

II. SECTION II -- GENERAL PROVISIONS

A. PROJECT OVERVIEW - See RFP Data Sheet

B. OWNER'S ROLE

1. DESIGN SERVICES - The Owner has retained the Project Designer named in the RFP Data Sheet. The Project Designer will provide all design services throughout the duration of the Project. The Owner shall provide to the Construction Manager (CM) a copy of the Design Contract between the Owner and Project Designer with fee redactions. The CM shall acknowledge in writing that he has received a copy of the Design Contract.
2. DESIGNATED REPRESENTATIVE - The Owner shall designate a representative who shall be the CM's Owner contact point during both the Pre-Construction and Construction Phases. This representative shall be the primary channel of communication to the Owner and shall act as the Owner's liaison with the CM. The Owner may designate multiple representatives responsible for defined aspects of the project and may replace or re-designate any or all representatives in the Owner's sole discretion.
3. DECISION MAKING AUTHORITY - As defined above, the Owner includes representatives from the Agency/Institution and from the State Construction Office (SCO). In conformity with State laws and rules, the Agency/Institution, the SCO, and the Project Designer have varying duties with respect to the several decisions required in this contract. Information from the CM required or requested in aid of these decisions, and to the CM with respect to all such decisions shall be communicated either through or with the knowledge of the Owner's designated representative. In the event of any disagreement or dispute between any members of the Project Team regarding the project, the State Construction Office shall be the final decision-making authority.

C. CONSTRUCTION MANAGER-AT-RISK CONTRACT OVERVIEW

1. The Owner is employing a Construction Manager-at-Risk contracting system to aid the Owner in the review and management of the design and construction of this project. In broad terms, the Construction Management firm selected will perform the following:
 - a. Pre-Construction Services run from the beginning of the Construction Manager-at-Risk contract for such services (typically the beginning of the Design Development phase established by the contract between the Owner and the Designer unless an earlier or later time is elsewhere

specified), through the approval by the Owner of the Guaranteed Maximum Price submitted by the Construction Manager-at-Risk. Upon agreement of the Owner, Construction Manager-at-Risk and the State Construction Office, the Guaranteed Maximum Price may be submitted by the Construction Manager-at-Risk at any time after completion and approval of the Design Development Phase, but in no case later than ten (10) days after the Designer submits final construction documents to the State Construction Office for review.

- b. Construction Services, with the Construction Manager-at-Risk General Conditions Services and Fee being provided on a lump sum basis, and all construction being accomplished through Principal Trade and Specialty Contractors selected as provided herein. The Owner may require, based on discussions with the Construction Manager-at-Risk and Designer, the work of the project be broken into two or more phases and require a Guaranteed Maximum Price for each phase. The use of Fast Track Contracting is not authorized.
- c. The Construction Manager-at-Risk shall contract directly with the public entity for all construction; shall publicly advertise as prescribed in N.C.G.S. 143-129; and shall prequalify and accept bids from first-tier subcontractors for all construction work.
- d. The requirements for the Construction Manager-at-Risk set forth in this section supplement the requirements of the General Conditions of the Contract (OC-15CM) that are included as Section III in this RFP.

D. RELATIONSHIP OF OWNER AND CONSTRUCTION MANAGER

- 1. While the Construction Manager-at-Risk accepts financial risk in providing a Guaranteed Maximum Price for delivery of the Project, the Guaranteed Maximum Price will contain a contingency for (or in certain circumstances may be amended because of) conditions or circumstances which a prudent Construction Manager-at-Risk could not have reasonably detected at the time the Guaranteed Maximum Price was given. Accordingly, without limiting the guaranty given by the Construction Manager-at-Risk with respect to the maximum price, the primary duties of the Construction Manager-at-Risk also include the proper and timely completion of the design and construction of the Project through the employment of the best construction management practices. The Construction Manager-at-Risk project records will be an “open book”. The Owner may attend all meetings and the Owner, or its designated auditors or accountants shall have access to all records maintained by the Construction Manager-at-Risk that relate to the project.

