

**GOVERNMENT OF THE DISTRICT OF COLUMBIA  
DEPARTMENT OF GENERAL SERVICES**



**Addendum No. 3  
To  
REQUEST FOR PROPOSALS NO. DCAM-21-CS-RFP-0013  
DESIGN-BUILD SERVICES  
FOR  
GARFIELD ELEMENTARY SCHOOL**

**Issued: October 5, 2021**

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This Addendum No. 3 is issued and hereby published on the DGS website and effective as of the date shown above. Except as modified hereby, the Request for Proposals (“RFP”) remains unmodified.

**Item No. 1: Section 1.5.1 of the RFP is hereby revised as follows:**

1.5.1 The Substantial Completion Date is July 15, 2024 (“Substantial Completion Date”).

For the avoidance of doubt, Substantial Completion is defined as follows:

- A. The project has obtained a DCRA Certificate of Occupancy, with no conditions that prevent occupancy of a section of the building or grounds, or would negatively impact the ability of the District of Columbia Public Schools from using this building as a school.
- B. A final punchlist is documented with completion dates established,
- C. Required trainings per Division 1 Specifications have been scheduled: and
- D. The Department has determined that the building and grounds are sufficiently complete so that District of Columbia Public Schools may occupy the site and use the building for its intended use as a school.
- E. The project has obtained DC Department of Health (DOH) approval of kitchen and health suite
- F. The facility and site have been deep cleaned and cleared of any construction debris
- G. All spaces are ready for its intended use by the Owner.

The Design-Builder shall be expected to maintain the facility even if the conditions of the Substantial Completion Date have been met, until achieving Final Completion. The responsibility of maintaining the facility is part of the \$48M design and construction budget as referenced in Section 1.3. Maintenance shall be done according to the Maintenance and Operations Plan that will be developed during the Design Phase.

**Item No. 2: Section 2.11.3 of the RFP is hereby revised as follows:**

2.11.3 Award Fee Determination. The Design-Builder shall be entitled to the At-Risk Portion as follows:

- a) If a GMP is agreed upon by the Design-Builder and the Department within eight (8) months after issuance of the NTP and the GMP is less than the Project Budget as set forth in Section 1.3, the Design-Builder shall earn Twenty Five percent (25%) of the At-Risk Portion (i.e. 10% of the Design-Build Fee).

- b) The Design-Builder shall be eligible to earn up to Twenty Five percent (25%) of the Award Fee Pool based on the overall level of quality of the Project as delivered (such amount, the “Quality Incentive Amount”). Entitlement to this portion of the Award Fee Pool shall be determined by an award fee committee (the “Award Fee Evaluation Committee”), which will be appointed by the selected Offeror and the Department within sixty (60) days after award. The Award Fee Evaluation Committee will consist of: (i) the Department’s Deputy Director for Capital Construction; (ii) a senior representative from DCPS; and (iii) a senior member of the Program Management team that is not involved in the day-to-day management of this Project that is acceptable to both the Department and the Design-Builder. Upon Substantial Completion, the Award Fee Evaluation Committee shall inspect the Project and assess the overall appearance, functionality and level of quality found in the Work. In making this determination, the Award Fee Evaluation Committee shall endeavor to reach a consensus among its members and ascribe one of the following four words to the overall success of the design intent: poor, fair, good, or excellent. If the panel determines that the overall level of success was poor, then the panel shall award Zero Dollars (\$0); if the panel determines that the overall level of success was fair, then the panel shall award one third (1/3) of the Construction Quality Incentive Amount; if the panel determines that the overall level of success was good, then the panel shall award two thirds (2/3) of the Construction Quality Incentive Amount; and if the panel determines that the overall level of success was excellent, then the panel shall award all of the Construction Quality Incentive Amount. In the event the panel cannot reach consensus, then each member of the panel shall make a determination and the three such determinations shall be averaged with poor equating to 0% of the Construction Quality Incentive Amount, fair equating to 33% of the Construction Quality Incentive Amount, good equating to 67% of the Construction Quality Incentive Amount, and excellent equating to 100% of the Construction Quality Incentive Amount.
- c) If the Design-Builder achieves Substantial Completion of the Project as stated in Section 1.5, the Design-Build Fee and the final amount due to the Design-Builder (inclusive of the Preconstruction Fee, the Design Budget, the earned portions of the Award Fee, the Base Design-Build Fee and the Cost of General Conditions) is less than One Hundred Three percent (103%) or the GMP as originally established, the Design Builder shall earn Twenty Five percent (25%) of the At Risk Portion (i.e. 10% of the Design-Build Fee). Entitlement to this portion of the Award Fee Pool shall be based on the outcome of the Project. For the avoidance of doubt, the Design-Builder shall not be entitled to earn such portion of the Award Fee Pool even if the failure to deliver within the (103%) cost goal was caused by DCPS, the Department, delays resulting from the permitting or zoning process, or an event of Force Majeure.
- d) If the Design-Builder achieves Substantial Completion of the Project as stated in Section 1.5 on time the Design-Builder shall be entitled to receive Five percent (5%) of the At-Risk Portion (i.e. 10% of the Design-Build Fee). Entitlement to this portion of the Award Fee Pool shall be based on the outcome of the Project. For the avoidance of doubt, the Design-Builder shall not be entitled to earn such portion of the Award Fee Pool even if the failure to deliver on-time was caused by DCPS, the Department, delays resulting from the permitting or zoning process, or an event of Force Majeure.

**Item No. 3: Section 2.15.2 (n) is hereby revised as follows:**

Delete (n) **Prolog submissions** and Replace with: **(n) ProjectTeam Submissions**

**Item No. 4: 2.15.3 (Close-Out Deliverables) of the RFP is hereby revised to include two additional deliverables as follows:**

- j) Final Maintenance and Operations Plan
- k) All other deliverables as required in Exhibit U DGS Division One Specifications; and Exhibit V DGS Project Turnover Manual.

**Item No. 5: Attachment M (Form of Contract) is hereby attached as (Exhibit 1) and incorporated to the RFP.**

**Item No. 6: Attachment N (Form of Notice to Proceed and Letter Contract) is hereby attached as (Exhibit 2) and incorporated to the RFP.**

**Item No. 7: Attachment C (Form of Offer Letter) of the RFP is hereby revised and attached as (Exhibit 3).**

**Item No. 8: The Proposals Due Date is hereby extended to October 12, 2021, at 2:00 P.M.**

By: *Eric Njonjo*  
Eric Njonjo  
Contracting Officer

Date: 10/5/2021

- End of Addendum No. 3 –

**EXHIBIT 1**

**ATTACHMENT M - FORM OF CONTRACT**

**[EXHIBIT WILL APPEAR ON THE FOLLOWING PAGE]**

**DESIGN-BUILD AGREEMENT**  
**FOR**  
**GARFIELD ELEMENTARY SCHOOL**  
**BY AND BETWEEN**  
**THE DEPARTMENT OF GENERAL SERVICES**  
**AND**  
**[NAME OF CONTRACTOR]**  
**CONTRACT NUMBER: DCAM-21-CS-RFP-0013**

## PROJECT INFORMATION

### A. PROJECT SUMMARY

1.	<b>Project Name:</b>	Design-Build Services for Garfield Elementary School
2.	<b>Project Address:</b>	2435 Alabama Ave. SE, Washington, DC
3.	<b>Agreement Type:</b>	Design-Build with Guaranteed Maximum Price
4.	<b>Client Agency:</b>	District of Columbia Public Schools (“DCPS” or “Client Agency”)
5.	<b>Design-Builder:</b>	[INSERT DESIGN-BUILDER]
6.	<b>Agreement Amounts:</b>	
i.	<b>Initial NTE:</b>	[INSERT NTE AMOUNT]
ii.	<b>Project Budget:</b>	\$48 Million
7.	<b>Design-Builder Compensation:</b>	
i.	Design Fee:	
ii.	Design-Build Fee:	
iii.	Maximum Cost of General Conditions:	
iv.	Owner Directed Allowances:	To be determined at GMP
v.	Preconstruction Fee	
vi.	Contingency:	To be determined at GMP
8.	<b>Liquidated Damages:</b>	

i.	<b>Failure to Submit Deliverables:</b>	\$5,000, plus \$500 per day per deliverable
ii.	<b>Delay in Substantial Completion:</b>	\$500 per day
9.	<b>GMP Amendment to be Executed By:</b>	GMP Approval: September 2022
10.	<b>Substantial Completion Date:</b>	July 15, 2024
11.	<b>Final Completion Date:</b>	January 15, 2025
12.	<b>Administrative Term Expiration Date:</b>	October 15, 2025
13.	<b>Letter Contract:</b>	
i.	<b>Period of Performance</b>	From [ INSERT ] (date of execution of Letter Contract) through [ INSERT ] (with Substantial Completion Dates of [ INSERT ])
ii.	<b>NTE Amount:</b>	[INSERT NTE AMOUNT]
14.	<b>GMP Basis Project Documents</b>	Design Development Project Documents
15.	<b>Key Personnel Replacement:</b>	\$25,000 per replacement

**DESIGN-BUILD AGREEMENT**  
**GARFIELD ELEMENTARY SCHOOL**  
**DCAM-21-CS-RFP-0013**

THIS AGREEMENT (“Agreement” or “Contract”) is made by and between the DISTRICT OF COLUMBIA GOVERNMENT (the “District”), acting by and through its **DEPARTMENT OF GENERAL SERVICES** (the “Department” or “DGS”), and **[NAME OF CONTRACTOR]** (the “Contractor”), a company duly organized under the laws of the District of Columbia, and with a place of business at [Address] (the “Design-Builder” or “Contractor” and collectively, the “Parties”).

**RECITALS**

**WHEREAS**, the Department issued a Request for Proposals dated September 2, 2021 (the “RFP”) to engage a design-builder to prepare a design for and to complete work at Garfield Elementary School located at 2435 Alabama Ave SE, Washington, DC (the “Project”);

**WHEREAS**, the Department intends to implement the Project through a design-build approach. The scope of work for the Project will be divided into two phases: (i) the design/preconstruction phase; and (ii) the construction phase.

**WHEREAS**, the Department desires that the Project be completed no later than July 15, 2024 (“Substantial Completion Date”);

**WHEREAS**, the Design-Builder submitted a proposal entitled Design-Build Services for Garfield Elementary School dated [Date] to provide design-build services for the Project;

**WHEREAS**, the Department wishes to retain the Design-Builder to provide design-build services for the Project, which is to include design, preconstruction and construction services for the modernization of Garfield Elementary School;

**WHEREAS**, the Design-Builder wishes to provide the architectural, engineering, construction and related services necessary to complete the Project, subject to the terms and conditions set forth in this Agreement;

**WHEREAS**, the Department has retained the services of a program manager (the “Program Manager”) to advise it concerning the Project;

**WHEREAS**, the Department has established a budget and the Design-Builder will conduct its work in accordance with an underlying budget for the Project, which includes but is not limited to all design fees, hard and soft construction costs, loose furnishings, and fees, general conditions of the Design-Builder and an allowance for the maintenance of the school and grounds per the maintenance and operations plan for up to six (6) months following Substantial Completion. (such budget, the “Project Budget”); and



**WHEREAS**, the Department and the Design-Builder entered into a letter contract dated [Date] (the “Letter Contract”) pursuant to which the Design-Builder was authorized to proceed with certain design, preconstruction, abatement, and demolition services in furtherance of the Project.

**NOW, THEREFORE**, the Department and Design-Builder, for the consideration set forth herein, mutually agree as follows.

## **Article 1 - DEFINITIONS**

### **Section 1.1. Administrative Term.**

The Agreement shall have an administrative term (the “Administrative Term”) that runs from the effective date of the Notice to Proceed to the Administrative Term Date set forth in the Project Information Section above. In addition, within this time the Design-Builder shall execute and submit a Final Release of Liens and Claims in a form and format required by a Contracting Officer (“CO”), inclusive of providing the Department with a complete set of any product manuals (“O&M”) and training videos, if applicable. The Administrative Term is established for the sole purpose of permitting the Department’s Office of the Chief Financial Officer to process payments in the event any payments become due. Notwithstanding the foregoing, nothing herein shall be construed to: extend the Substantial Completion Date; extend the Final Completion Date; or, limit the Department’s ability to assess liquidated damages thereon.

### **Section 1.2. Agreement.**

The terms “Agreement” or “Contract” shall mean this entire, integrated agreement between the Department and the Design-Builder with respect to the Project, consisting of this document and the Exhibits thereto, including but not limited to the Standard Contract Provisions (Construction Contracts and Architectural/Engineering Services Contracts), the Construction Documents released for the Design-Builder’s use and any Change Orders, Contract Modifications or Change Directives that have been executed by the Department.

### **Section 1.3. Client Agency.**

The governmental or quasi-governmental entity, represented by the Department, requesting the Project.

### **Section 1.4. Construction Documents.**

The final Drawings and Specifications, as prepared, sealed by the Architect’s design professional in accordance with the law, and issued by the Design-Builder for the purpose of obtaining bids from potential trade subcontractors and material suppliers for use in constructing the Project.

### **Section 1.5. Construction Phase Services.**

Services provided throughout the construction phase during which the Design-Builder shall carry out the bulk of the construction and manage the completion of the design for the Project.

### **Section 1.6. Cost of General Conditions.**

The Cost of General Conditions shall have the meaning set forth in Section 8.2 of this

Agreement.

**Section 1.7. Contract Project Documents.**

The term “Contract Project Document(s)” refers one or more component of the Project documents that comprise the Agreement between the Department and the Design-Builder, including any modifications or changes thereof, the Drawings and Specifications, and any addenda issued thereto.

**Section 1.8. Design/Preconstruction Phase Services.**

The services to be provided under Article 3 constituting the design & preconstruction phase services to be performed by the Design-Builder.

**Section 1.9. Drawings.**

The Drawings are the graphic and pictorial portions of the Contract Project Documents, wherever located and wherever issued, showing the design, locations and dimensions of the Work, generally including plans, elevations, sections, details, schedules and diagrams.

**Section 1.10. Final Completion.**

The point at which Substantial Completion has been achieved, all punch list items noted at Substantial Completion have been completed and all Project documents the Design-Builder is required to deliver to the Department as a condition to receiving final payment have been delivered.

**Section 1.11. Final Completion Date.**

The date established in the Agreement by which the Design-Builder shall achieve Final Completion. The Final Completion Date may be modified only by Change Order or Change Directive in accordance with the Agreement.

**Section 1.12. Fully Complete.**

To undertake all of the Work necessary to fully construct and complete the Project and execute all tasks necessary to obtain the final certificate of occupancy for the Project from the District of Columbia; submit final lien releases from the Design-Builder and Subcontractors and material suppliers; complete all punch list items to the Department’s approval and sign-off; and cause all representations, warranties and guarantees to be honored and otherwise fulfill all of the requirements set forth in the Agreement.

**Section 1.13. Guaranteed Maximum Price or GMP.**

The maximum amount, including, but not limited to, the Design-Build Fee and the Cost of the Work, that will be paid the Design-Builder to Fully Complete the Project as set forth in Article 4. The Guaranteed Maximum Price (“GMP”) may be modified only by Change Order, Contract Modification or Change Directive in accordance with the Agreement. The GMP shall be established in the GMP Amendment.

**Section 1.14. Hazardous Material.**

Hazardous Material includes, but is not limited to, any toxic substance or hazardous chemical defined or regulated pursuant to federal, state or local laws relating to pollution, treatment, storage or disposal of waste, or protection of human health or the environment. Such

laws include, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act, the Clean Water Act, the Clean Air Act and laws relating to emission, spills, leaks, discharges, releases or threatened releases of toxic material. The term Hazardous Materials shall also include petroleum and petroleum bi-products.

#### **Section 1.15. Notice to Proceed.**

A written notice to proceed, signed by the Department, directing the Design-Builder to proceed with the Project or any portion of the Project (“Notice to Proceed” or “NTP”).

#### **Section 1.16. Project Schedule.**

The schedule for the Project agreed to by the Department and the Design-Builder. Such schedule shall include a baseline schedule as updated periodically by the Design-Builder, approved by the Department. The Project Schedule shall not be changed except by a Change Order or Change Directive issued by the Department. The Project Schedule shall be in a form and contain such detail as may be agreed upon by the Parties.

#### **Section 1.17. Self-Performed Work.**

The parties hereby agree that “Self-Performed Work” means and shall encompass trade work performed by employees of: (1) the Design-Builder; (2) any entity that is a partner or member of the entity comprising the Design-Builder; (3) any entity that controls, is controlled by, or is under common control with the Design-Builder; or (4) any entity that controls, is controlled by, or is under common control with any entity that is part of the Design-Builder. Self-Performed Work is distinguished from trade work performed by Subcontractors unaffiliated with the Design-Builder or the entities of which the Design-Builder is comprised.

#### **Section 1.18. Services.**

The services to be provided pursuant to the Agreement which shall include the Design & Preconstruction Phase Services and the Construction Phase Services necessary to deliver the Project.

#### **Section 1.19. Specifications.**

The Specifications are that portion of the Contract Project documents consisting of the written requirements for materials, equipment, construction systems, standards and workmanship for the Work, and performance of related services.

#### **Section 1.20. Standard Contract Provisions.**

The District of Columbia Department of General Services Standard Contract Provisions, General Provisions (Construction Contracts and Architectural/Engineering Services Contracts), as amended, are attached hereto as **Exhibit J** and incorporated herein.

#### **Section 1.21. Subcontractor.**

Any person, natural or legal, to whom the Design-Builder delegates performance of any portion of the Work required by the Agreement. The term “Subcontractor,” used without a qualifier, shall mean a subcontractor in direct contractual privity with the Design-Builder. “Subcontractors at all tiers” shall mean not only those Subcontractors in direct contractual privity with the Design-Builder and not the Department, but also those performing Work pursuant to sub-

subcontracts, and so on. "Subcontractors" shall include both those who are retained to perform labor only and those who are retained both to perform labor and to supply material or equipment. "Subcontractors" shall also include design professionals who are not the Design-Builder's employees and to whom the Design-Builder delegates any part of its responsibilities under the Agreement, except that references to "trade Subcontractors" shall exclude design professionals.

#### **Section 1.22. Substantial Completion.**

Substantial Completion shall mean that all of the following have occurred: (1) the construction and installation work have been completed with only minor punch list items remaining to be completed; (2) a temporary certificate of occupancy and all other required permits or approvals have been obtained; (3) draft copies of all operating and maintenance manuals, training videotapes and warranties required by the Agreement have been delivered to the Department and the Client Agency; (4) any supplemental training session required by the Agreement for operating or maintenance personnel have been scheduled; (5) all clean-up required by the Agreement has been completed; (6) the Project is ready for the Department and Client Agency to use it for its intended purpose; and (7) all equipment, supplies, materials and items to be installed have been installed in accordance with the manufacturer's specifications and industry standards and have undergone and passed the requisite testing and inspections. "Minor punch list items" are defined for this purpose as items that, in the aggregate, can be completed within thirty (30) days without interfering with the Department or Client Agency's normal use of the Project.

#### **Section 1.23. Substantial Completion Date.**

The date established herein by which the Design-Builder shall achieve Substantial Completion. The Substantial Completion Date may be modified only by Change Order, Contract Modification or Change Directive in accordance with the Agreement.

#### **Section 1.24. Work.**

The term "Work" refers to any and all work done in performance of the Services necessary, at any and all phases of the Agreement, to Fully Complete the Project.

### **Article 2 - GENERAL PROVISIONS**

#### **Section 2.1. Letter Contract**

The Parties acknowledge that certain of the investigation, abatement, demolition, design and preconstruction activities described in Article 3 of this Agreement were performed pursuant to the Letter Contract between the Parties dated [DATE]. Pursuant to the terms of the Letter Contract, upon execution of this Agreement by the Department (the "Agreement Effective Date"), the Letter Contract shall automatically terminate and shall merge into and be superseded by this Agreement. The Parties agree that any services provided or work performed pursuant to the merged Letter Contract, and prior to the Agreement effective Date, shall be governed by the terms and conditions of this Agreement.

#### **Section 2.2. Term and Termination**

The period of performance under this Agreement shall commence from the date of execution of the Letter Contract by the Department and shall terminate upon the expiration of the

Administrative Term or upon termination by the Department pursuant to Articles 5 and 6 of the Standard Contract Provisions (Construction Contracts) and Article 8 of the Standard Contract Provisions (Architectural & Engineering Services Contract).

### **Section 2.3. Relationship of Parties.**

The Design-Builder accepts the relationship of trust and confidence established with the Department by this Agreement, and covenants with the Department to furnish the Design-Builder's reasonable skill and judgment and to cooperate with the Program Manager in furthering the interests of the Department. The Design-Builder shall use its best efforts to perform the Work and complete the Project in an expeditious and economical manner consistent with the interests of the Department. The Department shall endeavor to promote harmony and cooperation among the Department, Design-Builder, Program Manager, and other persons or entities employed by the Department for the Project. In performing its duties under this Agreement, the Design-Builder shall at all times use the standard of care used by Design-Builders that construct projects similar to the Project in type, size and scope in large, urban areas. Whenever the term "competent" is used herein to describe the Design-Builder's actions or duties, that term shall refer to the level of competence customarily possessed by those Design-Builders that construct projects similar to the Project in type, size and scope in large, urban areas.

### **Section 2.4. Confidentiality of Information**

The Design-Builder shall assure and keep all information and data obtained throughout the performance of the Project whether related to the Agreement, the Work in all of its aspects, the Department and the Department's employees confidential, during and following the term of the Agreement, and shall not use the information in connection with any other matters; nor shall it disclose any such information to any other person, firm or corporation, unless disclosure is required pursuant to court order, subpoena or other regulatory authority. The Design-Builder shall not be divulged of confidential information without the individual's and the Department's written consent and only in accordance with the District's or Federal's laws, codes and regulations. The Design-Builder and any Subcontractors who utilize, access, or store personally identifiable information as part of the performance of this Agreement are required to safeguard this information and immediately notify the Department of any breach or suspected breach in the security of such information. The Design-Builder and all Subcontractors shall allow the Department to both participate in the investigation of incidents and exercise control over decisions regarding external reporting. The Design-Builder, Subcontractors and their respective employees working on this Project may be required to sign a confidentiality statement.

### **Section 2.5. Project Description.**

The Design-Builder shall provide Design Build Services required for the modernization of Garfield Elementary School located at 2435 Alabama Ave. SE, Washington, DC (the Work). The Project includes the complete renovation of the existing historic building and new construction additions to create approximately 76,000 gross square feet of modernized learning space. Learning, instruction, and support technology will be brought up to cutting edge standards and capacity. The new modernized design shall include physical education and dining services along with discovery commons spaces, small group rooms, and resource rooms to accommodate special projects, collaborative work, and individual pull-out instruction. Additionally, part of the

requirements within the Ed Spec is to include space for a Child Development Center that will serve a limited number of infants and toddlers.

Generally, the Design-Builder's responsibilities shall include, but will not be limited to, the following:

- a) To confirm the design and construction of the Project in accordance with the RFP Documents.
- b) To provide all design services and construction management services necessary to implement the goals of the Project inclusive of, but not limited to, the following: civil, architectural, electrical, structural, and mechanical design services as required for the Project; construction management services inclusive of budgeting, value engineering ("Value Engineering"), scheduling, project phasing, project administration, management and coordination of subcontractors.
- c) To conduct subsurface investigation work if and as required for the Project.
- d) To furnish and provide all materials, management, personnel, equipment, hazardous material abatement, supervision, labor and other services necessary to complete the Project.
- e) To provide the necessary design, consultants and documentation for all permitting, zoning, historic preservation and US Commission of Fine Arts approvals.
- f) To provide move coordination and logistics support for the Project.

The Design-Builder shall provide the Department with a GMP based on the Design Development Documents. The District anticipates an ESA (Early Start Agreement) and subsequent one GMP package.

During the Construction Phase, the Design-Builder shall construct the Project. During the Construction Phase, the Design-Builder shall be required to cause the Work to be completed in a manner consistent with the design documents and phasing plan approved by the Department and shall provide all labor, materials, insurance, bonds and equipment necessary to fully complete the Project in accordance with the drawings, specifications, schedule and budget that are issued for the Project. The Design-Builder shall be responsible for paying for and obtaining all necessary permits and to pay all necessary fees for utility connections and the like.

#### **Section 2.6. Program Manager.**

The Department has engaged a Program Manager to provide certain program management functions. Such Program Manager shall, at all times, be acting solely for the benefit of the Department, not the Design-Builder. **The Design-Builder hereby acknowledges and agrees that only a duly authorized and designated Contracting Officer shall have the authority to issue Change Orders, Contract Modifications or Change Directives on the Department's behalf. As of the date that this Agreement is executed, the Department's duly authorizing Contracting Officers are set forth in Exhibit I.**

#### **Section 2.7. General Description of Design-Builder's Duties.**

Generally, the Design-Builder shall perform the Services in a professional workmanlike manner. The Design-Builder shall supply and furnish at the location where the Work is to be performed all design service, labor, materials, equipment, tools, services, and supervision, and

shall bear all items of expense, necessary to complete and satisfactorily perform this Agreement, except such items that the Department, in this Agreement, specifically agrees to supply or furnish to or for the use of Design-Builder. Any labor, materials, equipment, tools, services or supervision not specifically described in this Agreement, but which may be fairly implied as required thereby or necessary to properly complete the Work, shall be deemed within the Scope of the Work and shall be provided by the Design-Builder at Design-Builder's sole expense.

The Design-Builder will be required to work with the Department and the Project stakeholders through a collaborative design process to develop a concept design for the Project in accordance with the available budget. The Design-Builder will be required to engage in extensive pre-design and preconstruction efforts to ensure that the design is developed in a manner consistent with the Department's goals for the Project (e.g., programmatic, budgetary, schedule and quality); to solicit competitive trade bids for the construction work and to develop an acceptable guaranteed maximum price and corresponding scope and schedule for the work; and to implement the requisite construction and other work necessary no later than the Substantial Completion Date. The Design-Builder shall be responsible for all items of cost except for those items set forth in Section 9.7 of this Agreement and will be required to provide a "turn-key" Project ready for occupancy by DCPS.

## **Section 2.8. Warranties and Representations**

**2.8.1.** All disclosures, representations, warranties, and certifications the Design-Builder makes in its proposal in response to the RFP shall remain binding and in effect throughout the term of the Agreement. The Design-Builder reaffirms that all such disclosures, representations, warranties, and certifications are true and correct.

**2.8.2.** If any disclosure, representation, warranty or certification the Design-Builder has made or makes pursuant to the RFP or the Agreement, including, without limitation, representations concerning the Design-Builder's construction or design experience and qualifications, claims or litigation history or financial condition, is materially inaccurate, that shall constitute a material breach of the Agreement, entitling the Department to any and all available remedies.

**2.8.3.** The terms and conditions of this Section 2.8 shall apply during both the Design & Preconstruction and Construction Phases.

## **Section 2.9. Responsibility for Agents and Contractors.**

At all times and during both the Design & Preconstruction and Construction Phases, the Design-Builder shall be responsible to the Department for any and all acts and omissions of the Design-Builder's agents, employees, Subcontractors, Sub-Subcontractors, material suppliers, and laborers, and the agents and employees of the Subcontractors, Sub-Subcontractors, material suppliers, and laborers performing or supplying Work in connection with the Project.

**Section 2.10 Building Information Modeling (BIM).** BIM is required to be used throughout the lifecycle of the Project, including all Project phases from project planning and

concept design through construction, as-built and into facilities management. The BIM requirements are provided as Exhibit U. It is expected by the Department that all team members are to be committed to the use of BIM in the Project, share their ideas of BIM expertise with the team, provide BIM data as requested by other team members, look for cost savings and schedule improvements during the entire Project duration, and endeavor to leave as a legacy a fully updated, as built, facility management ready building information model.

### **Article 3 - DESIGN-BUILDER'S DESIGN & PRECONSTRUCTION SERVICES**

#### **Section 3.1. Preconstruction Services.**

During the Preconstruction Phase, the Design-Builder, in consultation with the Department, shall (i) develop conceptual plan and cost estimates; (ii) develop a draft final conceptual site plan/response and cost estimate; (iii) prepare and submit soft copies of the complete set of 35% Schematic Design Documents; (iv) prepare and submit soft and hard copies of the complete set of 60% Design Documents, Specifications and Design-Builder's cost estimate and schedule; (v) prepare soft and hard copies of the complete set of 95% Construction Documents, Specifications and Contractor's cost estimate and schedule; (vi) review existing condition assessment and recommendation; and (vii) obtain all necessary building permits to support the project schedule.

Without limiting the generality of the foregoing, during the Preconstruction Phase, the Design-Builder shall: (i) work with its Architect and any design consultants to advance the design for the Project in consultation with the Client Agency, the Department and its Program Manager; (ii) obtain bids from trade subcontractors to perform the work described in the Design Development Project documents and provide bid tabulations to the Department; (iii) engage in any value engineering and scoping exercises necessary to return the cost of the work to the Project Budget; (iv) engage in preconstruction activities, including identifying any long-lead items; (v) develop a GMP proposal for the Project; and (vi) enter into a GMP for the Project. Throughout the Design & Preconstruction Phase, the Design-Builder shall schedule and attend regular meetings with the Department, the Program Manager, and the Architect.

