **ARTICLE 9 SUBCONTRACTS AND OTHER AGREEMENTS**

§ 9.1 Those portions of the Work that the Construction Manager does not customarily perform with the Construction Manager's own personnel shall be performed under subcontracts or other appropriate agreements with the Construction Manager. The Owner may designate specific persons from whom, or entities from which, the Construction Manager shall obtain bids. The Construction Manager shall obtain bids from Subcontractors, and from suppliers of materials or equipment fabricated especially for the Work, who are qualified to perform that portion of the Work in accordance with the requirements of the Contract Documents. The Construction Manager shall deliver such bids to the Architect and Owner with an indication as to which bids the Construction Manager intends to accept. The Owner then has the right to review the Construction Manager's list of proposed subcontractors and suppliers in consultation with the Architect and, subject to Section 9.1.1, to object to any subcontractor or supplier. Any advice of the Architect, or approval or objection by the Owner, shall not relieve the Construction Manager of its responsibility to perform the Work in accordance with the Contract Documents. The Construction Manager shall not be required to contract with anyone to whom the Construction Manager has reasonable objection.

§ 9.1.1 When a specific subcontractor or supplier (1) is recommended to the Owner by the Construction Manager; (2) is qualified to perform that portion of the Work; and (3) has submitted a bid that conforms to the requirements of the Contract Documents without reservations or exceptions, but the Owner requires that another bid be accepted, then the Construction Manager may require that a Change Order be issued to adjust the Guaranteed Maximum Price by the difference between the bid of the person or entity recommended to the Owner by the Construction Manager and the amount of the subcontract or other agreement actually signed with the person or entity designated by the Owner.

§ 9.2 Subcontracts or other agreements shall conform to the applicable payment provisions of this Agreement, and shall not be awarded on the basis of cost plus a fee without the Owner's prior written approval. If a subcontract is awarded on the basis of cost plus a fee, the Construction Manager shall provide in the subcontract for the Owner to receive the same audit rights with regard to the Subcontractor as the Owner receives with regard to the Construction Manager in Article 10.

#### **ARTICLE 10 ACCOUNTING RECORDS**

The Construction Manager shall keep full and detailed records and accounts related to the Cost of the Work, and exercise such controls, as may be necessary for proper financial management under this Contract and to substantiate all costs incurred. The accounting and control systems shall be satisfactory to the Owner. The Owner and the Owner's auditors shall, during regular business hours and upon reasonable notice, be afforded access to, and shall be permitted to audit and copy, the Construction Manager's records and accounts, including complete documentation supporting accounting entries, books, job cost reports, correspondence, instructions, drawings, receipts, subcontracts, Subcontractor's proposals, Subcontractor's invoices, purchase orders, vouchers, memoranda, and other data relating to this Contract. The

Construction Manager shall preserve these records for a period of three years after final payment, or for such longer period as may be required by law.

## **ARTICLE 11 PAYMENTS FOR CONSTRUCTION PHASE SERVICES**

### **§ 11.1 Progress Payments**

**§ 11.1.1** Based upon Applications for Payment submitted to the Architect by the Construction Manager, and Certificates for Payment issued by the Architect, the Owner shall make progress payments on account of the Contract Sum, to the Construction Manager, as provided below and elsewhere in the Contract Documents.

**§ 11.1.2** The period covered by each Application for Payment shall be one calendar month ending on the last day of the month, or as follows:

**§ 11.1.3** Provided that an Application for Payment is received by the Architect not later than the 1st day of a month, the Owner shall make payment of the amount certified to the Construction Manager not later than the 30th day of the same month. If an Application for Payment is received by the Architect after the application date fixed above, payment of the amount certified shall be made by the Owner not later than thirty ( 30 ) days after the Architect receives the Application for Payment.

*(Federal, state or local laws may require payment within a certain period of time.)*

**§ 11.1.4** With each Application for Payment, the Construction Manager shall submit payrolls, petty cash accounts, receipted invoices or invoices with check vouchers attached, and any other evidence required by the Owner or Architect to demonstrate that payments already made by the Construction Manager on account of the Cost of the Work equal or exceed progress payments already received by the Construction Manager, plus payrolls for the period covered by the present Application for Payment, less that portion of the progress payments attributable to the Construction Manager's Fee.

**§ 11.1.5** Each Application for Payment shall be based on the most recent schedule of values submitted by the Construction Manager in accordance with the Contract Documents. The schedule of values shall allocate the entire Guaranteed Maximum Price among: (1) the various portions of the Work; (2) any contingency for costs that are included in the Guaranteed Maximum Price but not otherwise allocated to another line item or included in a Change Order; and (3) the Construction Manager's Fee.

**§ 11.1.5.1** The schedule of values shall be prepared in such form and supported by such data to substantiate its accuracy as the Architect may require. The schedule of values shall be used as a basis for reviewing the Construction Manager's Applications for Payment.

**§ 11.1.5.2** The allocation of the Guaranteed Maximum Price under this Section 11.1.5 shall not constitute a separate guaranteed maximum price for the Cost of the Work of each individual line item in the schedule of values.

**§ 11.1.5.3** When the Construction Manager allocates costs from a contingency to another line item in the schedule of values, the Construction Manager shall submit supporting documentation to the Architect.

**§ 11.1.6** Applications for Payment shall show the percentage of completion of each portion of the Work as of the end of the period covered by the Application for Payment. The percentage of completion shall be the lesser of (1) the percentage of that portion of the Work which has actually been completed, or (2) the percentage obtained by dividing (a) the expense that has actually been incurred by the Construction Manager on account of that portion of the Work and for which the Construction Manager has made payment or intends to make payment prior to the next Application for Payment, by (b) the share of the Guaranteed Maximum Price allocated to that portion of the Work in the schedule of values.

**§ 11.1.7** In accordance with AIA Document A201–2017 and subject to other provisions of the Contract Documents, the amount of each progress payment shall be computed as follows:

**§ 11.1.7.1** The amount of each progress payment shall first include:

- .1 That portion of the Guaranteed Maximum Price properly allocable to completed Work as determined by multiplying the percentage of completion of each portion of the Work by the share of the Guaranteed Maximum Price allocated to that portion of the Work in the most recent schedule of values;

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- .2 That portion of the Guaranteed Maximum Price properly allocable to materials and equipment delivered and suitably stored at the site for subsequent incorporation in the completed construction or, if approved in writing in advance by the Owner, suitably stored off the site at a location agreed upon in writing;
- .3 That portion of Construction Change Directives that the Architect determines, in the Architect's professional judgment, to be reasonably justified; and
- .4 The Construction Manager's Fee, computed upon the Cost of the Work described in the preceding Sections 11.1.7.1.1 and 11.1.7.1.2 at the rate stated in Section 6.1.2 or, if the Construction Manager's Fee is stated as a fixed sum in that Section, an amount that bears the same ratio to that fixed-sum fee as the Cost of the Work included in Sections 11.1.7.1.1 and 11.1.7.1.2 bears to a reasonable estimate of the probable Cost of the Work upon its completion.

§ 11.1.7.2 The amount of each progress payment shall then be reduced by:

- .1 The aggregate of any amounts previously paid by the Owner;
- .2 The amount, if any, for Work that remains uncorrected and for which the Architect has previously withheld a Certificate for Payment as provided in Article 9 of AIA Document A201–2017;
- .3 Any amount for which the Construction Manager does not intend to pay a Subcontractor or material supplier, unless the Work has been performed by others the Construction Manager intends to pay;
- .4 For Work performed or defects discovered since the last payment application, any amount for which the Architect may withhold payment, or nullify a Certificate of Payment in whole or in part, as provided in Article 9 of AIA Document A201–2017;
- .5 The shortfall, if any, indicated by the Construction Manager in the documentation required by Section 11.1.4 to substantiate prior Applications for Payment, or resulting from errors subsequently discovered by the Owner's auditors in such documentation; and
- .6 Retainage withheld pursuant to Section 11.1.8.

#### § 11.1.8 Retainage

§ 11.1.8.1 For each progress payment made prior to Substantial Completion of the Work, the Owner may withhold the following amount, as retainage, from the payment otherwise due:

*(Insert a percentage or amount to be withheld as retainage from each Application for Payment. The amount of retainage may be limited by governing law.)*

5%

§ 11.1.8.1.1 The following items are not subject to retainage:

*(Insert any items not subject to the withholding of retainage, such as general conditions, insurance, etc.)*

General conditions, insurance, and material only subcontracts or purchase orders

§ 11.1.8.2 Reduction or limitation of retainage, if any, shall be as follows:

*(If the retainage established in Section 11.1.8.1 is to be modified prior to Substantial Completion of the entire Work, insert provisions for such modification.)*

§ 11.1.8.3 Except as set forth in this Section 11.1.8.3, upon Substantial Completion of the Work, the Construction Manager may submit an Application for Payment that includes the retainage withheld from prior Applications for Payment pursuant to this Section 11.1.8. The Application for Payment submitted at Substantial Completion shall not include retainage as follows:

*(Insert any other conditions for release of retainage, such as upon completion of the Owner's audit and reconciliation, upon Substantial Completion.)*

§ 11.1.9 If final completion of the Work is materially delayed through no fault of the Construction Manager, the Owner shall pay the Construction Manager any additional amounts in accordance with Article 9 of AIA Document A201–2017.

§ 11.1.10 Except with the Owner's prior written approval, the Construction Manager shall not make advance payments to suppliers for materials or equipment which have not been delivered and suitably stored at the site.

§ 11.1.11 The Owner and the Construction Manager shall agree upon a mutually acceptable procedure for review and approval of payments to Subcontractors, and the percentage of retainage held on Subcontracts, and the Construction Manager shall execute subcontracts in accordance with those agreements.

§ 11.1.12 In taking action on the Construction Manager's Applications for Payment the Architect shall be entitled to rely on the accuracy and completeness of the information furnished by the Construction Manager, and such action shall not be deemed to be a representation that (1) the Architect has made a detailed examination, audit, or arithmetic verification, of the documentation submitted in accordance with Section 11.1.4 or other supporting data; (2) that the Architect has made exhaustive or continuous on-site inspections; or (3) that the Architect has made examinations to ascertain how or for what purposes the Construction Manager has used amounts previously paid on account of the Contract. Such examinations, audits, and verifications, if required by the Owner, will be performed by the Owner's auditors acting in the sole interest of the Owner.

## § 11.2 Final Payment

§ 11.2.1 Final payment, constituting the entire unpaid balance of the Contract Sum, shall be made by the Owner to the Construction Manager when

- .1 the Construction Manager has fully performed the Contract, except for the Construction Manager's responsibility to correct Work as provided in Article 12 of AIA Document A201–2017, and to satisfy other requirements, if any, which extend beyond final payment;
- .2 the Construction Manager has submitted a final accounting for the Cost of the Work and a final Application for Payment; and
- .3 a final Certificate for Payment has been issued by the Architect in accordance with Section 11.2.2.2.

§ 11.2.2 Within 30 days of the Owner's receipt of the Construction Manager's final accounting for the Cost of the Work, the Owner shall conduct an audit of the Cost of the Work or notify the Architect that it will not conduct an audit.

§ 11.2.2.1 If the Owner conducts an audit of the Cost of the Work, the Owner shall, within 10 days after completion of the audit, submit a written report based upon the auditors' findings to the Architect.

§ 11.2.2.2 Within seven days after receipt of the written report described in Section 11.2.2.1, or receipt of notice that the Owner will not conduct an audit, and provided that the other conditions of Section 11.2.1 have been met, the Architect will either issue to the Owner a final Certificate for Payment with a copy to the Construction Manager, or notify the Construction Manager and Owner in writing of the Architect's reasons for withholding a certificate as provided in Article 9 of AIA Document A201–2017. The time periods stated in this Section 11.2.2 supersede those stated in Article 9 of AIA Document A201–2017. The Architect is not responsible for verifying the accuracy of the Construction Manager's final accounting.

§ 11.2.2.3 If the Owner's auditors' report concludes that the Cost of the Work, as substantiated by the Construction Manager's final accounting, is less than claimed by the Construction Manager, the Construction Manager shall be entitled to request mediation of the disputed amount without seeking an initial decision pursuant to Article 15 of AIA Document A201–2017. A request for mediation shall be made by the Construction Manager within 30 days after the Construction Manager's receipt of a copy of the Architect's final Certificate for Payment. Failure to request mediation within this 30-day period shall result in the substantiated amount reported by the Owner's auditors becoming binding on the Construction Manager. Pending a final resolution of the disputed amount, the Owner shall pay the Construction Manager the amount certified in the Architect's final Certificate for Payment.

§ 11.2.3 The Owner's final payment to the Construction Manager shall be made no later than 30 days after the issuance of the Architect's final Certificate for Payment, or as follows:

§ 11.2.4 If, subsequent to final payment, and at the Owner's request, the Construction Manager incurs costs, described in Sections 7.1 through 7.7, and not excluded by Section 7.9, to correct defective or nonconforming Work, the Owner shall reimburse the Construction Manager for such costs, and the Construction Manager's Fee applicable thereto, on the same

Init.

basis as if such costs had been incurred prior to final payment, but not in excess of the Guaranteed Maximum Price. If adjustments to the Contract Sum are provided for in Section 6.1.7, the amount of those adjustments shall be recalculated, taking into account any reimbursements made pursuant to this Section 11.2.4 in determining the net amount to be paid by the Owner to the Construction Manager.

**§ 11.3 Interest**

Payments due and unpaid under the Contract shall bear interest from the date payment is due at the rate stated below, or in the absence thereof, at the legal rate prevailing from time to time at the place where the Project is located.  
*(Insert rate of interest agreed upon, if any.)*

One % Monthly

**ARTICLE 12 DISPUTE RESOLUTION**

**§ 12.1 Initial Decision Maker**

**§ 12.1.1** Any Claim between the Owner and Construction Manager shall be resolved in accordance with the provisions set forth in this Article 12 and Article 15 of A201–2017. However, for Claims arising from or relating to the Construction Manager’s Preconstruction Phase services, no decision by the Initial Decision Maker shall be required as a condition precedent to mediation or binding dispute resolution, and Section 12.1.2 of this Agreement shall not apply.

**§ 12.1.2** The Architect will serve as the Initial Decision Maker pursuant to Article 15 of AIA Document A201–2017 for Claims arising from or relating to the Construction Manager’s Construction Phase services, unless the parties appoint below another individual, not a party to the Agreement, to serve as the Initial Decision Maker.  
*(If the parties mutually agree, insert the name, address and other contact information of the Initial Decision Maker, if other than the Architect.)*

**§ 12.2 Binding Dispute Resolution**

For any Claim subject to, but not resolved by mediation pursuant to Article 15 of AIA Document A201–2017, the method of binding dispute resolution shall be as follows:  
*(Check the appropriate box.)*

- Arbitration pursuant to Article 15 of AIA Document A201–2017
- Litigation in a court of competent jurisdiction
- Other: *(Specify)*

If the Owner and Construction Manager do not select a method of binding dispute resolution, or do not subsequently agree in writing to a binding dispute resolution method other than litigation, Claims will be resolved by litigation in a court of competent jurisdiction.

