

CITY OF RENO OWNER-CMAR CONSTRUCTION CONTRACT

This Owner-CMAR Construction Contract is entered into as of **March 12th, 2025** between the City of Reno, hereinafter referred to as "Owner", and the Construction Manager at Risk, **CORE West Inc.**, hereinafter referred to as "CMAR".

Project Identification

Project Name: Reno Fire Department Central Station
Project Address: APN: 012-013-01 (455 East 2nd Street)
Project No.: E100209

OWNER

City of Reno
Public Works
Capital Projects
1 E. First Street, 8th Floor
Reno, Nevada 89501
Phone: (775) 393-1016
Email: ahmadik@reno.gov

CMAR

CORE West, Inc.
Seth Maurer, President
7150 Cascade Valley Court
Las Vegas, NV, 89128
775-525-5757
sethmaurer@coreconstruction.com

ARTICLE 1 – GUARANTEED MAXIMUM PRICE (GMP)

For furnishing all labor, materials, equipment, tools, and services, and for doing everything required by this Contract and the other Contract Documents, the Owner will pay and the CMAR shall accept a total sum for the approved Guaranteed Maximum Price (GMP) for the entire Work on the referenced Project as follows:

Cost of the Work/Construction (excluding General Conditions)	\$ 2,883,495
General Conditions	\$ 278,934
CMAR Contingency Fee of 5%	\$ 86,394
Owner's Contingency Fee of 5%	\$ 86,394
CMAR Construction Services Fee of 5.99%	\$ 199,780
TOTAL GMP CONTRACT AMOUNT	\$ 3,534,997

This GMP for the performance of the Work in accordance with the Contract and the Contract Documents listed and attached hereto and marked as Exhibits A.

SAVINGS SPLIT

	<u>OWNER</u>	<u>CMAR</u>
Percentage Split of Cost of Work Savings	90%	10%
Percentage Split of CMAR's Contingency Savings	90%	10%
Percentage Split of Owner's Contingency	100%	0%
Percentage Split of Unused Allowances	100%	0%

ARTICLE 2 – INCORPORATED DOCUMENTS

The Owner and the CMAR mutually agree that the following documents are incorporated into and made a part of this Agreement by reference:

1. Owner's Request for Proposal (RFP) Solicitation Document (*including all Exhibits*)
2. CMAR Response Submittal to RFP #CP-2024-01
3. CMAR Fee Proposal
4. Owner-CMAR General Conditions of the Contract for CMAR
5. Owner's Addenda
 - Addendum 1
 - Addendum 2
6. Owner's Drawings
7. Owner's Specifications
8. Wage Rates, including Amendment 1 for Washoe County (*Dated: October 1st, 2024, through September 30, 2025*)
9. Performance and Payment Bonds
10. Labor and Materials Bonds (*if applicable*)
11. Certificate of Insurance Liability
12. Change Orders (*if applicable*)

ARTICLE 3 – CONTRACT TIME

The CMAR shall commence the Work on the Project as directed by the Owner in a written Notice to Proceed and when CMAR has acquired the required permit(s). After the referenced date of commencement, all Work shall be substantially completed and accepted by the Owner within the number of calendar days stipulated below, after which time, any stipulated liquidated damages provisions shall apply.

CALENDAR DAYS: 121--

ARTICLE 4 – LIQUIDATED DAMAGES

The CMAR agrees that time is of the essence of this Contract and further agrees to satisfactorily complete the Work in accordance with the Contract Documents within the specified Contract Time plus any adjustments to the Contract Time resulting from approved Change Orders, and failing to do so, agrees to pay, not as a penalty, but as liquidated damages, the sum stipulated below for each calendar day in excess of the Contract Time stipulated in this Contract. Liquidated damages shall cease to be assessed on the date of Substantial Completion provided the CMAR completes all punch-list Work within the time limit stipulated in the Certificate of Substantial Completion. Liquidated damages shall resume if the CMAR does not complete all punch-list Work within the time limit stipulated in the Certificate of Substantial Completion.

LIQUIDATED DAMAGES: \$ 2000 per day

ARTICLE 5 – AGREEMENT MODIFICATIONS & CMAR STAFF SUBSTITUTIONS

This Contract, including Contract Documents, constitutes the entire contract/agreement between the parties and may be modified only by a written Amendment executed by both parties.

ARTICLE 6 – CMAR CONSTRUCTION SERVICES (WORK)

The term Work includes all labor, materials, services, equipment, tools, transportation, power, water, permanent and temporary utilities, connections, provisions for safety, and all incidental and other things necessary to produce the finished construction as described by the Contract Documents.

The CMAR agrees to provide all labor materials, equipment, tools and services necessary, and to do everything required by this Agreement and by the Contract Documents, as necessary to complete all Work required for the Project.

ARTICLE 7 – CONTRACT DOCUMENTS

The Contract Documents form the Contract between the Owner and the CMAR and are comprised of the documents listed in Article 2 herein. The Contract Documents are complementary and what is required by any one shall be as binding as if required by all.

ARTICLE 8 – EXAMINATION OF CONTRACT DOCUMENTS

Execution of this Contract by each party shall constitute that representation of each party has fully examined the contents of all Contract Documents, including the Owner-CMAR General Conditions of the CMAR, and that both parties have read and understands the same, and specifically agrees to be bound thereby.

ARTICLE 9 – FINAL PAYMENT

When the Work and all requirements of the Contract are fully and satisfactorily completed, the Owner will pay to the CMAR a final payment consisting of the remaining unpaid balance of the contract sum due the CMAR. The acceptance of the final payment by the CMAR shall constitute a

full and final release and waiver of all CMAR claims and rights of claim against the Owner relating or pertaining to the Work.

Acceptance of the final payment by the CMAR shall terminate the Owner-CMAR Construction Contract after which time the applicable terms and conditions for warranties and insurance shall continue to apply.

ARTICLE 10 – STATUTORY REQUIREMENTS & GOVERNING LAW

The CMAR agrees to all terms and conditions of the Nevada Revised Statutes (NRS) as it applies to this Contract and to the Work performed under this Contract and agrees to comply with all such applicable portions of NRS. This Contract shall be construed and interpreted according to the laws of the State of Nevada. Any action brought by either party arising out of or related to this Contract shall be brought in a court located in Washoe County, Nevada and not elsewhere.

ARTICLE 11 – INFORMATION ACCESS

The books, records, documents, and accounting procedures and practices of the CMAR relevant to this Agreement shall be subject to inspection, examination and audit by the Owner for a period of four years.

ARTICLE 12 – ASSIGNMENT RIGHTS

This Contract is not assignable.

ARTICLE 13 – OWNERSHIP AND USE OF DOCUMENTS

Any drawings, reports, studies, photographs, negatives, or other documents prepared by the CMAR in the performance of his obligations under this Contract shall be the exclusive property of the Owner and all such materials shall be remitted to the Owner by the CMAR upon completion, termination, or cancellation of this Contract. The CMAR shall not use, willingly allow, or cause to have such materials used for any purpose other than the performance of the CMAR's obligations under this Contract, without the prior written consent of the Owner.

ARTICLE 14 – DISPUTE RESOLUTION

In the event of a dispute between the Owner and the CMAR, the parties shall follow the procedure set forth in Section 3.8 of the General Conditions. Any legal action brought by the CMAR or his representatives shall be made in Washoe County. In the event of either arbitration or litigation the prevailing party shall be entitled to an award of attorney's fees and costs.

ARTICLE 15 – INDEMNIFICATION

To the fullest extent permitted by law, the CMAR shall defend, indemnify, and hold harmless the Owner, the Design Team, and the agents and employees of all of them from and against all claims, damages, losses, and expenses, including, but not limited to attorneys' fees arising out of or resulting from performance of the Work, provided that such claim, damage, loss, or expense is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property (other than the Work itself) but only to the extent caused by the negligent acts or omissions of the CMAR, a Subcontractor, a supplier, anyone directly or indirectly employed by them, or anyone for whose acts they may be liable, regardless of whether such claim, damage, loss, or expense is caused in part by a party indemnified hereunder. Such obligation shall not be construed to negate, abridge, or reduce other rights or obligations of indemnity which would otherwise exist as to a party or person described in this paragraph.

ARTICLE 16 – INDEPENDENT CONTRACTOR

The parties agree that the CMAR is an independent contractor and that this contract is entered into in accordance with Nevada Revised Statute which provides that the CMAR is not a City employee, and that there shall be no:

1. Withholding of income taxes,
2. Industrial insurance coverage,
3. Participation in group insurance plans which may be available to employees of the City,
4. Participation or contribution by either the independent contractor or the Public Employees Retirement System,
5. Accumulation of vacation leave or sick leave,
6. Unemployment compensation coverage.

ARTICLE 17 – FAIR EMPLOYMENT PRACTICES

In connection with the performance of work under this Agreement, the CMAR agrees not to discriminate against any employee or applicant for employment because of race, creed, color, national origin, sex, sexual orientation, gender identity or expression, age. Such agreement shall include, but not be limited to employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. As used in this article, sexual orientation means having or being perceived as having an orientation for heterosexuality, homosexuality, or bisexuality. Sexuality and gender identity or expression means a gender-related identity, appearance, expression, or behavior of a person, regardless of the person's assigned sex at birth. Race includes traits associated with race, including, without limitation, hair texture and protective hairstyles.

The CMAR further agrees to insert this provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.

Any violation of such provision by the CMAR shall constitute a material breach of this Agreement.

ARTICLE 18 – INSURANCE & BONDING PROVISIONS

Insurance and Bonding provisions are as set forth in Section 8 of the Owner-CMAR General Conditions of the Contract. CMAR shall provide said documentation to the Owner prior to mobilizing onto the Project site and prior to commencement of any Work on the Project.

ARTICLE 19 – TERMINATION

Termination provisions for both the Owner and CMAR are as set forth in Sections 3.9 of the City of Reno General Conditions of the Contract for CMAR.

IN WITNESS WHEREOF, the Owner and the CMAR have caused this Contract to be signed and intend to be legally bound thereby.

Construction Manager at Risk

Firm Name

By: _____

Print: Seth Maurer

Title: President

Date: _____

Owner

City of Reno

By: _____

Hillary L. Schieve, Mayor

Date: _____

ATTEST:

By: _____

Mikki Huntsman, Reno City Clerk

APPROVED AS TO FORM:

By: _____

Title: Deputy City Attorney

Date: _____

EXHIBIT A
CITY OF RENO
CMAR GMP PROPOSAL

Project Identification

Project Name: Reno Fire Department Central Station
Project Address: APN: 012-013-01 (455 East 2nd Street)
Project No.: E100209

The CMAR GMP Proposal shall be submitted at the following location:

City of Reno, Public Works Capital Projects
1E. First Street, 8th Floor
Reno, Nevada 89501
(775) 334-2548

ARTICLE 1 GUARANTEED MAXIMUM PRICE

In accordance with the CMAR GMP Proposal Instructions, which are attached and incorporated herein by this reference, The CMAR shall provide its Guaranteed Maximum Price (GMP) for Work on the referenced Project:

GMP#1 – Building Wrecking and Earthwork

1) Cost of the Work (excluding General Conditions)	<u>\$ 2,883,495</u>
2) CMAR's General Conditions	<u>\$ 278,934</u>
3) CMAR's Fee	<u>\$ 199,780</u>
4) CMAR's Contingency	<u>\$ 86,394</u>
5) Owner's Contingency	<u>\$ 86,394</u>
6) Total GMP#1	<u>\$ 3,534,997</u>

ARTICLE 2 SPLIT OF POTENTIAL SAVINGS

	<u>Owner</u>	<u>CMAR</u>
Percentage Split of Cost of Work Savings	90%	10%
Percentage Split of CMAR's Contingency Savings	90%	10%
Percentage Split of unused Owner's Contingency	100%	0%
Percentage Split of unused Allowance (when applicable)	100%	0%

ARTICLE 3 CONTRACT TIME

Contract Time: 121 – Building Wrecking and Earthwork

EXHIBIT A

ARTICLE 4 LIQUIDATED DAMAGES

Liquidated Damages: \$ 2,000.00 per day

ARTICLE 5 ADDENDA ACKNOWLEDGEMENT

Receipt of the following addenda acknowledged:

Addenda Numbered: 1 & 2

ARTICLE 6 GMP PROPOSAL AFFIRMATION

In accordance with the Contract Documents as defined in Article 2 of the Owner-CMAR Pre-Construction Agreement, and the CMAR GMP Proposal Instructions, and the drawings and specifications for the Project, the undersigned CMAR, being duly licensed to perform such work by the Nevada State Contractor's Board, and being thoroughly familiar with all local conditions affecting the cost of the Project, having carefully examined the site, the Contract Documents, drawings, specifications, and any addenda thereto, the CMAR proposes to provide, and to furnish for the costs set forth in Article 1 (Guaranteed Maximum Price), all labor and material, tools, utilities, transportation, equipment, and services required to perform and to complete in a workmanlike manner, all of the Work from the date of the Notice to Proceed, within the established Contract Time, subject to liquidated damages for any excess calendar days as established under Article 3 (Contract Time).

By affixing his signature, the CMAR certifies that this GMP Proposal is submitted in accordance with all of the provisions contained in the CMAR GMP Proposal Instructions, which shall be deemed applicable to the guaranteed maximum price proposed herein.

CMAR SIGNATURE

Construction Manager at Risk

Firm Name: CORE West Inc.

By: _____

Print: Seth Maurer

Title: President

Date: March 12th 2025

EXHIBIT A

ARTICLE 7 SUBCONTRACTOR LIST

In accordance with the CMAR GMP Proposal Instructions, the CMAR must submit a list including the name of each subcontractor for which the estimated value is at least 1% of the total cost of the public work or \$50,000, whichever is greater, and the number of the license issued to the subcontractor, pursuant to Nevada Revised Statutes Chapter 624.

The CMAR shall also list any portion of the work for which the estimated value is least 1% of the total cost of the public work or \$50,000, whichever is greater, that the CMAR intends to self-perform.

SUBCONTRACTOR LIST – Demolition and Earthwork

[illegible]



EXHIBIT A.1

Central Station

Phase 1

City of Reno

Guaranteed Maximum Price

Prepared on: February 14, 2025

#	Description		Base Price
	DEMOLITION / OFF-SITE INFRASTRUCTURE		\$715,637
4	Building Wrecking		\$708,571
5	Waste Management		\$7,066
	SITE WORK (ROUGH)		\$958,703
6	Temporary Site Construction Requirements		\$114,353
7	Horizontal Survey & Staking		\$39,817
10	Earthwork & Utility Demolition Phase 1		\$768,020
12	SWPPP Phase 1		\$36,513
	SITE WORK (FINISH)		\$33,676
22	Fencing & Gates Phase 1		\$33,676
	STRUCTURE		\$0
	ENCLOSURE		\$0
	INTERIOR FINISHES		\$0
	SPECIALTIES		\$0
	EQUIPMENT		\$0
	MEP SYSTEMS		\$19,848
107	Miscellaneous Electrical, Phase 1		\$19,848
	UNIQUE FEATURES OF WORK		\$0
Subtotal			\$1,727,863
	CONTINGENCIES & ALLOWANCES		SUB TOTAL
5.0%	Contractor Construction Contingency		\$86,394
5.0%	Owner Contingency		\$86,394
AL 1	Allowance #1: Undocumented Fill Replacement		\$221,877
AL 2	Allowance #2: Underground Storage Tank Remediation		\$736,877
AL 3	Allowance #3: Fuel Line Remediation		\$196,877
Subtotal			\$3,056,283
RATE	GENERAL CONDITIONS		SUB TOTAL
LS	General Conditions		\$278,934
Subtotal			\$3,335,217
RATE	INSURANCE, BONDS, AND BUILDERS RISK		SUB TOTAL
	General Liability		Included In Fee
	Payment and Performance Bond		Included In Fee
	Builders Risk Insurance		Included In Fee
Subtotal			\$3,335,217
RATE	CONTRACTOR'S FEE		SUB TOTAL
5.99%	Construction Manager At Risk Fee		\$199,780
Subtotal			\$3,534,997
		GMP Amount	
Guaranteed Maximum Price			\$3,534,997

BASIS OF GMP

City of Reno Central Station Phase 1
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EXHIBIT A.2



The Basis of Guaranteed Maximum Price (GMP) is a written explanation clarifying the scope, assumptions and exclusions used in establishing the GMP for the City of Reno Central Station Phase 1 in Reno Nevada dated February 14, 2025. The GMP is presented in a ten group, systems format best utilized for analyzing and comparing project costs during design and preconstruction. This GMP is based on CMAR's incorporation of the scope shown on the City of Reno 455 E. 2nd Street Demolition Project plans dated January 1st, 2025 and an Addendum No. 1 dated January 17th, 2025.

Assumptions, Clarifications, & Exclusions

SCHEDULE

This GMP is based upon performance of the work per the enclosed Preliminary Construction Schedule, which is an integral part of this GMP Package.

Schedule Clarifications:

- Permits are to be procured by CMAR and in hand prior to CMAR mobilizing on site. CMAR shall be granted an extension of time for delays resulting from not having permits in place on the anticipated start date.
- Microsoft Project Professional for Office 365 will be used as the schedule management program.
- We anticipate normal working hours 7:00 AM to 4:00 PM, Monday through Friday, with some Saturday work as required to meet the schedule.
- Schedule is based on work included in the base scope of work. Upon discovery of any item that draws from allowances, a schedule extension shall be negotiated alongside Allowance Use Authorization.

