

DEC 13 2007

CONSTRUCTION MANAGER AT RISK
DESIGN CONSULTANT CONTRACT

PROJECT TITLE: CITY HALL

PROJECT NO: GG0502-201

This Agreement is made and entered into by and between the City of Chandler, Arizona, a municipal Corporation, hereinafter called the CITY, and **SmithGroup, Inc.**, a Michigan corporation licensed to do business in Arizona hereinafter called DESIGN CONSULTANT.

WHEREAS, DESIGN CONSULTANT represents DESIGN CONSULTANT has the expertise and is qualified to perform the services described in this Agreement; and

WHEREAS, the Mayor and City Council/City Manager of the City of Chandler are authorized and empowered by the provisions of the City Charter to execute Agreements for Professional Services; and

WHEREAS, the Parties intend to have this Project designed and constructed using a Construction Manager at Risk method with DESIGN CONSULTANT being a part of a Design Team; and

NOW THEREFORE, for and in consideration of the mutual covenants and conditions hereinafter contained, it is agreed by and between the CITY and DESIGN CONSULTANT, as follows:

1. DESCRIPTION OF PROJECT: The Project known as the **CITY HALL** will be an approximately **120,000** sq. ft. **municipal complex**. With site improvements it will occupy **between 2.5 and 4 acres** located on **Arizona Avenue**, Chandler, Arizona. The Project is more specifically described in Exhibit A attached hereto and incorporated herein by reference.
2. DEFINITIONS: The CITY's General Conditions for Construction apply to this contract and take priority over any conflicting provisions between the Contract and the General Conditions. Words used in this Agreement which are defined in CITY's General Conditions for Construction Contracts shall have the meaning stated therein. DESIGN CONSULTANT is the Project Designer as defined in said General Conditions.
3. SCOPE OF WORK: DESIGN CONSULTANT shall design and complete the Project all as more specifically described in Exhibit A-1 (Scope of Work), A-2 (Design Team and Their Assignments), A-3 (Production Schedule), and A-4 (Design Quality Control Plan). attached hereto and incorporated herein by reference.
4. DESIGN TEAM: DESIGN CONSULTANT shall be a part of and participate together with the Design Team as set forth in Exhibit A-2 and shall attend meetings with, provide information to and cooperate with the person retained by CITY to be the Construction Manager at Risk (CM@RISK). The identity and duties of each member of the Design Team is set forth in Exhibit A-2 and no changes to identity or duty can be changed without written authorization of the City. THE DESIGN CONSULTANT is responsible for the performance and duties of all of the members of the Design Team as set forth in this Contract, and the City will not participate in any formal or informal dispute or disagreement that may arise during the performance of the Contract or thereafter in any formal or informal legal or non-legal disagreement or dispute between or among any of the members of the Design Team.
5. FEE FOR SERVICES: For services described in paragraph 3 of this Agreement, the CITY shall pay DESIGN CONSULTANT a fee not to exceed the sum of **Five Million Two Hundred Thirty Two Thousand One Hundred Fifty** dollars (\$5,232,150) at the rates shown in and in accordance with the fee schedule attached hereto as Exhibit B, Exhibit B-1, Exhibit B-2 and Exhibit B-3 and made a part hereof by reference. Payment will be made monthly on the basis of progress reports corresponding with the rates and charges listed on the fee schedule and showing the number of hours or other basis to determine the fee earned to that date. An Application and Certification for Payment Sheet must be provided. In addition, the following must also be included with each application for payment: a clear, detailed invoice reflecting items being billed for, reimbursables; a summary sheet showing percentage of work completed to date; amount/percent billed to date; current status of all tasks within a project; and any/all backup documentation supporting the above items. Work schedule updates shall also be included in the monthly progress payment requests. City will make all payments to DESIGN CONSULTANT who shall be responsible for payment to all Design Team Members.

6. PERIOD OF SERVICE:

- A. Following receipt of a "Notice to Proceed" with the design work, DESIGN CONSULTANT shall complete the design and have all documents ready for construction or bidding within **455** calendar days of the date indicated on the Notice to Proceed as set forth in Exhibit A-3, the Production Schedule.
- B. The Design Services for preparation of design and construction document period will be approximately **455** days. Following the "Notice To Proceed" for construction of the Project, DESIGN CONSULTANT shall perform the construction administration portion of this contract for approximately **639** days.
- C. DESIGN CONSULTANT shall prepare and deliver to CITY record documents within **45** days of the date of receipt of the red line drawings from the CM@Risk.
- D. DESIGN CONSULTANT shall complete all services specified herein in accordance with the Production Schedule (Exhibit A-3) and progress milestones included in Exhibit A and as discussed with the CM@Risk for meeting schedule attached herein. In the event delays are experienced beyond the control of DESIGN CONSULTANT, the completion date may be extended as mutually agreed upon in writing by CITY and DESIGN CONSULTANT.

7. OPINIONS OF PROBABLE COSTS (ESTIMATES): Any opinions of probable project cost or probable construction cost provided by DESIGN CONSULTANT are made on the basis of information available to DESIGN CONSULTANT and on the basis of DESIGN CONSULTANT's experience and qualifications, and represents its best judgement as an experienced, licensed and qualified professional. However, since DESIGN CONSULTANT has no control over the cost of labor, materials, equipment or services furnished by others, or over the contractor(s) methods of determining prices, or over competitive bidding or market conditions, DESIGN CONSULTANT does not guarantee that proposals, bids or actual project or construction cost will not vary from opinions of probable cost DESIGN CONSULTANT prepares. The DESIGN CONSULTANT is responsible for advising and consulting with the City on cost. DESIGN CONSULTANT is not responsible for providing for formal estimates, this is the CM@Risk responsibility.

8. REPORTS & APPROVALS: All work shall be subject to the approval by CITY and each phase of the work will be submitted to CITY in accordance with schedule included in Exhibit A and in the format prescribed by CITY. When requested by CITY, DESIGN CONSULTANT will attend Council meetings and provide finished documents including correspondence for Council action, supporting charts, graphs, drawings and colored slides of same.

9. STANDARDS OF PERFORMANCE:

- A. This design contract has been awarded to DESIGN CONSULTANT based on their proposal that those personnel and consultants listed in Exhibit A attached hereto will perform the portions of the work listed on said Exhibit A. DESIGN CONSULTANT shall not deviate nor substitute any of these team members without prior written approval by CITY.
- B. DESIGN CONSULTANT shall be responsible for the technical accuracy of its services and documents resulting therefrom, and CITY shall not be responsible for discovering deficiencies therein. DESIGN CONSULTANT shall correct any such deficiencies without additional compensation or cost to CITY, except to the extent any such deficiency is directly attributable to deficiencies in CITY-furnished information.
- C. DESIGN CONSULTANT shall be familiar with CITY's Standard Details and Specifications and other relevant CITY regulations. DESIGN CONSULTANT shall ensure there are no conflicts among the Contract Documents including, but not limited to, the CITY's General and Supplementary Conditions for Construction Contracts, the plans and specifications prepared by DESIGN CONSULTANT, any standard details or specifications incorporated therein by reference, and the Construction Contract. The DESIGN CONSULTANT is responsible, along with his designers, for the design correctness and scaling the design documents.
- D. DESIGN CONSULTANT shall be responsible for the completeness and accuracy of his/her work prepared or compiled under obligation for this project and shall correct, at his/her expense, all errors or omissions therein, which may be disclosed. Correction of errors disclosed and determined to exist during any construction of the

project on architectural or engineering drawings and specifications shall be accomplished by the DESIGN CONSULTANT. The cost of the design necessary to correct those errors attributable to the DESIGN CONSULTANT and any damage incurred by the CITY as a result of additional construction costs caused by such architectural and/or engineering errors shall be chargeable to the DESIGN CONSULTANT. The fact that the City has reviewed or approved the DESIGN CONSULTANT's work shall in no way relieve the DESIGN CONSULTANT of any of DESIGN CONSULTANT's responsibilities. The foregoing provision shall be subject to Arizona Revised Statutes 12, Chapter 17.

10. INDEMNIFICATION

The DESIGN CONSULTANT hereby agrees to defend, indemnify and hold harmless the CITY, any of its departments, agencies, officers, or employees from all damages, claims or liabilities and expenses (including reasonable attorney's fees) arising out of or resulting in any way from the performance of professional services for the City in the DESIGN CONSULTANT's capacity as an architect, and caused by any willful or negligent error, omission, or act of the DESIGN CONSULTANT or any person employed by it or anyone for whose acts the DESIGN CONSULTANT is legally liable. In consideration of the award of this contract, the DESIGN CONSULTANT agrees to waive all rights of subrogation against the CITY, its officers, officials, agents and employees for losses arising from the work performed by the DESIGN CONSULTANT for the CITY.

The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph.

11. INSURANCE REQUIREMENTS:

11.1 General Requirements:

- A. DESIGN CONSULTANT, at its own expense, shall purchase and maintain insurance of the types and amounts required in this section, with companies possessing a current A.M. Best, Inc. rating of B++6, or better and legally authorized to do business in the State of Arizona with policies and forms satisfactory to CITY.
- B. Except for DESIGN CONSULTANT's professional liability insurance required under this agreement, policies written on a "Claims made" basis are not acceptable without written permission from the City's Risk Manager
- C. All insurance required herein shall be maintained in full force and effect until all work or services required to be performed under the terms of this Agreement is satisfactorily completed and formally accepted. Failure to do so may, at the sole discretion of CITY, constitute a material breach of this Agreement and may result in termination of this contract.
- D. If any of the insurance policies are not renewed prior to expiration, payments to the DESIGN CONSULTANT may be withheld until these requirements have been met, or at the option of the City, the City may pay the Renewal Premium and withhold such payments from any monies due the DESIGN CONSULTANT.
- E. All insurance policies, except Workers' Compensation and Professional Liability required by this Agreement, and self-insured retention or deductible portions, shall name, to the fullest extent permitted by law for claims arising out of the performance of this contract, the City of Chandler, its agents, representatives, officers, directors, officials and employees as Additional Insureds.
- F. DESIGN CONSULTANT's insurance shall be primary insurance over any insurance available to the CITY and as to any claims resulting from this contract, it being the intention of the parties that the insurance policies so effected shall protect both parties and be primary coverage for any and all losses covered by the described insurance.
- G. The insurance policies, except Workers' Compensation and Professional Liability, shall contain a waiver of transfer rights of recovery (subrogation) against CITY, its agents, representatives, officers, directors, officials and employees for any claims arising out of DESIGN CONSULTANT's acts, errors, mistakes, omissions, work or service.

- H. The insurance policies may provide coverage which contain deductibles or self-insured retentions. Such deductible and/or self-insured retentions shall be assumed by and be for the account of, and at the sole risk of DESIGN CONSULTANT. DESIGN CONSULTANT shall be solely responsible for the deductible and/or self-insured retention. The amounts of any self-insured retentions shall be noted on the Certificate of Insurance. CITY, at its option, may require DESIGN CONSULTANT to secure payment of such deductibles or self-insured retentions by a Surety Bond or an irrevocable and unconditional letter of credit. Self-insured retentions (SIR) in excess of \$25,000 will not be accepted except with permission of the Management Services Director/designee.
- I. All policies and certificates shall contain an endorsement providing that the coverage afforded under such policies shall not be reduced, canceled or allowed to expire until at least thirty (30) days prior written notice has been given to CITY.
- J. Information concerning reduction of coverage on account of revised limits or claims paid under the General Aggregate, or both, shall be furnished by the DESIGN CONSULTANT with reasonable promptness in accordance with the DESIGN CONSULTANT's information and belief.
- K. In the event that claims in excess of the insured amounts provided herein, are filed by reason of any operations under this contract, the amount of excess of such claims, or any portion thereof, may be withheld from payment due or to become due the DESIGN CONSULTANT until such time as the DESIGN CONSULTANT shall furnish such additional security covering such claims as may be determined by the CITY.

11.2 Proof of Insurance - Certificates of Insurance

- A. Prior to commencing work or services under this Agreement, DESIGN CONSULTANT shall furnish to CITY Certificates of Insurance, issued by DESIGN CONSULTANT's insurer(s), as evidence that policies providing the required coverages, conditions and limits required by this Agreement are in full force and effect and obtain from the City's Risk Management Division approval of such Certificates.
- B. If a policy does expire during the life of this Agreement, a renewal certificate must be sent to the City of Chandler five (5) days prior to the expiration date.
- C. All Certificates of Insurance shall identify the policies in effect on behalf of DESIGN CONSULTANT, their policy period(s), and limits of liability. Each Certificate shall include the job site and project number and title. Coverage shown on the Certificate of Insurance must coincide with the requirements in the text of the contract documents. Information required to be on the certificate of Insurance may be typed on the reverse of the Certificate and countersigned by an authorized representative of the insurance company.
- D. CITY reserves the right to request and to receive, within 10 working days, certified copies of any or all of the herein required insurance policies and/or endorsements. CITY shall not be obligated, however, to review same or to advise DESIGN CONSULTANT of any deficiencies in such policies and endorsements, and such receipt shall not relieve DESIGN CONSULTANT from, or be deemed a waiver of CITY's right to insist on, strict fulfillment of DESIGN CONSULTANT's obligations under this Agreement. DESIGN CONSULTANT reserves its right to redact any proprietary or confidential information contained therein.

11.3 Required Coverage

Such insurance shall protect DESIGN CONSULTANT from claims set forth below which may arise out of or result from the operations of DESIGN CONSULTANT under this Contract and for which DESIGN CONSULTANT may be legally liable, whether such operations be by the DESIGN CONSULTANT or by a Sub-consultant or subcontractor or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable. Coverage under the policy will be at least as broad as Insurance Services Office, Inc., policy form CG00011093 or equivalent thereof, including but not limited to severability of interest and waiver of subrogation clauses.

- A. Claims under workers' compensation, disability benefit and other similar employee benefit acts which are applicable to the Work to be performed;

- B. Claims for damages because of bodily injury, occupational sickness or disease, or death of the Contractor's employees;
- C. Claims for damages because of bodily injury, sickness or disease, or death of any person other than the DESIGN CONSULTANT's employees;
- D. Claims for damages insured by usual personal injury liability coverage;
- E. Claims for damages, other than to Work itself, because of injury to or destruction of tangible property, including loss of use resulting therefrom;
- F. Claims for damages because of bodily injury, death of a person or property damage arising out of ownership, maintenance or use of a motor vehicle; Coverage will be at least as broad as Insurance Service Office, Inc., coverage Code "I" "any auto" policy form CA00011293 or equivalent thereof.
- G. Claims for bodily injury or property damage arising out of completed operations;
- H. Claims involving contractual liability insurance applicable to the Contractor's obligations under the Indemnification Agreement;
- I. Claims for injury or damages in connection with one's professional services;
- J. Claims involving construction projects while they are in progress. Such insurance shall include coverage for loading and off loading hazards. If any hazardous material, as defined by any local, state or federal authorities are to be transported, MCS 90 endorsement shall be included;

11.3.1 Commercial General Liability - Minimum Coverage Limits:

The Commercial General Liability insurance required herein shall be written for not less than \$1,000,000 limits of liability or ten percent (10%) of the Contract Price, whichever coverage is greater. Any combination between general liability and excess general liability alone amounting to a minimum of \$1,000,000 per occurrence (or 10% per occurrence) and an aggregate of \$2,000,000 (or 20% whichever is greater) in coverage will be acceptable. The Commercial General Liability additional insured endorsement shall be as broad as the Insurance Services, Inc's (ISO) Additional Insured, Form B, CG 20101001, and shall include coverage for DESIGN CONSULTANT's operations and products, and completed operations.

11.3.2 General Liability - Minimum Coverage Limits

- A. The General Liability insurance required herein, including, Comprehensive Form, Premises-Operations, Explosion and Collapse, Underground Hazard, Products/Completed Operations, Contractual Insurance, Broad Form Property Damage, Independent Contractors, and Personal Injury shall be written for Bodily Injury and Property Damage Combined shall be written for not less than \$1,000,000 or 10% of the contract cost and with a \$2,000,000 aggregate.
- B. Automobile Liability: DESIGN CONSULTANT shall maintain Commercial/Business Automobile Liability insurance with a combined single limit for bodily injury and property damage of not less than \$1,000,000 each occurrence with respect to any owned, hired, and non-owned vehicles assigned to or used in performance of the DESIGN CONSULTANT's work. Coverage shall be at least as broad as coverage code 1, "any auto", (Insurance Service Office, Inc. Policy Form CA 00011293, or any replacements thereof). Such insurance shall include coverage for loading and off loading hazards if hazardous substances, materials or wastes are to be transported and a MCS 90 endorsement shall be included with coverage limits of \$5,000,000 per accident for bodily injury and property damage.

11.3.3 Worker's Compensation and Employer's Liability:

DESIGN CONSULTANT shall maintain Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction over DESIGN CONSULTANT's employees engaged in the performance of the

work or services; and, Employer's Liability insurance of not less than \$1,000,000 for each accident, \$1,000,000 disease coverage for each employee, and \$1,000,000 disease policy limit. In case any work is subcontracted, DESIGN CONSULTANT will require the Subcontractor to provide Workers' Compensation and Employer's Liability to at least the same extent as required of DESIGN CONSULTANT.

11.3.4 Professional Liability:

DESIGN CONSULTANT shall maintain Professional Liability insurance covering acts, errors, mistakes and omissions arising out of the work or services performed by DESIGN CONSULTANT, or any person employed by DESIGN CONSULTANT, with a claims made policy limit of not less than \$5,000,000.