**ARTICLE 13 TERMINATION OR SUSPENSION**

**§ 13.1 Termination Prior to Execution of the Guaranteed Maximum Price Amendment**

**§ 13.1.1** If the Owner and the Construction Manager do not reach an agreement on the Guaranteed Maximum Price, the Owner may terminate this Agreement upon not less than seven days’ written notice to the Construction Manager, and the Construction Manager may terminate this Agreement, upon not less than seven days’ written notice to the Owner.

**§ 13.1.2** In the event of termination of this Agreement pursuant to Section 13.1.1, the Construction Manager shall be compensated for Preconstruction Phase services and Work performed prior to receipt of a notice of termination, in accordance with the terms of this Agreement. In no event shall the Construction Manager’s compensation under this Section exceed the compensation set forth in Section 5.1.

**§ 13.1.3** Prior to the execution of the Guaranteed Maximum Price Amendment, the Owner may terminate this Agreement upon not less than seven days' written notice to the Construction Manager for the Owner's convenience and without cause, and the Construction Manager may terminate this Agreement, upon not less than seven days' written notice to the Owner, for the reasons set forth in Article 14 of A201–2017.

**§ 13.1.4** In the event of termination of this Agreement pursuant to Section 13.1.3, the Construction Manager shall be equitably compensated for Preconstruction Phase services and Work performed prior to receipt of a notice of termination. In no event shall the Construction Manager's compensation under this Section exceed the compensation set forth in Section 5.1.

**§ 13.1.5** If the Owner terminates the Contract pursuant to Section 13.1.3 after the commencement of the Construction Phase but prior to the execution of the Guaranteed Maximum Price Amendment, the Owner shall pay to the Construction Manager an amount calculated as follows, which amount shall be in addition to any compensation paid to the Construction Manager under Section 13.1.4:

- .1 Take the Cost of the Work incurred by the Construction Manager to the date of termination;
- .2 Add the Construction Manager's Fee computed upon the Cost of the Work to the date of termination at the rate stated in Section 6.1 or, if the Construction Manager's Fee is stated as a fixed sum in that Section, an amount that bears the same ratio to that fixed-sum Fee as the Cost of the Work at the time of termination bears to a reasonable estimate of the probable Cost of the Work upon its completion; and
- .3 Subtract the aggregate of previous payments made by the Owner for Construction Phase services.

**§ 13.1.6** The Owner shall also pay the Construction Manager fair compensation, either by purchase or rental at the election of the Owner, for any equipment owned by the Construction Manager that the Owner elects to retain and that is not otherwise included in the Cost of the Work under Section 13.1.5.1. To the extent that the Owner elects to take legal assignment of subcontracts and purchase orders (including rental agreements), the Construction Manager shall, as a condition of receiving the payments referred to in this Article 13, execute and deliver all such papers and take all such steps, including the legal assignment of such subcontracts and other contractual rights of the Construction Manager, as the Owner may require for the purpose of fully vesting in the Owner the rights and benefits of the Construction Manager under such subcontracts or purchase orders. All Subcontracts, purchase orders and rental agreements entered into by the Construction Manager will contain provisions allowing for assignment to the Owner as described above.

**§ 13.1.6.1** If the Owner accepts assignment of subcontracts, purchase orders or rental agreements as described above, the Owner will reimburse or indemnify the Construction Manager for all costs arising under the subcontract, purchase order or rental agreement, if those costs would have been reimbursable as Cost of the Work if the contract had not been terminated. If the Owner chooses not to accept assignment of any subcontract, purchase order or rental agreement that would have constituted a Cost of the Work had this agreement not been terminated, the Construction Manager will terminate the subcontract, purchase order or rental agreement and the Owner will pay the Construction Manager the costs necessarily incurred by the Construction Manager because of such termination.

## **§ 13.2 Termination or Suspension Following Execution of the Guaranteed Maximum Price Amendment**

### **§ 13.2.1 Termination**

The Contract may be terminated by the Owner or the Construction Manager as provided in Article 14 of AIA Document A201–2017.

### **§ 13.2.2 Termination by the Owner for Cause**

**§ 13.2.2.1** If the Owner terminates the Contract for cause as provided in Article 14 of AIA Document A201–2017, the amount, if any, to be paid to the Construction Manager under Article 14 of AIA Document A201–2017 shall not cause the Guaranteed Maximum Price to be exceeded, nor shall it exceed an amount calculated as follows:

- .1 Take the Cost of the Work incurred by the Construction Manager to the date of termination;
- .2 Add the Construction Manager's Fee, computed upon the Cost of the Work to the date of termination at the rate stated in Section 6.1 or, if the Construction Manager's Fee is stated as a fixed sum in that Section, an amount that bears the same ratio to that fixed-sum Fee as the Cost of the Work at the time of termination bears to a reasonable estimate of the probable Cost of the Work upon its completion;
- .3 Subtract the aggregate of previous payments made by the Owner; and
- .4 Subtract the costs and damages incurred, or to be incurred, by the Owner under Article 14 of AIA Document A201–2017.

Init.

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User Notes:

(1397060675)

§ 13.2.2.2 The Owner shall also pay the Construction Manager fair compensation, either by purchase or rental at the election of the Owner, for any equipment owned by the Construction Manager that the Owner elects to retain and that is not otherwise included in the Cost of the Work under Section 13.2.2.1.1. To the extent that the Owner elects to take legal assignment of subcontracts and purchase orders (including rental agreements), the Construction Manager shall, as a condition of receiving the payments referred to in this Article 13, execute and deliver all such papers and take all such steps, including the legal assignment of such subcontracts and other contractual rights of the Construction Manager, as the Owner may require for the purpose of fully vesting in the Owner the rights and benefits of the Construction Manager under such subcontracts or purchase orders.

**§ 13.2.3 Termination by the Owner for Convenience**

If the Owner terminates the Contract for convenience in accordance with Article 14 of AIA Document A201–2017, then the Owner shall pay the Construction Manager a termination fee as follows:

*(Insert the amount of or method for determining the fee, if any, payable to the Construction Manager following a termination for the Owner's convenience.)*

**§ 13.3 Suspension**

The Work may be suspended by the Owner as provided in Article 14 of AIA Document A201–2017; in such case, the Guaranteed Maximum Price and Contract Time shall be increased as provided in Article 14 of AIA Document A201–2017, except that the term "profit" shall be understood to mean the Construction Manager's Fee as described in Sections 6.1 and 6.3.5 of this Agreement.

**ARTICLE 14 MISCELLANEOUS PROVISIONS**

§ 14.1 Terms in this Agreement shall have the same meaning as those in A201–2017. Where reference is made in this Agreement to a provision of AIA Document A201–2017 or another Contract Document, the reference refers to that provision as amended or supplemented by other provisions of the Contract Documents.

**§ 14.2 Successors and Assigns**

§ 14.2.1 The Owner and Construction Manager, respectively, bind themselves, their partners, successors, assigns and legal representatives to covenants, agreements, and obligations contained in the Contract Documents. Except as provided in Section 14.2.2 of this Agreement, and in Section 13.2.2 of A201–2017, neither party to the Contract shall assign the Contract as a whole without written consent of the other. If either party attempts to make an assignment without such consent, that party shall nevertheless remain legally responsible for all obligations under the Contract.

§ 14.2.2 The Owner may, without consent of the Construction Manager, assign the Contract to a lender providing construction financing for the Project, if the lender assumes the Owner's rights and obligations under the Contract Documents. The Construction Manager shall execute all consents reasonably required to facilitate the assignment.

**§ 14.3 Insurance and Bonds**

**§ 14.3.1 Preconstruction Phase**

The Construction Manager shall maintain the following insurance for the duration of the Preconstruction Services performed under this Agreement. If any of the requirements set forth below exceed the types and limits the Construction Manager normally maintains, the Owner shall reimburse the Construction Manager for any additional cost.

§ 14.3.1.1 Commercial General Liability with policy limits of not less than One Million Dollars (\$ 1,000,000 ) for each occurrence and Two Million Dollars (\$ 2,000,000 ) in the aggregate for bodily injury and property damage.

§ 14.3.1.2 Automobile Liability covering vehicles owned, and non-owned vehicles used, by the Construction Manager with policy limits of not less than One Million Dollars (\$ 1,000,000 ) per accident for bodily injury, death of any person, and property damage arising out of the ownership, maintenance and use of those motor vehicles, along with any other statutorily required automobile coverage.

§ 14.3.1.3 The Construction Manager may achieve the required limits and coverage for Commercial General Liability and Automobile Liability through a combination of primary and excess or umbrella liability insurance, provided that such primary and excess or umbrella liability insurance policies result in the same or greater coverage as the coverages required



under Sections 14.3.1.1 and 14.3.1.2, and in no event shall any excess or umbrella liability insurance provide narrower coverage than the primary policy. The excess policy shall not require the exhaustion of the underlying limits only through the actual payment by the underlying insurers.

§ 14.3.1.4 Workers' Compensation at statutory limits and Employers Liability with policy limits not less than state statute.

§ 14.3.1.5 Professional Liability covering negligent acts, errors and omissions in the performance of professional services, with policy limits of not less than Five Million Dollars (\$ 5,000,000 ) per claim and Five Million Dollars (\$ 5,000,000 ) in the aggregate.

§ 14.3.1.6 Other Insurance

*(List below any other insurance coverage to be provided by the Construction Manager and any applicable limits.)*

Coverage

Limits

§ 14.3.1.7 Additional Insured Obligations. To the fullest extent permitted by law, the Construction Manager shall cause the primary and excess or umbrella policies for Commercial General Liability and Automobile Liability to include the Owner as an additional insured for claims caused in whole or in part by the Construction Manager's negligent acts or omissions. The additional insured coverage shall be primary and non-contributory to any of the Owner's insurance policies and shall apply to both ongoing and completed operations.

§ 14.3.1.8 The Construction Manager shall provide certificates of insurance to the Owner that evidence compliance with the requirements in this Section 14.3.1.

§ 14.3.2 Construction Phase

After execution of the Guaranteed Maximum Price Amendment, the Owner and the Construction Manager shall purchase and maintain insurance as set forth in AIA Document A133™–2019, Standard Form of Agreement Between Owner and Construction Manager as Constructor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price, Exhibit B, Insurance and Bonds, and elsewhere in the Contract Documents.

§ 14.3.2.1 The Construction Manager shall provide bonds as set forth in AIA Document A133™–2019 Exhibit B, and elsewhere in the Contract Documents.

§ 14.4 Notice in electronic format, pursuant to Article 1 of AIA Document A201–2017, may be given in accordance with AIA Document E203™–2013, Building Information Modeling and Digital Data Exhibit, if completed, or as otherwise set forth below:

*(If other than in accordance with AIA Document E203–2013, insert requirements for delivering notice in electronic format such as name, title, and email address of the recipient and whether and how the system will be required to generate a read receipt for the transmission.)*

To Be Determined

§ 14.5 Other provisions:

ARTICLE 15 SCOPE OF THE AGREEMENT

§ 15.1 This Agreement represents the entire and integrated agreement between the Owner and the Construction Manager and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both Owner and Construction Manager.

§ 15.2 The following documents comprise the Agreement:

- .1 AIA Document A133™–2019, Standard Form of Agreement Between Owner and Construction Manager as Constructor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price

Init.

- 2 AIA Document A133™-2019, Exhibit A, Guaranteed Maximum Price Amendment, if executed
- 3 AIA Document A133™-2019, Exhibit B, Insurance and Bonds
- 4 AIA Document A201™-2017, General Conditions of the Contract for Construction

*(Paragraphs deleted)*

This Agreement is entered into as of the day and year first written above.



**OWNER** *(Signature)*

**Jon Hawkinson – Mayor**

**Mary Jo Halliday – Interim City Administrator**

*(Printed name and title)*

*(Paragraphs deleted)*



**CONSTRUCTION MANAGER** *(Signature)*

**Jim Bach – Business Development**

*(Printed name and title)*

int.

# **Additions and Deletions Report for** **AIA® Document A133® – 2019**

This Additions and Deletions Report, as defined on page 1 of the associated document, reproduces below all text the author has added to the standard form AIA document in order to complete it, as well as any text the author may have added to or deleted from the original AIA text. Added text is shown underlined. Deleted text is indicated with a horizontal line through the original AIA text.

Note: This Additions and Deletions Report is provided for information purposes only and is not incorporated into or constitute any part of the associated AIA document. This Additions and Deletions Report and its associated document were generated simultaneously by AIA software at 09:57:55 ET on 07/14/2023.

## **PAGE 1**

**AGREEMENT** made as of the Seventeenth day of July in the year Two Thousand Twenty-Three

...

City of Olivia  
1009 W Lincoln Ave  
Olivia, MN 56277

...

Marcus Construction Co., Inc.  
2580 Hwy 12 East  
Willmar, MN 56201

...

Olivia City Hall, Police, and Fire  
1009 W Lincoln Ave  
Olivia, MN 56277

...

To Be Determined

The Owner and Construction Manager agree as follows.

This Agreement is for a Construction Manager at risk. Notwithstanding any provision of this Agreement, it is expressly understood that construction of the Project is subject to Minnesota Statutes, section 471.345 and that contracts awarded for Work for the construction phase of the Project exceeding the threshold for competitive bidding will be bid with award of contracts by the Owner as required by law and pursuant to the bidding process ("Bidding Process") developed by the Parties, and that Owner shall then assign its right to Contract to the Construction Manager under this Agreement and said Construction Manager shall accept such assignment of the Owner's right to contract with contractors who shall be subcontractors thereafter to the general contractor who is the Construction Manager.

## **PAGE 2**

Program to be developed by the Architect with input from the Owner and Construction Manager during design phase.

...

Physical characteristics to be reviewed and modified by the Architect with input from the Owner and Construction Manager during design phase.

## **PAGE 3**

To be established at the start of the design phase.

...

To be established following consultation with the Owner

...

To be established following consultation with the Owner

...

To be established following consultation with the Owner

...

To be established following consultation with the Owner

...

Unknown at the time of execution.

...

Not Applicable

...

Mary Jo Halliday – Interim City Administrator

**PAGE 4**

To Be Determined

...

To Be Determined

...

To Be Determined

...