Weather:

The following table represents a mutual understanding of the number of reasonable days of adverse weather per month where no weather dependent construction activities may occur due to unworkable field conditions. CMAR has assumed the risk to make up for lost days per month in accordance with this table.

CMAR shall be granted an extension of time for delays resulting from additional lost days per calendar month beyond what is illustrated in the table contained within this Basis of GMP. The lost days illustrated in this schedule are per calendar month and shall not accrue from month to month.

(Northern Nevada – Reno/Sparks Region)

Month	Number of Reasonably Anticipated Days of Adverse Weather Per Month	Average Precipitation
March	2	1.38
April	2	0.54
May	1	0.64
June	1	0.52
July	0	0.36
August	0	0.32
September	0	0.24
October	1	0.68

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EXHIBIT A.2



November	1	0.97
December	4	2.00
January	3	1.60
February	3	1.69

CMAR considers soil conditions that are unsuitable for heavy equipment operation to be adverse weather days. CMAR reserves the right to work Saturdays in order to meet schedule with prior authorization from City of Reno.

Cost Clarifications

This GMP is based on 2025 Washoe County Prevailing Wage Rates and includes Nevada sales tax. The value provided in the GMP includes all direct and indirect construction costs but does not include typical project "soft costs". These costs include, but are not limited to design professional fees, building permits and plan review fees, utility connection fees, land acquisition costs, "loose" furniture, fixtures, and equipment (FF&E), special inspections, commissioning agent services, etc.

CONTINGENCIES

- **CMAR Construction Contingency** – CMAR Construction Contingency is included in this GMP and is intended to be used at CMAR's discretion to cover costs that have not been completely identified as trade specific scope on the GMP setting documents may require further clarification or coordination. These costs include, but not limited to, scope gap, coordination issues between trades, and missed scope during the bidding process. The CMAR Construction Contingency is not intended to account for design revisions or additional scope requests by the design / owner during construction.
- **Owner Contingency** – Owner Contingency is included in this GMP and is intended to be used at Owner's discretion to cover unforeseen conditions, design revision, an/or additional scope requests made by the owner and/or design team.

ALLOWANCES

We have included the Allowances listed below in this GMP. These Allowances are considered to be an allotted sum of money included for a particular system or scope of work for which sufficient detail is not available to determine a definitive cost. A reasonable estimate for an assumed scope and quality is included as a placeholder. The Owner receives the savings for any amount under the allocation and is at risk for any amount over the allocation.

- **Allowance #1 – Undocumented Fill Replacement (\$221,877)** – This Allowance is intended to cover costs to replace undocumented fill within the region outlined and in accordance with the Geotechnical investigation. This allowance is based on over-excavation up to 5' within the highlighted region and does not account for any undocumented fill or clay soil mitigation beyond this volume.
- **Allowance #2 – Underground Storage Tank Remediation (\$736,877)** – This allowance is intended to cover costs associated with the removal and remediation of underground storage tanks including testing and inspection services of a Certified Environmental Manager. Design documents outline the location of seven (7) previously installed storage tanks along with associated sizes and the date of the abandonment. This allowance assumes that every tank shown was abandoned by filling the tank with cement slurry and has remained untouched since. For each tank, forty (40) cubic yards of soil is assumed to be contaminated and must be remediated, including one hundred and twenty (120) cubic yards of material sent to facilities

BASIS OF GMP

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EXHIBIT A.2



able to process hazardous or extremely contaminated soils that are unable to be remediated at local facilities. Additionally, a total of six thousand (6,000) gallons of contaminated perched water is included to be removed from site and remediated.

- **Allowance #3 – Fuel Line Remediation (\$196,877)** – This allowance is intended to cover costs associated with the removal and remediation of underground fuel lines including testing and inspection services of a Certified Environmental Manager. Design documents outline the location of existing fuel lines. For each linear foot of fuel line shown, a three (3) foot by three (3) foot section of soil is assumed to be contaminated and must be remediated.

ALTERNATES

No Alternates have been identified.

SUBCONTRACTORS

All subcontractors will be properly licensed, have bid within their license limits and are prequalified. Please refer to Exhibit E – List of Subcontractors exceeding \$50,000.

HOURLY RATES

The following agreed to hourly rates will be used to determine and define "Wages paid for Labor" as defined in Section 7.5.1.C of the General Conditions of the Owner-CMAR Construction Agreement. The Actual Costs for each of the agreed to rates includes all normal and customary payroll paid by the Contractor plus all fringe benefits, taxes and insurances.

	Standard Rate	Overtime Rate
Project Management:		
Director of Operations	180	-
Project Manager	132	-
Asst. Project Manager	110	-
MPE/BIM Manager	125	-
Construction Coordinator	95	-
Certified Payroll	95	-
Intern	38	57
Field Operations:		
General Superintendent	156	-
Superintendent	132	-
Asst. Superintendent	110	-
Carpenters	85	128
Water Truck Driver	104	156
Laborers	78	117

Assumptions & Exclusions

GENERAL ASSUMPTIONS

- This GMP is considered lump sum, not line itemed. Scope values are provided for transparency and as a contract schedule of values. Any line-item cost variances will be carried across the duration of the entire

BASIS OF GMP

City of Reno Central Station Phase 1
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EXHIBIT A.2



project and the net savings (if any) will be split with the Owner per the terms of the contract at final completion. Costs for any individual line items are not guaranteed within this GMP, but rather the bottom-line cost of the GMP. Any cost savings from any individual line items will be offset against possible overruns of any other line items throughout the duration of the project.

- Permits are to be procured by CMAR and in hand prior to CMAR mobilizing on site and Contract Time commencing. CMAR shall be granted an extension of time for delays resulting from not having an approved grading permit in place on the anticipated start date.
- CMAR assumes that the soils / geotechnical report prepared by Construction Materials Engineers, Inc. is accurate and true. Any adverse soil conditions including but not limited to contaminated soils, different shrink/swell factors, etc. not otherwise included above or shown on plans shall be cause for a time extension and adjustment of the GMP.
- CMAR will coordinate the work with the Owner's contractors and agencies, for example NV Energy, AT&T, Spectrum, Truckee Meadows Water Authority, City of Reno Sewer, etc., with their respective scopes as it pertains to this project. The Owner will provide direction related to any conflict. The project schedule has been developed assuming these contractors/agencies will be able to meet all required scheduled installation and/or utility turn-on dates and these dates will be communicated through the Owner. Any costs due to changes made by the permitting agencies after submission of the GMP are subject to change.
- CMAR does not warrant or guarantee that the Contract Documents comply with Authorities Having Jurisdiction (AHJ), or local regulations or requirements. This is the responsibility of the Architect and Engineers, and we assume all requirements have been incorporated into the Contract Documents.
- Normal shrinkage cracking of all cementitious material, such as slabs, concrete walls, fully grouted CMU walls, etc. is expected and shall not be cause for removal or replacement of structurally sound slabs.
- This GMP is based on remediation of undocumented fill per the Geotechnical report dated December 31, 2024. Remediation is included per the provided assumptions from the Engineer of Record and allowance listed above. Work outside this scope is not included.
- All items desired for salvaging or removal from the building prior to demolition is assumed to have already taken place. Salvaging of any equipment, furniture, etc. from the existing building or on site along with any time associated with coordinating removal or salvaging of items by the City of Reno is not included.

SPECIFIC EXCLUSIONS

- Typical Project "Soft Costs" unless otherwise specified. These include, but are not limited to: design professional costs, utility connection charges, land acquisition, legal fees, equipment and furnishings, etc.
- Power company / communication companies (telephone / internet) / gas company costs other than trenching, backfill, conduits and coordination.
- Servers, equipment, etc.
- Testing and inspection services of special inspectors with the exception of a written QC plan and a Certified Environmental Manager as required.
- Air quality monitoring during demolition – assumed by Owner.
- Services of a commissioning agent.
- Salvaging and relocation of any existing equipment or furnishings, unless otherwise specified.
- Removal and off-haul of boulders larger than 4 cubic yards in volume are not included.

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EXHIBIT A.2



- CMAR assumes the Owner has already abated all Asbestos-containing material and assumes no additional asbestos abatement is required.
- As-built information referenced in Specifications are assumed to accurately represent existing conditions on site.

Scope-Specific Clarifications

CMAR's GMP is based upon plans and specifications as itemized in attached Enumeration of Documents, with the following Scope-Specific Assumptions and Clarifications.

DEMOLITION / OFF-SITE INFRASTRUCTURE

004 – BUILDING WRECKING

- Evacuation of refrigerants are included for equipment listed in Addendum No. 1. All other equipment is excluded.
- Includes removal of accessible copper piping. Selective demolition to access copper for recycling purposes is excluded.

SITE WORK (ROUGH)

010 – EARTHWORK & UTILITY DEMOLITION PHASE 1

- Existing well to be grout filled and abandoned in place is assumed to be a single PVC sleeve less than 500' in depth.
- Existing above ground fueling station pad is assumed to be 30" in depth.

012 – SWPPP PHASE 1

- Removal of BMP's is excluded.

MP&E SYSTEMS

107 – MISCELLANEOUS ELECTRICAL PHASE 1

- Testing of fiber lines are excluded. Electrical contractor will assist City of Reno's testing of fiber lines.
- Interior condition of existing fiber conduits is unknown. Fiber lines are to be removed from existing conduits and coiled as shown. Replacement, repair, extension, or any other modification to fiber lines is excluded.

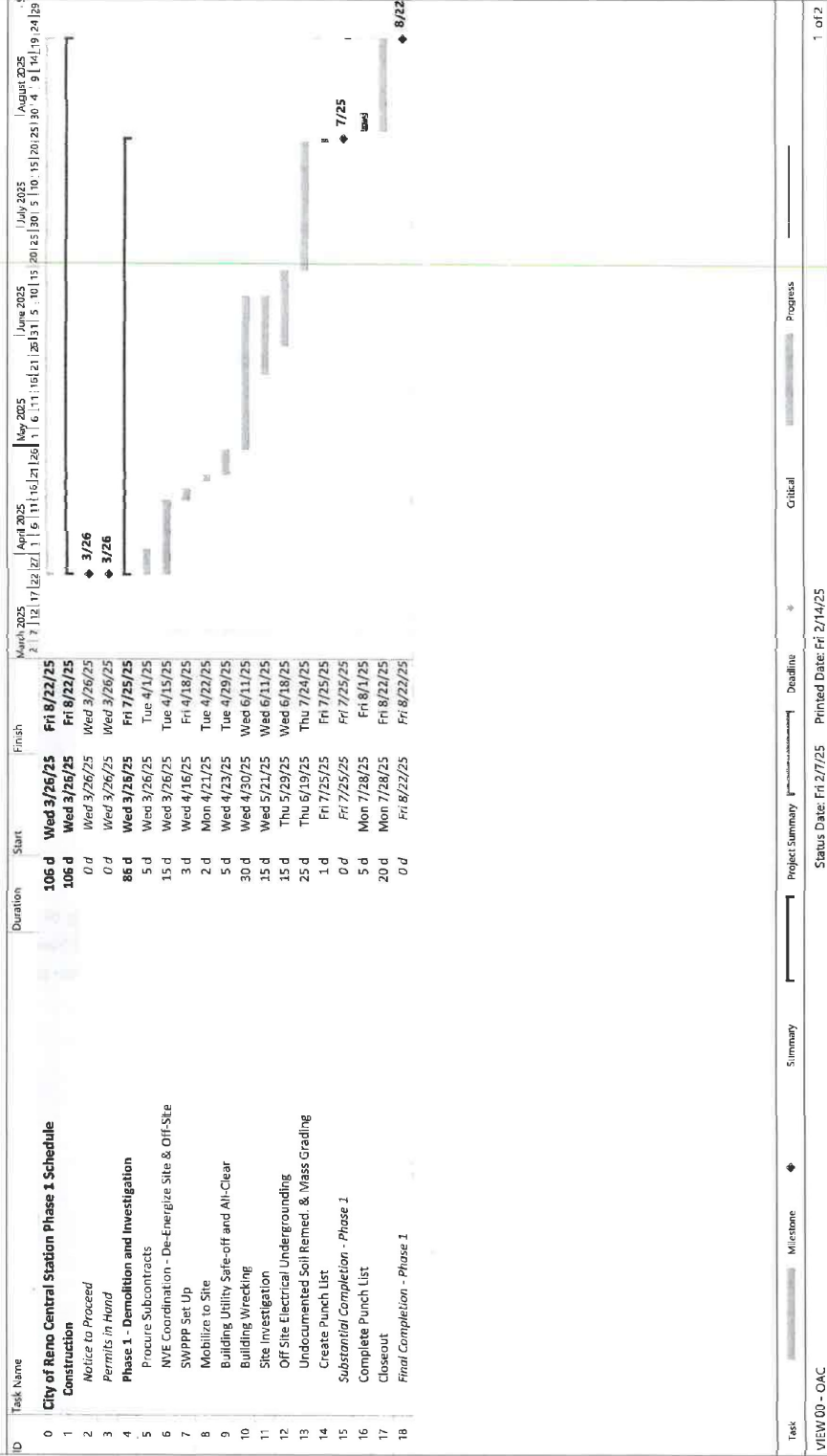
END OF BASIS OF GMP



City of Reno Central Station Phase 1 Schedule

EXHIBIT A.3

ID	Task Name	Duration	Start	Finish
0	City of Reno Central Station Phase 1 Schedule			
1	Construction	106 d	Wed 3/26/25	Fri 8/22/25
2	Notice to Proceed	0 d	Wed 3/26/25	Fri 8/22/25
3	Permits in Hand	0 d	Wed 3/26/25	Wed 3/26/25
4	Phase 1 - Demolition and Investigation	86 d	Wed 3/26/25	Fri 7/25/25
5	Procure Subcontracts	5 d	Wed 3/26/25	Tue 4/1/25
6	NVE Coordination - De-Energize Site & Off-Site	15 d	Wed 3/26/25	Tue 4/15/25
7	SWPPP Set Up	3 d	Wed 4/16/25	Fri 4/18/25
8	Mobilize to Site	2 d	Mon 4/21/25	Tue 4/22/25
9	Building Utility Safe-off and All-Clear	5 d	Wed 4/23/25	Tue 4/29/25
10	Building Wrecking	30 d	Wed 4/30/25	Wed 6/11/25
11	Site Investigation	15 d	Wed 5/21/25	Wed 6/11/25
12	Off-Site Electrical Undergridding	15 d	Thu 5/29/25	Wed 6/18/25
13	Undocumented Soil Remed. & Mass Grading	25 d	Thu 6/19/25	Thu 7/24/25
14	Create Punch List	1 d	Fri 7/25/25	Fri 7/25/25
15	Substantial Completion - Phase 1	0 d	Fri 7/25/25	Fri 7/25/25
16	Complete Punch List	5 d	Mon 7/28/25	Fri 8/1/25
17	Closeout	20 d	Mon 7/28/25	Fri 8/22/25
18	Final Completion - Phase 1	0 d	Fri 8/22/25	Fri 8/22/25