**Section 3.1.1 Additional Preconstruction Services.** In addition to those items enumerated above, the Design-Builder shall provide such preconstruction services as are necessary to properly advance the Project. These services shall include, but are not limited to, scheduling, estimating, shop-drawings, the ordering of long-lead materials, condition assessments, conservator studies, archeological studies, recommended testing, additional geotechnical testing, and monitoring of historic assets.

#### **Section 3.1.2 Design and Preconstruction Phase Initial Deliverables**

**Section 3.1.2.1 Building System Assessment.** If requested by the Department, within fourteen (14) days after the Preconstruction NTP is issued, the Design-Builder shall conduct an assessment report of the building systems and submit a written report to the Department that assesses whether the existing building systems can be repaired or whether such systems should be replaced. Such report shall take into consideration the nature of this Project and the proposed Educational Specifications. This report shall assess all of the buildings' key



systems, including, but not limited to HVAC, kitchens, roof, windows, electrical, lighting, Audio Visual Equipment, intercom, fire alarms, and plumbing.

**Section 3.1.2.2 Baseline Schedule.** Within ten (10) days after the Preconstruction NTP is issued, the Design-Builder shall prepare and submit a Baseline Schedule for the Project (the “Baseline Schedule”). The Baseline Schedule shall be subject to review and approval by the Department and the Design-Builder shall incorporate such adjustments to the Baseline Schedule as may be requested by the Department. The Baseline Schedule shall be prepared in a critical path method (“CPM”) in a sufficient level of detail to permit the Department and the Design-Builder and any other affected parties to properly plan the Project. The Baseline Schedule shall show: (i) key design milestones and bid packages; (ii) release dates for long lead items; (iii) release dates for key subcontractors; and (iv) Substantial and Final Completion Dates. The Baseline Schedule shall include durations and logic ties for all relevant Project activities. The Baseline Schedule must also be submitted in Primavera 6 native format and shall be updated by the Design-Builder, at a minimum, on a bi-weekly basis. In addition to the bi-weekly project schedule a weekly 3-week look ahead schedule shall be required.

The Project schedule is attached hereto as **Exhibit B.**

**Section 3.1.2.3 Concept Design.** No later than 12 weeks after the Preconstruction NTP is issued, the Design-Builder shall prepare and submit a proposed concept design for the Ed Spec. As part of the concept design phase the Department requests three (3) concept options or alternatives. Each of the concept design shall contain at least the level of detail contemplated in industry best practices for a concept design. The design submittal shall specifically identify any deviations from the Educational Specifications and shall explain the rationale and cost implications associated with such deviation. The Department shall have the right to disapprove the concept design submittal for any reason. Following review of the concept design submissions by DCPS and the Department, the Department shall approve a final concept design. The Design-Builder shall make revisions to the concept design submission as necessary to incorporate comments, feedback and other direction provided by DCPS and the Department. The Design-Builder’s pricing shall assume that such revisions will be required, and such revisions shall not entitle the Design-Builder to additional compensation. The concept design submittal shall include, but not limited to, the following:

- a) Historic resources survey.
- b) A minimum of three (3) conceptual floor plans and site plans incorporating the requirements of the Education Specifications and site plan and showing proposed location of any building additions.
- c) Hazardous materials survey of affected spaces. It is understood that the Design-Builder and/or its design component shall be required to engage the services of industrial hygienist that is acceptable to the Department to perform such survey.
- d) Education specifications update and verification; and an overall Plan-to-Program comparison.

- e) Summary of agency review meetings, including but not limited to: Office of Planning (“OP”), Commission of Fine Arts (“CFA”), Historic Preservation Office (“HPO”), and National Capital Planning Commission (“NCPC”).
- f) Summary of utility coordination and review meetings with PEPCO, Washington Gas, and DC Water.
- g) Summary of meetings with The District Department of Transportation (“DDOT”) Public Space.
- h) Summary of meetings with Department of Energy and Environment (“DDOE”) Storm Water Management.
- i) Summary of meetings with District of Columbia Department of Consumer and Regulatory Affairs (“DCRA”) focused on code review and green building review.
- j) Zoning Analysis.
- k) Cost Estimate.
- l) Value Engineering analysis and detailed recommendation for project savings (even if the project is not over budget).
- m) Net Zero Energy Report that includes all recommended strategies applicable to achieving a Net Zero Energy ready building.

**Section 3.1.2.4 Preliminary Budget Estimate.** Concurrently with the delivery of the concept design, the Design-Builder shall submit a detailed cost estimate of the proposed design (such estimate, the “Preliminary Budget Estimate”). With regard to building systems (i.e. roofs, doors, HVAC, security, IT, etc.), the Preliminary Budget Estimate shall be prepared on a “system” basis that identifies the key building systems or functions and allocates an estimated cost for each such system. The Design-Build Fee, the cost of general conditions, and contingencies shall be broken out in separate line items. The primary purpose of the Preliminary Budget Estimate is to aid the Department and the Client Agency in understanding the costs associated with key elements of the Project to better prioritize and manage the use of the funding allocated to this Project.

**Section 3.1.2.5 Construction Management Plan.** The Design-Builder shall submit a draft of its construction management and project phasing plan (“Construction Management Plan”) within fourteen (14) days after the Preconstruction NTP is issued to include, but is not limited to, noise control, hours for construction and deliveries, truck routes, trash and debris removal plan, traffic and parking control, communications procedures, emergency procedures, quality control procedures, dust control, public street cleaning and repair, planned occupancy of public ways, erosion control, tree protection plan, vibration monitoring, existing and adjacent building surveys plan, temporary fire protection measures, project signage, pest control, construction staging plan, and construction logistics plan.

**Section 3.1.2.6 Baseline Budget and Program.** The Department shall provide the Design-Builder with a baseline budget and program and comments on the concept design. Such approval shall be provided (or signed by) the Department’s Deputy Director for Capital Construction (the “Deputy Director”). In the event the Design-Builder does not receive such approval within fourteen (14) days after submitting the preliminary budget estimate, it shall so advise the Program Manager (“PM”), the Deputy Director and the CO in writing of such failure and request direction. If the Design-Builder fails to provide such notice, the Design-Builder will be proceeding at its own

risk and will be responsible for any redesign costs associated with budget revisions.

**Section 3.1.2.7 Deliverables Disincentive.** The Design-Builder acknowledges that the Department is engaging the Design-Builder to provide an extensive level of preconstruction support services to minimize the potential for cost overruns, schedule delays or the need for extensive Value Engineering/re-design late in the Project and that the deliverables required under this **Section 3.1.2** are key to identify the value of such services. In the event the Design-Builder fails to deliver any of the deliverables required in **Section 3.1.2** (and unless such failure is the result of any event of Force Majeure), the Design-Builder shall be subject to disincentive in an amount of Five Thousand Dollars (\$5000) plus Five Hundred Dollars (\$500) per day after receiving written notice from the CO of failure to submit such deliverables.

### **Section 3.1.3 Design Services; Design Reviews.**

The Design-Builder shall meet with the representatives of the Department and Client Agency throughout the Design & Preconstruction Phase as the design progresses in order that these and other stakeholders can have input in and approve the design direction at appropriate times. The Design-Builder shall ensure that the design is developed in a manner consistent with the Department's budget for the Project, *i.e.*, designed-to-budget, as well as the programmatic requirements set forth and attached hereto as **Exhibit A** and the Department's other requirements for the Project. The Project shall be designed in such a way so as to achieve, at a minimum, LEED for SCHOOLS – GOLD principles. All design Project documents shall be prepared by the Design-Builder's duly licensed architects and engineers. The GMP Basis Project Documents and all interim design submissions shall be subject to review and approval by the Department, and the Design-Builder shall be required to revise these Project documents to address concerns raised by the Department and/or other project stakeholders and such revisions shall not entitle the Design-Builder to an increase in the Design Fee.

**Section 3.1.3.1 Design Management.** Between the time the Preconstruction NTP is issued and the time the GMP is accepted by the Department, the Design-Builder shall use commercially reasonable best efforts to ensure that: (i) the design evolves in a manner that is consistent with the Department's budget and programmatic requirements, as the same were defined and established by the Department at the end of the concept design; (ii) the design work is properly coordinated; and (iii) the required design deliverables are produced on or before the dates contemplated in the Project schedule. As part of this undertaking, the Design-Builder shall provide the following:

**Section 3.1.3.1.1 Schematic Design.** The Design-Builder shall prepare a schematic design that is a logical development of the approved concept design and is consistent with the Department's schedule, budget and programmatic requirements. The schematic design shall contain at least the level of detail contemplated in a schematic design under industry best practices. The design submittal shall specifically identify any deviations from the approved concept design and shall explain the rationale, cost and time implications associated with such deviation. The Department shall have the right to

disapprove the schematic design submittal for any reason. The Design-Builder shall provide maintenance and repair cost services for major design components and MEP systems selected at the schematic design phase, which includes conducting a 40-year life cycle cost analysis, which includes a detailed list of replacement costs, maintenance costs, an estimate of repair costs, anticipated energy costs, and a list of other relevant life cycle costs.

The Design-Builder shall submit a Maintenance and Operations Plan, which, at a minimum, shall include the following:

- i) Standard Operating Procedures (SOP) for all building systems, including, but not limited to, electrical, mechanical, roof, green roof, geothermal, solar, plumbing, security, outdoor fields, irrigation, landscaping and lighting;
- ii) List of equipment that must be kept on site to maintain all building systems;
- iii) List of chemicals that must be kept on site to maintain all building systems, including storage requirements;
- iv) Certifications and licenses either required or recommended to maintain all building systems;
- v) Confined space procedures and personal protective equipment that must be used;
- vi) Permits and regular inspections that are required to operate the equipment;
- vii) List of hardware, software and software licenses that must be purchased and maintained;
- viii) Recurring trainings on building systems and safety that are necessary to maintain the building;
- ix) The estimated initial and monthly costs for the successful maintenance and operations of the facility.

Following review of the schematic design submission by the Client Agency and the Department, the Design-Builder shall make revisions to the schematic design submission as necessary to incorporate comments, feedback and other direction provided by the Client Agency and the Department. The Design-Builder's pricing shall assume that such revisions will be required, and such revisions shall not entitle the Design-Builder to additional compensation.

In general, the Design-Builder shall be required to undertake the following tasks during this phase:

- a. Further develop plans and incorporate design changes.
- b. Prepare necessary presentation materials (renderings) to communicate design and obtain approval of design direction.
- c. Participate in meetings with DCPS Staff.
- d. Conduct DOEE, DCRA, DDOT and DC Water preliminary design review meetings.
- e. Engage in no fewer than three (3) community feedback sessions during this phase.
- f. Coordination and of identification of Public Art locations that will be constructed and installed as part of the construction phases.
- g. Continued coordination with Public Utility Companies: PEPCO, Washington Gas, and Verizon. In addition to coordination, scope shall include submitted load letters for new or

upgraded services.

- h. Continued coordination with HPO and CFA.
- i. Report and schedule on process to obtain any zoning approvals, if necessary.
- j. The schematic design submittal shall generally follow the deliverables and in addition shall include at least the following:
  - i. Digital site and floor plans (including adjacencies and room locations);
  - ii. Preliminary building elevations and sections;
  - iii. Preliminary selection of building materials;
  - iv. Conceptual renderings produced for approval of design direction.
  - v. Plan-to-Program comparison;
  - vi. Preliminary LEED Scorecard;
  - vii. Design narrative; and
  - viii. A preliminary description of proposed building system upgrades (i.e. HVAC, roofs, windows, kitchen equipment, low voltage/IT/AV etc.). With regard to any proposed building system upgrade, the package shall include a narrative description of the proposed system and an estimated line item cost.
  - ix. Cost Estimate.
  - x. Project savings (even if the Project is not over budget) .
  - xi. Preliminary furniture design.
  - xii. 3D rendering images as needed, include (4) four at a minimum.
  - xiii. Life cycle cost analysis (“LCCA” or “Life Cycle Cost Analysis”).
  - xiv. Net Zero Energy Report that includes all recommended strategies applicable to achieving a Net Zero Energy ready building.
  - xv. Maintenance and Operations Plan

**Section 3.1.3.1.2 Schematic Budget Estimate Update.** Concurrent with submission of the schematic design, the Design-Builder shall submit a budget update. The budget update shall be submitted in the same format as the preliminary budget estimate and shall show variations from preliminary budget estimate. The Design-Builder shall include a cost estimate and value engineering analysis and a detailed recommendation for project savings (even if the project is not over budget). To the extent the budget update shows an overrun from the approved budget, the Design-Builder shall submit Value Engineering (not scope reductions, but true Value Engineering that allows the design to meet all Project requirements within budget) suggestions that would return the Project to budget. Only the Department shall have the authority to increase the Project Budget, and absent such direction, the Design-Builder shall proceed on the assumption that the budget remains as originally directed by the Department.

**Section 3.1.3.1.3 Constructability/Sole Source/Long-Lead Time Memorandum.**

Concurrently with the Schematic Design Budget Estimate, the Design-Builder shall prepare a memorandum identifying key construction concerns related to the Project. Such memorandum shall: (i) assess the constructability issues related to the Project, including site logistics; (ii) identify any items where the design is predicated on a single

manufacturer and, if so, identify at least two (2) comparable products; and (iii) identify any long-lead delivery items that could adversely affect the schedule contemplated in this Agreement. To the extent any such long-lead items are identified, the memorandum shall make recommendations for addressing such items.

**Section 3.1.3.1.4 Entitlements.** The Design-Builder shall prepare such materials, submit pertinent information, make such presentations, and provide accurate and complete responses as are necessary to obtain the required land use and entitlement approvals. Approvals may be required from (i) the Office of Zoning, (ii) OP, and (iii) the CFA. Given the nature of the Work, it is not envisioned that such approvals will require extensive hearings or submissions.

#### **Section 3.1.4 Design Development Phase & Early Release Packages.**

The Design-Builder shall prepare a set of design development documents (“Design Development Documents”) that is a logical development of the approved schematic design and is consistent with the Department’s schedule, budget and programmatic requirements. The Design Development Documents shall contain at least the level of detail contemplated in industry best practices for design development documents. The design submittal shall specifically identify any deviations from the approved schematic design and shall explain the rationale and cost implications associated with such deviation. The Design-Builder shall include a cost estimate and value engineering analysis and detailed recommendation for project savings (even if the project is not over budget). The Design Builder shall provide maintenance and repair cost services, which includes conducting a 40-year life cycle cost analysis, which includes a detailed list of replacement costs, maintenance costs, an estimate of repair costs, anticipated energy costs, and a list of other relevant life cycle costs. The Design-Builder shall further refine and expand upon the Maintenance and Operations Plan that was submitted in the Schematic Submission. The Department shall have the right to disapprove the Design Development Documents submittal for any reason.

**Section 3.1.4.1 Design Development Submission.** The Design-Builder shall prepare the design development submission for review and comment by the Client Agencies and the Department. Such design development submission shall include the elements and information listed below:

The design development submittal shall include at least, but not limited to, the following:

- a) Detailed and dimensioned plans, wall sections, building section, and schedules;
- b) Draft specifications for materials, systems, equipment;
- c) Complete code compliance analysis and drawing;
- d) Space-by-space equipment layouts for key spaces. As part of the design development phase, the Design-Builder and/or the Design-Builder’s architect and any of its design consultants shall confer with representatives from DCPS and the Department regarding these layouts to confirm that they are acceptable to DCPS;
- e) A final lay-out for furniture, fixtures, and equipment;

- f) An interior finishes schedule;
- g) Preliminary designs for all building system upgrades, including low voltage/AV/IT. With regard to HVAC systems, the submission should include:
  - (i) a detailed description of the proposed mechanical systems; (ii) their general layout, including ‘Single- Line Diagrams’ (aka ‘Riser Diagrams’); and (iii) any required load calculations. The HVAC design solution would also include preliminary layouts of other major components of the HVAC system, including the type and location of energy recovery units (ERUs), variable air volume (“VAV”) boxes, condensing units, and any related system appurtenances;
- h) Updated LEED scorecard;
- i) Present the design to CFA, OP, HPO, and other regulatory agencies as required;
- j) Register the project with the U.S. Green Building Council (“USGBC”) to obtain LEED certification and pay all registration fees;
- k) Participate in SIT Meetings, and community meetings as required by DGS/DCPS;
- l) Coordinate with the DC HPO and other agencies, commissions, groups, etc. as required to assess and determine historic and/or archeological significance and requirements. Attend meetings and hearings if necessary;
- m) Respond in writing to all DCPS comments on plans;
- n) Prepare a presentation and provide a minimum of three (3) presentation boards for each community meeting and present/display onsite. Presentation boards shall be in full color and include at least four (4) 3-D renderings; Presentations shall also include a digital slide presentation;
- o) Coordinate final utility plans as required;
- p) Act as scribe for all design related meetings. Distribute meeting minutes to all attendees;
- q) Baseline Schedule bi-weekly update in the format set forth in the RFP; and
- r) Prepare and submit three (3) hard-copy sets, and one (1) electronic copy in PDF of Design Development Documents including detailed specifications, cost estimate and schedule to the Department and DCPS for review and approval. (60% plan review). Components to include, but are not limited to:
  - i. Site plans, paving layouts, traffic circulation, lighting, signage and utilities.
  - ii. Floor plans, Structural, Civil, Architectural, mechanical, electrical and plumbing (“MEP”), Fire Protection and landscaping.
  - iii. Exterior elevations, rendering and color palette.
  - iv. Building sections and details as required.
  - v. Interior elevations, casework and millwork elevations as required.
  - vi. Playground equipment, if applicable.
  - vii. Stormwater management.
  - viii. Food service or other equipment as required.
  - ix. LEED Information as appropriate.
  - x. Final Draft of the “Percent for Art” Public Art Package to be used as the scope for the Artists’ RFP
  - xi. Cost Estimate

- xii. Value Engineering Analysis and Detailed Recommendation for project savings (even if the project is not over budget)
- xiii. Life cycle cost analysis (LCCA)
- xiv. Net Zero Energy Report that includes all recommended strategies applicable to achieving a Net Zero Energy ready building
- xv. Maintenance and Operations Plan

#### **Section 3.1.4.2 Early Release Packages/ Long Lead Materials/Abatement & Demolition.**

**Section 3.1.4.2.1 Abatement & Selective Demolition.** Once the schematic design has been approved, the Department may release the Design-Builder to commence hazardous material abatement and interior demolition, or other early activities, as applicable. It is envisioned that this work may be released in advance of the GMP.

**Section 3.1.4.2.2 Long Lead Materials.** The Department will release funding for long-lead items once the Design Development Documents have been approved. If the Design-Builder believes an earlier release is required in order to meet the Project schedule, it shall advise the Department and make a recommendation as to the requested release date. Any decision to authorize an early funding release shall be made by the Department in its sole and absolute discretion.

**Section 3.1.4.2.3 Permits.** The Design-Builder shall be responsible for preparing and submitting all of the required permit applications that are necessary to complete the Project. The Design-Builder shall develop a list of the required permits and shall track the progress of all such permits through the review process. The Design-Builder shall update the Department with the status of each permit that is required for the Project. The Design-Builder shall engage such permit expeditors as the Design-Builder deems necessary or appropriate in light of the Project's schedule.

### **Article 4 - FORMATION OF GMP PROPOSAL**

#### **Section 4.1. General.**

The Design-Builder shall provide the Department with a GMP based on the Design Development Drawings. The District anticipates an early start agreement ("ESA") and subsequent one GMP package.

During the Design & Preconstruction Phase, the Design-Builder shall cause the Architect to prepare the GMP Basis Project Documents. Based upon the GMP Basis Project Documents, the Design-Builder shall propose a GMP (referred to as the "GMP Proposal") which shall be submitted in accordance with this Article. The Design-Builder acknowledges and understands that the GMP Basis Project Documents will be incomplete at the time it submits its GMP Proposal. Although complete construction Project Documents will not be available and many details will not be shown on GMP Basis Project Documents or will otherwise need to be adjusted, the GMP proposed in the Design-Builder's GMP Proposal shall be intended to represent the Design-Builder's offer for the



Final Completion of the Project. If the Design-Builder's GMP Proposal is acceptable to the Department, it shall be memorialized in form of an amendment to this Agreement (such amendment, the "GMP Amendment"). Such amendment shall be in the form of **Exhibit L** attached hereto.

As part of the GMP Amendment, the Design-Builder shall certify that the GMP established thereby (i) contains sufficient amounts to perform all Work necessary for the Final Completion of the Project; and (ii) contains sufficient amounts to provide and construct any items or facilities that are not contained in the GMP Basis Project Documents, but which are necessary for a fully functioning facility that meets the programmatic requirements established for the Project. The Design-Builder will further covenant and agree in the GMP Amendment that it will perform all of the construction work necessary for the Final Completion of the Project, including, without limitation, aspects of the Work that are not shown on the GMP Basis Project Documents, but which are a logical development of the design intent reflected in the GMP Basis Project Documents, for an amount not to exceed the Guaranteed Maximum Price.

#### **4.2 Review of GMP Basis Project Documents.**

The Department has selected the Design-Builder, in large part, because of its special expertise in constructing similar projects. Before submitting its Guaranteed Maximum Price, the Design-Builder shall review the GMP Basis Project Documents for accuracy, constructability and completeness and shall bring such deficiencies to the attention of the Department and shall cause its Architect to address any such deficiencies. To the extent that any such deficiencies in the GMP Basis Project Documents could have been identified by such review by a competent Design-Builder, such deficiencies shall not be the basis for a change in the GMP or delaying the Project Schedule.

#### **4.3 Contingency.**

The Cost of the Work shall include a contingency, which shall be a sum established by the Department and the Design-Builder to cover, among other things costs necessary to address scope expansion that is a logical development of the design, issues arising from or as a result of deficiencies in the GMP Basis Project Documents and other costs which are properly reimbursable as Cost of the Work but not the basis for a Change Order, such as costs that were not reasonably foreseeable as of the effective date of this Agreement, including such items as emergencies, unforeseeable changes in market conditions for materials or labor, or subsurface, soils or site conditions that were neither known nor reasonably discoverable as of the effective date of the Agreement (the "Contingency"). During the Construction Phase, the Design-Builder shall keep the Program Manager and the Contracting Officer informed as to the status of the Contingency and shall, at a minimum: (i) advise the Program Manager or any significant draws upon the Contingency in a timely manner; and (ii) provide the Program Manager with running status of the Contingency balance at least once every two (2) weeks.

#### **4.4 Trade Bids.**

**4.4.1 Subcontractors and Suppliers; Bidding Procedures.** During the Design & Preconstruction Phase, the Design-Builder shall seek to develop subcontractor interest in

the Project. Within fifteen (15) days after the completion of the schematic design, the Design-Builder shall provide to the Department for its review and approval a written submission on the proposed bidding procedures. Such procedures shall include: (i) a list of proposed trades packages; (ii) a list of trade subcontractors that will be invited to bid on each such package; and (iii) a narrative description of the process. At least three (3) potential subcontractors shall be identified for each trade package. A copy of this deliverable must be submitted to both the Program Manager and the Contracting Officer. In the event the Department does not approve the proposed bidding procedures within fifteen (15) days after its receipt, such procedures shall be deemed approved unless the Department advises that such is still under review.

**4.4.2 Bidding.** Following the Department's approval of the design development Project documents, the Design-Builder shall manage the trade bidding process in accordance with the approved bidding procedures and shall use commercially reasonable best efforts to solicit at least three (3) qualified and bona fide bids for each trade package that has an expected value in excess of One Hundred Thousand Dollars (\$100,000). Trade packages shall not be parceled, split or divided to avoid the \$100,000 threshold. In addition to the information normally required in such bids, the Design-Builder shall also require subcontractors to provide an estimate of the percentage of labor hours performed in completing the subcontracted work which will be performed by District residents. The Design-Builder shall carefully document its procedures for making available bid packages to potential bidders, the contents of each bid package, discussions with bidders at any pre-bid meetings, bidders' compliance with bid requirements, all bids received, the Design-Builder's evaluations of all bids, and the basis for the Design-Builder's recommendation as to which bidders should be chosen. The Department shall be afforded access to all such records at all reasonable times so that, among other things, it may independently confirm the Design-Builder's adherence to all requirements set forth in the Agreement, including, without limitation, affirmative action requirements and subcontracting requirements.

**4.4.3 Bid Tab.** As part of the negotiations leading up to the GMP, the Design-Builder shall provide to the Department tabulations of the trade bids solicited and copies of all trade bids. In general, the bid tab shall be presented in tabular format that compares the bids received and any other relevant information (i.e. exclusions, past performance history, etc.). The bid tabulation shall include scope assessments and identify required leveling of the trade submitted. To the extent that the Design-Builder's award recommendation is based on scoping adjustments, the Design-Builder shall clearly identify the scoping adjustment and the need for such adjustments. Such bid tabulation shall include LSDBE utilization information in addition to price and other information. Such bid tabulations as well as copies of the bids shall be submitted to the Department's Program Manager. The Design-Builder represents and warrants that the bid tabs so submitted shall fairly represent the results of the subcontractor bidding process and that the Design-Builder shall not misrepresent any such data to the Department or its Program Manager.

#### **4.5 Value Engineering.**

Based on the trade bids received, the Design-Builder shall prepare a written report of

suggested value engineering strategies necessary to reconcile the costs of constructing the Project budget, if necessary. The Design-Builder shall meet with the Department's representatives to discuss any value engineering and changes in scope necessary to ensure that the Department's schedule and programmatic requirements are met and that the budget is not exceeded. The Design-Builder shall cause the Architect to implement and price any approved value engineering strategies.

#### **4.6 Basis of Guaranteed Maximum Price.**

The Design-Builder shall include with the GMP Proposal a written statement of its basis, which shall include:

**4.6.1** GMP Basis Project Documents which shall include a list of the Drawings and Specifications, including all addenda thereto, and General, Supplementary and other Conditions which were used in preparation of the GMP Proposal and on which the GMP is based.

**4.6.2** A list of Unit Prices and Allowance Items and a statement of their basis; provided, however, that only such allowances as are agreed to by the Department shall be included.

**4.6.3** A list of the clarifications and assumptions made by the Design-Builder in the preparation of the GMP Proposal to supplement the information contained in the Drawings and Specifications, noting in particular any exclusions. The assumptions and clarifications shall take precedence over the Drawings and Specifications. The Design-Builder shall prepare a separate memorandum that highlights any differences between the then approved drawings and the modifications made in the assumptions and clarifications. Such memorandum shall specifically address any changes in the Project's aesthetics, functionality or performance.

**4.6.4** The proposed GMP, including a statement of the detailed cost estimate organized by trade categories, allowances, Contingency, and other items and the fee that comprise the GMP.

**4.6.5** An update to the Project's schedule to which the Design-Builder will agree to be bound. This update shall be prepared in the same level of detail and in the same manner as the Baseline Schedule.

**4.6.6** A subcontracting plan setting forth the names and estimated dollar volume of the work that will be performed by local, small, and disadvantaged business enterprises, as certified by the Department of Small and Local Business Development, upon which the GMP is based.

**4.6.7** A summary of Capital Cost vs Operating Cost Eligibility.

**4.6.8** (Reserved)

**4.6.9** An allowance for the maintenance of the school and grounds per the Maintenance and Operations plan for up to six (6) months following Substantial Completion. The allowance shall be based upon at least three (3) estimates provided by firms that have either (i) demonstrated previous experience maintaining schools in the District of Columbia or (ii) demonstrated experience in maintaining equivalent facilities. The Department shall have the right to reject one of the firms and their estimate and request the Design-Builder to submit an alternate. The Design-Builder shall include up to one (1) employee as reimbursable under this allowance. The allowance shall be at-cost or based on pre-established cost/price mechanism, industry catalog or per unit pricing structure. .

**4.6.10** GMP and any Council Package cost estimate summary shall be broken down into three categories as applicable: New Construction, Renovation, and Sitework.

#### **4.7 Department Review of GMP Proposal.**

The Design-Builder shall meet with the Department to review the GMP Proposal and the written statement of its basis. In the event that the Department discovers any inconsistencies or inaccuracies in the information presented, the Department shall promptly notify the Design-Builder, who shall make appropriate adjustments to the GMP Proposal, its basis or both.

#### **4.8 Department Acceptance of GMP Proposal.**

The Department and the Design-Builder shall meet to negotiate the terms of the GMP Proposal. If the GMP Proposal is acceptable to the Department, the Department shall submit the resulting GMP Amendment for review and approval by the Council for the District of Columbia (the "Council") in the event it exceeds the previously approved not-to-exceed limit established in the Agreement by more than \$1 million. In such event, the GMP shall not be effective until so approved and executed by the Parties.