12. DISPUTE RESOLUTION:

- A. Disputed Invoices. In the event of a disputed or contested invoice, only that portion so contested may be withheld from payment, and the undisputed portion will be paid.
- B. Disputed Items. CITY may temporarily delete any disputed items contained in DESIGN CONSULTANT's invoice, including items disputed due to lack of supporting documentation, and pay the remaining amount of the invoice. CITY shall promptly notify DESIGN CONSULTANT of the dispute and request clarification and/or remedial action. CITY may withhold payment on all disputed items until the issues are resolved. After any dispute has been settled, DESIGN CONSULTANT shall include the disputed item on a subsequent regularly scheduled invoice or on a special invoice for the disputed item only.
- C. Good Faith Negotiation. CITY and DESIGN CONSULTANT agree to negotiate all disputes between them in good faith prior to exercising their rights under law.
- D. Binding Special Arbitration. All claims, disputes and other matters in question between CITY and DESIGN CONSULTANT arising out of, or relating to this Agreement, or the breach thereof (except for claims which have been resolved pursuant to paragraphs 9 or 12 A, B and C of this contract) shall be decided by binding, unappealable special arbitration, as described below, if the claim for compensation, costs or expenses, damages or reimbursement is equal to or less than \$50,000. Claims over \$50,000 shall have non-binding mediation as the first step to settling the dispute or claim.
- E. Special Arbitration. All arbitration of claims shall be conducted in Chandler, Arizona, in accordance with the following rules:
 - 1) Any time after the parties have attempted in good faith but without success to resolve one or more disputes, a party may notify the other in writing that they are at impasse (Notice of Impasse) and request immediate arbitration in accordance with the terms herein.
 - 2) Within ten (10) days after the date of such Notice of Impasse, each party shall select an impartial intermediary, who shall, together, agree upon a third impartial person who will be the arbitrator. To be considered impartial an intermediary or arbitrator shall not have any previous or current relationship which would be considered a conflict of interest with either party, including, but not limited to, current or previous employment or contractual relationship, indebtedness or ownership interest.
 - 3) The parties shall immediately cooperate with each other to draft together a short summary of the facts and a list of questions or issues to be resolved by the arbitrator. If the facts are in dispute, such disputed facts shall be listed as contentions by the party asserting them. In the event the parties are unable to agree upon a summary of the facts or a list of questions or issues, each party shall instead include a statement of facts and list of issues in that party's Position Paper submitted to the arbitrator. Such summary of facts and list of questions or issues shall be completed by the parties and submitted to the arbitrator within twenty (20) days of the date of the Notice of Impasse.
 - 4) The parties shall cooperate to gather any documents and exhibits necessary to resolve the issues and provide them jointly to the arbitrator. In the event of a dispute between the parties regarding whether a document should be provided, the disputed document shall be submitted to the impartial intermediaries who will determine its appropriateness for submittal. Correspondence between the parties which discusses

settlement or resolution of the issues shall be submitted. All such evidence shall be submitted to the arbitrator within twenty (20) days of the date of the Notice of Impasse.

5) Each party may submit a written Position Paper of no more than ten (10) pages, supporting or explaining that party's position and providing citations to relevant law. Any such Position Paper shall be submitted to the arbitrator within thirty (30) days of the date of the Notice of Impasse.

6) There shall be no hearing, no witnesses, no argument nor contact by the parties or their representatives with the arbitrator except for the joint submittals and each party's Position Paper.

7) The arbitrator may request additional information and may make any other orders necessary to resolve the entire matter.

8) The arbitrator shall issue a written decision resolving all the submitted issues within 30 days after receiving the Position Papers.

F. Nothing herein contained shall be so construed as to preclude DESIGN CONSULTANT or CITY from commencing a legal action in relation to claims in excess of \$50,000, but the sole legal remedy in relation to claims of \$50,000 or less shall be binding, unappealable special arbitration as described above.

13. AMENDMENTS: Whenever a change in the Scope of Work contemplated in this Agreement is determined to be necessary, the work will be performed in accordance with this Agreement provided, however, that BEFORE such work is started, an Amendment shall be executed by CITY and DESIGN CONSULTANT. Additions to, modifications of, or deletions from the project provided herein may be made and the compensation to be paid to DESIGN CONSULTANT may be adjusted accordingly by mutual agreement of the contracting parties. It is agreed that no claim for extra work by DESIGN CONSULTANT will be allowed by CITY except as provided herein, nor shall DESIGN CONSULTANT do any work not covered by this Agreement unless such work is authorized through an executed amendment.

14. TERMINATION WITHOUT CAUSE: CITY may at any time and for any or no reason, at its convenience, terminate this Agreement or any part of the services to be rendered pursuant thereto by ten (10) day written notice to DESIGN CONSULTANT specifying the termination date. Immediately after receiving such notice, DESIGN CONSULTANT shall discontinue advancing the work under this Agreement and shall deliver to CITY all drawings, notes, calculations, sketches and other materials entirely or partially completed, together with all unused materials supplied by CITY.

DESIGN CONSULTANT shall receive as compensation in full for services performed to date of such termination, a fee for the percentage of work actually completed. This fee shall be a percentage of DESIGN CONSULTANT(S) fee described in this Agreement under paragraph 4 and shall be in an amount to be agreed mutually by DESIGN CONSULTANT and CITY. CITY shall make this final payment within sixty (60) days after DESIGN CONSULTANT has delivered the last of the partially completed items.

15. OWNERSHIP OF DOCUMENTS: All documents, including, but not limited to, preliminary designs, tracings, drawings, original mylars, estimates, field notes, investigations, design analysis, communications (e-mail, minutes, telephone, memos, etc.) and studies which are prepared in the performance of this Agreement are to be, and shall remain the property of CITY. DESIGN CONSULTANT shall furnish CITY, upon its request, originals or reproducible copies of technical specifications and copies of all other documents listed above. DESIGN CONSULTANT shall endorse, by his professional seal, all plans and engineering data furnished by it.

16. RE-USE OF DOCUMENTS: The parties agree the documents, drawings, specifications and designs, although the property of CITY, are prepared for this specific project and are not intended nor represented by DESIGN CONSULTANT to be suitable for re-use for any other project. Any reuse without written verification or adaptation by DESIGN CONSULTANT for the specific purpose intended will be at CITY's sole risk and without liability or legal exposure to DESIGN CONSULTANT.

17. NO KICK-BACK CERTIFICATION: DESIGN CONSULTANT warrants that no person has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage,

brokerage or contingent fee; and that no member of the City Council or any employee of the CITY has any interest, financially or otherwise, in the DESIGN CONSULTANT firm.

For breach or violation of this warranty, CITY shall have the right to annul this Agreement without liability, or at its discretion to deduct from the Agreement Price or consideration, the full amount of such commission, percentage, brokerage, or contingent fee.

18. CONFLICT OF INTEREST: DESIGN CONSULTANT stipulates that its officers and employees do not now have a conflict of interest and it further agrees for itself, its officers and its employees that it will not contract for or accept employment for the performance of any work or services with any individual business, corporation or government unit that would create a conflict of interest in the performance of its obligations pursuant to this Agreement.

Pursuant to A.R.S. Section 38-511, CITY may cancel this Agreement within three (3) years after its execution, without penalty or further obligation by CITY if any person significantly involved in initiating, negotiating, securing, drafting or creating this Agreement on behalf of CITY is, at any time while this Agreement is in effect, an employee of any other party to this Agreement in any capacity, or a consultant to any other party of this Agreement with respect to the subject matter of this Agreement.

19. CONTROLLING LAW: The laws of the State of Arizona shall govern this agreement.

20. NO ASSIGNMENT: DESIGN CONSULTANT shall not assign, transfer, convey or subcontract this Agreement or the services to be rendered pursuant thereto without the prior written consent of CITY.

21. NOTICES: Any notice required under this Agreement shall be in writing, addressed to the appropriate party at its address on the signature page and given personally or by registered or certified mail postage prepaid, or by a commercial courier service. All notices shall be effective upon the date of receipt.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names this _____ day of _____, 200__

CITY OF CHANDLER

DESIGN CONSULTANT

MAYOR Date

By: _____
Signature

ADDRESS FOR NOTICE

ADDRESS FOR NOTICE

City of Chandler
P.O. Box 4008, Mail Stop 407
Chandler, AZ 85244-4008
480-782-3307

SmithGroup, Inc.
455 N. Third St., Ste. 250
Phoenix, AZ 85004

Phone: 602.265.2200

ATTEST:

ATTEST: If Corporation

City Clerk

Secretary

APPROVED AS TO FORM:

City Attorney By: *[Signature]*

SEAL

EXHIBIT A
DETAILED DESCRIPTION OF CITY'S CONCEPT

The new City Hall is to be a low-to-mid-rise complex consisting of administrative offices, Council Chambers, a parking garage and surrounding improvements.

The gross area is to be approximately 120,000 SF located at Arizona Avenue and Chicago Street and includes a parking structure with a capacity of 600 spaces with the potential of lease space at its base and a façade treatment that acts as a screening element. The City Hall will be comprised of administration offices and a public television studio in close proximity to the Council Chambers. The Council chambers may be integrated within the Building or be a free-standing annex. Not included are an amphitheatre and the Chandler History Center (Museum). Also, the program for City Hall does not include Public Works, nor the Planning and Development departments (with its one-stop permit centers).

**EXHIBIT A-1
SCOPE OF WORK**

PROJECT TITLE: CITY HALL
PROJECT NO. GG0502-201
Chandler, AZ.

I. PROJECT DESCRIPTION & SCOPE OFWORK:

Design consultant will provide services for the design, permitting, development of construction documents, and specified construction administration for the development of a **CITY HALL**, located on Arizona Avenue in Chandler, Arizona, all as more specifically described herein below.

The budget for facility design may include, but not be limited to, areas for activities such as: Administration offices, Council Chambers, parking structure, and other associated functions. The exterior improvements may include: A more detailed description of City's concept is attached as Exhibit A.

The total cost of the project design, construction, furnishing and equipping is **\$53,403,341**. All design, construction and furnishing of the project will be completed within this budget.

DESIGN CONSULTANT shall provide all design services for the Project including, but not limited to, normal landscape, civil, mechanical and electrical engineering services.

DESIGN CONSULTANT shall participate as a team member along with the CITY and the CM@Risk, and shall communicate and share all information concerning the design.

II. ASSIGNMENT:

1. The design contract has been awarded to a DESIGN CONSULTANT based on their proposed personnel and specified consultants. Any deviations or substitutions of these team members must be pre-approved in writing by the CITY's representative. Those persons listed in Exhibit A-2 will perform those portions of the work listed therein.

III. PROJECT SCHEDULE:

1. DESIGN CONSULTANT shall perform the services within the times set forth in the Production Schedule attached hereto as Exhibit A-3 and made a part hereof by reference. The Production Schedule may be amended and modified after consultation with the Construction Manager at Risk, upon agreement between the DESIGN CONSULTANT and the CITY. The schedule may also be extended at any other time by agreement between the DESIGN CONSULTANT and the CITY for reasons not due to the fault of the design consultant.
2. DESIGN CONSULTANT shall adhere to the Production Schedule described herein and such schedule may not be modified or deviated from without written consent of the CITY. DESIGN CONSULTANT shall revise and submit for review an updated schedule whenever it is demonstrated that the time for completion of the Project Design or of any of the partial completion points listed in the schedule is delayed by two weeks or more. Such adjusted schedule will include a written explanation stating the reasons for the change and a plan for getting back on schedule. The DESIGN CONSULTANT shall take all reasonable actions necessary to get the project back on schedule and City shall cooperate to assist DESIGN CONSULTANT. The decision as to whether or not the extension is the fault of the DESIGN CONSULTANT is within the discretion of the City. But shall not be unreasonably withheld by the CITY.

IV. QUALITY CONTROL:

1. DESIGN CONSULTANT shall institute and comply with the Design Quality Control Plan attached hereto and made a part hereof by reference.

2. As a part of the project design DESIGN CONSULTANT shall develop a quality control plan for the entire construction phase. This Quality Control Plan shall establish what elements should and must be seen by each consultant during construction. Identify what is in the project, which will be required to have a UBC "special Inspection" by the design engineer.

V. PRELIMINARY RESEARCH:

As and for preliminary research before preparing the project design, DESIGN CONSULTANT shall:

1. Perform a Document Search for utility as-builts.
2. Perform a Document search for rights-of-way.
3. Perform a Document search for survey ties and benchmarks.
4. Perform a Document search for City policies, regulations, standards, design manuals, and requirements, etc relevant to project.
5. Research and/or obtain geotechnical reports and investigations, master plans, computer model data and field surveys.
6. Research all utility companies/agencies and acquire all available as-built and utility records.
7. Investigate existing conditions, make measured drawings, and verify accuracy of drawings or other information furnished by CITY.
8. DESIGN CONSULTANT shall provide a survey of the project area that includes complete topographical and property data of the immediate site. Design shall utilize established City of Chandler benchmarks and reference locations of benchmarks on the plans. Clearly define the benchmark location and elevation that will be utilized for construction of this facility.

VI. UTILITY/AGENCY COORDINATION:

1. Coordination with utility companies and agencies shall be in accordance with the latest version of the "Public Improvement Project Guide" (PIPG).
2. DESIGN CONSULTANT shall identify utility conflicts during the initial stages of the design process.
3. DESIGN CONSULTANT shall coordinate the design and installation of the utilities, which includes, but is not limited to, services for electric, communications, water, storm drainage, irrigation and sanitary systems, etc.
4. DESIGN CONSULTANT shall identify easements for these utilities early in the design stage of the project and necessary information provided to the CITY'S Real Estate Department to allow the CITY to complete acquisition during the design phase.
5. Engineers employed by DESIGN CONSULTANT shall provide the legal descriptions for the natural gas and electrical service easements.
6. DESIGN CONSULTANT shall submit preliminary plans, specifications, and design calculations to utilities/agencies for review and use during their design for their service improvements or any necessary relocations.
7. DESIGN CONSULTANT shall conduct utility meetings to coordinate relocations with utility/agency and establish relocation schedules.
8. DESIGN CONSULTANT shall follow-up with the final design submittal for utility construction and coordination with the bid documents.
9. DESIGN CONSULTANT shall incorporate the utility/agency private developer construction requirements into the bid documents.

VII. GEOTECHNICAL INVESTIGATION:

1. DESIGN CONSULTANT shall perform all soil and pavement borings necessary to complete their work.
2. DESIGN CONSULTANT shall incorporate sub-surface soil conditions, established by the geotechnical investigations, into the bid documents in a manner usable to the excavation and foundation bidding and construction.

VIII. PROGRAMMING:

1. DESIGN CONSULTANT shall meet with City staff design/constructability team to ascertain the requirements of the Project and shall arrive at a mutual understanding of such requirements. The CM@Risk shall be a team member.
2. DESIGN CONSULTANT shall perform up to two Public Information meetings at the end of the Schematic Design Phase. These will include preparing exhibits, and delivering a presentation, facilitating discussions and documenting meeting information exchange. The exhibits will include Design drawings as required for the meeting. CITY will advertise and promote the meetings.
3. DESIGN CONSULTANT shall facilitate **up to two** "sub-committee" meetings to gather pertinent information from:

CITY staff

Construction Manager at Risk Staff
Planning and Zoning Commission

4. DESIGN CONSULTANT shall prepare a "Program" which will include:
 - Establish construction budget in coordination with the CM@Risk.
 - Complete documentation of site survey from preliminary work
 - Define new buildings space needs
 - Define new building space requirements and amenities necessary to accommodate planned activities in each space
 - Define site requirements
 - Create a matrix of spaces, sizes and amenities
 - Review existing programming documents and related information as provided by the City for departments and functions associated with the new project.
 - Interview the City project Team and others for a high-level project description, project goals and related performance metrics. Up to two meetings are included.
 - Based on the thoroughness of content of the existing programming documents, interview the approximately 20 departments scheduled to re-locate to City Hall and validate the programming information. One re-interview meeting per department is included for each for a total of 40 meetings.
 - Create an updated program document based on the existing program information.
 - Conduct follow-up meetings with the City Project Team and others. Up to two meetings are included.
5. Based on the mutually agreed-upon program, schedule and construction budget requirements, DESIGN CONSULTANT shall prepare, for approval by CITY, Schematic Design Documents consisting of drawings and other documents illustrating the scale and relationship of the Project components.
6. Master Planning: DESIGN CONSULTANT shall Provide 2 – 3 concept design studies to demonstrate the highest and best use for the property, efficiencies through analysis of skin-to-floor ratios, core-to-gross floor areas, and the possibility of the land available in the Chicago Street Right Of Way or with it being re-aligned.
7. Workshops: During master planning at appropriate stages, DESIGN CONSULTANT shall conduct design workshops that include the CITY staff and department representatives to receive input on the initial master planning and architectural concepts. Include up to two workshops.
8. Individual City Council Meetings: Early in the master planning stages, DESIGN CONSULTANT shall conduct individual meetings with members of the City Council and one meeting with the City Manager and his Assistant City Managers to receive input. Include up to eight meetings.
9. Conceptual Design: DESIGN CONSULTANT shall explore concepts employing various building massing and heights, optimum view corridors, key site plan influences, adjacent building and neighborhood relationships, as well as the new pedestrian-oriented street fronts for review and discussion purposes.
10. As part of this effort, DESIGN CONSULTANT shall develop diagrammatic sketches of the site and floor plans with core layouts, section and sketch 3-D massing models. DESIGN CONSULTANT shall explore alternative design and elevation studies for purposes of the pin-up of multiple options for City's consideration and selection.