**ATTACHMENT C
ENUMERATION OF DOCUMENTS
EXHIBIT A.4**

Project Name: CoR Central Station Phase 1
CORE Project No: 24-10-007

PROJECT MANUAL						
Specification/ Drawing	Description	Spec Date	Stamp Date	CORE Received Date	Revision	
100.01.11	CONTRACT TIME	1-Jan-25	N/A	2-Jan-25	None	
100.01.17	HOLIDAYS	1-Jan-25	N/A	2-Jan-25	None	
100.10	CONTRACTOR DEFINITION	1-Jan-25	N/A	2-Jan-25	None	
100.16.03	INSPECTION FACILITIES	1-Jan-25	N/A	2-Jan-25	None	
100.17	MATERIALS AND WORKMANSHIP	1-Jan-25	N/A	2-Jan-25	None	
100.18	LOCATION OF WORK AND PUBLIC RELATIONS	1-Jan-25	N/A	2-Jan-25	None	
100.19	USE OF PRIVATE AND PUBLIC PROPERTY	1-Jan-25	N/A	2-Jan-25	None	
100.21	PROGRESS SCHEDULE & PHASING	1-Jan-25	N/A	2-Jan-25	None	
100.26	SUSPENSION OF WORK	1-Jan-25	N/A	2-Jan-25	None	
100.33	PROTECTION OF PROPERTY	1-Jan-25	N/A	2-Jan-25	None	
100.37	PROTECTION OF WORK AND CLEANUP	1-Jan-25	N/A	2-Jan-25	None	
200	SECTION 200 - AGGREGATES	1-Jan-25	N/A	2-Jan-25	None	
202	PORTLAND CEMENT CONCRETE AND SLURRY BACKFILL	1-Jan-25	N/A	2-Jan-25	None	
203	PRESSURE & NON-PRESSURE PIPE	1-Jan-25	N/A	2-Jan-25	None	
209	FENCE MATERIALS	1-Jan-25	N/A	2-Jan-25	None	
215	SIGNS	1-Jan-25	N/A	2-Jan-25	None	
216	MONUMENTS	1-Jan-25	N/A	2-Jan-25	None	
218	GEOSYNTHESIS	1-Jan-25	N/A	2-Jan-25	None	
300	CLEARING AND GRUBBING	1-Jan-25	N/A	2-Jan-25	None	
301	REMOVAL OF EXISTING IMPROVEMENTS	1-Jan-25	N/A	2-Jan-25	None	
302	SUBGRADE PREPARATION	1-Jan-25	N/A	2-Jan-25	None	
303	UNCLASSIFIED EXCAVATION	1-Jan-25	N/A	2-Jan-25	None	
304	UNCLASSIFIED FILL	1-Jan-25	N/A	2-Jan-25	None	
305	TRENCH EXCAVATION AND BACKFILL	1-Jan-25	N/A	2-Jan-25	None	
306	STORM DRAINS, CULVERTS, AND SANITARY SEWER CONSTRUCTION	1-Jan-25	N/A	2-Jan-25	None	
308	AGGREGATE BASE COURSES	1-Jan-25	N/A	2-Jan-25	None	
327	FENCING	1-Jan-25	N/A	2-Jan-25	None	
332	SIGNS, TEMPORARY	1-Jan-25	N/A	2-Jan-25	None	
334	MONUMENTS	1-Jan-25	N/A	2-Jan-25	None	
335	CLEANUP	1-Jan-25	N/A	2-Jan-25	None	
336	INSPECTION AND TESTING	1-Jan-25	N/A	2-Jan-25	None	
339	PHOTOGRAPH AND VIDEO RECORDING	1-Jan-25	N/A	2-Jan-25	None	
340	TRAFFIC CONTROL	1-Jan-25	N/A	2-Jan-25	None	
342	STORM WATER PROTECTION	1-Jan-25	N/A	2-Jan-25	None	
400	PREVAILING WAGE RATES	1-Jan-25	N/A	2-Jan-25	None	
500.01	DESCRIPTION	1-Jan-25	N/A	2-Jan-25	None	
DRAWINGS						
Specification/ Drawing	Description	Drawing Date	Stamp Date	CORE Received Date	Revision	
G-1	COVERSHEET	1-Jan-25	1-Jan-25	2-Jan-25	None	
G-2	NOTES-LEGEND	1-Jan-25	1-Jan-25	2-Jan-25	None	
C-1	SUBSURFACE INVESTIGATION MAP	1-Jan-25	1-Jan-25	2-Jan-25	None	
C-2	BMP SITE PLAN	1-Jan-25	1-Jan-25	2-Jan-25	None	
C-3	SITE AND UTILITY DEMO PLAN	1-Jan-25	1-Jan-25	2-Jan-25	None	
C-4	TMWA WATER SERVICE DEMO PLAN	1-Jan-25	1-Jan-25	2-Jan-25	None	
C-5	FORMER UNDERGROUND STORAGE TANK SITE SCHEMATIC	1-Jan-25	1-Jan-25	2-Jan-25	None	
C-6	BASEMENT FLOOR UNDERGROUND UTILITY SCHEMATIC	1-Jan-25	1-Jan-25	2-Jan-25	None	
C-7	PHASE 1 - SITE GRADING PLAN	1-Jan-25	1-Jan-25	2-Jan-25	None	
	UNDOCUMENTED FILL REMOVAL & SITE RESTORATION PLAN					
R-1	PLAN	1-Jan-25	1-Jan-25	2-Jan-25	None	
R-2	OFFSITE POWER POLE RESTORATION PLAN	1-Jan-25	1-Jan-25	2-Jan-25	None	
R-3	OFFSITE STAGING YARD FENCING PLAN	1-Jan-25	1-Jan-25	2-Jan-25	None	
S-1	SCHEMATIC BUILDING CROSS SECTIONS	1-Jan-25	1-Jan-25	2-Jan-25	None	
D-1	BMP DETAILS	1-Jan-25	1-Jan-25	2-Jan-25	None	



ATTACHMENT C
ENUMERATION OF DOCUMENTS
EXHIBIT A.4

Project Name: CoR Central Station Phase 1
CORE Project No: 24-10-007

Specification/ Drawing	Description	Spec Date	Stamp Date	CORE Received Date	Revision
D-2	CIVIL DETAILS	1-Jan-25	1-Jan-25	2-Jan-25	None
D-3	STANDARD DETAILS	1-Jan-25	1-Jan-25	2-Jan-25	None
E-1	OFFSITE POWER POLE DEMO & LIGHT POLE TRENCH PLAN	1-Jan-25	1-Jan-25	2-Jan-25	None
ADDENDUMS					
Addendums	Description	Drawing Date	Stamp Date	CORE Received Date	Revision
1	ADDENDUM NO. 1	17-Jan-25	17-Jan-25	17-Jan-25	None
2	ADDENDUM NO. 2	21-Jan-25	21-Jan-25	21-Jan-25	None



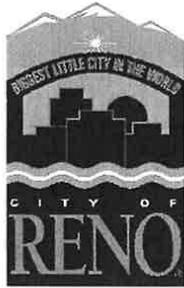
1% SUBCONTRACTOR LIST & CONTACT INFORMATION

Central Station Phase 1

February 6, 2025

EXHIBIT A.5

Trade Description	Name of Subcontractor	Contact	Phone	Email	License #
General Requirements	CORE Construction	Travis Coombs	(775) 525-5757	traviscoombs@coreconstruction.com	0006144A
#004 Building Wrecking	Peek Brothers Construction	Travis Peek	(775) 302-6196	travis@peekbrothers.net	0077037
#010 Earthwork & Utility Demolition	Peek Brothers Construction	Travis Peek	(775) 302-6196	travis@peekbrothers.net	0077037



CITY OF RENO

OWNER – CMAR

**GENERAL CONDITIONS OF THE CONTRACT FOR
CONSTRUCTION MANAGER AT RISK**

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SECTION 1 DEFINITIONS, RULES, AND REGULATIONS

1.1 THE PROJECT

The Project is the total construction of which the Work performed under the Contract Documents may be the whole or a part. The Project is identified by name, location, and project number in the Owner-CMAR Construction Agreement.

1.2 THE WORK

The term Work includes all labor, materials, services, equipment, tools, transportation, power, water, permanent and temporary utilities, connections, provisions for safety, and all incidental and other things necessary to produce the finished construction as described by the Contract Documents.

1.3 THE OWNER

The Owner is the person or organization identified as such in the Owner-CMAR Construction Agreement. The term Owner means the Owner or his authorized representatives.

1.4 ARCHITECT and Design Consultant

The Architect and Design Consultant are the persons or organizations responsible for the design of the Project and the preparation of the Drawings and Specifications on behalf of the Owner. The term Architect or Design Consultant means the Architect/Design Consultant and/or their authorized representatives.

1.5 THE CONSTRUCTION MANAGER AT RISK (CMAR)

The CMAR is the person or organization identified as such in the Owner-CMAR Construction Agreement. The term CMAR means the CMAR or his authorized representatives.

1.6 SUBCONTRACTOR

A Subcontractor is a person or organization who has a direct contract with the CMAR to perform any of the Work. The term Subcontractor means a Subcontractor or his authorized representatives.

1.7 SUB-SUBCONTRACTOR

A Sub-subcontractor is a person or an organization who has a direct or indirect contract with a Subcontractor to perform any of the Work. The term Sub-subcontractor means a Sub-subcontractor or his authorized representatives.

1.8 WRITTEN NOTICE

Written notice shall be deemed to have been duly served when delivered in person to the individual or member of the firm or to an officer of the organization for whom it was intended, or when sent by mail to the last known business address, or when sent by e-mail or facsimile. Minutes of construction progress meetings and/or Requests for Information do not constitute written notice.

1.9 CALENDAR DAYS

All references to a 'day' or to 'days' in the Contract Documents shall be understood to mean calendar days unless specifically indicated otherwise. A Calendar Day shall be understood to be any day of the year, including weekends and holidays.

1.10 BUILDING OFFICIAL

The Building Official is the City Building Official. Any changes to the Work that could be construed to have a potential code impact shall be reviewed and approved by the City Building Official.

1.11 GUARANTEED MAXIMUM PRICE

The Guaranteed Maximum Price is the maximum cost for the Work as delineated in the Owner-CMAR Construction Agreement and is also referred to as the Contract Sum in various Contract Documents including the General Conditions of the Contract.

1.12 CMAR'S CONTINGENCY

The CMAR's Contingency is an approved amount that may be utilized by the CMAR, at his discretion, to cover the Cost of the Work described in the Contract Documents (Cost of the Work as defined in Section 7.5.1) and/or to cover the cost of the CMAR's General Conditions (as defined in Section 7.5.2), subject to the provisions in Section 7.5.4.

1.13 OWNER'S CONTINGENCY

The Owner's Contingency belongs solely to the Owner for the purpose of being allocated towards stipulated additional work (as itemized in an executed Change Order). Any portion of the Owner's Contingency that remains when the Work is completed belongs to the Owner.

1.14 THE CONTRACT

All of the Contract Documents form the Contract. The Contract Documents consist of all of the following, when issued for the Project:

- A. Owner-CMAR Construction Agreement
- B. Supplemental General Conditions
- C. General Conditions of the Contract
- D. CMAR Fee Proposal
- E. Owner's Request for Proposal (RFP) Solicitation
- F. RFP Addenda and Amendments
- G. RFP Affidavits and Acknowledgments
- H. Wage Rates for Washoe County
- I. Performance and Payment Bonds
- J. Labor and Materials Bonds
- K. Certificate(s) and related Endorsements of Insurance Liability
- L. Change Orders
- M. Addenda to Drawings & Specifications
- N. Specifications
- O. Drawings

1.15 SUBMITTALS AND SHOP DRAWINGS

1.15.1 Submittals and shop drawings are drawings, diagrams, illustrations, performance charts, brochures, samples, and other data which are prepared by the CMAR or any Subcontractor, manufacturer, supplier, or distributor, which illustrate some portion of the Work.

1.15.2 Samples are physical examples furnished by the CMAR to illustrate materials, equipment, finishes, or workmanship, and to establish standards by which the Work will be judged.

1.16 RULES AND REGULATIONS

1.16.1 The CMAR shall comply with all applicable portions of the Nevada Revised Statutes.

1.16.2 The CMAR shall comply with Nevada Revised Statutes (NRS) Section 338.125 (which pertains primarily to discriminate against any employee or applicant for employment because of race, creed, color, national origin, sex, sexual orientation, gender identity or expression, or age. Such Contract shall include, but not be limited to, the following: Employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The Contractor further agrees to insert this provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials. Any violation of such provision by a contractor shall constitute a material breach of contract. As used in this article, sexual orientation means having or being perceived as having an orientation for heterosexuality, homosexuality, or bi-

sexuality. Sexuality and gender identity or expression means a gender-related identity, appearance, expression, or behavior of a person, regardless of the person's assigned sex at birth. Race includes traits associated with race, including, without limitation, hair texture and protective. A violation of any provision contained in NRS Section 338.125 shall constitute a material breach of the Contract.

- 1.16.3 The CMAR shall comply with Nevada Revised Statutes (NRS) Section 338.130 (which requires the preferential employment of honorably discharged veterans and citizens of the State of Nevada in the construction of public works). A violation of any provision contained in NRS Section 338.130 or any failure or refusal to comply with any of the provisions of Nevada Revised Statutes 338.130 shall render the Contract void.

SECTION 2 THE CONTRACT DOCUMENTS

2.1 INTENT AND INTERPRETATION

- 2.1.1 The Contract Documents are complementary, and what is required by any one shall be as binding as if required by all. In the event that the terms, provisions, conditions, specifications, or requirements contained in one contract document should conflict with those contained in another contract document, then such conflict shall be resolved in accordance with the following order of precedence:

- A. Owner-CMAR Construction Agreement
- B. Supplemental General Conditions
- C. General Conditions of the Contract
- D. Change Orders
- E. Addenda to Specifications
- F. Addenda to Drawings
- G. Specifications
- H. Drawings

In the event of an inconsistency between or within any of the Contract Documents or between any of the applicable codes, the better quality or greater quantity of work shall be provided, at no additional cost to the Owner.

- 2.1.2 Specifications shall take precedence over notes on drawings. Large scale drawings shall take precedence over smaller scale drawings.
- 2.1.3 The Contract Documents are intended to include and require all items which are necessary for the proper execution and completion of the Work.
- 2.1.4 Interpretations of the Drawings and Specifications and their intent, which are necessary to the proper execution and completion of the Work will be made by the Design Consultant. Words which have well known technical or trade meanings are to be interpreted in accordance with such recognized meanings.
- 2.1.5 The organization of the Specifications into divisions and sections, and the arrangement of the Drawings, shall not be construed to establish controls or limitations on the CMAR with regard to dividing the Work among Subcontractors, or in establishing the extent of work to be performed by any specific trade.

2.2 EXISTING CONDITIONS

- 2.2.1 It is the CMAR's responsibility to ascertain any existing conditions that may affect the cost of the proposed Work which could have been discovered by reasonable examination of the site.
- 2.2.2 No additional costs or additional time shall be allowed to the CMAR for existing conditions which could have been discovered by reasonable examination of the site.
- 2.2.3 Existing improvements visible at the job site, for which no specific disposition is made in the Contract Documents, but which could reasonably be assumed to interfere with the satisfactory completion of the Work, shall be removed and disposed of by the CMAR at no additional cost to the Owner, after written notification is given to the Owner and the Owner provides written notice for such removal and disposal.

2.3 REQUESTS FOR INFORMATION

- 2.3.1 The CMAR shall, upon discovering any discrepancy, conflict, or inconsistency in the Contract Documents, immediately submit a Request for Information (RFI) to the Owner. The Owner, upon receipt of any such request, will promptly investigate the circumstances and give appropriate instructions to the CMAR. Until such written instructions are given, any work done by the CMAR, either directly or indirectly relating to such discrepancy, conflict, or inconsistency

will be at his own risk, and he shall bear all costs arising therefrom. The CMAR shall maintain a sequential log of all RFI's.

2.3.2 No work shall be performed by the CMAR without adequate drawings or specifications, or that is in conflict with or contrary to the Contract Documents. The CMAR shall immediately report to the Owner any error, omissions, discrepancy, conflict, or inconsistency that he may discover in the Contract Documents. If the CMAR performs any work contrary to the Contract Documents, he shall be solely responsible and shall bear all costs and time attributable thereto. CMAR shall remain liable for costs and time associated with any errors, omissions, discrepancies, conflicts or inconsistencies which he should have discovered.

2.3.3 Requests for Information shall be limited to one specific issue or group of related issues and shall not address multiple issues. The Owner will review and respond to RFI's within 10 days from the date that the RFI is received. RFI's shall be issued by the CMAR to the Owner in a reasonable and orderly sequence.

2.4 SUBMITTALS AND SHOP DRAWINGS

2.4.1 The CMAR shall review, stamp with his approval, and submit to the Owner with reasonable promptness and in an orderly sequence so as to cause no delay in the Work, all submittals and/or shop drawings required by the Contract Documents.

2.4.2 The CMAR's submittals shall provide specific written notice of any deviation from the requirements of the Contract Documents. Failure to specifically identify such deviations shall be adequate grounds for withdrawing or voiding approval of the submittal at any time. The CMAR shall be responsible for all costs or delays associated with purchase and installation of any work that deviates from the requirements of the Contract Documents.

2.4.3 The CMAR shall issue all major submittals to the Owner in a reasonable and orderly sequence.

2.4.4 Submittals shall be properly identified as specified, or as the Owner may require. By approving and issuing submittals, the CMAR thereby represents that he has determined and has verified all field measurements, field construction criteria, materials, catalog numbers and similar data, and that he has checked and coordinated each submittal with the requirements of the Contract Documents.

2.4.5 The Owner will review submittals within 14 days from the date that they are received for conformance with the Contract Documents. The review of a separate item shall not indicate approval of an assembly in which the item functions.

2.4.6 When a specific manufacturer and model of equipment is scheduled on the drawings and/or in the specifications, and a second or third acceptable manufacturer is also listed in the specifications, it shall be the responsibility of the CMAR to confirm with the equipment supplier and equipment manufacturer, prior to bidding, that the alternative manufacturer is providing pricing for equipment that is equipped with features and capabilities that are equal to the scheduled and specified item of equipment. The acceptability of an equipment submittal shall be subject to the equipment supplier and manufacturer providing evidence satisfactory to the Owner That the submitted equipment is, in fact, equal to the scheduled and specified equipment.

2.4.7 The review and approval of submittals by the Owner shall not relieve the CMAR of responsibility for any deviation from the requirements of the Contract Documents, nor shall review relieve the CMAR from responsibility for errors or omissions in the submittals.

2.4.8 The CMAR shall correct submittals as required by the Owner and shall resubmit the required number of corrected copies of submittals until the Owner indicates that no further re-submittals are required. The CMAR shall identify in writing all revisions made, in addition to identifying the corrections requested by the Owner on previous submittals.

2.4.9 The number of submittals provided, reviewed, and approved shall include 3 sets for use by the Owner.

- 2.4.10 None of the Work requiring submittals or shop drawings shall commence until the associated submittals have been reviewed and approved.

2.5 SUBSTITUTIONS

- 2.5.1 The GMP and the Work shall be based on the products specified in the drawings and specifications. The characteristics of the specified products have been utilized in the design of the Project and in the preparation of the Drawings and Specifications, and as such establish minimum standards of function, dimension, appearance, and quality necessary for the Project. Equivalent products of other manufacturers may be acceptable, if, in the judgment of the Owner and Design Consultant, they meet the standards of the Contract Documents.

- 2.5.2 The CMAR shall submit any requests for substitutions in writing to the Owner and Design Consultant within the time specified in Section 2.5.3. Submittals and shop drawings do not constitute a request for substitution. Products not specified or accepted in writing as equivalent to those specified shall not be installed. The CMAR shall be responsible for all costs associated with removal and replacement should the CMAR proceed with installation of any substituted product without specifically identifying the substitution and obtaining written approval of the substituted product.

