



Request for Proposals

for Construction Manager at Risk Services

**Water Reclamation Facility Improvements
and Expansion Project**

City of Sioux Falls, South Dakota

May 17, 2019

Proposal Request No. 19-3001

**Section 1
Advertisement for Proposals**

Publish: Friday, May 17 and 24, 2019

RFP 19-3001

The City of Sioux Falls, SD (City), requests proposals for Construction Manager at Risk (CMAR) services for its Water Reclamation Facility (WRF) Improvements and Expansion Project.

Proposals must be received at the Customer Service Counter, Ground Floor, City Hall, 224 W. 9th St., P.O. Box 7402, Sioux Falls, SD 57117-7402, not later than 2 p.m., Thursday, June 13, 2019. The proposals will be opened at 2:15 p.m.

The Request for Proposals for CMAR Services for the Water Reclamation Facility Improvements and Expansion Project is available on the City's website at www.siouxfalls.org/business.

The City reserves the right to reject any or all proposals, waive technicalities, and make award(s) as deemed to be in the best interest of the City.

**Section 2
Selection Schedule**

May 17, 2019	RFP posted on City's website.
May 28 & 29	Group facility tours.
June 5, 2019	Deadline for Proposer's questions on the RFP.
June 10, 2019	City responses to Proposer's questions posted on City's website.
June 10, 2019	Deadline for issuance of addendums
June 13, 2019	Proposals received by City no later than 2 p.m., CT.
June 26, 2019	Anticipated selection of firms for interviews.
July 23-25, 2019	Anticipated dates of interviews.
August 9, 2019	Anticipated date of CMAR selection.

**Section 3
Project Description**

The City is seeking a Construction Manager at Risk ("CMAR") to provide preconstruction and construction services for the construction of its WRF Improvements and Expansion Project (the "Project"). These services will be coordinated with an engineering firm ("Design Professional") which will perform design services for the Project. The City selected Carollo Engineers on Monday, April 29, 2019 as the Design Professional. Carollo Engineers and the City are currently in contract negotiations with the City for preliminary design services for the Project.

**Section 4
Rationale for Using CMAR Approach**

Technical and/or Scheduling Challenges:

The City has elected to use the CMAR contracting method on the WRF Improvements and Expansion Project based on technical and scheduling complexities as defined in the Master Plan for the WRF and system. The WRF Master Plan identified several hydraulic, biological,

age, and condition improvements projects necessary to meet future growth (flow) and anticipated future discharge permit requirements. The recommended projects will impact most liquid and solids stream unit processes at the WRF. Completing these projects using the CMAR contracting method will reduce the risk of hydraulic overflows and permit violations since it will coordinate the required Master Plan improvements in a holistic manner instead of individual projects. Using a CMAR approach reduces the risk of conflicts and disputes instead of completing projects under separate contracts by different designers and contractors. Based on these factors, the CMAR contracting method is the most applicable for this Project.

The advantage of using a CMAR contracting approach includes the following:

- Active engagement of the CMAR throughout the design with the intent of identifying and minimizing construction conflicts.
- Optimizing the phasing of Project elements.
- Early cost identification and budget validation.
- Centralized site management.
- Successful coordination of commissioning of both process streams and the nonprocess buildings.

Under the guidance of a CMAR, Project delivery should be expedited with fewer disruptions resulting in Project cost savings.

Early Involvement of the Contractor Needed During Design:

This Project requires the CMAR's participation during the design phase due to the complexity of construction sequencing, the need for continued operation of the plant during construction, and timely equipment procurement and delivery.

During the design phase, the CMAR will collaborate with the design team and facility operations staff to develop scenarios for phasing construction in a manner that minimizes impacts to the current facility's regular operations. The City also seeks to have the CMAR's input during design development to suggest construction approaches, sequencing, validation of the City's budget at 30 percent design completion, assure understanding of the design intent, and to optimize the design/procurement/construction processes. These latter activities are not as easily accomplished under a conventional design-bid-build procurement process.

Additionally, the Project will involve procurement and delivery of specialized and complex pieces of equipment with lengthy lead times. To maintain the Project schedule, the CMAR will need to work with the Design Professional and facility operation's staff to determine the equipment requirements and to select and procure certain equipment early in the construction process. It also allows the design documents to be tailored to the selected equipment, thereby minimizing redesign costs and improving constructability.

Operational Complexity:

The WRF provides wastewater treatment to residential, commercial, and industrial customers in the City of Sioux Falls and to regional customers. The plant operates 24 hours a day, 365 days

a year, receiving an average of 18.5 million gallons/day (MGD) with peak flows up to 45 MGD. During all conditions, wastewater must be able to flow unimpeded through the plant and be treated to remain in compliance with the South Dakota Department of Environment and Natural Resources Surface Water Discharge Permit requirements. The WRF operates a number of processes where temperature, biological, and chemical balances must be controlled and maintained, even under critical conditions. These processes must be fully understood by the CMAR early on to better develop the best methods of staging the Project under all types of weather conditions. The facility is continually subjected to fluctuations in the quantity and quality of influent wastewater due to seasonal variations and storm events. Early involvement of the CMAR in the design process will help minimize any disruptions to these crucial operations and potentially reduce changes during the construction phase.

It is imperative the facility be fully operational at all times during construction activities and in full compliance with the noted permits. Any shutdown of the facilities would require finding temporary storage for all incoming wastewater or adequate bypass pumping for all incoming untreated wastewater. Even with extensive planning and advance scheduling, any plant shutdowns can only be executed for short durations due to a high risk of discharging untreated wastewater into the Big Sioux River. Therefore, the CMAR must develop its construction schedule consistent with the constraints identified by the City's WRF operations team.

Section 5 Information Available for Review

The Project includes elements related to preliminary and primary treatment, biological system upgrades, biosolids systems, electrical systems, and effluent disinfection. The scope for the improvements is more specifically described in the "Master Plan" dated February 2018. The WRF Master Plan, Master Plan Appendices, and other Project-related documents can be found at <http://siouxfalls.org/public-works/special-projects/wrf-master-plan>. Exhibit A of this CMAR RFP includes the Project elements that encompass the scope of this construction effort and project elements which are expected to be delivered within the approved total Project budget. The Design Professional, CMAR, and the City will need to collaborate to determine which Project elements will ultimately fall within Phase 1A and Phase 1. **Phase 2 improvements, or specific improvements to the City's collection system, each as outlined in the Master Plan, are not included in the scope of work identified in this RFP.** Group facility tours will be offered on Tuesday, May 28, 2019 from 1 to 3 p.m. or Wednesday, May 29, 2019 from 1 to 3 p.m. Contact Debra Gaikowski at dgaikowski@siouxfalls.org if interested in attending.

Section 6 Project Budget and Schedule of Improvements

It is imperative the City, the Design Professional, and CMAR (collectively the "Project Team") work cooperatively to keep the final Project cost within the identified budget. It should be understood the scope of the improvements will need to be sequenced to match cash flow and funding availability as defined by the City. The table below outlines the current budget of \$159 million in 2018 dollars and the projected cash flow between 2019 and 2023. Funding may be carried forward to subsequent years but funding may not be accelerated to earlier years.

Funding Year	Funding Amount
2019	\$4,000,000
2020	\$37,625,000
2021	\$18,500,000
2022	\$87,500,000
2023	\$11,375,000
TOTAL	\$159,000,000

The table above identifies the total budget which includes all Project costs; i.e., engineering, construction, construction administration, testing, etc. Elements of the Project have been initially prioritized as set forth in Exhibit A. It is expected the Project Team will work together during design and preconstruction services to determine the most efficient schedule for the construction of all Project elements while taking into consideration necessary daily operating activities. Those Project elements, plus the Design Professional's fees, and any other Project costs, must stay within the City's budget for each year.

Due to the annual funding limitations, there will likely be two GMPs executed during the Project. The first, GMP 1, will generally cover the Phase 1A Project elements. These will be broken down into Project elements for construction beginning in 2020 separate from the Project elements beginning in 2021. An initial Notice to Proceed will be issued for the Phase 1A Project elements scheduled for construction in 2020 based on the amount of funding confirmed for that year. A second Notice to Proceed will be issued for the Phase 1A Project elements scheduled for construction beginning in 2021. Again, these construction activities will be based on the available appropriation in 2021.

GMP 2 will generally include the Phase 1 Project elements. Due to the availability of funds, Phase 1 elements will be broken down into Project elements for construction beginning in 2022 and in 2023. An initial Notice to Proceed will be issued for the Phase I Project elements beginning in 2022 based on funding confirmed for that year. A second Notice to Proceed will be issued for the Phase 1 Project elements beginning construction in 2023, based on funding confirmed for that time period.

The funding for each year will not be confirmed until the final quarter of the prior year; thus, necessitating the separate identification of Project elements to be completed each year. For purposes of your proposal, assume work will begin in the third quarter of 2020 for Phase 1A, and Phase 1 work will be completed by December 31, 2023. The City is open to an alternative structuring and sequencing of the Project elements, GMPs, and Notices to Proceed as recommended by the Design Professional and CMAR during the design process.

Project Phases:

The two sections below provide an overview of Phase 1A and Phase 1. It should be expected that there will be movement of Project elements between these Phases which could result in the design and construction of some Phase 1 elements during the Phase 1A timeframe or vice versa.

Initially, the Design Professional will provide 30 percent completion of the Project Design Documents for the entire Project, and the CMAR will develop a cost model based on these documents. The cost model is a construction estimate that provides a basis for the evaluation of the 30 percent Project Design Documents versus the City's budget, and either confirms or allows the Project elements to be adjusted by the Project Team to obtain alignment with the City's budget.

Phase 1A (GMP 1):

Concurrently with completion of 30 percent Project Design Documents, the Design Professional and CMAR will need to develop a strategy to utilize the Project funding available in 2020 and 2021 so construction on Phase 1A Project elements can begin. While the Master Plan identifies these early elements, the City will rely on the experience and expertise of the Design Professional and CMAR to sequence these early Project elements in a manner that most efficiently utilizes the Project budget while also gaining needed capacity within the WRF.

Upon confirmation of the cost model upon 30 percent Project Design Documents, it is expected design will be expedited on the Phase 1A Project elements such that GMP 1 can be established between 60 and 90 percent GMP Design Documents, inclusive of plans and specifications, which should allow construction to begin the third quarter of 2020 with completion by the end of 2021. The Phase 1A construction price will be referred to as GMP 1.