11. Zoning / Site Entitlements Support
 - Provide assistance to the City by preparing exhibits and attending briefings at study sessions to obtain City Planning & Zoning department endorsements, site development endorsement and the like. Include up to two meetings.
 - Prior to Planning & Zoning briefings, prepare exhibits and review materials with City staff. Include up to two meetings.
 - After Planning & Zoning briefings, conduct City Council presentations to report final results of conceptual design and Planning & Zoning briefings. Include up to two meetings.
12. Council Approval: DESIGN CONSULTANT shall conduct one presentation of the conceptual design resulting from workshops, community outreach and Planning & Zoning endorsements.
13. LEED Certification Process
 - Design, documentation and certification process for the targeted level. Includes workshops, analyses, credit strategies, matrix management. The targeted level of certification is LEED NC Gold.
 - Include a LEED orientation briefing at the City Council/Staff/SmithGroup contract approval session.

IX. SCHEMATIC DESIGN (30% Document Review):

When the design is approximately thirty percent complete, DESIGN CONSULTANT shall do the following:

1. Attend a CITY "pre-site" meeting with the CITY plans review and development staff.
2. Present initial schemes to CITY and its representatives (to potentially include a CM@Risk contractor). Staff will collaborate with designers to manipulate the plans and mutually decide on the best scheme.
3. The final scheme shall incorporate CITY'S comments (and potentially a contractors' comments) and be cleaned up for reference and presentation to the City Council if requested.
4. Attend a City Council meeting and brief the City Council, which will include preparing exhibits, rendering(s), computer graphic "fly-around", displaying and explaining such exhibits etc., to the City Council and public while documenting meeting information exchange.
5. Attend any other City Board meeting and brief the Board, which will include preparing exhibits, renderings, computer graphic "fly-around", displaying and explaining such exhibits, etc., to Board members while documenting meeting information exchange.
6. Develop a site plan. Design shall utilize established City of Chandler benchmarks and reference locations of benchmarks on the plans.
7. Collaborate with CITY to define their requirements for building systems.
8. Create an outline specification.
9. Prepare plans, elevations, sections, schedules and notes as required to fix and describe the project as to civil, architectural, structural, mechanical, electrical, and special systems.
10. Perform code reviews and implement requirements into the design documents.
11. Value Engineer the design cooperatively with the entire design team including CM@R and CITY'S representatives. This effort will occur as early as effectively possible and consist of a focused meeting addressing: relationships of components, construction materials, and building systems.
12. Prepare vertical sections across the site and through the building.
13. Prepare elevation drawing(s) and, as required, perspective sketch of the exterior.
14. Complete a drainage analysis and provide solutions to mitigate the runoff.
15. Identify all necessary offsite improvements such as: streets, utilities, irrigation, etc., and depict the scope in a schematic design plan.
16. Submit the project to the CITY for a Development Standards review.
17. Prepare a construction cost estimate for verification with the budget and re-design as necessary to re-align the design with the construction budget.
18. Submit to City's Project Manager for comment two complete drawing sets with drainage & structural calcs, one of which shall be reproducible.
19. Until a GMP is accepted by all parties, the DESIGN CONSULTANT is responsible for calling all meetings, preparing the minutes, and distribution of the minutes.

X. DESIGN DEVELOPMENT (60% & 90% Document Review):

Based on the approved Schematic Design Documents and any adjustments authorized by CITY (which includes a contractor) in the program, schedule or construction budget, DESIGN CONSULTANT shall prepare, for approval by CITY, Design Development Documents consisting of drawings and other documents to fix and describe the size and character of the Project as to architectural, structural, mechanical and electrical systems, materials and such other elements as may be appropriate. When the design is approximately sixty percent (60%) complete and again when the design is approximately ninety percent (90%) complete, DESIGN CONSULTANT shall do the following:

1. Allow and invite the CITY's Representative and CM@R to attend the regular weekly design coordination meetings. Attend a CITY "pre-site" meeting with the CITY plans review and development staff.
2. Review the current construction cost estimate for verification with the budget. Re-design as necessary to realign the design with the construction budget. Coordinate with CM@Risk.
3. Review and advise CITY with regard to the Guaranteed Maximum Price if submitted by CM@ Risk at completion of schematics.
4. Present a second briefing to Board that shall include preparing exhibits, renderings, computer graphic "fly-around", briefing Board members while documenting meeting information exchange.
5. Conduct one half-day general review of the plans and specifications to discuss extraordinary items that prepare the CITY's representatives for their internal reviews of the documents. The meeting is to be attended by the appropriate design team members and consultants.
6. Continuous involvement with design team, CITY, CITY's Project Management, and CM@Risk. Submit for review of completed 60% design, to the CM@Risk and CITY'S Project Manager for comment three complete drawing sets, specifications, drainage & structural calcs, one of which will be reproducible. Include original redline drawings and comments received from previous review along with a review summary indicating action taken.
7. Schedule review meeting with plan check staff to discuss review comments. Clarify with the plan check staff what the design challenges are and decide the method in which they will be resolved.

XI. CONSTRUCTION DOCUMENTS (90% Document Review):

Based on the approved Design Development Documents and any further adjustments in the scope or quality of the Project or in the construction budget authorized by CITY, DESIGN CONSULTANT shall prepare, for approval by CITY, Construction Documents consisting of Drawings and Specifications setting forth in detail the requirements for the construction of the Project. When the documents are approximately ninety percent (90%) complete DESIGN CONSULTANT shall do the following:

1. Coordinate, meet, and team with CM@Risk on all design and constructability review.
2. Prepare plans, elevations, sections, schedules, notes and specifications as required to be able to bid (if necessary) and to construct the project in its entirety.
3. Cover sheet to be provided by CITY on diskette (AutoCAD release 14).
4. Provide the City of Chandler with a copy of the AutoCAD files. Each building system shall be "layered" so as to be able to isolate trades or engineering from architectural components or vice versa.
5. Conduct one half-day general review of the plans and specifications to discuss extraordinary items that prepare the CITY's representatives for their internal reviews of the documents. The meeting is to be attended by the appropriate design team members and consultants.
6. Provide document coordination of work performed by separate contractors or by the CITY'S own forces (i.e.: systems furniture or exercise equipment provisions & installation, etc.). This coordination is for the purposes of meeting the intent of the DESIGN CONSULTANT's plans and specifications. The DESIGN CONSULTANT will not be required to provide exhaustive review of such separately performed work for its quantity, installation means and methods, inventory and the like.
7. Review/coordinate construction cost estimate for verification with the budget. Re-design as necessary to realign the design with the construction budget, which may be considered additional services after Design Development, upon mutual agreement between the CITY and DESIGN CONSULTANT, and which will not be unreasonably withheld. Review and advise CITY with regard to the Guaranteed Maximum Price submitted by CM@ Risk.
8. Submit to CITY'S Project Manager and CM@Risk for comment three complete drawing sets, specifications, drainage & structural calcs, one of which will be reproducible. Include original redline drawings and comments received from previous review along with a review summary indicating action taken.

XII AWARD OF CONSTRUCTION CONTRACT (100% Documents):

9. Submit completed documents to Development Services for building permit. All plans, calculations and specifications will be stamped. The specifications will be 8-1/2" x 11" and in electronic format on diskette in Microsoft Word 98. Plans will be black line prints as well as on diskette Auto CAD release 14 or R2000. Include redline reviewed drawings and comments received from previous review along with a review summary indicating action taken.
10. Pick-up plan review final comments and prepare stamped Mylar documents for reproduction. CITY will have the bid sets reproduced from these Mylar's.
11. Assist CITY in the evaluation of "substitutions and or-equals," based on a substitution request form developed by DESIGN CONSULTANT and completed by CM@Risk with information on the relative merits of the system and materials that are equal or better, and make a recommendation to accept or decline." If revisions are required to the documents and specifications, it then becomes an additional service with appropriate schedule adjustments.
12. Prepare addenda, for CITY'S Project Manager, for review and approval by CITY. CITY will distribute.

XIII. CONSTRUCTION ADMINISTRATION:

1. During the Construction phase of the Project DESIGN CONSULTANT shall do the following:
2. Note: A City staff member will be designated as the Project Manager and as CITY'S REPRESENTATIVE and will perform those functions listed in the City's General Conditions for Construction Contracts as duties of the CITY REP. The DESIGN CONSULTANT will be designated the Project Designer and shall perform those functions listed in the City's General Conditions for Construction Contracts as duties of the Project Designer, but shall also perform the following functions: (Designers Construction Administrator role is defined below.)
3. Attend and participate in the pre-construction conference for the purposes of establishing lines of communication, project protocol as well as answering design questions.
4. Assist CITY with the review of contractor's schedules, and then make a recommendation regarding approval.
5. Assist CITY in the review of the Contractors "value engineering" suggestions and then make a recommendation. (Most of this will already have occurred during the Design phase with the CM@R, however, there may be value engineering suggestions due to conditions found in the field, which shall be considered additional services.
6. Evaluate contractor claims and disputes between CITY and contractor and provide a written determination to CITY within ten (10) working days of the date such matter is submitted to DESIGN CONSULTANT.
7. In the event of a claim or dispute by contractor, interpret the requirements of the Contract Documents and judge the acceptability of the Work thereunder. Make written recommendations to the City on all claims of the Contractor related to; the acceptability of the work, or the interpretation of the requirements of the Contract Documents pertaining to the execution and progress of the work, or additional work as deemed necessary by the City (within 10 working days).
8. Respond to RFI's and issue necessary interpretations and clarifications of the contract documents within 5 working days (7 working days if input from a subconsultant is required.)
9. Receive, log, review and approve/disapprove Shop Drawings, calculations, samples, and test results within 10 working (15 working days if input from a subconsultant is required.), as requested in coordination with the CM@Risk contractor.
10. Construct a color/sample board of approved finishes submittals.
11. Perform site visits at a rate of 4-8 hours per week, depending on work in progress, during construction. During these visits, produce "field reports" documenting progress and issues. This effort does not include and is independent of special inspections by others.
12. Participate in scheduled field management meetings.
13. "UBC Special Inspections" as required shall be performed by others (not the DESIGN SONSULTANT).
14. Evaluate and verify payment applications, with the CITY, based on designer's on-site observations, data and schedule. Make a recommendation regarding approval.

15. Conduct with City an inspection to determine if project is substantially complete. Substantial completion inspection is to determine if the work is completed to the standard required by the contract documents. Prepare a preliminary punch list and provide to City.
16. Conduct with City a final inspection to assist City to develop the final punch list and assist in final re-inspection.
17. DESIGN CONSULTANT shall determine when the Project is complete and recommend, in writing, to CITY, acceptance of the Project but only after DESIGN CONSULTANT has performed a final inspection which confirms that the contractor has fulfilled all obligations under their contract and is entitled to final payment. Such a recommendation is DESIGN CONSULTANT's written notice to City and Contractor that the work is complete and the Project is acceptable.
18. Receive, review and approve/disapprove Operations & Maintenance manuals (within 2 weeks).

XIV. POST CONSTRUCTION:

1. Design Consultant shall prepare and deliver to CITY, record drawings of the constructed work on 4-mil Mylar as recorded during the normal course of responding to and clarifying RFIs in construction administration, together with complete electronic files for the Project in AutoCAD release 14 or R2000. As-built information will also be obtained from redlined drawings prepared by the contractor, scanned and reproduced on Mylar for conveyance to the CITY. Design Consultant shall provide to CITY six (6) electronic copies (CD-ROM) of the drawings in AutoCAD-14 format or R2000 for CITY and for distribution to affected utilities.

**EXHIBIT A-2
DESIGN TEAM AND THEIR ASSIGNMENTS**

Design Consultant's design team and their assignments are as follows:

Architecture and Interior Architecture – SmithGroup

Design, project management and leadership of the design consultants. Architectural design and documentation, programming, interior design, FF&E and documentation, LEED certification process and coordination of sub-consultant specialties. Periodic site observations during construction.

Charles Hugh Crain, AIA LEED AP – Principal in Charge
Kent Willcox, AIA LEED AP – Project Manager
Mark Roddy, AIA – Design Principal
Linda Salzmann, IIDA LEED AP – Interior Design

Structural Engineering – Caruso Turley Scott

Structural systems engineering and documentation. Periodic site observations during construction.

Chris Atkinson, PE, SE, LEED AP – Structural Engineering

Mechanical, Plumbing and Electrical – SmithGroup

Mechanical, plumbing and electrical systems engineering and documentation. Periodic site observations during construction. Including Building Controls.

Jay Robins, LEED AP – Mechanical Design
Barney Bagby, PE LEED AP – Electrical Design

Landscape Architecture – GBtwo

Landscape, irrigation, hardscape and assistance with landscape lighting design, assistance with LEED certification process and documentation, including site furnishings. Periodic site observations during construction. Green roof studies and irrigation booster pump design is additional.

Shari Zimmerman, RLA – Landscape Design

Civil Engineering – Dibble Engineering

PDP process, DD's, CD's, permitting, storm water pollution prevention plan, lot combination survey, CA, conduct study to determine impact of abandoning Chicago Street ROW, traffic analysis as an update to the City's current report by Parsons Brinckerhoff, topographic and boundary surveys. Offsite utilities, Chicago Street abandonment and utility re-location not included.

Kent Norcross, PE – Civil Engineering

Cost Estimating – Rider Levett Bucknall

Estimates of probable construction costs at conceptual, schematic, design development and CD phases.

Scott MacPherson – Cost Estimating Consulting

Fire/Life Safety & Fire Protection/Fire Alarm – Rolf Jensen Associates

Consultation and recommendations for compliance to building codes; Fire Protection Outline and preparation of the City-required life safety report, negotiation and coordination with governing authorities. Fire protection/fire alarm system design and documentation, including the design of an FM200 system for a server room of approximately 1000SF.

Steve Sheldon, PE – Code and Fire Protection Consulting

Signage – SmithGroup

Exterior site/building identity, code-required and other interior signage and wayfinding program. Exterior perimeter site, plaza and parking garage signage included and all code required signage

Specialty Lighting – SmithGroup

All exterior illumination at ground level and upper level. All entry and elevator lobbies and as needed to support the art program throughout the project. No major building façade illumination is anticipated.

Other consultants and their roles:

Specifications – SASC SW

Preparation of materials and systems specifications establishing product and installation quality standards, incorporating sections from each design consultant.

Geotechnical/Soils Engineering – Speedie

Geotechnical exploration, testing, report, and consultation on soil bearing, shear strengths and foundation design for buildings and surrounds plaza and drives, also including ground penetration radar testing. Percolation tests and construction services including observations and testing of concrete, steel and other construction materials are not included.

Parking Garage – Carl Walker

Analysis and recommendations for parking layouts, ramping, entry/exit, access control equipment and signage. Includes structural and durability reviews.

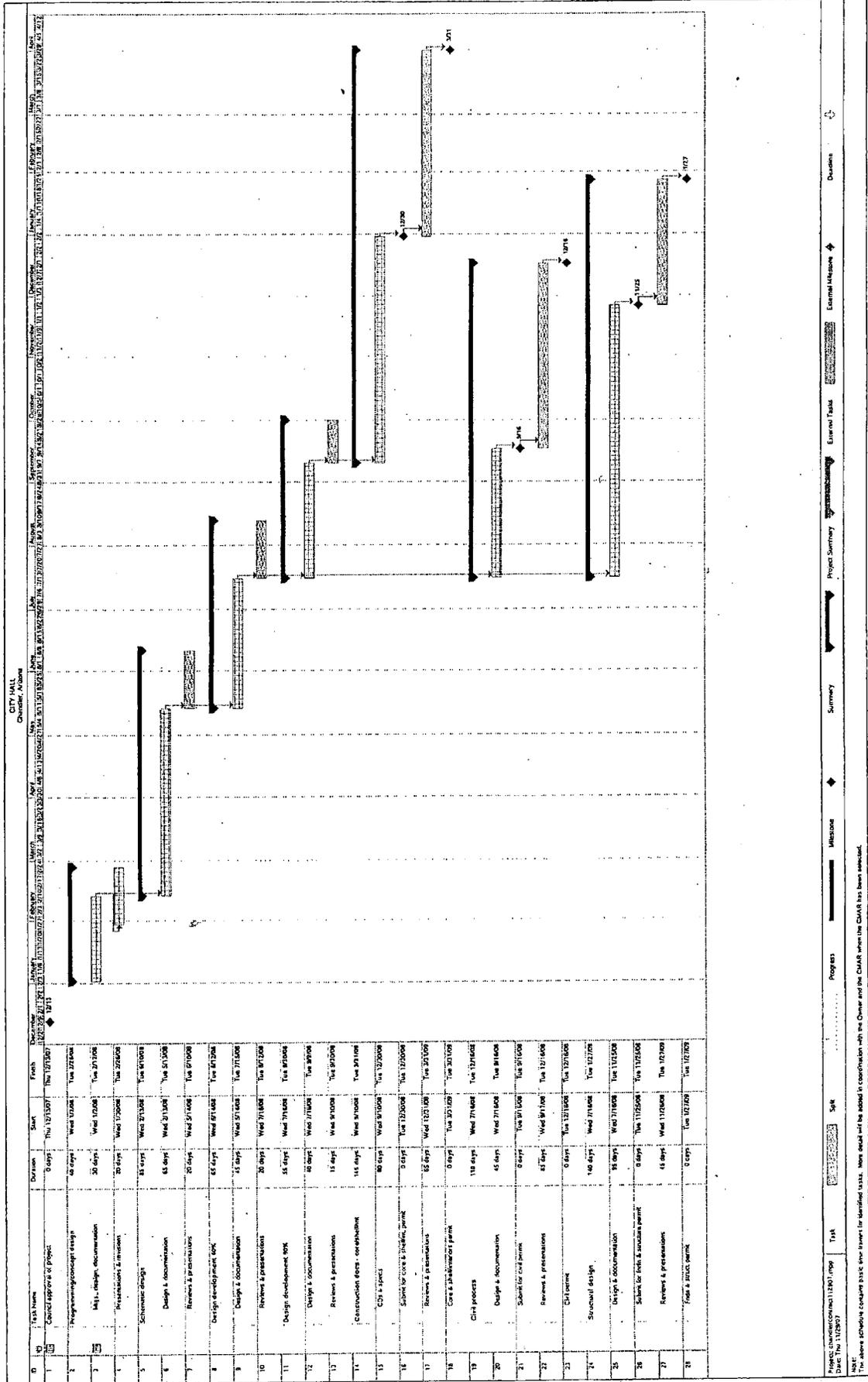
Security – HMA

Consultation on security system(s) for each of the building components of the project, including design and documentation of selected systems.