Jim Bach – Business Development

~~§ 1.1.13 The Owner's requirements for the Construction Manager's staffing plan for Preconstruction Services, as required under Section 3.1.9:~~

~~(List any Owner specific requirements to be included in the staffing plan.)~~

~~§ 1.1.14 The Owner's requirements for subcontractor procurement for the performance of the Work:~~

~~(List any Owner specific requirements for subcontractor procurement.)~~

~~§ 1.1.15 Other Initial Information on which this Agreement is based:~~

PAGE 8

§ 3.3.2.3 The Construction Manager shall perform all trade Work through subcontractors; the Construction Manager shall perform no Work itself, except as required to fulfill administrative, supervisory, and general conditions Work (general conditions work defined as labor necessary to facilitate construction of the Work but is not incorporated into the end product, such as house-keeping, temp sheltering, temp shelters, temp barricades, safety measures, snow removal, etc.) as outlined in Article 6 of this agreement, minor scopes of Work falling below competitive bidding requirements, and supplemental Work performed due to a Subcontractor in default. The trade Work to be performed during the construction phase shall be awarded to subcontractors through the Bidding Process. The Owner shall assign its right to contract with subcontractors selected through the Bidding Process to the Construction Manager via an Assignment Letter. The Construction Manager shall issue contracts directly to the Owner-selected subcontractors based on bids received by the Owner and reviewed and recommended to the Owner by the Construction Manager. Construction Manager shall not be required to contract with anyone to whom the Construction Manager has reasonable objections unless Construction Manager and Owner mutually agree to allow Subcontractor to provide a bond to the Construction Manager and Owner allows cost of the Subcontractor bond to be incorporated into the Cost of the Work.

PAGE 10

Compensation for labor to be per hourly rates and cost plus 10% for any reimbursable cost items.

...

<u>Architect</u>	<u>\$120 per hour</u>
<u>Project Designer</u>	<u>\$90 per hour</u>
<u>Drafter</u>	<u>\$70 per hour</u>
<u>Estimating</u>	<u>\$82 per hour</u>
<u>Project Manager</u>	<u>\$95 per hour</u>

...

§ 5.1.3 If the Preconstruction Phase services covered by this Agreement have not been completed within twelve ( 12 ) months of the date of this Agreement, through no fault of the Construction Manager, the Construction Manager's compensation for Preconstruction Phase services shall be equitably adjusted.

...

§ 5.2.2 Payments are due and payable upon presentation of the Construction Manager's invoice. Amounts unpaid thirty ( 30 ) days after the invoice date shall bear interest at the rate entered below, or in the absence thereof at the legal rate prevailing from time to time at the principal place of business of the Construction Manager.

PAGE 11

One % Monthly

...

10% of Cost of the Work

...

10% of Cost of Work

...

§ 6.1.5 Rental rates for Construction Manager-owned equipment shall not exceed One Hundred percent ( 100 %) of the standard rental rate paid at the place of the Project.

~~§ 6.1.6 Liquidated damages, if any:  
(Insert terms and conditions for liquidated damages, if any.)~~

PAGE 12

§ 7.2.2 Wages or salaries of the Construction Manager’s supervisory and administrative personnel when stationed at the site and performing ~~Work, with the Owner’s prior approval.~~Work.

§ 7.2.2.1 Wages or salaries of the Construction Manager’s supervisory and administrative personnel when performing Work and stationed at a location other than the site, but only for that portion of time required for the ~~Work, and limited to the personnel and activities listed below:~~  
~~(Identify the personnel, type of activity and, if applicable, any agreed upon percentage of time to be devoted to the Work.)~~

Work.  
PAGE 16

§ 11.1.3 Provided that an Application for Payment is received by the Architect not later than the 1st day of a month, the Owner shall make payment of the amount certified to the Construction Manager not later than the 30th day of the same month. If an Application for Payment is received by the Architect after the application date fixed above, payment of the amount certified shall be made by the Owner not later than thirty ( 30 ) days after the Architect receives the Application for Payment.

PAGE 17

5%

...

General conditions, insurance, and material only subcontracts or purchase orders  
PAGE 19

One % Monthly

...

Arbitration pursuant to Article 15 of AIA Document A201–2017  
PAGE 21

§ 14.3.1.1 Commercial General Liability with policy limits of not less than One Million Dollars (\$ 1,000,000 ) for each occurrence and Two Million Dollars (\$ 2,000,000 ) in the aggregate for bodily injury and property damage.

§ 14.3.1.2 Automobile Liability covering vehicles owned, and non-owned vehicles used, by the Construction Manager with policy limits of not less than One Million Dollars (\$ 1,000,000 ) per accident for bodily injury, death of any person, and property damage arising out of the ownership, maintenance and use of those motor vehicles, along with any other statutorily required automobile coverage.

PAGE 22

§ 14.3.1.4 Workers' Compensation at statutory limits and Employers Liability with policy limits not less than (\$ ) each accident, (\$ ) each employee, and (\$ ) policy limit. state statute.

§ 14.3.1.5 Professional Liability covering negligent acts, errors and omissions in the performance of professional services, with policy limits of not less than Five Million Dollars (\$ 5,000,000 ) per claim and Five Million Dollars (\$ 5,000,000 ) in the aggregate.

...

To Be Determined  
**PAGE 23**

~~§~~ ~~AIA Document E203™ 2013, Building Information Modeling and Digital Data Exhibit, dated as indicated below:~~

*(Insert the date of the E203-2013 incorporated into this Agreement.)*

~~§~~ ~~Other Exhibits:~~  
*(Check all boxes that apply.)*

~~[ ]~~ ~~AIA Document E234™ 2019, Sustainable Projects Exhibit, Construction Manager as Constructor Edition, dated as indicated below:~~  
*(Insert the date of the E234-2019 incorporated into this Agreement.)*

This Agreement is entered into as of the day and year first written above.

~~[ ]~~ ~~Supplementary and other Conditions of the Contract:~~

  
  
OWNER (Signature)

Jon Hawkinson – Mayor  
Mary Jo Halliday – Interim City Administrator  
*(Printed name and title)*

  
CONSTRUCTION MANAGER (Signature)

Jim Bach – Business Development  
*(Printed name and title)*

~~7~~ ~~Other documents, if any, listed below:~~  
*(List here any additional documents that are intended to form part of the Contract Documents. AIA Document A201-2017 provides that the advertisement or invitation to bid, Instructions to Bidders, sample forms, the Construction Manager's bid or proposal, portions of Addenda relating to bidding or proposal requirements, and other information furnished by the Owner in anticipation of receiving bids or proposals, are not part of the Contract Documents unless enumerated in this Agreement. Any such documents should be listed here only if intended to be part of the Contract Documents.)*

This Agreement is entered into as of the day and year first written above.

---

**OWNER** *(Signature)*

---

*(Printed name and title)*

---

**CONSTRUCTION MANAGER** *(Signature)*

---

*(Printed name and title)*



## Certification of Document's Authenticity

AIA® Document D401™ – 2003

I, \_\_\_\_\_, hereby certify, to the best of my knowledge, information and belief, that I created the attached final document simultaneously with its associated Additions and Deletions Report and this certification at 09:57:55 ET on 07/14/2023 under Order No. 4104241064 from AIA Contract Documents software and that in preparing the attached final document I made no changes to the original text of AIA® Document A133™ – 2019, Standard Form of Agreement Between Owner and Construction Manager as Constructor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price, other than those additions and deletions shown in the associated Additions and Deletions Report.

(Signed)

Andrew Lindquist

Digitally signed by Andrew Lindquist  
DN: C=US,  
E=Andrew@MarcusConstruction.com,  
O="Marcus Construction Co., Inc.",  
OU=VP of Construction, CN=Andrew  
Lindquist  
Date: 2023.07.14 09:30:30-05'00'

(Title)

(Dated)

# AIA<sup>®</sup> Document A133<sup>®</sup> – 2019 Exhibit A

## **Guaranteed Maximum Price Amendment**

This Amendment dated the Twelfth day of July in the year Two Thousand Twenty-Four, is incorporated into the accompanying AIA Document A133™–2019, Standard Form of Agreement Between Owner and Construction Manager as Constructor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price dated the Seventeenth day of July in the year Two Thousand Twenty-Three (the "Agreement")

*(In words, indicate day, month, and year.)*

for the following **PROJECT:**

*(Name and address or location)*

Olivia City Hall, Police, and Fire  
1009 W Lincoln Ave  
Olivia, MN 56277

**THE OWNER:**

*(Name, legal status, and address)*

City of Olivia  
1009 W Lincoln Ave  
Olivia, MN 56277

**THE CONSTRUCTION MANAGER:**

*(Name, legal status, and address)*

Marcus Construction Co., Inc.  
2580 Hwy 12 East  
Willmar, MN 56201

### **TABLE OF ARTICLES**

- A.1 GUARANTEED MAXIMUM PRICE**
- A.2 DATE OF COMMENCEMENT AND SUBSTANTIAL COMPLETION**
- A.3 INFORMATION UPON WHICH AMENDMENT IS BASED**
- A.4 CONSTRUCTION MANAGER'S CONSULTANTS, CONTRACTORS, DESIGN PROFESSIONALS, AND SUPPLIERS**

### **ARTICLE A.1 GUARANTEED MAXIMUM PRICE**

#### **§ A.1.1 Guaranteed Maximum Price**

Pursuant to Section 3.2.6 of the Agreement, the Owner and Construction Manager hereby amend the Agreement to establish a Guaranteed Maximum Price. As agreed by the Owner and Construction Manager, the Guaranteed Maximum Price is an amount that the Contract Sum shall not exceed. The Contract Sum consists of the Construction Manager's Fee plus the Cost of the Work, as that term is defined in Article 6 of the Agreement.

**§ A.1.1.1** The Contract Sum is guaranteed by the Construction Manager not to exceed One Million Six Hundred Forty-Seven Thousand Three Hundred Forty Dollars (\$ 1,647,340 ),

#### **ADDITIONS AND DELETIONS:**

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

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

AIA Document A201™–2017, General Conditions of the Contract for Construction, is adopted in this document by reference. Do not use with other general conditions unless this document is modified.

subject to additions and deductions by Change Order as provided in the Contract Documents.

**§ A.1.1.2 Itemized Statement of the Guaranteed Maximum Price.** Provided below is an itemized statement of the Guaranteed Maximum Price organized by trade categories, including allowances; the Construction Manager's contingency; alternates; the Construction Manager's Fee; and other items that comprise the Guaranteed Maximum Price as defined in Section 3.2.1 of the Agreement.  
(Provide itemized statement below or reference an attachment.)

See attached itemized statement dated July 12, 2024

**§ A.1.1.3** The Construction Manager's Fee is set forth in Section 6.1.2 of the Agreement.

**§ A.1.1.4** The method of adjustment of the Construction Manager's Fee for changes in the Work is set forth in Section 6.1.3 of the Agreement.

**§ A.1.1.5 Alternates**

**§ A.1.1.5.1** Alternates, if any, included in the Guaranteed Maximum Price:

Approved Alternates
Instead of phasing areas of construction, work on all 3 areas at same time (City would have to relocate operations)
Remove 27 Bollards (at O/H doors & some at equipment pads). Also removal of floor drains, that was included in plumbing package.
Seal concrete floor in lieu of epoxy coating
Remove lockers in PD Dept. (6)
Remove Interior Signage
Remove Window Shades
Remove Fire Extinguishers
Remove Shower Curtain Rods & Curtains
Remove Shared Evidence Lockers
Less expensive Hardware
Less expensive Doors
Blown insulation in attic vs. Batts.
EPDM installation procedure(use industry standard method)
(Table deleted) Remove Seeding/Landscaping

Init.

§ A.1.1.5.2 Subject to the conditions noted below, the following alternates may be accepted by the Owner following execution of this Exhibit A. Upon acceptance, the Owner shall issue a Modification to the Agreement.  
*(Insert below each alternate and the conditions that must be met for the Owner to accept the alternate.)*

Item	Price	Conditions for Acceptance
------	-------	---------------------------

§ A.1.1.6 Unit prices, if any:  
*(Identify the item and state the unit price and quantity limitations, if any, to which the unit price will be applicable.)*

Item	Units and Limitations	Price per Unit (\$0.00)
------	-----------------------	-------------------------

**ARTICLE A.2 DATE OF COMMENCEMENT AND SUBSTANTIAL COMPLETION**

§ A.2.1 The date of commencement of the Work shall be:  
*(Check one of the following boxes.)*

- The date of execution of this Amendment.
- Established as follows:  
*(Insert a date or a means to determine the date of commencement of the Work.)*

If a date of commencement of the Work is not selected, then the date of commencement shall be the date of execution of this Amendment.

§ A.2.2 Unless otherwise provided, the Contract Time is the period of time, including authorized adjustments, allotted in the Contract Documents for Substantial Completion of the Work. The Contract Time shall be measured from the date of commencement of the Work.

**§ A.2.3 Substantial Completion**

§ A.2.3.1 Subject to adjustments of the Contract Time as provided in the Contract Documents, the Construction Manager shall achieve Substantial Completion of the entire Work:  
*(Check one of the following boxes and complete the necessary information.)*

- Not later than ( ) calendar days from the date of commencement of the Work.
- See project schedule dated 7/12/2024

§ A.2.3.2 Subject to adjustments of the Contract Time as provided in the Contract Documents, if portions of the Work are to be completed prior to Substantial Completion of the entire Work, the Construction Manager shall achieve Substantial Completion of such portions by the following dates:

*(Table deleted)*

§ A.2.3.3 If the Construction Manager fails to achieve Substantial Completion as provided in this Section A.2.3, liquidated damages, if any, shall be assessed as set forth in Section 6.1.6 of the Agreement.

**ARTICLE A.3 INFORMATION UPON WHICH AMENDMENT IS BASED**

§ A.3.1 The Guaranteed Maximum Price and Contract Time set forth in this Amendment are based on the Contract Documents and the following:

§ A.3.1.1 The following Supplementary and other Conditions of the Contract:

*(Table deleted)*

§ A.3.1.2 The following Specifications:

*(Either list the Specifications here, or refer to an exhibit attached to this Amendment.)*

See Current Specification Log dated Wed Jun 12, 2023 at 8:06 am CDT  
*(Table deleted)*

§ A.3.1.3 The following Drawings:  
*(Either list the Drawings here, or refer to an exhibit attached to this Amendment.)*

See IFC-Current Drawings log dated Wed Jun 12, 2024 at 10:06 am CDT

*(Table deleted)*  
*(Table deleted)*  
*(Paragraphs deleted)*  
*(Table deleted)*  
*(Paragraphs deleted)*

§ A.3.1.6 Assumptions and clarifications, if any, upon which the Guaranteed Maximum Price is based:  
*(Identify each assumption and clarification.)*

This GMP contract is for labor only. Building materials to be procured under a separate purchasing agreement in order to comply with tax-exemption requirements.