GMP 1 will be negotiated for 2020 and 2021 Project work. A Notice to Proceed will be issued for those Phase 1A Project elements to be completed in 2020 when funding is secured for that year. A second Notice to Proceed will be issued for those Phase 1A Project elements to be completed in 2021 when funding is secured for that year.

Phase 1 (GMP 2):

Upon confirmation of the cost model as described above (30 percent Project Design Documents), it is expected design will begin on the Phase 1 Project elements leading to the establishment of a GMP between 60–90 percent GMP Design Documents. Construction can then begin in 2022 and be completed in 2023. The Phase 1 construction price will be referred to as GMP 2. Note, the Phase 1 Project elements need to be identified and assigned for completion separately in the year 2022 and the years 2023. A Notice to Proceed will be issued for the Phase 1 Project elements to be completed in 2022 when funding is secured for that year. A second Notice to Proceed will be issued for the Phase 1 Project elements to be completed in 2023 when funding is secured for that time period.

Section 7 CMAR Scope of Work

The CMAR's services will include preconstruction services and construction services.

The preconstruction period will involve the three tasks noted below. Each task will be priced as a separate negotiated lump sum based on the level of effort and rates identified in Exhibit C:

1. Preconstruction services including constructability review and cost model development during and up to the completion of 30 percent Project Design Documents.

2. Preconstruction services from the completion of the 30 percent Project Design Documents up to the development of GMP 1 and the start of construction for Phase 1A Project elements, including constructability review, competitive bidding of trade subcontractor and vendor packages, and preparation of a GMP proposal for Phase 1A project elements estimated to be established between 60-90 percent of the GMP Design Documents.
3. Preconstruction services from the completion of 30 percent Project Design Documents up to the development of GMP 2 and the start of construction for Phase 1 Project elements, including constructability review, competitive bidding of trade subcontractors and vendor packages, and preparation of a GMP proposal for Phase 1 project elements estimated to be established between 60-90 percent of the GMP Design Documents.

The following is intended to provide a general understanding of the City's expectations with regard to the services provided by the CMAR and which are more thoroughly addressed in the Scope of Work below.

Preconstruction Services and Activities:

The CMAR will provide preconstruction services as described below and support the Design Professional in developing the Project design. During preconstruction, there are two high priority tasks that must be completed. First, the Design Professional will advance the design to the level of completion necessary to define the Project (30 percent Project Design Documents completion), and the CMAR will provide an initial estimate to validate the current budget of \$159 million. Concurrently, the Design Professional and CMAR will need to develop a strategy and approach to utilize the available Project funding in 2020 and 2021 so construction can begin on Phase 1A Project elements. While the Master Plan identifies some of these Project elements, the City will rely on the collaboration and creativity of the Design Professional and the CMAR to define the Project elements that most efficiently utilize the Project budget while also gaining the capacity needed at the WRF during the early construction work for the Project. Upon completion of these initial tasks, it is expected the early Phase 1A Project elements will be designed to completion and a GMP (GMP1) will be established utilizing the 2020 and 2021 budget. This will occur between 60–90 percent completion of the GMP Design Documents with construction beginning in the first quarter of 2020.

Once GMP 1 is agreed upon between the City and the CMAR, the CMAR will then move into preconstruction services for the remainder of the Project in coordination with the Design Professional. The Design Profession and the CMAR will follow the same sequence of activities resulting in the preparation of a GMP proposal (GMP 2) for the Phase 1 Project elements to be constructed in 2022 and 2023.

Construction Services and Activities:

If the City and CMAR agree on a price for construction phase services, the CMAR will procure all necessary subcontractors and vendors, and will be responsible for the Project's construction, startup, commissioning, operator training, performance testing, and warranty services as agreed to in the CMAR contract. If the City and the CMAR are unable to agree on a price for construction-phase services, the City reserves the right to terminate the existing CMAR contract and begin negotiations with another CMAR firm, or direct the Design Professional to complete the design and prepare Construction Documents for the bidding of, and negotiation of the work for, the Project.

Preconstruction Detailed Scope of Services:

1. Project Management

- a. Within 30 days of the Notice to Proceed for the preconstruction phase, provide a Project Management Plan that includes:
 - i. The Project management approach, cost, schedule, and Project organization during both preconstruction, and construction periods.
 - ii. A Health & Safety Plan.
 - iii. A Quality Management Plan.
 - iv. A Preliminary Procurement Plan that outlines how the CMAR intends to bundle work packages, bid, select/evaluate, and procure all goods and services needed to fulfil the construction scope of work. This plan should also outline the CMAR's subcontractor and vendor outreach method to generate bidder's interest and secure competitive pricing, particularly for those packages for which it intends to submit self-performance bids.
 - v. The City's and Design Professional's comments will be returned to the CMAR within 15 days, and final Plan and sub-plans must be finalized within 7 days and posted to the Document Control platform.
- b. Maintain a web-based Document Control platform that can be accessed by the Project Team and to which all key work products are posted, including the Project schedule (including Project Team meetings), meeting agendas, minutes, constructability review logs, Design Trend Log, cost estimates and model updates, and written deliverables such as work plans.
- c. Participate in progress meetings on site, at the Design Professional's office, and at an office location provided by the City.
- d. Participate in meetings or workshops with the Design Professional, City staff, and others, as needed, to address constructability reviews and progressive cost estimates.
- e. Provide insurance for the preconstruction phase as required in the CMAR contract.
- f. Manage project financials and invoicing per the requirements of the CMAR contract.
- g. Provide a project manager, key personnel, and all other associated personnel needed to fully meet the CMAR's obligations for preconstruction services.

- h. The Construction Lead Superintendent must be integrally involved in the constructability reviews and schedule development, and must be present at critical constructability and schedule review milestones meetings.

2. Procurement

- a. In conformance with the approved Procurement Plan, manage the bidding process including packaging of scopes of work, evaluating proposals, maintaining a bid book, and interviewing subcontractors (in conjunction with the Design Professional and the City). The Project Team will utilize, by mutual agreement, any of the following methods for awarding subcontracts for portions of the work: competitive bid, best value, and negotiated price. For those subcontracts to be awarded on a competitive bid or best-value basis, the CMAR is to obtain a minimum of three (3) competitive bids for each subtrade category unless otherwise authorized by the City.
- b. Sealed bids will be opened and registered in the presence of the City staff. The CMAR will then perform bid validation and provide a written recommendation to the City. The bids will be awarded upon approval from the City.
- c. Should the CMAR seek to self-perform certain scope of work items, the CMAR must competitively bid against the market per State and City legal requirements. For the packages where the CMAR submits a bid, all sealed bids must be directly submitted to the City.
- d. Identify long-lead equipment procurement needs and provide recommendations for any early procurement activities.
- e. Given the criticality of Electrical and Instrumentation and Controls for this Project, provide specific strategies on how to procure and on-board the EIC Subcontractor for early involvement in critical design elements.
- f. Make recommendations to the City regarding the division of work to facilitate trade subcontractor and vendor bids and proposals for the major elements of the work.

3. Scheduling

- a. Within 30 days of NTP, submit a preliminary project baseline schedule that details activities through negotiation of the GMPs and provides a general overview of anticipated construction sequences. The logic-based critical path Project schedule will include anticipated key milestone events, dates, and responsibilities. The Project schedule will include design efforts, preconstruction activities, procurement, and construction activities. The schedule should include reviews required by the City and identify Critical Path and Float. The schedule will be required to be fully cost and resource loaded and will be used to track work progress for invoicing.
- b. The CMAR will provide regular monitoring of the actual progress versus the scheduled progress, identify any variances, and prepare a written action plan along with an updated schedule to maintain the scheduled completion dates.

- c. Provide monthly schedule updates as design progresses, accounting for any agreed-upon design changes as documented in the Design Trend Log.
- d. Collaborate with the City and the Design Professional to optimize the sequence of the Project elements and update the schedule to align with the City's funding plan and cash flow constraints.
- e. Identify, evaluate, and recommend elements of the Project that may require less than 100 percent design completion before initiating construction.

4. Cost Estimating

- a. Within 30 days of NTP, provide a high-level conceptual cost validation of the Master Plan estimate and any confirmed updates made by the time of CMAR on-boarding.
- b. Develop and maintain a Design Evolution Log ("Log"), the purpose of which is to catalog major design changes and the cost and schedule impacts of significant design evolutions. The Log must be updated after each design coordination meeting, and whenever interim design changes are made. The Log should include at a minimum, the design evolution along with Rough Order of Magnitude (ROM) cost impacts, and schedule impacts. Should the ROM cost/schedule impact be approved by the City, the CMAR will then proceed to refine the estimate and include that element in the development of the GMPs.
- c. As the design of the entire Project progresses to the GMPs, prepare updated cost models at major design milestones for the City to use as a means of validating the City's budget (in a format acceptable to the City and Design Professional).
- d. Identify, evaluate, and propose cost-effective design and equipment alternatives to optimize available funding, create operating efficiencies, and avoid construction issues.
- e. Develop independent detailed construction cost estimates, and cash flow forecasts that are in-line with the City's budget (annual funding constraints).

5. Constructability Reviews

- a. Consult with, advise, and provide recommendations to the City and the Design Professional on all aspects of the planning, design, and proposed construction, as well as drawings and specifications therefor;
- b. Provide ongoing constructability reviews and input, including information on material availability, recommendations on equipment and/or packaging to advance construction, and independent quantity calculations to verify quantities specified by the Design Professional;
- c. In support of activities related to development of the GMP 1 and the GMP 2, as the design progresses, provide constructability and value engineering input through design development. Hold review workshops with the City and Design

Professional, and review updated open book cost estimates of specific Project elements;

6. Risk Management

- a. Hold a Risk Management Kickoff, either as part of the Project Kick-off Meeting, or separately within 30 days of the NTP. The objective of the session will be to jointly brainstorm on potential risks and mitigation plans. The CMAR will use the Risk Register developed as part of the proposal as the starting point to develop the Risk Register.
- b. Maintain and update the Risk Register that includes an inventory of project risks, including at a minimum the risk description, mitigation plan, and potential schedule and cost impact. The Risk Register may be maintained as a spreadsheet or may be developed with a software package such as Primavera Risk Analysis. The Project risk profile must be updated monthly at a minimum. The outputs of the cost and schedule impacts should be used to inform the development of cost and schedule contingencies.
- c. Organize additional risk management meetings as part of regular progress meetings or separately to solicit input and present the progression of the Project risk profile.