- 2.5.3 Requests for substitutions must be submitted to the Owner within 30 days after the Notice to Proceed date. Thereafter, substitutions will be considered only in cases of documented product unavailability or other conditions beyond the control and without the fault of the CMAR, or in special circumstances when allowed by the Owner.

- 2.5.4 The burden of proof of substituted product equality rests with the CMAR. Final approval of all substituted products shall be contingent on acceptance of the associated submittals and/or shop drawings, compliance with the Contract Documents, and acceptable installation. Approval to utilize a substituted product does not relieve the CMAR of his responsibility to meet the requirements of the Contract Documents.

2.6 AS-BUILT DRAWINGS

- 2.6.1 The CMAR shall provide and maintain at the Project site one copy of all Contract Documents, in good order and marked to show clearly all changes and as-built conditions. The CMAR and his Subcontractors shall indicate daily on these documents all as-built conditions and revisions due to substitutions, field changes, and Change Orders. The location of all concealed piping, conduit, fixtures, pull-boxes, and other similar installations, shall be clearly identified on these documents. Upon completion or termination of the Project, this set of documents shall be delivered to the Owner and Design Consultant for utilization in preparation of the record drawings.

- 2.6.2 Progress payments may be reduced or withheld by the Owner in the event that as-built drawings are not kept current. Release of retention will be contingent upon receipt of final as-built plans.

2.7 CHANGES IN THE WORK

- 2.7.1 A Change Order is an amendment to the Owner-CMAR Construction Agreement and is a written order to the CMAR signed by the Owner and the CMAR, issued after the execution of the Contract, authorizing a change in the Work and/or an adjustment in the Contract Sum or the Contract Time.

- 2.7.2 The Owner has the authority to order minor changes in the Work which do not involve an adjustment in the Contract Sum or an extension of the Contract Time. Such changes shall be binding on the CMAR.

- 2.7.3 The CMAR shall not proceed with changes to the Work without a Change Order or a Construction Change Directive. If the CMAR proceeds with changes to the Work without proper written approval, he does so at his own risk, and waives all claims to a Change Order for the authorized work.

- 2.7.4 Should any event or circumstance occur that the CMAR believes may constitute a change in the Work entitling the CMAR to an adjustment to the Contract Sum or the Contract Time, the CMAR shall issue written notice and a request for a Change Order to the Owner within 7 days of the occurrence of such event or circumstance. Such written notice shall be issued by the CMAR for any event or circumstance that the CMAR knows, or should have known, to have a potential impact on the Work. The request shall describe in detail the related causes and any potential impact to the Work. The CMAR shall also identify any anticipated adjustment to the Contract Sum and/or to the Contract Time as a result of such impact. Failure to submit such written notice and a request within the time stipulated and with the information required by this Section (Section 2.7) shall constitute a waiver by the CMAR of the right to a Change Order. In the event of a dispute regarding changes in the Work, the CMAR shall proceed with changes in the Work according to the Owner's directive, pending a resolution.
- 2.7.5 The cost or credit to the Owner resulting from a change in the Work shall be determined in one or more of the following ways:
- A. By unit prices stated in the Contract Documents or as subsequently agreed upon.
 - B. By a lump sum proposal, which is mutually accepted, is properly itemized, and includes the following:
 - 1. Labor, including benefits, payroll taxes, and workers compensation insurance.
 - 2. Materials entering permanently into the Work, including sales tax.
 - 3. Costs for equipment utilized to perform the Change Order work.
 - C. By a not-to-exceed maximum cost, which is based on the actual cost of time and materials, properly itemized and verified, and includes the following:
 - 1. Labor, including benefits, payroll taxes, and workers compensation insurance.
 - 2. Materials entering permanently into the Work, including sales tax.
 - 3. Costs for equipment utilized to perform the Change Order work.
- 2.7.6 The costs for changes in the Work may be increased to include a fixed mark-up for Subcontractor profit and overhead, CMAR profit and overhead on Subcontractor work, and profit and overhead on work done by the CMAR's own forces. This fixed mark-up shall not exceed the amounts stipulated below for a single Change Order item, or for any group of related items, and shall be full compensation for the cost of supervision (to include the Project Manager, Project Coordinator, Superintendent, and all other field and office personnel), field office and home office overhead, profit, tools, insurance and bonding, and all other costs or expenses associated with completing the change in the Work. No other costs or expenses, including, but not limited to, direct daily job costs, general conditions, and/or extended overhead will be paid for time extensions incorporated into a Change Order unless otherwise agreed to in writing by the Owner.
- A. For the Contractor, Work performed by the Contractor's own forces, overhead and profit shall not exceed 10 percent of the cost to do the Work.
 - B. For the Contractor, for Work performed by its Subcontractors forces overhead and profit shall not exceed 5 percent of the Subcontractor's cost.
 - C. For each Subcontractor or Sub-subcontractor involved, for Work performed by that Subcontractor's or Sub-Subcontractors own forces, overhead and profit shall not exceed 10 percent of the Subcontractor's costs.
 - D. For each Subcontractor, for Work performed by the Subcontractor's Sub-subcontractor(s), 5 percent of the amount due the Sub-subcontractor.
- 2.7.7 Execution of a Change Order shall be considered complete and final adjustment of the Contract Sum and the Contract Time and represents complete and final resolution of all matters related to, or arising out of, the Change Order. The CMAR may not reserve the right to make further claims with regard to any executed Change Order. Any attempt by the CMAR to reserve such a right shall be considered invalid and unenforceable.

- 2.7.8 All requests for changes in the Work shall be submitted to the Owner and the Design Consultant in sufficient detail to allow a complete analysis of all proposed costs. The CMAR shall, upon request by the Owner and Design Consultant, submit invoices for materials and equipment utilized in Change Order work. Labor rates, including fringe benefits, shall be in conformance with the applicable prevailing wage rates for this Project.
- 2.7.9 The CMAR shall, upon request by the Owner, submit detailed rationale and justification for labor rates and labor quantities utilized in Change Order work.
-
- 2.7.10 The CMAR will not be entitled to a Change Order for any work that reasonably could have or should have been identified as necessary during the CMAR's participation in the design review process as defined in the Owner-CMAR Pre-Construction Agreement.
- 2.7.11 The CMAR and the Owner mutually agree that the Owner shall have the right to issue one or more Change Orders at or near the end of the Project, requiring work to be performed after the expiration of the Contract Time, without negating or affecting the Owner's right to assess any liquidated damages that the Owner may be entitled to. The scope of such Change Orders shall be limited to work that is deemed by the Owner to be incidental in nature and necessary to allow for proper completion of the Project.
- 2.8 CONSTRUCTION CHANGE DIRECTIVES
- 2.8.1 A Construction Change Directive is a written directive to the CMAR, signed by the Owner, which shall serve as formal and binding direction for the CMAR to proceed with a defined change in the Work. The directive may be implemented when deemed necessary as an interim action until a Change Order can be formally assessed and executed. Upon receipt of a Construction Change Directive, the CMAR shall promptly proceed with the directed changes.
- 2.8.2 The Owner, without invalidating the Contract, may order changes in the Work utilizing a Construction Change Directive with the Contract Sum and/or the Contract Time being adjusted as deemed appropriate. The CMAR shall comply with the provisions of Paragraph 2.7.4 in the event that the CMAR believes that a Construction Change Directive has a potential impact on the Contract Time or the Contract Sum. If the Owner issues a Construction Change Directive with which the CMAR disagrees, the CMAR shall proceed with the Work under protest pending the resolution of the dispute.
- 2.9 CMAR'S USE OF CONTRACT DOCUMENTS
- 2.9.1 Copies of the Contract Documents which are reasonably necessary for the proper execution, progress, and satisfactory completion of the Work shall be provided to the CMAR by the Owner. Copies so furnished are not to be used by the CMAR on any other project, and with the exception of one set for the CMAR's records, are to be returned to the Owner at the completion or termination of the Work.

SECTION 3 THE CONTRACT

3.1 GENERAL

- 3.1.1 The Contract Documents form the Contract for construction. The Contract represents the entire and integrated agreement between the Owner and the CMAR and supersedes all prior negotiations, representations or agreements, either written or oral.
- 3.1.2 The Contract shall not be binding on either the Owner or the CMAR until the Owner-CMAR Construction Agreement and the Performance and Payment Bonds have been properly executed and submitted, and the Owner-CMAR Construction Agreement has been approved and signed by the Owner.
- 3.1.3 Execution of the Owner-CMAR Construction Agreement shall constitute the CMAR's representation that he has carefully examined the contents of all Contract Documents, that he has read and understands the same, and specifically agrees to be bound thereby. Additionally, execution of the Owner-CMAR Construction Agreement by the CMAR shall represent that he has inspected the site, familiarized himself with all local conditions, laws, and regulations under which the Work is to be performed and has correlated this knowledge with the requirements of the Contract Documents.
- 3.1.4 The Contract Documents shall not be construed to create a contractual relationship of any kind between the Owner and a Subcontractor; or, between any persons or entities other than the Owner and the CMAR.
- 3.1.5 The laws of the State of Nevada shall govern the Project and the Work. Each and every provision of law and clause required by law to be inserted in the Contract shall be deemed to be inserted therein, and the Contract shall be read and enforced as though such provision were included therein, and if through mistake or otherwise, any such provision is not inserted, or is not correctly inserted, then upon the application of either party the Contract shall be physically amended to make such insertion or correction.
- 3.1.6 The Contract Sum is the sum stated in the Owner-CMAR Construction Agreement and is the total dollar amount payable by the Owner to the CMAR for the complete and approved performance of the Work in strict conformance with the Contract Documents. The Owner's Contingency belongs solely to the Owner for the purpose of being allocated towards stipulated additional work.

3.2 CONTRACT TIME

- 3.2.1 The Contract Time is the period of time, in calendar days, allotted in the Contract Documents for the completion of the Work. A Calendar Day shall be understood to be any day of the year, including weekends and holidays.
- 3.2.2 The date of commencement of the Work is the date established in the Notice to Proceed letter issued by the Owner.
- 3.2.3 The CMAR shall begin the Work on the starting date established in the Notice to Proceed letter. He shall perform the Work expeditiously with adequate forces and shall complete the Work within the Contract Time.
- 3.2.4 Unless otherwise agreed upon, normal working days are considered to be Monday through Friday, excluding State holidays, between the hours of 7:00 a.m. and 5:00 p.m. If the CMAR desires to work on any weekend day, State holiday, or during any other hours of the day he shall request and obtain the Owner's written approval at least 5 days in advance of the requested working days.
- 3.2.5 It is expressly understood and agreed that the Contract Time is a reasonable and acceptable time for completion of the Work considering the requirements of the Contract Documents, the type and scope of the Project, and the usual industrial and labor conditions prevailing in the locality of the Project.

- 3.2.6 It is expressly understood and agreed that the Contract Time includes adequate time to allow for usual weather delays considering the climatic conditions in the area of the Project. No adjustments to the Contract Time will be allowed on the account of usual weather. The CMAR shall include adequate float or other allowance in his construction schedule to accommodate weather conditions that may be associated with weather dependent work. An extension to the Contract Time will be considered only in a case where an abnormal or unusual weather delay has directly affected the critical path identified in the approved construction schedule. The CMAR may only claim a non-compensable time extension for bad weather in excess of averages established by the date from the U.S. Department of Commerce, National Oceanic and Atmospheric Administration ("NOAA") for the project locale for the 10 years preceding the Notice to Proceed date.
- 3.2.7 The Contract Sum is based on the Contract Time specified in the Owner-CMAR Construction Agreement and shall not be based on an early completion schedule. No additional compensation shall be granted to the CMAR for delays to an early completion schedule and any such claim is hereby waived.
- 3.3 CONTRACT TIME EXTENSIONS
- 3.3.1 An extension in the Contract Time for a delay will be allowed only in the case that a full normal working day is lost. Delays will not be allowed for lost partial days or for lost non-working days.
- 3.3.2 All requests by the CMAR for extensions of the Contract Time due to delays to the Work shall be made in writing to the Owner within 7 calendar days after the start of the delay. Each request shall describe in detail the event or events causing the delay, any related causes, and any impact to the Work. Failure to submit such requests within the stipulated time and with the information required by this paragraph shall constitute a waiver by the CMAR of his right to an extension of the Contract Time based upon this event or issue. Within 7 days after the delay ends, CMAR shall provide its claimed time impact analysis to support the claim for a time extension.
- 3.3.3 If the CMAR is delayed at any time in the progress of the Work by any act or neglect of the Owner, or by any employee of either, by any separate contractor employed by the Owner, or by circumstances that are agreed to be beyond the control and without the fault of the CMAR and his Subcontractors and suppliers, the Contract Time may be extended by Change Order for such reasonable time as the Owner may determine.
- 3.3.4 The CMAR shall not claim or be entitled to any compensation or damages from the Owner because of delay caused by persons other than the Owner, or the Owner's agents and employees, and any entitlement thereto is hereby waived. The CMAR agrees that his sole remedy in the event of a delay caused by the Owner, or by the Owner's agents and employees, shall be an extension of Contract Time, except where the delay unreasonably interferes with the CMAR's ability to complete the Work within the Contract Time, and:
- A. Is so unreasonable in length as to amount to an abandonment of the Work, or
 - B. Is caused by fraud, misrepresentation, concealment, or other bad faith by the Owner, or
 - C. Is caused by active interference by the Owner, or
 - D. Is caused by a decision made by the Owner to add significant scope or duration to the Work.
- The CMAR must submit any request for an extension of Contract Time in strict conformance with Subsection 3.3.2.
- 3.3.5 Should the CMAR request and be allowed cumulative time extensions which cause the Contract Time to end on a non-working day (on a weekend day or a holiday), the non-working day(s) may, at the Owner's discretion, be added to the Contract Time such that the Contract Time ends on a working day.
- 3.3.6 Extensions to the Contract Time will only be allowed for delays that affect the critical path for completion of the entire Work as identified in the approved construction schedule provided those requests for extensions of the Contract Time meet the requirements of Section 3.3.

- 3.3.7 Extensions to the Contract Time will not be allowed for delays which could have been avoided by the exercise of care, prudence, foresight, and/or diligence by the CMAR, or for delays resulting from correction of work rejected as defective or as failing to conform to the Contract Documents.
- 3.4 FINAL COMPLETION
- 3.4.1 When the CMAR considers the Work fully completed, he shall submit written notice to the Owner confirming all of the following:
- A. The Work has been fully completed in accordance with the Contract Documents and is ready for final inspection.
 - B. All punch list items have been corrected or completed.
 - C. All equipment and systems have been tested, adjusted, and balanced and are fully operational.
 - D. All training required by the Contract Documents has been provided.
 - E. All operation and maintenance manuals and as-built drawings have been submitted to the Owner in accordance with the Contract Documents and have been accepted as being complete.
 - F. All surety releases required by the Contract Documents have been submitted to the Owner.
- 3.4.2 The Design Consultant and Owner will perform a final inspection of the Work. If the Work is found to be incomplete or defective, the CMAR will be notified in writing and provided with a list of any incomplete or defective Work. The Owner may withhold such payment as deemed appropriate to ensure the correction of the incomplete or defective Work. Should the CMAR fail to promptly correct the deficiencies noted in the final punch list, the Owner may, upon 7 day written notice to the CMAR, hire another contractor to correct such incomplete or defective Work, notify the CMAR's Surety, and/or otherwise complete or correct the incomplete or defective Work, at the CMAR's expense.
- 3.4.3 When the Work and all requirements of the Contract Documents are fully and satisfactorily completed, the Owner will pay to the CMAR a final payment consisting of the remaining unpaid balance of the Contract Sum due the CMAR. The acceptance of the final payment by the CMAR shall constitute a full and final release and waiver of all CMAR claims and rights of claim against the Owner relating or pertaining to the Work.
- 3.5 WARRANTY REQUIREMENTS
- 3.5.1 The CMAR and his Surety shall unconditionally guarantee all workmanship and materials incorporated in the Work to be and remain free of defects for a period of one year from the date of the Certificate of Final Completion, or for such longer periods as stipulated in the Contract Documents. The Warranty period is not in derogation of, or a substitute for, the statute of limitations in which the Owner may recover for breach of contract for defective work or other claims.
- 3.5.2 When the Work is accepted as being complete, the warranty period will commence on the date of the Certificate of Final Completion for the completed portion of the Work.
- 3.5.3 The CMAR shall perform all service and maintenance on any equipment that is operated prior to the date of the Certificate of Final Completion. Such service and maintenance shall be performed in accordance with the equipment manufacturer's written instructions, and as required to maintain the equipment warranty.
- 3.5.4 Within the one year warranty period, and for such longer periods as specified in the Contract Documents, the CMAR and/or his Surety shall promptly remedy any defects in the Work, and pay for any damage to other work resulting therefrom. The Owner shall promptly notify the CMAR in writing of any observed defects. The CMAR shall ensure that the corrective work is commenced within 7 days of such notice and completed in an expeditious and timely manner.
- 3.5.5 The obligations of the CMAR herein shall be in addition to and not in limitation of any obligation imposed by law.