## **Olivia City Hall Remodel and Addition Project**

### **GMP Pricing Clarifications & Inclusions**

**6.12.2024**

#### **Olivia City Hall Remodel and Addition:**

1. Based on IFC drawings dated 5.24.2024 & Specifications dated 5.03.2024.
2. Contractors recommended in GMP, Purchasing Agent Cost and Bidsheet are lowest combined material and labor combinations to mitigate warranty, schedule durations and liability for overall project cost and efficiency.
3. City Cost items not included in GMP are – SAC & WAC, Special Inspections, Architectural Fees, Geotechnical Engineering, Site Surveying & City Contingency.
4. Builders Risk insurance and requirements are not included, owner to provide.
5. Performance and payment bond included.
6. No building permit included.
7. No Temp fencing for security has been included, security camera is included.
8. Marcus has included the cost for abatement per MAAC's abatement report & proposal.
9. Marcus has a final cleaning cost included in the GMP.
10. Marcus has construction staking included in the GMP.
11. Marcus has warning signs, barricades & temp fencing for open holes included in the GMP.
12. If alternate 2 is NOT approved, Marcus Construction suggests using lowest Electrical Contractor as shown on BIDSHEET. If alternate 2 is approved, second lowest contractor will need to be used due to no alternate cost listed for the lowest bidder.

§ A.3.1.7 The Guaranteed Maximum Price is based upon the following other documents and information:  
*(List any other documents or information here, or refer to an exhibit attached to this Amendment.)*

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User Notes:

(1214531382)

Init.

**ARTICLE A.4 CONSTRUCTION MANAGER'S CONSULTANTS, CONTRACTORS, DESIGN PROFESSIONALS, AND SUPPLIERS**

**§ A.4.1** The Construction Manager shall retain the consultants, contractors, design professionals, and suppliers, identified below:

*(List name, discipline, address, and other information.)*

**Olivia Approved Contractors**

<b>Name</b>	<b>Address</b>	<b>Scope</b>
Madera Carpenters LLC	202 N Cedar Ave, Owatonna MN 56055	Rough Carpentry
A.S.H Roofing & Custom Cladding	1567 Trousil Dr. SW, Alexandria, MN 56308	Metal Roofing
Falcon Mechanical	72501 335th St, Kimball, MN 55353	Plumbing
Erickson Plumbing & Heating	101 Main St, Blomkest, Mn 56216	Mechanical
Summit Companies	3026 40th Ave NW, Rochester, MN 55901	Fire Supression
Design Electric Inc	4807 Heatherwood Rd, St Cloud, MN 56302	Electrical
Independent Testing Tech	337 31st Ave S, Waite Park, MN 56387	Testing
Bonnema Runke Stern Inc.	4566 Hwy 71, Willmar, MN 56201	Survey
Commercial Cleaning Service	61 W 3rd Ave, Echo, MN 56237	Cleaning
Schmidt Construction Inc.	2402 30103 US 71, Redwood Falls, MN 56283	Site work and Utilities
Duininck, Inc.	PO Box 208, Prinsburg, MN 56281	Paving
Ross Kraemer Construction LLC	12393 62nd St NE, Spicer, MN 56288	Demolition
Midwest Asbestos Abatement Contractor	1020 Town Rd, Montevideo, MN 56265	Asbestos Abatement
Ashwill Companies	13140 County Rd 35 W, Cokato, MN 55321	Site Concrete
Evenson Concrete Systems	3 Civic Center Plaza, Mankato, MN 56001	Building Concrete
Sjoberg Masonry & Concrete LLC.	5051 90th Ave NE, Spicer, MN 56288	Masonry
Koronis Fabricating, Inc	55 East 5th St, Saint Paul, MN 55101	Metals
Rons Cabinets	380 Industrial Blvd, Suak rapids, MN 56379	Woods/Plastics
Intex Insulating Company, Inc	13857 233rd St, Cold Spring, MN 56320	Thermal & Moisture Protection
Metal Sales	22651 Inustrial Blvd, Rogers, MN 55374	Metal Wall Panel
	4298 State Hwy 114SW, Alexandria, MN 56308	
Buttweilers Do All Roofing		Membrane Roof
American Door Works	1301 East Hwy 12, Willmar, MN 56201	Doors/Windows
Commercial Door Systems, Inc.	7670 Commerce St, Hamel, MN 55340	Doors/Windows
Nationwide Glass of Willmar	2705 South 1st St, Willmar, MN 56201	Doors/Windows
Niemela Design and Construction, LLC	100 Cokato St W, Cokato, MN 55321	Finishes
CFS Interiors and Flooring	940 Apollo RD, Eagan, MN 55350	Flooring
Lecy Painting	119 N 8th St, Montevideo, MN 56265	Painting
Pro Maintenance, Inc.	10 Michigan St NE, Hutchinson, MN 55350	Epoxy
St. Cloud Acoustics, Inc.	30762 Pearl Dr, St Joseph, MN 56374	ACT
The Tenth Division	1330 State Ave NW, Owatonna, MN 55060	Specialties
Stacy's Nursery Inc.	2305 E Hwy 12, Willmar, MN 56201	Landscaping

This Amendment to the Agreement entered into as of the day and year first written above.



**OWNER** (Signature)

Elizabeth Torkelson, City Administrator  
(Printed name and title)



**CONSTRUCTION MANAGER** (Signature)

Andrew Lindquist - VP of Construction  
(Printed name and title)

Init.

## City of Olivia - City Hall Addition and Remodel

Date 7.12.24

Division	Materials	Labor
Div. 1 -General Conditions	\$ -	\$300,448.50
Div. 2- Site works	\$ 58,690.50	\$185,175.10
Div. 3 - Concrete Works	\$ 109,027.60	\$107,969.40
Div. 4 - Masonry	\$ 2,200.00	\$15,290.00
Div. 5 - Metals	\$ 18,634.00	\$0.00
Div. 6 - Wood & Plastics	\$ 163,288.40	\$141,576.60
Div. 7 - Thermal & Moisture Protection	\$ 194,080.70	\$234,627.80
Div. 8 - Doors & Windows	\$ 274,243.20	\$31,350.00
Div. 9 - Finishes	\$ 126,331.70	\$139,337.00
Div. 10 - Specialties	\$ 34,335.40	\$7,414.00
Div. 11 - Equipment	\$ -	\$1,913.45
Div. 13 - Special Construction	\$ 35,015.20	\$22,848.10
Div. 15 - Mechanical	\$ 365,010.80	\$169,846.60
Div. 16 - Electrical	\$ 387,889.70	\$262,611.80
	\$1,768,747.20	\$1,620,408.35

Performance Bond		\$43,610.60
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Contingency		\$85,580.00
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GMP Total w/Contingency		\$1,749,598.95
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Purchasing Agent Cost	\$1,768,747.20	
-----------------------	----------------	--

Approved Alternates	\$ (105,575.00)	\$ (102,259.00)
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<b>Project Total</b>	<b>\$1,663,172.20</b>	<b>\$1,647,339.95</b>
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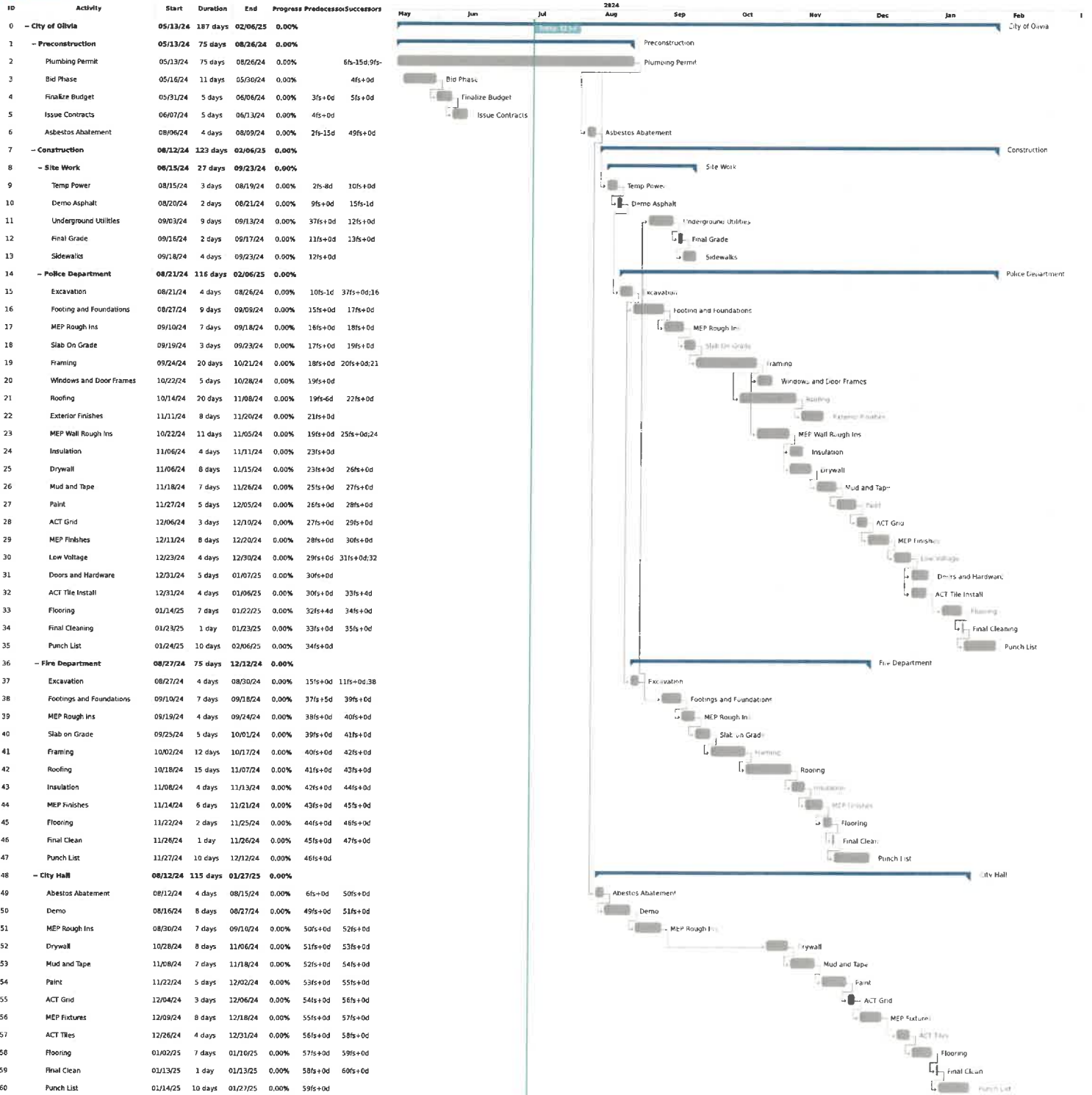
		<b>\$3,310,512.15</b>
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<b>Approved Alternates</b>		
	<b>Material</b>	<b>Labor</b>
Instead of phasing areas of construction, work on all 3 areas at same time (City would have to relocate operations)		\$ 81,000.00
Remove 27 Bollards (at O/H doors & some at equipment pads). Also removal of floor drains, that was included in plumbing package.	\$ 13,713.00	
Seal concrete floor in lieu of epoxy coating	\$ 11,559.00	
Remove lockers in PD Dept. (6)	\$ 15,796.00	
Remove Interior Signage	\$ 7,295.00	
Remove Window Shades	\$ 5,013.00	
Remove Fire Extinguishers	\$ 266.00	
Remove Shower Curtain Rods & Curtains	\$ 593.00	
Remove Shared Evidence Lockers	\$ 12,254.00	
Less expensive Hardware	\$ 16,035.00	
Less expensive Doors	\$ 15,000.00	
Blown insulation in attic vs. Batts.	\$ 5,720.00	\$ 11,519.00
EPDM installation procedure(use industry standard method)		\$ 7,854.00
Remove Seeding/Landscaping	\$ 2,331.00	\$ 1,886.00
<b>Total</b>	<b>\$ 105,575.00</b>	<b>\$ 102,259.00</b>
<b>Total Deduct if above options are approved</b>		<b>\$ 207,834.00</b>
<b>Project Total with Deducts</b>		<b>\$ 3,310,512.15</b>
	<b>Material</b>	<b>Labor</b>
<b>Project Total with Approved Alternates</b>	<b>\$1,663,172.20</b>	<b>\$1,647,339.95</b>



2410 - Olivia City Hall, Police, Fire  
1 Phase



**General**  
■ Parent Activity  
▬ Child Activity  
— Baseline  
⬮ Delay (+ # days)  
◆ Milestone

**Status**  
■ Completed  
■ Ahead  
■ Overdue  
■ Uninitiated

Printed on: 07/12/24

Page: 1/1



# **Olivia City Hall Remodel and Addition Project**

## **GMP Pricing Clarifications & Inclusions**

**6.12.2024**

### **Olivia City Hall Remodel and Addition:**

1. Based on IFC drawings dated 5.24.2024 & Specifications dated 5.03.2024.
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12. If alternate 2 is NOT approved, Marcus Construction suggests using lowest Electrical Contractor as shown on BIDSHEET. If alternate 2 is approved, second lowest contractor will need to be used due to no alternate cost listed for the lowest bidder.



Marcus Construction Co., Inc.

Printed on Wed Jun 12, 2024 at 08:26 am CDT

Job #: 2410 Olivia City Hall, Police, and Fire @ Olivia, MN  
1009 W Lincoln Ave  
Olivia, Minnesota 56277

## Current Specifications

Number	Description	Revision	Issued Date	Received Date	Set
<b>00 - Procurement and Contracting Requirements</b>					
00 0100	Title Page	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
00 0101	Project Title Page	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
00 0105	Certifications Page	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
00 0110	Table of Contents	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
00 0400	Contract Terms & Conditions	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
00 1113	Advertisement for Bids	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
00 2113	Instructions to Bidders	1	05/24/24	05/24/24	Addenda B
00 4325	Substitution Request Form - During Procurement	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
00 4330	Contractor Information Form	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
00 7200	General Conditions	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
00 7300	Supplementary Conditions	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
00 9110	Addenda	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
00 9110 A	Addenda A	A	05/16/24	05/16/24	City Hall 2024 Addition & Remodel
00 9110 B	Addenda B	B	05/24/24	05/24/24	Addenda B
<b>0 - Unknown</b>					
01 6000	Product Requirements	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
<b>01 - General Requirements</b>					
01 0100	Division 1	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
01 1000	Summary	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
01 2300	Alternates	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
01 3000	Administrative Requirements	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
01 4000	Quality Requirements	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
01 4533	Code-Required Special Inspections	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
01 5000	Temporary Facilities and Controls	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
01 5713	Temporary Erosion and Sediment Control	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
01 7000	Execution and Closeout Requirements	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
01 7800	Closeout Submittals	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
01 7900	Demonstration and Training	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
<b>02 - Existing Conditions</b>					
02 4100	Demolition	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
<b>03 - Concrete</b>					
<b>04 - Masonry</b>					



Marcus Construction Co., Inc.