E. CONSTRUCTION MANAGER-AT-RISK LUMP SUM GENERAL CONDITIONS AND FEES

1. The Construction Manager-at-Risk Pre-Construction Phase Fee shall be an all-inclusive lump sum fee for providing all required services as hereinafter set forth for the Design Phases, established by the contract between the Owner and the Designer. The Pre-Construction Phase herein may sometimes be referred to as Design Phase.
2. The Construction Manager-at-Risk Lump Sum General Conditions Construction Phase Fee shall be an all-inclusive lump sum management fee capturing all Construction Manager-at-Risk home office, project site and project related costs, including all Construction Manager-at-Risk overhead costs and profit. This fee will be hereinafter referred to as the Construction Management Fee (CM Fee) and shall be calculated as a percentage of the Cost of the Work as stated on the RFP Data Sheet. Refer to Appendix J – Division of Project Cost Elements (CM Cost Matrix) for a complete list of Lump Sum General Conditions and Construction Phase Fee Costs. Appendix J reflects the expected sorting of these costs. This arrangement of costs shall apply to all Construction Manager-at-Risk projects unless modified via explicit negotiations with the Owner and approved by State Construction on a per project basis.
3. A copy the Appendix J matrix, adjusted via negotiations or not, must be included with each “CMR Fee” proposal.
4. All Appendix J costs in the “Basic Fee” and “Gen Conds” columns shall be paid by the Construction Manager-at-Risk and shall not be passed down to the Principal Trade Contractors or any subcontractor.
5. The Appendix J General Conditions Construction Phase Fee breakdown is presented as a tabulated list of costs. A more detailed description of some costs and expectations is provided below:
 - a. CM Project staff costs – direct salary plus customary labor burden, transportation and/or subsistence, communications, computers & travel expenses related to equipment/material survey & inspections.
 - b. CM Mobilization – establishment of job site including office & storage trailer set-up and identification signage.
 - c. CM Temporary Facilities – rental of field office trailer(s) including a conference room sufficient for the project’s needs; utilities and usage costs for field office trailer(s); rental (or purchase) of field office furniture & equipment; field office telephone(s) and high speed internet connections; field office operation cost (i.e. stationary, postage shipping, equipment maintenance, etc.); temporary construction utilities (if required), Including but not limited to building wide lighting, heating

and cooling, sewer, water, and power; small tools, storage yard rental, parking lot rental, and parking fees.

- d. CM Plans/Surveys/Permits – reproduction of Construction Documents during the construction phases; surveyor’s services for project layout control only; all required permits, all appropriate contractor and equipment licenses.
 - e. CM Safety/Cleanup – establishment and maintenance of an on-site, project specific safety program; installation and maintenance of temporary facilities (safety barricades, partitions, ladders, stairs, safety signage, first aid, traffic control devices, etc.); daily site clean-up, trash collection and removal; maintenance of site security; site snow removal as required; temporary weather and/or dust protection as required, vehicle wash stations as may be required; fire extinguishers and fire watch as required; safety harnesses, lanyards and fall arrest equipment as required.
 - f. Close-out/Demobilization – final site/facility clean; final release of liens for all sub-contracts; an as-built set of drawings in hard copy to the Project Designer for preparation of record as-built drawings; multiple copies (# determined by owner) of project files and records for the Owner’s archives.
 - g. Quality Control – monthly SCO reports, photographs, inspection reports, logs (RFIs, submittals, change orders, etc.)
 - h. BIM Management – Coordination to be run and managed by dedicated CMR Staff. CMR to ensure that all major trades participate, and the model is “clash free” upon the beginning of construction. The CMR, in coordination with the designer and the provided design documents, are to provide a fully coordinated model to the designer at the end of construction for final approval. The format of this deliverable must be approved by the owner.
- 6. The CM, other than the reasoning identified in GS 143-128.1, must formally bid all trade work per General Statutes. Informal bidding is not allowed.
 - 7. The cost of Bonds and Insurance as required by Article 34 of The General Conditions of the Contract shall be carried in the GMP as a separate line item, not part of the Construction Management Fee.