Audio Visual/Acoustical – McKay Conant Brooke

Airborne and structural sound transmission mitigation design for specific area acoustic, mechanical and electrical systems noise and vibration control. AV systems for Council Chambers, various conference rooms and CAPA video production spaces.

EXHIBIT A-3 PRODUCTION SCHEDULE



The above schedule contains tasks for identified tasks. Many details will be added in coordination with the Owner and the CMAR when the CMAR has been selected.

EXHIBIT A-4
DESIGN QUALITY CONTROL PLAN

1. PRIORITIES AND SCHEDULES

Our project methodology is based on developing and following a systematic schedule, which outlines the basic process of problem definition, analysis and solution. Our schedule is an organizational tool that correlates activities throughout the master planning and design phases. The schedule identifies tasks and duration.

To ascertain our staffing requirements and ensure that we have adequate staffing for our current and anticipated workload, SmithGroup projects staff needs on a weekly and quarterly basis which includes all projects in progress and those expected to become active in that period. SmithGroup takes every step necessary to assign quality people and dedicate them for the life of a project.

Our team will develop a schedule that carefully establishes **decision points** within the process, allowing input from all sources. This is a key aspect of coordination and supervision and our depth of staff will allow us to aggressively maintain the schedule milestones. It is continuously monitored throughout the course of the project and updated as necessary.

Our schedule will reflect a continuous line of communication and a decision-making process that involves all parties:

- Regularly scheduled team meetings
- Intensive client participation and input at early critical stages
- Client meetings/approvals at appropriate milestones to keep project moving forward
- Cost modeling at early stages, and then cost estimates based on concepts and narratives which evolve into more detailed analysis as the design evolves. These continue in parallel with the CM@RISK estimates during design development, construction documents phases and in development of the GMP.
- Operations and maintenance coordination with CITY staff to solicit input and assist in decisions for building systems and materials selections.
- Assistance in CM@RISK selection process, their GMP development and providing early release design packages to expedite a fast track schedule
- Phased FF&E installation to support a staged move-in

"Consensus-Building" of the Design. SmithGroup uses consensus building techniques during the design process. These include workshops and meetings to not only gather input but also to inform all interested parties.

Accommodating the Program within the Budget. SmithGroup and its team will work closely with the CM@RISK, making adjustments as the design progresses to stay within budget. We will employ the services of a cost estimating consultant to **back-check** the information on costs provided by the CM@RISK. Most significantly, the City of Chandler will rely upon the CM@RISK to use his expertise in providing estimating services. Until a GMP is established, the CM@RISK has no risk with regard to the potential re-design efforts and potential delays over the course of the estimates provided during the design phases. The CITY and architect have traditionally borne the responsibility and results of this; even if there have been no substantial changes between phases relative to the quality of materials, program or size of the facility.

We can, however, offer additional language for your agreement with the CM@RISK, specifically in the area of these estimates of construction costs. In support of your efforts, as well as the design team's, criteria can be established that will require complete listing of clarifications, assumptions and contingencies made by the CM@RISK in the preparation of each estimate in the various phases of design.

2. WORKSHOP APPROACH

Our team utilizes an **interactive workshop** process to establish an understanding of project goals and objectives and to determine a design direction. The workshop allows for a large group of user representatives, users, designers and engineers to gain a **mutual understanding** and direction for the project within a short period of time. Our team will facilitate a concentrated effort wherein the project issues are defined. We will then begin to develop solutions that address variables such as building systems phasing and materials that meet the project's cost, schedule and aesthetic requirements. The workshop process can be used throughout the programming, planning,

design and documentation phases of a project. This process **builds consensus** and understanding throughout the design and allows a "no surprises" approach to design of all systems.

3. BUDGET METHODOLOGY/COST CONTROL

Subsequent to the programming workshop, we will develop a **Cost Model** for the project that becomes a benchmark by which we gauge the results of the CM@RISK cost estimating efforts. Overall project goals of quality, cost and schedule are jointly established and agreed to by the City, CM@RISK and Architect/Engineer. Based on program requirements, quality levels and proposed systems, a Cost Model is built reflecting estimated market costs for the systems proposed. Included in the Cost Model are contingencies and appropriate cost escalation factors. The Cost Model defines the elements to be included in the project (such as FF&E), which needs to be included in the City's total project budget, but outside of the general construction budget.

If the Cost Model exceeds the budget, the team **will revisit the program requirements** and systems selection and make the necessary adjustments to bring the project within the budget. No further design will proceed until the program Cost Model and construction budget are compatible and that all parties are confident that the costs are appropriate, adequate and the CM@RISK and his sub-contractors fully understand the scope of the work.

At each phase of the project, our Design Team will prepare document packages for cost estimating. Upon completion of the cost estimate, the team will meet to review the Architect/Engineer's and CM@RISK's cost estimates to resolve any discrepancies. If the cost estimates exceed the budget, the entire team will address the systems together in decreasing order of magnitude and propose revisions to the program, system or quality level to bring the project back into budget before processing to the next level.

At the early design stages, constructability issues, optional MEP systems or program elements will be value engineered by the Architect/Engineer and CM@RISK to evaluate **first cost versus life cycle cost** and to evaluate methodologies to consolidate or refine building elements to improve the overall value to the CITY. These value engineering proposals and their **cost impacts** will be listed and reviewed with the CITY who will make the final determination as to what proposals will be implemented. This value engineering is completed at the end of the Design Development Phase.

4. QUALITY MANAGEMENT REVIEW PROCESS

The Design Team is primarily responsible for the level of quality of the construction documents. Our quality management review is a peer-review process designed to 1) assist the Design Team in focusing on the major attributes of each phase of a project, 2) operate as a "checks and balances" for improved quality control, and 3) provide documentation of the review process.

Reviews are performed by a team of senior staff members, assigned to the quality management review team, at project start-up. The quality management review team follows the project through all of its phases. A general guide as to what issues or items will be covered at each phase is created for the type of project involved.

The reviews are to be done at each phase of work and are meant to provide meaningful input points where the team can incorporate comments and revise the deliverables if necessary.

5. MANAGEMENT OF CM@RISK PROCESS

Development of a close "**teaming environment**" with the CM@RISK, CITY's representatives and the design team is critical to delivering a successful, fast track/CM@RISK project. Some issues to consider include:

- CM@RISK Schedule – Early development of CM@RISK "Baseline Schedule and Scope"
- Design Schedule, package scope, deliverables – Develop with CM@RISK input
- Timely decisions – design approvals, conflict resolution and closure
- Approvals - Meetings with Authorities having jurisdiction, Police, Fire and others for early concept approval/multiple partial building reviews
- Permitting - Partial permits if necessary
- Cost Reviews – Design continuously reviewed and adjusted accordingly (see our recommendations on control estimate in the comments regarding their agreement)
- Constructability – CM@RISK review and input
- Close out – Phased punchlist/partial occupancy

6. INTERNAL METHODS

Our team takes advantage of all the tools used to help **manage, document and present** the project. They include:

- Project schedule to track critical milestones and reviews, standard software programs for other critical project management activities such as meeting minutes, spreadsheets, reports and the latest versions of AutoCAD and 3D modeling software packages for design presentations.
- Team coordination meetings will be held in our Phoenix office with appropriate client staff, CM@RISK and design team cost estimators.

EXHIBIT B

FEE SCHEDULE - NOT TO EXCEED – LUMP SUM – With HOURLY RATE SCOPE ADJUSTMENTS

PROJECT TITLE: CITY HALL
PROJECT NO. GG0502-201
Chandler, AZ.

For services described in paragraph 3 of this Agreement, the CITY shall pay DESIGN CONSULTANT a fee not to exceed the sum of **Five Million Two Hundred Thirty Two Thousand One Hundred Fifty** dollars (\$5,232,150) in accordance with the schedule set forth in exhibits B-1, B-2 and B-3 attached hereto and incorporated herein by reference.

1. **PAYMENT SCHEDULE:** Payments to Design Consultant will be based on percentage (%) Completion of Tasks and the expense costs as shown on Exhibits B-2 and B-3 pursuant to mutual agreement of the parties. Any additions or deletions in Scope of Work (Exhibit A-1) will be made based on the hourly rates and expense costs shown on the fee schedule attached as Exhibit B-1. The estimated payment schedule attached as Exhibit B-2 shows the estimated billing by phase breakdown, and Exhibit B-3 shows the method by which payments will be calculated by task for: Programming & Initial Concepts/Master Plan, Schematic Design, Design Development, Construction Documents, Specialty Tasks/Consultants and Construction Administration.
2. The not to exceed fee listed above is the total authorized fee for this contract and this amount includes "reimbursables".
3. Payment will be made monthly on the basis of time and costs expended as reported in progress reports and deliverables. Work schedule updates will be included in the monthly progress payment requests.
4. An application and certification for payment must be provided by Design Consultant in a form that matches the standard application that includes Exhibit B-3. Such application must provide a clear, detailed invoice reflecting all items billed for. The summary sheet will show, percentage (%) complete by Task, and scope changes for deletions or additions. In addition, the application will show previous payment invoiced/received and current fee requested.
5. Such application shall also include any/all backup documentation (i.e.: receipts, invoices, logs, etc) supporting reimbursable expenses and consultant fees.

**EXHIBIT B-1
DESIGN TEAM HOURLY RATES AND OTHER CHARGES**

Schedule of Standard Hourly Billing Rates

For period 1/1/07 through 12/31/07

Project Management

Principal-in-Charge	\$ 200
Project Director	\$ 175
Project Manager	\$ 150

Architecture

Architectural Principal	\$ 175
Senior Architect / Senior Designer	\$ 135
Architect / Designer	\$ 105
Job Captain / Junior Architect	\$ 85
Architectural CAD / Intern	\$ 75

Interiors

Interiors Principal	\$ 160
Senior Interior Designer	\$ 125
Interior Designer	\$ 95
Space Planner / Graphic Designer	\$ 80
Interiors CAD / Intern	\$ 70

Engineering

Engineering Principal	\$ 175
Senior Engineer / Senior Designer	\$ 135
Engineer / Designer	\$ 105
Junior Engineer / Junior Designer	\$ 85
Engineering CAD	\$ 75

Special Resources

Clerical	\$ 60
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Billing rates are adjusted once per year in January to reflect cost of labor adjustments, with a maximum average increase of 5% in any one year.

**EXHIBIT B-2
ESTIMATED PAYMENT SCHEDULE**

Design services will be invoiced on a *Lump Sum Compensation* basis using the totals below, plus reimbursable cash expenses billed at 1.1 times actual costs. Sub-consultant services are billed (and shown) at 1.1 times actual invoice.

<u>Chandler City Hall</u>	<u>Compensation Worksheet</u>
Basic Services	
SD, DD, CD, CA	\$2,750,000
Structural – CTS	\$ 308,000
Multiple packages	\$ 90,000
Internal peer review	\$ 125,000
Sp planning/interior design (included above)	\$ 0
Specification Writer - SASC	\$ 27,000
Life Safety/Fire Protection - RJA	\$ 126,500
Parking Structure (special design components)	<u>\$ 95,000</u>
sub-total	\$3,521,500
Specialty Tasks/Consultants	
Program (validation, meetings, tabulations, revisions, adjacencies, equip & conf needs assembling report)*	\$ 60,000
Individual Council/Manager Meetings	\$ 14,000
Workshops (sub-committees, staff)	\$ 16,000
Community Outreach	\$ 22,500
Zoning/Planning Dept presentations/meetings	\$ 25,000
LEED process	\$ 115,000
Special City Review Meetings, Summaries	\$ 32,000
Renderings/CG fly-around	\$ 30,000
FFE des/Specification	\$ 235,000
Civil – Dibble	\$ 166,650
Landscape – Gbtwo	\$ 112,000
Cost Estimator – RLB	\$ 101,000
Geotech – Speedie	\$ 57,400
Parking – Carl Walker	\$ 33,000
Security – HMA	\$ 48,000
Acoustical – MCB	\$ 78,000
Audio Visual – MCB	\$ 98,600
Signage	\$ 55,000
Public Arts Program (not included)	\$ 0
Specialty Lighting – SmithGroup	\$ 75,000
IT cabling/structured wiring – SmithGroup	\$ 46,500
Food Service (not included)	\$ 0
Bldg Controls	\$ 40,000
Post-Construction Services (reimbursable repro only)	\$ 0
sub-total	<u>\$1,460,650</u>
TOTAL COMPENSATION	\$4,982,150
*Additional meetings – program phase only	\$1200/mtg

Reimbursable Cash Expenses (estimated)
cash expenses will be invoiced at 1.1 times actual cost

Plotting, duplicating, mailing, travel \$ 175,000
(not including bid/construction sets)

Consultant reimbursable expenses \$ 75,000

Lump Sum Compensation invoiced monthly based on percentage of completion.

Phase Breakdown:

Programming & Initial Concepts/Master Plan – per Exhibit B-3

Percent Complete of Scheduled Amounts

Basic Services of lump sum limit \$3,521,500

Schematic Design	20%
Design Development	30%
Construction Documents	25%
Construction Administration	<u>25%</u>

Basic Services Total 100%

Specialty Tasks/Consultants – per Exhibit B-3

Percent Complete of Scheduled Amounts with supporting documentation for all invoicing.

	Phase total	\$1,056,450.00							
Construction Documents									
	Phase total	\$880,375.00							
Specialty Tasks/Consultants									
	Civil – Dibble	\$166,650							
	Landscape – GBtwo	\$112,000							
	Cost Estimator – RLB	\$101,000							
	Geotech – Speedie	\$57,400							
	Parking – Carl Walker	\$33,000							
	Security – HMA	\$48,000							
	Acoustical – MCB	\$78,000							
	Audio Visual – MCB	\$98,600							
	Signage	\$55,000							
	Public Arts Program (not included)	\$0							
	Specialty Lighting – SmithGroup	\$75,000							
	IT cabling/structured wiring – SmithGroup	\$46,500							
	Food Service (not included)	\$0							
	Bldg Controls	\$40,000							
	Post-Construction Services (reimbursable repro only)	\$0							
	Phase total	\$911,150.00							
Construction Administration									

	Phase total	\$880,375.00							
Project Totals	Not incl. expense allowance	\$4,982,150.00							
	With expense allowance	\$250,000.00							
		\$5,232,150.00							



**PURCHASING ITEM
FOR
COUNCIL AGENDA
Memo No. CA08-130**

1. Agenda Item Number:

47

2. Council Meeting Date:
December 13, 2007

TO: MAYOR & COUNCIL

3. Date Prepared: November 26, 2007

THROUGH: CITY MANAGER

4. Requesting Department: City Manager

5. SUBJECT: Award a design contract to Smithgroup, Inc. for the City Hall Complex, Project No. GG0502-201, in an amount not to exceed \$5,232,150.

6. RECOMMENDATION: Staff recommends that Council award a design contract to Smithgroup, Inc. for the City Hall Complex, Project No. GG0502-201, in an amount not to exceed \$5,232,150.

7. BACKGROUND/DISCUSSION: The City moved into the Chandler Office Center in the fall of 1998. The City is leasing approximately 38,000 square feet in the building for twelve years, and in 2010, the City's current lease will expire. The City Municipal Complex will total approximately 120,000 square feet and is planned to be available by the time the City moves out of the Chandler Office Center.

In 2006, RNL Design completed the programming and site selection to determine the departments to be located at the complex, their working relationships, space requirements, parking needs, and an analysis of the proposed sites. The departments that are planned to move into the new City Hall include Mayor and Council, City Manager, City Clerk, City Attorney, CAPA (Administrative Services, Public Affairs, Video), Community Services, Council Chambers, Economic Development, Human Resources, Management Services (Accounting, Administration, Budget, Environmental Services, Purchasing, Risk Management, Tax & Utility Licensing) and Neighborhood Resources. As part of their scope of work, Smithgroup will review and update the programming document that was prepared by RNL Design.