Printed on Wed Jun 12, 2024 at 08:26 am CDT

Job #: 2410 Olivia City Hall, Police, and Fire @ Olivia, MN  
1009 W Lincoln Ave  
Olivia, Minnesota 56277

Number	Description	Revision	Issued Date	Received Date	Set
04 2000	Unit Masonry	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
<b>05 - Metals</b>					
05 5000	Metal Fabrications	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
<b>06 - Wood, Plastics, and Composites</b>					
06 1000	Rough Carpentry	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
06 1753	Shop-Fabricated Wood Trusses	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
06 4100	Architectural Wood Casework	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
06 8316	Fiberglass Reinforced Paneling	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
<b>07 - Thermal and Moisture Protection</b>					
07 2100	Thermal Insulation	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
07 4113	Metal Roof Panels	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
07 4213	Metal Wall Panels	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
07 6200	Sheet Metal Flashing and Trim	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
07 9200	Joint Sealants	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
<b>08 - Openings</b>					
08 1113	Hollow Metal Doors and Frames	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
08 1416	Flush Wood Doors	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
08 3100	Access Doors and Panels	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
08 3613	Sectional Doors	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
08 4313	Aluminum-Framed Storefronts	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
08 7100	Door Hardware	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
08 8000	Glazing	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
<b>09 - Finishes</b>					
09 2116	Gypsum Board Assemblies	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
09 3000	Tiling	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
09 5100	Acoustical Ceilings	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
09 6500	Resilient Flooring	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
09 6723	Resinous Flooring	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
09 6813	Tile Carpeting	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
09 9000	Painting and Coating	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
<b>10 - Specialties</b>					
10 0000	Division 10	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
10 1419	Dimensional Letter Signage	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
10 1423	Panel Signage	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
10 2600	Wall and Door Protection	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
10 2800	Toilet, Bath, and Laundry Accessories	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
10 4400	Fire Protection Specialties	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel





Marcus Construction Co., Inc.

Printed on Wed Jun 12, 2024 at 08:26 am CDT

Job #: 2410 Olivia City Hall, Police, and Fire @ Olivia, MN  
1009 W Lincoln Ave  
Olivia, Minnesota 56277

Number	Description	Revision	Issued Date	Received Date	Set
10 5113	Metal Lockers	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
<b>12 - Furnishings</b>					
12 2400	Window Shades	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
<b>21 - Fire Suppression</b>					
21 0500	Common Work Results for Fire Suppression	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
21 0553	Identification for Fire Suppression Piping and Equipment	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
21 1300	Fire-Suppression Sprinkler Systems	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
<b>22 - Plumbing</b>					
22 0553	Identification for Plumbing Piping and Equipment	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
22 0719	Plumbing Piping Insulation	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
22 1005	Plumbing Piping	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
22 1006	Plumbing Piping Specialties	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
22 3000	Plumbing Equipment	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
22 4000	Plumbing Fixtures	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
<b>23 - Heating, Ventilating, and Air Conditioning (HVAC)</b>					
23 0000	Division 23	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
23 0553	Identification for HVAC Piping and Equipment	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
23 0593	Testing, Adjusting, and Balancing for HVAC	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
23 0713	Duct Insulation	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
23 0719	HVAC Piping Insulation	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
23 0912	CO/NO Gas Detection	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
23 0913	Instrumentation and Control Devices for HVAC	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
23 0993	Sequence of Operations for HVAC Controls	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
23 3100	HVAC Ducts and Casings	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
23 3300	Air Duct Accessories	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
23 3423	HVAC Power Ventilators	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
23 3439	High-Volume, Low-Speed Propeller Fans	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
23 3700	Air Outlets and Inlets	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
23 5400	Furnaces and Condensing Units	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
23 5533	Fuel-Fired Unit Heaters	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
23 8200	Convection Heating and Cooling Units	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
<b>26 - Electrical</b>					
26 0505	Selective Demolition for Electrical	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
26 0519	Low-Voltage Electrical Power Conductors and Cables	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
26 0526	Grounding and Bonding for Electrical Systems	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
26 0529	Hangers and Supports for Electrical Systems	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
26 0533	Raceway and Boxes for Electrical Systems	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel



Marcus Construction Co., Inc.

Printed on Wed Jun 12, 2024 at 08:26 am CDT  
 Job #: 2410 Olivia City Hall, Police, and Fire @ Olivia, MN  
 1009 W Lincoln Ave  
 Olivia, Minnesota 56277

Number	Description	Revision	Issued Date	Received Date	Set
26 0553	Identification for Electrical Systems	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
26 0583	Wiring Connections	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
26 0923	Lighting Control Devices	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
26 2100	Low-Voltage Electrical Service Entrance	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
26 2413	Switchboards	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
26 2416	Panelboards	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
26 2723	Indoor Service Poles	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
26 2726	Wiring Devices	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
26 2813	Fuses	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
26 2913	Enclosed Controllers	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
26 2923	Variable-Frequency Motor Controllers	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
26 3213	Engine Generators	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
26 3600	Transfer Switches	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
26 4300	Surge Protective Devices	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
26 5100	Interior Lighting	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
<b>27 - Communications</b>					
27 1000	Structured Cabling	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
<b>28 - Electronic Safety and Security</b>					
28 0000	Division 28	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
28 1000	Access Control	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
28 2000	Video Surveillance	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
28 4600	Fire Detection and Alarm	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
<b>31 - Earthwork</b>					
31 1000	Site Clearing	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
31 2200	Grading	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
31 2316	Excavation	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
<b>32 - Exterior Improvements</b>					
32 0000	Division 32	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
32 1123	Aggregate Base Courses	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
32 1216	Bituminous Paving	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
32 1600	Concrete Curb, Sidewalk & Driveways	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
32 1723	Pavement Markings	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
32 9219	Seeding	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
<b>33 - Utilities</b>					
33 3113	Site Sanitary Sewerage Gravity Piping	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
33 4100	Storm Utility Drainage Piping	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel
33 4211	Stormwater Gravity Piping	0	05/10/24	05/10/24	City Hall 2024 Addition & Remodel



Marcus Construction Co., Inc.

Printed on Wed Jun 12, 2024 at 10:06 am CDT

Job #: 2410 Olivia City Hall, Police, and Fire @ Olivia, MN  
1009 W Lincoln Ave  
Olivia, Minnesota 56277

**IFC - Current Drawings**

Drawing No.	Drawing Title	Revision	Drawing Date	Received Date	Set
A0.10	ARCHITECTURAL SITE PLAN	0	05/03/2024	05/09/2024	City Hall 2024 Addition & Remodel (05/03/24)
A1.10	FLOOR PLAN	1	05/24/2024		Addenda B (05/24/24)
A2.10	REFLECTED CEILING PLAN	1	05/24/2024		Addenda B (05/24/24)
A3.10	ROOF PLAN	1	05/24/2024		Addenda B (05/24/24)
A4.10	EXTERIOR ELEVATIONS	1	05/24/2024		Addenda B (05/24/24)
A5.10	BUILDING SECTIONS	1	05/24/2024		Addenda B (05/24/24)
A5.20	BUILDING SECTIONS	0	05/03/2024	05/09/2024	City Hall 2024 Addition & Remodel (05/03/24)
A6.10	ENLARGED PLAN - RENNOVATION	1	05/24/2024		Addenda B (05/24/24)
A6.20	ENLARGED PLAN - NEW ENGINE	1	05/24/2024		Addenda B (05/24/24)
A6.30	ENLARGED PLAN - POLICE	1	05/24/2024		Addenda B (05/24/24)
A7.10	INTERIOR ELEVATIONS	0	05/03/2024	05/09/2024	City Hall 2024 Addition & Remodel (05/03/24)
A7.20	INTERIOR ELEVATIONS	0	05/03/2024	05/09/2024	City Hall 2024 Addition & Remodel (05/03/24)
AB.10	ARCHITECTURAL DETAILS	0	05/03/2024	05/09/2024	City Hall 2024 Addition & Remodel (05/03/24)
AB.20	ARCHITECTURAL DETAILS	0	05/03/2024	05/09/2024	City Hall 2024 Addition & Remodel (05/03/24)
A9.10	OPENING SCHEDULES & DETAILS	0	05/03/2024	05/09/2024	City Hall 2024 Addition & Remodel (05/03/24)
A10.10	FINISH PLAN	1	05/24/2024		Addenda B (05/24/24)
AD1.10	DEMO PLAN	1	05/24/2024		Addenda B (05/24/24)
<b>Civil</b>					
C1.10	Legend	0	05/03/2024	05/09/2024	City Hall 2024 Addition & Remodel (05/03/24)
C2.10	Sanitary Sewer Details	0	05/03/2024	05/09/2024	City Hall 2024 Addition & Remodel (05/03/24)
C2.20	Sanitary Sewer Details	0	05/03/2024	05/09/2024	City Hall 2024 Addition & Remodel (05/03/24)
C2.30	STORM SEWER DETAILS	0	05/03/2024	05/09/2024	City Hall 2024 Addition & Remodel (05/03/24)
C2.40	SURFACE DETAILS	0	05/03/2024	05/09/2024	City Hall 2024 Addition & Remodel (05/03/24)
C2.50	ADA PARKING DETAILS	0	05/03/2024	05/09/2024	City Hall 2024 Addition & Remodel (05/03/24)





Marcus Construction Co., Inc.

Printed on Wed Jun 12, 2024 at 10:06 am CDT

Job #: 2410 Olivia City Hall, Police, and Fire @ Olivia, MN  
1009 W Lincoln Ave  
Olivia, Minnesota 56277

Drawing No.	Drawing Title	Revision	Drawing Date	Received Date	Set
C3.10	REMOVAL PLAN	0	05/03/2024	05/09/2024	City Hall 2024 Addition & Remodel (05/03/24)
C4.10	EROSION DETAILS	0	05/03/2024	05/09/2024	City Hall 2024 Addition & Remodel (05/03/24)
C4.20	EROSION DETAILS	0	05/03/2024	05/09/2024	City Hall 2024 Addition & Remodel (05/03/24)
C4.30	EROSION DETAILS	0	05/03/2024	05/09/2024	City Hall 2024 Addition & Remodel (05/03/24)
C4.40	EROSION CONTROL PLAN	0	05/03/2024	05/09/2024	City Hall 2024 Addition & Remodel (05/03/24)
C5.10	SITE PLAN & UTILITY PLAN	0	05/03/2024	05/09/2024	City Hall 2024 Addition & Remodel (05/03/24)
C5.20	GRADING PLAN	0	05/03/2024	05/09/2024	City Hall 2024 Addition & Remodel (05/03/24)
<b>Electrical</b>					
E1.10	SITE PLAN	0	05/03/2024	05/09/2024	City Hall 2024 Addition & Remodel (05/03/24)
E2.10	LIGHTING PLAN	0	05/03/2024	05/09/2024	City Hall 2024 Addition & Remodel (05/03/24)
E3.10	POWER PLAN	0	05/03/2024	05/09/2024	City Hall 2024 Addition & Remodel (05/03/24)
E4.10	COMMUNICATIONS PLAN	0	05/03/2024	05/09/2024	City Hall 2024 Addition & Remodel (05/03/24)
E5.10	SCHEDULES AND DETAILS	0	05/03/2024	05/09/2024	City Hall 2024 Addition & Remodel (05/03/24)
E5.11	ELECTRICAL DETAILS	0	05/03/2024	05/09/2024	City Hall 2024 Addition & Remodel (05/03/24)
E6.10	EXISTING PANEL SCHEDULES	0	05/03/2024	05/09/2024	City Hall 2024 Addition & Remodel (05/03/24)
E6.11	NEW AND REVISED PANEL SCHEDULES	0	05/03/2024	05/09/2024	City Hall 2024 Addition & Remodel (05/03/24)
ED1.10	DEMOLITION PLAN	0	05/03/2024	05/09/2024	City Hall 2024 Addition & Remodel (05/03/24)
<b>General</b>					
G1.10	Cover Page	1	05/24/2024		Addenda B (05/24/24)
G1.20	CODE INFO - DOOR CLEARANCES & ACCESSIBLE ROUTES	0	05/03/2024	05/09/2024	City Hall 2024 Addition & Remodel (05/03/24)
G1.30	CODE INFO - TOILET ROOMS & MISCELLANEOUS	0	05/03/2024	05/09/2024	City Hall 2024 Addition & Remodel (05/03/24)
<b>Life Safety</b>					
LS1.10	LIFE SAFETY	0	05/03/2024	05/09/2024	City Hall 2024 Addition & Remodel (05/03/24)
<b>Mechanical</b>					
M1.10	HVAC PLAN	0	05/03/2024	05/09/2024	City Hall 2024 Addition & Remodel (05/03/24)



Printed on Wed Jun 12, 2024 at 10:06 am CDT  
 Job #: 2410 Olivia City Hall, Police, and Fire @ Olivia, MN  
 1009 W Lincoln Ave  
 Olivia, Minnesota 56277

Drawing No.	Drawing Title	Revision	Drawing Date	Received Date	Set
M2.00	DETAILS	0	05/03/2024	05/09/2024	(05/03/24) City Hall 2024 Addition & Remodel (05/03/24)
M3.00	GAS RISER DIAGRAMS	0	05/03/2024	05/09/2024	City Hall 2024 Addition & Remodel (05/03/24)
MD1.00	HVAC DEMOLITION PLAN	0	05/03/2024	05/09/2024	City Hall 2024 Addition & Remodel (05/03/24)
ME4.00	HVAC SCHEDULES	0	05/03/2024	05/09/2024	City Hall 2024 Addition & Remodel (05/03/24)
MT0.00	MECHANICAL TITLE SHEET	0	05/03/2024	05/09/2024	City Hall 2024 Addition & Remodel (05/03/24)
<b>Plumbing</b>					
P1.10	UNDERFLOOR PLUMBING PLAN	0	05/03/2024	05/09/2024	City Hall 2024 Addition & Remodel (05/03/24)
P2.00	PLUMBING PLAN	0	05/03/2024	05/09/2024	City Hall 2024 Addition & Remodel (05/03/24)
P3.00	WASTE & VENT RISER DIAGRAMS	0	05/03/2024	05/09/2024	City Hall 2024 Addition & Remodel (05/03/24)
P4.00	DOMESTIC WATER RISER DIAGRAM	0	05/03/2024	05/09/2024	City Hall 2024 Addition & Remodel (05/03/24)
PD1.00	PLUMBING DEMOLITION PLAN	0	05/03/2024	05/09/2024	City Hall 2024 Addition & Remodel (05/03/24)
<b>Structural</b>					
S1.10	FOOTING AND FOUNDATION PLAN	0	05/03/2024	05/09/2024	City Hall 2024 Addition & Remodel (05/03/24)
S2.10	ROOF FRAMING PLAN	1	05/24/2024		Addenda B (05/24/24)
S3.10	FOUNDATION DETAILS AND NOTES	0	05/03/2024	05/09/2024	City Hall 2024 Addition & Remodel (05/03/24)
S3.20	FOUNDATION DETAILS	0	05/03/2024	05/09/2024	City Hall 2024 Addition & Remodel (05/03/24)
S4.10	ROOF FRAMING DETAILS	1	05/24/2024		Addenda B (05/24/24)

# AIA® Document A133® – 2019 Exhibit B

## **Insurance and Bonds**

This Insurance and Bonds Exhibit is part of the Agreement, between the Owner and the Construction Manager, dated the Seventh day of July in the year Two Thousand Twenty-Three  
*(In words, indicate day, month and year.)*

for the following **PROJECT**:  
*(Name and location or address)*

Olivia City Hall, Police, and Fire  
1009 W Lincoln Ave  
Olivia, MN 56277

**THE OWNER:**  
*(Name, legal status, and address)*

City of Olivia  
1009 W Lincoln Ave  
Olivia, MN 56277

**THE CONSTRUCTION MANAGER:**  
*(Name, legal status, and address)*

Marcus Construction Co., Inc.  
2580 Hwy 12 East  
Willmar, MN 56201

### **TABLE OF ARTICLES**

- B.1 GENERAL**
- B.2 OWNER'S INSURANCE**
- B.3 CONSTRUCTION MANAGER'S INSURANCE AND BONDS**
- B.4 SPECIAL TERMS AND CONDITIONS**

#### **ARTICLE B.1 GENERAL**

The Owner and Construction Manager shall purchase and maintain insurance, and provide bonds, as set forth in this Exhibit. As used in this Exhibit, the term General Conditions refers to AIA Document A201™–2017, General Conditions of the Contract for Construction.