7. GMPs Development

- a. Provide complete, detailed, written GMP (GMP 1 and GMP 2) price proposals as may be agreed upon between the City and the CMAR, including line-item cost breakdowns and assumptions, and the CMAR's general conditions and construction contingency, all conforming with the approach agreed upon between the CMAR and the City in the CMAR's contract;
- b. Provide accompanying detailed scope narrative and schedule to match the GMP price proposals.
- c. The GMP proposals will be provided to the City for review one week prior to holding a GMP workshop at which the CMAR will present the proposal and provide any clarifications.
- d. Provide additional information or meetings as needed to negotiate in good faith to a final mutually agreeable GMP.

Construction Detailed Scope of Work:

The construction scope includes, but is not limited to, the items detailed below. The final scope will be defined through the course of the Preconstruction and GMP development in accordance with the Contract Documents.

1. Perform the construction portion of the work in strict accordance with all applicable laws, regulations, codes, and the Contract Documents;

2. Comply with all rules and requirements related to State Revolving Funds which will apply to this Project as this Project is being funded with State Revolving Funds (SRF). The requirements can be found at siouxfalls.org/public-works/engineering/construction-mgmt/resources/bid-forms and include:
 - a. SRF Instructions to Bidders.
 - b. SRF Forms.
 - c. SRF Pay Schedule.
 - d. Current DBE/WBE Goals.
 - e. Davis-Bacon Wages—Minnehaha County Building.
 - f. America Iron and Steel Certification.
3. Participate in Project kick-off meetings for construction phase services related to GMP 1 and GMP 2. This will include meetings with the City, Design Professional, subcontractors, and others;
4. Coordinate and manage the work involving the City's current infrastructure and equipment, necessary site improvements, and all other work necessary to construct a complete and operable system within the GMPs (GMP 1 and GMP 2) and the allowable contract time;
5. Acquire the appropriate construction-related permits from the various local and state agencies;
6. Arrange for procurement of materials and equipment as required and agreed upon, and that is consistent with the scope and assumptions included in the approved GMP (GMP 1 and GMP 2) contract prices;
7. Manage all procurement and construction-related subcontracts while meeting the City's requirements for procurement of subcontractor and vendor bids or proposals, including inspecting the work performed by subcontractors to ensure conformance with the Contract Documents;
8. Monitor and maintain the QA/QC programs established and agreed upon during preconstruction with regard to shop drawings, equipment and materials, and construction work put in place;
9. Provide performance and payment bonds and a one-year warranty bond as detailed in the Contract Documents;
10. Provide insurance for the construction of the Project as required in the Contract Documents;
11. Implement, maintain, and update, as needed, a construction site safety plan in an effort to provide a safe working site for the Project;

12. Conduct meetings with all vendors and subcontractors performing major elements of the work. This must be done prior to the start of their activities and on a regularly scheduled basis, but no less than weekly;
13. Provide an Environmental Management Plan detailing a storm water pollution prevention plan and addressing other on-site environmental issues as well; e.g., dust, on-site chemicals, fuel, etc., required to comply with permits and regulations applicable to the Project;
14. Manage storm water runoff, dust, and other requirements as may be defined in the Contract Documents and related construction permits;
15. Establish and implement procedures to track, expedite, and process all submittals, change orders, and requests for information;
16. Review and process shop drawings and other documents for submission to the Design Professional;
17. Establish a Critical Path Method (CPM) schedule for the Project consistent with GMP 1 and GMP 2 assumptions and the City's annual funding constraints;
18. Monitor and update monthly the CPM construction schedule. Prepare three-week look-ahead work schedules as required in the CMAR contract and consistent with the overall schedule;
19. Review and process all pay applications from subcontractors;
20. Conduct monthly progress meetings with the on-site subcontractors;
21. Attend progress meetings with the Design Professional and City staff, and provide a written monthly progress report with an updated CPM schedule;
22. Provide a Construction Emergency Response Plan and Site Safety Plan;
23. Maintain current paper and electronic copies of Project elements as-built drawings, including all subcontracted work, and submit monthly the as-built drawings in paper copy and PDF electronic formats, as specified by the Design Professional;
24. Develop, implement, and manage a commissioning start-up and testing plan necessary for the City to accept specific Project elements as completed and ready to use;
25. Expedite and coordinate delivery, storage, security, and installation of any City-procured material and equipment, as applicable;
26. Develop operation and maintenance manuals with input, as necessary, from the Design Professional and City staff;
27. Supervise and manage the warranties provided to the City for the equipment and construction work;
28. Collect written warranties from the subcontractors and vendors, and provide the same to the City upon final completion of the Project, or at a date negotiated by the parties;

29. Conduct a walk-through with the City and Design Professional to ensure the City, Design Professional, and CMAR are in agreement with the completion of the construction phase work as defined in the Contract Documents before the warranties go into effect;
30. Implement close-out procedures necessary for the City to accept the Project elements as being finally complete and provide lien waivers from all subcontractors and materials suppliers;
31. Complete all construction phase services and work, including performance testing; and
32. Prepare a final report documenting all construction costs for the entire Project as defined herein, including the return to the City of all dollar savings should the total Project cost be less than the approved GMPs.

Additional Construction Scope of Work Requirements:

Coordination Meetings:

1. Conduct weekly job site meetings that include appropriate subcontractors, City representatives, and the Design Professional's representatives to review open issues, schedule work, and resolve pending or upcoming issues. The CMAR will prepare a written agenda in advance of each meeting. The CMAR will maintain a list of action items with identification of the responsible party and due dates for each item. The CMAR will distribute written meeting minutes and action item lists within 48 hours of each meeting.

Schedule Management:

1. The CMAR will update and manage the logic-based critical path Project schedule developed during the preconstruction phase, updating key milestone events, dates, and responsibilities. The Project schedule will include design efforts, preconstruction activities, procurement, and construction activities. The CMAR will provide regular monitoring of the actual progress versus the scheduled progress, identify any variances, and prepare a written action plan along with an updated schedule to maintain the scheduled completion dates.
2. The CMAR will determine the adequacy of the subcontractors' personnel and equipment, and the availability of materials and supplies to meet the schedule and report to the other members of the Project Team no less than weekly.
3. The CMAR will prepare a three week look-ahead schedule on a monthly basis.
4. The CMAR will coordinate with the construction of the Project the City-purchased and/or third-party-provided furniture, fixtures, and equipment.

Project Reporting:

1. The CMAR will prepare a monthly report detailing costs-to-date, contingency status, Project schedule, and Project progress commentary with applicable job site photos.

2. The CMAR will provide other formal communications as requested by the City.

Quality Management:

1. The CMAR will complete a review of each bid package regarding quality, coordination, and constructability prior to issuing to the subcontractors and materials suppliers bid documents.
2. The CMAR will complete construction of the work in strict accordance with the approved Quality Management Plan prepared during the Preconstruction phase, quality requirements established by the Contract Documents and consistent with the design.
3. All testing and independent inspection services required will be secured and paid for by the City. The CMAR will cooperate with testing and inspection service agencies and coordinate the completion of testing and inspection activities with the construction work. The CMAR will be responsible for the cost of additional testing and inspections due to failed tests and inspections.
4. The CMAR will develop an initial punch list for completion or correction of work of subcontractors prior to completing the formal punch list issued by the Design Professional. The CMAR will ensure completion of initial punch list items prior to the Design Professional's punch list walk-through.
5. The CMAR will work cooperatively with the other members of the Project Team to develop and implement an effective commissioning and start-up plan.

Project Close-out:

1. The CMAR will provide timely submission of operation/maintenance manuals and completed punch lists, coordination of training, submission of as-built field documents, and financial close-out information for the Project.
2. The CMAR will actively support and participate in commissioning activities.

Section 8 Contractual Arrangement

The City will retain the option to select a different CMAR after the completion of the preconstruction services or utilize a different selection and/or bidding process if deemed to be in the City's best interest.

Agreement forms derived from the "Consensus Docs", as amended, will form the basis of the CMAR Agreement between the City and the CMAR (hereinafter "City/CMAR Agreement"). See Exhibit B – CMAR Summary of Contract Terms.

This RFP will be superseded by the City/CMAR Agreement and its related Contract Documents.

Section 9 Submittal Requirements

Submit ten (10) paper copies and an electronic PDF version of the proposal. The proposals should be in an 8 1/2-inch by 11-inch bound package. 11-inch by 17-inch size sheets folded into 8 1/2-inch by 11-inch size within the package will be acceptable and will count as one page. The proposal should be limited to 40 pages (one-sided), including pictures.

The submittal must contain the following information:

1. **Cover Letter:** Limit of two (2) pages. Provide name and address of the firm(s) and Project contact person with address, telephone number, and email address. Summarize your understanding of the Project scope and services being required. Provide a one-page summary of the benefits you believe the City would receive from selecting your firm. The cover letter must be signed by a duly authorized official of your firm. Consortiums, joint ventures, or teams submitting proposals must establish contractual responsibility solely with one firm or one legal entity. Your submittal should indicate the entity responsible for execution of the City/CMAR Agreement on behalf of the CMAR.

Acknowledgement and Certification Statements: The cover letter must certify and/or acknowledge the following:

- a. Acknowledge receipt of any addenda if applicable.
 - b. Certify your Response to this RFP will remain in effect for 60 days.
 - c. Certify all representations stated in your Response to the RFP are true and accurate.
 - d. Acknowledge all materials submitted in your Response to the RFP will become property of the City.
 - e. Acknowledge all costs associated with preparation of your Response to the RFP will be the responsibility of the proposing CMAR.
2. **Qualifications of Key Project Team Members:** Limit of ten (10) pages not including rèsùmès. Describe the proposed project team, including organization of the team.
 - a. At a minimum, information must be provided for the following individuals:
 - Project Executive or Principal in Charge
 - Project Manager for preconstruction and construction services
 - Lead Superintendent(s)
 - Project Engineer(s)
 - Lead Estimator
 - Project Controls Lead
 - b. Include an organizational chart showing your proposed staff for both the preconstruction and construction phases of the Project.
 - c. Describe role, experience, and qualifications of each of the key members of the project team, including experience working together on similar projects.