- 3.5.6 Prior to the end of the one year warranty period the CMAR and all requested Subcontractors shall attend a warranty inspection. The CMAR shall take immediate action to remedy, at no cost to the Owner, all warranty items identified during the warranty inspection.
- 3.6 LIQUIDATED DAMAGES
- 3.6.1 It is hereby mutually understood and agreed, by and between the CMAR and the Owner, that the Contract Time, as specified in the Contract, is an essential condition of the Contract. It is further mutually understood and agreed that both the Work and the Contract Time shall commence on the starting date established in the Notice to Proceed letter.
- 3.6.2 The CMAR agrees that all of the Work shall be prosecuted regularly, diligently, and without interruption at a rate of progress that will ensure completion of the Work within the Contract Time.
- 3.6.3 If the CMAR shall neglect, fail, or refuse to achieve Completion of the Work within the Contract Time, then the CMAR and his Surety do hereby agree, as part of the consideration for the Contract, to pay to the Owner, not as a penalty, but as liquidated damages, the amount of money specified in the Owner-CMAR Construction Agreement for each and every excess calendar day that is required to achieve Final Completion of the Work. The specified liquidated damages shall be the Owner's sole and exclusive remedy for delays caused by the CMAR. The CMAR agrees to and hereby waives any defense as to the validity or enforceability of any liquidated damages payable by the CMAR under the Contract on the grounds that such damages are a penalty or that such damages are disproportionate to the actual damages sustained by the Owner.
- 3.6.4 The CMAR and the Owner mutually agree that in the event of a delay the actual damages to be suffered by the Owner are difficult to determine and accurately quantify. Accordingly, the CMAR, his Surety, and the Owner agree that the amount specified in the Owner-CMAR Construction Agreement for liquidated damages is the appropriate and best estimate of the damages that would actually be incurred by the Owner should the Work not be completed within the Contract Time.
- 3.6.5 Should the remaining balance of the Contract Sum be insufficient to cover the specified liquidated damages due the Owner, then the Owner shall have the right to recover such damages from the CMAR and/or his Surety.
- 3.6.6 Liquidated damages shall cease to be assessed on the date that Final Completion is achieved provided the CMAR upon completion all punch list work within the time determined time limit. The imposition of liquidated damages does not preclude the Owner from recovering other damages unrelated to delay, such as damages for defective Work, incomplete Work, or damage the Owner incurred where the CMAR is terminated.
- 3.7 CLAIMS FOR DAMAGES
- 3.7.1 Should either party to the Contract suffer injury or damage to person or property because of any act or omission of the other party or of any of his employees, agents, or others for whose acts he is legally liable, claim shall be made in writing to such other party within 7 days after the first knowledge of such injury or damage.
- 3.7.2 Any costs to the Owner caused by defective or ill-timed work performed by the CMAR shall be paid by the CMAR.
- 3.7.3 Except for damages mutually agreed upon by the Owner and the CMAR as liquidated damages in accordance with Section 3.6 and excluding losses covered by insurance that is required by the Contract; the Owner and the CMAR agree to mutually waive all claims against each other for any consequential damages suffered or incurred by the other party that arise from or relate to the Contract, including, without limitation, rental expenses or other damages resulting from a loss of use or availability of the Work, lost income, lost profit, lost financing or opportunity, lost business or reputation, principal office expenses, and loss of management or employee availability, productivity, opportunity, or services.

- 3.7.4 The provisions of this Section (3.7) shall also apply to termination of the Contract and shall survive such termination. The CMAR shall require similar waivers in all contracts with his Subcontractors and others retained on the Project.

3.8 DISPUTE RESOLUTION

- 3.8.1 All claims, counterclaims, disputes and other matters in question between the City and the CMAR arising out of, or relating to, this contract or breach of it, unless otherwise settled, must be mediated before initiation of a judicial action.

Unless the parties mutually agree otherwise, mediation will be in accordance with the Construction Industry Mediation Procedures of the American Arbitration Association currently in effect. The American Arbitration Association will not be used to administer or facilitate the process or the selection of the mediators. Instead, the parties will mutually agree to the appointment of one mediator. If the parties cannot agree to one mediator, each party shall select one mediator and the two mediators will appoint a third mediator. The parties agree to split the mediator(s) fees and expenses. Each party shall bear their own attorney's fees and other costs incurred for the mediation.

If the City is the prevailing party in litigation, unless otherwise agreed to in writing, it shall be entitled to an award of reasonable attorney's fees and costs. NRS 338.640(1) applies when appropriate.

3.9 TERMINATION

- 3.9.1 If the CMAR:

- A. fails to begin the work under the contract within the time specified in the Notice to Proceed, or
- B. fails to perform the work with sufficient workmen and equipment or with sufficient materials to assure the prompt completion of said work, or
- C. performs the work unsuitably or neglects or refuses to remove materials or to perform anew such work as may be rejected as unacceptable or unsuitable, or
- D. discontinues the prosecution of work, or
- E. fails to resume work which has been discontinued within a reasonable time after notice to do so, or
- F. becomes insolvent or is declared bankrupt or commits any act of bankruptcy or insolvency, or
- G. allows any final judgment to stand against them unsatisfied for a period of five (5) days, or
- H. makes an assignment for the benefit of creditors, or
- I. does not complete at least ninety percent (90%) of the contract work within the contract time, or
- J. for any other cause whatsoever, fails to carry on the work in an acceptable manner, or
- K. if any required insurances are cancelled or terminated during the duration of the contract, then the Engineer will give notice in writing to the CMAR and his surety of such delay, neglect, or default. If the CMAR or surety, within a period of ten (10) days after such notice, shall not proceed in accordance therewith, then the City shall have full power and authority without violating the contract, to take the prosecution of the work out of the hands of the Contractor and the contract shall be deemed terminated. The Engineer may, at his option, call upon the surety to complete the work in accordance with the terms of the contract; or he may take over the work, including any or all materials and equipment on the project as may be suitable and acceptable, and may complete the work by force account, or may enter into a new agreement for the completion of said contract according to the terms and provisions thereof, or use such other methods as, in his opinion, may be required for the completion of said contract in an acceptable manner.

All costs and charges incurred by the City, together with the cost of completing the work under the contract, shall be deducted from any money due or which may become due said Contractor. In case such expense shall exceed the sum which would have been payable under the contract, then the Contractor and his surety shall be liable and shall pay to the City the amount of said excess.

3.10 SEVERABILITY

- 3.10.1 The Contract and the various provisions thereof are severable. Should any part, clause, provisions or terms be declared invalid, ineffective, or unenforceable, the remaining provisions of the Contract shall remain in full legal force and effect.

3.11 INDEMNIFICATION

- 3.11.1 To the fullest extent permitted by law, the CMAR shall defend, indemnify, and hold harmless the Owner, its agents and employees from and against all claims, damages, losses, and expenses, including, but not limited to attorneys' fees arising out of or resulting from performance of the Work, provided that such claim, damage, loss, or expense is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property caused by the negligent acts or omissions of the CMAR, a Subcontractor, anyone directly or indirectly employed by them, or anyone for whose acts they may be liable, regardless of whether such claim, damage, loss, or expense is caused in part by a party indemnified hereunder. Such obligation shall not be construed to negate, abridge, or reduce other rights or obligations of indemnity which would otherwise exist as to a party or person described in this paragraph.
- 3.11.2 In any and all claims against the Owner or its officers, agents, or employees or the Design Consultant by any employee of the CMAR, any Subcontractor, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable, the indemnification obligation hereunder shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for the CMAR or any Subcontractor under workers compensation acts, disability benefit acts, or other employee benefit acts.
- 3.11.3 Obligations of the CMAR hereunder shall not be construed to negate, abridge, or reduce other rights or obligations of indemnity which would otherwise exist pertaining to a party or person described herein. This indemnification obligation shall not be diminished or limited in any way by the limits of insurance required in this Contract or otherwise available to the CMAR or Subcontractors.
- 3.11.4 All indemnification obligations of the CMAR shall survive final payment.
- 3.12 COMPLIANCE WITH NRS SECTION 338.0117
- 3.12.1 The provisions of this Section only apply if the CMAR received the 5% preference in the award of the Contract.
- 3.12.2 CMAR shall comply with all of the requirements listed herein for the duration of the Project as attested to by the CMAR in his Preferential Bidder Status Affidavit (Exhibit G). The CMAR shall submit a report substantiating his successful compliance with each listed requirement prior to submitting his final progress payment application.
- A. At least 50% of all workers collectively employed by the CMAR, including any of those workers employed by his Subcontractors, will hold a valid driver's license or identification card issued by the Nevada Department of Motor Vehicles; and
 - B. All vehicles used primarily for the Project will be registered and partially apportioned to Nevada pursuant to the International Registration Plan, as adopted by the Department of Motor Vehicles pursuant to Nevada Revised Statutes Section 706.826; or will be registered in the State of Nevada; and
 - C. The CMAR and all of his subcontractors will maintain and make available for inspection within this State all payroll records relating to this Project.
- 3.12.3 In the event that the CMAR cannot meet the requirements, the CMAR must provide Written Notice to the Owner within 7 days of the CMAR's discovery of that fact and include a detailed explanation of why the requirements cannot be met.

- 3.12.4 If the CMAR causes a material breach of the Contract as a result of a failure to comply with the requirements, the CMAR is liable to the Owner for a penalty in the amount of 1% of the Contract Sum.
- 3.12.5 All contracts between the CMAR and a subcontractor or supplier and each contract between a subcontractor and a sub-subcontractor or supplier must provide that:
- A. If a party to a contract causes a material breach of the Contract between the CMAR and the Owner as a result of a failure to comply with the requirements, the party is liable to the Owner for a penalty in the amount of 1% of the cost of the largest contract to which he or she is a party; and
 - B. The right to recover the amount determined by the Owner may be enforced by the Owner directly against the party that causes the material breach; and
 - C. No other party is liable to the Owner for a penalty as set forth in this Section.
- 3.13 CMAR BIDDING PROCEDURES
- 3.13.1 Owner Oversight of CMAR Bidding Procedures
- A. The CMAR shall coordinate with, document, and disclose to the Owner all qualification, bidding, and contracting procedures utilized in assessing, negotiating with, and contracting with subcontractors as required by Nevada Revised Statutes Sections 338.16991 and 338.16995, by Nevada Administrative Code Chapter 338, and the Contract Documents, for every subcontract for which the estimated value is at least 1% of the total cost of the public work or \$50,000, whichever is greater.
 - B. The CMAR shall coordinate all bid openings with the Owner and the Owner shall attend all bid openings.
 - C. The CMAR shall obtain a minimum of 3 bids on all items of work unless a lesser number of bids is deemed acceptable and is pre-approved by the Owner in writing.
 - D. If the CMAR has pre-qualified at least 3 subcontractors for a particular trade and then receives less than 3 bids, the CMAR shall not open the associated bids until the CMAR obtains written direction from the Owner regarding how to proceed.
 - E. Immediately following opening subcontractor bids the CMAR shall provide the Owner with copies of all subcontractor bids along with a list of all subcontractors that submitted bids. This list shall include at minimum the contact information for the subcontractor, the associated trade, any exclusions, any stipulations, and the bid amount.
- 3.13.2 CMAR Pre-Qualification of Subcontractors
- A. The CMAR shall pre-qualify all subcontractors whose subcontract is an estimated value of at least 1% of the total cost of the public work or \$50,000, whichever is greater, in compliance with all requirements of Nevada Revised Statutes Sections 338.16991 and 338.16995, Nevada Administrative Code Chapter 338, and with all provisions of General Conditions Section 3.13. The advertisement for applications for subcontractor qualifications must comply with subsection 1 of NRS 338.1385. When pre-qualifying a subcontractor the CMAR shall consider and utilize only the criteria listed in Nevada Revised Statutes Section 338.16991 and Nevada Administrative Code Chapter 338.
 - B. All subcontractors, regardless of the value of their portion of the work, shall have and maintain a State of Nevada Contractor's license in good standing for the entire duration of the Work.
 - C. Prior to advertisement for subcontractor qualifications the CMAR shall provide the Owner with a copy of the subcontractor pre-qualification application for review and approval.
 - D. The CMAR shall maintain a record of all documents generated and received in connection with the pre-qualification of subcontractors.

- E. The CMAR shall pre-qualify at least 3 subcontractors for each category of work unless the Owner issues written authorization to pre-qualify less than 3 subcontractors for a specific scope of work.

3.13.3 CMAR Requests for Subcontractor Proposals

- A. The CMAR's requests for proposals from subcontractors whose estimated value is at least 1% of the total cost of the public work, or \$50,000, whichever is greater, shall comply with all requirements of Nevada Revised Statutes Sections 338.16991 and 338.16995, Nevada Administrative Code Chapter 338, and with all provisions of General Conditions Section 3.13.
- B. The CMAR shall provide the Owner with a copy of the CMAR's request for subcontractor proposals, including the form that the subcontractors must utilize to submit their proposals, along with all associated instructions for review prior to issuing the request to subcontractors.
- C. Prior to opening any subcontractor bid, the CMAR shall confirm the following:
 - 1. The subcontractor is pre-qualified for the trade and/or scope of work that the proposal applies to, and
 - 2. The subcontractor attended the pre-proposal meeting, if one was held.

SECTION 4 THE OWNER

4.1 OWNER'S RESPONSIBILITIES

- 4.1.1 The Owner will provide general administration of the Contract, including performance of the functions described in this Section (Section 4). Such general administration shall not relieve the CMAR of complete responsibility for the means and methods, and sequences and techniques of construction and performance of the Work in accordance with the Contract Documents.
- 4.1.2 The Owner shall furnish site surveys describing the topography and physical characteristics, legal limits, and utility locations for the Project site.
- 4.1.3 Except for permits and fees which are the responsibility of the CMAR under the Contract Documents, the Owner shall secure and pay for easements and utility connection fees for permanent structures or for permanent changes in existing facilities.
- 4.1.4 Information or services under the Owner's control shall be furnished by the Owner within a reasonable time to avoid delays in the orderly progress of the Work.
- 4.1.5 Prior to the start of construction, the Owner shall obtain all land and rights-of-way necessary for the carrying out and completion of the Work.
- 4.1.6 The Owner will issue the Notice to Proceed and Certificate of Completion.
- 4.1.7 The foregoing are in addition to other duties, responsibilities, and rights of the Owner enumerated throughout the Contract Documents.

4.2 OWNER'S AUTHORITY

- 4.2.1 The Owner and his representatives shall have access to the Work at all times. The CMAR shall provide proper equipment and facilities for such access and inspection. If any work is required to be tested or approved, the CMAR shall give the Owner timely notice of its readiness for inspection. Neither the observations of the Owner or Design Consultant in the general administration of the Contract, nor any inspections, tests, or approvals shall relieve the CMAR from his obligation to perform the Work in accordance with the Contract Documents.
- 4.2.2 Should the Owner or Design Consultant determine that the CMAR has proceeded with work that does not comply with the Contract Documents, the CMAR shall be required to correct such work at the CMAR's own expense within the time frame specified in the written notice from the Owner.
- 4.2.3 The Owner will not be responsible for the acts or omissions of the CMAR or any Subcontractor, or any of their agents or employees, or any other persons performing any of the Work.
- 4.2.4 If the CMAR defaults or neglects to carry out the Work in accordance with the Contract Documents or fails to perform any provision of the Contract, the Owner may, after 7 days written notice to the CMAR, and without prejudice to any other remedy he may have, make good such deficiencies. In such case, an appropriate Change Order shall be issued deducting from the payments then or thereafter due the CMAR the cost of correcting such deficiencies, including the cost of the additional professional services made necessary by such default, neglect, or failure. If the payments then or thereafter due the CMAR are not sufficient to cover such amount, the CMAR shall immediately pay the difference to the Owner.
- 4.2.5 If the CMAR fails to carry out the Work in accordance with the Contract Documents or fails to correct work which is not in accordance with the Contract Documents, the Owner, by written notice, may order the CMAR to stop the Work, or any portion thereof, until the cause for such order has been eliminated. The CMAR shall not be entitled to any compensation or to any additional time for such work stoppage.

4.3 INSPECTION BY THE OWNER

- 4.3.1 The Owner has authority to enforce compliance with the Contract Documents and to direct the CMAR to correct non-complying work.

- 4.3.2 The Owner may direct the CMAR to stop any unsafe work, any non-complying work, and/or any work that presents a life-safety concern. The CMAR shall not be entitled to any compensation or to any additional time for such work stoppage.
- 4.3.3 Once the CMAR is advised of non-complying work, proceeding with that work or with any related work shall be at the CMAR's risk and at the CMAR's expense.
- 4.3.4 The Owner and his authorized representatives shall be permitted to inspect the Work, materials, payroll records, personnel records, invoices for materials, and other relevant data of the CMAR and Subcontractors. Such inspection by the Owner or his authorized representatives shall not be considered a warranty as to the fitness or acceptability of the Work, materials, payrolls, records of personnel, invoices for materials and other relevant data and work, and shall not relieve the CMAR or his Subcontractors of their obligations or duties required by the Contract Documents.

SECTION 5 THE CONSTRUCTION MANAGER AT RISK (CMAR)

5.1 GENERAL

- 5.1.1 The CMAR shall carefully study and compare all parts of the Contract Documents with each other and with all information furnished by the Owner and shall immediately report any errors, omissions, discrepancies, conflicts, or inconsistencies that he discovers in writing to the Owner and the Design Consultant. The CMAR shall not be liable to the Owner and/or Design Consultant for any damages resulting from errors, omissions, discrepancies, conflicts, or inconsistencies in the Contract Documents unless the CMAR recognized, or should have recognized, such error, omissions, discrepancies, conflicts, or inconsistencies and failed to report them to the Owner and the Design Consultant. In the event the CMAR fails to give the Owner written notice of any discovered errors, omissions, discrepancies, conflicts, or inconsistencies, the CMAR waives any claims.
- 5.1.2 No mobilization shall commence and no work shall be performed until all required insurance certificates have been provided to the Owner.
- 5.1.3 If the CMAR performs any work that involves a recognized discrepancy, conflict, or inconsistency in the Contract Documents, without specific notice to the Owner and Design Consultant, the CMAR shall assume all responsibility for such performance, including but not limited to, any and all costs for correction, and waive all claims against the Owner.
- 5.1.4 The CMAR shall submit cost proposals, progress schedules, payrolls, reports, estimates, records, and other data as the Owner or Design Consultant may request concerning work performed, or to be performed under the Contract.