#### **4.9 GMP Amendment.**

In the event an acceptable GMP Proposal is not developed and a GMP Amendment is not executed, the Agreement will be terminated. In the event the Agreement is terminated pursuant to this Section, the Department shall be free to use any of the Project documents and information developed through the date of termination to retain a new contractor to complete the Project. In such an event, the Design-Builder shall only be entitled to Fifty percent (50%) of the Preconstruction Fee.

#### **4.10 Assignment Upon Failure to Reach GMP.**

In the event that the Department and the Design-Builder are unable to agree upon a GMP, the Department shall have the right to terminate this Agreement, and if requested by the Department, the Design-Builder shall assign any trade Subcontracts and its agreement with the Architect to the Department upon such terms and conditions and at the time requested by the Department. In such event, the Design-Builder shall forfeit fifty percent (50%) of the Preconstruction Fee.

#### **4.11 Certification.**

As part of the GMP Proposal submitted in accordance with this Article, the Design-Builder agrees to specifically acknowledge and declare that the Contract Project documents are sufficiently complete to have enabled the Design-Builder to determine the Cost of the Work therein in order to enter into the GMP Amendment and to enable the Design-Builder to agree to construct the Work outlined therein in accordance with applicable laws, statutes, building codes and regulations to the best of Design-Builder's knowledge, and otherwise to fulfill all its obligations hereunder. The Design-Builder shall further acknowledge that it has visited the site, examined all conditions affecting the Work, is fully familiar with all of the conditions thereon and affecting the same, and, has carefully examined all drawings and specifications provided to it.

#### **4.12 Unsafe Materials and Hazardous Materials**

**4.12.1** The Design-Builder shall not bring, spill or release onto the site asbestos, PCBs, or any other Hazardous Material that is not customarily used in a facility of the type and similar to the Project, and shall bring to the Department's attention any specification of such Hazardous Materials in the design Project documents. If the Design-Builder believes that anything in the Agreement would require that it use or bring onto the site asbestos, PCBs, or any Hazardous Material that is not customarily used in a facility of the type and similar to the Project, it shall immediately inform the Department and seek direction before proceeding.

**4.12.2** The Design-Builder shall abate and remove Hazardous Materials on or within the site as necessary to complete the Work contemplated by this Agreement. The Design-Builder shall comply with all laws, including, without limitation, the requirements of the Environmental Protection Agency ("EPA") and all jurisdictional agencies as well as all laws relating to safety, health welfare, and protection of the environment, in removing, treating, encapsulating, passivating, and/or disposing of Hazardous Materials, including, but not limited to, removal, treatment, encapsulation, passivation, and/or disposal of the Hazardous Materials. If any notices to governmental authorities are required, the Design-Builder shall also give those notices at the appropriate times. The Design-Builder shall ensure abatement subcontractors and disposal sites are appropriately licensed and qualified.

**4.12.3** The Design-Builder shall be entitled to submit a Change Request in accordance with Article 4 of the Standard Contract Provisions (Construction Contracts) in the event the Design-Builder encounters Hazardous Materials beyond those contemplated in the Contract Project documents.

**4.13.4** The Design-Builder shall keep detailed records documenting Work done so that the Department may independently verify compliance with all laws, the number of units actually removed, treated, and/or disposed of, and the appropriate unit price(s) applicable to the Work.

### **Article 5 - CONSTRUCTION PHASE**

### **5.1 General.**

The Construction Phase shall not commence until the Department issues a Notice to Proceed for Construction Phase Services. The Design-Builder shall, through Subcontractors or, with the written consent of the Department, with its own forces, perform all of the Work necessary to construct the Project so that it is complete, safe, and properly built in strict accordance with the approved Construction Project documents and the other requirements of this Agreement. Without limitation, the Design-Builder shall provide all of the labor, materials, tools, equipment, temporary services, and facilities necessary to complete the Project in accordance with the drawings, specifications, schedule and budget that are issued for the Project. The Design-Builder shall be responsible for paying for and obtaining all necessary permits and to pay all necessary fees for utility connections. The Work shall be carried out in a good and workmanlike, first-class manner, and in a timely fashion. All materials and equipment to be incorporated into the Project shall be new and previously unused, unless otherwise specified, and shall be free of manufacturing or other defects.

The Work shall be accomplished in accordance with the following:

- a. Manage all aspects of the renovation and construction of the Project.
- b. Manage bi-weekly progress meetings. Site visits are included in base Design-Build Fee.
- c. Review and process shop drawing submissions, RFI's, etc.
- d. Prepare meeting notes and records of decisions/changes made.
- e. Conduct pre-closeout inspections.
- f. Review closeout documents for completeness, such as As-Built Drawings based on the Contractor's red line drawings and/or coordinated set developed during the subcontractor coordination process. As-Built Drawings should be transmitted to DGS in hard copy, PDF, and CAD formats.

**5.1.1 Unrenovated Portions of the Structure.** In constructing the Project, the Design-Builder shall ensure that unrenovated portions of existing structures, if any, including, but not limited to, the mechanical, plumbing, electrical systems and other building systems are not adversely affected. All unrenovated portions of the structures should function, at a minimum, at the level of functionality that existed immediately prior to the construction of the Project. If any unrenovated portion of the Project functions at a lower level of functionality as a result of the Design-Builder's Work, the Design-Builder shall be back-charged the costs incurred by the Department in addressing the decreased functionality.

### **5.2 Design Completion.**

**5.2.1 Mid-Point Construction Project Document Review.** Based on the approved Design Development Documents and any approved Value Engineering, the Design-Builder shall prepare a set of Construction Documents. It is contemplated that the Construction Documents will be issued in several different sets (i.e. architectural, electrical, mechanical, structural, etc.). As each such set reaches a point where it is approximately Fifty percent (50%) complete, the Design-Builder shall prepare and submit a progress printing to the Department for its review and comment.

**5.2.2 Construction Project Document Review & Coordination.** The Design-Builder shall complete each of the Construction Documents packages in a manner that addresses the concerns raised by the Department during the review contemplated in Section 5.2.1 for such package. The Design-Builder shall issue one or more set of permit documents to the Department for its review and approval (“Permit Set”). With regard to each such set, the Design-Builder shall highlight (or bubble) any aspect of the design that represents a material deviation from the approved Design Development Documents and shall address in a narrative format the impact, if any, such departure shall have on the Project’s aesthetics, functionality or performance. The Department shall have the right to disapprove the Construction Documents for any reason. If the Department disapproves the Construction Documents, the Design-Builder will not be entitled to any additional compensation. If, however, the Department disapproves a Construction Document that is a logical extension of the approved Design Development Documents, the Design-Builder will be entitled to an adjustment to the GMP and/or the Agreement schedule unless such a package departs from the Scope of Work fairly reflected in the GMP Drawings and Specifications and in such event the Design-Builder shall be required to prepare a revised design that complies with the GMP drawings and specifications (“Drawings and Specifications”) and without any entitlement to an increase in the GMP or an adjustment of the Agreement schedule. In the event the Department does not approve a document within fourteen (14) days after issuance, such document shall be deemed approved unless the Department advises that such document is still under review.

In general, the Design-Builder shall be required to undertake the following tasks and submit to the Department:

- a. Progress design and Design Development Documents and prepare Construction Documents.
- b. Progress LEED Certification work as required.
- c. Coordinate with the DC Historic Preservation Office and other agencies, commissions, groups, etc. as required to assess and determine historic and/or archeological significance and requirements. Attend meetings and hearings if necessary.
- d. Submit three (3) hard-copy and one (1) electronic PDF copy of the complete sets of Construction Documents, Specifications and the Design-Builder Cost Estimate and schedule to the Department of General Services for review (95% plan review).
- e. Attend follow up meetings and coordinate with regulatory agencies, Fire Marshall, DGS Facilities personnel, and others as necessary.
- f. Obtain all required signatures on plans.
- g. Complete Platting and record Plat.
- h. Complete final coordination with utilities and service providers as necessary.
- i. Attend and participate in community meeting(s) to update community regarding the Project.
- j. Prepare a presentation and provide a minimum of three (3) presentation boards for each community meetings and present/display onsite. Presentation boards shall be in full color and include at least one (1) 3-D rendering.

- k. Prepare and submit three (3) hard-copy and one (1) electronic PDF copy of the complete set of Construction Documents, include 95% plan review responses, to the Department of General Services (95% Construction Documents).
- l. Submit appropriate number of copies of plans to applicable DC regulatory agencies for permit review
- m. Coordinate with all DC regulatory agencies and permit reviewers as necessary.
- n. An Environmental Impact Screening Form (“EISF”) will be required.
- o. Act as scribe for all design related meetings. Distribute meeting minutes to all attendees.
- p. Baseline Schedule bi-weekly update in the format set forth herein.

**5.2.3. Code Review.** The Design-Builder shall submit the Permit Set to the Department of Consumer and Regulatory Affairs in order to obtain the necessary building permits for the Project. The Design-Builder shall monitor the permit process and shall incorporate any changes or adjustments required by the Code Official. The Design-Builder shall also issue any such changes to the Department for its review and approval. In this submittal, the Architect shall highlight (or bubble) any aspect of the design that represents a material deviation from the permit set Project documents and shall address in a narrative format the impact, if any, such departure shall have on the Project’s aesthetics, functionality or performance. Subsequent to obtaining the necessary building permits, the Design-Builder shall prepare one or more sets of “issued for construction Project documents” (the “IFC Set(s)”).

**5.2.4. Design Changes.** If it should become necessary to amend any of the approved IFC Set(s), the Design-Builder shall prepare an amendment to the drawings and shall submit such amendment to the Department for its review and approval. In this submittal, the Design-Builder shall highlight (or bubble) any aspect of the design that represents a material deviation from the permit set documents and shall address in a narrative format the impact, if any, such departure shall have on the Project’s aesthetics, functionality or performance. In the event the Department does not approve such document within ten (10) business days after issuance, unless otherwise denied, such document shall be deemed approved, provided however that the Department has not advised that such document is still under review.

**5.2.5 Third Party Contractors.** The Department will hire third party contractors for plan review and for testing and material inspections. The Design-Builder shall coordinate and work with the Program Manager and third-party plan reviewer during the building permit process.

**5.2.6 Final Maintenance and Operations Plan.** The Design-Builder shall submit, for the Department’s review, a final Maintenance and Operations Plan. The Maintenance and Operations Plan shall be based on the final IFC Set(s). The approved Maintenance and Operations Plan shall form the basis of the Design-Builder’s maintenance of the building following Substantial Completion.

### **5.3 Subcontracting and Administration**

**5.3.1** It is contemplated that all or substantially all of the construction of the Project will be carried out by trade Subcontractors and that those trade subcontracts will be awarded through



the competitive bid process contemplated in Section 4.4. The Design-Builder shall enter into a written agreement with each subcontractor. The trade subcontractors will be under written contract with the Design-Builder. All subcontracts and agreements for the supply of equipment or materials awarded for the Project shall be fixed-price contracts unless otherwise expressly authorized by the Department, in writing. It is understood and agreed, however, that certain trade packages (such as the mechanical and electrical packages) may be awarded on a design-assist or design-build basis and that such trade packages may be awarded on such other basis subject to the Department's consent as to the bidding procedures and economic structure with regard to those packages. The Design-Builder and its affiliates may not carry out trade work with its own forces without the Department's written permission, which permission may be withheld or conditioned by the Department in its sole and absolute judgment.

**5.3.2** In addition to the open book reporting requirements set forth in 5.10, the Design-Builder shall provide to the Department a copy of all quotes or proposals submitted by potential subcontractors.

**5.3.3** The Design-Builder shall develop a purchasing strategy to address the expedited schedule and conditions of this Project and shall include appropriate provisions in the subcontracts to minimize the cost impact associated with such conditions. Such strategies may include, but are not limited to (i) obtaining from subcontractors unit price quotes for typical coordination items; (ii) setting aside allowances for coordination work; and (iii) such other techniques as may be employed by the Design-Builder.

**5.3.4** The Design-Builder shall carefully document its procedures for making available bid packages to potential bidders, the contents of each bid package, discussions with bidders at any pre-bid meetings, bidders' compliance with bid requirements, all bids received, the Design-Builder's evaluations of all bids, and the basis for the Design-Builder's recommendation as to which bidders should be chosen. The Department shall be afforded access to all such records at all reasonable times so that, among other things, it may independently confirm the Design-Builder's adherence to all requirements set forth in the Agreement including, without limitation, affirmative action requirements and subcontracting requirements.

**5.3.5** The Department may, in its sole discretion, reject any or all bids and proposals received for any bid package, and may require the Design-Builder to obtain new or revised bids or proposals.

**5.3.6** The Department may, in its sole discretion, direct the Design-Builder to accept a bid from a qualified bidder other than the bidder to whom the Design-Builder recommends award of a subcontract or supply agreement. If the Department chooses this option, it shall issue a Change Order to the Design-Builder for any difference between the cost of the subcontract or supply agreement awarded and the bid price of the Subcontractor or supplier recommended by the Design-Builder, but without any adjustment to the Design-Build Fee.

**5.3.7** The Department must approve all Subcontractors and suppliers. The Department may elect to review the form of any subcontract or agreement with a material supplier to ensure that such contract incorporates the contractual provisions required by this Agreement.

**5.3.8** The Design-Builder must contract for provision of all services and materials for the Project (other than Self-Performed Work which must be authorized in advance and in writing by the Department) via written subcontracts or, for contracts requiring provision of materials or equipment only, and not labor, via written supply agreements. All subcontracts and supply agreements shall include the following provisions:

**5.3.8.1** that, to the extent of the work or supply within the agreement's scope, the Subcontractor or supplier is bound to the Design-Builder for the performance of all obligations which the Design-Builder owes the Department under the Agreement;

**5.3.8.2** that the Subcontractor or supplier is not in privity with the Department and shall not seek compensation directly from the Department on any third-party beneficiary, quantum meruit, or unjust enrichment claim, or otherwise, except as may be permitted by any applicable mechanic's lien law;

**5.3.8.3** that the Department is a third-party beneficiary of the subcontract or supply agreement, entitled to enforce any rights thereunder for its benefit;

**5.3.8.4** that the Subcontractor or supplier consents to assignment of its agreement to the Department, at the Department's sole option, if the Design-Builder is terminated for default;

**5.3.8.5** that the Subcontractor or supplier shall comply immediately with a written order from the Department to the Design-Builder to suspend or stop work;

**5.3.8.6** that the Subcontractor or supplier shall maintain records of all Work it is requested or authorized to do on a time and material or cost-plus basis, or with respect to claims that it has asserted on a time and materials or cost-plus basis, during the Project and for a period of time specified in the General Conditions and requiring the Subcontractor or supplier to make those records available for review or audit by the Department during that time;

**5.3.8.7** that the Subcontractor shall obtain and maintain, throughout the Project, workers' compensation insurance in accordance with the laws of the District of Columbia (This provision is not applicable to supply agreements);

**5.3.8.8** that, if the Department terminates the Agreement for convenience, the Design-Builder may similarly terminate the subcontract or supply agreement for convenience, and that the Subcontractor or supplier shall, in such a case, be entitled only to the costs set forth in Article 6 of the Standard Contract Provisions (Construction Contracts);

**5.3.8.9** that the Department shall have the right to enter into a contract with the Subcontractor or supplier for the same price as its subcontract or supply agreement price less amounts already paid, if the Design-Builder files a voluntary petition in bankruptcy or has an involuntary petition in bankruptcy filed against it;

**5.3.8.10** that the Subcontractor or supplier shall not be entitled to payment for defective or non-conforming work, materials or equipment, and shall be obligated promptly to repair or replace non-conforming work, materials or equipment at its own cost;

**5.3.8.11** a provision requiring that Subcontractors and suppliers promptly pay Subcontractors and suppliers at lower tiers, imposing upon the Subcontractors and suppliers a duty to pay interest on late payments, and barring reimbursement for interest paid to lower tier Subcontractors or suppliers due to a Subcontractor's or supplier's failure to pay them in timely fashion;

**5.3.8.12** a provision requiring that all Subcontractors at all tiers comply with the provisions of Article 13 (Economic Inclusion Goals); provided, however, that the Design-Builder may, in its reasonable discretion impose a different LSDBE subcontracting goal on some or all of its Subcontractors; provided, further, however, that nothing in this provision shall be deemed to excuse the Design-Builder from using its best efforts to achieve the LSDBE subcontracting goal on an aggregate basis for the Project;

**5.3.8.13** a provision which allows the Design-Builder to withhold payment from the Subcontractor if the Subcontractor does not meet the requirements of the Subcontract;

**5.3.8.14** lien and claim release and waiver provisions substantially identical to those in this Agreement.

**5.3.9** Within seven (7) calendar days of receiving any payment from the Department that includes amounts attributable to Work performed or materials or equipment supplied by a Subcontractor or supplier, the Design-Builder shall either pay the Subcontractor or supplier for its proportionate share of the amount paid to the Design-Builder for the Subcontractor's or supplier's Work or materials or equipment, or notify the Department and the Subcontractor or supplier, in writing, of the Design-Builder's intention to withhold all or part of the payment and state the reason for the withholding. All monies paid to the Design-Builder under the Agreement shall be used first to pay amounts due to Subcontractors or suppliers supplying labor or materials for the Project and only money remaining after such payments are made may be used for other items such as the Design-Build Fee. Monies paid by joint check shall be deemed to have been paid fully to the Subcontractor or supplier named as a joint payee, unless the Department agrees otherwise in writing. Any interest paid to Subcontractors or suppliers because the Design-Builder has failed to pay them in timely fashion shall not be reimbursable as part of the Cost of the Work.

**5.3.10** The Design-Builder shall not enter into any profit sharing, rebate, or similar arrangement with any Subcontractor or supplier at any tier with respect to the Project or the Work to be carried out for the Project.

**5.3.11** The Design-Builder shall not substitute or replace any subcontractor or supplier approved by the Department without the Department's Contracting Officer and DSLBD prior written consent.

**5.3.12** The Department has the right to contact Subcontractors or suppliers at all tiers, or material or equipment suppliers directly to confirm amounts due and owing to them or amounts paid to them for Work on the Project, and to ascertain from the Subcontractors or suppliers at all tiers their projections of the cost to complete their work or to supply their material or equipment, or the existence of any claims or disputes. In doing so the Department shall not issue any directions to Subcontractors or Suppliers at any tier.

**5.3.13** If it comes to the Department's attention that a Subcontractor or supplier has not been paid in timely fashion (other than for disputed amounts), and if the Design-Builder fails to cure the problem within five (5) calendar days after the Department gives it written notice of the failure to pay, the Department may make payments to the Subcontractor or supplier and Design-Builder by joint check. If the payment was already made to the contractor, the joint check be for future payments.

**5.3.14** The Design-Builder shall be required to provide an evaluation of each of its subcontractors' performance by completing and submitting to the Department the Subcontractor Performance Evaluation Form set forth as **Exhibit O**, as follows:

- (a) Within ninety (90) days of initiating the Construction Phase; and
- (b) Within thirty (30) days after Final Completion of the Project.

**5.3.15** The Design-Builder shall be required to provide a certificate of insurance for each subcontractor before such subcontractor begins work.

#### **5.4 Weekly Progress Meetings & Schedule Updates.**

The Design-Builder shall schedule and conduct, at a minimum, weekly progress meetings following the Design-Builder's generated agenda at which the Department, the Architect, the Program Manager, the Design-Builder and appropriate Subcontractors can discuss the status of the Work. The Design-Builder shall prepare and promptly distribute meeting minutes. In addition, the Design-Builder shall submit bi-weekly Schedule updates which shall reflect actual conditions of Project progress as of the date of the update. The update shall reflect the actual progress of construction, identify any developing delays, regardless of their cause, and reflect the Design-Builder's best projection of the actual date by which Substantial Completion and Final Completion of the Project will be achieved. Via a narrative statement (not merely a critical path method schedule), the Design-Builder shall identify the causes of any potential delay and state what, in the Design-Builder's judgment, must be done to avoid or reduce that delay. The Design-Builder shall point out, in its narrative, changes that have occurred since the last update, including those related to major changes in the scope of work, activities modified since the last update, revised projections of durations, progress and completion, revisions to the schedule logic or assumptions, and other relevant changes. Any significant variance from the previous schedule or update shall also be identified in a narrative, together with the reasons for the variance and its impact on Project completion. All Schedule updates shall be in a native format reasonably acceptable to the Department (e.g., Primavera). The Department may make reasonable requests during the Project for changes to the format or for further explanation of information provided. Submission of updates showing that Substantial Completion or Final Completion of the Project will be achieved

later than the applicable scheduled completion date shall not constitute requests for extension of time and shall not operate to change the scheduled completion date(s). The Department's receipt of, and lack of objection to, any schedule update showing Substantial Completion or Final Completion later than the dates agreed upon in the Project Schedule shall not be regarded as the Department's agreement that the Design-Builder may have an extension of time, or as a waiver of any of the Department's rights, but merely as the Design-Builder's representation that, as a matter of fact, Substantial Completion or Final Completion of the Project may not be completed by the agreed upon date in the Project Schedule. Changes to the scheduled completion dates may be made only in the circumstances and only by the methods set forth in this Agreement.

### **5.5 Written Reports.**

The Design-Builder shall provide written reports to the Department on the progress of the entire Work at least monthly from Preconstruction Notice to Proceed until Final Completion of the Project. The monthly report shall include: (i) an updated schedule analysis, including any plans to correct defective or deficient work or recover delays; (ii) an updated cost report; (iii) a monthly review of cash flow; (iv) a quality control report; and (v) progress photos. Such written report Such written report shall including the following elements:

**5.5.1 Construction Progress Update.** Each monthly update shall contain a narrative description of the Project progress and a critical path method schedule in Primavera format, including any plans to correct defective or deficient work or for time lost due to delays.

**5.5.2 Cost Update.** The monthly update shall reflect, by Guaranteed Maximum Price line item, the original line item amount, approved, pending, and projected Change Order amounts, the cost incurred to date, the projected cost to complete the Work of the line item, and any variance between the actually approved budgeted balance of the line item and the projected cost to complete. A clear distinction must be made between approved Change Orders and those merely requested or anticipated. The report shall explain all variances including "buy-outs" or final actual costs including those below their respective Guaranteed Maximum Price line item. In addition, the report must disclose any instances in which the Design-Builder has transferred amounts from one line item to another, or from the Contingency to any other line item. Neither submission of, nor the Department's failure to reject an update reflecting that the projected cost to complete the Project exceeding the Guaranteed Maximum Price will operate to increase the Guaranteed Maximum Price or waive the Department's right to enforce the Guaranteed Maximum Price. If the report reflects budget overruns, it must also include a recovery plan.

**5.5.3 Economic Inclusion Report.** The monthly report shall include a detailed summary of the Design-Builder's efforts and results with respect to the economic inclusion goals set forth in this Agreement. Such report shall be in a format acceptable to the Department and shall include, at a minimum: (i) the Design-Builder's overall performance with respect to the goals; (ii) a listing of subcontracts and agreements with material suppliers during the month and the percentage of those subcontracts and agreements with material suppliers awarded to LSDBEs; (iii) a listing of subcontracts during the month and the estimated percentage of the labor hours to be worked by District of Columbia residents pursuant to those subcontracts; and (iv) a description of the major subcontracting and supply opportunities that will be solicited during the next three (3) months and the actions being taken to meet the subcontracting goals.

**5.5.4 Cash Flow Update.** If there have been any changes to the anticipated cash flow for the Project, such changes shall be disclosed and explained in the monthly report. If there are no such changes, the report shall so state.

**5.5.5 Quality Assurance Report.** The monthly report shall include a detailed summary of the steps that are being employed to ensure quality construction and workmanship. Each report shall specifically address issues that were raised by the Department and/or its Program Manager during the prior month and outline the steps that are being taken to address such issues.

**5.5.6 Progress Photos.** The monthly report shall include updated progress photos that shall detail changes in the Work during the month. The Design-Builder shall also maintain a daily log containing a record of weather, Subcontractors working on the site, number of workers, major equipment on the site, Work accomplished, problems encountered and other similar relevant data as the Department may reasonably require. The log shall be available to the Department, the Architect and the Program Manager, and on a monthly basis a copy of the log shall be submitted to the Department.

## **5.6 Cost Control System.**

The Design-Builder shall use a system of cost control for the Work in a format consistent with the GMP Drawings & Specifications and approved by the Department, which shall include, without limitation, regular monitoring of actual costs for activities in progress and estimates for uncompleted tasks and proposed changes. Design-Builder shall identify variances between actual and estimated costs and report the variances to the Department, the Architect and the Program Manager at regular intervals.

## **5.7 Key Personnel.**

**5.7.1** To carry out its duties, the Design-Builder shall provide at least the key personnel identified in **Exhibit F** to this Agreement (“Key Personnel”), who shall carry out the functions identified in **Exhibit F**. Among other things, the Key Personnel shall include:

### **A - Key Personnel of the Prime Contractor:**

- i. Project Manager.
- ii. Superintendent.
- iii. Project Executive.

### **B - Key Personnel of the Architect/Engineer**

- i. Project Manager
- ii. Project Architect
- iii. Principal in Charge
- iv. Lead Mechanical Engineer
- v. Lead Structural Engineer
- vi. Lead Envelope Consultant

It is contemplated that these Key personnel will work from the design stage, purchasing and throughout the bulk of the field work. The Design-Builder's obligation to provide adequate staffing is not limited to providing the Key Personnel, but is determined by the needs of the Project. The Design-Builder shall not replace any of the Key Personnel without the Department's prior written approval. If any of the Key Personnel become unavailable to perform services in connection with the Agreement due to death, disability or separation from the employment of the Design-Builder or any affiliate of the Design-Builder, then the Design-Builder shall promptly notify the Department's Contracting Officer and propose a replacement acceptable to the Department. The Department shall be entitled to complete information before approving such replacement, including, but not limited to, a current resume of the proposed replacement to include qualifications and experience.

**5.7.2** Certain members of the Design-Builder's Key Personnel shall be subject to a replacement fee for their removal or reassignment by the Design-Builder. Those members of the Design-Builder's Key Personnel subject to a replacement fee shall be identified in Exhibit F as subject to the replacement fee provisions. In the event there is no delineation in Exhibit F of those members of the Design-Builder's Key Personnel subject to the replacement fee provisions of this Agreement, then all of the Key Personnel shall be subject to the replacement fee provisions of this Agreement.

**5.7.2.1 Removal or Replacement of Key Personnel.** Subject to the terms of Section 5.7.1, if the Design-Builder replaces one of the key personnel listed in Exhibit F as being subject to a replacement fee, without the prior written consent of the Department, then the Design-Builder shall pay to the Department the amount set forth in the Project Information Section of this Agreement as replacement fee and not a penalty, to reimburse the Department for its administrative costs arising from the Design-Builder's failure to provide the Key Personnel. The foregoing replacement fee amount shall not bar recovery of any other damages, costs or expenses other than the Department's internal administrative costs.

**5.7.2.2** In addition, the Department shall have the right, to be exercised in its sole discretion, to remove, replace or to reduce the scope of services of the Design-Builder in the event that a member of the Key Personnel has been removed or replaced by the Design-Builder without the prior written consent of the Department. In the event the Department exercises the right to remove, replace or to reduce the scope of services of the Design-Builder, the Department shall have the right to enforce the terms of this Agreement and to keep-in-place those members of the Design-Builder's team not removed or replaced and the remaining members shall complete the services required under this Agreement in conjunction with the new members of the Design-Builder's team approved by the Department.

## **5.8 Qualified Personnel/Cooperation.**

The Design-Builder shall employ on the Project only those employees and Subcontractors who will work together in harmony and who will cooperate with one another on the Project. The Design-Builder shall enforce strict discipline, good order and harmony among its employees and

its Subcontractors and shall remove from the site any person who is unfit for the work or fails to conduct herself or himself in a proper and cooperative manner. If the Department requests removal of any person as unfit or as having behaved inappropriately, the Design-Builder shall promptly comply.

#### **5.9 Warranty.**

The Design-Builder warrants to the Department that materials and equipment furnished under the Contract Project documents will be of good quality and new unless otherwise required or permitted by the Contract Project documents, that for the one (1) year period following the Substantial Completion Date the Work will be free from defects not inherent in the quality required or permitted, and that the Work will conform to the requirements of the Contract Project documents. The Design-Builder's warranty excludes remedies for damage or defect caused by abuse, modifications not executed by the Design-Builder, improper or insufficient maintenance, improper operation, or normal wear and tear from normal usage. The Design-Builder shall use commercially reasonable efforts to schedule a joint inspection of the Project during the eleventh month after Substantial Completion is achieved. During such inspection, the Design-Builder and a representative of the Department shall walk the Project to identify any necessary warranty work

#### **5.10 Open Book Reporting.**

The Design-Builder shall maintain an open book reporting system with the Department, allowing the Department or its consultants access to the Design-Builder's Subcontractors and material suppliers, invoices, purchase orders, Change Order estimates, records for Self-Performed Work, and other relevant Project documentation and sources of information concerning the Work or costs. The Department shall not use its access to the Subcontractors to give instructions or directions to them. All instructions or directions shall be given only to the Design-Builder.