- d. Describe the team's general qualifications in the following areas:
- i) Preconstruction and construction planning.
 - ii) Value engineering and constructability reviews.
 - iii) Cost estimating on an "open book" basis.
 - iv) Scheduling.
 - v) Risk Management.
 - vi) Health and Safety Management.
 - vii) Working in an environment that requires mitigation and coordination with ongoing facility operation.
 - viii) Ability to self perform certain trades, including but not necessarily limited to excavation, yard piping, and concrete structures.
 - ix) Installation of piping, controls, valves, and mechanical equipment.
 - x) Construction administration, including document and change tracking, inspections and testing, and quality control and nonconforming reporting.
 - xi) Quality management.
 - xii) Start-up and commissioning of wastewater treatment plants.
- e. Describe the availability of each person during the term of the Project. Indicate experience of key team members working together on past similar projects. If proposing different project managers or other key staff for the preconstruction and construction phases, discuss how you would provide continuity of knowledge between phases. If selected, the proposer will be required to provide, for the duration of the Project, the key project team members barring illness, accident, or unforeseeable events of a similar nature in which case the proposer must be able to provide a comparably qualified replacement. Replacement personnel will be subject to the review and approval of the City.
- Confirm the availability of the Project Manager and Lead Superintendent(s) to participate in person at the constructability reviews and schedule development.
- f. List other assignments your project team will be handling during the period of assignment to the Project.
- g. If your team is a joint venture (JV), describe the structure of your project team and provide a copy of the JV Agreement amongst the team firms. In addition, individuals included on the team must be identified with their respective firm. A copy of the JV Agreement must be located in the appendix and will not count toward the page count.

- h. Provide résumés, no longer than two (2) pages, for each key person included in your proposed project team. Include the educational background of each individual, years of experience, length of employment with your firm, previous project experience, and relevant project experience. For each person, list specific responsibilities on this Project, experience on projects of similar sizes and types, specific qualifications applicable to this project, and current work assignments and availability for this project. The résumés are to be included in the appendix and will not count toward the page count.

For the resumes of the project manager, superintendent, and other proposed “key” staff members, provide client references from three of their most recent projects and three architect/engineer references (contact person and telephone number). Client references should focus on projects that involved construction and/or CMAR delivery of water and wastewater treatment plant projects within the last three years. References using the selected design firm are acceptable.

Proposing firms will be required to sign and return Exhibit D with their proposal. This form must be placed in the appendix and will not count toward the page count.

3. Project Approach and Management Capabilities: Limit of sixteen (16) pages. Provide a description of your approach to project execution. The following areas are to be addressed:

- a. **Project Challenges:** Describe your firm’s understanding of the scope of the Project. Identify and describe the major complexities and challenges to successful completion of the Project, and how the firm proposes to approach them. Describe any expectations you have for the City.
- b. **Teaming, Collaboration, and Integration Approach.** Discuss your firm’s management approach to constructing and completing the Project. At a minimum, specifically address the following:
 - (i) Establish productive relationships with the owner, Design Professional, and City Engineering and operations staff. Describe your approach to ensuring effective coordination between the various disciplines required for the Project and how you will manage interfaces with other Project stakeholders;
 - (ii) The strategies your firm will employ, using the CMAR process in collaboration with the City and the Design Professional to reduce cost of the work, improve quality, and enhance the long-term operation and maintenance of the Project.
 - (iii) Your firm’s capabilities and experiences in using BIM or other similar 3D electronic models. Describe how this tool will be applied to and be beneficial to this Project for facilitating communication and collaboration, sharing of information, cost estimating, planning, and coordination between the City, the Design Professional, the CMAR, and subcontractors.

- (iv) Your firm's approach to dispute resolution.
- c. Preconstruction Services. Describe your firm's approach to preconstruction services. Identify the preconstruction activities you see as being most important to the success of the Project and elaborate on the anticipated benefits of those activities to the Project. Describe how you would perform the services such as:
 - i. Describe the level of detail to be included in your cost estimates for various phases of design. Describe two examples that demonstrate your firm's creativity in value analysis/engineering and constructability;
 - ii. Providing Design Documents and Construction Document coordination comments and verifying their implementation;
 - iii. Documenting discussions and decisions made during the design phase to facilitate resolution to construction challenges;
 - iv. Determining and assessing constructability issues including providing assistance in identifying safe work practices and requirements for construction;
 - v. Proposing value engineering and assessing alternative construction options, products, and engineering systems for cost savings and life cycle cost design considerations to maximize the City's Project and budget;
 - vi. Investigating existing conditions to ensure the construction documents will reflect the actual site conditions;
 - vii. Scheduling, making recommendations for change, and advising of long lead procurement packages to meet the Project schedule;
 - viii. Recommending phasing and sequencing of work to minimize Project impacts on ongoing operations; and
 - ix. Assessing and recommending site logistics requirements.
- d. Project Controls Approach. Describe how your firm will control and monitor cost and schedule to ensure the City's Project scope is achieved and the City's construction budget and Project schedule are met at every phase of the Project Design Documents and Construction Documents and during construction. What estimating and scheduling systems and management techniques would your firm employ to deliver the Project on time and on budget?
- e. Project Scope Changes. Describe your firm's anticipated management process for managing changes in Project scope throughout the construction phase of the Project.
- f. Project Schedule Approach. Describe your firm's approach to schedule management throughout the entire length of the Project. Submit a preliminary Project schedule for the key activities from the dates of the Notices to Proceed through Project construction, commissioning, and start-up for work related to GMP 1 and GMP 2. This schedule should be included in the appendix and is not included in the page count.
- g. Early Procurement and Subcontracting Approach. Describe your approach to early procurement, subcontracting and self-performance including the following:
 - i. Suggest any early procurement or work packages that may be beneficial to conform to the overall budget and schedule constraints.

- ii. When to select, selection methodology, size of, and number of bid packages,
 - iii. Bidder interest campaigning to secure competition,
 - iv. Your approach to generating bidder interest on those bid packages for which you intend to submit self-perform bids.
 - v. Local subcontractor outreach efforts.
- h. Construction Approach. Provide your firm's construction approach including the following:
- i. Managing Subcontractors. Outline how you will manage the procurement and installation activities and approach to managing subcontractors, subcontractor issues and claims.
 - ii. Site Logistics and Security Plan. Discuss your approach to utilizing the Project site during construction. Include your firm's approach to site safety and security.
 - iii. Minimizing Ongoing Plant Disruption and Operations. Describe your firm's construction approach to minimize impact to the ongoing operations.
 - iv. Environmental and Permit Compliance. Describe your firm's approach to ensuring compliance with all environmental and other permits during construction.
- i. Quality Control Approach. Provide a summary of your firm's approach to developing and implementing quality control plans and programs during construction, including the following:
- i. Coordination and management of subcontract work to ensure quality work.
 - ii. Document control and management of as-built/record documents.
 - iii. Coordination of start-up and commissioning.
- j. Special Resources. Provide the following information about your firm:
- i. A description of special resources or capabilities your firm could employ on the Project which would enhance the value your firm would bring to the Project.
 - ii. Describe what steps your firm has taken during recent years to be innovative and progressive in the development of your firm and how these activities serve your clients.

4. Qualifications of the Proposing Firm. Limit of ten (10) pages.

- a. Describe the following about your firm:
- i. CMAR experience.
 - ii. Preconstruction experience.
 - iii. Experience working in the region.
 - iv. Recent, current, and anticipated volume of work.
 - v. Safety approach, including an overview of your firm's recent safety record and your firm's experience modification rate (EMR) for each of the last five (5) years.

- b. Describe a minimum of five similar water and/or wastewater treatment plant projects in size and scope constructed by your firm within the past ten (10) years. Provide information on each project to allow the Technical Review Committee to adequately evaluate your firm's project performance. Indicate for each project the following minimum information:
 - i. Name of project, location, and construction date.
 - ii. Name of project manager and superintendent responsible for the project.
 - iii. Initial GMP versus final project cost.
 - iv. Type of service and contractual relationship (general contractor, construction manager at risk, design-builder, etc.).
 - v. If the referenced projects were delivered via CMAR, identify at what point in the design and/or construction process a contract price was agreed upon and construction contract was executed.
 - vi. Preconstruction services provided.
 - vii. Describe the start-up and commissioning plan for each referenced project and the results of the same.
 - viii. Owner references for the project including name and title, owner, organization, street address, phone number, and email address.
- c. Address the following matters regarding your firm's performance within the last three years:
 - i. Had a contract terminated for cause or default.
 - ii. Had liquidated damages assessed on any project.
 - iii. Been in bankruptcy, reorganization, or receivership.
 - iv. Been disqualified or debarred by any public agency from being awarded or participating in any contract.
 - v. Mediation, arbitration and litigation proceedings and the results thereof.
- d. You may provide preprinted brochures or other literature you believe will be helpful in understanding your firm's unique capabilities and experience. Include this information in the appendix. This does not count toward the page count. This information should be general in nature and not specific to your firm's proposal for this Project.

5. Statement of Financial Strength/Bond and Insurance Coverage. Limited to two (2) pages. Provide the following information about your firm:

- a. Name and contact of your firm's surety and description of bonding capacity available. Additionally, provide a statement from a surety company authorized to do business in South Dakota indicating your firm's ability to obtain a Performance and Payment Bond in the amount of not less than 100 percent of the cost of the Project. For the purpose of this section, the bonding capacity will be assumed to be a minimum of \$150 million.
- b. Names of your firm's insurance carriers and a description of insurance coverages.

- c. Name and contact information for your firm's primary financial institution.

6. CMAR Summary of Contract Terms.

In the appendix of your proposal (no page limit), clearly indicate any objections or questions your firm has with, or revisions your firm proposes to the Summary of Contract Terms, which is attached to this RFP as Exhibit B and submit those with your proposal. You are to clearly separate your comments into two distinct categories:

1. Those which are considered "deal breakers" and those which would prevent you from signing the contract.
2. Those which would be acceptable but would have cost, risk, or other negative impacts to the City if not modified. Describe and quantify such implications.

All exceptions must be specific to evaluate the objections or questions with, or revisions to, the Summary of Contract Terms and the cost implications of the same, if any. Where exceptions are taken, the City will determine the acceptability of the proposed revisions or negotiate an acceptable alternative. All contract provisions will be deemed accepted unless otherwise noted in your proposal.

Section 10 Questions and Addenda

Questions regarding this RFP must be submitted in writing to Scott Rust, Purchasing Manager for the City of Sioux Falls, 224 West Ninth Street, P.O. Box 7402, Sioux Falls, SD 57117-7402. Email to Scott Rust at srust@siouxfalls.org at the City of Sioux Falls questions related to this RFP no later than 5 p.m. on the date indicated in Section 2 of this RFP.