5.2 CMAR'S RESPONSIBILITIES

- 5.2.1 The CMAR shall perform and complete the Work in a timely and workmanlike manner and in strict conformance with the Contract Documents.
- 5.2.2 The CMAR shall prepare and submit daily reports to the Owner and Design Consultant within two days of the reported day. Reports shall include workers on site, work performed, weather conditions, material and equipment deliveries, outstanding issues, and pending RFI's. Daily reports shall not serve as notice of delays, changes or other impact events required from the CMAR pursuant to other provisions of the Contract Documents.
- 5.2.3 The CMAR shall supervise and direct all portions of the Work. He shall be solely responsible for all construction procedures, methods, techniques, sequences, and safety, and for coordinating all portions of the Work to comply with the Contract Documents. He shall be responsible for the acts and omissions of his employees and Subcontractors, their agents and employees, and all other persons performing any of the Work.
- 5.2.4 The CMAR and each Subcontractor shall have and maintain a State of Nevada Contractor's license in good standing for the entire duration of the Work.
- 5.2.5 The CMAR shall at all times enforce good discipline and order among his employees and Subcontractors and shall, at his own cost, provide the security necessary to adequately protect the Work. The Contractor is solely responsible for the security of the site. Contractor shall provide its own security for its work in progress and for the goods, products, material, equipment, systems, construction machinery, tools, devices and other items required, used or to be used for its scope of the Work.
- 5.2.6 The CMAR shall at all times, and at his own cost, safely guard and protect the Owner's property, the Work, and all property adjacent to the Project, from damage, injury, or loss in connection with the Project and shall replace or make good any such damage, injury, or loss. The CMAR shall be responsible for the protection of adjacent property and the maintenance of passageways, guard fences, and other protective facilities. The Contractor shall protect against any damage to pipes, conduits, or other structures crossing the trenching or encountered during the execution of work and shall be responsible for any damage done to such pipes, structures or property resulting

therefrom. If a utility is affected, the Utility Company shall be notified immediately by the Contractor of any damage. Contractor shall protect all existing structures and property from damage and shall provide bracing, shoring or other work necessary for such protection.

- 5.2.7 The Contractor shall be responsible for all damage to streets, roads, curbs, sidewalks, ditches, embankments, landscaping, or other public or private property, which may be caused by transporting equipment, materials, or workers to or from the work. Contractor shall make satisfactory and acceptable arrangement with the property owner and/or the City over damaged property concerning its repair or replacement and as specified in these Specifications.
- 5.2.8 The CMAR shall give all notices and shall comply with all laws, ordinances, rules, orders, and regulations of all public authorities, relating to the performance of the Work.
- 5.2.9 In the event of a temporary suspension of the Work, and/or during inclement weather, the CMAR shall protect, and shall cause his Subcontractors to protect the Work and materials against damage, injury, or loss. If any work or materials become damaged, injured, or lost due to any cause, such work and materials shall be removed and replaced at the expense of the CMAR.

5.3 SUPERINTENDENT

- 5.3.1 The CMAR shall employ a competent full-time superintendent and necessary assistants who shall be in attendance at the Project site throughout the progress of the Work. The superintendent and assistants shall be satisfactory to the Owner, and shall not be changed except with the written consent of the Owner. The superintendent shall represent the CMAR and have full authority to act on his behalf.

5.4 LABOR AND MATERIALS

- 5.4.1 Unless otherwise specifically stated in the Contract Documents, the CMAR shall provide and pay for all labor, materials, tools, equipment, water, light, power, heat, transportation, supervision, temporary construction services, procedures, and facilities of every nature required to properly execute and complete the Work in accordance with the Contract Documents. All materials shall be installed in strict compliance with the Contract Documents and the recommendations of the manufacturer.
- 5.4.2 In any case where the manufacturer's installation instructions conflict with the contract documents the CMAR shall bring such conflict to the attention of the Owner and Design Consultant prior to installing the associated materials or equipment, such that the Owner and Design Consultant may provide direction for an appropriate resolution to the identified conflict. Should the CMAR proceed with installing any materials or equipment in a manner contrary to the manufacturer's instructions without first notifying the Owner and Design Consultant, the CMAR shall remove and reinstall the materials or equipment in accordance with the manufacturer's instructions at no cost to the Owner.
- 5.4.3 The CMAR shall not employ or contract with any firm or organization that is unfit or unskilled in the work to be performed. The CMAR shall not discriminate or allow discrimination against any employee or applicant for employment because of sex, race, color, creed, or national origin. The CMAR shall comply with and shall require his Subcontractors to comply with all applicable provisions of Nevada Revised Statutes Title 28 (Public Works and Planning) and Nevada Revised Statutes Title 53 (Labor and Industrial Relations).
- 5.4.4 When required by the Contract Documents, the CMAR shall ensure that all employees on the Project are paid in accordance with the Prevailing Wage Rates as published in the Contract Documents and as issued by the State Labor Commissioner for the area or place of the Work. The CMAR shall forfeit, by deductive Change Order, the amounts stipulated in Nevada Revised Statutes Section 338.060, should the CMAR fail to comply with any of the applicable prevailing wage rate requirements.
- 5.4.5 The CMAR shall comply with Nevada Revised Statutes 338.01165, enacted by the Nevada Legislature by passage of Senate Bill No. 207, setting forth the requirements for the use of apprentices on public works projects.

- 5.4.6 The CMAR shall ensure that he and all of his Subcontractors comply with the reporting requirements of Nevada Revised Statutes Section 338.070.
- 5.4.7 All work performed after regular working hours, on weekends or legal holidays, shall be performed without additional expense to the Owner.
- 5.4.8 Unless otherwise specifically required, all materials and equipment incorporated in the Work shall be new, free of faults and defects, and shall conform to the Contract Documents. If required, the CMAR shall furnish evidence, satisfactory to the Owner, as to the type and quality of all materials and equipment.
- 5.4.9 No materials or equipment for the Work shall be purchased by the CMAR, nor shall the CMAR permit any Subcontractor to purchase materials or equipment, that are subject to any chattel mortgage, or are under a conditional sale contract or other security agreement by which any right, title, or interest is retained by the seller.
- 5.4.10 All materials and equipment used in the Work shall be subject to inspection and testing in accordance with accepted standards to ensure conformity with the requirements of the Contract Documents, laws, ordinances, rules and regulations, or orders of any public authority having jurisdiction. Where specific certificates concerning materials and/or equipment are required, securing payment for the prompt delivery of such certificates shall be the responsibility of the CMAR. Such certificates shall be executed by qualified firms acceptable to the Owner, shall include all information required by the Contract Documents, and shall clearly refer specifically to the relevant materials and/or equipment.
- 5.5 EMERGENCIES
- 5.5.1 In case of an emergency which threatens loss or damage to property, personal injury, or life safety, the CMAR shall immediately take all feasible actions to prevent or mitigate such loss, damage, injury or death, without awaiting instructions from the Owner. The CMAR shall notify the Owner in writing of such emergency at the first feasible opportunity.
- 5.5.2 The amount of reimbursement claimed by the CMAR on account of any emergency action shall be determined in the manner provided herein for claims.
- 5.5.3 The CMAR shall maintain a current emergency telephone number list at the job site. The list shall include telephone numbers for the CMAR's superintendent and for other responsible CMAR representatives that can be contacted after normal working hours in the event of an emergency. This list shall be prominently posted both inside and outside of the CMAR's field office.
- 5.6 CONSTRUCTION SCHEDULE
- 5.6.1 Within 30 days after issuance of the Notice to Proceed and prior to issuing any progress payment application, the CMAR shall submit a construction schedule to the Owner and the Design Consultant for review. The schedule shall not exceed the Contract Time, shall be revised at appropriate intervals as required by the progress and conditions of the Work, and shall provide for performance and completion of the Project in accordance with the Contract Documents.
- 5.6.2 The construction schedule shall be organized to show progress for each trade and operation. As a minimum, the schedule shall show the order in which the CMAR proposes to perform the Work, with the proposed starting and completion dates, and with available float for each activity of the Work. Activities which constitute critical path portions of the Work shall be clearly identified as such. The schedule shall include line items for submittal preparation, submittal review, re-submittal preparation, re-submittal review, and procurement, fabrication, and delivery of materials and equipment. The schedule shall allow for reasonable and orderly issuance of all required submittals. The schedule shall be promptly updated as necessary to reflect the work required to implement each change order and/or change in the Work.
- 5.6.3 The CMAR shall submit a current/updated construction schedule with each Progress Payment Application. Failure by the CMAR to provide a current construction schedule shall be

justification for the Owner to withhold approval or reduce the amount of the payment due the CMAR.

- 5.6.4 In the event of any failure to adhere to the construction schedule the CMAR shall, within 7 days of written notice from the Owner, provide a recovery schedule for review by the Owner and Design Consultant. The recovery schedule shall identify how the CMAR proposes, at his sole expense, to overcome the associated delays and complete the Work within the Contract Time. Such notice from the Owner shall not constitute either actual or implied direction for the CMAR to accelerate the Work. The CMAR's recovery schedule shall not serve as notice of a claim for delay, acceleration or change order.

5.7 CONSTRUCTION PROGRESS MEETINGS

- 5.7.1 The CMAR shall attend a weekly coordination meeting at the Project site, to be attended by the CMAR's Project Manager and Superintendent, Design Consultant, the Owner's designated representatives, and appropriate Subcontractors. Such meetings may be scheduled at less frequent intervals, if agreed upon in writing by the Owner and the CMAR.
- 5.7.2 The Design Consultant will conduct the job-site construction progress meetings and will prepare and distribute typed meeting minutes for each such meeting. Meeting minutes or discussions reflected in the minutes shall not serve as notice of a delay, change order or other claims or circumstances for which the CMAR is seeking additional costs or time.

5.8 PROGRESS PHOTOGRAPHS

- 5.8.1 The CMAR shall take not less than twelve progress photographs of the Work each month at a minimum resolution of 640 by 480 pixels. The photographs shall be taken with the intent of providing a clear and complete depiction of overall Project progress. Each photograph is to be clearly marked with the time, date, location/view and other details sufficient to identify the subject. Camera view/locations shall be coordinated with and approved by the Owner or the Architect. Progress photos shall be stored on a digital video disk (DVD disk) and issued to the Owner along with each progress payment application.

5.9 PROJECT SIGN

- 5.9.1 Upon commencing the Work the CMAR shall erect one painted project sign, 4 feet by 8 feet, in the format directed by the Owner. This sign shall be the only CMAR sign displayed on the Project site.

5.10 ACCESS ROADS

- 5.10.1 The CMAR shall use designated access roads as directed by the Owner, and the CMAR shall keep these roads passable at all times. The CMAR shall be entirely responsible for any damage to roads, trees, shrubs, gates, fences, grass, curbs, gutters, and driveways due to construction usage. All damaged portions shall be restored by the CMAR, at his own cost, to the same condition as existed before the commencement of the Work.
- 5.10.2 Dirt roads shall be periodically sprinkled with water when dust conditions create an on site or off site hazard or nuisance to workmen, neighboring properties, or the public in general. The CMAR shall secure and pay for any dust control permits required by State or local jurisdictions.

5.11 CMAR'S FIELD OFFICE

- 5.11.1 Upon commencement of the Work, the CMAR shall provide on the site a temporary field office for his own use (and for use by the Owner and others as required or appropriate).
- 5.11.2 The CMAR shall pay the cost of all utilities, including telephone and janitorial service, as required for the maintenance of the temporary field office until the completion of the Project.
- 5.11.3 The temporary field office shall remain the property of the CMAR, and shall be completely removed at the completion of the Project.

5.12 TAXES, PERMITS, FEES, AND NOTICES

5.12.1 The CMAR shall pay all sales, consumer, use, and other taxes required by law.

5.12.2 The CMAR shall secure and pay for all construction-related permits, fees, and licenses necessary for the proper execution and completion of the Work, including, but not limited to, building permits, excavation / encroachment permits, grading permits, dust control permits, storm water mitigation permits, and utility tap fees and permits. CMAR will be required to submit plans, secure building permit, schedule all inspections and comply with all conditions of the permit. Permit fees will be paid by the Owner.

5.12.3 The CMAR shall give all notices and comply with all laws, ordinances, rules, regulations, and orders. If the CMAR discovers that any of the Contract Documents are at variance therewith, he shall immediately notify the Owner and Design Consultant in writing. If the CMAR performs any work which he knows or should have known to be contrary to such laws, ordinances, rules, and regulations, or orders, without such written notice and written instruction from the Owner or Design Consultant, he shall assume full responsibility therefore and shall bear all costs attributable thereto.

5.13 TOILET FACILITIES

5.13.1 The CMAR shall provide and maintain in a clean and sanitary condition in a weatherproof building satisfactory toilet accommodations for all workmen and for use by the Owner's representatives. Minimum toilet accommodations shall consist of a frost-proof chemical toilet or water closet with urinal. Temporary or portable toilet accommodations shall be completely removed upon completion of the Project.

5.14 SUBSURFACE CONDITIONS

5.14.1 Should the CMAR encounter subsurface or hidden conditions at the site materially differing from those indicated by the Design Consultant or in the Contract Documents, he shall immediately give written notice to the Owner and Design Consultant of such conditions before they are disturbed. The Owner will investigate the conditions, and if he finds that they materially differ, he will, after consultation with the Owner, make such changes in the Contract Documents as he may deem necessary. Any increase or decrease in cost resulting from such changes will be adjusted by Change Order.

5.14.2 The CMAR shall perform all work in strict conformance with the current 'Call Before You Dig' program applicable at the location of the Project.

5.15 PATENTS AND ROYALTIES

5.15.1 To the fullest extent permitted by law, the CMAR shall defend and hold harmless the Owner and his officers, agents, and employees harmless from liability of any nature or kind, including cost and expenses for, or on account of claimed infringement of any patented or unpatented invention, process, article, or appliance manufactured or used in the performance of the Work, including its use by the Owner, unless otherwise specifically stipulated in the Contract Documents. If the CMAR uses any design, device or materials covered by letters, patent or copyright, he shall provide for such use by suitable agreement with the owner of such patented or copyrighted design, device or material. It is mutually agreed and understood, that without exception, the Contract Sum includes all royalties or costs arising from the use of any such design, device, or materials in the Work.

5.16 MATERIALS TESTING

5.16.1 Testing of construction materials delivered to the job site shall be carried out by the Owner unless otherwise required in the Contract Documents. The Owner shall select the testing laboratory or inspection agency to carry out this work. The purpose of such testing is to verify conformity of materials and/or equipment with the Contract Documents. Where tests indicate conformity, costs of testing will be paid by the Owner; where tests indicate non-conformance, costs of re-testing will be paid by the CMAR by deductive Change Order.

5.16.2 If special inspection or testing requirements are established by any of the Contract Documents, performance of and payment for such inspection or testing shall be as specifically stated therein. If the manner of payment is not specified or if there is no mention of such inspection or testing in the Contract Documents, but such inspection is judged necessary by the Owner, then the Owner shall pay the cost thereof. The CMAR shall cooperate toward minimizing the cost of such inspection and testing.

5.16.3 All testing and inspection carried out by the Owner is for the benefit of the Owner and not the CMAR. Lack of performance or failure on the part of any testing laboratory or inspection agency retained by the Owner shall not relieve the CMAR of his responsibility to complete the Work in accordance with the Contract Documents.

5.17 OPERATION AND MAINTENANCE MANUALS

5.17.1 Prior to completion of the Project, the CMAR shall submit to the Design Consultant, a sample of each Operation and Maintenance Manual for equipment and/or materials incorporated into the Work. The CMAR shall furnish to the Owner, three bound and indexed copies of the approved Operation and Maintenance Manuals. Operation and Maintenance Manuals shall be incorporated into three-ring binders with a typed index and tabbing as necessary for identification of all appropriate sections.

5.17.2 In addition to the printed manuals the CMAR shall also provide electronic/scanned copies of all operation and maintenance manuals in pdf file format on a dvd disc.

5.17.3 The CMAR shall provide dvd video disks of operating and maintenance instructions for all major equipment whenever they are available from the equipment manufacturer.

5.18 CORRECTION OF WORK

5.18.1 If any work is covered prior to either a specified or a requested inspection, the CMAR shall uncover the work for observation and if found to be defective or non-conforming shall replace the work at no cost to the Owner.

5.18.2 If any work has been covered which the Owner or the Design Consultant has not specifically requested to observe prior to being covered, the Owner may request to see such work and it shall be uncovered by the CMAR. If the uncovered work is found to be in accordance with the Contract Documents, the cost of uncovering and replacement shall, by appropriate Change Order, be charged to the Owner. If the uncovered work is not in accordance with the Contract Documents, the CMAR shall pay such costs.

5.18.3 The CMAR shall promptly correct all work rejected as defective or as failing to conform to the Contract Documents, whether or not fabricated, installed, or completed. The CMAR shall bear all costs of correcting such rejected work, including, but not limited to, the cost for additional professional services.