#### **5.11 Claims for Additional Time.**

**5.11.1** Time is of the essence of this Agreement. The Project must be Substantially Complete no later than the Substantial Completion Date set forth within the Project Information Section above.

**5.11.2** The Design-Builder will perform the Work so that it shall achieve Substantial Completion by the Substantial Completion Date. Unless the failure to achieve Substantial Completion by the Substantial Completion Date is a result of an Excusable Delay, as defined in Section 4.11.3, the delay shall be deemed Non-Excusable and the Design-Builder shall not be entitled to an extension of time. Without limiting the generality of the foregoing, delays for the following reasons shall be regarded as Non-Excusable and shall not entitle the Design-Builder to an extension of time:

**5.11.2.1** Delays due to job site labor disputes, work stoppages, or suspensions of work;

**5.11.2.2** Delays due to adverse weather, unless the Design-Builder establishes that the adverse weather was of a nature and duration in excess of averages established by data from the U.S. Department of Commerce, National Oceanic and



Atmospheric Administration for the Project locale for the ten (10) years preceding the effective date of the Agreement. For purposes of this clause, weather shall only be deemed “adverse” if the weather in question was more severe than that encountered at the Project site over the last ten (10) years for the month in question. Such determinations shall be made based on the number of rain/snow days or the cumulative precipitation total for the month in question. Notwithstanding the foregoing, named storms shall conclusively be deemed “adverse”;

**5.11.2.3** Delays due to the failure of the Design-Builder or Subcontractors or material suppliers at any tier to perform in timely or proper fashion, without regard to concepts of negligence or fault; or

**5.11.2.4** Delays due to Site Conditions whether known or unknown as of the effective date of the Agreement, foreseeable or unforeseeable at that time, naturally occurring or man-made; provided, however, that delays due to differing Site Conditions as permitted by Article 4, Section A of the Standard Contract Provisions (Construction Contracts) or Hazardous Materials Remediation shall be deemed an Excusable Delay.

**5.11.3** The Design-Builder shall be entitled to an adjustment in the Substantial Completion Date due to an Excusable Delay. The term “Excusable Delay” shall mean:

**5.11.3.1** Delays due to adverse weather other than those that are classified as a Non-Excusable delay in accordance with Section 5.11.2.2 of this Agreement;

**5.11.3.2** Delays due to acts of God, war, unavoidable casualties, civil unrest, and other similar causes of delay that are beyond the control of the Design-Builder; provided, however, that in no event shall a Non-Excusable Delay or the action or inaction of the Design-Builder, or any of its employees, agents, Subcontractors or material suppliers be deemed an Excusable Delay; or

**5.11.3.3** Delays caused by differing Site Conditions as permitted by Article 4, Section A of the Standard Contract Provisions (Construction Contracts) or Hazardous Materials Remediation as contemplated in Section 5.11.2.4 of this Agreement;

**5.11.3.4** Delays due to suspensions of work;

**5.11.3.5** Delays caused by the Client Agency or separate contractors of the Client Agency to the extent such delays are not concurrent with delays caused by the Design-Builder or any of its employees, agents, subcontractors or material suppliers; or

In addition to the foregoing, a delay shall be deemed to be an Excusable Delay only to the extent that such delay (i) warrants an extension in the Substantial or Final Completion Date; (ii) has not been caused by the Design-Builder or any of its employees, agents, Subcontractors or material suppliers; (iii) is on Project’s critical path; and (iv) is in addition to any time contingency periods set forth in the critical path.

**5.11.4** If the Design-Builder wishes to make a claim for an adjustment in time allotted per the Project Schedule, written notice as provided herein shall be given. The Design-Builder's claim shall include an estimate of the cost and of the probable effect of delay on the progress of the Work. In the case of continuing delay, only one claim is necessary.

**5.11.5** In no event shall the Design-Builder be entitled to an increase in the GMP or the Design-Build Fee as a result of either an Excusable or Non-Excusable Delay; provided, however, that to the extent that a delay is: (i) an Excusable Delay; (ii) of unreasonable duration; (iii) caused solely by the Department; and (iv) not concurrent with any other delay, then the Design-Builder shall be entitled to receive its actual costs, including all direct and indirect costs, bonds and insurances resulting from such extended duration. It is understood that the Design-Builder shall not be entitled to any profit or home office overhead, including, but not limited to, an increase in the Design-Build Fee, on any amounts to which the Design-Builder may be entitled pursuant to the preceding sentence.

## **5.12 Site Safety and Clean-Up.**

**5.12.1** The Design-Builder will be required to provide a safe and efficient site, with controlled access. As part of this obligation, the Design-Builder shall be responsible for initiating, maintaining and supervising all safety precautions and programs in connection with the Project, and shall comply with the requirements set forth in Article 16, Section F of the Standard Contract Provisions (Construction Contracts).

**5.12.2 Safety Plan.** Prior to the start of construction activities, the Design-Builder shall prepare a safety plan for the construction phase conforming to OSHA 29 CFR 1926 (such plan, the "Safety Plan"). Pursuant to OSHA 29 CFR 1926, the Design-Builder shall provide all employees with the necessary Personal Protective Equipment ("PPE") to comply with all COVID-19 regulations, and shall additionally require anyone on site to comply with any PPE requirements. This Safety Plan developed by the Design-Builder shall describe the proposed separation and the specific nature of the safety measures to be taken including fences and barriers that will be used as well as the site security details. The Safety Plan will be submitted to the Department and Client Agency for their review and approval prior to the commencement of construction. Once the Safety Plan has been approved, the Design-Builder shall comply with it at all times during construction. The Design-Builder shall be required to revise the Safety Plan as may be requested by the Department or Client Agency at any time, including, but not limited to, as necessary to address any new national or local COVID-19 regulations, recommendations, or restrictions. The cost of revising and complying with the plan shall not entitle the Design-Builder to an increase in the GMP. In the event the Design-Builder fails to provide the Safety Plan, the Design-Builder will not be permitted to commence the Construction Phase until the Safety Plan is submitted and in no event shall any resulting delay constitute an Excusable Delay. Additionally, the Design-Builder shall comply with the requirements of Article 27, Section A of the Standard Contract Provisions (Construction Contracts).

**5.12.3 Safety Barriers/Fences.** As part of its responsibility for Project safety, the Design-Builder shall install such fences and barriers as may be necessary to separate the construction areas of the site from those areas that are then being used by Client Agency for educational purposes.

The Design-Builder shall describe in the Safety Plan the proposed separation and the specific nature of the fences and barriers that will be used.

**5.12.4 Site Security.** The Design-Builder shall be responsible for site security and shall be required to provide such watchmen as are necessary to protect the site from unwanted intrusion. Site Security shall be included in the Design-Builder's General Conditions Cost.

**5.12.5 Exculpation.** The right of the Department and Client Agency to comment on the Safety Plan and the nature and location of the required fences and barriers shall in no way absolve the Design-Builder from the obligation to maintain a safe site.

**5.12.6 Site Cleanliness.** During the Agreement performance and/or as directed by the Department's Program Manager, as the installation is completed, the Design-Builder shall ensure that the site is clear of all extraneous materials, rubbish, or debris.

### **5.13 Workhours, Site Office, and Coordination with Client Agency and Community**

**5.13.1 Workhours.** The Design-Builder shall comply with the Noise Ordinance and neither it nor its subcontractors shall undertake work on the Project site other than at the times and sound level permitted by the Noise Ordinance.

**5.13.2 Site Office.** Throughout the Project, the Design-Builder shall provide and maintain a fully-equipped construction office for the Project site.

**5.13.3 Parking.** The Design-Builder shall organize its work in such a manner so as to minimize the impact of its operations on the surrounding community. To the extent that the number of workers on the site is likely to have an adverse impact on neighborhood parking, the Design-Builder shall develop a parking plan for those individuals working on the site that is reasonably acceptable to the Department.

**5.13.4 Wheel Washing Stations.** The Design-Builder shall provide wheel washing stations on site so as to prevent the accumulation of dirt and other refuse on the streets surrounding the Project site.

**5.13.5 Outreach Plan.** The Design-Builder shall keep the Department informed of the construction activities and their potential impact on the community and shall develop a community outreach plan (the "Outreach Plan"). The Design-Builder shall submit the Outreach Plan to the Department prior to its implementation which shall be subject to the Department's review and approval.

**5.13.6 Supervision.** Throughout the Work, the construction office shall be managed by personnel competent to oversee the Work at all times while construction is underway. Such

personnel shall maintain full-time, on-site construction supervision and provide daily inspections, quality control, monitoring, coordination of various trades, record drawings, and daily work log.

#### **5.14 Close-out & FF&E.**

**5.14.1** A detailed list of FF&E requirements will be developed during the design & Preconstruction Phase and attached hereto as **Exhibit N**.

**5.14.2 Punchlist.** Promptly before Substantial Completion, the Design-Builder shall cause the Architect to develop a punchlist. Once the punchlist is prepared, the Design-Builder shall inspect the work along with representatives from the Department. The punchlist shall be revised to reflect additional work items that are discovered during such inspection. The Design-Builder shall correct all punchlist items no later than ninety (30) days after Substantial Completion is achieved.

**5.14.3 Warranties & Manuals.** Prior to Substantial Completion and no later than fifteen (15) days following Substantial Completion, the Design-Builder shall prepare and submit the following Project documentation: (i) a complete set of product manuals (“O&M”), training videos, warranties, etc.; (ii) attic stock; (iii) an equipment schedule; (iv) a proposed schedule of maintenance for the new building; (v) environmental, health and safety Project documents for the renovated building; and (vi) all applicable inspection certificates/permits (boiler, elevator, emergency evacuation plans, health inspection, etc.) for the new building. No later than thirty (30) days following Substantial Completion, the Design-Builder shall prepare and submit: (i) a complete set of its Project files; and (ii) a set of record drawings, including BIM models.

**5.14.4 Support for Initial Heating & Cooling Season.** The Design-Builder and its mechanical subcontractor shall provide support to the Client Agency and the Department during system start-up and in initial operation for the first heating and cooling season after Substantial Completion is achieved.

**5.14.5 Training.** The Design-Builder shall provide training to Client Agency staff on all of the building systems. The Design-Builder shall be required to schedule such training sessions and shall use commercially reasonable efforts to ensure all such training occurs prior to Final Completion. All training shall be electronically recorded and turned over to the Department for future use.

**5.14.6** The Design-Builder shall assist Client Agency in relocating FF&E and other items as necessary within the renovated building, as well as for cleaning and other move-in services as directed by the Department. The GMP shall include an allowance and scope of work for these activities. This allowance is in addition to cleaning services that would otherwise be required by the Design-Builder, including, but not limited to, the obligation to deliver a broom clean building at the end of construction.

**5.15 Salvaged and Stored Items.** The Design-Builder shall be responsible for salvaging and storing all items as identified by the Department, and to the benefit of the

Department, in accordance with all applicable District laws and regulations, after notifying the Department and receiving the Department's permission to proceed.

#### **5.16 Protection of Existing Elements.**

The Design-Builder shall protect all existing features, public utilities, and other existing structures during construction. The Design-Builder shall protect existing, site improvements, trees and shrubs from damage during construction. Protection extends to the root systems of existing vegetation. The Design-Builder shall not store materials or equipment, or drive machinery, within drip line of existing trees and shrubs.

#### **5.17 Sediment and Erosion Control.**

The Design-Builder shall be responsible for installing sediment and erosion control measures in accordance with DOEE guidelines, inclusive of, but not limited to: silt fencing, inlet protection, stabilized construction entrances, and other control measures. The Design Builder shall be responsible for scheduling and coordination of DOEE Kick-Off Meeting.

#### **5.18 Quality Control.**

**5.18.1 General Obligation.** The Design-Builder shall be responsible for all activities necessary to manage, control, and document work to ensure compliance with Contract Project documents. The Design-Builder's responsibility includes ensuring adequate quality control services are provided by the Design-Builder's employees and its subcontractors at all levels. The work activities shall include safety, submittal management, document reviews, reporting, and all other functions related to quality construction.

**5.18.2 Quality Control Plan.** Within forty-five (45) days after the Design Development Documents are approved, the Design-Builder shall develop a quality control plan for the Project (the "Quality Control Plan"). A draft of the Quality Control Plan shall be submitted to the Department and shall be subject to the Department's review and approval. The Quality Control Plan shall be tailored to the specific products/type of construction activities contemplated by the GMP Basis Project documents, and in general, shall include a table of contents, quality control team organization, duties/responsibilities of quality control personnel, submittal procedures, inspection procedures, deficiency correction procedures, Project documentation process, and a list of any other specific actions or procedures that will be required for key elements of the Work.

**5.18.3 Implementation.** During the Construction Phase, the Design-Builder shall perform regular quality control inspections and create reports based on such inspections pursuant to the Quality Control Plan. The quality control reports shall be provided to the Department electronically on a monthly basis. The Design-Builder shall incorporate a quality control section in the progress meetings to discuss outstanding deficiencies, testing/inspections, and upcoming Work. The monthly report shall include a detailed summary of the steps that are being employed to provide quality construction and workmanship. The monthly report should specifically address issues raised during the month and outline the steps that are being used to address such issues.

#### **5.19 Acceleration.**

Subject to the terms of this Section, the Department shall have the right to direct the Design-

Builder to accelerate the Work if, in the reasonable judgment of Department: (i) the Design-Builder fails to supply a sufficiency of workers or to deliver the materials or equipment with such promptness as to prevent the delay in the progress of the Work; or (ii) the progress of the Work otherwise materially falls behind the projections contained in the then currently approved Project Schedule. In the event that the Department or its Program Manager determine that either of the events specified in the preceding sentence have occurred, the Department shall provide the Design-Builder with written notice of such event and the Design-Builder shall be required to provide the Department with a schedule recovery plan (“Recovery Plan”) that is reasonably designed to address the concerns raised in such notice within three (3) days after receipt of such notice. If the Department and the Design-Builder are unable to agree on the terms of the Recovery Plan within five (5) days after the issuance of the notice (i.e. within forty eight (48) hours after the receipt of the proposed Recovery Plan), the Department shall have the right to direct such acceleration as the Department, in its reasonable judgment, deems necessary. Provided Department complies with the notice provisions of this Section, the cost of any acceleration directed under this Section shall not justify an adjustment to the GMP on the Substantial Completion Date.

Given the nature of the Project and the fact that there is a fixed date upon which the Client Agency plans to occupy the building, the Design-Builder hereby: (i) acknowledges that this provision is a material inducement upon which the Department has relied in entering into this Agreement; and (ii) represents and warrants that it has included sufficient funding in the GMP in order to comply with the requirements of this Section.

#### **5.20 Corrective Action Plan.**

Subject to the terms of this Section, the Department shall have the right direct the Design-Builder to revise the provisions of the Quality Control Plan if, in the reasonable judgment of the Department, the craftsmanship of the Work being installed fails to comply with generally applicable industry standards, requirements set forth in the Specifications that are reasonably related to the quality of craftsmanship quality, or any provisions set forth in this Agreement (each a “Quality Control Event”). In the event that the Department or its Program Manager determine that a Quality Control Event has occurred, the Department shall provide the Design-Builder with written notice of the occurrence of such Quality Control Event and the Design-Builder shall be required to provide the Department with a corrective action plan that is reasonably designed to address the concerns raised in such notice within three (3) days after receipt of such notice (each instance, a “Corrective Action Plan”). If the Department and the Design-Builder are unable to agree on the terms of the Corrective Action Plan within five (5) days after the issuance of the notice (i.e. within forty eight (48) hours after the receipt of the proposed corrective action plan), the Department shall have the right to direct such corrective action measures as the Department, in its reasonable judgment, deems necessary. Such directive may include adjustments to the procedural provisions set forth in the Quality Control Plan and/or may impose additional requirements on the manner in which Work is being performed. Provided the Department complies with the notice provisions of this Section, the cost of any such corrective action directed under this Section shall not justify an adjustment to the GMP on the Substantial Completion Date.

## 5.21

- a. **Use of Department's Electronic Project Management Information System (ProjectTeam).** The Design-Builder shall utilize the Department's ProjectTeam system to create, manage and/or submit any and all documentation required to be provided by the vendor during the course of the Project, including, but not limited to: (i) requests for information; (ii) submittals; (iii) potential change orders; (iv) meeting minutes; (v) pencil copy invoices; (vi) drawings and specifications; (vii) punchlist; and (viii) other documents as may be designated by the Department.

Electronic storage and transmission of information via ProjectTeam system shall be compliant with the provisions of the Document Security section of these General Requirements.

- b. **Invoice Submittal.** The Design- Builder shall create and submit payment requests in an electronic format through the DC Vendor Portal, <https://vendorportal.dc.gov>. The Design- Builder shall submit proper invoices on a monthly basis. To constitute a proper invoice, the Contractor shall enter all required information into the Portal after selecting the applicable purchase order number which is listed on the Design-Builder's profile.

## 5.22 Conformance with Laws.

It shall be the responsibility of the Design-Builder to perform under the Agreement in conformance with the Department's Procurement Regulations and all applicable statutes, laws, codes, ordinances, regulations, rules, requirements, orders, and policies of governmental bodies, including, without limitation, the U.S. Government and the District of Columbia government; and it is the sole responsibility of the Design-Builder to determine the Procurement Regulations, statutes, laws, codes, ordinances, regulations, rules, requirements and orders that apply and their effect on the Design-Builder's obligations thereunder.. Given the requirements for the Project, the Department may, at its sole discretion, (i) apply for variance to the requirement of adhering to the Green Building Act on the Project and (ii) consider deferring the scope of work associated with storm water management to a later phase of the Project.

## 5.23 Licensing, Accreditation and Registration

The Design-Builder and all of its subcontractors and subconsultants (regardless of tier) shall comply with all applicable District of Columbia, state, and federal licensing, accreditation, and registration requirements and standards necessary for the performance of the Agreement. Without limiting the generality of the foregoing, all drawings shall be signed and sealed by a professional architect or engineer licensed in the District of Columbia.

## 5.24 Construction Phase Deliverables.

The deliverables set forth on **Exhibit C** are required during the Construction Phase.

## 5.25 Close-Out Deliverables.

The deliverables set forth in **Exhibit N** are required during the Project's Close-Out and prior

to Final Payment, as set forth in Section 10.12 and below:

- a) complete set of the Design-Builder's Project files.
- b) A complete set of product manuals (O&M), training videos, warranties, etc.
- c) As built record drawings.
- d) Attic stock and schedule.
- e) Equipment schedule.
- f) Proposed schedule of maintenance.
- g) Environmental, health & safety documents.
- h) LEED – Preliminary Construction Review.
- i) All applicable inspection certificates/permits (boiler, elevator, emergency evacuation plans, health inspection, etc.).
- j) Final Maintenance and Operations Plan.
- k) All other deliverables as required in **Exhibit S** DGS Division One Specifications; and **Exhibit T** DGS Close Out Manual

## **Article 6 - DESIGNATED REPRESENTATIVES**

### **6.1 Department's Designated Representative.**

The Department designates the individual(s) identified in **Exhibit I** as its representative with express authority to bind the Department with respect to all matters requiring the Department's approval or authorization. Subject to the limitations on their authority specified in **Exhibit I**, these representative(s) shall have the exclusive authority to make decisions on behalf of the Department concerning estimates and schedules, construction budgets, changes in the Work, and execution of Change Orders, Contract Modifications or Change Directives, and shall render such decisions promptly and furnish information expeditiously, so as to avoid unreasonable delay in the services or performance of the Work of the Design-Builder. In order for the Department to effectively manage the Project and assure that the Design-Builder does not receive conflicting instructions regarding the Work, the Design-Builder shall promptly notify the Department's representative upon receiving any instructions or other communication in connection with the Design-Builder's Work from any employee of the Department or other purported agent of the Department other than the Department's designated representative.

### **6.2 Design-Builder's Designated Representative.**

The Design-Builder designates the individual(s) identified in **Exhibit H** as its representative with express authority to bind the Design-Builder with respect to all matters requiring the Design-Builder's approval or authorization. In addition, the Department retains the right to approve candidates to serve as on-site personnel in accordance with each candidate's experience with similar projects and local marketplace conditions. Once approved, individuals cannot be changed without the Department's prior approval. During the entire term, it is agreed that the Design-Builder's designated representative will devote his or her time exclusively to the Project, unless the Department consents to a reduction in time. All services provided by the Design-Builder shall be performed in accordance with the highest professional standards recognized and adhered to by



design-builders that build first-class state-of-the-art buildings and projects that are similar to the Project in large urban areas.

## **Article 7 - COMPENSATION AND PAYMENTS FOR DESIGN & PRECONSTRUCTION PHASE SERVICES**

### **7.1 Compensation**

**7.1.1** The Department shall compensate and make payments to the Design-Builder for Design & Preconstruction Services in accordance with this Article 7 and Article 10. For Preconstruction Services, the Design-Builder's compensation shall be as set forth in the Project Information Section of this Agreement (the "Preconstruction Fee"). The Preconstruction Fee shall be the Design-Builder's sole compensation for Preconstruction Phase Services. The Preconstruction Fee shall include, but not be limited to, amounts necessary to compensate the Design-Builder for:

- Profit
- Home Office Overhead
- Fringe Benefits associated with staff costs
- Payroll taxes associated with staff costs
- Staff costs associated with obtaining permits and approvals during the Design & Preconstruction Phase
- Out-of-house consultants
- Travel, Living and Relocation expenses
- Job vehicles
- Office equipment including but not limited to:
  - Computer hardware and software
  - Fax machines
  - Copying machines
- Office supplies
- Telephone
- Local delivery and overnight delivery costs

**7.1.2** The Department shall compensate and make payments to the Design-Builder for design services in accordance with this Article 7 and Article 10. For design services, the Design-Builder's compensation shall not exceed the amount set forth in the Project Information Section of this Agreement (the "Design Fee").

### **7.2 Payments**

**7.2.1** Payments for Design & Preconstruction Phase Services shall be made monthly over the anticipated duration of the Design & Preconstruction Phase following presentation and acceptance of the Design-Builder's invoice and shall be in proportion to services performed. In no event, however, will the aggregate of the Design-Builder's

monthly invoices for Design & Preconstruction Phase Services exceed the Preconstruction Fee plus the Design Fee.

**7.2.2** Payments are due and payable in accordance with Article 10 of this Agreement. Amounts unpaid after the date of which payments due shall bear interest in accordance with the Quick Payment Act.

## **Article 8 - COMPENSATION FOR CONSTRUCTION PHASE SERVICES**

### **8.1 Compensation.**

The Department shall compensate and make payments to the Design-Builder for Construction Phase Services in accordance with this Article 8 and Article 10. For the Construction Phase Services, the Design-Builder's total compensation shall be as set forth in the Project Information Section of this Agreement (the "Design-Build Fee"). The Design-Builder acknowledges and agrees that the percentage of the total amount of the Design-Build Fee set forth in the Project Information Section of this Agreement is at risk (the "At Risk Portion"), and the Design-Builder shall only be entitled to the At Risk Portion as set forth below. Unless and until the Design-Builder's entitlement to any subset of the At Risk Portion is determined by the Department, the Design-Builder shall only be entitled to bill for the portion of the Design-Build Fee that is not at risk (the "Base Design-Build Fee"). The Design-Build Fee shall be billed in accordance with Article 10, to be paid in equal monthly installments over the anticipated duration of the Construction Phase. To the extent that the duration of the Agreement is extended, the then remaining amounts of the Design-Build Fee will be re-allocated such that the then existing portion of the Design-Build Fee shall be evenly spread over the then remaining duration of the Construction Phase.

**8.1.1 Award Fee Pool.** The At Risk Portion shall be used to establish and fund an award fee pool ("the Award Fee Pool"). Within sixty (60) days after approval and fully execution of this Agreement, the Department shall appoint a committee that will determine entitlement to those portions of the Award Fee Pool so designated below (such committee, the "Award Fee Evaluation Committee"). The Award Fee Evaluation Committee will consist of: (i) the Department's Deputy Director for Capital Construction; (ii) a senior representative from Client Agency; and (iii) a senior member of the Program Management team that is not involved in the day-to-day management of this Project that is acceptable to both Parties.

**8.1.2** The Design-Builder may earn the At Risk Portion of the Design Build Fee in accordance with **Exhibit R.**

### **8.2 Maximum Cost of General Conditions.**

The Design-Builder shall not be entitled to recover more than the amount set forth in the Project Information Section of this Agreement for the Cost of General Conditions (such amount, the "Maximum Cost of General Conditions"); If, as a result of any Change Order(s) or Change

Directive(s): (i) the Project durations extends 30 days or more beyond the Substantial Completion Date; and (ii) the Design-Builder can demonstrate to the satisfaction of the Department that such additional Costs of General Conditions are reasonable and not due to any fault of the Design-Builder, its Subcontractors, material men, consultants or anyone making claims thereunder, the Design-Builder may request a Change Order to adjust the Maximum Cost of General Conditions. To the extent the Design-Builder incurs Costs of General Conditions in excess of the Maximum Cost of General Conditions, the Design-Builder shall not be entitled to reimbursement for such amounts unless the Department authorizes, in writing, an increase to the Maximum Cost of General Conditions. Nonetheless, in such an event, the Design-Builder exceeds the Maximum Cost of General Conditions, the Design-Builder shall continue to be required to adequately staff the Project.

### **8.3 Initial Not-to-Exceed Amount.**

Unless and until the GMP Amendment is executed and approved by the Council for the District of Columbia, this Agreement shall have an initial not-to-exceed amount as set forth in the Project Information Section of this Agreement (the “Initial NTE”). In no event shall the Design-Builder be entitled to recover more than the Initial NTE unless the Design-Builder is authorized to exceed the Initial NTE by the Department in advance and in writing. Prior to expending or committing any portion of the Initial NTE, the Design-Builder shall obtain the Department’s written approval of such expenditure or commitment, as well as a determination as to whether the work will qualify as a “capital” expense under the Department’s financial guidelines to the extent capital money is to be expended. In making such a request, the Design-Builder shall submit an itemized breakdown of the work that the Design-Builder seeks to release using funds from the Initial NTE as well as the associated costs of such work

### **8.4 Project Budget.**

The Department has established a budget for the Project as set forth in the Information Section of this Agreement (such budget, the “Project Budget”). When the GMP is established, such GMP shall not exceed the Project Budget, and such GMP shall include any and all amounts which may be due to the Design-Builder pursuant to this Agreement. In no event shall the Design-Builder be entitled to recover more than the GMP unless the Design-Builder is authorized to exceed the GMP by the Department in advance and in writing. The Design-Builder shall inform the Department’s Contracting Officer at least fifteen (15) calendar days in advance, if the Design-Builder encounters any foreseen or unforeseen project-related events, which might reasonably affect (i) existing Project Budget; or (ii) D.C. council-authorized appropriations.

### **8.5 No Adjustments to Fee.**

It is the Department’s intent to engage the Design-Builder to develop a GMP that meets the programmatic requirements set forth in **Exhibit A** by the Client Agency and the Project Budget as set forth herein (*i.e.* designed to budget), to allow for Substantial Completion of the Work to be achieved no later than the Substantial Completion Date. The Design-Builder shall be entitled to an adjustment to the Design-Build Fee at the time the GMP is established to the extent, and only to the extent, that: (i) the Department makes additions to the scope that, when measured relative to the program, cause the GMP to exceed the Design-Builder’s original concept estimate by more

than five percent (5%); or (ii) the Department makes additions to the scope provided for herein which (other than for punchlist or warranty work) which requires the Design-Builder's services at the Project to extend 30 days or more beyond the Substantial Completion Date. With regard to Change Orders issued after the GMP is established, the Design-Builder shall be entitled to an increase in the Design-Build Fee to the extent, and only to the extent, that: (i) the Department has added a new programmatic element to the Project; or (ii) the Department made additions to the GMP scope which (other than punchlist or warranty work) require the Design-Builder's services at the Project to extend 30 days or more beyond the Substantial Completion Date.

## **8.6 Reserved**

### **8.7 Direct Cost of Work**

"Direct Cost of the Work" shall mean labor, material and other costs reasonably and necessarily incurred in the proper performance of the Work as approved by the Department and shall include, but not be limited to:

**8.7.1 Labor.** Payment will be made for direct labor cost plus indirect labor cost such as insurance, taxes, fringe benefits and welfare provided such costs are considered reasonable. Indirect costs shall be itemized and verified by receipted invoices. If verification is not possible, up to eighteen percent (18%) of direct labor costs may be allowed.

**8.7.2 Rented Equipment.** Payment for required equipment rented from an outside company that is neither an affiliate of, nor a subsidiary of, the Design-Builder will be based on receipted invoices which shall not exceed rates given in the current edition of the Rental Rate Blue Book for Construction Equipment published by Data Quest. If actual rental rates exceed manual rates, written justification shall be furnished to the Contracting Officer for consideration. No additional allowance will be made for overhead and profit. The Design-Builder shall submit written certification to the Contracting Officer that any required rented equipment is neither owned by nor rented from the Design-Builder or an affiliate of or subsidiary of the Design-Builder.