The City has also determined the City Hall should be an environmentally friendly building design. Smithgroup will provide design services and standards required to achieve a gold certification level within the Leadership in Energy and Environmental Design (LEED)-NC Version 2.2 Green Building Rating System. Some of the elements that could be included in the new City Hall are sustainability issues such as construction activity pollution prevention, bicycle storage and changing rooms for employees, parking preferences for fuel efficient vehicles, shading, stormwater design, water efficiency plans, energy efficient HVAC systems, and use of materials that reduce indoor air contaminants.

Due to the importance of this project, a number of stakeholder groups have been identified, including the Downtown Chandler Community Partnership, Chandler Arts Commission and the Downtown Merchants Group. The consultant's scope of work includes meeting with the stakeholder groups to receive their input as well as holding two public meetings for citizens in order to insure there will be adequate public input into this project.

The architects anticipate completing design in approximately 12 months. It is anticipated that construction will start the beginning of 2009. This should allow for the construction to be complete prior to the end of the City's lease at the Chandler Office Center in December 2010.

8. EVALUATION: The consultant selection process was conducted in accordance with established City policies and procedures. Staff solicited and received statements of qualifications from twelve (12) interested architectural firms, for design of the City Hall Complex, on December 20, 2006. Discussions with four qualified firms were held, and Jones Studio, Inc. was selected for recommendation of contract award. Since the City was unable to enter into a contract with Jones Studio, negotiations were terminated. The City then started negotiations with SmithGroup, Inc.

The selection committee included the following members:

- Marian Stanley, Assistant to the City Manager
- Rich Dlugas, Assistant City Manager
- Ray Buglion, Senior Engineer
- Gary Todd, Todd & Associates, Registered Architect
- Dennis Troggio, Achen-Gardner, Registered Contractor
- Bernie Hoogestraat, Citizen

The selection committee made the following ranking:

1. Jones Studio
2. Smithgroup, Inc.
3. RNL Design
4. Fentress Bradburn

9. FINANCIAL IMPLICATIONS:

Cost: \$5,232,150
 Savings: N/A
 Long Term Costs: N/A

Fund Source:

<u>Acct. No.:</u>	<u>Fund Name:</u>	<u>Program Name:</u>	<u>CIP Funded:</u>	<u>Amount:</u>
101.1290.0000.6210.8GG075	General fund	City Hall	FY07/08	\$2,616,075
440.1290.0000.6210.8GG075	Public Building Impact Fees	City Hall	FY07/08	\$2,616,075

10. PROPOSED MOTION: Move that Council award a design contract to Smithgroup, Inc. for the City Hall Complex, Project No. GG0502-201, in an amount not to exceed \$5,232,150, and authorize the Mayor to sign the contract documents.

ATTACHMENTS: Location Map, Contract

APPROVALS

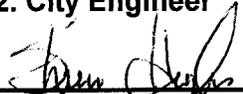
11. Requesting Department


 Marian Norris, Assistant to the City Manager

13. Department Head


 Rich Dlugas, Assistant City Manager

12. City Engineer


 Sheina Hughes, Acting Assistant Public Works Director/City Engineer

14. City Manager


 W. Mark Pentz

**CONSTRUCTION MANAGER AT RISK
DESIGN CONSULTANT CONTRACT**

PROJECT TITLE: **CITY HALL**

PROJECT NO: **GG0502-201**

This Agreement is made and entered into by and between the City of Chandler, Arizona, a municipal Corporation, hereinafter called the CITY, and **SmithGroup, Inc.**, a Michigan corporation licensed to do business in Arizona hereinafter called DESIGN CONSULTANT.

WHEREAS, DESIGN CONSULTANT represents DESIGN CONSULTANT has the expertise and is qualified to perform the services described in this Agreement; and

WHEREAS, the Mayor and City Council/City Manager of the City of Chandler are authorized and empowered by the provisions of the City Charter to execute Agreements for Professional Services; and

WHEREAS, the Parties intend to have this Project designed and constructed using a Construction Manager at Risk method with DESIGN CONSULTANT being a part of a Design Team; and

NOW THEREFORE, for and in consideration of the mutual covenants and conditions hereinafter contained, it is agreed by and between the CITY and DESIGN CONSULTANT, as follows:

1. **DESCRIPTION OF PROJECT:** The Project known as the **CITY HALL** will be an approximately **120,000 sq. ft. municipal complex**. With site improvements it will occupy **between 2.5 and 4 acres** located on **Arizona Avenue**, Chandler, Arizona. The Project is more specifically described in Exhibit A attached hereto and incorporated herein by reference.
2. **DEFINITIONS:** The CITY's General Conditions for Construction apply to this contract and take priority over any conflicting provisions between the Contract and the General Conditions. Words used in this Agreement which are defined in CITY's General Conditions for Construction Contracts shall have the meaning stated therein. DESIGN CONSULTANT is the Project Designer as defined in said General Conditions.
3. **SCOPE OF WORK:** DESIGN CONSULTANT shall design and complete the Project all as more specifically described in Exhibit A-1 (Scope of Work), A-2 (Design Team and Their Assignments), A-3 (Production Schedule), and A-4 (Design Quality Control Plan). attached hereto and incorporated herein by reference.
4. **DESIGN TEAM:** DESIGN CONSULTANT shall be a part of and participate together with the Design Team as set forth in Exhibit A-2 and shall attend meetings with, provide information to and cooperate with the person retained by CITY to be the Construction Manager at Risk (CM@RISK). The identity and duties of each member of the Design Team is set forth in Exhibit A-2 and no changes to identity or duty can be changed without written authorization of the City. THE DESIGN CONSULTANT is responsible for the performance and duties of all of the members of the Design Team as set forth in this Contract, and the City will not participate in any formal or informal dispute or disagreement that may arise during the performance of the Contract or thereafter in any formal or informal legal or non-legal disagreement or dispute between or among any of the members of the Design Team.
5. **FEE FOR SERVICES:** For services described in paragraph 3 of this Agreement, the CITY shall pay DESIGN CONSULTANT a fee not to exceed the sum of **Five Million Two Hundred Thirty Two Thousand One Hundred Fifty** dollars (\$5,232,150) at the rates shown in and in accordance with the fee schedule attached hereto as Exhibit B, Exhibit B-1, and Exhibit B-2 and made a part hereof by reference. Payment will be made monthly on the basis of progress reports corresponding with the rates and charges listed on the fee schedule and showing the number of hours or other basis to determine the fee earned to that date. An Application and Certification for Payment Sheet must be provided. In addition, the following must also be included with each application for payment: a clear, detailed invoice reflecting items being billed for, reimbursables; a summary sheet showing percentage of work completed to date; amount/percent billed to date; current status of all tasks within a project; and any/all backup documentation supporting the above items. Work schedule updates shall also be included in the monthly progress payment requests. City will make all payments to DESIGN CONSULTANT who shall be responsible for payment to all Design Team Members.

6. PERIOD OF SERVICE:

- A. Following receipt of a "Notice to Proceed" with the design work, DESIGN CONSULTANT shall complete the design and have all documents ready for construction or bidding within **320** calendar days of the date indicated on the Notice to Proceed as set forth in Exhibit A-3, the Production Schedule.
- B. The Design Services for preparation of design and construction document period will be approximately **330** days. Following the "Notice To Proceed" for construction of the Project, DESIGN CONSULTANT shall perform the construction administration portion of this contract for approximately **600** days.
- C. DESIGN CONSULTANT shall prepare and deliver to CITY record documents within **45** days of the date of receipt of the red line drawings from the CM@Risk.
- D. DESIGN CONSULTANT shall complete all services specified herein in accordance with the Production Schedule (Exhibit A-3) and progress milestones included in Exhibit A and as discussed with the CM@Risk for meeting schedule attached herein. In the event delays are experienced beyond the control of DESIGN CONSULTANT, the completion date may be extended as mutually agreed upon in writing by CITY and DESIGN CONSULTANT.

7. OPINIONS OF PROBABLE COSTS (ESTIMATES): Any opinions of probable project cost or probable construction cost provided by DESIGN CONSULTANT are made on the basis of information available to DESIGN CONSULTANT and on the basis of DESIGN CONSULTANT's experience and qualifications, and represents its best judgement as an experienced, licensed and qualified professional. However, since DESIGN CONSULTANT has no control over the cost of labor, materials, equipment or services furnished by others, or over the contractor(s) methods of determining prices, or over competitive bidding or market conditions, DESIGN CONSULTANT does not guarantee that proposals, bids or actual project or construction cost will not vary from opinions of probable cost DESIGN CONSULTANT prepares. The DESIGN CONSULTANT is responsible for advising and consulting with the City on cost. DESIGN CONSULTANT is not responsible for providing for formal estimates, this is the CM@Risk responsibility.

8. REPORTS & APPROVALS: All work shall be subject to the approval by CITY and each phase of the work will be submitted to CITY in accordance with schedule included in Exhibit A and in the format prescribed by CITY. When requested by CITY, DESIGN CONSULTANT will attend Council meetings and provide finished documents including correspondence for Council action, supporting charts, graphs, drawings and colored slides of same.

9. STANDARDS OF PERFORMANCE:

- A. This design contract has been awarded to DESIGN CONSULTANT based on their proposal that those personnel and consultants listed in Exhibit A attached hereto will perform the portions of the work listed on said Exhibit A. DESIGN CONSULTANT shall not deviate nor substitute any of these team members without prior written approval by CITY.
- B. DESIGN CONSULTANT shall be responsible for the technical accuracy of its services and documents resulting therefrom, and CITY shall not be responsible for discovering deficiencies therein. DESIGN CONSULTANT shall correct any such deficiencies without additional compensation or cost to CITY, except to the extent any such deficiency is directly attributable to deficiencies in CITY-furnished information.
- C. DESIGN CONSULTANT shall be familiar with CITY's Standard Details and Specifications and other relevant CITY regulations. DESIGN CONSULTANT shall ensure there are no conflicts among the Contract Documents including, but not limited to, the CITY's General and Supplementary Conditions for Construction Contracts, the plans and specifications prepared by DESIGN CONSULTANT, any standard details or specifications incorporated therein by reference, and the Construction Contract. The DESIGN CONSULTANT is responsible, along with his designers, for the design correctness and scaling the design documents.
- D. DESIGN CONSULTANT shall be responsible for the completeness and accuracy of his/her work prepared or compiled under obligation for this project and shall correct, at his/her expense, all errors or omissions therein, which may be disclosed. Correction of errors disclosed and determined to exist during any construction of the

project on architectural or engineering drawings and specifications shall be accomplished by the DESIGN CONSULTANT. The cost of the design necessary to correct those errors attributable to the DESIGN CONSULTANT and any damage incurred by the CITY as a result of additional construction costs caused by such architectural and/or engineering errors shall be chargeable to the DESIGN CONSULTANT. The fact that the City has reviewed or approved the DESIGN CONSULTANT's work shall in no way relieve the DESIGN CONSULTANT of any of DESIGN CONSULTANT's responsibilities. The foregoing provision shall be subject to Arizona Revised Statutes 12, Chapter 17.

10. INDEMNIFICATION

The DESIGN CONSULTANT hereby agrees to defend, indemnify and hold harmless the CITY, any of its departments, agencies, officers, or employees from all damages, claims or liabilities and expenses (including reasonable attorney's fees) arising out of or resulting in any way from the performance of professional services for the City in the DESIGN CONSULTANT's capacity as an architect, and caused by any willful or negligent error, omission, or act of the DESIGN CONSULTANT or any person employed by it or anyone for whose acts the DESIGN CONSULTANT is legally liable. In consideration of the award of this contract, the DESIGN CONSULTANT agrees to waive all rights of subrogation against the CITY, its officers, officials, agents and employees for losses arising from the work performed by the DESIGN CONSULTANT for the CITY.

The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph.

11. INSURANCE REQUIREMENTS:

11.1 General Requirements:

- A. DESIGN CONSULTANT, at its own expense, shall purchase and maintain insurance of the types and amounts required in this section, with companies possessing a current A.M. Best, Inc. rating of B++6, or better and legally authorized to do business in the State of Arizona with policies and forms satisfactory to CITY.
- B. Except for DESIGN CONSULTANT's professional liability insurance required under this agreement, policies written on a "Claims made" basis are not acceptable without written permission from the City's Risk Manager
- C. All insurance required herein shall be maintained in full force and effect until all work or services required to be performed under the terms of this Agreement is satisfactorily completed and formally accepted. Failure to do so may, at the sole discretion of CITY, constitute a material breach of this Agreement and may result in termination of this contract.
- D. If any of the insurance policies are not renewed prior to expiration, payments to the DESIGN CONSULTANT may be withheld until these requirements have been met, or at the option of the City, the City may pay the Renewal Premium and withhold such payments from any monies due the DESIGN CONSULTANT.
- E. All insurance policies, except Workers' Compensation and Professional Liability required by this Agreement, and self-insured retention or deductible portions, shall name, to the fullest extent permitted by law for claims arising out of the performance of this contract, the City of Chandler, its agents, representatives, officers, directors, officials and employees as Additional Insureds.
- F. DESIGN CONSULTANT's insurance shall be primary insurance over any insurance available to the CITY and as to any claims resulting from this contract, it being the intention of the parties that the insurance policies so effected shall protect both parties and be primary coverage for any and all losses covered by the described insurance.
- G. The insurance policies, except Workers' Compensation and Professional Liability, shall contain a waiver of transfer rights of recovery (subrogation) against CITY, its agents, representatives, officers, directors, officials and employees for any claims arising out of DESIGN CONSULTANT's acts, errors, mistakes, omissions, work or service.

- H. The insurance policies may provide coverage which contain deductibles or self-insured retentions. Such deductible and/or self-insured retentions shall be assumed by and be for the account of, and at the sole risk of DESIGN CONSULTANT. DESIGN CONSULTANT shall be solely responsible for the deductible and/or self-insured retention. The amounts of any self-insured retentions shall be noted on the Certificate of Insurance. CITY, at its option, may require DESIGN CONSULTANT to secure payment of such deductibles or self-insured retentions by a Surety Bond or an irrevocable and unconditional letter of credit. Self-insured retentions (SIR) in excess of \$25,000 will not be accepted except with permission of the Management Services Director/designee.
- I. All policies and certificates shall contain an endorsement providing that the coverage afforded under such policies shall not be reduced, canceled or allowed to expire until at least thirty (30) days prior written notice has been given to CITY.
- J. Information concerning reduction of coverage on account of revised limits or claims paid under the General Aggregate, or both, shall be furnished by the DESIGN CONSULTANT with reasonable promptness in accordance with the DESIGN CONSULTANT's information and belief.
- K. In the event that claims in excess of the insured amounts provided herein, are filed by reason of any operations under this contract, the amount of excess of such claims, or any portion thereof, may be withheld from payment due or to become due the DESIGN CONSULTANT until such time as the DESIGN CONSULTANT shall furnish such additional security covering such claims as may be determined by the CITY.

11.2 Proof of Insurance - Certificates of Insurance

- A. Prior to commencing work or services under this Agreement, DESIGN CONSULTANT shall furnish to CITY Certificates of Insurance, issued by DESIGN CONSULTANT's insurer(s), as evidence that policies providing the required coverages, conditions and limits required by this Agreement are in full force and effect and obtain from the City's Risk Management Division approval of such Certificates.
- B. If a policy does expire during the life of this Agreement, a renewal certificate must be sent to the City of Chandler five (5) days prior to the expiration date.
- C. All Certificates of Insurance shall identify the policies in effect on behalf of DESIGN CONSULTANT, their policy period(s), and limits of liability. Each Certificate shall include the job site and project number and title. Coverage shown on the Certificate of Insurance must coincide with the requirements in the text of the contract documents. Information required to be on the certificate of Insurance may be typed on the reverse of the Certificate and countersigned by an authorized representative of the insurance company.
- D. CITY reserves the right to request and to receive, within 10 working days, certified copies of any or all of the herein required insurance policies and/or endorsements. CITY shall not be obligated, however, to review same or to advise DESIGN CONSULTANT of any deficiencies in such policies and endorsements, and such receipt shall not relieve DESIGN CONSULTANT from, or be deemed a waiver of CITY's right to insist on, strict fulfillment of DESIGN CONSULTANT's obligations under this Agreement. DESIGN CONSULTANT reserves its right to redact any proprietary or confidential information contained therein.

11.3 Required Coverage

Such insurance shall protect DESIGN CONSULTANT from claims set forth below which may arise out of or result from the operations of DESIGN CONSULTANT under this Contract and for which DESIGN CONSULTANT may be legally liable, whether such operations be by the DESIGN CONSULTANT or by a Sub-consultant or subcontractor or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable. Coverage under the policy will be at least as broad as Insurance Services Office, Inc., policy form CG00011093 or equivalent thereof, including but not limited to severability of interest and waiver of subrogation clauses.