5.18.4 The CMAR shall bear all costs associated with making good all work of separate contractors destroyed or damaged by removal or correction.

5.18.5 If the CMAR does not remove defective or non-conforming work immediately upon written notice, the Owner may remove it and may store the materials or equipment at the expense of the CMAR. If the CMAR does not pay the cost of such removal and storage immediately upon written notice, the Owner may sell such work at auction or at private sale to recover the related costs. If such proceeds do not cover all related costs incurred by the Owner the difference shall be charged to the CMAR and an appropriate Change Order shall be issued.

5.18.6 If the CMAR fails to correct defective or non-conforming work, the Owner may correct it at the CMAR's expense. Owner's determination of the costs it incurred correcting the Work shall be deemed reasonable and correct.

5.18.7 If the Owner prefers to accept non-conforming work, he may do so instead of requiring its removal or correction, in which case an appropriate reduction will be made to the Contract Sum,

or, if the amount is determined after final payment, such amount shall be paid to the Owner by the CMAR immediately upon written notice.

- 5.18.8 All damage or loss to any property caused in whole or in part by the CMAR, any Subcontractor, Sub-subcontractor, anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable, shall be remedied by the CMAR, except damage or loss attributable to errors and/or omissions in the Contract Documents unless the CMAR should have discovered the errors and/or omissions and reported them to the Owner as provided herein.
- 5.19 SUBCONTRACTORS
- 5.19.1 After submitting the required Subcontractor information to the Owner, the CMAR shall not contract with any other Subcontractor nor substitute Subcontractors without compliance with NRS 338.16995 justification and without prior written approval of the Owner.
- 5.19.2 Should the CMAR decide for any reason to substitute a subcontractor for work that he listed to be self-performed, the CMAR shall forfeit as a penalty to the Owner the lesser of, excluding change order, the following:
- (a) An amount equal to 2.5% of the Contract Sum; or
 - (b) An amount equal to 35% of the estimate by the engineer of the cost of the Work that the CMAR selected to self-perform.
 - (c) If the CMAR substitutes a Subcontractor and fails to comply with NRS 336.16995, the CMAR shall forfeit as a penalty to the Owner an amount equal to 1% of the Contract Sum.
- 5.19.3 If the Owner has a reasonable objection to any Subcontractor, and requests in writing a change in Subcontractors, the CMAR shall submit an acceptable substitute, and the Contract Sum may be increased or decreased by any reasonable costs directly caused by such substitution.
- 5.19.4 The CMAR shall cause appropriate provisions to be inserted in all subcontracts relative to the Work to bind Subcontractors to the CMAR by the terms of the General Conditions and the other Contract Documents. These provisions shall include, but shall not be limited to, the following:
- A. Require that the Subcontractor's work be performed in accordance with the requirements of the Contract Documents and be guaranteed for a period of one year after the date of completion, or as may be required in the Contract Documents.
 - B. Require that the Subcontractor's work be performed in accordance with the CMAR's construction schedule to ensure completion within the Contract Time.
 - C. Require that all claims by the Subcontractor for additional costs or extensions of time with respect to subcontracted portions of the Work shall be submitted to the CMAR in the time and manner provided in the Contract Documents for like claims by the CMAR upon the Owner.
- 5.19.5 The CMAR shall pay each Subcontractor or supplier in compliance with Chapter 338 of the NRS. The CMAR shall also require that each Subcontractor make similar payments to each Sub-subcontractor.
- 5.19.6 The CMAR shall be as fully responsible to the Owner for the acts and omissions of his Subcontractors, and of persons either directly or indirectly employed by them, as he is for the acts and omissions of the persons directly employed by him. If, through acts or neglect on the part of the CMAR, any Subcontractor suffers loss or damage, the CMAR agrees to settle with such Subcontractor. If such Subcontractor asserts any claim against the Owner on account of any damage alleged to have been sustained, the Owner shall notify the CMAR, who shall indemnify, hold harmless, and defend the Owner against any such claim.
- 5.19.7 If the CMAR fails to make appropriate payments to any Subcontractor, workman, or supplier, then the Owner may pay unpaid bills and/or withhold from the CMAR's unpaid compensation a sum of money deemed reasonably sufficient to reimburse the Owner or pay any and all such

claims until satisfactory evidence is furnished that all such liabilities have been fully discharged by the CMAR, but in no event shall the provisions of this paragraph be construed to impose any obligations upon the Owner to the CMAR, his Surety, Subcontractors, workmen, or suppliers. In paying any unpaid bills of the CMAR, the Owner shall be deemed the agent of the CMAR, and any payment so made by the Owner, shall be considered as a payment made under the Contract by the Owner to the CMAR, and the Owner shall not be liable to the CMAR for any such payment made in good faith.

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- 5.19.8 The CMAR shall be responsible for the proper distribution of all insurance recoveries resulting from an insured loss under the Contract.
- 5.19.9 The Owner may furnish to a subcontractor or supplier, information regarding payments to the CMAR on account of work done by such subcontractor or supplier, if requested.
- 5.19.10 The Owner has no obligation to pay or to see to the payment of any monies to any Subcontractor, workman, or supplier, except as may otherwise be required by law.
- 5.19.11 Prior to receiving or accepting any payment, each subcontractor must have a valid City of Reno and Nevada business license, pursuant to Nevada Revised Statutes Section 338.072. CMAR is responsible for ensuring all subcontractors possess all requisite licenses.
- 5.20 JOB SAFETY
- 5.20.1 The CMAR shall be responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the Work.
- 5.20.2 All work shall be performed in strict accordance with the most current edition of the State of Nevada Occupational Safety and Health Standards.
- 5.20.3 The CMAR shall take all necessary precautions for the safety of, and shall provide all necessary protection to prevent damage, injury or loss to:
- A. All employees on the Project and all other persons who may be affected thereby;
 - B. All of the Work, whether in storage on or off the site; and,
 - C. All property at the site or adjacent thereto, including but not limited to but not limited to trees, shrubs, lawns, walks, pavements, roadways, structures, and utilities.
 - D. If a tree or any landscaped vegetation is damaged or destroyed by construction, or by any action of the Contractor, the Contractor shall replace the damaged tree or plant with a healthy one of the same or similar species, subject to the approval of the City's Project Manager. The replacement tree or plant shall be of the same size as the damaged tree or plant and will be placed at the existing grade. The Contractor shall bear all expenses required to establish the replacement tree or plant. The replacement tree or plant shall be guaranteed healthy for one (1) year after the final payment made to the Contractor. The Contractor shall be responsible for any tree or plant that the Contractor had replaced that is deemed unhealthy during that year.
- 5.20.4 The CMAR shall comply with all applicable laws, ordinances, rules, and regulations of any public authority having jurisdiction for the safety of persons or property, or to protect them from damage, injury, or loss. The CMAR shall erect and maintain, as required by existing conditions and by the progress of the Work, all necessary safeguards for safety and protection, including posting danger signs and other warnings against hazards, promulgating safety regulations, and notifying owners and users of adjacent properties.
- 5.20.5 The CMAR shall designate a responsible member of his organization at the site whose duty shall be supervision of a safety program and the prevention of accidents. This person shall be the CMAR's superintendent unless otherwise designated in writing by the CMAR to the Owner.
- 5.20.6 In any emergency affecting the safety of persons or property, the CMAR shall act, at his discretion, to prevent threatened damage, injury, or loss.

- 5.20.7 The CMAR shall be responsible for the safe operation of all equipment, for utilizing safe construction methods, and for any damage which may result from failure or from improper construction, maintenance, or operation.
- 5.20.8 The Contractor shall perform all work in compliance with OSHA standards and in no case will noise levels be permitted that are greater than allowed by local laws and regulations. Noise levels shall not exceed 65 decibels (db) at 50 feet from the operating equipment.
- All internal combustion engines utilized for any purpose on this project, or associated with work on this project, shall be equipped with a muffler of a type recommended by the manufacturer. No internal combustion engine shall be operated without said muffler.
- Noisy portable equipment, such as generators, compressors and/or pumps shall be equipped with sound abatement enclosures and devices and shall be located as far away from sensitive noise receptor areas as practicable. (Sensitive noise receptors are defined as occupied buildings with windows or doors facing the site.) Noise barriers shall be constructed around noisy stationary construction equipment such as compressors, generators and pumps that are utilized at locations near (within 100 feet of) sensitive noise receptors as defined above during the daytime working hours and at all sites when construction is being completed at night.
- Idling equipment not actively being used for construction purposes shall be shut off.
- 5.20.9 The CMAR shall securely fence, barricade, cover, or otherwise adequately protect all excavations, holes, shafts, elevated platforms, or other hazards to guard against danger to persons or animals and shall properly maintain such protection until the completion of the Project.
- 5.20.10 The CMAR shall immediately notify the Owner, and shall take immediate action to prevent damage, injury or loss, should any suspected hazardous materials be encountered during the course of work on the Project.
- 5.20.11 Prior to conducting any hot work (welding, brazing, soldering, cutting, grinding, etc.) in an existing building the CMAR shall complete and submit to the Owner a Hot Work Permit (utilizing the associated form as issued by Factory Mutual or Global Risk Consultants).
- 5.21 SITE MANAGEMENT AND CLEANUP PROCEDURES
- 5.21.1 The CMAR shall confine operations at the site to areas permitted by law, ordinances, permits, and the Contract Documents, and shall not unreasonably encumber the site. The CMAR shall at all times keep the site and the Work free from accumulation of waste materials and rubbish resulting from his operations.
- 5.21.2 The CMAR shall obtain any required dust control permit and shall implement a dust control program prior to beginning any activity at the project site. The CMAR's dust control program shall comply with all applicable state and local requirements. As a minimum, the CMAR shall periodically sprinkle the entire construction site with water as required to prevent blowing dust from becoming a hazard or nuisance to workmen, neighboring properties, or the public.
- 5.21.3 The CMAR shall develop and implement a stormwater pollution prevention plan complying with applicable state and local stormwater pollution prevention requirements.
- 5.21.4 Upon completion of the Work the CMAR shall remove all waste materials, rubbish, tools, construction equipment and machinery, and surplus materials from the Project site. The CMAR shall clean all surfaces and leave the Work in a finished, cleaned, washed, waxed, and polished condition. The aforementioned cleanup requirements are also specifically applicable to all mechanical equipment and to all mechanical equipment rooms.
- 5.22 QUALITY ASSURANCE/QUALITY CONTROL
- 5.22.1 The CMAR shall develop and implement an appropriate quality assurance/quality control program for the Project. A detailed description of the program shall be furnished to the Owner and Design Consultant for review prior to submitting the first progress payment application.

5.23 CONSTRUCTION SURVEYS

- 5.23.1 Unless otherwise expressly provided for in the Contract Documents the CMAR shall furnish and pay for all construction surveys necessary for execution of the work or required by the Contract Documents.

5.24 STANDARD SPECIFICATIONS

- 5.24.1 All materials furnished and work performed shall be done in accordance with the 2012 edition of "Standard Specifications for Public Works Construction" (Orange Book) and any revisions thereto if not covered by the Supplemental General Provisions and the contract documents. The "Standard Specifications for Public Works Construction" are herein referred to as "Standard Specifications". In the event of conflict, error, ambiguity or discrepancy between provisions of the Supplemental General Provisions and/or the contract documents and the Standard Specifications hereinbefore mentioned, the Supplemental General Provision and the contract documents shall take precedence. The Supplemental General Provisions are additions to the Standard Specifications unless specified as a deletion or replacement.

Reference to standards, specifications, manuals or codes of any technical society, organization or association, or to laws or regulations of any governmental authority, whether such reference be specific or by implication, shall mean the latest standard, specification, manual, code or laws or regulations in effect at the time of opening of bids, except as may be otherwise specifically stated in these contract documents. The contract documents shall take precedence over any provisions of any such laws or regulations applicable to the performance of the work unless the interpretations of the contract document provisions would result in violation of such law or regulation.

5.25 STANDARD DETAILS

The City of Reno "Supplemental Standard Drawing Details" and any revisions thereto, herein referred to as "Standard Details" shall apply to this contract except as modified in the Improvement Plans and/or by these Specifications.

SECTION 6 ARCHITECT & DESIGN CONSULTANT

6.1 ARCHITECT & DESIGN CONSULTANT'S RESPONSIBILITIES

- 6.1.1 The Architect and Design Consultant will provide construction administration services for the duration of the Project. The Architect and Design Consultant is the Owner's representative and will advise and consult with the Owner for the duration of the Project.
- 6.1.2 The Architect and Design Consultant will be the interpreter of the Drawings and Specifications and will render interpretations as may be necessary for proper execution of the Work.
- 6.1.3 The Architect and Design Consultant will review and respond to all Requests for Information issued by the CMAR within the time period stipulated in Section 2.3.
- 6.1.4 The Architect & Design Consultant shall have complete access to the Work at all times.
- 6.1.5 The Architect and Design Consultant will make periodic visits to the site to observe the progress and quality of the Work and to determine if the Work is proceeding in accordance with the Contract Documents.
- 6.1.6 The Architect and Design Consultant will review all shop drawings, samples, and submittals required by the Contract Documents.
- 6.1.7 The Architect and Design Consultant will not be responsible for the acts or omissions of the CMAR or any Subcontractor, or any of his or their agents or employees, or any other persons performing any of the Work.
- 6.1.8 Based upon site observations and the CMAR's progress payment applications, the Architect and Design Consultant will review and make recommendations to the Owner, regarding the amounts claimed by the CMAR in each progress payment application.
- 6.1.9 The Architect and Design Consultant will have authority to reject work which does not conform to the Contract Documents.
- 6.1.10 The Architect and Design Consultant will prepare Change Orders and Construction Change Directives for review and approval by the Owner.
- 6.1.11 The Architect and Design Consultant will have authority to order minor changes in the Work which do not involve a change in the Contract Sum or the Contract Time.
- 6.1.12 The Architect and Design Consultant shall attend and conduct all scheduled construction progress meetings at the Project site.
- 6.1.13 The Architect and Design Consultant's decisions on matters relating to aesthetics will be final if consistent with the intent expressed in the Contract Documents.

SECTION 7 PAYMENT

7.1 SCHEDULE OF VALUES

- 7.1.1 Within 14 calendar days after the issuance of the Notice to Proceed, the CMAR shall submit to the Owner and Design Consultant a schedule of values of the various portions of the Work, aggregating to the total Contract Sum, divided to facilitate payments to Subcontractors, prepared in a form acceptable to the Owner, and supported by such data to substantiate its correctness as the Owner may require. This schedule, when approved by the Owner, shall be the basis for each Progress Payment Application. The scheduled costs shall be itemized in accordance with the breakdown listed in the CMAR GMP Proposal and according to the list of defined components included in Section 7.5 (Payment Terms and Conditions).

7.2 PROGRESS PAYMENT APPLICATIONS

- 7.2.1 The CMAR shall submit a Progress Payment Application not more than once each month in the form required by the Owner. Each Progress Payment Application shall be accompanied by a current construction schedule, updated to reflect all change orders and/or changes in the Work.
- 7.2.2 For each progress payment, five percent (5%) will be held until fifty percent (50%) of the work has been performed. This amount will be held until one hundred percent (100%) completion and final acceptance of the project. Except for cause, in accordance with NRS 338.525, no retention will be held from subsequent payments.
- 7.2.3 If payment is requested for materials or equipment not yet incorporated in the Work, but delivered and properly stored at the site or at a bonded and insured facility previously approved by the Owner in writing, such payment shall be conditioned upon submission by the CMAR of documentation, satisfactory to the Owner as deemed necessary to protect the Owner's interest, including photographs and evidence of applicable insurance. The risk of loss for such materials or equipment shall remain with the CMAR until final completion and acceptance of the Work.
- 7.2.4 The CMAR guarantees that title to all work, materials, and equipment covered by a Progress Payment Application, whether incorporated into the Project or not, has passed to the Owner prior to issuing the Progress Payment Application, free and clear of all liens, claims, security interests, or encumbrances, and that no work, materials, or equipment covered by a Progress Payment Application has been acquired by the CMAR, or by any other person, subject to an agreement under which an interest therein, or an encumbrance thereon is retained by the seller or otherwise imposed by the CMAR or such other person. This provision shall not be construed to relieve the CMAR of his sole responsibility for the care and protection of the Work, and to restore all damages thereto, nor shall serve as a waiver of the right of the Owner to require the fulfillment of all terms of the Contract Documents.
- 7.2.5 Within 30 days of receipt of each Progress Payment Application, the Owner and the Design Consultant will either approve the Progress Payment Application, modify the Progress Payment Application for such amount as is determined to be properly due, or reject the Progress Payment Application.
- 7.2.6 No payment by the Owner shall constitute an acceptance of any work not in accordance with the Contract Documents, nor shall it relieve the CMAR of full responsibility for correcting defective work or materials found at any time prior to completion of the entire Work or during the warranty period.

7.3 FINAL PAYMENT

- 7.3.1 When the Work has been fully and satisfactorily completed in accordance with the Contract Documents and all punch list items have been completed to the satisfaction of the Owner and when Owner has received satisfactory evidence that all claims and obligations of the CMAR have been paid, discharged, or waived, the Owner will make final payment to the CMAR of all monies retained on all properly completed and accepted work.

- 7.3.2 As a condition of requesting or receiving final payment, the CMAR shall submit all operation and maintenance manuals, as-built drawings, surety release, and all other close-out documents as may be applicable under the Contract Documents.
- 7.3.3 Issuance of final payment shall constitute a waiver of all claims by the Owner except those arising from any of the following:
- A. Unsettled claims.
 - B. Warranty issues.
 - C. Faulty or defective work.
 - D. Failure of the Work to comply with the requirements of the Contract Documents.
 - E. Latent defects in the Work.
 - F. Indemnity Claims after Final Payment.