**8.7.3 Design-Builder's Equipment.** Payment for required equipment owned by the Design-Builder or an affiliate of the Design-Builder will be based solely on an hourly rate derived by dividing the current appropriate monthly rate by 176 hours. No payment will be made under any circumstances for repair costs, freight and transportation charges, fuel, lubricants, insurance, any other costs and expenses, or overhead and profit. Payment for such equipment made idle by delays attributable to the Government will be based on one-half the derived hourly rate under this subsection.

**8.7.4 Materials.** Incorporated and unincorporated materials as permitted under Section 9.1.

**8.7.5** Direct Cost of the Work does not, however, include home office overhead, field supervision, general conditions or profit of either the Subcontractor or the Design-

Builder. No personnel above the level of a working foreman shall be considered a Direct Cost of the Work.

## **9 Article 9 - COST OF THE WORK FOR CONSTRUCTION PHASE**

### **9.1 Cost of the Work.**

The term “Cost of the Work” shall mean the costs necessarily incurred by the Design-Builder in the proper performance of the Work and shall include only the following:

- 9.1.1** Payments made by the Design-Builder to Subcontractors and suppliers, other than design subconsultants, but only in accordance with the subcontracts and supply agreements;
- 9.1.2** Payments made by the Design-Builder to its design consultants and subconsultants; provided, however, that the Design-Builder shall not be reimbursed for the costs of design services in excess of the Design Fee;
- 9.1.3** All amounts due to the Design-Builder under the terms of the Department's written authorization for the Design-Builder to perform any portion of the Work as Self-Performed Work. If an authorization for the Design-Builder to engage in Self-Performed Work is not on a fixed-price basis, then, as to that Work, the following costs shall be within the Cost of the Work:
  - (a) Labor.** Properly documented wages actually paid to Project foremen, construction workers, and other personnel in the direct employ of the Design-Builder, while engaged in approved Self-Performed Work, together with contributions, assessments, payroll taxes, or fringe benefits required by the laws or applicable collective bargaining agreements.
  - (b) Incorporated Materials.** The cost, net of trade discounts, of all materials, products, supplies and equipment incorporated into the Self-Performed Work, including, without limitation, costs of transportation and handling.
  - (c) Unincorporated Materials.** The cost of materials, products, supplies and equipment not actually installed or incorporated into the Self-Performed Work, but required to provide a reasonable allowance for waste or spoilage, subject to the Design-Builder's agreement to turn unused excess materials over to the Department at the completion of the Project or, at the Department's option, to sell the material and pay the proceeds to the Department or give the Department a credit in the amount of the proceeds against the Cost of the Work.
- 9.1.4** Royalty and license fees paid for use of a design, process or product, if its use is required by this Agreement or has been approved in advance by the Department;
- 9.1.5** Fees for obtaining all required approvals or permits associated with any abatement, demolition, utilities abandonment, and utility relocation (including utility connection fees), including any and all building and/or trade permits fees;

**9.1.6** All performance and payment bonds and general liability insurance. The Department may, in its sole discretion, allow the Design-Builder to recover the costs of subcontractor default insurance at a mutually agreed upon rate in lieu of trade level bonds, provided that such insurance be approved by the Department in advance and after being presented with a cost-benefit analysis of such use;

**9.1.7** All fees and other costs necessarily incurred to carry out testing and inspection required by the Agreement or applicable laws, or otherwise to maintain proper quality assurance. The costs the Design-Builder incurs to schedule and coordinate any additional testing and inspections the Department may decide to conduct itself shall be within Cost of the Work unless the additional testing establishes that the Work tested was defective or otherwise failed to satisfy requirements set forth in the Agreement, in which case the Design-Builder shall pay the costs, without reimbursement;

**9.1.8** All bonds to jurisdictional agencies (utilities, storm water management, land disturbance, and grading);

**9.1.9** The Cost of General Conditions, subject however to the Maximum Cost of General Conditions; and

**9.1.10** Costs of repairing or correcting damaged or nonconforming Work executed by the Architect, or Design-Builder's other consultants, Subcontractors or suppliers, provided that such damaged or nonconforming Work was not caused by negligence or failure to fulfill a specific responsibility of the Design-Builder, and only to the extent that the cost of repair or correction is not recoverable by the Design-Builder from insurance, sureties, Subcontractors or suppliers. It is understood that the cost of repairing, correcting damaged or nonconforming Work that was Self-Performed shall not be reimbursable in any event.

## **9.2 Cost of General Conditions.**

Items included in the Cost of General Conditions are all items necessary to perform Construction Phase Services described herein including, but not limited to:

- a) Cost of construction staff. Only staff stationed in the field are reimbursable) ;
- b) Fringe Benefits associated with construction staff;
- c) Payroll taxes and payroll insurance associated with construction staff;
- d) Staff costs associated with obtaining permits and approvals;
- e) Out-of-house consultants; including permit expeditors
- f) The field office for the Design-Builder including but not limited to: (i) trailer purchase and/or rent; (ii) field office installation, relocation and removal; (iii) utility

- connections and charges during the Construction Phase; (iv) furniture; (v) field offices for DGS and Program Manager (vi) office supplies;
- g) Parking costs for the construction staff;
- h) Salting sidewalks and shoveling snow on sidewalks that surround the site;
- i) Office equipment including but not limited to: (i) computer hardware and software; (ii) fax machines; (iii) copying machines; (iv) telephone installation, system and use charges; (v) job radios;
- j) Local delivery and overnight delivery costs; and
- k) First aid facility.
- l) Progress photos
- m) Printing cost for drawings, bid packages, etc.
- n) BIM Cost (software, seats, hardware)
- o) Other (please itemize)
- p) Field computer network.

### **9.3 Costs Not to Be Reimbursed.**

All costs not specifically listed in Section 9.1 as being within the Cost of the Work are excluded from the Cost of the Work and shall not be reimbursable. In particular, but without limitation, the Cost of the Work does not include any of the following:

- a) Any personnel or labor costs other than those provided for in **Section 9.2.1 (a)** or **Section 9.1.3 (a)**.
- b) Fees for any permits or licenses the Design-Builder requires to conduct its general business operations.
- c) Capital expenses and interest on capital employed for the Work.
- d) The cost of home or regional offices, it being understood that compensation for such costs included in the Design-Build Fee.
- e) Sales or use taxes, unless the Design-Builder establishes that applicable law required payment of such taxes.
- f) Costs due to the errors or omissions of the Design-Builder or its subcontractors or suppliers at all tiers, negligent or otherwise.
- g) Costs due to breach of Contract by the Design-Builder or its subcontractors or material suppliers at all tiers, including, without limitation, costs arising from defective or damaged work or its correction, disposal of materials or equipment erroneously supplied, and repairs to property damaged by the Design-Builder or its subcontractors or material suppliers at all tiers.
- h) Any costs incurred in performing work of any kind before Preconstruction NTP, unless specifically authorized by the Department in advance and in writing.
- i) Direct or indirect costs of any kind, except those expressly included in **Section 9.1**.

#### **9.4 Discounts, Rebates And Refunds.**

**9.4.1** Cash discounts obtained on payments made by the Design-Builder shall accrue to the Department if: (i) before making such payment(s), the Design-Builder included them in an Application for Payment and received payment therefor from the Department; or (ii) the Department has deposited funds with the Design-Builder with which to make such payment(s). All other cash discounts shall accrue to the Design-Builder. Trade discounts, rebates, refunds and amounts received from sales of surplus materials and equipment shall accrue to the Department, and the Design-Builder shall make provisions so that such amounts can be secured.

**9.4.2** Amounts that accrue to the Department in accordance with the provisions of Section 9.4.1 shall be credited to the Department as a deduction from the Cost of the Work.

#### **9.5 Facilitating Tax Exempt Purchases.**

The Department expects that the Project will qualify as tax-exempt under applicable laws. Upon request, the Department will provide the Design-Builder with the necessary information relating to the tax exemption. In the event any savings are attributable to the tax-exempt status of the Project, the Design-Builder shall not be entitled to share in such savings.

#### **9.6 Accounting Records.**

The Design-Builder shall keep full and detailed accounts and exercise such controls as may be necessary for proper financial management under the Agreement. The Design-Builder's accounting and control systems shall be satisfactory to the Department. The Department, its representatives, and the Department's accountants shall be afforded access to the Design-Builder's records, books, correspondence, instruction, drawings, receipts, subcontracts, purchase orders, vouchers, memoranda and other data relating to this Project, and the Design-Builder shall preserve such Project documentation relating to the Project for a period of three years after final payment, or for such longer period as may be required by law.

#### **9.7 Excluded Cost Elements.**

It is the Department's intent that the Design-Builder provide a turnkey solution for the implementation of the Project, and the Project Budget set herein has been developed based on such framework. The Design-Builder shall advance the Project in a manner consistent with the Project Budget with the understanding that only the following cost elements shall be excluded from the Project Budget set forth herein:

1. 3<sup>rd</sup> Party Material Testing;
2. Commissioning;
3. 3<sup>rd</sup> Party Inspections;
4. 3<sup>rd</sup> Party Plan Review;

### **Article 10 - CONSTRUCTION PHASE PAYMENTS**



### **10.1 Progress Payments.**

The Design-Builder shall be compensated in a series of progress payments and a Final Payment, for Work completed in accordance with the Agreement, and for which proper Applications for Payment have been submitted and approved. The amount of each progress payment shall be as follows:

The Cost of Work completed to date

Plus  $\frac{\text{Cost of Work for Pay Period}}{\text{Current approved estimated Cost of Work through Final Completion}} \times 60\% \text{ Design-Build Fee}$

Current approved estimated

Cost of Work through Final Completion

Plus Any subset of the Design-Build Fee to which the Department has determined the Design-Builder to be Entitled

Minus Applicable retainage

Minus Amounts previously paid by the Department

### **10.2 Retention.**

The Department shall withhold from each progress payment an amount equal to ten percent (10%) of the payment related to: (i) each Subcontract and supply agreement; (ii) the Preconstruction Fee; (iii) Design-Build Fee; (iv) General Conditions Costs; and (v) the Cost of the Work related to each item of Self-Performed Work, until such time as fifty percent (50%) of the then currently budgeted cost associated with each such item has been invoiced, at which point the Department may cease retaining against such item; provided, however, that retention shall not be held on the costs of bonds, insurances, and those elements of the general requirements which consist of a single, insolated effort such as dumpster disposal and safety carpentry. The Department at its sole and absolute discretion may elect to increase the retention on any trade Subcontractor up to ten percent (10%), in the event the Department determines that the situation so warrants. The Department also in its sole and absolute discretion, may elect to reduce the retainage relating to a particular trade Subcontractor, or the Cost of the Work related to a specific item of Self-Performed Work to zero upon: (a) satisfactory completion of such Work; (b) submission of all required warranties, certifications, and operating or maintenance instructions with respect to that Work; and (c) execution of appropriate waivers of lien and releases of claims. However, in no event shall the total retainage held by the Department be reduced to an amount that is less than two and one-half percent (2.5%) of the GMP.

### **10.3 Project Documents Required with Application for Payment.**

Each Application for Payment shall be accompanied by the Design-Builder's job cost ledgers in a form satisfactory to the Department, the Subcontractors' and Suppliers' Applications for Payment on AIA documents G702 and G703 or other form acceptable to the Department, and such other supporting Project documentation as the Department may reasonably request. Each Application for Payment shall include detailed Project documentation of costs as a condition to

approving progress payments, but the Design-Builder shall nevertheless maintain complete documentation of the costs. An executed Release of Liens and Claims in the format required by the Contracting Officer must accompany each Application for Payment.

#### **10.4 Stored Materials.**

The Department shall not be required to pay for materials stored at the site or stored at other locations absent prior written authorization to do so, which authorization may be withheld at the Department's sole discretion. If the Department expressly agrees to pay for materials stored at the site but not yet incorporated into the Work, the Application for Payment may also include a request for payment of the cost of such materials, if the materials have been delivered to the site, and suitably stored. Such requests shall be documented by appropriate invoices and bills of sale. Payment for stored materials shall be conditioned also on the Design-Builder's representation that it has inspected the material and found it to be free from defect and otherwise in conformity with this Agreement, and on satisfactory evidence that the materials are insured under the builder's risk policy. Further, if the Design-Builder requests the Department to allow payments for storage of materials offsite, the Design-Builder shall be required, inter alia, to agree to execution of proper Project documentation to afford the Department a secured interest in the materials upon payment.

#### **10.5 Design-Builder's Certification.**

Each Application for Payment shall be accompanied by the Design-Builder's signed certification that:

**Section 10.5.1.** all amounts paid to the Design-Builder on the previous Application for Payment that were attributable to Subcontractor Work or to materials or equipment being supplied by any supplier have been paid over to the appropriate Subcontractors and suppliers;

**Section 10.5.2.** that all amounts currently sought for Subcontractor Work or supply of materials or equipment are currently due and owing to the Subcontractors and material or equipment suppliers;

**Section 10.5.3.** that all Work, materials or equipment for which payment is sought is, to the best of the Design-Builder's knowledge, free from defect and meets all of the requirements set forth in the Agreement: and that

**Section 10.5.4.** that the Design-Builder's subcontracts include the clauses required by subparagraphs (1) through (4) of D.C. Official Code §2-221.02(d) (2017).

**Section 10.5.5.** The Design-Builder shall not include in an Application for Payment amounts for Work for which the Design-Builder does not intend to pay.

#### **10.6 Lien Waivers.**

Each Application for Payment shall be accompanied by written waivers of the right to file a mechanic's lien and all other claims, in a form substantially similar to **Exhibit K** for the Design-Builder and all Subcontractors and material suppliers at all tiers who have supplied labor or material or both for which payment is requested, subject only to receipt of payment. If the Department so requests, the Design-Builder shall also submit unconditional waivers of liens for

itself and all Subcontractors and material suppliers at all tiers with respect to Work or materials or equipment for which payment has been previously made, and additional forms of waiver acknowledging receipt of final payment under the Agreement, and providing final release of such liens.

#### **10.7 Warranty of Title.**

By submitting an Application for Payment, the Design-Builder warrants to the Department that title to all Work for which payment is sought will pass to the Department, without liens, claims, or other encumbrances, upon the receipt of payment by the Design-Builder. The Department may require execution of appropriate Project documents to confirm passage of clear title. Passage of title shall not operate to pass the risk of loss with respect to the Work in question. Risk of loss remains with the Design-Builder until Substantial Completion, unless otherwise agreed by the Department, in writing.

#### **10.8 Submission.**

On the twenty-fifth day of each month the Design-Builder shall submit to the Department (with a copy to the Program Manager) an Application for Payment, which Application for Payment shall cover the entire month during which the Application for Payment is submitted. All amounts formally submitted via Application for Payment and not disputed by the Department shall be due and payable on the last day of the month following submission or, if that is not a business day, on the following business day. If the Design-Builder and Department are unable to agree on the amounts properly due and owing, the Department shall pay in accordance with its good faith determination and the Design-Builder may protest and pursue a claim as provided in this Agreement and the Standard Contract Provisions (Construction Contracts and Architectural and Engineering Services Contracts).

#### **10.9 Right to Withhold Payments.**

The Department will notify the Design-Builder within fifteen (15) days after receiving any Application for Payment of any defect in the Application for Payment or the Design-Builder's performance which may result in the Department's declining to pay all or a part of the requested amount. The Department may withhold payment from the Design-Builder, in whole or part, as appropriate, if:

**10.9.1** the Work is defective and such defects have not been remedied; or

**10.9.2** the Department has determined that the Design-Builder's progress has fallen behind the Project Schedule, and the Design-Builder fails, within ten (10) calendar days of the Department's written demand, to provide the Department with a realistic and acceptable Recovery Plan in accordance with Section 5.19; or

**10.9.3** the Design-Builder's monthly schedule update reflects that the Design-Builder has fallen behind the Project Schedule, and the Design-Builder fails to include, in the same monthly report, a realistic and acceptable Recovery Plan in accordance with Section 5.19; or

**10.9.4** the Design-Builder has failed to provide reports in full compliance with Section 5.5 of this Agreement; or

**10.9.5** the Design-Builder has failed to pay Subcontractors or suppliers promptly or has made false or inaccurate certifications that payments to Subcontractors or suppliers are due or have been made; or

**10.9.6** any mechanic's lien has been filed against the Department, the site or any portion thereof or interest therein, or any improvements on the site, even though the Department has paid all undisputed amounts due to the Design-Builder, and the Design-Builder, upon notice, has failed to remove the lien, by bonding it off or otherwise, within ten (10) calendar days; or

**10.9.7** the Department has reasonable evidence that the Work will not be completed by the Substantial Completion Date, as required, that the unpaid balance of the GMP would not be adequate to cover actual or liquidated damages arising from the anticipated delay; or

**10.9.8** the Department has reasonable evidence that the Work cannot be completed for the unpaid balance of the GMP; or

**10.9.9** the Design-Builder is otherwise in substantial breach of this Agreement (including, without limitation, failures to comply with LSDBE Utilization requirements.

**10.9.10** the Application for Payment is incomplete, unsubstantiated and/or does not contain sufficient documentation for evaluation by the Contracting Officer.

**10.10 Payment Not Acceptance.**

Payment of any progress payment or final payment shall not constitute acceptance of Work that is defective or otherwise fails to conform to the Agreement, or a waiver of any rights or remedies the Department may have with respect to defective or nonconforming Work.

**10.11 Department Not Obligated to Others.**

The Department shall have no obligation to pay or be responsible in any way for payments to a consultant or subcontractor performing portions of the Work.

**10.12 Final Payment.**

A final payment ("Final Payment") shall be made by the Department to the Design-Builder when: (i) Final Completion has been achieved; (ii) all deliverables set forth in Section 5.14, and **Exhibit N** have been delivered to and are accepted by the Department; (iii) the Design-Builder provides the Department a complete set of product manuals (O&M), training videos, and warranties, as applicable; and (iv) a complete final Application for Payment and a final accounting for the Cost of the Work have been submitted by the Design-Builder and reviewed by the Department and, to the extent the Department determines appropriate, the Department's accountants. The Department shall make Final Payment not more than thirty (30) days after the Department verifies the amount of the final payment set forth in a complete final Application for

Payment.

**10.12.1** The amount of the Final Payment shall be calculated as follows:

**10.12.1.1** Take the sum of the Cost of the Work substantiated by the Design-Builder's final accounting and the Design-Build Fee; but not more than the GMP.

**10.12.1.2** Subtract amounts, if any, for which the Department withholds pursuant to the Agreement.

**10.12.1.3** Subtract the aggregate of previous payments made by the Department. (If the aggregate of previous payments made by the Department exceeds the amount due the Design-Builder, the Design-Builder shall promptly reimburse the difference to the Department).

**10.12.1.4** The Final Payment shall take into account any savings accruing to the Department or the Design-Builder.

**10.12.1.5** The Department will review and report in writing on the Design-Builder's final accounting within 30 days after delivery of the final accounting to the Department by the Design-Builder. Based upon Department's determination of the Cost of the Work, and provided the other conditions of Section 10.12.1 have been met, the Department will, within fifteen (15) days after the Department's determination, notify the Design-Builder of any amount that the Department will withhold and the reasons therefor. The time periods stated in this Paragraph 10.12.1.5 supersede those for typical progress payments.

**10.12.1.6** If the Department determines that the Cost of the Work is than claimed by the Design-Builder, the Design-Builder shall be entitled to proceed in accordance with Article 3 of the Standard Contract Provisions (Construction Contracts). Pending a final resolution of the disputed amount, the Department shall pay the Design-Builder the amount that the Department determines to be appropriate.

## **Article 11 - INSURANCE**

### **11.1 Insurance Required by the Project**

- A. **GENERAL REQUIREMENTS.** The Contractor at its sole expense shall procure and maintain, during the entire period of performance under this contract, the types of insurance specified below. The Contractor shall have its insurance broker or insurance company submit a Certificate of Insurance to the CO giving evidence of the required coverage prior to commencing performance under this contract. In no event shall any work be performed until the required Certificates of Insurance signed by an authorized representative of the insurer(s) have been provided to, and accepted by, the CO. All insurance shall be written with financially responsible companies authorized to do business in the District of Columbia or in the jurisdiction where the work is to be performed and have an A.M. Best Company rating of A- / VII or higher. Should the Contractor decide to engage a subcontractor for segments of the work under this contract and wish to propose different insurance requirements than outlined below, then, prior to commencement of work by the subcontractor, the Contractor shall submit in writing the name and brief description of work to be performed by the subcontractor on the Subcontractors Insurance Requirement Template provided by the CA, to the Office of Risk Management (ORM). ORM will determine the insurance requirements applicable to the subcontractor and promptly deliver such requirements in writing to the Contractor and the CA. The Contractor must provide proof of the subcontractor's required insurance prior to commencement of work by the subcontractor. If the Contractor decides to engage a subcontractor without requesting from ORM specific insurance requirements for the subcontractor, such subcontractor shall have the same insurance requirements as the Contractor.

All required policies shall contain a waiver of subrogation provision in favor of the Government of the District of Columbia.

The Government of the District of Columbia shall be included in all policies required hereunder to be maintained by the Contractor and its subcontractors (except for workers' compensation and professional liability insurance) as an additional insureds for claims against The Government of the District of Columbia relating to this contract, with the understanding that any affirmative obligation imposed upon the insured Contractor or its subcontractors (including without limitation the liability to pay premiums) shall be the sole obligation of the Contractor or its subcontractors, and not the additional insured. The additional insured status under the Contractor's and its subcontractors' Commercial General Liability insurance policies shall be effected using the ISO Additional Insured Endorsement form CG 20 10 11 85 (or CG 20 10 07 04 **and** CG 20 37 07 04) or such other endorsement or combination of endorsements providing coverage at least as broad and approved by the CO in writing. All of the Contractor's and its subcontractors' liability policies (except for workers' compensation and professional liability insurance) shall be endorsed using ISO form CG 20 01 04 13 or its equivalent so as to indicate that such

policies provide primary coverage (without any right of contribution by any other insurance, reinsurance or self-insurance, including any deductible or retention, maintained by an Additional Insured) for all claims against the additional insured arising out of the performance of this Statement of Work by the Contractor or its subcontractors, or anyone for whom the Contractor or its subcontractors may be liable. These policies shall include a separation of insureds clause applicable to the additional insured.

If the Contractor and/or its subcontractors maintain broader coverage and/or higher limits than the minimums shown below, the District requires and shall be entitled to the broader coverage and/or the higher limits maintained by the Contractor and subcontractors.

## B. INSURANCE REQUIREMENTS

1. Commercial General Liability Insurance (“CGL”) - The Contractor shall provide evidence satisfactory to the CO with respect to the services performed that it carries a CGL policy, written on an occurrence (not claims-made) basis, on Insurance Services Office, Inc. (“ISO”) form CG 00 01 04 13 (or another occurrence-based form with coverage at least as broad and approved by the CO in writing), covering liability for all ongoing and completed operations of the Contractor, including ongoing and completed operations under all subcontracts, and covering claims for bodily injury, including without limitation sickness, disease or death of any persons, injury to or destruction of property, including loss of use resulting therefrom, personal and advertising injury, and including coverage for liability arising out of an Insured Contract (including the tort liability of another assumed in a contract) and acts of terrorism (whether caused by a foreign or domestic source). Such coverage shall have limits of liability of not less than \$1,000,000 each occurrence, a \$2,000,000 general aggregate (including a per location or per project aggregate limit endorsement, if applicable) limit, a \$1,000,000 personal and advertising injury limit, and a \$2,000,000 products-completed operations aggregate limit including explosion, collapse and underground hazards.

The contractor should be named as an additional insured on the applicable manufacturer’s/distributor’s Commercial General Liability policy using Insurance Services Office, Inc. (“ISO”) form CG 20 15 04 13 (or another occurrence-based form with coverage at least as broad).

DGS should collect, review for accuracy and maintain all warranties for goods and services.

2. Automobile Liability Insurance - The Contractor shall provide evidence satisfactory to the CO of commercial (business) automobile liability insurance written on ISO form CA 00 01 10 13 (or another form with coverage at least as broad and approved by the CO in writing) including coverage for all owned, hired, borrowed and non-owned vehicles and equipment used by the Contractor, with minimum per accident limits equal

to the greater of (i) the limits set forth in the Contractor's commercial automobile liability policy or (ii) \$1,000,000 per occurrence combined single limit for bodily injury and property damage. Form CA 99 48 03 06 Pollution Liability - Broadened Coverage for Covered Autos - Business Auto, Motor Carrier and Truckers must be endorsed onto the policy

3. Workers' Compensation Insurance - The Contractor shall provide evidence satisfactory to the CO of Workers' Compensation insurance in accordance with the statutory mandates of the District of Columbia or the jurisdiction in which the contract is performed.

Employer's Liability Insurance - The Contractor shall provide evidence satisfactory to the CO of employer's liability insurance as follows: \$500,000 per accident for injury; \$500,000 per employee for disease; and \$500,000 for policy disease limit.

All insurance required by this paragraph 3 shall include a waiver of subrogation endorsement for the benefit of Government of the District of Columbia.

4. Crime Insurance (3rd Party Indemnity) - The Contractor shall provide a Crime policy including 3<sup>rd</sup> party fidelity to cover the dishonest acts of Contractors, its employees and/or volunteers which result in a loss to the District. The Government of the District of Columbia shall be included as loss payee. The policy shall provide a limit of \$25,000 per occurrence.
5. Cyber Liability Insurance - The Contractor shall provide evidence satisfactory to the Contracting Officer of Cyber Liability Insurance, with limits not less than \$2,000,000 per occurrence or claim, \$2,000,000 aggregate. Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by Contractor in this agreement and shall include, but not limited to, claims involving infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, alteration of electronic information, extortion and network security. The policy shall provide coverage for breach response costs as well as regulatory fines and penalties as well as credit monitoring expenses with limits sufficient to respond to these obligations. Limits may not be shared with other lines of coverage. A copy of the cyber liability policy must be submitted to the Office of Risk Management (ORM) for compliance review.
6. Environmental Liability/Contractors Pollution Liability Insurance - The Contractor shall provide evidence satisfactory to the CO of environmental liability insurance



covering losses caused by pollution or other hazardous conditions arising from ongoing or completed operations of the Contractor. Such insurance shall apply to bodily injury, property damage (including loss of use of damaged property or of property that has been physically injured), clean-up costs, transit and non-owned disposal sites. Coverage shall extend to defense costs and expenses incurred in the investigation, civil fines, penalties and damages or settlements. There shall be neither an exclusion nor a sublimit for mold or fungus-related claims. The minimum limits required under this paragraph shall be equal to the greater of (i) the limits set forth in the Contractor's pollution liability policy or (ii) \$2,000,000 per occurrence and \$2,000,000 in the annual aggregate. If such coverage is written on a claims-made basis, the Contractor warrants that any retroactive date applicable to coverages under the policy precedes the Contractor's performance of any work under the Contract and that continuous completed operations coverage will be maintained for at least ten (10) years or an extended reporting period shall be purchased for no less than ten (10) years after completion.

The Contractor also must furnish to CO Owner certificates of insurance evidencing environmental liability insurance maintained by third party transportation and disposal site operators(s) used by the Contractor for losses arising from facility(ies) accepting, storing or disposing hazardous materials or other waste as a result of the Contractor's operations. Such coverages must be maintained with limits of at least the amounts set forth above.

7. Installation-Floater Insurance - For projects not involving structural alterations, the contractor shall provide an installation floater policy with a limit equal to the Property values being installed as part of the project. The policy shall cover property while located at the project site, at temporary locations, or in transit; deductibles will be the sole responsibility of the contractor.
8. Professional Liability Insurance (Errors & Omissions) - The Contractor shall provide Professional Liability Insurance (Errors and Omissions) to cover liability resulting from any error or omission in the performance of professional services under this Contract. The policy shall provide limits of \$5,000,000 per claim or per occurrence for each wrongful act and \$5,000,000 annual aggregate. The Contractor warrants that any applicable retroactive date precedes the date the Contractor first performed any professional services for the Government of the District of Columbia and that continuous coverage will be maintained or an extended reporting period will be exercised for a period of at least ten years after the completion of the professional services. Limits may not be shared with other lines of coverage.

9. Sexual/Physical Abuse & Molestation - The Contractor shall provide evidence satisfactory to the Contracting Officer with respect to the services performed that it carries \$1,000,000 per occurrence limits; \$2,000,000 aggregate of affirmative abuse and molestation liability coverage. Coverage should include physical abuse, such as sexual or other bodily harm and non-physical abuse, such as verbal, emotional or mental abuse; any actual, threatened or alleged act; errors, omission or misconduct. This insurance requirement will be considered met if the general liability insurance includes an affirmative sexual abuse and molestation endorsement for the required amounts. So called “silent” coverage or “shared” limits under a commercial general liability or professional liability policy will not be acceptable. Limits may not be shared with other lines of coverage. The applicable policy may need to be submitted to the Office of Risk Management (ORM) for compliance review.
10. Commercial Umbrella or Excess Liability - The Contractor shall provide evidence satisfactory to the CO of commercial umbrella or excess liability insurance with minimum limits equal to the greater of (i) the limits set forth in the Contractor’s umbrella or excess liability policy or (ii) \$20,000,000 per occurrence and \$20,000,000 in the annual aggregate, following the form and in excess of all liability policies. **All** liability coverages must be scheduled under the umbrella and/or excess policy. The insurance required under this paragraph shall be written in a form that annually reinstates all required limits. Coverage shall be primary to any insurance, self-insurance or reinsurance maintained by the District and the “other insurance” provision must be amended in accordance with this requirement and principles of vertical exhaustion.