Questions and responses to questions will be issued to all firms and posted on the City's website. Short-listed firms will be interviewed on the dates indicated in Section 2 of this RFP. The Technical Review Committee will invite for interviews at least two, but no more than four, CMAR firms deemed by the City to be most qualified. If deemed necessary, addenda to the RFP will be issued and posted on the City's website at www.siouxfalls.org/business. No addenda will be issued after 5 p.m. on the date indicated in Section 2 of the RFP.

Responding firms are prohibited from communicating in any other manner about this Project with any City employee or any member of the Design Professional's team. Other means of communications or contact may disqualify the submitting firm.

Section 11 Review of Proposals and Selection of Finalists for Interviews

To be considered for the short-list selection, your firm must demonstrate the ability to provide a Performance and Payment Bond in the amount of the Project budget as described in Section 9.5.a.

Upon receipt of the proposals, the Technical Review Committee will determine a short-list of no more than four firms whose proposals are deemed most qualified based on the following criteria:

1. Qualifications of Key Project Team Members (30 percent).
2. Project Approach and Management capabilities (40 percent).
3. Qualifications of the Proposing Firm (30 percent)

The short-list of those firms deemed most qualified will be invited to participate in an interview. The City of Sioux Falls reserves the right to reject any or all proposals and issue subsequent Requests for Proposals.

Section 12 Interviews

The interview will consist of up to a 55 minute presentation by the CMAR, a 60 minute question-and-answer session, and a five minute wrap-up. The proposed key Project personnel must participate in the interview.

Interviewed firms will be requested to provide the information requested in Exhibit C on their fees and pre-construction services efforts. The requested information will be required to be submitted a minimum of two days prior to the first scheduled interview. The City reserves the right to request additional information than initially listed in Exhibit C prior to the interviews.

Section 13 Selection Criteria

The Technical Review Committee will rely on the qualitative information contained and presented in the proposals, interviews, and reference checks in making the decision to select the most qualified firm to provide services for this Project. Selection criteria will be based on:

1. Qualifications of Key Project Team Members (20 percent).
2. Project Approach and Management capabilities (25 percent).
3. Qualifications of the Proposing Firm (5 percent)
4. Interview (25 percent).
5. Fee (25 percent). 90% will be based on the fee for construction work and 10% on all pre-construction levels of effort.

Upon completion of the interviews, the firms will be ranked. Unless all proposals are rejected, the City will commence negotiations with the highest ranking firm. If the City/CMAR Agreement cannot be reached with the highest ranked firm, the City will move to the second ranked firm. The same process will be repeated with the other ranked firms if no such agreement can be reached. Upon successful negotiations with a firm, the City may enter into the City/CMAR Agreement with the selected firm. The City reserves the right to not select a firm as part of this process if an agreement cannot be reached with the interviewed firms.

Acceptance of a proposal will be by written notice to the CMAR submitting the accepted proposal and by simultaneously notifying in writing the other firms their proposals were not accepted.

Section 14 Registry of Proposals

Excluding proprietary information, the proposal and the City/CMAR Agreement with the CMAR awarded the Project are deemed public records and will be available to the public upon request. In addition, the City will maintain a "Register of Proposals for a Professional Service Contract," which will contain the names of the firms which submitted proposals and the name of the firm which was awarded the City/CMAR Agreement; however, the proposals of the submitting firms not awarded the City/CMAR Agreement are nonpublic records and will remain confidential.

Exhibit A

Anticipated Project Elements

The following represents the anticipated scope of work, which will be finalized in coordination with the Design Professional.

Phase 1A. Immediate improvements

- Step feed improvement at aeration basins.
- Grit influent piping.
- Primary clarifier influent diversion (hydraulics).
- Filter building high priority items.
- Biosolids dewatering/handling improvements.
- Dewatering building rehab items.

Phase 1. Other improvements

- Headworks. The Master Plan recommends construction of a new headworks building. The anticipated scope has been reduced to correct hydraulic issues in the existing headworks building resulting in a reduction of the estimate shown in the Master Plan from \$14M to \$3.25M. The budget table in Section 6 of this document includes this reduction.
- Primary clarifiers. The Master Plan recommends construction of new primary clarifiers. The anticipated scope has been reduced to the rehabilitation of the existing primary clarifiers resulting in a reduction of the estimate shown in the Master Plan from \$18.8M to \$3.4M. The budget table in Section 6 of this document includes this reduction.
- Aeration basin upgrades.
- Aeration basin splitter box.
- Aeration basins. The Master Plan recommends construction of 18 million gallons of new aeration basins. The anticipated scope has been reduced to construct 12 million gallons of aeration basins with the remaining 6 million gallons being constructed with a future project resulting in a reduction of the estimate shown in the Master Plan from \$38.6M to \$26M. The budget table in Section 6 of this document includes this reduction.
- Aeration basin blowers.
- Replace RAS and WAS pumps.
- Final clarifiers. The Master Plan recommends construction of four new final clarifiers. The anticipated scope has been reduced to construct three new final clarifiers with the fourth being constructed with a future project resulting in a reduction of the estimate

shown in the Master Plan from \$17.1M to \$12M. The budget table in Section 6 of this document includes this reduction.

- Chlorine contact expansion.
- Effluent flow meter improvements.
- Convert biosolids lagoons to equalization basins.
- New generator.
- Site piping.
- New thickening.
- High priority age and condition reliability improvements (see Master Plan Appendix 10.A).
- Medium priority age and condition reliability improvements (see Master Plan Appendix 10.A).

Notes:

1. Final Clarifier Rehabilitation project is being completed under a separate contract.
2. The CMAR will need to coordinate with other contractors working at the facility.
3. The Microturbines, FOG receiving, and Filter Expansion projects identified in the Master Plan Phase 1 Improvements have been moved to Phase 2 which is not part of this Project.
4. The facility design basis will be based on information in Table 4.21 in the Master Plan document for the projected design year of 2031, with a design flow of 27.2 MGD and the corresponding loadings listed in the table.

Exhibit B

CMAR Summary of Contract Terms Water Reclamation Facility Improvements and Expansion Project

- A. The City and the Construction Manager will negotiate and execute a contract based upon, but amended, the Consensus Docs 500 Standard Agreement and General Conditions Between Owner and Construction Manager (where the Construction Manager is At-Risk). What is set forth below is a summary of some, but not all, of the material contract terms. If a firm responding to the Request for Proposals has questions about, or objections to, the contract terms, the responding firm must present to the City with the proposal the questions and objections to the contract terms.
1. Guaranteed Maximum Prices: The City intends to enter into Guaranteed Maximum Price (GMP) amendments with the CMAR, inclusive of full documentation of the cost estimate supporting the GMP proposals for construction phase services as noted above and within the constraints of the annual available funding as later approved by the City. For the purposes of this RFP, each required GMP will include costs defined as the “Cost of Work,” including a contingency (to be treated as a cost if used), the general conditions, plus a percentage fee which will then be fixed upon the approval of the GMP.

Phase 1A – Immediate Improvements. The Guaranteed Maximum Price for Phase 1A will consist of the Cost of the Work plus the Construction Manager’s Fee for Phase 1A Work.

Phase 1 – Other Improvements. The Guaranteed Maximum Price for Phase 1 will consist of the Cost of the Work plus the Construction Manager’s Fee for Phase 1 Work.
 2. Pre-Construction Services Fee: The Construction Manager and the City will negotiate a pre-construction fee for the Construction Manager’s pre-construction services for the 30 percent Project Design Documents (overall Project) and for each Project Phase. The pre-construction services will be rendered first for 30 percent Project Design Documents until the City’s final approval of the program, cost model and budget. The pre-construction services will be rendered for Phase 1A until the City’s final approval of the Guaranteed Maximum Price for Phase 1A. Once the Guaranteed Maximum Price for Phase 1A is approved by the City, the Construction Manager will move to the construction phase for Phase 1A and will continue to render pre-construction services for Phase 1. A separate fee will be paid to the Construction Manager for pre-construction services for each of 30 percent Project Design Documents, Phase 1A and Phase 1.
 3. Cost of the Work: Cost of the Work, as a part of each Guaranteed Maximum Price, will include generally:
 - a. Labor wages in performing the Work.
 - b. Salaries of employees when at the Project site and benefiting the City.
 - c. Employee benefits and taxes.
 - d. Reasonable transportation, travel and hotel expenses.

- e. Cost of materials, supplies and equipment incorporated in the Work.
- f. Payments to Subcontractors.
- g. Costs, including transportation and maintenance, of non-owned materials, supplies, equipment, temporary facilities and hand tools used or consumed in the Work, less salvage value.
- h. Rental charges for machinery and equipment up to 85% of the Blue Book value thereof.
- i. Premiums for insurance and bonds.
- j. Sales, use, excise and other taxes related to the Work.
- k. Permits, fees, licenses, tests and royalties.
- l. Losses, expenses, or damages not compensated by insurance and not caused by Construction Manager or its Subcontractors.
- m. Costs for field office.
- n. Water, powered fuel costs necessary for Work.
- o. Costs for removing hazardous substances, debris and waste materials.
- p. Legal, mediation and litigation costs, other than those arising from disputes between the Construction Manager and the City.
- q. Costs in performing Work not included in the Construction Manager's Fee reasonably inferable from the Construction Documents.

4. CMAR Fee: The CMAR Fee for construction services will be based on a percentage of the Cost of the Work. The CMAR Fee will be subject to the following contract provisions:

- a. The CMAR Fee for each of Phase 1A and Phase 1 will be converted to a lump sum amount at the time the GMPs are approved.
- b. A CMAR fee will not be added on the first 5% of change orders to the GMP. In the event the Cost of the Work is later increased beyond 5% of the original Cost of the Work, then the percentage fee will be earned on the Cost of the Work in excess of 5% of the original Cost of the Work.

5. General Conditions:

The General Condition's percent mark-up on the Cost of the Work established at the time a Guaranteed Maximum Price is approved will also be used for General Conditions mark-up on change orders, for those change orders that warrant additional General Conditions.

The City reserves the right to convert the General Conditions to a Lump Sum amount at the time each GMP is approved.