- A. Claims under workers' compensation, disability benefit and other similar employee benefit acts which are applicable to the Work to be performed;

- B. Claims for damages because of bodily injury, occupational sickness or disease, or death of the Contractor's employees;
- C. Claims for damages because of bodily injury, sickness or disease, or death of any person other than the DESIGN CONSULTANT's employees;
- D. Claims for damages insured by usual personal injury liability coverage;
- E. Claims for damages, other than to Work itself, because of injury to or destruction of tangible property, including loss of use resulting therefrom;
- F. Claims for damages because of bodily injury, death of a person or property damage arising out of ownership, maintenance or use of a motor vehicle; Coverage will be at least as broad as Insurance Service Office, Inc., coverage Code "I" "any auto" policy form CA00011293 or equivalent thereof.
- G. Claims for bodily injury or property damage arising out of completed operations;
- H. Claims involving contractual liability insurance applicable to the Contractor's obligations under the Indemnification Agreement;
- I. Claims for injury or damages in connection with one's professional services;
- J. Claims involving construction projects while they are in progress. Such insurance shall include coverage for loading and off loading hazards. If any hazardous material, as defined by any local, state or federal authorities are to be transported, MCS 90 endorsement shall be included;

11.3.1 Commercial General Liability - Minimum Coverage Limits:

The Commercial General Liability insurance required herein shall be written for not less than \$1,000,000 limits of liability or ten percent (10%) of the Contract Price, whichever coverage is greater. Any combination between general liability and excess general liability alone amounting to a minimum of \$1,000,000 per occurrence (or 10% per occurrence) and an aggregate of \$2,000,000 (or 20% whichever is greater) in coverage will be acceptable. The Commercial General Liability additional insured endorsement shall be as broad as the Insurance Services, Inc's (ISO) Additional Insured, Form B, CG 20101001, and shall include coverage for DESIGN CONSULTANT's operations and products, and completed operations.

11.3.2 General Liability - Minimum Coverage Limits

- A. The General Liability insurance required herein, including, Comprehensive Form, Premises-Operations, Explosion and Collapse, Underground Hazard, Products/Completed Operations, Contractual Insurance, Broad Form Property Damage, Independent Contractors, and Personal Injury shall be written for Bodily Injury and Property Damage Combined shall be written for not less than \$1,000,000 or 10% of the contract cost and with a \$2,000,000 aggregate.
- B. Automobile Liability: DESIGN CONSULTANT shall maintain Commercial/Business Automobile Liability insurance with a combined single limit for bodily injury and property damage of not less than \$1,000,000 each occurrence with respect to any owned, hired, and non-owned vehicles assigned to or used in performance of the DESIGN CONSULTANT's work. Coverage shall be at least as broad as coverage code 1, "any auto", (Insurance Service Office, Inc. Policy Form CA 00011293, or any replacements thereof). Such insurance shall include coverage for loading and off loading hazards if hazardous substances, materials or wastes are to be transported and a MCS 90 endorsement shall be included with coverage limits of \$5,000,000 per accident for bodily injury and property damage.

11.3.3 Worker's Compensation and Employer's Liability:

DESIGN CONSULTANT shall maintain Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction over DESIGN CONSULTANT's employees engaged in the performance of the

work or services; and, Employer's Liability insurance of not less than \$1,000,000 for each accident, \$1,000,000 disease coverage for each employee, and \$1,000,000 disease policy limit. In case any work is subcontracted, DESIGN CONSULTANT will require the Subcontractor to provide Workers' Compensation and Employer's Liability to at least the same extent as required of DESIGN CONSULTANT.

11.3.4 Professional Liability:

DESIGN CONSULTANT shall maintain Professional Liability insurance covering acts, errors, mistakes and omissions arising out of the work or services performed by DESIGN CONSULTANT, or any person employed by DESIGN CONSULTANT, with a claims made policy limit of not less than \$5,000,000.

12. DISPUTE RESOLUTION:

- A. Disputed Invoices. In the event of a disputed or contested invoice, only that portion so contested may be withheld from payment, and the undisputed portion will be paid.
- B. Disputed Items. CITY may temporarily delete any disputed items contained in DESIGN CONSULTANT's invoice, including items disputed due to lack of supporting documentation, and pay the remaining amount of the invoice. CITY shall promptly notify DESIGN CONSULTANT of the dispute and request clarification and/or remedial action. CITY may withhold payment on all disputed items until the issues are resolved. After any dispute has been settled, DESIGN CONSULTANT shall include the disputed item on a subsequent regularly scheduled invoice or on a special invoice for the disputed item only.
- C. Good Faith Negotiation. CITY and DESIGN CONSULTANT agree to negotiate all disputes between them in good faith prior to exercising their rights under law.
- D. Binding Special Arbitration. All claims, disputes and other matters in question between CITY and DESIGN CONSULTANT arising out of, or relating to this Agreement, or the breach thereof (except for claims which have been resolved pursuant to paragraphs 9 or 12 A, B and C of this contract) shall be decided by binding, unappealable special arbitration, as described below, if the claim for compensation, costs or expenses, damages or reimbursement is equal to or less than \$50,000. Claims over \$50,000 shall have non-binding mediation as the first step to settling the dispute or claim.
- E. Special Arbitration. All arbitration of claims shall be conducted in Chandler, Arizona, in accordance with the following rules:
 - 1) Any time after the parties have attempted in good faith but without success to resolve one or more disputes, a party may notify the other in writing that they are at impasse (Notice of Impasse) and request immediate arbitration in accordance with the terms herein.
 - 2) Within ten (10) days after the date of such Notice of Impasse, each party shall select an impartial intermediary, who shall, together, agree upon a third impartial person who will be the arbitrator. To be considered impartial an intermediary or arbitrator shall not have any previous or current relationship which would be considered a conflict of interest with either party, including, but not limited to, current or previous employment or contractual relationship, indebtedness or ownership interest.
 - 3) The parties shall immediately cooperate with each other to draft together a short summary of the facts and a list of questions or issues to be resolved by the arbitrator. If the facts are in dispute, such disputed facts shall be listed as contentions by the party asserting them. In the event the parties are unable to agree upon a summary of the facts or a list of questions or issues, each party shall instead include a statement of facts and list of issues in that party's Position Paper submitted to the arbitrator. Such summary of facts and list of questions or issues shall be completed by the parties and submitted to the arbitrator within twenty (20) days of the date of the Notice of Impasse.
 - 4) The parties shall cooperate to gather any documents and exhibits necessary to resolve the issues and provide them jointly to the arbitrator. In the event of a dispute between the parties regarding whether a document should be provided, the disputed document shall be submitted to the impartial intermediaries who will determine its appropriateness for submittal. Correspondence between the parties which discusses

settlement or resolution of the issues shall be submitted. All such evidence shall be submitted to the arbitrator within twenty (20) days of the date of the Notice of Impasse.

5) Each party may submit a written Position Paper of no more than ten (10) pages, supporting or explaining that party's position and providing citations to relevant law. Any such Position Paper shall be submitted to the arbitrator within thirty (30) days of the date of the Notice of Impasse.

6) There shall be no hearing, no witnesses, no argument nor contact by the parties or their representatives with the arbitrator except for the joint submittals and each party's Position Paper.

7) The arbitrator may request additional information and may make any other orders necessary to resolve the entire matter.

8) The arbitrator shall issue a written decision resolving all the submitted issues within 30 days after receiving the Position Papers.

F. Nothing herein contained shall be so construed as to preclude DESIGN CONSULTANT or CITY from commencing a legal action in relation to claims in excess of \$50,000, but the sole legal remedy in relation to claims of \$50,000 or less shall be binding, unappealable special arbitration as described above.

13. **AMENDMENTS:** Whenever a change in the Scope of Work contemplated in this Agreement is determined to be necessary, the work will be performed in accordance with this Agreement provided, however, that BEFORE such work is started, an Amendment shall be executed by CITY and DESIGN CONSULTANT. Additions to, modifications of, or deletions from the project provided herein may be made and the compensation to be paid to DESIGN CONSULTANT may be adjusted accordingly by mutual agreement of the contracting parties. It is agreed that no claim for extra work by DESIGN CONSULTANT will be allowed by CITY except as provided herein, nor shall DESIGN CONSULTANT do any work not covered by this Agreement unless such work is authorized through an executed amendment.

14. **TERMINATION WITHOUT CAUSE:** CITY may at any time and for any or no reason, at its convenience, terminate this Agreement or any part of the services to be rendered pursuant thereto by ten (10) day written notice to DESIGN CONSULTANT specifying the termination date. Immediately after receiving such notice, DESIGN CONSULTANT shall discontinue advancing the work under this Agreement and shall deliver to CITY all drawings, notes, calculations, sketches and other materials entirely or partially completed, together with all unused materials supplied by CITY.

DESIGN CONSULTANT shall receive as compensation in full for services performed to date of such termination, a fee for the percentage of work actually completed. This fee shall be a percentage of DESIGN CONSULTANT(S) fee described in this Agreement under paragraph 4 and shall be in an amount to be agreed mutually by DESIGN CONSULTANT and CITY. CITY shall make this final payment within sixty (60) days after DESIGN CONSULTANT has delivered the last of the partially completed items.

15. **OWNERSHIP OF DOCUMENTS:** All documents, including, but not limited to, preliminary designs, tracings, drawings, original mylars, estimates, field notes, investigations, design analysis, communications (e-mail, minutes, telephone, memos, etc.) and studies which are prepared in the performance of this Agreement are to be, and shall remain the property of CITY. DESIGN CONSULTANT shall furnish CITY, upon its request, originals or reproducible copies of technical specifications and copies of all other documents listed above. DESIGN CONSULTANT shall endorse, by his professional seal, all plans and engineering data furnished by it.

16. **RE-USE OF DOCUMENTS:** The parties agree the documents, drawings, specifications and designs, although the property of CITY, are prepared for this specific project and are not intended nor represented by DESIGN CONSULTANT to be suitable for re-use for any other project. Any reuse without written verification or adaptation by DESIGN CONSULTANT for the specific purpose intended will be at CITY's sole risk and without liability or legal exposure to DESIGN CONSULTANT.

17. **NO KICK-BACK CERTIFICATION:** DESIGN CONSULTANT warrants that no person has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage,

brokerage or contingent fee; and that no member of the City Council or any employee of the CITY has any interest, financially or otherwise, in the DESIGN CONSULTANT firm.

For breach or violation of this warranty, CITY shall have the right to annul this Agreement without liability, or at its discretion to deduct from the Agreement Price or consideration, the full amount of such commission, percentage, brokerage, or contingent fee.

18. **CONFLICT OF INTEREST:** DESIGN CONSULTANT stipulates that its officers and employees do not now have a conflict of interest and it further agrees for itself, its officers and its employees that it will not contract for or accept employment for the performance of any work or services with any individual business, corporation or government unit that would create a conflict of interest in the performance of its obligations pursuant to this Agreement.

Pursuant to A.R.S. Section 38-511, CITY may cancel this Agreement within three (3) years after its execution, without penalty or further obligation by CITY if any person significantly involved in initiating, negotiating, securing, drafting or creating this Agreement on behalf of CITY is, at any time while this Agreement is in effect, an employee of any other party to this Agreement in any capacity, or a consultant to any other party of this Agreement with respect to the subject matter of this Agreement.

19. **CONTROLLING LAW:** The laws of the State of Arizona shall govern this agreement.

20. **NO ASSIGNMENT:** DESIGN CONSULTANT shall not assign, transfer, convey or subcontract this Agreement or the services to be rendered pursuant thereto without the prior written consent of CITY.

21. **NOTICES:** Any notice required under this Agreement shall be in writing, addressed to the appropriate party at its address on the signature page and given personally or by registered or certified mail postage prepaid, or by a commercial courier service. All notices shall be effective upon the date of receipt.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names this _____ day of _____, 200_____

CITY OF CHANDLER

MAYOR Date

DESIGN CONSULTANT
By: _____
Signature

ADDRESS FOR NOTICE
City of Chandler
P.O. Box 4008, Mail Stop 407
Chandler, AZ 85244-4008
480-782-3307

ADDRESS FOR NOTICE
SmithGroup, Inc.
455 N. Third St., Ste. 250
Phoenix, AZ 85004
Phone: 602.265.2200

ATTEST:

City Clerk

ATTEST: If Corporation

Secretary

APPROVED AS TO FORM:

City Attorney By: 

SEAL

EXHIBIT A
DETAILED DESCRIPTION OF CITY'S CONCEPT

The new City Hall is to be a low-to-mid-rise complex consisting of administrative offices, Council Chambers, a parking garage and surrounding improvements.

The gross area is to be approximately 120,000 SF located at Arizona Avenue and Chicago Street and includes a parking structure with a capacity of 600 spaces with the potential of lease space at its base and a façade treatment that acts as a screening element. The City Hall will be comprised of administration offices and a public television studio in close proximity to the Council Chambers. The Council chambers may be integrated within the Building or be a free-standing annex. Not included are an amphitheatre and the Chandler History Center (Museum). Also, the program for City Hall does not include Public Works, nor the Planning and Development departments (with its one-stop permit centers).

**EXHIBIT A-1
SCOPE OF WORK**

PROJECT TITLE: CITY HALL
PROJECT NO. GG0502-201
Chandler, AZ.

I. PROJECT DESCRIPTION & SCOPE OF WORK:

Design consultant will provide services for the design, permitting, development of construction documents, and specified construction administration for the development of a **CITY HALL**, located on Arizona Avenue in Chandler, Arizona, all as more specifically described herein below.

The budget for facility design may include, but not be limited to, areas for activities such as: Administration offices, Council Chambers, parking structure, and other associated functions. The exterior improvements may include: A more detailed description of City's concept is attached as Exhibit A.

The total cost of the project design, construction, furnishing and equipping is **\$53,403,341**. All design, construction and furnishing of the project will be completed within this budget.

DESIGN CONSULTANT shall provide all design services for the Project including, but not limited to, normal landscape, civil, mechanical and electrical engineering services.

DESIGN CONSULTANT shall participate as a team member along with the CITY and the CM@Risk, and shall communicate and share all information concerning the design.

II. ASSIGNMENT:

1. The design contract has been awarded to a DESIGN CONSULTANT based on their proposed personnel and specified consultants. Any deviations or substitutions of these team members must be pre-approved in writing by the CITY's representative. Those persons listed in Exhibit A-2 will perform those portions of the work listed therein.

III. PROJECT SCHEDULE:

1. DESIGN CONSULTANT shall perform the services within the times set forth in the Production Schedule attached hereto as Exhibit A-3 and made a part hereof by reference. The Production Schedule may be amended and modified after consultation with the Construction Manager at Risk, upon agreement between the DESIGN CONSULTANT and the CITY. The schedule may also be extended at any other time by agreement between the DESIGN CONSULTANT and the CITY for reasons not due to the fault of the design consultant.
2. DESIGN CONSULTANT shall adhere to the Production Schedule described herein and such schedule may not be modified or deviated from without written consent of the CITY. DESIGN CONSULTANT shall revise and submit for review an updated schedule whenever it is demonstrated that the time for completion of the Project Design or of any of the partial completion points listed in the schedule is delayed by two weeks or more. Such adjusted schedule will include a written explanation stating the reasons for the change and a plan for getting back on schedule. The DESIGN CONSULTANT shall take all reasonable actions necessary to get the project back on schedule and City shall cooperate to assist DESIGN CONSULTANT. The decision as to whether or not the extension is the fault of the DESIGN CONSULTANT is within the discretion of the City.

IV. QUALITY CONTROL:

1. DESIGN CONSULTANT shall institute and comply with the Design Quality Control Plan attached hereto and made a part hereof by reference.

2. As a part of the project design DESIGN CONSULTANT shall develop a quality control plan for the entire construction phase. This Quality Control Plan shall establish what elements should and must be seen by each consultant during construction. Identify what is in the project, which will be required to have a UBC "special Inspection" by the design engineer.

V. PRELIMINARY RESEARCH:

As and for preliminary research before preparing the project design, DESIGN CONSULTANT shall:

1. Perform a Document Search for utility as-builts.
2. Perform a Document search for rights-of-way.
3. Perform a Document search for survey ties and benchmarks.
4. Perform a Document search for City policies, regulations, standards, design manuals, and requirements, etc relevant to project.
5. Research and/or obtain geotechnical reports and investigations, master plans, computer model data and field surveys.
6. Research all utility companies/agencies and acquire all available as-built and utility records.
7. Investigate existing conditions, make measured drawings, and verify accuracy of drawings or other information furnished by CITY.
8. DESIGN CONSULTANT shall provide a survey of the project area that includes complete topographical and property data of the immediate site. Design shall utilize established City of Chandler benchmarks and reference locations of benchmarks on the plans. Clearly define the benchmark location and elevation that will be utilized for construction of this facility.

VI. UTILITY/AGENCY COORDINATION:

1. Coordination with utility companies and agencies shall be in accordance with the latest version of the "Public Improvement Project Guide" (PIPG).
2. DESIGN CONSULTANT shall identify utility conflicts during the initial stages of the design process.
3. DESIGN CONSULTANT shall coordinate the design and installation of the utilities, which includes, but is not limited to, services for electric, communications, water, storm drainage, irrigation and sanitary systems, etc.
4. DESIGN CONSULTANT shall identify easements for these utilities early in the design stage of the project and necessary information provided to the CITY'S Real Estate Department to allow the CITY to complete acquisition during the design phase.
5. Engineers employed by DESIGN CONSULTANT shall provide the legal descriptions for the natural gas and electrical service easements.
6. DESIGN CONSULTANT shall submit preliminary plans, specifications, and design calculations to utilities/agencies for review and use during their design for their service improvements or any necessary relocations.
7. DESIGN CONSULTANT shall conduct utility meetings to coordinate relocations with utility/agency and establish relocation schedules.
8. DESIGN CONSULTANT shall follow-up with the final design submittal for utility construction and coordination with the bid documents.
9. DESIGN CONSULTANT shall incorporate the utility/agency private developer construction requirements into the bid documents.