### **Construction Projects Controlled by the District**

For construction projects controlled by the District, the District will procure the following policies with the District listed as the first named insured. Since the District will control the placement of the policies, the District should not contractually bind itself to secure coverage broader than the minimum that satisfy the interests of the Contractor.

**Builders Risk** – The District shall purchase and maintain, in a company authorized to do business in the jurisdiction in which the project is located, builders risk insurance, written on an “all risk”, special causes of loss or equivalent form. Builders risk coverage will include boiler and machinery / equipment breakdown, earthquake and flood perils. Building ordinance and terrorism coverage will be included.

The deductible shall not exceed \$25,000 except for earthquake, flood, windstorm, water damage or other perils at the discretion of the District and as available in the insurance industry.

The project limit shall equal the replacement value of the structure, including coverage for property in transit and stored off premises.

At the discretion of the District, builders risk coverage will extend to soft costs and delayed completion.

Builders risk insurance shall include the interests of The Government of the District of Columbia, the Contractor, Subcontractors and Sub – subcontractors in the project.

**C. PRIMARY AND NONCONTRIBUTORY INSURANCE**

The insurance required herein shall be primary to and will not seek contribution from any other insurance, reinsurance or self-insurance including any deductible or retention, maintained by the Government of the District of Columbia.

**D. DURATION.** The Contractor shall carry all required insurance until all contract work is accepted by the District of Columbia and shall carry listed coverages for ten years for construction projects following final acceptance of the work performed under this contract and two years for non-construction related contracts.

**E. LIABILITY.** These are the required minimum insurance requirements established by the District of Columbia. However, the required minimum insurance requirements provided above will not in any way limit the contractor's liability under this contract.

**F. CONTRACTOR'S PROPERTY.** Contractor and subcontractors are solely responsible for any loss or damage to their personal property, including but not limited to tools and equipment, scaffolding and temporary structures, rented machinery, or owned and leased equipment. A waiver of subrogation shall apply in favor of the District of Columbia.

**G. MEASURE OF PAYMENT.** The District shall not make any separate measure or payment for the cost of insurance and bonds. The Contractor shall include all of the costs of insurance and bonds in the contract price.

**H. NOTIFICATION.** The Contractor shall ensure that all policies provide that the CO shall be given thirty (30) days prior written notice in the event of coverage and / or limit changes or if the policy is canceled prior to the expiration date shown on the certificate. The Contractor shall provide the CO with ten (10) days prior written notice in the event of non-payment of premium. The Contractor will also provide the CO with an updated Certificate of Insurance should its insurance coverages renew during the contract.

**I. CERTIFICATES OF INSURANCE.** The Contractor shall submit certificates of insurance giving evidence of the required coverage as specified in this section prior to commencing

work. Certificates of insurance must reference the corresponding contract number. Evidence of insurance shall be submitted to:

**The Government of the District of Columbia**

**And emailed to the attention of:**

Eric Njonjo  
Contracting Officer  
Department of General Services  
Contracts & Procurement Division  
1250 U Street, NW, 2nd Floor  
Washington, DC 20009  
Email: [eric.njonjo@dc.gov](mailto:eric.njonjo@dc.gov)

The CO may request and the Contractor shall promptly deliver updated certificates of insurance, endorsements indicating the required coverages, and/or certified copies of the insurance policies. If the insurance initially obtained by the Contractor expires prior to completion of the contract, renewal certificates of insurance and additional insured and other endorsements shall be furnished to the CO prior to the date of expiration of all such initial insurance. For all coverage required to be maintained after completion, an additional certificate of insurance evidencing such coverage shall be submitted to the CO on an annual basis as the coverage is renewed (or replaced).

- J. DISCLOSURE OF INFORMATION. The Contractor agrees that the District may disclose the name and contact information of its insurers to any third party which presents a claim against the District for any damages or claims resulting from or arising out of work performed by the Contractor, its agents, employees, servants or subcontractors in the performance of this contract.
- K. CARRIER RATINGS. All Contractor's and its subcontractors' insurance required in connection with this contract shall be written by insurance companies with an A.M. Best Insurance Guide rating of at least A- VII (or the equivalent by any other rating agency) and licensed in the District.

## **Article 12- BONDS**

### **12.1 Performance Bond and Payment Bond.**

The Design-Builder shall, before commencing the Construction Phase, provide to the Department a payment bond and performance bond, each with a penal sum equal to the full value of the GMP. Such bond shall remain in full force and effect until Final Completion is achieved and the Department shall be able to draw upon such bond regardless of the amount paid by the Department to the Design-Builder, even if such amount exceeds the penal value of such bond. Unless otherwise directed by the Department, the Design-Builder shall require all Subcontractors whose Subcontract prices exceed One Hundred Thousand Dollars (\$100,000) to provide payment and performance bonds, with a penal sum equal to one hundred percent (100%) of the subcontract price. . All bonds must be in a form acceptable to the Department, its lenders or bond trustee, and issued by a surety authorized to do business in the District of Columbia and bonding company listed on the United States Department of Treasury's Listing of Approved Sureties. All subcontractors' bonds must include a dual obligee rider, naming the Design-Builder and the Department as dual obligees. If the Guaranteed Maximum Price is increased pursuant to the terms of the Agreement, the Department may require that the amount of the bonds be increased in the amount of one hundred percent (100%) of the increase, and the Design-Builder shall promptly comply. The Design-Builder shall furnish a copy of its bonds to any potential beneficiary of the bonds, or permit that person or company to make a copy. If the bonds provided become unacceptable to the Department, the Design-Builder shall promptly provide substitute security acceptable to the Department. If the Design-Builder intends to exercise its rights as dual obligee under any trade Subcontractor's bond, it shall first give the Department twenty (20) days written notice, so that the Department may lodge any objection it may reasonably have to the proposed action.

## **Article 13 - ECONOMIC INCLUSION REQUIREMENTS**

### **Section 13.1 LSDBE Utilization.**

**Section 13.1.1** If the Design-Builder subcontracts any Work, at least (50%) of the dollar volume of the Agreement shall be subcontracted with small business enterprises (SBE). If there are insufficient qualified SBEs then the subcontracting may be satisfied by subcontracting (50%) of the dollar volume to any qualified CBEs. For subcontracted work, pass through entities will not count toward this goal. In order to count toward the subcontracting requirement, the SBE must perform at least Fifty (50%) of the work that is being counted toward the goal with its own forces. The LSDBE certification shall be, in each case, as of the effective date of the applicable subcontract. Supply agreements with material suppliers shall be counted toward meeting this goal. The Design-Builder has developed a Subcontracting Plan that is attached hereto as **Exhibit D**. The Design-Builder shall comply with the terms of the SBE Subcontracting Plan in making purchases and administering its subcontracts and supply agreements.

### **Section 13.2 Mandatory Subcontracting Requirements**

#### **13.2.1 DC. Code § 2-218.91. Certified Business Enterprise assistance:**

(a) Notwithstanding subchapter IX-A of this chapter, or any other provision of District law or regulation, during the period from March 11, 2020, until November 5, 2021, any contract for a government-assisted project in excess of \$250,000 that is unrelated to the District's response to the COVID-19 emergency but entered into during the COVID-19 emergency, absent a waiver pursuant to § 2-218.51, shall provide that:

(1) At least 50% of the dollar volume of the contract be subcontracted to small business enterprises; or

(2) If there are insufficient qualified small business enterprises to meet the requirement of paragraph (1) of this subsection, the subcontracting requirement may be satisfied by subcontracting 50% of the dollar volume ("CBE minimum expenditure") to any qualified certified business enterprises; provided, that best efforts shall be made to ensure that qualified small business enterprises are significant participants in the overall subcontracting work.

(b) Notwithstanding subsection (a) of this section, a certified business enterprise awarded a contract for a government-assisted project in excess of \$250,000 that is unrelated to the District's response to the COVID-19 emergency but entered into during the COVID-19 emergency shall:

(1) Perform at least 35% of the contracting effort with its own organization and resources if the certified business enterprise is granted points or a price reduction pursuant to § 2-218.43 or selected through a set-aside program; and

(2) If the certified business enterprise subcontracts, ensure that 50% of the dollar volume of the subcontracted effort be with certified business enterprises unless a waiver is granted pursuant to § 2-218.51.

(c) Notwithstanding subsection (a) of this section, a certified joint venture awarded a contract for a government-assisted project in excess of \$250,000 that is unrelated to the District's response to the COVID-19 emergency but entered into during the COVID-19 emergency shall:

(1) Perform at least 50% of the contracting effort with its own organization and resources if the certified joint venture is granted points or a price reduction pursuant to § 2-218.43 or selected through a set-aside program; and

(2) If the certified joint venture subcontracts, 50% of the dollar volume of the subcontracted effort shall be with certified business enterprises unless a waiver is granted pursuant to § 2-218.51.

(d)(1) For every dollar expended by a beneficiary with a resident-owned business, the beneficiary shall receive a credit for \$1.10 against the CBE minimum expenditure.

(2) For every dollar expended by a beneficiary with a disadvantaged business enterprise, the beneficiary shall receive a credit for \$1.25 against the CBE minimum expenditure.

(3) For every dollar expended by a beneficiary that uses a company designated as both a disadvantaged business enterprise under § 2-218.33 and as a resident-owned business under § 2-218.02(15), the beneficiary shall receive a credit for \$1.30 against the CBE minimum expenditure.

(e) For the purposes of this section, the term:

(1) "Beneficiary" has the same meaning as set forth in § 2-218.02(1B).

(2) "Best efforts" means that a beneficiary is obligated to make its best attempt to accomplish the agreed-to goal, even when there is uncertainty or difficulty.

(3) "COVID-19 emergency" means the emergencies declared in the Declaration of Public Emergency (Mayor's Order 2020-045) together with the Declaration of Public Health Emergency (Mayor's Order 2020-046), declared on March 11, 2020, including any extension of those declared emergencies.

(4) "Disadvantaged business enterprise" has the same meaning as set forth in § 2-218.33.

(5) "Government-assisted project" has the same meaning as set forth in § 2-218.02(9A).

(6) "Longtime resident business" has the same meaning as set forth in § 2-218.02(13).

(7) "Resident-owned business" has the same meaning as set forth in § 2-218.02(15).

(8) "Small Business Enterprises" has the same meaning as set forth in § 2-218.32.

(f) Contracts entered into on an emergency basis or that are made in furtherance of, or that are related to, the District's response to the COVID-19 emergency shall not be subject to the requirements of subchapter IX-A of this chapter or subchapter X of this chapter.

### **Section 13.3 Subcontracting Plan Requirements**

If the Prime Contractor is required by law to subcontract under the Agreement, it must subcontract at least (50%) of the dollar volume of the Agreement in accordance with D.C. Official Code § 2-218.46. The subcontracting plan shall be submitted as part of the Proposal and may only be amended with the prior written approval of the CO and Director of Department of DSLBD. Any reduction in the dollar volume of the subcontracted portion resulting from an amendment of the plan shall inure to the benefit of the District and the Department. Each subcontracting plan shall include the following:

- a) The name and address of each subcontractor;
- b) A current certification number of the small or certified business enterprise;
- c) The Scope of Work to be performed by each subcontractor; and
- d) The price that the Prime Contractor will pay each subcontractor.

### **Section 13.4 Copies of Subcontracts**

Within twenty-one (21) days of the date of award, the Prime Contractor shall provide fully executed copies of all subcontracts identified in the subcontracting plan to the CO, District of Columbia Auditor and the Director of Department of Small and Local Business Development.

### **Section 13.5 Subcontracting Plan Compliance Reporting**

- a) The Prime Contractor has a subcontracting plan required by law for this Agreement; the Prime Contractor shall submit a quarterly report to the CO, District of Columbia Auditor and the Director of DSLBD. The quarterly report shall include the following information for each subcontract identified in the subcontracting plan:
  - 1. The price that the Prime Contractor will pay each subcontractor under the subcontract;
  - 2. A description of the goods procured, or the services subcontracted for;
  - 3. The amount paid by the Prime Contractor under the subcontract;
  - 4. A copy of the fully executed subcontract, if it was not provided with an earlier quarterly report.



- b) If the fully executed subcontract is not provided with the quarterly report, the Prime Contractor will not receive credit toward its subcontracting requirements for that subcontract.

### **Section 13.6 Annual Meetings**

Upon at least 30-days written notice provided by DSLBD, the Prime Contractor shall meet annually with the CO, contract administrator (“CA”), District of Columbia Auditor and the Director of Department of Small and Local Business Development to provide an update on its subcontracting plan.

### **Section 13.7 DSLBD Notices**

The Prime Contractor shall provide written notice to the DSLBD and the District of Columbia Auditor upon commencement of the Agreement and when the Agreement is completed.

### **Section 13.8 Enforcement and Penalties for Breach of Subcontracting Plan**

A Prime Contractor shall be deemed to have breached a subcontracting plan required by law, if the Prime Contractor (i) fails to submit subcontracting plan monitoring or compliance reports or other required subcontracting information in a reasonably timely manner; (ii) submits a monitoring or compliance report or other required subcontracting information containing a materially false statement; or (iii) fails to meet its subcontracting requirements. A Prime Contractor that is found to have breached its subcontracting plan for utilization of CBEs in the performance of a contract shall be subject to the imposition of penalties, including monetary fines in accordance with D.C. Official Code § 2-218.63. If the CO determines the Prime Contractor’s failure to be a material breach of the Agreement, the CO shall have cause to terminate the Agreement under the default provisions in the Standard Contract Provisions. Neither the Prime Contractor nor its subcontractor may remove a subcontractor or tier-subcontractor if such subcontractor or tier-subcontractor is certified as an LSDBE company unless the Department approves of such removal, in writing. The Department may condition its approval upon the Prime Contractor developing a plan that is, in the Department’s sole and absolute judgment, adequate to maintain the level of LSDBE participation on the Project.

### **Section 13.9 Equal Employment Opportunity and Residency Hiring Requirements for Contractors and Subcontractors**

**13.9.1** The Design-Builder shall comply with applicable laws, regulations and special requirements of the Project documents regarding equal employment opportunity and affirmative action programs. In accordance with the District of Columbia Administrative Issuance System, Mayor’s Order 85-85 dated June 10, 1985, the forms for completion of the Equal Employment Opportunity Information Report are incorporated herein as **Exhibit P**. A contract award cannot be made to any contractor that has not satisfied the equal employment requirements.

**13.9.2** At least fifty-one percent (51%) of the Design-Builder’s Team and every subconsultant’s employees hired after the Design-Builder enters into a contract with the Department, or after such subconsultant enters into a contract with the Design-Builder, to work on this Project, shall be residents of the District of Columbia.

Upon execution of the contract, the Design-Builder and all of its member firms, if any, and each of its subcontractors and subconsultants shall submit to the Department a list of current employees that will be assigned to the Project, the date that they were hired and whether or not they live in the District of Columbia.

The Design-Builder shall comply with subchapter III of Chapter II of Title 1, and subchapter II of Chapter II of Title 1 of the D.C. Code, and all successor acts thereto and the rules and regulations promulgated thereunder. The Design-Builder and all member firms, subcontractors, tier subcontractors, subconsultants, and suppliers with contracts in the amount of (\$300,000) or more shall be required to comply with the following: (i) enter into a First Source Employment Agreement with the D.C. Department of Employment Services (“DOES”) upon execution of the Agreement; (ii) submit an executed First Source Agreement to DOES prior to beginning work on the Project; (iii) make best efforts to hire at least (51%) District residents for all new jobs created by the Project; (iv) list all employment vacancies with DOES; (v) submit monthly compliance reports to DOES by the 10<sup>th</sup> of each month; (vi) at least (51%) apprentices and trainees employed must be residents of the District registered in program approved by the D.C. Apprenticeship Council; and (vii) trade contractors and subcontractors with contracts in the amount of (\$500,000) or more must register an apprenticeship program with the D.C. Apprenticeship Council.

The Design-Builder shall comply with subchapter X of Chapter II of Title 2, and all successor acts thereto, including by not limited to the *Workforce Intermediary Establishment and Reform of First Source Amendment Act of 2011*, and the rules and regulations promulgated thereunder, including, but not limited to the following requirements:

- a) At least twenty percent (20%) of journey worker hours by trade shall be performed by District residents;
- b) At least sixty percent (60%) of apprentice hours by trade shall be performed by District residents;
- c) At least fifty one percent (51%) of the skilled laborer hours by trade shall be performed by District residents; and
- d) At least seventy percent (70%) of common laborer hours shall be performed by District residents.

### **Section 13.10 Apprenticeship Act**

The District of Columbia Apprenticeship Act of 1946, D.C. Official Code §§ 32-1401 *et seq.* (“Act”), as amended, may apply to this project. All subcontractors selected to perform work on

the project on a craft-by-craft basis shall be required to comply with this Act. All terms and conditions of the Act, D.C. Apprenticeship Council Rules and Regulations, as well as any federal requirements, shall be implemented. The Prime Contractor shall be liable for any subcontractor non-compliance.

## **Article 14 - LIQUIDATED DAMAGES**

### **Section 14.1 Delay in Submission of Deliverables.**

Subject to the terms set forth in Sections 3.1.2 and 4.12, if the Design-Builder fails to provide any of the deliverables set forth in **Exhibit C**, the Design-Builder shall pay to the Department liquidated damages in the amount set forth in the Project Information Section of this Agreement for each such deliverable that is not timely submitted.

### **Section 14.2 Delay in Substantial Completion.**

If the Design-Builder fails to achieve Substantial Completion of the Project by the Substantial Completion Date, the Parties acknowledge and agree that the actual damage to the Department for the delay will be impossible to determine, and in lieu thereof, the Design-Builder shall pay to the Department, as fixed, agreed and liquidated delay damages in the amount set forth in the Project Information Section of this Agreement per day for each calendar day of delay for failure to meet the applicable Substantial Completion Date.

The Design-Builder and the Department agree that the liquidated damages set forth in this Article do not constitute, and shall not be deemed, a penalty but represent a reasonable approximation of the damages to the Department associated with a delay in the Project. These damages shall not apply if the delay is the result of force majeure and the Design-Builder otherwise complies with the provisions set forth in the Standard Contract Provisions (Construction Contracts and Architectural/Engineering Services Contracts).

**Section 14.3 Early Completion.** In the event the Design-Builder achieves Substantial Completion of the Project prior to the Substantial Completion Date, the Design-Builder shall maintain the completed Project, at its own expense, until such time that the Department agrees to occupy and use the Project for its intended use.

## **Article 15 - MISCELLANEOUS PROVISIONS**

**15.1 Ownership and Use of Project Documents.** The Drawings, Specifications and other Project Documents prepared by the Architect/Engineer and copies thereof furnished to the Design-Builder, are for use solely with respect to this Project. They are not to be used by the Design-Builder, Subcontractors, Sub-subcontractors or suppliers on other projects, or for additions to this Project outside the scope of the Work, without the specific written consent of the Department, and the Architect/Engineer. The referenced Drawing, Specifications and other Project Documents shall become the property of the Department. The District will be the sole owner of all project

drawings, specification and other Project Documents and the Design-Builder shall provide the District with a complete set of “as-built” within sixty (60) days of final completion.

### **15.2 Assignment.**

The Department and Design-Builder respectively bind themselves, their partners, members, joint venturers, constituent entities, successors, assigns and legal representative to the other party hereto and to partners, members, joint venturers, constituent entities, successors, assigns and legal representatives of such other party in respect to covenants, agreements and obligations contained in the Agreement. Neither party to the Agreement shall assign the Agreement or its rights and obligations under the Agreement, without written consent of the other party. If either party attempts to make such an assignment without such consent, that party shall nevertheless remain legally responsible for all obligations under the Agreement.

### **15.3 Buy American Act Provision.**

The Design-Builder shall comply with the provisions of the Buy American Act (41 U.S.C. § 10a), including, but not limited to, the purchase of steel.

**15.3.1** In accordance with the Buy American Act (41 U.S.C. § 10a-10d), and Executive Order 10582, December 17, 1954 (3 CFR, 1954-58 Comp., p. 230), as amended by Executive Order 11051, September 27, 1962 (3 CFR, 1059—63 Comp., p. 635), the Design-Builder agrees that only domestic construction material will be used by the Design-Builder, subcontractors, material men and suppliers in the performance of the Agreement, except for non-domestic material listed in the Agreement.

“Components” as used in this Section, means those articles, materials and supplies incorporated directly into the end products.

“Domestic end product”, as used in this section, means, (1) an unmanufactured end product mined or produced in the United States, or (2) an end product manufactured in the United States, if the cost of its components mined, produced, or manufactured in the United States, exceeds 50 percent of the cost of all its components.

Components of foreign origin of the same class or kind as the products shall be treated as domestic. Scrap generated, collected, and prepared for processing in the United States is considered domestic.

“End Products”, as used in this Section, means those articles, materials, and supplies to be acquired for public use under this Contract.

The Design- Builder shall deliver only domestic end products, except those:

1. For use outside the United States;
2. That the District determines are not mined, produced, or manufactured in the United States in sufficient and reasonably available commercial quantities of a satisfactory quality;

3. For which the District determines that domestic preference would be inconsistent with the public interest; or
4. For which the District determines the cost to be unreasonable.

**15.3.2 Domestic Construction Material.** “Construction material” means any article, material or supply brought to the construction site for incorporation in the building or work. An unmanufactured construction material is a “domestic construction material” if it has been mined or produced in the United States. A manufactured construction material is a “domestic construction material” if it has been manufactured in the United States and if the cost of its components which have been mined, produced, or manufactured in the United States exceeds 50 percent of the cost of all its components. “Component” means any article, material, or supply directly incorporated in a construction material.

**15.3.3 Domestic Component.** A component shall be considered to have been “mined, produced, or manufactured in the United States” regardless of its source, in fact, if the article, material or supply in which it is incorporated was manufactured in the United States and the component is of a class or kind determined by the Government to be not mined, produced or manufactured in the United States in sufficient and reasonably available commercial quantities and of a satisfactory quality.

**15.3.4 Foreign Material.** When steel materials are used in a project a minimal use of foreign steel is permitted. The cost of such materials cannot exceed one-tenth of one percent of the total project cost, or \$2,500,000, whichever is greater.

#### **15.4 Davis-Bacon Act Provision.**

The Design-Builder agrees that the construction work performed under this Agreement shall be subject to the Davis-Bacon Act (40 U.S.C. §§ 276a-276a-7). The wage rates applicable to this Project are attached as **Exhibit G**. The Design-Builder further agrees that it and all of its subcontractors shall comply with the regulations implementing the Davis-Bacon Act and such regulations are hereby incorporated by reference. At such time as the Design-Builder is preparing its GMP, the Design-Builder shall include the current Davis-Bacon wage rates in its GMP

#### **15.5 The Quick Payment Clause**

##### **15.5.1 Interest Penalties to Contractors**

**15.5.1.1** The District will pay interest penalties on amounts due to the Design-Builder under the Quick Payment Act, D.C. Official Code §2-221.01 *et seq.*, as amended, for the period beginning on the day after the required payment date and ending on the date on which payment of the amount is made. Interest shall be calculated at the rate of 1.5% per month. No interest penalty shall be paid if payment for the completed delivery of the item of property or service is made on or before the required payment date. The required payment date shall be:

- a. The date on which payment is due under the terms of the Contract;
- b. Not later than 7 calendar days, excluding legal holidays, after the date of delivery of meat or meat food products;
- c. Not later than 10 calendar days, excluding legal holidays, after the date of delivery of a perishable agricultural commodity; or
- d. 30 calendar days, excluding legal holidays, after receipt of a proper invoice for the amount of the payment due, if a specific date on which payment is due is not established by contract;

**Section 15.5.1.2** Any amount of an interest penalty which remains unpaid at the end of any 30-day period shall be added to the principal amount of the debt and thereafter interest penalties shall accrue on the added amount.

**Section 15.5.1.3** No interest penalty shall be due to the Design-Builder if payment for the completed delivery of goods or services is made on or after:

- a. 3<sup>rd</sup> day after the required payment date for meat or a meat food product;
- b. 5<sup>th</sup> day after the required payment date for an agricultural commodity; or
- c. 15<sup>th</sup> day after any other required payment date in the case of any other item.

#### **Section 15.5.2 Payments to Subcontractors**

**Section 15.5.2.1** The Design-Builder must take one of the following actions within seven (7) days of receipt of any amount paid to the Design-Builder by the District for work performed by any subcontractor under this contract:

- a. Pay the subcontractor for the proportionate share of the total payment received from the District that is attributable to the subcontractor for work performed under the Contract; or
- b. Notify the Contracting Officer and the subcontractor, in writing, of the Design-Builder's intention to withhold all or part of the subcontractor's payment and state the reason for the nonpayment.

**Section 15.5.2.2** The Design-Builder must pay any subcontractor or supplier interest penalties on amounts due to the subcontractor or supplier beginning on the day after the payment is due and ending on the date on which the payment is made. Interest shall be calculated at the rate of 1.5% per month. No interest penalty shall be paid on the following if payment for the completed delivery of the item of property or service is made on or before:

- a. The 3<sup>rd</sup> day after the required payment date for meat or a meat product;
- b. The 5<sup>th</sup> day after the required payment date for an agricultural commodity; or
- c. The 15<sup>th</sup> day after the required payment date for any other item.

**Section 15.5.2.3** Any amount of an interest penalty which remains unpaid by the Design-Builder at the end of any 30-day period shall be added to the principal amount of the debt to the subcontractor and thereafter interest penalties shall accrue on the added amount.

**Section 15.5.2.4** A dispute between the Design-Builder and subcontractor relating to the amounts or entitlement of a subcontractor to a payment or a late payment interest penalty under the Quick Payment Act does not constitute a dispute to which the District of Columbia is a party. The District may not be interpleaded in any judicial or administrative proceeding involving such a dispute.

### **Section 15.5.3 Subcontractor Quick Payment Clause Flow-Down Requirements**

**Section 15.5.3.1** The Design-Builder shall include in each subcontract under this Contract a provision requiring the subcontractor to include in its contract with any lower-tier subcontractor or supplier the payment and interest clauses required under paragraphs (1) and (2) of D.C. Official Code §2-221.02(d).

### **Section 15.5.4 Requirements for Change Order Payments**

**Section 15.5.4.1** The Department and the Design-Builder are prohibited from requiring the a Prime Contractor or a subcontractor to undertake any work that is determined to be beyond the original scope of the Prime Contractor's or a subcontractor's contract or subcontract, including work under a District-issued change order, when the additional work increases the contract price beyond the not-to-exceed price or negotiated maximum price of the underlying contract, unless the Contracting Officer:

- a. Agrees with the Prime Contractor and, if applicable, the subcontractor on a price for the additional work;
- b. Obtains a certification from the Chief Financial Officer that there are sufficient funds to compensate the Prime Contractor and, if applicable, the subcontractor for the additional work;
- c. Has made a written, binding commitment with the Prime Contractor to pay for the additional work within 30 days after the Prime Contractor submits a proper invoice for the additional work to the CO; and
- d. Gives written notice of the funding certification from the Chief Financial Officer to the Prime Contractor;

**Section 15.5.4.2** The Design-Builder is required to include in its subcontracts a clause that requires the Prime Contractor to:

- a. Within 5 business days of receipt of the notice required under subparagraph (A)(iv) of this paragraph, provide the subcontractor with notice of the approved amount to be paid to the subcontractor based on the portion of the additional Work to be completed by the subcontractor;

- b. Pay the subcontractor any undisputed amount to which the subcontractor is entitled for any additional work within 10 days of receipt of payment for the additional Work from the District; and
- c. If the Prime Contractor withholds payment from a subcontractor, notify the subcontractor in writing and state the reason why payment is being withheld and provide a copy of the notice to the CO.

**Section 15.5.4.3** The Department, Design-Builder, CMAR Contractor, or a subcontractor are prohibited from declaring another party to the contract to be in default or assessing, claiming, or pursuing damages for delays in the completion of the construction due to the inability of the parties to agree on a price for the additional work.

**Section 15.5.4.4 AUTHORIZED CHANGES BY THE CONTRACTING OFFICER**

- a. The CO is the only person authorized to approve changes in any of the requirements of this Contract.
- b. The Design-Builder shall not comply with any order, directive or request that changes or modifies the requirements of this Contract, unless issued in writing and signed by the CO.
- c. In the event the Design-Builder effects any change at the instruction or request of any person other than the CO, the change will be considered to have been made without authority and no adjustment will be made in the Contract price to cover any cost increase incurred as a result thereof.

**Section 15.6 Contract Work Hours and Safety Standards Act Provision.** The Design-Builder agrees that the applicable work performed under this Agreement shall be subject to the Contract Work Hours and Safety Standards Act (40 U.S.C. §§ 327-333).