#### **ARTICLE B.2 OWNER'S INSURANCE**

##### **§ B.2.1 General**

Prior to commencement of the Work, the Owner shall secure the insurance, and provide evidence of the coverage, required under this Article B.2 and, upon the Construction Manager's request, provide a copy of the property insurance policy or policies required by Section B.2.3. The copy of the policy or policies provided shall contain all applicable conditions, definitions, exclusions, and endorsements.

#### **ADDITIONS AND DELETIONS:**

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

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

This document is intended to be used in conjunction with AIA Document A201™–2017, General Conditions of the Contract for Construction. Article 11 of A201™–2017 contains additional insurance provisions.

Init.

**§ B.2.2 Liability Insurance**

The Owner shall be responsible for purchasing and maintaining the Owner’s usual general liability insurance.

**§ B.2.3 Required Property Insurance**

**§ B.2.3.1** Unless this obligation is placed on the Construction Manager pursuant to Section B.3.3.2.1, the Owner shall purchase and maintain, from an insurance company or insurance companies lawfully authorized to issue insurance in the jurisdiction where the Project is located, property insurance written on a builder’s risk "all-risks" completed value or equivalent policy form and sufficient to cover the total value of the entire Project on a replacement cost basis. The Owner’s property insurance coverage shall be no less than the amount of the initial Contract Sum, plus the value of subsequent Modifications and labor performed and materials or equipment supplied by others. The property insurance shall be maintained until Substantial Completion and thereafter as provided in Section B.2.3.1.3, unless otherwise provided in the Contract Documents or otherwise agreed in writing by the parties to this Agreement. This insurance shall include the interests of the Owner, Construction Manager, Subcontractors, and Sub-subcontractors in the Project as insureds. This insurance shall include the interests of mortgagees as loss payees.

**§ B.2.3.1.1 Causes of Loss.** The insurance required by this Section B.2.3.1 shall provide coverage for direct physical loss or damage, and shall not exclude the risks of fire, explosion, theft, vandalism, malicious mischief, collapse, earthquake, flood, or windstorm. The insurance shall also provide coverage for ensuing loss or resulting damage from error, omission, or deficiency in construction methods, design, specifications, workmanship, or materials. Sub-limits, if any, are as follows:

*(Indicate below the cause of loss and any applicable sub-limit.)*

Cause of Loss	Sub-Limit
---------------	-----------

**§ B.2.3.1.2 Specific Required Coverages.** The insurance required by this Section B.2.3.1 shall provide coverage for loss or damage to falsework and other temporary structures, and to building systems from testing and startup. The insurance shall also cover debris removal, including demolition occasioned by enforcement of any applicable legal requirements, and reasonable compensation for the Architect’s and Construction Manager’s services and expenses required as a result of such insured loss, including claim preparation expenses. Sub-limits, if any, are as follows: *(Indicate below type of coverage and any applicable sub-limit for specific required coverages.)*

Coverage	Sub-Limit
----------	-----------

**§ B.2.3.1.3** Unless the parties agree otherwise, upon Substantial Completion, the Owner shall continue the insurance required by Section B.2.3.1 or, if necessary, replace the insurance policy required under Section B.2.3.1 with property insurance written for the total value of the Project that shall remain in effect until expiration of the period for correction of the Work set forth in Section 12.2.2 of the General Conditions.

**§ B.2.3.1.4 Deductibles and Self-Insured Retentions.** If the insurance required by this Section B.2.3 is subject to deductibles or self-insured retentions, the Owner shall be responsible for all loss not covered because of such deductibles or retentions.

**§ B.2.3.2 Occupancy or Use Prior to Substantial Completion.** The Owner’s occupancy or use of any completed or partially completed portion of the Work prior to Substantial Completion shall not commence until the insurance company or companies providing the insurance under Section B.2.3.1 have consented in writing to the continuance of coverage. The Owner and the Construction Manager shall take no action with respect to partial occupancy or use that would cause cancellation, lapse, or reduction of insurance, unless they agree otherwise in writing.

**§ B.2.3.3 Insurance for Existing Structures**

If the Work involves remodeling an existing structure or constructing an addition to an existing structure, the Owner shall purchase and maintain, until the expiration of the period for correction of Work as set forth in Section 12.2.2 of the General Conditions, "all-risks" property insurance, on a replacement cost basis, protecting the existing structure against direct physical loss or damage from the causes of loss identified in Section B.2.3.1, notwithstanding the undertaking of the Work. The Owner shall be responsible for all co-insurance penalties.

Init.

**§ B.2.4 Optional Extended Property Insurance.**

The Owner shall purchase and maintain the insurance selected and described below.

*(Select the types of insurance the Owner is required to purchase and maintain by placing an X in the box(es) next to the description(s) of selected insurance. For each type of insurance selected, indicate applicable limits of coverage or other conditions in the fill point below the selected item.)*

- § B.2.4.1 Loss of Use, Business Interruption, and Delay in Completion Insurance**, to reimburse the Owner for loss of use of the Owner's property, or the inability to conduct normal operations due to a covered cause of loss.
  
- § B.2.4.2 Ordinance or Law Insurance**, for the reasonable and necessary costs to satisfy the minimum requirements of the enforcement of any law or ordinance regulating the demolition, construction, repair, replacement or use of the Project.
  
- § B.2.4.3 Expediting Cost Insurance**, for the reasonable and necessary costs for the temporary repair of damage to insured property, and to expedite the permanent repair or replacement of the damaged property.
  
- § B.2.4.4 Extra Expense Insurance**, to provide reimbursement of the reasonable and necessary excess costs incurred during the period of restoration or repair of the damaged property that are over and above the total costs that would normally have been incurred during the same period of time had no loss or damage occurred.
  
- § B.2.4.5 Civil Authority Insurance**, for losses or costs arising from an order of a civil authority prohibiting access to the Project, provided such order is the direct result of physical damage covered under the required property insurance.
  
- § B.2.4.6 Ingress/Egress Insurance**, for loss due to the necessary interruption of the insured's business due to physical prevention of ingress to, or egress from, the Project as a direct result of physical damage.
  
- § B.2.4.7 Soft Costs Insurance**, to reimburse the Owner for costs due to the delay of completion of the Work, arising out of physical loss or damage covered by the required property insurance: including construction loan fees; leasing and marketing expenses; additional fees, including those of architects, engineers, consultants, attorneys and accountants, needed for the completion of the construction, repairs, or reconstruction; and carrying costs such as property taxes, building permits, additional interest on loans, realty taxes, and insurance premiums over and above normal expenses.

**§ B.2.5 Other Optional Insurance.**

The Owner shall purchase and maintain the insurance selected below.

Init.

(Select the types of insurance the Owner is required to purchase and maintain by placing an X in the box(es) next to the description(s) of selected insurance.)

§ B.2.5.1 **Cyber Security Insurance** for loss to the Owner due to data security and privacy breach, including costs of investigating a potential or actual breach of confidential or private information. (Indicate applicable limits of coverage or other conditions in the fill point below.)

§ B.2.5.2 **Other Insurance**  
(List below any other insurance coverage to be provided by the Owner and any applicable limits.)

Coverage

Limits

### ARTICLE B.3 CONSTRUCTION MANAGER'S INSURANCE AND BONDS

#### § B.3.1 General

§ B.3.1.1 **Certificates of Insurance.** The Construction Manager shall provide certificates of insurance acceptable to the Owner evidencing compliance with the requirements in this Article B.3 at the following times: (1) prior to commencement of the Work; (2) upon renewal or replacement of each required policy of insurance; and (3) upon the Owner's written request. An additional certificate evidencing continuation of commercial liability coverage, including coverage for completed operations, shall be submitted with the final Application for Payment and thereafter upon renewal or replacement of such coverage until the expiration of the periods required by Section B.3.2.1 and Section B.3.3.1. The certificates will show the Owner as an additional insured on the Construction Manager's Commercial General Liability and excess or umbrella liability policy or policies.

§ B.3.1.2 **Deductibles and Self-Insured Retentions.** The Construction Manager shall disclose to the Owner any deductible or self-insured retentions applicable to any insurance required to be provided by the Construction Manager.

§ B.3.1.3 **Additional Insured Obligations.** To the fullest extent permitted by law, the Construction Manager shall cause the commercial general liability coverage to include (1) the Owner, the Architect, and the Architect's consultants as additional insureds for claims caused in whole or in part by the Construction Manager's negligent acts or omissions during the Construction Manager's operations; and (2) the Owner as an additional insured for claims caused in whole or in part by the Construction Manager's negligent acts or omissions for which loss occurs during completed operations. The additional insured coverage shall be primary and non-contributory to any of the Owner's general liability insurance policies and shall apply to both ongoing and completed operations. To the extent commercially available, the additional insured coverage shall be no less than that provided by Insurance Services Office, Inc. (ISO) forms CG 20 10 07 04, CG 20 37 07 04, and, with respect to the Architect and the Architect's consultants, CG 20 32 07 04.

#### § B.3.2 Construction Manager's Required Insurance Coverage

§ B.3.2.1 The Construction Manager shall purchase and maintain the following types and limits of insurance from an insurance company or insurance companies lawfully authorized to issue insurance in the jurisdiction where the Project is located. The Construction Manager shall maintain the required insurance until the expiration of the period for correction of Work as set forth in Section 12.2.2 of the General Conditions, unless a different duration is stated below: (If the Construction Manager is required to maintain insurance for a duration other than the expiration of the period for correction of Work, state the duration.)

#### § B.3.2.2 Commercial General Liability

§ B.3.2.2.1 Commercial General Liability insurance for the Project written on an occurrence form with policy limits of not less than One Million Dollars (\$ 1,000,000 ) each occurrence, Two Million Dollars (\$ 2,000,000 ) general aggregate, and Two Million Dollars (\$ 2,000,000 ) aggregate for products-completed operations hazard, providing coverage for claims including

Init.

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User Notes:

(1464415287)

- .1 damages because of bodily injury, sickness or disease, including occupational sickness or disease, and death of any person;
- .2 personal injury and advertising injury;
- .3 damages because of physical damage to or destruction of tangible property, including the loss of use of such property;
- .4 bodily injury or property damage arising out of completed operations; and
- .5 the Construction Manager's indemnity obligations under Section 3.18 of the General Conditions.

**§ B.3.2.2.2** The Construction Manager's Commercial General Liability policy under this Section B.3.2.2 shall not contain an exclusion or restriction of coverage for the following:

- .1 Claims by one insured against another insured, if the exclusion or restriction is based solely on the fact that the claimant is an insured, and there would otherwise be coverage for the claim.
- .2 Claims for property damage to the Construction Manager's Work arising out of the products-completed operations hazard where the damaged Work or the Work out of which the damage arises was performed by a Subcontractor.
- .3 Claims for bodily injury other than to employees of the insured.
- .4 Claims for indemnity under Section 3.18 of the General Conditions arising out of injury to employees of the insured.
- .5 Claims or loss excluded under a prior work endorsement or other similar exclusionary language.
- .6 Claims or loss due to physical damage under a prior injury endorsement or similar exclusionary language.
- .7 Claims related to residential, multi-family, or other habitational projects, if the Work is to be performed on such a project.
- .8 Claims related to roofing, if the Work involves roofing.
- .9 Claims related to exterior insulation finish systems (EIFS), synthetic stucco or similar exterior coatings or surfaces, if the Work involves such coatings or surfaces.
- .10 Claims related to earth subsidence or movement, where the Work involves such hazards.
- .11 Claims related to explosion, collapse and underground hazards, where the Work involves such hazards.

**§ B.3.2.3** Automobile Liability covering vehicles owned, and non-owned vehicles used, by the Construction Manager, with policy limits of not less than One Million Dollars (\$ 1,000,000 ) per accident, for bodily injury, death of any person, and property damage arising out of the ownership, maintenance and use of those motor vehicles along with any other statutorily required automobile coverage.

**§ B.3.2.4** The Construction Manager may achieve the required limits and coverage for Commercial General Liability and Automobile Liability through a combination of primary and excess or umbrella liability insurance, provided such primary and excess or umbrella insurance policies result in the same or greater coverage as the coverages required under Section B.3.2.2 and B.3.2.3, and in no event shall any excess or umbrella liability insurance provide narrower coverage than the primary policy. The excess policy shall not require the exhaustion of the underlying limits only through the actual payment by the underlying insurers.

**§ B.3.2.5** Workers' Compensation at statutory limits.

**§ B.3.2.6** Employers' Liability with policy limits not less than One Million Dollars (\$ 1,000,000 ) each accident, One Million Dollars (\$ 1,000,000 ) each employee, and One Million Dollars (\$ 1,000,000 ) policy limit.

**§ B.3.2.7** Jones Act, and the Longshore & Harbor Workers' Compensation Act, as required, if the Work involves hazards arising from work on or near navigable waterways, including vessels and docks

**§ B.3.2.8** If the Construction Manager is required to furnish professional services as part of the Work, the Construction Manager shall procure Professional Liability insurance covering performance of the professional services, with policy limits of not less than Five Million Dollars (\$ 5,000,000 ) per claim and Five Million Dollars (\$ 5,000,000 ) in the aggregate.