VII. GEOTECHNICAL INVESTIGATION:

1. DESIGN CONSULTANT shall perform all soil and pavement borings necessary to complete their work.
2. DESIGN CONSULTANT shall incorporate sub-surface soil conditions, established by the geotechnical investigations, into the bid documents in a manner usable to the excavation and foundation bidding and construction.

VIII. PROGRAMMING:

1. DESIGN CONSULTANT shall meet with City staff design/constructability team to ascertain the requirements of the Project and shall arrive at a mutual understanding of such requirements. The CM@Risk shall be a team member.

2. DESIGN CONSULTANT shall perform up to two Public Information meetings at the end of the Schematic Design Phase. These will include preparing exhibits, and delivering a presentation, facilitating discussions and documenting meeting information exchange. The exhibits will include Design drawings as required for the meeting. CITY will advertise and promote the meetings.
3. DESIGN CONSULTANT shall facilitate **up to two** "sub-committee" meetings to gather pertinent information from:

CITY staff

Construction Manager at Risk Staff
Planning and Zoning Commission

4. DESIGN CONSULTANT shall prepare a "Program" which will include:
 - Establish construction budget in coordination with the CM@Risk.
 - Complete documentation of site survey from preliminary work
 - Define new buildings space needs
 - Define new building space requirements and amenities necessary to accommodate planned activities in each space
 - Define site requirements
 - Create a matrix of spaces, sizes and amenities
 - Review existing programming documents and related information as provided by the City for departments and functions associated with the new project.
 - Interview the City project Team and others for a high-level project description, project goals and related performance metrics. Up to two meetings are included.
 - Based on the thoroughness of content of the existing programming documents, interview the approximately 20 departments scheduled to re-locate to City Hall and validate the programming information. One re-interview meeting per department is included for each for a total of 40 meetings.
 - Create an updated program document based on the existing program information.
 - Conduct follow-up meetings with the City Project Team and others. Up to two meetings are included.
5. Based on the mutually agreed-upon program, schedule and construction budget requirements, DESIGN CONSULTANT shall prepare, for approval by CITY, Schematic Design Documents consisting of drawings and other documents illustrating the scale and relationship of the Project components.
6. Master Planning: DESIGN CONSULTANT shall Provide 2 – 3 concept design studies to demonstrate the highest and best use for the property, efficiencies through analysis of skin-to-floor ratios, core-to-gross floor areas, and the possibility of the land available in the Chicago Street Right Of Way or with it being re-aligned.
7. Workshops: During master planning at appropriate stages, DESIGN CONSULTANT shall conduct design workshops that include the CITY staff and department representatives to receive input on the initial master planning and architectural concepts. Include up to two workshops.
8. Individual City Council Meetings: Early in the master planning stages, DESIGN CONSULTANT shall conduct individual meetings with members of the City Council and one meeting with the City Manager and his Assistant City Managers to receive input. Include up to eight meetings.
9. Conceptual Design: DESIGN CONSULTANT shall explore concepts employing various building massing and heights, optimum view corridors, key site plan influences, adjacent building and neighborhood relationships, as well as the new pedestrian-oriented street fronts for review and discussion purposes.
10. As part of this effort, DESIGN CONSULTANT shall develop diagrammatic sketches of the site and floor plans with core layouts, section and sketch 3-D massing models. DESIGN CONSULTANT shall explore alternative design and elevation studies for purposes of the pin-up of multiple options for City's consideration and selection.
11. Zoning / Site Entitlements Support
 - Provide assistance to the City by preparing exhibits and attending briefings at study sessions to obtain City Planning & Zoning department endorsements, site development endorsement and the like. Include up to two meetings.
 - Prior to Planning & Zoning briefings, prepare exhibits and review materials with City staff. Include up to two meetings.

- After Planning & Zoning briefings, conduct City Council presentations to report final results of conceptual design and Planning & Zoning briefings. Include up to two meetings.
12. Council Approval: DESIGN CONSULTANT shall conduct one presentation of the conceptual design resulting from workshops, community outreach and Planning & Zoning endorsements.
13. LEED Certification Process
- Design, documentation and certification process for the targeted level. Includes workshops, analyses, credit strategies, matrix management. The targeted level of certification is LEED NC Gold.
 - Include a LEED orientation briefing at the City Council/Staff/SmithGroup contract approval session.

IX. SCHEMATIC DESIGN (30% Document Review):

When the design is approximately thirty percent complete, DESIGN CONSULTANT shall do the following:

1. Attend a CITY "pre-site" meeting with the CITY plans review and development staff.
2. Present initial schemes to CITY and its representatives (to potentially include a CM@Risk contractor). Staff will collaborate with designers to manipulate the plans and mutually decide on the best scheme.
3. The final scheme shall incorporate CITY'S comments (and potentially a contractors' comments) and be cleaned up for reference and presentation to the City Council if requested.
4. Attend a City Council meeting and brief the City Council, which will include preparing exhibits, rendering(s), computer graphic "fly-around", displaying and explaining such exhibits etc., to the City Council and public while documenting meeting information exchange.
5. Attend any other City Board meeting and brief the Board, which will include preparing exhibits, renderings, computer graphic "fly-around", displaying and explaining such exhibits, etc., to Board members while documenting meeting information exchange.
6. Develop a site plan. Design shall utilize established City of Chandler benchmarks and reference locations of benchmarks on the plans.
7. Collaborate with CITY to define their requirements for building systems.
8. Create an outline specification.
9. Prepare plans, elevations, sections, schedules and notes as required to fix and describe the project as to civil, architectural, structural, mechanical, electrical, and special systems.
10. Perform code reviews and implement requirements into the design documents.
11. Value Engineer the design cooperatively with the entire design team including CM@R and CITY'S representatives. This effort will occur as early as effectively possible and consist of a focused meeting addressing: relationships of components, construction materials, and building systems.
12. Prepare vertical sections across the site and through the building.
13. Prepare elevation drawing(s) and, as required, perspective sketch of the exterior.
14. Complete a drainage analysis and provide solutions to mitigate the runoff.
15. Identify all necessary offsite improvements such as: streets, utilities, irrigation, etc., and depict the scope in a schematic design plan.
16. Submit the project to the CITY for a Development Standards review.
17. Prepare a construction cost estimate for verification with the budget and re-design as necessary to re-align the design with the construction budget.
18. Submit to City's Project Manager for comment two complete drawing sets with drainage & structural calcs, one of which shall be reproducible.
19. Until a GMP is accepted by all parties, the DESIGN CONSULTANT is responsible for calling all meetings, preparing the minutes, and distribution of the minutes.

X. DESIGN DEVELOPMENT (60% & 90% Document Review):

Based on the approved Schematic Design Documents and any adjustments authorized by CITY (which includes a contractor) in the program, schedule or construction budget, DESIGN CONSULTANT shall prepare, for approval by CITY, Design Development Documents consisting of drawings and other documents to fix and describe the size and character of the Project as to architectural, structural, mechanical and electrical systems, materials and such other elements as may be appropriate. When the design is approximately sixty percent (60%) complete and again when the design is approximately ninety percent (90%) complete, DESIGN CONSULTANT shall do the following:

1. Allow and invite the CITY's Representative and CM@R to attend the regular weekly design coordination meetings. Attend a CITY "pre-site" meeting with the CITY plans review and development staff.
2. Review the current construction cost estimate for verification with the budget. Re-design as necessary to re-align the design with the construction budget. Coordinate with CM@Risk.
3. Review and advise CITY with regard to the Guaranteed Maximum Price if submitted by CM@ Risk at completion of schematics.
4. Present a second briefing to Board that shall include preparing exhibits, renderings, computer graphic "fly-around", briefing Board members while documenting meeting information exchange.
5. Conduct one half-day general review of the plans and specifications to discuss extraordinary items that prepare the CITY's representatives for their internal reviews of the documents. The meeting is to be attended by the appropriate design team members and consultants.
6. Continuous involvement with design team, CITY, CITY's Project Management, and CM@Risk. Submit for review of completed 60% design, to the CM@Risk and CITY'S Project Manager for comment three complete drawing sets, specifications, drainage & structural calcs, one of which will be reproducible. Include original redline drawings and comments received from previous review along with a review summary indicating action taken.
7. Schedule review meeting with plan check staff to discuss review comments. Clarify with the plan check staff what the design challenges are and decide the method in which they will be resolved.

XI. CONSTRUCTION DOCUMENTS (90% Document Review):

Based on the approved Design Development Documents and any further adjustments in the scope or quality of the Project or in the construction budget authorized by CITY, DESIGN CONSULTANT shall prepare, for approval by CITY, Construction Documents consisting of Drawings and Specifications setting forth in detail the requirements for the construction of the Project. When the documents are approximately ninety percent (90%) complete DESIGN CONSULTANT shall do the following:

1. Coordinate, meet, and team with CM@Risk on all design and constructability review.
2. Prepare plans, elevations, sections, schedules, notes and specifications as required to be able to bid (if necessary) and to construct the project in its entirety.
3. Cover sheet to be provided by CITY on diskette (AutoCAD release 14).
4. Provide the City of Chandler with a copy of the AutoCAD files. Each building system shall be "layered" so as to be able to isolate trades or engineering from architectural components or vice versa.
5. Conduct one half-day general review of the plans and specifications to discuss extraordinary items that prepare the CITY's representatives for their internal reviews of the documents. The meeting is to be attended by the appropriate design team members and consultants.
6. Provide document coordination of work performed by separate contractors or by the CITY'S own forces (i.e.: systems furniture or exercise equipment provisions & installation, etc.). This coordination is for the purposes of meeting the intent of the DESIGN CONSULTANT's plans and specifications. The DESIGN CONSULTANT will not be required to provide exhaustive review of such separately performed work for its quantity, installation means and methods, inventory and the like.
7. Review/coordinate construction cost estimate for verification with the budget. Re-design as necessary to re-align the design with the construction budget, which may be considered additional services after Design Development, upon mutual agreement between the CITY and DESIGN CONSULTANT, and which will not be unreasonably withheld. Review and advise CITY with regard to the Guaranteed Maximum Price submitted by CM@ Risk.
8. Submit to CITY'S Project Manager and CM@Risk for comment three complete drawing sets, specifications, drainage & structural calcs, one of which will be reproducible. Include original redline drawings and comments received from previous review along with a review summary indicating action taken.

XII AWARD OF CONSTRUCTION CONTRACT (100% Documents):

9. Submit completed documents to Development Services for building permit. All plans, calculations and specifications will be stamped. The specifications will be 8-1/2" x 11" and in electronic format on diskette in Microsoft Word 98. Plans will be black line prints as well as on diskette Auto CAD release 14 or R2000. Include redline reviewed drawings and comments received from previous review along with a review summary indicating action taken.
10. Pick-up plan review final comments and prepare stamped Mylar documents for reproduction. CITY will have the bid sets reproduced from these Mylar's.

11. Assist CITY in the evaluation of "substitutions and or-equals," based on a fully completed substitution request form by DESIGN CONSULTANT with information on the relative merits of the system and materials that are equal or better, and make a recommendation to accept or decline.* If revisions are required to the documents and specifications, it then becomes an additional service with appropriate schedule adjustments.
12. Prepare addenda, for CITY'S Project Manager, for review and approval by CITY. CITY will distribute.

XIII. CONSTRUCTION ADMINISTRATION:

1. During the Construction phase of the Project DESIGN CONSULTANT shall do the following:
2. Note: A City staff member will be designated as the Project Manager and as CITY'S REPRESENTATIVE and will perform those functions listed in the City's General Conditions for Construction Contracts as duties of the CITY REP. The DESIGN CONSULTANT will be designated the Project Designer and shall perform those functions listed in the City's General Conditions for Construction Contracts as duties of the Project Designer, but shall also perform the following functions: (Designers Construction Administrator role is defined below.)
3. Attend and participate in the pre-construction conference for the purposes of establishing lines of communication, project protocol as well as answering design questions.
4. Assist CITY with the review of contractor's schedules, and then make a recommendation regarding approval.
5. Assist CITY in the review of the Contractors "value engineering" suggestions and then make a recommendation. (Most of this will already have occurred during the Design phase with the CM@R, however, there may be value engineering suggestions due to conditions found in the field, which shall be considered additional services.
6. Evaluate contractor claims and disputes between CITY and contractor and provide a written determination to CITY within ten (10) working days of the date such matter is submitted to DESIGN CONSULTANT.
7. In the event of a claim or dispute by contractor, interpret the requirements of the Contract Documents and judge the acceptability of the Work thereunder. Make written recommendations to the City on all claims of the Contractor related to; the acceptability of the work, or the interpretation of the requirements of the Contract Documents pertaining to the execution and progress of the work, or additional work as deemed necessary by the City (within 10 working days).
8. Respond to RFI's and issue necessary interpretations and clarifications of the contract documents within 5 working days (7 working days if input from a subconsultant is required.)
9. Receive, log, review and approve/disapprove Shop Drawings, calculations, samples, and test results within 10 working (15 working days if input from a subconsultant is required.),as requested in coordination with the CM@Risk contractor.
10. Construct a color/sample board of approved finishes submittals.
11. Perform site visits at a rate of 4-8 hours per week, depending on work in progress, during construction. During these visits, produce "field reports" documenting progress and issues. This effort does not include and is independent of special inspections by others.
12. Participate in scheduled field management meetings.
13. "UBC Special Inspections" as required shall be performed by others (not the DESIGN SONSULTANT).
14. Evaluate and verify payment applications, with the CITY, based on designer's on-site observations, data and schedule. Make a recommendation regarding approval.
15. Conduct with City an inspection to determine if project is substantially complete. Substantial completion inspection is to determine if the work is completed to the standard required by the contract documents. Prepare a preliminary punch list and provide to City.
16. Conduct with City a final inspection to assist City to develop the final punch list and assist in final re-inspection.
17. DESIGN CONSULTANT shall determine when the Project is complete and recommend, in writing, to CITY, acceptance of the Project but only after DESIGN CONSULTANT has performed a final inspection which confirms that the contractor has fulfilled all obligations under their contract and is entitled to final payment. Such a recommendation is DESIGN CONSULTANT's written notice to City and Contractor that the work is complete and the Project is acceptable.
18. Receive, review and approve/disapprove Operations & Maintenance manuals (within 2 weeks).

XII. POST CONSTRUCTION:

1. Design Consultant shall prepare and deliver to CITY, record drawings of the constructed work on 4-mil Mylar as recorded during the normal course of responding to and clarifying RFIs in construction administration, together with complete electronic files for the Project in AutoCAD release 14 or R2000. As-built information will also be obtained from redlined drawings prepared by the contractor, scanned and reproduced on Mylar for conveyance to the CITY. Design Consultant shall provide to CITY six (6) electronic copies (CD-ROM) of the drawings in AutoCAD-14 format or R2000 for CITY and for distribution to affected utilities.

**EXHIBIT A-2
DESIGN TEAM AND THEIR ASSIGNMENTS**

Design Consultant's design team and their assignments are as follows:

Architecture and Interior Architecture – SmithGroup

Design, project management and leadership of the design consultants. Architectural design and documentation, programming, interior design, FF&E and documentation, LEED certification process and coordination of sub-consultant specialties. Periodic site observations during construction.

Charles Hugh Crain, AIA LEED AP – Principal in Charge
Kent Willcox, AIA LEED AP – Project Manager
Mark Roddy, AIA – Design Principal
Linda Salzmann, IIDA LEED AP – Interior Design

Structural Engineering – Caruso Turley Scott

Structural systems engineering and documentation. Periodic site observations during construction.

Chris Atkinson, PE, SE, LEED AP – Structural Engineering

Mechanical, Plumbing and Electrical – SmithGroup

Mechanical, plumbing and electrical systems engineering and documentation. Periodic site observations during construction. Including Building Controls.

Jay Robins, LEED AP – Mechanical Design
Barney Bagby, PE LEED AP – Electrical Design

Landscape Architecture – GBtwo

Landscape, irrigation, hardscape and assistance with landscape lighting design, assistance with LEED certification process and documentation, including site furnishings. Periodic site observations during construction. Green roof studies and irrigation booster pump design is additional.

Shari Zimmerman, RLA – Landscape Design

Civil Engineering – Dibble Engineering

PDP process, DD's, CD's, permitting, storm water pollution prevention plan, lot combination survey, CA, conduct study to determine impact of abandoning Chicago Street ROW, traffic analysis as an update to the City's current report by Parsons Brinckerhoff, topographic and boundary surveys. Offsite utilities, Chicago Street abandonment and utility re-location not included.

Kent Norcross, PE – Civil Engineering

Cost Estimating – Rider Levett Bucknall

Estimates of probable construction costs at conceptual, schematic, design development and CD phases.

Scott MacPherson – Cost Estimating Consulting

Fire/Life Safety & Fire Protection/Fire Alarm – Rolf Jensen Associates

Consultation and recommendations for compliance to building codes; Fire Protection Outline and preparation of the City-required life safety report, negotiation and coordination with governing authorities. Fire protection/fire alarm system design and documentation, including the design of an FM200 system for a server room of approximately 1000SF.

Steve Sheldon, PE – Code and Fire Protection Consulting

Signage – SmithGroup

Exterior site/building identity, code-required and other interior signage and wayfinding program. Exterior perimeter site, plaza and parking garage signage included and all code required signage

Specialty Lighting – SmithGroup

All exterior illumination at ground level and upper level. All entry and elevator lobbies and as needed to support the art program throughout the project. No major building façade illumination is anticipated.