6. GMP Buy Out Savings, Construction Contingency, and Design Development Allowance:

Buy-out Savings: Any buy-out savings, that is, if the total Project buyout is less than the established GMP, are to be returned entirely to the City. The CMAR must return to the City the buy-out savings, when all bid packages have been bid and committed, i.e. when procurement is complete, rather than at the end of a Phase.

Contingency: The contingency amount for each GMP will be established by mutual agreement through the course of GMP development based on the Risk Register. These contingency funds are to cover the costs of realized risks, such as buy-out differentials, weather impacts that may or may not be related to the builders' risk claims, quality of work issues, limited cost escalation, and labor market/productivity impacts. This contingency budget will be included as a direct cost within the established GMP and is available to the CMAR with approval from the City and as further defined in the contract between the City and CMAR. Use of these contingent funds does not result in a change an established GMP.

Design Development Allowance: In the event a GMP is based on a design that is less than 100% complete, a mutually agreed allowance will be established during the course of GMP development. This allowance will cover scope items that were not included in the drawings and specifications but are required to ensure full functionality. Examples include equipment pads, protective coatings, architectural selections, bollards, final grading, and paving requirements. This allowance will also be included as a direct cost within an established GMP and will be available to the CMAR upon approval by the City. Use of an allowance does not result in a change to an established GMP and will be subject to the CMAR's application of overhead and profit.

7. Payment for the Cost of Work and the Construction Manager's Fee: The Construction Manager must submit Applications for Payment by the 10th day of the following month. From the amount to be paid to the Construction Manager, the City will withhold retainage of 5% from that portion of the work that subcontractors perform and the Construction Manager performs. Payments will be made within 30 days of the City's receipt of the Construction Manager's properly completed Application for Payment with all required supporting documentation. Upon Substantial Completion of each Phase, the City will use and occupy the Work of that Phase before final completion of the Work. All retainage will be paid at that time except for an amount to be retained for defective or incomplete Work. State law requires the City to withhold upon Substantial Completion an amount equal to 200% of the Design Professional's estimate of the cost to complete the Work.
8. Equipment Rate Rentals: The equipment rental rate structure (owned and affiliate rentals) must be capped at no more than 85% of the "Blue Book" rates.
9. Open Bid/Open Book Policy: The CMAR must have an open bid/open and book policy whereby the City has access to all aspects of the Cost of the Work including, but not limited to, providing subcontractor buy-out costs versus line item estimates carried in the Cost of the Work. Makeup of the line item costs including, but not necessarily limited to, the quantities, costs of materials, labor, and production rates, will be made available to the City upon request.
10. Subcontractor Selection/Self Performed Work: The CMAR will be required to use competitive bidding, competitive proposals (best value), or other methods acceptable to the City for procuring major trade work. Per South Dakota Codified Laws, the CMAR will not be allowed to self-perform trade work unless it is competitively bid. The CMAR will be allowed to self-perform general conditions

such as temporary enclosures, cleanup, etc.

11. Performance and Payment Bond: The Construction Manager is required by law to provide performance and payment bonds in the full amount of each Guaranteed Maximum Price.
12. Liquidated Damages: The Construction Manager will be assessed liquidated damages for failure to achieve timely Substantial Completion for Phase 1A and Phase 1. The daily dollar amount has not yet been determined for either Phase.
13. Mechanic's Liens: Neither the Construction Manager nor its subcontractors and suppliers may file a mechanic's lien upon the public improvement. In lieu thereof, the Construction Manager and its Subcontractors may file a lien upon the proceeds of the Project held by the City for which the Project is constructed.
14. Substantial Completion Warranty: Substantial Completion will be determined separately for each Phase in accordance with the Contract Documents. However, the warranty period will begin for both Phase 1A and Phase 1 as of the date of Substantial Completion for Phase 1.
15. System Performance Testing: The Construction Manager will be responsible for system performance testing as part of the Guaranteed Maximum Price for each Phase. At the end of Phase 1, the Construction Manager will be responsible for whole-plant performance testing with all Phase 1A and 1 constructed systems online, in accordance with the Contract Documents
16. Final Completion: The City will pay to the Construction Manager within 30 days of the final completion and the City's receipt of all required documentation all amounts withheld and owed under the Contract, in accordance with the Contract Documents.
17. Insurance: The Construction Manager will be required to obtain and maintain the insurance coverages as set forth in the Insurance Requirements attached to this Summary.

Construction Manager's Insurance Requirements

1. GENERAL REQUIREMENTS

1.2 Certificates of Insurance/Endorsements. Upon the execution of the Agreement, and upon the City of Sioux Falls' ("Owner's") request, Construction Manager must furnish to Owner certificates of insurance, and amendatory endorsements, before the Work commences as evidence of insurance coverages and minimum limits required herein. Renewal certificates must be provided to Owner 30 days prior to expiration of the policies; however, no later than the renewal date. Copies of certificates and endorsements must be provided prior to Construction Manager beginning to perform the Work. Owner reserves the right to prohibit Construction Manager from entering the Project site, or remove Construction Manager from the Project site, until evidence of coverages is provided. Owner's receipt of a non-conforming certificate of insurance and amendatory endorsements without objection, or Owner's failure to collect a certificate of insurance and amendatory endorsements will not waive or alter Construction Manager's duty to comply with this requirement. All certificates of insurance and amendatory endorsements must be in forms acceptable to Owner. Owner reserves the right to require at any time complete, certified copies of all required insurance policies, including endorsements, required by the Agreement.

1.3 Occurrence and Claims Made Policy Forms. All policies, except the cyber liability policy, pollution liability policy and professional liability policy, must provide coverage on an occurrence basis, and must not be issued under a "claims made" policy form or a "modified occurrence" policy form. If coverage is made on a claims made form:

1.3.1 Retroactive Date. The retroactive date must be shown and must be before the date of the Agreement.

1.3.2 Post Completion Insurance Period. The insurance must be maintained and evidence of insurance must be provided for at least five years after completion of the Work.

1.3.3 Replacement of Claims Made Policy. If the coverage is canceled or non-renewed, and not replaced with another claims made policy form with a retroactive date prior to the effective date of the Agreement, Construction Manager must purchase "extended reporting" coverage for a minimum of five years after completion of the Work.

1.4 Construction Manager's Notice of Cancellation, Modification, Suspension, Non-Renewal. No policy of insurance may be modified (by reduction in coverage or limits), cancelled, suspended, not renewed or allowed to expire without Construction Manager giving to Owner prior written notice of the modification (by reduction of coverage or limits), cancellation, suspension, non-renewal or expiration of the policy.

1.5 Insurance Carriers' Notices of Cancellation or Non-Renewal. All policies of insurance must be endorsed to provide the insurance carrier will provide to Owner 30 days' prior notice of cancellation or non-renewal,

1.6 Acceptance by Owner. The required insurance coverages and limits will be subject to Owner's approval. Such insurance must be maintained under forms of policies and from companies satisfactory to Owner. Each insurance company must have a financial rating of at least A-VII as defined by A.M. Best Company and must be authorized to transact business in the state where the Work is being performed.

1.7 Additional Insured Endorsement. Construction Manager agrees to name Owner, and the Design Professional for the Project, including their respective officers, directors, agents and employees as additional insureds under Construction Manager's liability insurance policies (except for the professional liability policy) with respect to liability arising out of activities, "operations" or "work" performed by or on behalf of Construction Manager, and products and completed operations of Construction Manager through the statute of repose in the jurisdiction where the Project is located (per forms CG 20 10 07 04 and CG 20 37 07 04 or coverage

equivalents). The additional insured coverage may not be limited to the named insured's sole negligence or the additional insured's vicarious or imputed liability. The additional insured coverage must include cross-suits, i.e. there must not be an exclusion for lawsuits between or among insureds. The additional insured coverage must include coverage for the parties identified above without the need for privity of contract, and must include a waiver of subrogation rights by the insurer.

1.8 Primary Insurance Endorsement. All of Construction Manager's liability insurance carriers must, by endorsement, confirm Construction Manager's liability insurance policies will apply as primary and not contributory. Any other liability insurance carried by Owner will be excess only and will not contribute with Construction Manager's liability insurance.

1.9 Waiver of Subrogation. To the maximum extent permitted by law, Construction Manager must waive, and must require (by endorsement or otherwise) all of its insurers to waive subrogation rights against Owner, including its officers, elected officials, agents and employees, for losses paid under the insurance policies required by the Agreement or other insurance applicable to Construction Manager or its subcontractors of any tier. The waiver will apply to all deductibles and self-insured retentions applicable to the insurance coverages required herein or any other insurance maintained by Construction Manager or subcontractors of any tier. Where permitted by law, Construction Manager must require similar written express waivers of subrogation and insurance clauses from each of its subcontractors of every tier. If the policies of insurance referred to in this section require an endorsement to provide for continued coverage where there is a waiver of subrogation, the owners of such policies will cause them to be so endorsed. The policy endorsement for commercial general liability is CG 24 04 05 09, or its equivalent. The policy endorsement for the automobile liability policy is CA 04 44 10 13, or its equivalent,

1.10 Deductibles/Self Insured Retentions. Any self-insured retention or deductible in excess of \$10,000 must be declared and is subject to Owner's approval. Funding of self-insured retentions or deductibles maintained by Construction Manager will be Construction Manager's sole responsibility, including any self-insured retentions or deductibles applicable to coverage afforded to Owner.

1.11 Insurance Requirements for Subcontractors. Construction Manager must ensure its subcontractors of any tier will procure and maintain insurance that complies with the requirements set forth in this **Exhibit**. Copies of the certificates and endorsements must be provided prior to the subcontractors entering the Project site or performing any Work. Owner reserves the right to prohibit subcontractors from entering the Project site, to remove subcontractors from the Project site and to withhold payment to Construction Manager until evidence of coverages is provided.

1.12 Insurance and Indemnification Obligations Separate. Construction Manager's duty to provide the insurance coverages set forth in this **Exhibit** is severable from its indemnification obligations under the Agreement. Nothing in these insurance requirements may be deemed to limit Construction Manager's liability under the Agreement. The insurance requirements are set forth as minimum amounts and may not be construed to relieve Construction Manager of liability in excess of such coverages, nor will it preclude Owner from taking such actions as are available to Owner under any other provisions of the Agreement.