§ B.3.2.9 If the Work involves the transport, dissemination, use, or release of pollutants, the Construction Manager shall procure Pollution Liability insurance, with policy limits of not less than Five Million Dollars (\$ 5,000,000 ) per claim and Five Million Dollars (\$ 5,000,000 ) in the aggregate.

§ B.3.2.10 Coverage under Sections B.3.2.8 and B.3.2.9 may be procured through a Combined Professional Liability and Pollution Liability insurance policy, with combined policy limits of not less than Five Million Dollars (\$ 5,000,000 ) per claim and Five Million Dollars (\$ 5,000,000 ) in the aggregate.

§ B.3.2.11 Insurance for maritime liability risks associated with the operation of a vessel, if the Work requires such activities, with policy limits of not less than ( \$ ) per claim and ( \$ ) in the aggregate.

§ B.3.2.12 Insurance for the use or operation of manned or unmanned aircraft, if the Work requires such activities, with policy limits of not less than ( \$ ) per claim and ( \$ ) in the aggregate.

**§ B.3.3 Construction Manager's Other Insurance Coverage**

§ B.3.3.1 Insurance selected and described in this Section B.3.3 shall be purchased from an insurance company or insurance companies lawfully authorized to issue insurance in the jurisdiction where the Project is located. The Construction Manager shall maintain the required insurance until the expiration of the period for correction of Work as set forth in Section 12.2.2 of the General Conditions, unless a different duration is stated below:

*(If the Construction Manager is required to maintain any of the types of insurance selected below for a duration other than the expiration of the period for correction of Work, state the duration.)*

§ B.3.3.2 The Construction Manager shall purchase and maintain the following types and limits of insurance in accordance with Section B.3.3.1.

*(Select the types of insurance the Construction Manager is required to purchase and maintain by placing an X in the box(es) next to the description(s) of selected insurance. Where policy limits are provided, include the policy limit in the appropriate fill point.)*

§ B.3.3.2.1 Property insurance of the same type and scope satisfying the requirements identified in Section B.2.3, which, if selected in this Section B.3.3.2.1, relieves the Owner of the responsibility to purchase and maintain such insurance except insurance required by Section B.2.3.1.3 and Section B.2.3.3. The Construction Manager shall comply with all obligations of the Owner under Section B.2.3 except to the extent provided below. The Construction Manager shall disclose to the Owner the amount of any deductible, and the Owner shall be responsible for losses within the deductible. Upon request, the Construction Manager shall provide the Owner with a copy of the property insurance policy or policies required. The Owner shall adjust and settle the loss with the insurer and be the trustee of the proceeds of the property insurance in accordance with Article 11 of the General Conditions unless otherwise set forth below:

*(Where the Construction Manager's obligation to provide property insurance differs from the Owner's obligations as described under Section B.2.3, indicate such differences in the space below.*

*Additionally, if a party other than the Owner will be responsible for adjusting and settling a loss with the insurer and acting as the trustee of the proceeds of property insurance in accordance with Article 11 of the General Conditions, indicate the responsible party below.)*

§ B.3.3.2.2 Railroad Protective Liability Insurance, with policy limits of not less than ( \$ ) per claim and ( \$ ) in the aggregate, for Work within fifty (50) feet of railroad property.

§ B.3.3.2.3 Asbestos Abatement Liability Insurance, with policy limits of not less than ( \$ ) per claim and ( \$ ) in the aggregate, for liability arising from the encapsulation, removal, handling, storage, transportation, and disposal of asbestos-containing materials.

§ B.3.3.2.4 Insurance for physical damage to property while it is in storage and in transit to the

Init.



construction site on an "all-risks" completed value form.

[ ] § B.3.3.2.5 Property insurance on an "all-risks" completed value form, covering property owned by the Construction Manager and used on the Project, including scaffolding and other equipment.

[ ] § B.3.3.2.6 Other Insurance  
(List below any other insurance coverage to be provided by the Construction Manager and any applicable limits.)

Coverage

Limits

**§ B.3.4 Performance Bond and Payment Bond**

The Construction Manager shall provide surety bonds, from a company or companies lawfully authorized to issue surety bonds in the jurisdiction where the Project is located, as follows:

(Specify type and penal sum of bonds.)

Type	Penal Sum (\$0.00)
Payment Bond	Equal to amounts indicated in the Exhibit A when executed.
Performance Bond	Equal to amounts indicated in the Exhibit A when executed.

Payment and Performance Bonds shall be AIA Document A312™, Payment Bond and Performance Bond, or contain provisions identical to AIA Document A312™, current as of the date of this Agreement.

**ARTICLE B.4 SPECIAL TERMS AND CONDITIONS**

Special terms and conditions that modify this Insurance and Bonds Exhibit, if any, are as follows:

Bond to be provided after execution of Exhibit A

Init.

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User Notes:

(1464415287)

# **Additions and Deletions Report for** **AIA® Document A133® – 2019 Exhibit B**

This Additions and Deletions Report, as defined on page 1 of the associated document, reproduces below all text the author has added to the standard form AIA document in order to complete it, as well as any text the author may have added to or deleted from the original AIA text. Added text is shown underlined. Deleted text is indicated with a horizontal line through the original AIA text.

Note: This Additions and Deletions Report is provided for information purposes only and is not incorporated into or constitute any part of the associated AIA document. This Additions and Deletions Report and its associated document were generated simultaneously by AIA software at 09:57:42 ET on 07/14/2023.

## **PAGE 1**

This Insurance and Bonds Exhibit is part of the Agreement, between the Owner and the Construction Manager, dated the Seventh day of July in the year Two Thousand Twenty-Three

...

Olivia City Hall, Police, and Fire  
1009 W Lincoln Ave  
Olivia, MN 56277

...

City of Olivia  
1009 W Lincoln Ave  
Olivia, MN 56277

...

Marcus Construction Co., Inc.  
2580 Hwy 12 East  
Willmar, MN 56201

## **PAGE 4**

§ **B.3.2.2.1** Commercial General Liability insurance for the Project written on an occurrence form with policy limits of not less than One Million Dollars (\$ 1,000,000 ) each occurrence, Two Million Dollars (\$ 2,000,000 ) general aggregate, and Two Million Dollars (\$ 2,000,000 ) aggregate for products-completed operations hazard, providing coverage for claims including

## **PAGE 5**

§ **B.3.2.3** Automobile Liability covering vehicles owned, and non-owned vehicles used, by the Construction Manager, with policy limits of not less than One Million Dollars (\$ 1,000,000 ) per accident, for bodily injury, death of any person, and property damage arising out of the ownership, maintenance and use of those motor vehicles along with any other statutorily required automobile coverage.

...

§ **B.3.2.6** Employers' Liability with policy limits not less than One Million Dollars (\$ 1,000,000 ) each accident, One Million Dollars (\$ 1,000,000 ) each employee, and One Million Dollars (\$ 1,000,000 ) policy limit.

...

§ B.3.2.8 If the Construction Manager is required to furnish professional services as part of the Work, the Construction Manager shall procure Professional Liability insurance covering performance of the professional services, with policy limits of not less than Five Million Dollars (\$ 5,000,000 ) per claim and Five Million Dollars (\$ 5,000,000 ) in the aggregate.

§ B.3.2.9 If the Work involves the transport, dissemination, use, or release of pollutants, the Construction Manager shall procure Pollution Liability insurance, with policy limits of not less than Five Million Dollars (\$ 5,000,000 ) per claim and Five Million Dollars (\$ 5,000,000 ) in the aggregate.

§ B.3.2.10 Coverage under Sections B.3.2.8 and B.3.2.9 may be procured through a Combined Professional Liability and Pollution Liability insurance policy, with combined policy limits of not less than Five Million Dollars (\$ 5,000,000 ) per claim and Five Million Dollars (\$ 5,000,000 ) in the aggregate.

PAGE 7

Payment Bond

Equal to amounts indicated in the Exhibit A when executed.

Performance Bond

Equal to amounts indicated in the Exhibit A when executed.

...

Bond to be provided after execution of Exhibit A

Andrew Lindquist

Digitally signed by Andrew Lindquist  
DN: C=US,  
E=Andrew@MarcusConstruction.com,  
O="Marcus Construction Co., Inc.",  
OU=VP of Construction, CN=Andrew  
Lindquist  
Date: 2023.07.14 09:30:59-05'00'



**Olivia City  
Council**

August 19, 2024

**Agenda Item:** Step Movement for Elizabeth Torkelson

**Request for Action:** Adopt Resolution #2024-88, Approving Step Movement for Elizabeth Torkelson

**Employee/Dept.:** Elizabeth Torkelson, City Administrator

**Background:**

Elizabeth Torkelson, City Administrator is eligible for step movement based on a satisfactory review of her performance upon her one year work anniversary date of August 21, 2024.

It is recommended that Elizabeth Torkelson be moved to Step 7 of Grade 20 of the approved pay scale. Step movements have been approved and accounted for in the 2024 budget.

**Budget Impact:**

N/A

**Funding Source:**

General fund

**Motion Type:**

Simple majority vote of members present.

**Attachments:**

Resolution #2024-88

**CITY OF OLIVIA  
RESOLUTION NO. 2024-88**

**Resolution Approving Step Movement**

**WHEREAS**, the City of Olivia (the “City”) has provided for step movements of employees on the approved pay scale; and

**WHEREAS**, Elizabeth Torkelson has satisfactorily had her performance reviewed for the prior year and subsequent goals set for the upcoming year; and

**NOW, THEREFORE, BE IT RESOLVED**, that the City Council of the City of Olivia, Minnesota, hereby approves placement of Elizabeth Torkelson at Step 7 of Grade 20 of the approved pay scale effective August 21, 2024.

Adopted by the City Council of the City of Olivia this 19<sup>th</sup> day of August 2024

---

Jon Hawkinson, Mayor

ATTEST: \_\_\_\_\_  
Jasmine Miller, City Clerk



# Memorandum

To: City Council  
From: Susie Lang, EDA Director  
RE: Stipend Payment for EDA Commissioners

In conducting a review of bylaws for the Olivia Economic Development Authority, it was brought to light that there is a legal requirement to provide stipends to commissioners of the Economic Development Authority (EDA) as outlined in Minnesota Statute Chapter 469.011. This requirement ensures compliance with state law and supports the effective functioning of the EDA.

## Implications for the City

**Compliance:** By adhering to this statute, the City Council will ensure that the EDA is operating in full compliance with state regulations.

**Attraction and Retention:** Offering a stipend helps attract qualified individuals to serve as EDA commissioners and retains their services, which is crucial for the effective operation of the authority.

**Budgetary Considerations:** The stipends should be factored into the city's budget planning to accommodate this expense without impacting other essential services.

To comply with the statutory requirements, the City Council needs to:

**Determine the Stipend Amount:** In discussions with the EDA, their recommendation was a \$20 stipend for each commissioner per meeting.

**Incorporate into Budget:** If approved, we will update the budget in time for our 2025 budget discussions.

**Formalize the Payment Structure:** We have drafted Resolution 2024-89 for your consideration at tonight's meeting to formalize the stipend payments and ensure transparency and consistency.

Please let me know if you require further information or have any questions regarding this matter.

**CITY OF OLIVIA  
RESOLUTION NO. 2024-89**

**A RESOLUTION APPROVING A STIPEND FOR ECONOMIC DEVELOPMENT AUTHORITY  
(EDA) BOARD MEMBERS IN ACCORDANCE WITH MINNESOTA STATUTES §469.095**

**WHEREAS**, the Economic Development Authority (the "EDA") of the City of Olivia is tasked with promoting economic growth, business development, and enhancing the overall economic well-being of the community; and

**WHEREAS**, the EDA Board members volunteer their time and effort to attend meetings, participate in committees, and engage in other activities necessary to fulfill the mission of the EDA; and

**WHEREAS**, the City Council recognizes the importance of supporting the EDA Board members and ensuring that they are fairly compensated for their contributions to the City's economic development; and

**WHEREAS**, Minnesota Statutes §469.095 Subdivision 4 authorizes the provision of compensation to EDA Board members for their services, subject to approval by the City Council; and

**WHEREAS**, the City Council of the City of Olivia recognizes the importance of compensating EDA Board members for their contributions and deems it appropriate to provide a stipend in accordance with the statute; and

**WHEREAS**, the City Council has determined that the stipend will be paid on a regular monthly basis to ensure consistent and fair compensation for EDA Board members.

**NOW, THEREFORE, BE IT RESOLVED**, by the City Council of the City of Olivia, Minnesota, as follows:

1. Approval of Stipend: The City Council hereby approves the payment of a stipend to the EDA Board members as stated in the EDA bylaws. The stipend amount shall be \$20 per meeting, as specified in the bylaws.
2. Eligibility: All current and future members of the EDA Board shall be eligible to receive the stipend, provided they are actively serving on the Board and are in compliance with the duties outlined in the EDA bylaws.
3. Payment Schedule: The stipend shall be paid quarterly, beginning December 2024.
4. Budget Allocation: The necessary funds for the stipend payments shall be allocated from the EDA Admin Funds within the City's annual budget.
5. Effective Date: This resolution shall take effect September 1, 2024, upon its adoption.

Adopted by the City Council of the City of Olivia this 19th day of August 2024.

\_\_\_\_\_  
Jon Hawkinson, Mayor

ATTEST: \_\_\_\_\_  
Jasmine Miller, City Clerk





**Contractor: City of Olivia**

**Contact: Elizabeth Torkelson**

**Address:**

**Phone: (320)444-7032**

**Email: [etorkelson@olivia.mn.us](mailto:etorkelson@olivia.mn.us)**

**Project: Olivia Public Library**

**Scope: Reroof as per proposal**

**Project Location: 405 South 10th St Olivia, MN 56277**

**Bid Date: 07/28/24**

**Sq.Ft.**

Phone: (320)219-5421 Email: [aaron@ashroofingcladding.com](mailto:aaron@ashroofingcladding.com) Address: 1567 Trousil Dr. SW Alexandria, MN 56308 BC#776271

## Proposal

Remove existing rock ballast from roof and store on ground for reuse.

Remove the existing metal coping and metal accessories related to the roofing system.

Remove the existing EPDM Rubber membrane.

**At this time we will inspect the existing insulation, wood blocking, sheathing. Any wet or deteriorated material insulation will be replaced at a cost of \$1.80 per board foot after notifying the owner, Any wood blocking or sheathing will be replaced on a time and material basis after notifying the owner.**

Next we will lay a new layer of Wood fiber board over the existing insulation to create a new stable surface (this can be removed to lessen the cost but is a good practice for quality).

A new Carlisle 60 mil EPDM roofing system will be installed as per a ballasted application.

Rock ballast will be sifted clean and reinstalled.

New prefinished metal coping, scupper and accessories will be installed to complete the roofing system.

A 15 year warranty will be issued after final inspection.