**Section 15.7 False Claims Act.** Design-Builder shall be governed by all laws and regulations prohibiting false or fraudulent statements and claims made to DC government, including the prescriptions set forth in District of Columbia Code Official Code §22-2514 and §§2-381.01 *et seq.* In the event that it is discovered that the Design-Builder has made a false, fraudulent or unsupported statement or claim to the Department, the Department may terminate this Agreement without liability.

**Section 15.8 Interpretation of Contract and Order of Precedence.** All of the Project documents comprising the Agreement should be read as complementary, so that what is called for by one is called for by all. Ambiguities shall be construed in favor of a broader scope of Work for the Design-Builder, as the intent of the Agreement is, with specific identified exceptions, to require the Design-Builder to assume entire responsibility for construction of the Project. If there is any inconsistency among the Project documents comprising the Agreement, the order of precedence among them is as follows, with the first listed Project document having the highest priority:



1. This Agreement and its Modifications, Change Orders, Change Directives and any Exhibits thereto;
2. The Department's Standard Contract Provisions (Construction Contracts and Architectural/Engineering Services Contracts), as amended, and any missing term in this Agreement shall be addressed in accordance with the Standard Contract Provisions; and
3. The Construction Project documents released or approved by the Department.

**Section 15.9 Independent Contractor.** The Design-Builder and the Design-Builder's employees: (1) shall perform the services specified herein as independent contractors, not as employees or agent of the District, or joint venture or partner with the District; (2) shall be responsible for their own management and administration of the work required and bear sole responsibility for complying with any and all technical, schedule, financial requirements or constraints attendant to the performance of this Agreement; (3) shall be free from supervision or control by any government employee with respect to the manner or method of performance of the service specified; but (4) shall, pursuant to the government's right and obligation to inspect, accept or reject work, comply with such general direction of the CO, or the duly authorized representative of the CO as is necessary to ensure accomplishment of the Agreement objectives. The Design-Builder shall have exclusive authority to manage, direct, and control the work, and shall be responsible for all means, methods, techniques, sequences, and procedures, as well as for Project safety.

**Section 15.10 No Third-Party Beneficiary Rights.** Nothing in this Agreement shall be construed as creating third-party beneficiary rights in any person or entity, except as otherwise expressly provided in this Agreement.

**Section 15.11 Media Releases.** Neither the Design-Builder, its employees, agents or Subcontractors or material suppliers shall make any press release or similar media release related to the Project unless such press release have been discussed with the Department prior to its issuance.

**Section 15.12 Construction.** This Agreement shall be construed fairly as to all Parties and not in favor of or against any party, regardless of which party prepared the Agreement.

**Section 15.13 Notices.** All notices or communications required or permitted under the Agreement shall be in writing and shall be hand delivered or sent by telecopier or by recognized overnight carrier to the intended recipient at the address stated below, or to such other address as the recipient may have designated in writing. Any such notice or communication shall be deemed delivered as follows: if hand delivered, on the day so delivered, if sent by telecopier, on confirmation of successful transmission, and if sent by recognized overnight carrier, the next business day.

If to the Department:

If to the Design-Builder:

George Lewis, Associate Director  
and Chief Procurement Officer  
Department of General Services  
2000 14<sup>th</sup> Street, NW, 4<sup>th</sup> Floor  
Washington, DC 20009

This Section shall be read as imposing minimum requirements for distribution of required contractual notices, and not as displacing distribution requirements with respect to design Project documents, construction submittals, periodic reports, and other Project documents.

**Section 15.14 Limitations.** The Design-Builder agrees that any statute of limitations applicable to any claim or suit by the Department arising from this Agreement or its breach shall be controlled by applicable District of Columbia law.

**Section 15.15 Survival.** All agreements warranties, and representations of the Design-Builder contained in the Agreement or in any certificate or Project document furnished pursuant to the Agreement shall survive termination or expiration of the Agreement.

**Section 15.16 No Waiver.** If the Department waives any power, right, or remedy arising from the Agreement or any applicable law, the waiver shall not be deemed to be a waiver of the power, right, or remedy on the later recurrence of any similar events. No act, delay, or course of conduct by the Department shall be deemed to constitute the Department's waiver, which may be effected only by an express written waiver signed by the Department.

**Section 15.17 Remedies Cumulative.** Unless specifically provided to the contrary in the Agreement, all remedies set forth in the Agreement are cumulative and not exclusive of any other remedy the Department may have, including, without limitation, at law or in equity. The Department's rights and remedies will be exercised at its sole discretion, and shall not be regarded as conferring any obligation on the Department to exercise those rights or remedies for the benefit of the Design-Builder or any other person or entity.

**Section 15.18 Headings/Captions.** The headings or captions used in this Agreement or its table of contents are for convenience only and shall not be used in interpreting the Agreement.

**Section 15.19 Entire Agreement; Modification.** The Agreement supersedes all contemporaneous or prior negotiations, representations, course of dealing, or agreements, either written or oral. No modifications to the Agreement shall be effective against the Department unless made in writing signed by both the Department and the Design-Builder, unless otherwise expressly provided to the contrary in the Agreement. Notwithstanding the foregoing, nothing herein shall be construed to limit the Department's ability to unilaterally modify the Agreement.

**Section 15.20 Severability.** In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement, and in lieu of each such invalid, illegal or unenforceable provision, there shall be added automatically as a part of this Agreement a provision as similar in terms to such invalid, illegal or unenforceable provision as may be possible and be valid, legal and enforceable; each part of this Agreement is intended to be severable.

**Section 15.21 Anti-Deficiency Acts.** The obligations and responsibilities of the Department under the terms of the Agreement, or any subsequent agreement entered into pursuant to this Agreement or referenced herein (to which the Department is a party), are and shall remain subject to the provisions of: (i) the federal Anti-Deficiency Act, 31 U.S.C. §§ 1341, 1342, 1349-1351, 1511-1519 (2004) (the “**Federal ADA**”), and D.C. Official Code §§ 1-206.03(e) and 47-105 (2001); (ii) the District of Columbia Anti-Deficiency Act, D.C. Official Code §§ 47-355.01 – 355.08 (2004 Supp.) (the “**D.C. ADA**” and (i) and (ii) collectively, as amended from time to time, the “**Anti-Deficiency Acts**”); and (iii) Section 446 of the District of Columbia Home Rule Act, D.C. Official Code § 1-204.46 (2001). Pursuant to the Anti-Deficiency Acts, nothing in this Agreement shall create an obligation of the Department in anticipation of an appropriation by Congress for such purpose, and the Department’s legal liability for payments and other charges under this Agreement shall not arise or obtain in advance of the lawful availability of appropriated funds for the applicable fiscal year as approved by Congress. **IN ACCORDANCE WITH § 446 OF THE HOME RULE ACT, D.C. CODE § 1-204.46, NO DISTRICT OF COLUMBIA OFFICIAL IS AUTHORIZED TO OBLIGATE OR EXPEND ANY AMOUNT UNDER THE AGREEMENT OR CONTRACT DOCUMENTS UNLESS SUCH AMOUNT HAS BEEN APPROVED, IS LAWFULLY AVAILABLE AND APPROPRIATED BY ACT OF CONGRESS.**

**Section 15.22 Time.** Time, if stated in a number of days, will be calendar days and thus include Saturdays, Sundays, and holidays, unless otherwise stated herein.

**Section 15.23 Service Contract Act Provision.** The Design-Builder agrees that work performed under this Agreement shall be subject to the Service Contract Act Wage Determination, as applicable, in effect on the date this Agreement is executed. Service Contract Wage Schedules are available at [wdol.gov](http://wdol.gov), **Exhibit E**.

**Section 15.24 Living Wage Act.** In addition to the requirements set forth in the First Source Employment Agreement, the Design-Builder shall comply with all applicable provisions of the Living Wage Act of 2006, **Exhibit Q**, as amended (codified at D.C. Official Code §§ 2-220.01 et seq.) and its implementing regulations.

**Section 15.24 COVID-19 Vaccination Certification Requirement for District Contractors and Grantees in Accordance with Mayor’s Order**

## **2021-099 (“Order”)**

**Section 15.24.1** All District government contractors and grantees shall ensure that each of their employees, agents, and subcontractors who provide goods or perform services in person in District of Columbia facilities or worksites, or who have in-person contact with other persons in order to complete their work under the contract or grant have been either: (i) fully vaccinated against COVID-19, or (ii) granted one of the exemptions identified this Order by the contractor or grantee, are undergoing weekly COVID-19 testing and only reporting to the workplace when such test result is negative, and are wearing masks while working.

**Section 15.24.2** Each District government agency under the administrative control of the Mayor with procurement authority independent of the Chief Procurement Officer, and each grant-making agency may issue change orders, enter into amendments to grant agreements or grant award notifications, and include terms in new contracts, grant agreements, or grant award notifications that include the requirement set forth in Section 5.13.7.1

**Section 15.24.3** Contractors and grantees shall be responsible for ensuring compliance with this Order by their employees, agents, and subcontractors, and failure to do so may result in adverse consequences. Each District government contractor and grantee shall, at the request of the District government, provide to the District government a certification of its compliance with this requirement.

**Section 15.24.4** Nothing in this Order shall be deemed to prevent contractors or grantees from imposing stronger vaccination requirements on their employees, agents, or subcontractors, subject to applicable federal and local laws and regulations.

**Section 15.24.5** Contractors or grantees may be required to demonstrate further proof of vaccination, exemption documentation, and/or COVID-19 test results upon request of the City Administrator, the relevant agency’s contracting office, or other investigative authorities.

**Section 15.24.6 Limitation.** This Order does not vest any rights in constituents to have government services delivered by fully vaccinated employees, contractors, interns, or grantees, nor does it vest any rights in employees, contractors, interns, or grantees to interact only with fully vaccinated colleagues. Employees, contractors, interns, grantees, colleagues, and constituents are not entitled to know whether someone is at work because they have certified that they have been fully vaccinated or because they have obtained an exemption from the vaccination requirement imposed by this Order.

**Section 15.24.7 Privacy.** Completed vaccination certification forms and exemption requests shall be treated as private records exempt from disclosure under section 204(a)(2) of the Freedom of Information Act of 1976, effective March 29, 1977, D.C. Law 1-96; D.C. Official Code § 2-534(a)(2); however, the information included on those forms and requests may be used internally for verification, staffing, payroll, and assignments, and as any other operational needs may require, consistent with local and federal laws and regulations.

## **ARTICLE 16- TERMINATION OR SUSPENSION**

**Section 16.1** All terminations or suspensions arising out of or under this Agreement shall be in accordance with the terms of the Standard Contract Provisions (Construction Contracts and Architectural/Engineering Services Contracts).

**Section 16.2 Failure to Agree Upon GMP.** The Department shall have the right to terminate this Agreement in the event that the Department and the Design-Builder are unable to agree upon a GMP for the Project and the Department shall have the right, but not the obligation, to assume any of the Design-Builder's trade subcontracts upon such terms and conditions as requested by the Department. The Department's decision to terminate under this Section shall be made in the Department's sole and absolute judgment and shall not be subject to review by any reviewing body, including, but not limited to, arbitrators appointed under this Agreement or any court of competent jurisdiction.

**Section 16.3 Termination for Default.** The Department may terminate the Agreement for default if the Design-Builder fails to perform any of its duties or obligations under the Agreement. In particular, but without limitation, the Department may terminate the Agreement if:

1. The Design-Builder fails to perform the Work diligently, in accordance with the Project Schedule or to make such progress in the Work as the Department reasonably believes is necessary to complete the Project within the time required by the Agreement; or
2. The Design-Builder fails to perform the Work in a good and workmanlike manner or to correct defects in the Work promptly upon notice by the Department; or
3. The Department reasonably determines that the Design-Builder has abandoned the Work, or has failed to pay laborers, mechanics, materialmen, Subcontractors or suppliers when payment is due; or
4. The Design Builder becomes insolvent, makes an assignment for the benefit of creditors, files a voluntary petition under any chapter of the Bankruptcy Code or has an involuntary petition filed against it under any chapter of the Bankruptcy Code, or the Design Builder has a receiver appointed, or files for dissolution or otherwise is dissolved; or
5. The Design-Builder fails to pay its debts in a timely manner or becomes insolvent, the Department reasonably determines that the Design-Builder does not have the financial ability to carry out its obligations under the Agreement and the Design-Builder fails to give the Department prompt and reasonable assurances of its ability to perform.

**Section 16.3.1** The Department shall provide the Design-Builder with written notice of its intent to terminate the Agreement, under this Section.

**Section 16.3.2** If the Department terminates the Agreement for default, the Department will have the right to take over the Work, to accept assignment of some or all Subcontracts or agreements with material suppliers, to take possession of the Project, to take and use all tools, equipment and supplies then being used in connection with the Work, and to finish the Project by whatever method it deems expedient, including accepting assignment of all outstanding Subcontracts and Supply Agreements.

**Section 16.4 Termination for Convenience.** The Department may terminate the Contract in whole or specified part, for its convenience, for any reason. The notice of termination shall state the effective date of termination, the extent of the termination, and any specific instructions. The termination for convenience that arises out of or under this Agreement shall be in accordance with the terms of the Standard Contract Provisions (Construction Contracts and Architectural/Engineering Services Contracts).

**Section 16.5 Continued Responsibility After Termination.** If the Design-Builder is terminated, for default, for Convenience or otherwise, the Design-Builder shall remain responsible for defects or non-conformities in all Work performed to the date of the termination.

## **Article 17 – OTHER CONDITIONS AND SERVICES**

This Agreement and the rights and obligations of the Department and Design-Builder herein are subject to the approval of the Council for the District of Columbia.

## **Article 18 – CHANGES IN THE WORK**

**Section 18.1 Changes Authorized.** In accordance with the Standard Contract Provisions (Construction Contract) and the Standard Contract Provisions for Architectural and Engineering services Contracts, the Department may, without invalidating the Agreement, and without notice to or approval of any surety, order changes in the Work, including additions, deletions or modifications. Any such change must be conveyed by the Department to the Design-Builder via written Change Directive or Change Order.

**Section 18.2 Executed Change Directive/Change Order Required.** Only a written Change Directive or Change Order, executed by the Department's Contracting Officer, may make changes to the Agreement. In particular, but without limitation, a written Change Directive or Change Order executed by the Department's Contracting Officer is the only means by which changes may be made to the Substantial or Final Completion Dates, the Design-Build Fee, or the Guaranteed Maximum Price.

### **Section 18.3 Department-Initiated Changes**

1. If the Department wishes to make a change in the Work or to accelerate the Work, it will execute and issue to the Design-Builder a written Change Directive, either directing the Design-Builder to proceed at once with the changed Work or directing it to not to proceed, but to inform the Department, in writing, of the amount, if any, by which the Design-Builder believes that Substantial or Final Completion Dates and/or the Guaranteed Maximum Price should be adjusted to take the Change Order or Change Directive into account.
2. Within ten (10) days of receiving a Change Directive, the Design-Builder shall provide the Department with a written statement of all changes in the Agreement, including, without limitation, any changes to the Substantial or Final Completion Dates or the Guaranteed Maximum Price to which it believes it is entitled as a result of the Change Directive. If additional time is sought, a schedule analysis supporting the requested extension should be included. The schedule analysis should include a written narrative explanation. If a change in the Guaranteed Maximum Price is sought (or if the Department has requested a deduct change), the statement should include a breakdown, by line item, of the estimated cost changes attributable to the proposed change. The Department may request, and the Design-Builder shall provide, further cost breakdowns, clarifications, Project Documentation or back-up if the Department reasonably believes such additional information is needed to understand and evaluate the request. The additional information required may include cost and pricing data in accordance with the Department's regulations. Any requested adjustment to the Guaranteed Maximum Price shall be limited to increased Cost of the Work due to the Change Directive. The Design-Builder is not entitled to any markup on any kind of Change Orders except as authorized in Section 18.8, and if so authorized, any mark-up shall be in accordance with Section 18.11.
3. If the Department has not yet directed the Design-Builder to proceed with the change described by a Change Directive, the Department may rescind it. If the Department wishes to proceed, or has already directed the Design-Builder to proceed, the Design-Builder shall immediately proceed with the changed Work and, the Department and the Design-Builder shall use their good faith best efforts to reach an agreement upon the modifications to the Substantial or Final Completion Dates, and/or the Guaranteed Maximum Price that are justified by the Change Directive. If the Department and the Design-Builder reach agreement, the agreement shall be set forth in a Change Order and the Design-Builder shall also execute it, at which point it will become binding on both Parties.
4. If the Parties fail to reach an agreement within sixty (60) days after the Department receives the Design-Builder's detailed statement pursuant to Section 18.3.2, and such other Project documentation as the Department may request, the Design-Builder may assert a claim in accordance with the Agreement. In such a case, and subject to adjustment via the claims and disputes process, the Department shall unilaterally grant the Design-Builder such adjustments, if any, to the Substantial or

Final Completion Dates, the Guaranteed Maximum Price, and/or the Preconstruction or Design-Build Fee as the Department has judged to be appropriate.

**Section 18.4 Notice of Change Event.** The Design-Builder must give the Department written notice of any Change Event within ten (10) calendar days of the date on which the Design-Builder knew, or reasonably should have known, of the Change Event. To the extent available, the notice must state the nature of the Change Event and describe, generally, all changes in the Agreement to which the Design-Builder believes it is entitled. Such notice is an express condition precedent to any claim or request for adjustment to the Substantial or Final Completion Dates, or the Guaranteed Maximum Price arising from the Change Event and, if the notice is not given within the required time, the Design-Builder will have waived the right to any adjustment to the Substantial or Final Completion Dates, or the Guaranteed Maximum Price arising from the Change Event.

**Section 18.5 Detailed Change Request.** Within twenty (20) days after giving notice of a Change Event, the Design-Builder shall submit a written Change Request to the Department describing, in reasonable detail, all adjustments it seeks to the Substantial or Final Completion Dates or the Guaranteed Maximum Price as a result of the Change Event. The Change Request shall include the same information as described in Section 18.3 with respect to any Agreement changes the Design-Builder seeks due to the Change Event, and the amount of any requested adjustment to the Guaranteed Maximum Price shall be limited in accordance with that Section 18.3.

**Section 18.6 Changes to GMP.** Subject to the condition precedent that the Design-Builder have complied with the notice and documentation provisions of this Article, and subject to the limitations stated in this Agreement, the Design-Builder is entitled to an adjustment to the Guaranteed Maximum Price in the following cases:

1. If the Department issues a Change Directive or Change Order that directs the Design-Builder to proceed with work which is beyond the scope of Work included within this Agreement; or
2. The Design-Builder encounters Differing Site Conditions or Hazardous Materials not identified in the Preconstruction Phase.

**Section 18.7 Deductive Change Orders.** The Department reserves the right to issue deductive Change Orders (reducing the Guaranteed Maximum Price or modifying the Substantial or Final Completion Dates to an earlier date) when changes are effected, by Change Directive or otherwise, which will decrease the cost of completing the Work or the time within which it can be completed.

**Section 18.8 No Adjustments to Fee.** The Design-Builder understands and agrees that the Design-Build Fee shall not be increased or decreased as a result of any Change Orders or Change Directive. In furtherance of this understanding, the Design-Builder agrees that it shall not



be entitled to an increase in the Maximum Cost of General Conditions, or the Design-Build Fee by virtue of changes authorized by the Department unless such changes fall outside the general scope of work contemplated by this Agreement. The term general scope of work shall mean a state-of-the-art recreation center facility that is consistent with the Department's program of requirements and incorporates sustainable design initiatives. Without limiting the generality of the foregoing, it is understood and agreed that the Design-Builder shall not be entitled to any additional fees or general conditions unless (i) the Department makes additions to the scope provided for in this Agreement that cause the GMP, either individually or in the aggregate, to increase by more than ten percent (10%); or (ii) the Department makes additions to the scope provided for herein which (other than for punchlist or warranty work) require the Design-Builder's services for the Project to extend beyond the Substantial Completion Date.

**Section 18.9 Executed Change Orders or Contract Modifications are Final.** The Design-Builder agrees that any Change Order or Contract Modification executed by the Department and Design-Builder constitutes its full and final adjustment for all costs, delays, disruptions, inefficiencies, accelerations, schedule impacts, or other consequences arising from the change modification in question, whether a Change Directive, or a Change Event, or from any claimed cumulative effect of changes made to the date of the Change Order or Contract Modification, and that no further adjustments in compensation or time shall be sought or made with respect to the Change Directive or the Change Event giving rise to the Change Order or Contract Modification. Although the Parties anticipate that most Change Orders or Contract Modifications will not require an adjustment to the Cost of General Conditions, if the Work described in a Change Order or Contract Modification requires an increase or decrease in the Maximum Cost of General Conditions (i.e. because such a Change requires additional field staff or other equipment that would be classified as General Conditions Costs), the Change Order or Contract Modification shall contain an increase to the Design-Build Fee adjusting such amount. The cost of processing a Change Order or Contract Modification shall not be considered an event that will require an increase in the Maximum Cost of General Conditions.

**Section 18.10 Failure to Agree.** If the Design-Builder claims entitlement to a change in the Agreement, and the Department does not agree that any action or event has occurred to justify any change in time or compensation, or if the Parties fail to agree upon the appropriate amount of the adjustment in time or compensation, the Department will unilaterally make such changes, if any, to the Agreement, as it determines are appropriate pursuant to the Agreement. The Design-Builder shall proceed with the Work and the Department's directives, without interruption or delay, and shall make a claim as provided in Article 18 herein. Failure to proceed due to a dispute over a change request shall constitute a material breach of the Contract and entitle the Department to all available remedies for such breach, including, without limitation, termination for default.

**Section 18.11 Mark-Up on Trade Work.** There will be no mark ups. Change Order work shall be reimbursed as follows:

1. Intervening tier Subcontractors shall be entitled to a mark-up of two percent (2%) (Covering home office overhead, the cost of insurance and bonds, field supervision, general conditions and profit) on Work Performed by lower-tier Subcontractors;

2. To the extent permitted by Section 18.8, the Design-Builder shall be entitled to an increase in its Design-Build Fee at a rate of 2% on work performed by Subcontractors. Such markup shall cover the same cost elements that were included in the Design-Build Fee;
3. Direct Cost of the Work shall mean labor, material and other costs reasonably and necessarily incurred in the proper performance of the Work as approved by the Department and shall include, but not be limited to: (Direct Cost of the Work does not, however, include home office overhead, field supervision, general conditions or profit of either the Subcontractor or the Design-Builder. No personnel above the level of a working foreman shall be considered a Direct Cost of the Work).
  - (a) **Labor.** Payment will be made for direct labor cost plus indirect labor cost such as insurance, taxes, fringe benefits and welfare provided such costs are considered reasonable. Indirect costs shall be itemized and verified by receipted invoices. If verification is not possible, up to five percent (5%) of direct labor costs may be allowed.
  - (b) **Rented Equipment.** Payment for required equipment rented from an outside company that is neither an affiliate of, nor a subsidiary of, the Design-Builder will be based on receipted invoices which shall not exceed rates given in the current edition of the Rental Rate Blue Book for Construction Equipment. If actual rental rates exceed manual rates, written justification shall be furnished to the Contracting Officer for consideration. No additional allowance will be made for overhead and profit. The Design-Builder shall submit written certification to the Contracting Officer that any required rented equipment is neither owned by nor rented from the Design-Builder or an affiliate of or subsidiary of the Design-Builder.
  - (c) **Contractor's Equipment.** Payment for required equipment owned by the Design Builder or an affiliate of the Design-Builder will be based solely on an hourly rate derived by dividing the current appropriate monthly rate by 176 hours. No payment will be made under any circumstances for repair costs, freight and transportation charges, fuel, lubricants, insurance, any other costs and expenses, or overhead and profit. Payment for such equipment made idle by delays attributable to the Government will be based on one-half the derived hourly rate under this subsection.
  - (d) **Materials.** Incorporated and unincorporated materials as permitted under Section 9.1.

## Article 19 – CLAIMS & DISPUTE RESOLUTION

All claims or disputes arising out of this Agreement shall be governed by the terms of the Standard Contract Provisions (for Architectural and Engineering Services and Construction Contracts).

## **Article 20 - EXHIBITS**

Exhibit A	Program Requirements and Educational Specifications
Exhibit B	Project schedule
Exhibit C	Deliverable List
Exhibit D	SBE Subcontracting Plan
Exhibit E	Service Contract Act
Exhibit F	Key Personnel
Exhibit G	Davis Bacon Act Wage Determination
Exhibit H	Design-Builder's Designated Representatives
Exhibit I	Department's Designated Representatives and Contracting Officers
Exhibit J	Standard Contract Provisions (Construction and Architecture/Engineering)
Exhibit K	Form of Lien Waiver
Exhibit L	Form of GMP Amendment
Exhibit M	GMP Basis Project Documents Submission Date
Exhibit N	FF&E and Close-Out
Exhibit O	Subcontractor Performance Evaluation Form
Exhibit P	Equal Employment Opportunity Policy
Exhibit Q	Living Wage Act
Exhibit R	Award Fee Pool
Exhibit S	DGS Division One Specifications
Exhibit T	DGS Close Out Manual
Exhibit U	BIM Requirements

**IN WITNESS WHEREOF**, the Parties have executed this Agreement (DCAM-21-CS-RFP-0013) through their duly authorized representatives and effective as of the last date written below.

**DEPARTMENT OF GENERAL SERVICES, (INSERT DESIGN BUILDER)**  
an agency within the executive branch  
of the Government of the District of Columbia

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**Exhibit A - Program Requirements and Educational Specifications**

## **Exhibit B - Project Schedule**

## **Exhibit C - Deliverable List**

### **Design and Preconstruction Phase Deliverables**

Deliverables shall include but not limited to:

- a) Project Schedule.
- b) List of Long Lead Items that could adversely impact the Project's schedule and recommendations for purchase.
- c) Concept Cost Estimate and Concept Designs.
- d) Schematic Cost Estimate and Schematic Design.
- e) Design Development Cost Estimate and Design Development.
- f) Permit Set of Construction Documents Cost Estimate and Permit Set of Construction Documents.
- g) Permit Set of Construction Documents, including DCRA plan review responses.
- h) Issued for Construction Documents.
- i) Life Safety Floor Plans
- j) List of subcontractors from which the Design-Builder intends to solicit bids and bidding procedure.
- k) Trade bid tabulations, including all subcontractor Proposals.
- l) Report outlining Value Engineering strategies.
- m) GMP Proposal.
- n) Construction Phase Baseline Schedule.
- o) Statement of constructability within ten (10) days of the conclusion of the Design and Preconstruction Phase, executed by both the Design-Builder and the Project Architect/Engineer.
- p) Insurance Certificates
- q) Payment and Performance Bonds
- r) Reports outlining recommended Net Zero Energy strategies per each design milestone

### **Construction Deliverables**

Deliverables shall include but not limited to:

- a) Contingency Balance Update.
- b) Hazardous Material Abatement Subcontractor Insurance Certificates.
- c) Hazardous Material Abatement Records.

- d) Construction Document Packages.
- e) Progress Meeting Minutes.
- f) Project Schedule Updates.
- g) Project Progress Reports.
- h) Cost Variance Report.
- i) OSHA Safety Plan.
- j) Close out documents (Product Manuals, Warranties, etc.).
- k) Quality Control Plan.
- l) Quality Control Inspection Reports.
- m) Corrective Action Plan.
- n) Prolog submissions.
- o) Invoices and Acceptable Application for Payment with Release of Liens and Claims.
- p) Insurance Certificates.
- q) Performance and Payment Bonds and Agreement of Indemnity
- r) Certificate of Substantial Completion executed by the Project Architect/Engineer and submitted Department for review, concurrence and approval
- s) Documents that may be required by Contracting Officer from time to time.

#### **Close-Out Deliverables**

Deliverables shall include but not limited to:

- a) A complete set of the Design-Builder's Project files.
- b) A complete set of product manuals (O&M), Close-Out Deliverables training videos, warranties, etc.
- c) As built record drawings.
- d) Attic stock and schedule.
- e) Equipment schedule.
- f) Proposed schedule of maintenance.
- g) Environmental, health & safety documents.
- h) All applicable inspection certificates/permits (boiler, elevator, emergency evacuation plans, health inspection, etc.).
- k) LEED – Preliminary Construction Review.