1.13 Breach for Failure to Maintain Insurance. Failure of Construction Manager to maintain the required insurance coverages, limits and endorsements will constitute a material breach entitling Owner to terminate the Agreement for default, prohibit access to the Project site, withhold payment, or purchase the required insurance at Construction Manager's expense. Any delays in the completion of Construction Manager's Work due to Construction Manager's failure to obtain or maintain insurance will be treated as delay due to Construction Manager's breach of contract. Construction Manager agrees to defend, indemnify and hold harmless Owner and its officers, elected officials, agents and employees, and others identified in the

Agreement for any damages, losses, and expenses including, but not limited to, attorneys' fees incurred as a result of Construction Manager's or subcontractors of any tier's failure to maintain the insurance coverages, limits and endorsements required under this **Exhibit**.

1.14 Joint Venture Construction Managers. If Construction Manager is a joint venture, each joint venturer must satisfy the limits and coverages specified herein by insuring its own risk. One member must insure the joint venture in its totality, or the joint venture must procure its own insurance. If Construction Manager is forming a joint venture, Owner must approve the joint venture.

1.15 Special Risks of Circumstances. Owner reserves the right to modify these requirements including, but not limited to, limits, deductibles, self-insured retentions, coverages and endorsements based on the nature of the risk, prior experience, insurer or other special circumstances.

1.16 Failure to Provide Insurance. In the event Construction Manager fails to procure or maintain any insurance coverage required under the Agreement or this **Exhibit**, the Owner may purchase such coverage and deduct the cost thereof from any monies due to Construction Manager or terminate the Agreement. Construction Manager will be liable to Owner for providing all coverage, defense, and payments that would have been provided by any insurance Construction Manager failed to obtain and maintain.

1.17 Agreement Insurance Requirements. In the event of a conflict, inconsistency, or ambiguity between the provisions of this **Exhibit** and the Agreement, the more stringent, greater and or broader insurance requirements, limits, and coverages will govern.

1.18 Mandatory Insurance Coverages. Construction Manager must, at its own expense, maintain in effect at all times during the performance of the Work under the Scope of Work not less than the coverages and limits of insurance set forth in this **Exhibit**. The coverages and limits set forth below are the minimum acceptable to Owner. In specifying minimum insurance requirements, Owner does not represent the coverages and limits are adequate to protect Construction Manager from loss, damage or liability arising from the Work. Construction Manager is solely responsible to inform itself of types and amounts of insurance it may need beyond these requirements to protect Construction Manager and its subcontractors of every tier and their respective employees and agents. Notwithstanding anything to the contrary in the Agreement or in this **Exhibit**, if Construction Manager has procured any insurance coverage or limit (either primary or on an excess basis) that exceeds the minimum acceptable coverage or limit set forth in this **Exhibit** or elsewhere in the Agreement, the broadest coverages and highest limits actually afforded under the applicable policy of insurance will be considered the coverages and limits that are required by the Agreement and such coverages and limits must be provided in full to the additional insureds and indemnified parties under the Agreement. Owner and Construction Manager expressly intend the provisions set forth in this **Exhibit** and in the Agreement be construed as broadly as permitted to be construed under applicable law to afford the maximum insurance coverages and limits available under Construction Manager's insurance policies.

2.1 WORKERS' COMPENSATION/EMPLOYER'S LIABILITY

2.1 Workers' Compensation and Employer's Liability Insurance.

2.1.1 Workers' Compensation Insurance. Construction Manager must obtain and maintain workers' compensation insurance, including, but not limited to, occupational disease coverage, meeting the statutory requirements of the state in which the Work will be performed.

2.1.2 Employer's Liability Insurance. Construction Manager must obtain and maintain Employer's Liability/Stop Gap Insurance in amounts not less than:

\$500,000 each accident for bodily injury by accident.

\$500,000 policy limit for bodily injury by disease.
\$500,000 each employee for bodily injury by disease.

2.1.3 Coverage Required for Proprietors, Partners and Others. Construction Manager will voluntarily provide by endorsement workers' compensation coverage for proprietors, partners, or others for whom Construction Manager is not statutorily required to maintain workers' compensation insurance. Alternatively, Construction Manager will provide proof of health insurance coverage, subject to Owner's approval. In states where an "opt out" for workers' compensation coverage is available, all proprietors, partners and other employees must all be participants in the workers' compensation coverage and may not "opt out."

2.2 COMMERCIAL GENERAL LIABILITY

2.2 Commercial General Liability Insurance.

2.2.1 Commercial General Liability Coverages. Construction Manager must obtain and maintain commercial general liability insurance covering operations by or on behalf of Construction Manager with terms no less broad than the Insurance Services Office ("ISO") Commercial General Liability Form CG 00 01 04 13, or coverage equivalent occurrence form. Coverage must include, but not be limited to, liability arising from premises operations, independent contractors, products-completed operations, contractual liability, personal injury and advertising injury and explosion, collapse and underground (XCU).

2.2.2 Products-Completed Operations Coverage. In addition to procuring and maintaining commercial general liability insurance for the duration of the Work, Construction Manager agrees to continue to procure and maintain products-completed operations liability insurance coverage for the applicable period of statutory limitation or repose reflective of the state where the Project is located. In South Dakota, the statute of repose is 10 years following substantial completion. All required terms and conditions of coverage must be maintained during the completed operations period, including the minimum required coverage limits and the requirement Construction Manager provide additional insured coverage for completed operations.

2.2.3 Minimum Limits of Liability

\$1,000,000 Each Occurrence Bodily Injury and Property Damage
\$1,000,000 Personal and Advertising Injury
\$2,000,000 Aggregate for Products -Completed Operations
\$2,000,000 General Aggregate
\$5,000 Medical Expense (any one person)
\$50,000 Damage to Rented Premises (each occurrence)

2.2.4 Per Project General Aggregate Endorsement. The insurance carrier must issue an endorsement (ISO CG 25 03 05 09, or its coverage equivalent) providing the general aggregate limit applies separately to each Project.

2.2.5 Per Location General Aggregate Endorsement. The insurance carrier must issue an endorsement (ISO CG 25 04 05 09, or its coverage equivalent) providing the general aggregate limit applies separately to each Location.

2.2.6 Limited Contractual Liability Coverage for Personal and Advertising Injury Endorsement. The policy must by endorsement (ISO CG 22 74 10 01, or its coverage equivalent) include limited contractual liability coverage for personal and advertising injury.

2.2.7 No Exclusion for Contractual Liability. The insurance policy must not contain an exclusion for contractual liability and if there is a contractual liability limitation on the form or by endorsement it will be subject to Owner's approval.

2.2.8 Explosion, Collapse and Underground. There must be coverage for explosion, collapse and underground occurrences. (XCU coverage).

2.2.9 Pollutants Brought On Site. There must be coverage for bodily injury, personal injury and property damage claims that arise out of pollutants brought onto the Project site.

2.2.10 Subcontractors. There must be coverage for work performed by Construction Manager's subcontractors of every tier.

2.3 AUTOMOBILE LIABILITY

2.3 Automobile Liability.

2.3.1 Automobile Coverage. Construction Manager must obtain and maintain automobile insurance including liability for bodily injury and property damage arising from the use or operation of any auto, including those owned, hired or otherwise operated or used by or on behalf of Construction Manager with limits not less than \$1,000,000 each accident, combined single limit. The policy must contain terms no less broad than ISO Business Auto Coverage Occurrence Form CA 00 01 (1990 edition or coverage equivalent).

2.3.2 Broadened Pollution Liability Coverage. The automobile liability carrier, or a separate insurance carrier providing pollution coverage, must confirm by endorsement (CA 99 48 10 13 or its coverage equivalent) or policy confirming coverage for discharges of pollutants that are in or upon, being transported or towed by, being loaded on to, or being unloaded from an automobile.

2.3.3 MCS 90 Endorsement. If required by law, the automobile liability insurance carrier will issue to Owner an MCS 90 endorsement confirming compliance with the minimum financial responsibility requirements under the Motor Carrier Act and the rules and regulations of the Federal Motor Carrier Safety Administration.

2.4 EXCESS LIABILITY

2.4 Excess Liability Insurance.

2.4.1 Excess Liability Coverages. Construction Manager must maintain excess liability insurance on an occurrence basis in excess of the underlying insurance described under Commercial General Liability, Automobile Liability and Employer's Liability.

2.4.2 Coverage Amount. Construction Manager's excess liability coverage must include minimum limits of \$20,000,000.

2.4.3 Follow Form Requirement. The terms of such coverage must follow form to, or otherwise be at least as broad as, the primary underlying coverage, including amending the "other insurance" provisions as required so as to provide additional insured coverage on a primary, non-contributory basis.

2.5 CONTRACTORS EQUIPMENT/PERSONAL PROPERTY

2.5 Equipment/Personal Property Insurance. Construction Manager must provide coverage for perils of direct damage to all owned, leased and borrowed equipment and tools used in completing Construction Manager's Work.

2.6 BUILDERS RISK (PROPERTY IN THE COURSE OF CONSTRUCTION)

2.6 Builders Risk (Property in the Course of Construction).

2.6.1 Copy of Builder's Risk Policy. Upon written request of Construction Manager, Owner will provide Construction Manager with a copy of the builder's risk insurance policy in force for the Project as procured by Owner. Construction Manager must satisfy itself as to the existence and extent of such insurance prior to commencement of the Work.

2.6.2 Construction Manager Responsible for Deductible Amount. If builder's risk insurance or any other property or equipment project-specific insurance purchased by Owner provides coverage to Construction Manager for loss or damage to the Work, Construction Manager will be responsible for the insurance policy deductible amount applicable to the loss or damage to Construction Manager's Work and the damage to other property caused by Construction Manager's negligent acts and omissions and intentional misconduct.

2.6.3 Waiver of Subrogation. Owner and Construction Manager waive all rights against each other and against their respective subcontractors and sub-subcontractors of all tiers, other separate contractors and the Additional Insured, for loss or damage to the extent reimbursed by Builder's Risk or any other property or equipment insurance applicable to the Work, except such rights as they may have to the proceeds of such insurance. If the policies of insurance referred to in this Section require an endorsement or consent of the insurance company to provide for continued coverage where there is a waiver of subrogation, the owners of such policies will cause them to be so endorsed or obtain such consents.

2.7 ELECTRONIC DATA LIABILITY

2.7 Electronic Data Liability Coverages. Construction Manager must provide electronic data liability insurance covering claims involving damages arising out of loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data. As used in herein, "electronic data" means information, facts or programs, stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, servers, data processing devices or any other media which are used with electronically controlled equipment.