F. PRE-CONSTRUCTION SERVICES

- 1. Within 10 days of the CM receiving an executed Pre-construction agreement, the Construction Manager-at-Risk shall meet with the Owner, the State Construction Office, the Project Designer and any other design

team members to fully understand the Program, the design documents, the Project scope and all other pertinent aspects of the Project. The State Construction Office shall assign, at its sole discretion, an individual to participate in Pre-construction meetings. The Construction Manager-at-Risk shall become an integral part of the Project Team and shall develop written project procedures in cooperation with the Owner that will be used as a guide for the management and coordination of this project throughout the life of the project.

2. Consultation During Project Development: The Construction Manager-at-Risk shall attend regularly scheduled meetings with the Project Designer and consultants during the Design Phases to advise them on matters relating to site use, improvements, selection of materials, building methods, construction details, building systems and equipment, phasing and sequencing. The Construction Manager-at-Risk shall provide written recommendations on construction feasibility.
3. Value Analysis
 - a. The Construction Manager-at-Risk shall provide continuous value analysis studies as the project design is developed to offer suggestions that provide the most effective in first costs as well as long term operational costs relative to issues of energy use and facility maintainability. Value analysis studies shall include life cycle cost analysis as may be required to assist the Project Designer to achieve an appropriate balance between costs, aesthetics, and function. All recommendations shall be in writing and must be fully reviewed with the Project Designer and Owner. The Owner must approve all recommendations prior to implementation.
 - b. Building upon the continuous efforts noted above, the Construction Manager-at-Risk shall conduct a major value analysis study at each phase after award of a pre-construction agreement and as directed by the Owner Representative (Advanced Planning Conceptual, Schematic Design, 100% Design Development, and 50% Construction Documents for example.) Analysis shall be based on the information provided by the Designer and Owner for the basis of the Project which shall include, but not be limited to, the items noted below:
 - 1) Develop value analysis concepts for consideration in brainstorming sessions with the Design Team.
 - 2) Written cost studies shall be produced and submitted to the Owner within two (2) weeks of the final brainstorming session. Written pro/con evaluation of the cost studies shall be provided to the Owner within two (2) weeks after

submission of the cost studies.

- 3) Proposed schedule and logistics plan.
 - 4) A formal written value analysis study document including a summary of value analysis items, applicable cost savings, selected items and their corresponding cost savings shall be presented to the Owner & Project Designer, and what the basis of materials used for site, structure, building envelope, MEP and finishes are to establish the budget.
 - 5) The Construction Manager-at-Risk shall also conduct value analysis studies during each of the Construction Document Phases to evaluate specific items as requested by the Owner.
- c. The Construction Manager-at-Risk shall promptly notify the Owner and Project Designer in writing upon observing any features in the design that appear to be ambiguous, confusing, conflicting, or erroneous.
- d. If project pre-construction services are contracted with the CM during the advanced planning stage of the project, the CM will assist the Owner in completing the cost values required by the Owner in submitting the OC-25 to the State Construction Office.
4. Schedule: The Construction Manager-at-Risk shall schedule Pre-Construction Services in accordance with the design schedule established in the agreement between the Owner and Project Designer. The Construction Manager-at-Risk is responsible to monitor this schedule during the pre-construction/design phase, ensure that this schedule is updated, and advise the Owner of any deficiencies in adhering to this schedule by any party.
5. Drawing Coordination and Constructability Review
- a. The Construction Manager-at-Risk shall review the design continuously throughout the Pre-Construction Phase as to constructability. With respect to each such issue, the Construction Manager-at-Risk shall submit a written report to both the Owner and the Project Designer. At a minimum, each such written report shall contain: (1) a description of the constructability issue with background information; (2) a summary of the in-depth study / research conducted by the Construction Manager-at-Risk; and, (3) written recommendations for addressing the issue.
 - b. The Construction Manager-at-Risk shall review the plans and specifications for features that may be ambiguous, confusing,

conflicting, or erroneous and shall notify the Project Designer and Owner in writing when such features are observed.