Other consultants and their roles:

Specifications – SASC SW

Preparation of materials and systems specifications establishing product and installation quality standards, incorporating sections from each design consultant.

Geotechnical/Soils Engineering – Speedie

Geotechnical exploration, testing, report, and consultation on soil bearing, shear strengths and foundation design for buildings and surrounds plaza and drives, also including ground penetration radar testing. Percolation tests and construction services including observations and testing of concrete, steel and other construction materials are not included.

Parking Garage – Carl Walker

Analysis and recommendations for parking layouts, ramping, entry/exit, access control equipment and signage. Includes structural and durability reviews.

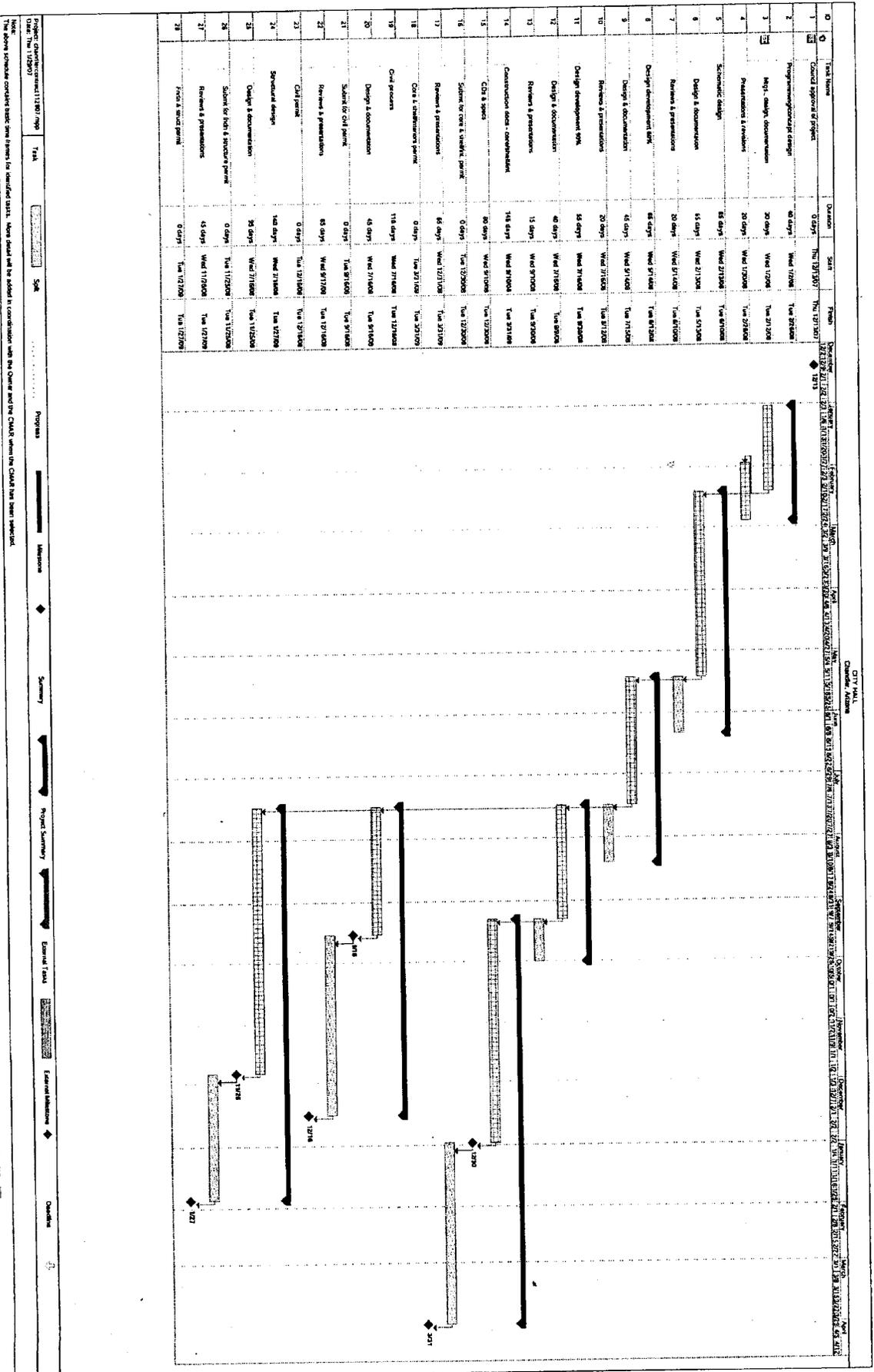
Security – HMA

Consultation on security system(s) for each of the building components of the project, including design and documentation of selected systems.

Audio Visual/Acoustical – McKay Conant Brooke

Airborne and structural sound transmission mitigation design for specific area acoustic, mechanical and electrical systems noise and vibration control. AV systems for Council Chambers, various conference rooms and CAPA video production spaces.

EXHIBIT A-3 PRODUCTION SCHEDULE



Note: The above schedule considers basic time frames for identified tasks. When detailed bid is added in conjunction with the Owner and the CM/At-Risk, when the Contract has been signed.

Project Summary

SmithGroup

(20790) 8-22-03Rev 3/27/06
CM@Risk Design Consultant Agreement

CITY HALL DESIGN
GG0502-201
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EXHIBIT A-4
DESIGN QUALITY CONTROL PLAN

1. PRIORITIES AND SCHEDULES

Our project methodology is based on developing and following a systematic schedule, which outlines the basic process of problem definition, analysis and solution. Our schedule is an organizational tool that correlates activities throughout the master planning and design phases. The schedule identifies tasks and duration.

To ascertain our staffing requirements and ensure that we have adequate staffing for our current and anticipated workload, SmithGroup projects staff needs on a weekly and quarterly basis which includes all projects in progress and those expected to become active in that period. SmithGroup takes every step necessary to assign quality people and dedicate them for the life of a project.

Our team will develop a schedule that carefully establishes **decision points** within the process, allowing input from all sources. This is a key aspect of coordination and supervision and our depth of staff will allow us to aggressively maintain the schedule milestones. It is continuously monitored throughout the course of the project and updated as necessary.

Our schedule will reflect a continuous line of communication and a decision-making process that involves all parties:

- Regularly scheduled team meetings
- Intensive client participation and input at early critical stages
- Client meetings/approvals at appropriate milestones to keep project moving forward
- Cost modeling at early stages, and then cost estimates based on concepts and narratives which evolve into more detailed analysis as the design evolves. These continue in parallel with the CM@RISK estimates during design development, construction documents phases and in development of the GMP.
- Operations and maintenance coordination with CITY staff to solicit input and assist in decisions for building systems and materials selections.
- Assistance in CM@RISK selection process, their GMP development and providing early release design packages to expedite a fast track schedule
- Phased FF&E installation to support a staged move-in

"Consensus-Building" of the Design. SmithGroup uses consensus building techniques during the design process. These include workshops and meetings to not only gather input but also to inform all interested parties.

Accommodating the Program within the Budget. SmithGroup and its team will work closely with the CM@RISK, making adjustments as the design progresses to stay within budget. We will employ the services of a cost estimating consultant to **back-check** the information on costs provided by the CM@RISK. Most significantly, the City of Chandler will rely upon the CM@RISK to use his expertise in providing estimating services. Until a GMP is established, the CM@RISK has no risk with regard to the potential re-design efforts and potential delays over the course of the estimates provided during the design phases. The CITY and architect have traditionally borne the responsibility and results of this; even if there have been no substantial changes between phases relative to the quality of materials, program or size of the facility.

We can, however, offer additional language for your agreement with the CM@RISK, specifically in the area of these estimates of construction costs. In support of your efforts, as well as the design team's, criteria can be established that will require complete listing of clarifications, assumptions and contingencies made by the CM@RISK in the preparation of each estimate in the various phases of design.

2. WORKSHOP APPROACH

Our team utilizes an **interactive workshop** process to establish an understanding of project goals and objectives and to determine a design direction. The workshop allows for a large group of user representatives, users, designers and engineers to gain a **mutual understanding** and direction for the project within a short period of time.

Our team will facilitate a concentrated effort wherein the project issues are defined. We will then begin to develop solutions that address variables such as building systems phasing and materials that meet the project's cost, schedule and aesthetic requirements. The workshop process can be used throughout the programming, planning,

design and documentation phases of a project. This process **builds consensus** and understanding throughout the design and allows a “no surprises” approach to design of all systems.

3. BUDGET METHODOLOGY/COST CONTROL

Subsequent to the programming workshop, we will develop a **Cost Model** for the project that becomes a benchmark by which we gauge the results of the CM@RISK cost estimating efforts. Overall project goals of quality, cost and schedule are jointly established and agreed to by the City, CM@RISK and Architect/Engineer. Based on program requirements, quality levels and proposed systems, a Cost Model is built reflecting estimated market costs for the systems proposed. Included in the Cost Model are contingencies and appropriate cost escalation factors. The Cost Model defines the elements to be included in the project (such as FF&E), which needs to be included in the City’s total project budget, but outside of the general construction budget.

If the Cost Model exceeds the budget, the team **will revisit the program requirements** and systems selection and make the necessary adjustments to bring the project within the budget. No further design will proceed until the program Cost Model and construction budget are compatible and that all parties are confident that the costs are appropriate, adequate and the CM@RISK and his sub-contractors fully understand the scope of the work.

At each phase of the project, our Design Team will prepare document packages for cost estimating. Upon completion of the cost estimate, the team will meet to review the Architect/Engineer’s and CM@RISK’s cost estimates to resolve any discrepancies. If the cost estimates exceed the budget, the entire team will address the systems together in decreasing order of magnitude and propose revisions to the program, system or quality level to bring the project back into budget before processing to the next level.

At the early design stages, constructability issues, optional MEP systems or program elements will be value engineered by the Architect/Engineer and CM@RISK to evaluate **first cost versus life cycle cost** and to evaluate methodologies to consolidate or refine building elements to improve the overall value to the CITY. These value engineering proposals and their **cost impacts** will be listed and reviewed with the CITY who will make the final determination as to what proposals will be implemented. This value engineering is completed at the end of the Design Development Phase.

4. QUALITY MANAGEMENT REVIEW PROCESS

The Design Team is primarily responsible for the level of quality of the construction documents. Our quality management review is a peer-review process designed to 1) assist the Design Team in focusing on the major attributes of each phase of a project, 2) operate as a “checks and balances” for improved quality control, and 3) provide documentation of the review process.

Reviews are performed by a team of senior staff members, assigned to the quality management review team, at project start-up. The quality management review team follows the project through all of its phases. A general guide as to what issues or items will be covered at each phase is created for the type of project involved.

The reviews are to be done at each phase of work and are meant to provide meaningful input points where the team can incorporate comments and revise the deliverables if necessary.

5. MANAGEMENT OF CM@RISK PROCESS

Development of a close “**teaming environment**” with the CM@RISK, CITY’s representatives and the design team is critical to delivering a successful, fast track/CM@RISK project. Some issues to consider include:

- CM@RISK Schedule – Early development of CM@RISK “Baseline Schedule and Scope”
- Design Schedule, package scope, deliverables – Develop with CM@RISK input
- Timely decisions – design approvals, conflict resolution and closure
- Approvals - Meetings with Authorities having jurisdiction, Police, Fire and others for early concept approval/multiple partial building reviews
- Permitting - Partial permits if necessary
- Cost Reviews – Design continuously reviewed and adjusted accordingly (see our recommendations on control estimate in the comments regarding their agreement)
- Constructability – CM@RISK review and input
- Close out – Phased punchlist/partial occupancy

6. INTERNAL METHODS

Our team takes advantage of all the tools used to help **manage, document and present** the project. They include:

- Project schedule to track critical milestones and reviews, standard software programs for other critical project management activities such as meeting minutes, spreadsheets, reports and the latest versions of AutoCAD and 3D modeling software packages for design presentations.
- Team coordination meetings will be held in our Phoenix office with appropriate client staff, CM@RISK and design team cost estimators.

EXHIBIT B

FEE SCHEDULE - NOT TO EXCEED – HOURLY RATE

PROJECT TITLE: **CITY HALL**
PROJECT NO. **GG0502-201**
Chandler, AZ.

For services described in paragraph 3 of this Agreement, the CITY shall pay DESIGN CONSULTANT a fee not to exceed the sum of **Five Million Two Hundred Thirty Two Thousand One Hundred Fifty** dollars (\$5,252,150) in accordance with the schedule set forth in exhibits B-1 and B-2 attached hereto and incorporated herein by reference.

1. **PAYMENT SCHEDULE:** Payments to Design Consultant will based on the hourly rates and expense costs shown on the fee schedule attached as Exhibit B-1 and will be made in accordance with the estimated payment schedule attached as Exhibit B-2
2. The not to exceed fee listed above is the total authorized fee and includes "reimbursables".
3. Payment will be made monthly on the basis of time and costs expended as reported in progress reports and deliverables. Work schedule updates will be included in the monthly progress payment requests.
4. An application and certification for payment must be provided by Design Consultant. Such application must provide a clear, detailed invoice reflecting all items billed for. The summary sheet will show, in addition to hours, rates and costs, the percentage of work completed to date, previous payment invoiced/received and current fee requested.
5. Such application shall also include any/all backup documentation (i.e.: receipts, invoices, logs, etc) supporting reimbursable expenses and consultant fees.

Design services will be invoiced on a *Lump Sum Compensation* basis using the totals below, plus reimbursable cash expenses billed at 1.1 times actual costs. Sub-consultant services are billed (and shown) at 1.1 times actual invoice.

Chandler City Hall

Compensation Worksheet

Basic Services

SD, DD, CD, CA	\$2,750,000
Structural - CTS	\$ 308,000
Multiple packages	\$ 90,000
Internal peer review	\$ 125,000
Sp planning/interior design (included above)	\$ 0
Specification Writer - SASC	\$ 27,000
Life Safety/Fire Protection - RJA	\$ 126,500
Parking Structure (special design components)	\$ 95,000
sub-total	\$3,521,500

Specialty Tasks/Consultants

Program (validation, meetings, tabulations, revisions, adjacencies, equip & conf needs assembling report)*	\$ 60,000
Individual Council/Manager Meetings	\$ 14,000
Workshops (sub-committees, staff)	\$ 16,000
Community Outreach	\$ 22,500
Zoning/Planning Dept presentations/meetings	\$ 25,000
LEED process	\$ 115,000

Special City Review Meetings, Summaries	\$ 32,000
Renderings/CG fly-around	\$ 30,000
FFE des/Specification	\$ 235,000
Civil – Dibble	\$ 166,650
Landscape – GBtwo	\$ 112,000
Cost Estimator – RLB	\$ 101,000
Geotech – Speedie	\$ 57,400
Parking – Carl Walker	\$ 33,000
Security – HMA	\$ 48,000
Acoustical – MCB	\$ 78,000
Audio Visual – MCB	\$ 98,600
Signage	\$ 55,000
Public Arts Program (not included)	\$ 0
Specialty Lighting – SmithGroup	\$ 75,000
IT cabling/structured wiring – SmithGroup	\$ 46,500
Food Service (not included)	\$ 0
Bldg Controls	\$ 40,000
Post-Construction Services (reimbursable repro only)	\$ 0
sub-total	<u>\$1,460,650</u>
TOTAL COMPENSATION	\$4,982,150
*Additional meetings – program phase only	\$1200/mtg

Reimbursable Cash Expenses (estimated)
cash expenses will be invoiced at 1.1 times actual cost

Plotting, duplicating, mailing, travel (not including bid/construction sets)	\$ 175,000
Consultant reimbursable expenses	\$ 75,000

**EXHIBIT B-1
DESIGN TEAM HOURLY RATES AND OTHER CHARGES**

Exhibit B-1

Schedule of Standard Hourly Billing Rates

For period 1/1/07 through 12/31/07

Project Management

Principal-in-Charge	\$ 200
Project Director	\$ 175
Project Manager	\$ 150

Architecture

Architectural Principal	\$ 175
Senior Architect / Senior Designer	\$ 135
Architect / Designer	\$ 105
Job Captain / Junior Architect	\$ 85
Architectural CAD / Intern	\$ 75

Interiors

Interiors Principal	\$ 160
Senior Interior Designer	\$ 125
Interior Designer	\$ 95
Space Planner / Graphic Designer	\$ 80
Interiors CAD / Intern	\$ 70

Engineering

Engineering Principal	\$ 175
Senior Engineer / Senior Designer	\$ 135
Engineer / Designer	\$ 105
Junior Engineer / Junior Designer	\$ 85
Engineering CAD	\$ 75

Special Resources

Clerical	\$ 60
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Billing rates are adjusted once per year in January to reflect cost of labor adjustments, with a maximum average increase of 5% in any one year.

**EXHIBIT B-2
ESTIMATED PAYMENT SCHEDULE**

Lump Sum Compensation invoiced monthly based on percentage of completion.

Phase Breakdown:

Programming & Initial Concepts/Master Plan

Percent Complete of Scheduled Amounts

Basic Services

Schematic Design	20%
Design Development	30%
Construction Documents	25%
Construction Administration	<u>25%</u>
Basic Services Total	100%

Specialty Tasks/Consultants

Percent Complete of Scheduled Amounts