2.7.1 Electronic data liability insurance limits must not be less than:

\$1,000,000 Each Occurrence

\$1,000,000 Annual Aggregate

2.7.2 Form. The electronic data liability policy will be issued as an endorsement to the commercial general liability policy and will be occurrence-based.

2.8 CYBER LIABILITY

2.8 Cyber Liability Coverages. Subcontractor will provide cyber liability covering claim involving privacy violations, information theft, damage to or destruction of electronic information, intentional or unintentional release of private information, alteration of electronic information, security and private liability.

2.8.1 Limits will not be less than:

\$1,000,000 Each Occurrence (First/Third Party Coverage)

\$1,000,000 Annual Aggregate

Contractor may increase these requirements in a Subcontract Work Order depending upon the size of the Project and other risk considerations.

2.8.2 Claims Made Form Allowed. The cyber liability policy may provide coverage under a "claims made" policy form. The cyber liability policy must be maintained for five years following completion of the Project.

2.9 PROFESSIONAL LIABILITY

2.9 Professional Liability Coverage. If Construction Manager's Work includes professional or design-build services, a \$1,000,000.00 Professional Liability Insurance Policy must be carried by Construction Manager or its design professional. Evidence of coverage in the form of a certificate of insurance must be provided prior to the start of the Project. Coverage must allow for reporting of claims for a minimum of five years following completion of the Project. However, if Owner elects to purchase a project specific design policy, Construction Manager's policy must be endorsed to provide coverage once the design policy has been exhausted.

2.10 CONSTRUCTION MANAGER'S POLLUTION LIABILITY

2.10 Construction Manager's Pollution Liability. If applicable to the Work being performed, Construction Manager and its subcontractors must obtain and maintain Pollution Liability insurance covering liability for bodily injury, property damage and environmental damage resulting from pollution and related cleanup costs incurred, all arising out of the Work to be performed under the Scope of Work. The Pollution Liability insurance must include affirmative coverage for natural resource damages, microbial matter/fungus including Legionella, pneumophila, silt and sedimentation. Coverage must also be provided for both Work performed on the Project site, as well as during the transport and disposal of hazardous materials.

2.10.1 Coverage for Hazardous Materials Brought On Site. If Construction Manager brings to the Project site any hazardous materials including, but not limited to, fuel, oil and tack oil, Construction Manager's pollution liability coverage must include minimum limits of liability of \$2,000,000 per occurrence and \$2,000,000 aggregate. Owner may increase these requirements in a Change Order depending upon the risk considerations.

2.10.2 Coverage for Microbial Matter. If Construction Manager or one of its subcontractors of any tier is (i) performing Work that is associated with keeping moisture out of a building, (ii) performing work that penetrates the building enclosure, or (iii) performing work that includes liquid conveying piping systems inside the building, then Construction Manager's and its subcontractors must obtain and maintain pollution liability coverage on an occurrence basis must include minimum limits of liability of \$2,000,000 per occurrence and \$2,000,000 aggregate to include coverage for microbial matter, including mold, fungus or bacteria.

2.11 ENVIRONMENTAL SERVICES LIABILITY

2.11 Environmental Services Coverage. If Construction Manager's Work or that of its subcontractors of any tier includes Environmental Services, contractor's pollution liability insurance must be provided by Construction Manager or the subcontractor performing Environmental Services on an occurrence basis, with limits of not less than \$2,000,000 per occurrence and \$2,000,000 aggregate or as specified by the Contract Documents, whichever is greater. "Environmental Services" means any contact with a Hazardous Material, including abatement, removal, remediation, transportation, or disposal of a Hazardous Material or working in areas where contact with such Hazardous Materials may take place. "Hazardous Material" means asbestos, asbestos containing material, lead (including lead-based paint), PCB, silica, silica dust, molds and microbial matter, any other chemical, material, or substance subject to regulation as a hazardous material, hazardous substance, toxic substance, or otherwise, under applicable federal, state, or local law; and any other chemical, material, or substance that may have adverse effects on human health or the environment.

2.12 RIGGER'S LIABILITY

2.12 Rigger's Liability for Crane Services Coverage. Construction Manager, or its subcontractor providing crane services, must amend their commercial general liability insurance policy must be amended to apply with minimum limits of liability to insure against bodily injury and property damage arising from the crane operations. The policy must include coverage for Rigger's Liability and must not exclude coverage for damage to property being lifted.

2.12.1 The rigger's liability policy must be provided with the following minimum policy limits:

\$5,000,000 Each Occurrence Bodily Injury and Property Damage
\$5,000,000 Personal and Advertising Injury
\$5,000,000 Aggregate for Products -Completed Operations
\$5,000,000 General Aggregate

Owner may increase these requirements in a Change Order depending upon risk considerations.

2.12.2 Alternative Crane Services Endorsement to Commercial General Liability Policy. If Construction Manager's Work is not primarily providing crane services, Construction Manager's commercial general liability policy may be endorsed to include an installation floater to insure against bodily injury and property damage arising from such crane operations. The policy must include coverage for the hoisting and rigging exposure and must not exclude coverage for damage to property being lifted. Rigger's Liability must be on an "all risk" form with limits not less than the maximum value of property lifted at any one time. Construction Manager's coverage for crane services may be provided either by Construction Manager's own policies, or by the policies of a lower tier subcontractor providing crane services for Construction Manager.

EXHIBIT C

CMAR Worksheet and Questionnaire

Questions/Conditions

Note: Exhibit C will be completed by firms selected for interviews. Therefore the response to this exhibit is not to be included in the proposal.

1. Preconstruction: Provide an estimated cost and level of effort including an itemized breakdown of hours and costs for the pre-construction effort for the three tasks identified in section 7.1 through 7.3 of the RFP including:
 - a. Preconstruction efforts through the development of the cost model and 30% Project Design Documents.
 - b. Preconstruction efforts through the development of GMP 1 for Phase 1A.
 - c. Preconstruction efforts through the development of GMP 2 for Phase 1.

This information should be attached to this Exhibit C as **Exhibit C-1** completed by your firm. The City intends to price the preconstruction services on a negotiated lump sum amount based on the level of effort and rates identified in this Exhibit. The CMAR must use the billing rates described below as the basis for this level of effort. Each task must be summarized separately.

2. CMAR Fee: The CMAR fee (the percentage of the Cost of the Work) will be applied to all items within the GMPs including contractor's excise tax, bond costs, builder's risk insurance, liability insurance, and the CMAR's contingency. This fee will include:
 - a. Profit
 - b. Overhead
 - i. Including corporate, regional, or anyone not directly working on the Project in billable capacity. VPs, Area Managers, District Managers, HR, legal and accounting functions will be deemed overhead positions regardless of their role on the Project.
 - ii. Overhead will include any and all allocations such as information technology (IT) or business development. For example a 1% allocation for corporate IT will not be an allowable cost component under the "Cost of the Work" and, therefore, will not be an allowable cost included in the Cost of the Work.

Proposed CMAR Fee will be "x" percentage of the Cost of the Work through the agreement between the City and the CMAR on GMP 1 and GMP 2. Once the GMPs are agreed upon, the CMAR Fee will be set as a fixed \$ amount. In the event the Cost of the Work is later increased beyond 5% of the original GMP, then the percentage fee will be earned on the Cost of the Work in excess of 5% of the original Cost of the Work. The CMAR Fee must be attached to this Exhibit C as **Exhibit C-2**.

3. Billing Rates for all phases including the Pre-Construction Periods and Construction for Phase 1A and Phase 1. Provide a list of labor billing rates for all onsite,

reimbursable staff such as Project Manager, Preconstruction Manager, Estimating Manager, Construction Manager, Superintendent, Discipline Superintendent, Project Engineer, Field Engineer, Scheduler, On-site Safety Representative., QC Manager, Project Accountant, Project Administrative Assistant, etc. Billing rates must be hourly rates and must include FICA, SUTA, FUTA, 401K/pension/ESOP, healthcare, worker's compensation, and all other fringes or labor burdens, exclusive of all profit and all overhead. Provide a detailed list and documentation of these fringe benefits that are included in the rates. Any profit and overhead must be included in the CMAR fee, and not in these rates.

The list of labor billing rates must be submitted in the format attached to this Exhibit C as **Exhibit C-3** completed by your firm.

The City reserves the right to audit these rates. Rates must be included for construction years 2020 through 2023 and inclusive of merit raises and/or escalation.

4. Provide a detailed list of any other indirect labor costs that may be included in the GMPs such as management vehicles, cell phones, recruiting and relocation, LOA (living away allowance), subsistence, etc. The list should be attached to this Exhibit C as **Exhibit C-4** as completed by your firm. Any other indirect labor expenses not listed on this may not be included in the CMAR pre-construction and construction fees.
5. Performance and Payment Bonds
 - a. Rate: (Expressed as a percentage). This rate must be submitted in the format attached to this Exhibit C as **Exhibit C-5**.

Exhibit C-1
Estimated Cost/Level of Effort
(Costs and Hours)

Exhibit C-2

CMAR Fee

EXHIBIT C-3

Labor Billing Rates

The list of labor billing rates shall be submitted in the following format:

Position(Titles are examples only and not all inclusive)	2019	2020	2021	2022	2023
Project Manager					
Preconstruction Manager					
Estimating Manager					
Construction Manager					
Superintendent					
Discipline Superintendent					
Project Engineer					
Field Engineer					
Scheduler					
On site Safety Representative					
QC Manager					
Project Accountant					
Project Administrative Assistant					

Individual rates may be listed for each year or list a base rate for 2019 with an escalation multiplier for years 2020-2023.

EXHIBIT C-4
Indirect Labor Costs

EXHIBIT C-5

Performance and Payment Bond Rate

Exhibit D
Authorization for Release of Performance Information and Waiver

I, _____, the undersigned, on behalf of _____ (the "Company"), does hereby consent and authorize all those companies and government entities listed in the Company's Proposal and any other government entity for whom Company has performed pre-construction and/or construction services, to disclose and release to the City of Sioux Falls, or its representatives, information, records and opinions concerning Company's pre-construction and/or construction services performance. The purpose of the disclosures is to provide references to the City of Sioux Falls. Company hereby waives any claim it may have against the City of Sioux Falls or any company or entity providing information to the City of Sioux Falls by reason of any information being disclosed or opinions provided regarding the Company's actions or performance. This authorization for disclosure of information is effective for one year. This consent or a copy of this authorization will be as valid and effective as the original.

Company: _____

By: _____

Its: _____

Date: _____