- c. The Construction Manager-at-Risk shall provide formal constructability reviews on the 100% schematic, 100% design development, and 100% construction documents using a platform or means approved by the Owner and State Construction Office. Review shall include coordination issues, clash detections, missing items, items, or details needing more information, construction sequencing issues, scope gaps, alternative products, detail simplifications, etc. The Designer shall provide the CM and Owner with formal responses to each item using the approved platform or method.

6. Construction Cost Model / Estimates

- a. The Construction Manager-at-Risk shall develop a project budget/cost model, independent from any similar cost estimates required of the Project Designer, which shall be updated as needed but at a minimum at the end of each design phase during which the Construction Manager-at-Risk is performing Pre-Construction Services (hereinafter: CM Cost Model Update.) Prior to the development of the CM Cost Model, the Construction Manager-at-Risk will meet with the Project Designer and establish a common cost estimating format so that project cost estimates prepared by the Designer and Construction Manager-at-Risk may be directly compared.
- b. Each CM Cost Model Update must set forth the total construction costs for the facility. The CM, Owner, and Designer will agree on a target budget (i.e., 90% Budget, 10% Alternates for example) based on market conditions. The cost model shall include alternates, Construction Manager-at-Risk Lump Sum General Conditions and Fee, Bonds, Insurance and Contingency. Owner shall provide a list of prioritized alternates from pricing inclusions as add alternates.
- c. In the event that the Project Designer's Statement of Probable Construction Costs exceed the Amount Available for Construction, the Owner may direct the Construction Manager-at-Risk to (and the Construction Manager-at-Risk shall without additional compensation) work in conjunction with the Project Designer to redesign the facility as necessary to maintain the Project Program within the Amount Available for Construction as set forth on the RFP Data Sheet.
- d. Each CM Cost Model Update and the Designer's Probable Construction Costs will be reviewed by the Project Designer and the Owner for reasonableness and compatibility with the Amount Available for Construction. Meetings and negotiations between Owner, Project

Designer and the Construction Manager-at-Risk will be held to resolve questions and differences that may occur between the Designer's Probable Construction Costs and the CM Cost Model Update. The Construction Manager-at-Risk shall work with the Owner and Project Designer to reach a mutually acceptable Joint Probable Construction Cost which shall be the basis of the SCO plan review submittal package. Designer and CM shall allow appropriate time in the initial pre-construction/design schedule for such pricing reconciliations and any required design revisions to occur prior to submitting the deliverable packages to the State Construction Office.

- e. The Joint Probable Construction Cost shall detail all allowances to be carried by the CM on the project. Proposed allowances will be reviewed and agreed upon by the Owner, Designer, State Construction, and CM prior to the Construction Documents being submitted to State Construction. These allowances should be in accordance with Chapter 500 of the State Construction Manual. Cash allowances and man hour allowances are not allowed as there is no "competitive bidding" required by GS 143-129. Allowances within the bid packages shall have a unit price and quantity allowance for quantitative tracking purposes.

7. Coordination of Contract Documents

- a. The Construction Manager-at-Risk shall review the plans and specification for features that may be ambiguous, confusing, conflicting, or erroneous and shall notify the Project Designer and Owner in writing when such features are observed.
- b. The Construction Manager-at-Risk shall provide a thorough interdisciplinary coordination review of the Construction Drawings and Specifications submitted for review to the State Construction Office. The review shall be performed utilizing a structured and industry accepted process by a qualified firm or personnel. The Construction Manager-at-Risk shall review the final documents to see that all comments have been incorporated.
- c. All ambiguous, confusing, conflicting and/or erroneous features discovered in the plans or specifications by the Construction Manager-at-Risk during the review process shall be deemed to be corrected, and any associated costs shall be included in the Guaranteed Maximum Price (GMP) unless the Construction Manager-at-Risk notifies the Owner otherwise in writing prior to the advertisement for bids.