Total to complete the roofing system:

**Eighty Six Thousand Eight Hundred Seventy Nine Dollars \$86,879.00**

Option:

Add layer of 2 inch ISO insulation over the existing in lieu of Wood Fiber Board to increase R value 11.4

**Four Thousand Three Hundred Fifty Dollars \$4,350.00**

### Job Notes:

Any and all permits required for this project will be purchased and paid for by others.

Snow and ice removal will be completed on a time and material basis.

It is the owners responsibility to ensure the structural integrity of the building can support the roofing system.

Additional mechanical, electrical, plumbing, carpentry work required for the completion of the roofing system will be an extra to the base price.

All material is guaranteed to be as specified. All work to be completed in a substantial workmanlike manner according to specifications submitted, per standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders, and becomes an extra charge over and above the estimate. Agreements are contingent upon strikes, accidents or delays beyond our control. The owner is to carry fire, tornado and other necessary insurance. The worker is fully covered by insurance. If either party commences legal action to enforce its rights pursuant to this agreement, the prevailing party in said legal action shall be entitled to recover its reasonable attorney's fees and costs of litigation relating to said legal actions, as determined by a court of competent jurisdiction.

Payment is due immediately following the completion of work. Finance charges of 1.5% applied on balances over 30 days.

**Proposal Valid for 30 Days**

**Authorized  
Signature:**

**Acceptance  
Signature:**



# West Central Roofing Contractors, Inc.

PO Box 1292 ~ 4030 Hwy 71 NE  
Willmar MN 56201

Telephone (320) 235-8748 Fax (320) 214-7334

License# RR627812

CONTRACT# 7362

PROPOSAL SUBMITTED TO: City of Olivia 405 S 10th St Olivia, MN 56277		WORK TO BE PERFORMED AT: Upper main roof, 4529 SqF, DL Olivia, MN 56277	
HOME PHONE:	WORK PHONE: (320) 523-1738	ESTIMATOR: Kal Torkelson	DATE: 7/1/2024

**We hereby submit specifications and estimates for:**

1. Tear off old membrane to insulation and dispose of
2. Remove loose rock from the roof
3. Sweep and clean debris from the roof
4. Installation of Slip Sheet
5. Insulation fastened with screws and plates
6. Duro-Last Roofing System, White, Tan or, Gray
7. Flash up the wall and bar
8. Flash up the wall and Counterflash
9. Secure edges and flash walls
10. Flash in curbs
11. Boots at vents
12. Flash in drains
13. Flash Scuppers
14. Tie in as needed
15. Install new colored metal copings
16. Installation of new scuppers
17. Owner to provide plumber (if needed)
18. Owner to provide mechanical contractor (if needed)
19. 20 year Labor and Materials Warranty by Manufacturer
20. Building permit included

**NOTE:** Due to volatility of the roofing market, prices are subject to change without notice.  
Lead times and changes to deliveries are dictated by the manufacturer

**This is the Best Roofing System on the Market!!**

**All seams are heat welded (fused) together – not glued or taped**

**WE PROPOSE** hereby to furnish material and labor for the sum of:

**Sixty Eight Thousand One Hundred Dollars And Seventy Three Cents** dollars ( **\$68,100.73** ).

Payable as follows:

50% down payment is required, balance due upon completion, if down payment is not received with signed contract, we cannot guarantee material pricing and may change due to the volatile material prices

All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specification involving extra costs will be secured only upon written orders, and will become an extra charge over and above the estimate. Replacement of damaged decking or insulation to be completed on a labor and materials basis. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance.

Authorized Signature Kal Torkelson

NOTE: This proposal may be withdrawn by us if not accepted within 30 days.

**CONTRACT TERMS AND CONDITIONS OF SALE:**

The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above. A 1 1/2% (18% APR) late fee will be charged on all unpaid balances over 60 days. In event of default by buyer, buyer agrees to pay all costs of collection including reasonable attorneys fees in addition to other damages incurred by seller.

**ACCEPTANCE OF PROPOSAL:** The prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Signature \_\_\_\_\_ Date \_\_\_\_\_



PROPOSAL SUBMITTED TO: City of Olivia 405 S 10th St Olivia, MN 56277		WORK TO BE PERFORMED AT: Upper main roof, 4529 SqF, DL Olivia, MN 56277	
HOME PHONE:	WORK PHONE: (320) 523-1738	ESTIMATOR: Kal Torkelson	DATE: 7/1/2024

We hereby submit specifications and estimates for:

**A) ANY PERSON OR COMPANY SUPPLYING LABOR OR MATERIALS FOR THIS IMPROVEMENT TO YOUR PROPERTY MAY FILE A LIEN AGAINST YOUR PROPERTY IF THAT PERSON OR COMPANY IS NOT PAID FOR THE CONTRIBUTIONS.**

**B) UNDER MINNESOTA LAW, YOU HAVE THE RIGHT TO PAY PERSONS WHO SUPPLIED LABOR OR MATERIALS FOR THIS IMPROVEMENT DIRECTLY AND DEDUCT THIS AMOUNT FROM OUR CONTRACT PRICE, OR WITHHOLD THE AMOUNTS DUE THEM FROM US UNTIL 120 DAYS AFTER COMPLETION OF THE IMPROVEMENT UNLESS WE GIVE YOU A LIEN WAIVER SIGNED BY PERSONS WHO SUPPLIED ANY LABOR OR MATERIAL FOR THE IMPROVEMENT AND WHO GAVE YOU TIMELY NOTICE.**

**WE PROPOSE** hereby to furnish material and labor for the sum of:

**Sixty Eight Thousand One Hundred Dollars And Seventy Three Cents**

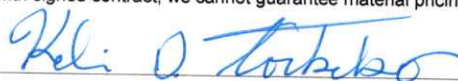
dollars ( **\$68,100.73** ).

Payable as follows:

50% down payment is required, balance due upon completion, if down payment is not received with signed contract, we cannot guarantee material pricing and may change due to the volatile material prices

All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specification involving extra costs will be secured only upon written orders, and will become an extra charge over and above the estimate. Replacement of damaged decking or insulation to be completed on a labor and materials basis. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance.

Authorized  
Signature



NOTE: This proposal may be withdrawn by us if not accepted within 30 days.

**CONTRACT TERMS AND CONDITIONS OF SALE:**

The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above. A 1 1/2% (18% APR) late fee will be charged on all unpaid balances over 60 days. In event of default by buyer, buyer agrees to pay all costs of collection including reasonable attorneys fees in addition to other damages incurred by seller.

**ACCEPTANCE OF PROPOSAL:**

The prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Signature \_\_\_\_\_

Date \_\_\_\_\_



# West Central Roofing Contractors, Inc.

PO Box 1292 ~ 4030 Hwy 71 NE  
Willmar MN 56201

Telephone (320) 235-8748 Fax (320) 214-7334

License# RR627812

CONTRACT# 7363

PROPOSAL SUBMITTED TO: City of Olivia 405 S 10th St Olivia, MN 56277		WORK TO BE PERFORMED AT: Lower SW section, 2052 SqF, DL Olivia, MN 56277	
HOME PHONE:	WORK PHONE: (320) 523-1738	ESTIMATOR: Kal Torkelson	DATE: 7/1/2024

**We hereby submit specifications and estimates for:**

1. Tear off old membrane to insulation and dispose of
2. Remove loose rock from the roof
3. Sweep and clean debris from the roof
4. Installation of Slip Sheet
5. Insulation fastened with screws and plates
6. Duro-Last Roofing System, White, Tan or, Gray
7. Flash up the wall and bar
8. Flash up the wall and Counterflash
9. Secure edges and flash walls
10. Flash in curbs
11. Boots at vents
12. Flash in drains
13. Flash Scuppers
14. Tie in as needed
15. Install new colored metal copings
16. Installation of new scuppers
17. Owner to provide plumber (if needed)
18. Owner to provide mechanical contractor (if needed)
19. 20 year Labor and Materials Warranty by Manufacturer
20. Building permit included

**NOTE:** Due to volatility of the roofing market, prices are subject to change without notice.  
Lead times and changes to deliveries are dictated by the manufacturer

**This is the Best Roofing System on the Market!!**  
**All seams are heat welded (fused) together – not glued or taped**

**WE PROPOSE** hereby to furnish material and labor for the sum of:

**Thirty Six Thousand Five Hundred Thirty Six Dollars And Forty Six Cents** dollars ( **\$36,536.46** ).

Payable as follows:

50% down payment is required, balance due upon completion, if down payment is not received with signed contract, we cannot guarantee material pricing and may change due to the volatile material prices

All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specification involving extra costs will be secured only upon written orders, and will become an extra charge over and above the estimate. Replacement of damaged decking or insulation to be completed on a labor and materials basis. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance.

Authorized Signature *Kal Torkelson*

NOTE: This proposal may be withdrawn by us if not accepted within 30 days.

**CONTRACT TERMS AND CONDITIONS OF SALE:**

The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above. A 1 1/2% (18% APR) late fee will be charged on all unpaid balances over 60 days. In event of default by buyer, buyer agrees to pay all costs of collection including reasonable attorneys fees in addition to other damages incurred by seller.

**ACCEPTANCE OF PROPOSAL:** The prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Signature \_\_\_\_\_ Date \_\_\_\_\_

PROPOSAL SUBMITTED TO: City of Olivia 405 S 10th St Olivia, MN 56277		WORK TO BE PERFORMED AT: Lower SW section, 2052 SqF, DL Olivia, MN 56277	
HOME PHONE:	WORK PHONE: (320) 523-1738	ESTIMATOR: Kal Torkelson	DATE: 7/1/2024

We hereby submit specifications and estimates for:

A) ANY PERSON OR COMPANY SUPPLYING LABOR OR MATERIALS FOR THIS IMPROVEMENT TO YOUR PROPERTY MAY FILE A LIEN AGAINST YOUR PROPERTY IF THAT PERSON OR COMPANY IS NOT PAID FOR THE CONTRIBUTIONS.

B) UNDER MINNESOTA LAW, YOU HAVE THE RIGHT TO PAY PERSONS WHO SUPPLIED LABOR OR MATERIALS FOR THIS IMPROVEMENT DIRECTLY AND DEDUCT THIS AMOUNT FROM OUR CONTRACT PRICE, OR WITHHOLD THE AMOUNTS DUE THEM FROM US UNTIL 120 DAYS AFTER COMPLETION OF THE IMPROVEMENT UNLESS WE GIVE YOU A LIEN WAIVER SIGNED BY PERSONS WHO SUPPLIED ANY LABOR OR MATERIAL FOR THE IMPROVEMENT AND WHO GAVE YOU TIMELY NOTICE.

**WE PROPOSE** hereby to furnish material and labor for the sum of: **Thirty Six Thousand Five Hundred Thirty Six Dollars And Forty Six Cents** dollars ( **\$36,536.46** ).

Payable as follows:

50% down payment is required, balance due upon completion, if down payment is not received with signed contract, we cannot guarantee material pricing and may change due to the volatile material prices

All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specification involving extra costs will be secuted only upon written orders, and will become an extra charge over and above the estimate. Replacement of damaged decking or insulation to be completed on a labor and materials basis. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance.

Authorized Signature Kal D. Torkelson

NOTE: This proposal may be withdrawn by us if not accepted within 30 days.

**CONTRACT TERMS AND CONDITIONS OF SALE:**

The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above. A 1 1/2% (18% APR) late fee will be charged on all unpaid balances over 60 days. In event of default by buyer, buyer agrees to pay all costs of collection including reasonable attorneys fees in addition to other damages incurred by seller.

**ACCEPTANCE OF PROPOSAL:**

The prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Signature \_\_\_\_\_ Date \_\_\_\_\_





# West Central Roofing Contractors, Inc.

PO Box 1292 ~ 4030 Hwy 71 NE  
Willmar MN 56201

Telephone (320) 235-8748 Fax (320) 214-7334

License# RR627812

**CONTRACT# 7364**

PROPOSAL SUBMITTED TO: City of Olivia 405 S 10th St Olivia, MN 56277		WORK TO BE PERFORMED AT: Skylight and SW roof, remove stucco/ efis 274' Olivia, MN 56277	
HOME PHONE:	WORK PHONE: (320) 523-1738	ESTIMATOR: Kal Torkelson	DATE: 7/1/2024

**We hereby submit specifications and estimates for:**

1. Remove stucco/efis from walls, Southwest section and skylight
2. Replace insulation if needed
3. Install membrane on walls, EPDM
4. Cut back top of wall flush
5. Seal area with membrane EPDM
6. Secure as needed
7. Detail as needed
8. Caulk as needed
9. Clean up

**WE PROPOSE** hereby to furnish material and labor for the sum of:

**Twelve Thousand Three Hundred Sixty Six Dollars And Twenty Nine Cents**

dollars ( **\$12,366.29** ).

Payable as follows:

50% down payment is required, balance due upon completion, if down payment is not received with signed contract, we cannot guarantee material pricing and may change due to the volatile material prices

All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specification involving extra costs will be secured only upon written orders, and will become an extra charge over and above the estimate. Replacement of damaged decking or insulation to be completed on a labor and materials basis. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance.

Authorized  
Signature

NOTE: This proposal may be withdrawn  
by us if not accepted within 30 days.

**CONTRACT TERMS AND CONDITIONS OF SALE:**

The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above. A 1 1/2% (18% APR) late fee will be charged on all unpaid balances over 60 days. In event of default by buyer, buyer agrees to pay all costs of collection including reasonable attorneys fees in addition to other damages incurred by seller.

**ACCEPTANCE OF PROPOSAL:** The prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Signature

Date

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We hereby submit specifications and estimates for:

**A) ANY PERSON OR COMPANY SUPPLYING LABOR OR MATERIALS FOR THIS IMPROVEMENT TO YOUR PROPERTY MAY FILE A LIEN AGAINST YOUR PROPERTY IF THAT PERSON OR COMPANY IS NOT PAID FOR THE CONTRIBUTIONS.**

**B) UNDER MINNESOTA LAW, YOU HAVE THE RIGHT TO PAY PERSONS WHO SUPPLIED LABOR OR MATERIALS FOR THIS IMPROVEMENT DIRECTLY AND DEDUCT THIS AMOUNT FROM OUR CONTRACT PRICE, OR WITHHOLD THE AMOUNTS DUE THEM FROM US UNTIL 120 DAYS AFTER COMPLETION OF THE IMPROVEMENT UNLESS WE GIVE YOU A LIEN WAIVER SIGNED BY PERSONS WHO SUPPLIED ANY LABOR OR MATERIAL FOR THE IMPROVEMENT AND WHO GAVE YOU TIMELY NOTICE.**

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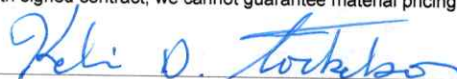
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