If any such claims remain unsatisfied after final payment is made, the CMAR shall refund to the Owner all monies the Owner may be compelled to pay in discharging such claims and any costs related thereto.

- 7.3.4 The acceptance by the CMAR of final payment shall constitute a full and complete release to the Owner of all claims by, and all liability to, the CMAR for all things done or furnished in connection with the Work and for every act and neglect of the Owner and any others for whom the Owner is or may be responsible relating to or arising out of performance of the Work by the CMAR. No payment, final or otherwise, shall operate to release the CMAR or his Surety from any obligations under the Contract, or under the Performance and Payment Bonds.

7.4 INTEREST PAYMENTS

- 7.4.1 Interest will be paid to the CMAR for monies that are retained on satisfactorily completed work, in accordance with Nevada Revised Statutes Section 338.515.

7.5 PAYMENT TERMS AND DEFINITIONS

- 7.5.1 The 'Cost of the Work' includes the following:
- A. The cost of all materials, supplies, and equipment incorporated into the Work.
 - B. All costs directly incurred in performance of the Work, including costs which are reasonably inferable from the Contract Documents as being necessary to produce the finished construction as described in the Contract Documents, excluding costs covered under the CMAR's General Conditions and the CMAR's Fee.
 - C. Wages paid for labor in the direct employ of the CMAR in the performance of the Work. Labor rates, including fringe benefits, shall be in conformance with the applicable Prevailing Wage Rates as published by the Nevada State Labor Commission for this project.
 - D. All payments made by the CMAR to Subcontractors and suppliers for Work performed under the Contract.
 - E. The cost of insurance and bonding as stipulated in General Conditions Section 8 (Insurance and Bonding).
 - F. The cost of all required inspections, permits, fees, licenses, testing, transportation, storage, and handling as pertains to performance of the Work.
 - G. The cost of sales, use, gross receipts, or other taxes, tariffs, or duties as pertains to performance of the Work.
 - H. Rental charges for all necessary machinery and equipment used in performance of the Work, whether rented from the CMAR or others, including installation, repair and replacement, dismantling, removal, maintenance, transportation, and delivery costs, at rates consistent with those prevailing in the area.

- 7.5.2 The 'CMAR's General Conditions' includes the following:
- A. The CMAR's General Conditions shall be thoroughly itemized and documented and provided to the Owner with the CMAR's GMP Proposal. The lump sum amount for the CMAR's General Conditions, as may be modified subject to Section 7.5.4 shall be billed in equal monthly payments based on the total contract time.
 - B. Salaries for the CMAR's superintendent, foreman, project manager, project engineer, project coordinator, project estimator, and project scheduler.
 - C. Salaries for employees that are stationed at the field office, in whatever capacity employed, and employees engaged on the road expediting the production or transportation of materials and/or equipment.
 - D. Salaries for the CMAR's employees stationed in the CMAR's principal or branch offices, while those employees are performing functions related to the Work.
 - E. The cost of all employee benefits and taxes including, but not limited to, unemployment compensation, workers compensation insurance, social security, health, welfare, retirement, and other fringe benefits as required by law, labor agreements, or paid under the CMAR's standard personnel policy, insofar as such costs are actually paid to employees of the CMAR who are engaged in the Work.
 - F. Reasonable transportation, travel, meals, and hotel expenses for the CMAR's personnel incurred in connection with the Work.
 - G. The cost (including transportation and maintenance) of all materials, supplies, equipment, and temporary facilities that are used or consumed in performance of the Work.
 - H. The cost of all small tools not owned by workers.
 - I. All costs associated with establishing, equipping, operating, maintaining, and demobilizing the specified field office(s).
 - J. All costs for reproduction, photographs, fax transmissions, long distance telephone calls, data processing services, postage, express delivery charges, on-site telephone service, and reasonable petty cash expenses at the CMAR's field office.
 - K. All temporary water, power, and fuel costs necessary for the Work.
 - L. All costs for removal of any generated non-hazardous substances, debris, and waste materials.
 - M. All costs related to the CMAR's safety program.
- 7.5.3 The 'CMAR's Fee' includes the following:
- A. Salaries for incidental employees that are performing work pertaining to the Project at the CMAR's principal and branch offices, except any employees that are included in the CMAR's General Conditions.
 - B. General and administrative expenses for the CMAR's principal and branch offices pertaining to performance of the Work. Specifically excluded are general and administrative expenses for the CMAR's field office.
 - C. The CMAR's capital expenses, including interest on any of the CMAR's capital that is employed for the Work.
 - D. The CMAR's profit.
- 7.5.4 The CMAR's Contingency:
- A. The CMAR's Contingency is an approved amount that may be utilized by the CMAR, at his discretion, in strict conformance with the requirements of this section to cover the Cost of

the Work described in the Contract Documents (Cost of the Work as defined in Section 7.5.1) and/or to cover the cost of the CMAR's General Conditions as defined in Section 7.5.2.

- B. Costs that are determined to be either over or under the Cost of the Work and/or the CMAR's General Conditions, subject to the provision of Section 7.5.4 as identified in the CMAR's Guaranteed Maximum Price shall be accounted for in the CMAR's Contingency.
- C. Expenditures from the CMAR's Contingency shall be thoroughly itemized and documented. A current detailed itemization shall be submitted to the Owner along with each Progress Payment Application.
- D. Any portion of the CMAR's Contingency that remains when the Work is completed shall be split between the Owner and the CMAR in accordance with the percentage values listed in the CMAR GMP Proposal.
- E. The CMAR's Contingency is not available and shall not be utilized for any of the following:
 - (1) Payment of liquidated damages, reimbursement of the Owner's additional consultants' services due to the CMAR's deficient or delayed performance or defective Work, back charges issued by the Owner or damages sustained by the Owner and attributable to the CMAR.
 - (2) Any costs incurred by the CMAR (including, but not limited to, legal and expert fees and any other mediation, arbitration or litigation expenses) due to disputes between the CMAR and any of its Subcontractors and Suppliers at any tier.
 - (3) Any costs that are recovered by the CMAR from insurance, subcontractors, suppliers, or from other sources.
 - (4) Overruns in the CMAR's General Conditions beyond the amount set forth in Article I of the Owner-CMAR Construction Agreement (EXHIBIT D) unless authorized in a Change Order pursuant to Section 2.7.
 - (5) Costs directly attributable to and part of the CMAR's self-performed work as defined in the CMAR's GMP Proposal.

7.5.5 The Owner's Contingency:

The Owner's Contingency belongs solely to the Owner for the purpose of being allocated towards stipulated additional work (as itemized in an executed Change Order). Any portion of the Owner's Contingency that remains when the Work is completed belongs to the Owner.

7.5.6 Allowances:

An Allowance is a specific value designated by the Owner for use to accommodate work that could not be identified adequately for bidding purposes in the original construction documents. Any portion of an Allowance that remains when the Work is completed belongs to the Owner.

SECTION 8 INSURANCE AND BONDING

8.1 GENERAL REQUIREMENTS

- 8.1.2 Without limiting any of the other obligations or liabilities of the CMAR, the CMAR shall, at his sole expense, procure, maintain, and keep in force the amounts and types of insurance conforming to the minimum requirements set forth in this Section, unless otherwise agreed to by the Owner in writing. The required insurance coverage shall be procured before any work commences on the Project and shall be maintained continuously in force at all times. If the CMAR fails to comply with this Section, the CMAR shall be considered in default of the Contract. The Owner shall be named as additional insured on all liability policies required in this Section. The Owner and the Owner's officials, officers, and employees shall be included as additional insured with coverage afforded to be no more restrictive than that afforded by the applicable ISO Form (Additional Insured-Owners, Lessees, or Contractors Completed Operations Forms CG-20-10-10-01 and CG-20-37-10-01). Alternative Insured-Owners, Lessees, or Contractors endorsements may be acceptable when approved beforehand in writing by the Owner.
- 8.1.3 Without limiting any of the other obligations or liabilities of the CMAR, the CMAR shall, at the CMAR's sole expense, cause each Subcontractor and each Sub-subcontractor involved with the work of construction under the direction and control of the CMAR for this contract, to procure, maintain, and keep continuously in force, the amounts and types of insurance conforming to the minimum requirements set forth in this section, unless otherwise agreed to beforehand by the Owner in writing. The required insurance coverage shall be procured before any work commences on the Project and shall be maintained continuously in force at all times. The required limits of insurance for Subcontractors shall be based on the value of their portion of the work as listed in the Subcontractor's contract with the CMAR. If the CMAR fails to comply with this Section, the CMAR shall be considered to be in default of Contract.
- 8.1.4 Unless specified herein or otherwise agreed to by the Owner, the required insurance shall be in effect prior to mobilization and the commencement of work by the CMAR and shall continue in force until six (6) years from the date of Completion of the project or at such time that the insurance is no longer required by the Owner under the terms of the Contract Documents whichever is the latter.
- 8.1.5 As evidence of compliance with the insurance required by Section 8 (Insurance and Bonding), the CMAR shall furnish the Owner with all certificates of insurance (CG 00 01 04 13 or an equivalent form approved by the Owner) prior to the award of the contract. The CMAR shall maintain original copies of Subcontractor insurance certificates for the duration of the Project and throughout the warranty period. Such records shall be furnished to the Owner upon request. The certificates for each insurance policy shall be signed by a person authorized by the insurer to bind coverage on the insurer's behalf. All certificates along with the required endorsements shall be received and approved by the Owner before any work commences. The Owner's project number and project description shall be noted on each certificate of insurance. Upon renewal of any of the listed policies the Owner shall be furnished with replacement certificates immediately.
- 8.1.6 The Owner reserves the right to require and obtain complete, certified copies of any insurance policies required by the Contract Documents at any time. Complete copies of policies shall be furnished by the CMAR and by any Subcontractor or Sub-subcontractor within 10 days after a written request is issued by the Owner.
- 8.1.7 The CMAR shall furnish the Owner with properly executed bonds on forms acceptable to the Owner and shall have affixed to each bond a certified copy of a current power of attorney of the attorney-in-fact who executed the bond on behalf of the surety.
- 8.1.8 Each insurance policy shall bear at least thirty (30) day written notice of cancellation to the Owner for any reason other than non-payment of premium which shall bear at least ten (10) day written notice of cancellation.

- 8.1.9 All insurance policies shall contain a waiver of subrogation against the Owner, the Owner's officers and employees for losses arising from the Work.
- 8.1.10 Insurers or sureties shall have and maintain throughout the period for which coverage is required, an A.M. Best Company Rating of "A-" or better and an A.M. Best Company Financial Size Category of "VII" or better, unless specifically waived by the Owner.
- 8.1.11 Insurers or sureties providing the insurance or providing the bonds required by this Contract must be either:
- A. Authorized by certificates of authority issued by the Department of Insurance of the State of Nevada; or
 - B. With respect only to the coverage required for Workers Compensation), be authorized as a self-insurer under Nevada Revised Statutes Section 616.291.
- 8.1.12 The insurance provided by the CMAR and his Subcontractors pursuant to this Contract shall apply on a primary basis and any other insurance or self-insurance maintained by the Owner or an Owner's official, officer or employee shall be in excess of and not contributing to the insurance provided by or on behalf of the CMAR. Coverage maintained by the CMAR or his Subcontractors shall apply first, before any other insurance, on a primary basis, and without application of a deductible or self-insured retention unless otherwise specifically agreed to by the Owner. Such approval shall not relieve the CMAR from payment of any deductible or self-insured retention.
- 8.1.13 If at any time during the period when insurance is required by the Contract, an insurer or surety shall fail to comply with any of the foregoing minimum requirements, as soon as the CMAR has knowledge of any such failure, the CMAR shall immediately notify the Owner and immediately replace such insurance or bond with an insurer or surety meeting the requirements.
- 8.2 WORKERS COMPENSATION
- 8.2.1 The CMAR's Workers Compensation insurance shall comply with all statutory requirements of the State of Nevada. The CMAR's insurance or authorized self-insurance shall cover the CMAR, and to the extent not otherwise insured, his Subcontractors of every tier for those sources of liability which would be covered by the standard Workers Compensation Policy as prescribed in Nevada Revised Statutes Chapter 616 and Employers Liability coverage without restrictive endorsements.
- 8.3 COMMERCIAL GENERAL LIABILITY
- 8.3.1 The CMAR's insurance shall cover the CMAR for those sources of liability which would be covered by Commercial General Liability Coverage Form CG-00 01 04 13 or a form providing equivalent coverage at least as broad as filed for use in the State of Nevada by the Insurance Services Office. The policy shall cover all liability arising from premises-operations; broad form contractual liability; products and completed operations; use of CMAR's and Subcontractors, personal injury; broad form property damage, and explosion, collapse, and underground work (XCU) if the Project involves such hazards.
- 8.3.2 The CMAR shall maintain per project coverage with separate limits of coverage applicable only to the work performed under the Contract. The minimum limits to be maintained by the CMAR (inclusive of any amounts provided by an umbrella or excess policy) shall be those that would be provided with the attachment of ISO endorsement - Amendment of Limits of Insurance (Designated Project or Premises) - to a Commercial General Liability Policy with the minimum amounts in "Required Limits of Insurance."
- 8.3.3 The Owner and the Owner's officials, officers, and employees shall be included as additional insured with coverage afforded to be no more restrictive than that afforded by the applicable ISO Form.

8.4 COMMERCIAL AUTO LIABILITY

- 8.4.1 The CMAR's insurance shall cover the CMAR for bodily injury and property damage as afforded under a standard commercial auto liability policy, including coverage for liability contractually assumed. Coverage shall be provided for owned, non-owned, and hired autos used in connection with this Contract.
- 8.4.1.1 The minimum limits to be maintained by the CMAR (inclusive of any amounts provided by an umbrella or excess policy) shall be the amounts stated in "Required Limits of Insurance."

8.5 PROPERTY INSURANCE

- 8.5.1 If the Contract includes construction of or additions to buildings or structures, the CMAR shall provide all risk Builders Risk insurance on a form which is no more restrictive than that afforded by the latest editions of Insurance Services Office Builders Risk Coverage Form and Causes of Loss-Special Form, and including coverage for Collapse During Construction. If the Contract includes both construction of or additions to buildings or structures and the installation of machinery or equipment, Builders Risk insurance shall include coverage during transit and during post-installation testing. If the Contract is solely for the purpose of installation of machinery or equipment in existing buildings or structures, the CMAR shall provide an all risk Installation Floater including coverage during transit and during post-installation testing.
- 8.5.2 For Builders Risk the amount of insurance is to be 100% of the completed value of such addition(s), building(s) or structure(s), and recovery shall be based on completed replacement value of the entire structure.
- 8.5.3 The amount of insurance for an Installation Floater shall be 100% of the installed replacement cost value, and recovery shall be based on the installed replacement cost.
- 8.5.4 The Owner shall be named on the policy as additional insured.

8.6 PERFORMANCE AND PAYMENT BONDS

- 8.6.1 The CMAR is responsible for furnishing the required Performance and Payment Bonds in a form acceptable to the Owner for 100% of the Contract Sum. Performance and Payment Bonds shall be furnished within the time stipulated in the CMAR GMP Proposal Instructions.

8.7 REQUIRED LIMITS OF INSURANCE

- 8.7.1 The minimum amounts of insurance (inclusive of any amounts provided by an umbrella or excess policy) shall be as follows:

Commercial general liability - The CMAR shall maintain limits of no less than \$5,000,000 per occurrence, \$5,000,000 general aggregate and \$5,000,000 products-completed operations aggregate. The general aggregate limit shall apply on a per project or location basis.

Automobile coverage - The CMAR shall maintain limits of no less than \$1,000,000 combined single limit per accident for bodily injury and property damage. No aggregate limit may apply.

Worker's Compensation and Employer's Liability - Workers' Compensation coverage shall be provided with statutory limits in the State of Nevada. Employer's Liability limits of \$1,000,000 each accident, \$1,000,000 each employee for disease and \$1,000,000 policy limit for disease.

SECTION 9 DRUG AND ALCOHOL POLICY

- 9.1 In order to be eligible to perform work on a City of Reno Public Works Construction Project, contractors are to have in place a drug and alcohol policy applicable to workers who will be employed on such project. This requirement is a reasonable precaution to ensure a safe and drug-free environment on City of Reno Public Works Construction Projects.

The policy is to be an approved Federal drug and alcohol policy/program which provides, at a minimum, that the use of alcohol, and use, possession, transfer, or sale of illegal drugs, narcotics, or other unlawful substances is prohibited while working on any site in connection with work performed under this Contract and assurance that the contractor's subcontractors are required to cooperate with the contractor's policy.

The CMAR shall demonstrate compliance with this provision by submitting an affidavit of certification for drug and alcohol policy with their bid under penalty of perjury that the policy is in place, will be actively enforced and that workers who will be employed on the project will be subject to the policy.

The City of Reno may review the CMARs record of its drug and alcohol policy at any time during the period following award of the bid up to and including completion of the project in order to determine whether the policy is in place.

Failure to maintain a policy may result in suspension of the Contract, pending proof of compliance by the CMAR, at no cost to the City of Reno.

The CMAR shall indemnify, defend and hold the City of Reno harmless against any and all claims, demands, suits or liabilities that may arise out of or in any way related to CMAR's application or non-application of their drug and alcohol policy.