## **Exhibit D - SBE Subcontracting Plan**



**Exhibit E**

Service Contract Act

## **Exhibit F - Key Personnel**

**Exhibit G - Davis Bacon Act Wage Determination**

## **Exhibit H - Design-Builder's Designated Representatives**

## **Exhibit I - Department's Designated Representatives and Contracting Officers**

George G. Lewis

Associate Director & Chief Procurement Officer, Contracts and Procurement Division

Department of General Services

Contracts and Procurement Division

2000 14th Street NW, 8<sup>th</sup> Floor

Washington, DC 20009

Eric Njonjo

Contracting Officer, Contracting and Procurement Division

Department of General Services

1250 U Street NW, 2nd Floor

Washington, DC 20009

**Exhibit J – Standard Contract Provisions (Construction and  
Architecture/Engineering)**

**Exhibit K - Form of Lien Waiver**

**Exhibit L - Form of GMP Amendment**



## **GUARANTEED MAXIMUM PRICE AMENDMENT**

### **DESIGN-BUILD AGREEMENT**

#### **GARFIELD ELEMENTARY SCHOOL**

**THIS GUARANTEED MAXIMUM PRICE AMENDMENT** (“Amendment”) is entered into by and between the **DISTRICT OF COLUMBIA GOVERNMENT**, acting by and through its **DEPARTMENT OF GENERAL SERVICES** (the “Department”) and **[DESIGN-BUILDER]**, (the “Design-Builder”) pursuant to the Agreement, dated \_\_\_\_\_, between the District of Columbia government, by and through the Department and the Design-Builder, for design-build work at the **GARFIELD ELEMENTARY SCHOOL** and to establish a Guaranteed Maximum Price and Contract Time for the Work as set forth below.

### **ARTICLE I**

#### **GUARANTEED MAXIMUM PRICE**

**Section 1.1 Guaranteed Maximum Price.** Subject to additions and deductions which may be made only in accordance with the Agreement, the Design-Builder represents, warrants and guarantees to the Department that the total maximum cost to be paid by the Department for Design-Builder’s complete performance under the Agreement, including, but not limited to, Final Completion of all Work, all services of Design-Builder under the Agreement, and all fees, compensation and reimbursements to Design-Builder, shall not exceed the total amount of [INSERT AMOUNT] Dollars (\$[INSERT AMOUNT]) (“*Guaranteed Maximum Price*”). Costs which would cause the Guaranteed Maximum Price (as may be adjusted pursuant to the Contract Documents) to be exceeded shall be paid by the Design-Builder without reimbursement by the Department.

**Section 1.2 Guaranteed Maximum Price Components.** The Guaranteed Maximum Price is comprised of the maximum amount payable by the Department for:

- 1.2.1** the Cost of the Work for full and complete performance of the Work in strict accordance with the Contract Documents;
- 1.2.2** a Pre-Construction Fee for the Design-Builder, as defined in the Agreement, in the amount of [INSERT AMOUNT];
- 1.2.3** a Design-Build Fee for the Design-Builder, as defined in the Agreement, in the amount of [INSERT AMOUNT];
- 1.2.4** a Maximum Cost of General Conditions, , as defined in the Agreement, in the amount of [INSERT AMOUNT];

**1.2.5** The Guaranteed Maximum Price is further broken down into line items and categories on Exhibits \_\_\_\_ attached hereto.

**Section 1.3 Basis for the GMP.** The GMP is for the performance of the Work in accordance with the Contract Documents listed and attached to this Amendment and marked Exhibits \_\_\_\_ through \_\_\_\_, as follows:

**1.3.1** Exhibit \_\_\_\_: List of Drawings, Specifications, addenda and General, Supplementary and other Conditions of the Agreement on which the Guaranteed Maximum Price is based

**1.3.2** Exhibit \_\_\_\_: A list of Unit Prices and Allowance items as well as a statement of their basis.

**1.3.3** Exhibit \_\_\_\_: Assumptions and Clarifications made in preparing the Guaranteed Maximum Price, noting in particular any exclusions. The Assumptions and Clarifications shall take precedence over the Drawings and Specifications, but shall be subordinate to the Agreement and the terms of this Amendment.

**1.3.4** Exhibit \_\_\_\_: The proposed Guaranteed Maximum Price, including a statement of the detailed cost estimate organized by trade categories, allowances, Contingency, and other items and the fee that comprise the Guaranteed Maximum Price.

**1.3.5** Exhibit \_\_\_\_: A Construction Phase Schedule which shall include, but not be limited to, the Substantial and Final Completion Dates, upon which the proposed Guaranteed Maximum Price is based, and a schedule of the Construction Project Documents issuance dates upon which the Substantial and Final Completion Dates are based (the "Project Schedule").

**1.3.6** Exhibit \_\_\_\_: An LSDBE Utilization Plan setting forth the names and estimated dollar volume of the work that will be performed by small, local and disadvantaged business enterprises, as certified by the Department of Small and Local Business Development, upon which the GMP is based.

**Section 1.4 Incomplete Drawings and Specifications.** Design-Builder and the Department acknowledge that the Drawings and Specifications are not complete and, as of the date hereof, that such Drawings and Specifications have reached the level of approximately \_\_\_\_% complete design development Project Documents. The Design-Builder, however, has been actively involved in the design process and hereby represents that it has a sufficient understanding of the Project to agree to a Guaranteed Maximum Price to Fully Complete the Project. The Design-Builder hereby acknowledges that the GMP Basis Project Documents provides sufficient detail

and information to provide a firm Guaranteed Maximum Price and that the Guaranteed Maximum Price proposed therein is intended to represent the Design-Builder's offer to Fully Complete the Project. The Design-Builder and the Department agree to work together to complete the Drawings and Specifications as provided in this Agreement, consistent with the Guaranteed Maximum Price premises and assumptions and Project Schedule.

**Section 1.5 Design Intent; Inferable Work.** Design-Builder agrees that the Guaranteed Maximum Price is based on the current state of the design, which represents approximately [ ] percent complete design development Project Documents. The GMP Basis Project Documents will include various clarifications and assumptions that are intended to further define the scope of Work that will be required to complete design. The Design-Builder has included within the Guaranteed Maximum Price sufficient amounts to cover aspects of the Work that are not shown on the GMP Basis Project Documents. If the Department does not approve any such scope increase, the Design-Builder shall cause the Architect to develop a design that is consistent with the original design intent and shall complete the Work for an amount that does not exceed the GMP.

**Section 1.6 Cost Overruns.** Subject to additions or deductions which may be made in accordance with the Agreement, the Design-Builder shall be solely liable and responsible for and shall pay any and all costs, fees and other expenditures in excess of the Guaranteed Maximum Price for and/or relating to the Work, without entitlement to reimbursement from the Department. Design-Builder shall not be entitled to any fee, payment, compensation or reimbursement under this Agreement or relating to the Work or Project other than as expressly provided in the Agreement.

**Section 1.7 Allowances.** The Guaranteed Maximum Price includes specific "Unit Price Allowance Amounts" for certain items as shown on the Schedule of Values and budgeted in the Guaranteed Maximum Price ("*Allowance Items*"). The only Allowance Items shall be those specifically identified as such in the Schedule of Values and in the Guaranteed Maximum Price. The Allowance Amounts represent all Costs of the Work of the Allowance Items, including, without limitation, costs of materials, labor, handling, transportation, loading and unloading and installation, as determined by Design-Builder.

## ARTICLE 2

### INTENT, INTERPRETATION AND CORRELATION

**Section 2.1 Intent of the Agreement.** The intent of the Agreement is for the Design-Builder to perform and supply, and the Department hereby engages Design-Builder to and Design-Builder hereby agrees to perform and supply, the Work, including all necessary design services, scheduling, procurement, supervision, construction, and construction management services and

supply all necessary labor, materials, equipment and related work and services necessary to fully complete the Work and obtain the intended results of the Contract Documents, including, but not limited to the requirements of the Project Schedule and the Guaranteed Maximum Price requirements set forth in Article 1 above. The enumeration of particular items in the Specifications and/or Drawings shall not be construed to exclude other items. The Contract Documents are complementary, and what is required by any one of the Contract Documents (including either a Drawing or Specification) as being necessary to produce the intended results shall be binding and required as a part of the Work as if required by all Contract Documents.

**Section 2.2 Design-Builder's Compliance with Contract Documents.** Design-Builder agrees, accepts and assumes that the Department's decision will require implementation of the most stringent requirements among any conflicting provisions of the Contract Documents as being part of the Work. The Design-Builder agrees to be bound by all decisions by the Department to implement the most stringent of any conflicting requirements within the Contract Documents. Any failure by Design-Builder to seek such clarifications shall in no way limit the Department's ability to require implementation, including replacement of installed Work at a later date at Design-Builder's sole expense, to achieve compliance with the more stringent requirements. Without limiting the generality of the foregoing, the Design-Builder hereby agrees as follows:

**2.2.1** The failure of the Department to insist in any one or more instances upon a strict compliance with any provision of this Agreement, or to exercise any option herein conferred, shall not be construed as a waiver or relinquishment of the Department's right thereafter to require compliance with such provision of this Agreement, or as being a waiver of the Department's right thereafter to exercise such option, and such provision or option will remain in full force and effect.

**2.2.2** If there is any inconsistency in the Drawings or any conflict between the Drawings and Specifications, Design-Builder shall provide the better quality or greater quantity of Work or materials, as applicable, unless the Department directs otherwise in writing.

**2.2.3** Design-Builder shall be responsible for dividing the Work among the appropriate Subcontractors and Vendors. No claim will be entertained by the Department based upon the organization or arrangement of the Specifications and/or the Drawings into areas, sections, subsections or trade disciplines.

**2.2.4** Detail drawings shall take precedence over scale drawings, and figured dimensions on the Drawings shall govern the setting out of the Work.

**2.2.5** Unless the Specifications expressly state otherwise, references to documents and standards of professional organizations shall mean the latest editions published prior to the Effective Date.

**2.2.6** Technical words, abbreviations and acronyms in the Contract Documents shall be used and interpreted in accordance with customary usage in the construction industry.

**2.2.7** Whenever consent, permission or approval is required from any party pursuant to the provisions of the Contract Documents, such consent, permission or approval shall, unless expressly provided otherwise in this Agreement, be given or obtained, as applicable, in writing.

### **ARTICLE 3**

**[INTENTIONALLY OMITTED]**

### **ARTICLE 4**

#### **OTHER PROVISIONS**

**Section 4.1 Design-Builder's Responsibilities.** The Design-Builder also expressly acknowledges that this Project and the Work will proceed on a "fast-track" method of construction, i.e., construction will commence without final Drawings and Specifications in place. More specifically, while Drawings and Specifications are complete for certain portions of Work, the design process will continue for other portions during construction based on the Guaranteed Maximum Price premises and assumptions. The Design-Builder has been, and will continue to be, an active participant in the design process. Given such participation, the Design-Builder represents that it is familiar with the scope and quality of those aspects of the Project that have not yet been fully designed, and has taken such scope and quality matters into consideration in preparing each component of the Guaranteed Maximum Price. The Design-Builder agrees to work with the Department in managing the construction and design work to complete the design process. The Design-Builder shall manage the Project, including coordinating redesign or value engineering necessary or advisable for certain aspects of the Project at any stage of the design process in order to bring the cost of such Work within or below, but not in excess of, the respective allowances or the budgeted or allocated amounts for other items contained in the Guaranteed Maximum Price. Once the Drawings and Specifications are complete, it is recognized by the Design-Builder and the Department that the scope of the Guaranteed Maximum Price may include Work not expressly indicated on the Contract Documents, but which is reasonably inferable from the Contract Documents, and such Work shall be performed without any increase in the Guaranteed Maximum Price or extension of Contract Time, except if and to the extent otherwise expressly provided in this Agreement.

## ARTICLE 5

### MISCELLANEOUS PROVISIONS

**Section 5.1 Prior Agreement Unaffected.** Except as expressly agreed to herein, all of the terms, conditions, representations and warranties set forth in the Agreement shall remain unaffected and in full force and affect.

**Section 5.2 Integrated Agreement.** This Amendment and any attachment hereto set forth the entire agreement and understanding of the parties regarding the transactions contemplated hereby and supersede all prior oral and written agreements, arrangements and understandings relating to the subject matter hereof. There are no oral or written agreements or understandings, representations or warranties among the parties other than those set forth herein.

**Section 5.3 Counterparts.** This Amendment may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which shall be considered one and the same instrument.

**Section 5.4 Construction.** This Agreement shall be construed fairly as to all parties and not in favor of or against any party, regardless of which party prepared the Agreement.

**IN WITNESS WHEREOF**, each of the parties to this Amendment to Agreement (DCAM-21-CS-RFP-0013) has caused it to be executed by its duly authorized representative on the dates set forth below.

**DISTRICT OF COLUMBIA GOVERNMENT, by and through its DEPARTMENT OF GENERAL SERVICES**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**[DESIGN-BUILDER]**

**By:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Its:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Exhibit M - GMP Basis Project Documents Submission Date**



## **Exhibit N - FF&E and Close-Out**

### **FF&E**

The Design-Builder shall be responsible for FF&E as set forth in this Exhibit: [TBD at GMP Amendment]

**Exhibit O - Subcontractor Performance Evaluation Form**

*To be determined at GMP Amendment*

**Exhibit P - Equal Employment Opportunity Policy**

## **Exhibit Q – Living Wage Act**

## **Exhibit R – Award Fee Pool**

**Exhibit S - DGS Division One Specifications**

## **Exhibit T - DGS Closeout Manual**

## **Exhibit U - BIM Requirements**



**EXHIBIT 2**

**ATTACHMENT N - FORM OF NOTICE TO PROCEED AND LETTER CONTRACT**

**[EXHIBIT WILL APPEAR ON THE FOLLOWING PAGE]**

**GOVERNMENT OF THE DISTRICT OF COLUMBIA**  
**DEPARTMENT OF GENERAL SERVICES**



[DATE]

[Contractor's address]

**Reference:** Request For Proposals No. DCAM-21-CS-RFP-0013 (“RFP”) – Design-Build Services for Garfield Elementary School.

**Subject:** Notice to Proceed and Letter Contract

Dear Mr. \_\_\_\_\_,

We refer to the proposal submitted by \_\_\_\_\_ (the “Contractor” or “Design-Builder”) in response to the above referenced RFP. We are pleased to inform you that this work has been awarded to \_\_\_\_\_, and if this Letter Contract (“Letter Contract”) is signed by the Contractor without modification of any kind, it will serve as a notice to proceed for the work described below. This notice to proceed is subject to the following terms:

1. Letter Contract. This is a Letter Contract between the Contractor and the District of Columbia Government, acting by and through its Department of General Services (“DGS” or the “Department”), and shall govern our relationship until such time as a final contract is entered into for the work described in the above referenced RFP (the “Definitized Contract”); provided, however, that to the extent an issue is not covered in this Letter Contract, the RFP shall govern. once the Definitized Contract is executed by an authorized Contracting Officer, this Letter Contract shall automatically terminate and merge into the Definitized Contract.
2. Scope of Work. The Contractor shall provide Design-Build Services for The Contractor shall provide Design-Build Services for Garfield Elementary School project, located at 2435 Alabama Ave SE, Washington, DC 20020, as described in the Contractor’s Proposal dated \_\_\_\_\_ submitted in response to the subject RFP.
3. Deliverables. In connection with the services provided pursuant to this Letter Contract, the Contractor shall provide, at a minimum, the deliverables in accordance with the requirements in the RFP and Form of Contract to the Department’s Program Manager and in the referenced instances to the Contracting Officer. [ADD deliverables]

In the event that the Contractor fails to timely submit any such deliverable, the Contractor shall pay to the Department as liquidated damages Seven Thousand Five Hundred Dollars (\$7,500) plus Five Hundred Dollars \$500.00 per day after receiving written notice from the Contracting Officer of failure

to submit each deliverable. This remedy is cumulative and does not limit any other right or remedy of the Department under the contract or applicable District law.

4. Not to Exceed Amount. The limit of this authorization is up to \$\_\_\_\_\_ (“Not to Exceed” amount or “NTE”) including portions of the pre-construction fee, design fee, general condition cost in addition to other costs as further described in the Schedule of the Values (**Exhibit A**). In no event shall the Contractor be entitled to receive more than the NTE under this Letter Contract unless authorized in advance and in writing by a duly authorized Contracting Officer. This not-to-exceed amount includes all costs incurred by the Contractor in connection with the work authorized hereby.

5. Construction Phase Compensation. The Contractor understands and agrees that the Department makes no representation or warranty that the Contractor shall be entitled to serve as the builder for the Project. If, however, the Department and the Contractor agree upon a GMP and schedule for the Project, the Contractor agrees that it shall be paid a Design-Build Fee of \$\_\_\_\_\_ and that the Maximum Cost of General Conditions shall be \$\_\_\_\_\_ based on the schedule and budget set forth in the RFP. The Contractor further agrees to enter into a design-build agreement that is substantially similar to the Agreement for Design-Build Services issued with the RFP, subject only to such adjustments as were requested by the Contractor in its bid and which are agreed to by the Department.

6. Insurance. At all times while working under this Letter Contract, the Contractor shall maintain insurance as described in the RFP. All such policies shall be endorsed to add the District of Columbia, including, but not limited to, its Department of General Services, and the respective agents, employees and offices of each as additional insureds.

7. Duration. Once signed by the Contractor, the Letter Contract will become effective on the date the Letter Contract is executed by the Department. This Letter Contract will terminate on the earlier to occur of the following: (i) the date the Definitized Contract becomes effective; or (ii) [Insert Date]. DGS reserves the right to terminate this Letter Contract, in whole or specified part, for convenience in the manner described in **Article 5** and **Article 6** of the District of Columbia Department of General Services Standard Contract Provisions General Provisions for Construction Contract.

8. Billing. All invoices shall be submitted directly to the Department at the address specified in the RFP. Purchase Order numbers should be included in all future invoices and accounting records. Properly prepared invoices with the necessary backup shall be paid within thirty (30) days of receipt. Invoices not paid by that date shall bear interest in accordance with the Quick Payment Act.

9. Key personnel. To carry out its duties, the Design-Builder shall provide at least the key personnel identified in (**Exhibit F**) (“Key Personnel”), who shall carry out the functions identified in (**Exhibit F**). Among other things, the Key Personnel shall include:

**A - Key Personnel of the Prime Contractor:**

- (i) Project Manager; (ii) Superintendent; and (iii) Project executive.

**B - Key Personnel of the Architect/Engineer**

- (i) Project Manager; (ii) Project Architect; (iii) Principal in Charge; (iv) Lead Mechanical Engineer; (v) Lead Structural Engineer, and (vi) Lead Envelope Consultant

It is contemplated that these Key personnel will work from the design stage, purchasing and throughout the bulk of the field work. The Design-Builder's obligation to provide adequate staffing is not limited to providing the Key Personnel, but is determined by the needs of the Project. If any of the Key Personnel become unavailable to perform services in connection with the Letter Contract due to death, disability or separation from the employment of the Design-Builder or any affiliate of the Design-Builder, then the Design-Builder shall promptly notify the Department's Contracting Officer and propose a replacement acceptable to the Department. The Department shall be entitled to complete information before approving such replacement. Certain members of the Design-Builder's Key Personnel shall be subject to a replacement fee for their removal or reassignment by the Design-Builder.

If the Design-Builder replaces one of the key personnel listed in (**Exhibit F**) as being subject to a replacement fee, without the prior written consent of the Department, then the Design-Builder shall pay to the Department (\$25,000) for each replacement as replacement fee and not a penalty, to reimburse the Department for its administrative costs arising from the Design-Builder's failure to provide the Key Personnel. The foregoing replacement fee amount shall not bar recovery of any other damages, costs or expenses other than the Department's internal administrative costs.

10. ProjectTeam. The Design-Builder shall utilize the Department's current project management software ("ProjectTeam") system to submit any and all Project Documentation required to be provided by the Design-Builder for the Project, including, but not limited to: (i) requests for information; (ii) submittals; (iii) meeting minutes; (iv) invoices/applications for payment (full package including all forms required by DGS); (v) certified payrolls (in addition to upload via LCP Tracker); (vi) drawings and specifications; (vii) punchlist; and (viii) other Project Documents as may be designated by the Department. The Design-Builder also shall require all subcontractors and subconsultants to utilize ProjectTeam for the Project execution.

Electronic storage and transmission of information via ProjectTeam system shall be compliant with the provisions of the Document Security section of these General Requirements.

11. Invoice Submittal. The Contractor shall create and submit payment requests in an electronic format through the DC Vendor Portal, <https://vendorportal.dc.gov>. The Contractor shall submit proper invoices on a monthly basis. To constitute a proper invoice, the Contractor shall enter all required information into the Portal after selecting the applicable purchase order number which is listed on the Contractor's profile. Properly prepared invoices with the necessary backup shall be paid within thirty (30) days of receipt. Invoices not paid by that date shall bear interest in accordance with the Quick Payment Act. For assistance with the registration process call (202) 741-5200 or visit <http://vendorportal.dc.gov> to submit an inquiry.

12. Purchase Order Number. This Letter Contract will become effective on the date the Letter Contract is executed by the Department. The Department's Contracting & Procurement Division will issue a purchase order number and will be sent in a separate cover. That number should be included in all future invoices and accounting records. In the event that you do not obtain a purchase order number please contact Peter Ghogomu via [peter.ghogomu@dc.gov](mailto:peter.ghogomu@dc.gov) directly to obtain this number.

13. Ownership and Use of Documents. All documents and work product prepared by the Contractor shall become the property of the Department upon the payment of invoices submitted under the Letter Contract.

14. Trade Work/Site Control. Unless otherwise directed by the Department, the Contractor shall not perform any trade work or take control of the site. Any authorization to proceed with trade work will include appropriate provisions relating to compliance documents (first source employment agreement, Department of Small and Local Business Development (DSLBD)), bonds, insurance, and safety procedures. At a minimum, however, the Department's Standard Contract Provisions for Construction shall apply. In addition to the requirements set forth in any such subsequent authorization, prior to executing this Letter Contract, the Contractor shall provide the Department's Contracting Officer with certificates evidencing insurance, a payment and performance bond having a penal value equal to the then value of the Letter Contract and the Contractor's agreement of indemnity. In the event the Contractor fails to provide the Department with such certificates of insurance, the agreement for indemnity or bond, the Department may withhold any subsequent payment until such documents are provided.

15. Entire Agreement; Modification. This Letter Contract, along with the Standard Contract Provisions, (Exhibit A – Architectural & Engineering Services and Exhibit B – Construction Services) supersede all contemporaneous or prior negotiations, representations, course of dealing, or agreements, either written or oral. No modifications to this Letter Contract shall be effective against the Department and unless made in writing signed by the Department. Notwithstanding the provisions of this Section 14, nothing herein shall limit the Department's ability to unilaterally modify this Letter Contract.

16. Davis Bacon Act Wage Determination. The Contractor agrees that the work performed under this Letter Contract shall be subject to the Davis Bacon Wage Determination as set forth in **(Exhibit D)** in effect at the time of Letter Contract execution by the Department.

17. Service Contract Act. The Contractor agrees that the work performed under this Letter Contract shall be subject to the Service Contract Act as set forth in **(Exhibit E)** in effect at the time of Letter Contract execution by the Department.

17. Living Wage Act. The Contractor agrees that the work performed under this Letter Contract shall be subject to the Living Wage Act in effect at the time of Letter Contract execution by the Department. As such, the Contractor and its subcontractors shall comply with the wage reporting requirements imposed by the act as set forth in **(Exhibit G)**.

ISSUED BY:

ACCEPTED BY:

By: \_\_\_\_\_  
Name: Eric Njonjo  
Title: Contracting Officer  
Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

## **Exhibits**

**EXHIBIT 3**

**ATTACHMENT C - FORM OF OFFER LETTER**

**[EXHIBIT WILL APPEAR ON THE FOLLOWING PAGE]**

Attachment C

[Offeror's Letterhead]

[Insert Date]

District of Columbia Department of General Services  
2000 14<sup>th</sup> Street, NW  
Washington, D.C. 20009

Attention: George G. Lewis  
Chief Procurement Officer

Reference: Request for Proposals (RFP) – DCAM-21-CS-RFP-0013  
Design-Build Services for Garfield Elementary School

Dear Mr. Lewis:

On behalf of [INSERT NAME OF VENDOR] (the "Offeror"), I am pleased to submit this proposal in response to the Department of General Services' (the "Department" or "DGS") Request for Proposals (the "RFP") to provide Design Build Services for Garfield Elementary School project. The Offeror has reviewed the RFP and the attachments thereto, any addenda thereto, and the proposed Form of Contract (collectively, the "Bid Documents") and has conducted such due diligence and analysis as the Offeror, in its sole judgment, has deemed necessary in order to submit the Offeror's Bid in response to the RFP. The Offeror's proposal, the Design Fee, the Design-Build Fee, and the Maximum Cost of General Conditions (as defined in Section 2.11 of the RFP) are based on the Bid Documents as issued and assume no material alteration of the terms of the Bid Documents (collectively, the proposal, the Design Fee, the Design-Build Fee, and the Maximum Cost of General Conditions are referred to as the "Offeror's Bid.").

The Offeror's Bid is as follows:

A. Preconstruction Fee:	\$ _____
B. Design Fee:	\$ _____
C. Design-Build Fee:	\$ _____

The Offeror acknowledges and understands that Design Fee/Budget is a firm, fixed price and other than as permitted in the Form of Contract will not be subject to further adjustment.

D. The estimated cost of the Offeror's general conditions (the "Maximum Cost of General Conditions") is set forth below. The Maximum Cost of General Conditions consists of the following elements:



Cost of construction staff (only field staff are reimbursable)	\$ _____
Fringe Benefits associated with field staff costs	\$ _____
Payroll taxes and payroll insurance associated with field staff costs	\$ _____
Staff costs associated with obtaining permits and approvals	\$ _____
Out-of-house consultants	\$ _____
Field office for Design-Builder including but not limited to:	\$ _____
• Trailer purchase and/or rental	
• Field office installation, relocation and removal	
• Utility connections and charges during the Construction phase	
• Furniture	
• Field offices for DGS and Program Manager	
• Office supplies	
Office equipment including but not limited to:	\$ _____
• Computer hardware and software	
• Fax machines	
• Copy machines	
• Telephone installation, system and uses charges	
• Job radios	
Parking Costs for the Construction Staff	\$ _____
Salting sidewalks and shoveling snow on sidewalks that surround the site	\$ _____
Local delivery and overnight delivery costs	\$ _____
First aid facility	\$ _____
Progress photos	\$ _____
Printing cost for drawings, bid packages, etc.	\$ _____
BIM Cost (software, seats, hardware)	\$ _____
Other (please itemize)	\$ _____
 Total Maximum Cost of General Conditions	 \$ _____

The Offeror acknowledges and understands that the Maximum Cost of General Conditions will be incorporated into the contract and that the Offeror will not be permitted to exceed the Maximum Cost of General Conditions unless it first obtains the written approval of the Department.

E. In addition, the Offeror hereby represents that, based on its current rating with its surety, the indicated cost of a payment and performance bond is [INSERT PERCENTAGE].

The Offeror's Bid is based on and subject to the following conditions:

1. The Offeror agrees to hold its proposal open for a period of at least one hundred and twenty (120) days after the date of the bid.
2. Assuming the Offeror is selected by the Department and subject only to the changes requested in paragraph 5, the Offeror agrees to enter into a contract with the Department on the terms and conditions described in the Bid Documents within ten (10) days of the notice of the award. In the event the Offeror fails to do so, the Department shall have the right to levy upon the Offeror's bid bond.

3. Both the Offeror and the undersigned represent and warrant that the undersigned has the full legal authority to submit this bid form and bind the Offeror to the terms of the Offeror's Bid. The Offeror further represents and warrants that no further action or approval must be obtained by the Offeror in order to authorize the terms of the Offeror's Bid. In addition to any other remedies that the Department may have at law or in equity, the Department shall have the right to levy upon Bidder's Bid Bond in the event of a breach of this paragraph 3.

4. The Offeror and its principal team members hereby represent and warrant that they have not: (i) colluded with any other group or person that is submitting a proposal in response to the RFP in order to fix or set prices; (ii) acted in such a manner so as to discourage any other group or person from submitting a proposal in response to the RFP; or (iii) otherwise engaged in conduct that would violate applicable anti-trust law.

5. The Offeror's proposal is subject to the following requested changes to the Form of Contract: **INSERT REQUESTED CHANGES. OFFERORS ARE ADVISED THAT THE CHANGES SO IDENTIFIED SHOULD BE SPECIFIC SO AS TO PERMIT THE DEPARTMENT TO EVALUATE THE IMPACT OF THE REQUESTED CHANGES IN ITS REVIEW PROCESS. GENERIC STATEMENTS, SUCH AS "A MUTUALLY ACCEPTABLE CONTRACT" ARE NOT ACCEPTABLE. OFFERORS ARE FURTHER ADVISED THAT THE DEPARTMENT WILL CONSIDER THE REQUESTED CHANGES AS PART OF THE EVALUATION PROCESS.**

6. The Offeror hereby certifies that neither it nor any of its team members have entered into any agreement (written or oral) that would prohibit any contractor, subcontractor or sub-consultant that is certified by the District of Columbia Office of Department of Small and Local Business Enterprises as a Local, Small, Resident Owned or Disadvantaged Business Enterprise (collectively, "LSDBE Certified Companies") from participating in the work if another company is awarded the contract.

7. This bid form and the Offeror's Bid are being submitted on behalf of [INSERT FULL LEGAL NAME, TYPE OF ORGANIZATION, AND STATE OF FORMATION FOR THE OFFEROR].

Sincerely,

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_