8. Construction Guaranteed Maximum Price (GMP)

- a. Upon agreement of the Owner, Construction Manager-at-Risk and the State Construction Office, the GMP may be submitted at any time after

completion and approval (including the Designer's responses to State Construction review comments) of the Design Development Phase, but in no case later than 10 days after final review submission and approval of the construction documents to the State Construction Office. The Construction Manager-at-Risk will develop and provide to the Owner a GMP which will include all construction costs, and all other projected costs including without limitation the Construction Manager-at-Risk Construction Management Fee and Contingency but not including the Owner's Construction Contingency. The GMP shall set out each anticipated trade contract amount. The GMP must not exceed the amount available for construction as set forth on the RFP Data Sheet.

- b. In the event that the GMP Proposal exceeds the Project Construction Budget, the Owner reserves the right to direct the Construction Manager-at-Risk to (and the Construction Manager-at-Risk shall, without additional compensation) work in conjunction with the Project Designer to redesign the Project as necessary to and meet the Project Construction Budget. The Construction Manager-at-Risk shall work with the Project Team to alter and redraft Construction Documents as necessary to accomplish the required reduction in cost and shall provide the Owner with a revised GMP based on the altered and redrafted documents.
 - c. Upon acceptance by the Owner of a GMP, the Owner shall prepare and the Construction Manager-at-Risk shall execute a contract to reflect the GMP. Within ten (10) days after the owner has provided a contract, the Construction Manager-at-Risk shall return to the Owner a signed contract including a Performance Bond, a Labor and Material Payment Bond in accordance with provisions of Article 35 of the General Conditions of the Contract, and evidence of insurance in accordance with the provisions of Article 34 (Section III of this RFP).
9. Preliminary Guaranteed Maximum Price (PGMP): At the option of the Owner, a Preliminary Guaranteed Maximum Price (PGMP) may be requested from the Construction Manager-at-Risk. The purpose of the PGMP would be to authorize the Construction Manager-at-Risk to accept bids from Principal Trade and Specialty Contractors for the Cost of The Work for the project and for the Owner to share financial risk with the Construction Manager-at-Risk. After receipt and acceptance of the Principal Trade and Specialty Contract bids, a final Guaranteed Maximum Price will be established. In establishing the final Guaranteed Maximum Price, no changes will be made to the Construction Management Fee or Construction Manager-at-Risk Contingency. The cost for Bonds and Insurance will be adjusted as required.
10. Non-Acceptance of the GMP

- a. The Owner, at its sole discretion, may decline to accept the GMP submitted by the Construction Manager-at-Risk for any Construction Phase and thereupon without penalty, the Construction Manager-at-Risk work will end upon completion of the Pre-Construction Phase contract.
- b. The Construction Manager-at-Risk shall accept the amount negotiated for Pre-Construction Services as full and complete reimbursement of all costs and services performed by the Construction Manager-at-Risk for Pre-Construction Services. Thereafter, the Owner shall have the right to continue its activities to place the project under construction with no obligation or restriction regarding the Construction Manager-at-Risk and with full ownership and use of any data and information written or electronic developed during Pre-Construction activities.

11. Contingencies

- a. Owner's Contingency: An Owner's Construction Contingency will be established. Expenditures against this contingency will be available to cover all costs resulting from changes in scope not specifically covered in Paragraph F.11.b below and initiated by the Owner's designated representative with the Owner's written approval via a change order amendment issued by the Owner.
- b. Construction Manager-at-Risk GMP Contingency:
 - 1) The GMP shall include a Construction Manager-at-Risk Contingency in an amount approved by the Owner and State Construction, to help reduce the risks assumed by the Construction Manager-at-Risk in providing the GMP for the Project. The Owner and the Construction Manager-at-Risk acknowledge that the contingency is included to adjust the estimate for eventualities which have not been taken into precise account in the establishment of the GMP, limited to (1) scope gaps between trade contractors (i.e. where two or more trade contractors make conflicting assumptions about an overlapping work item resulting in both excluding that element from their cost of work), (2) contract default by trade contractors, (3) unforeseen field conditions (i.e. all covered or otherwise latent or hidden conditions which differ materially from what was represented in the Contract Documents or from conditions that would normally be expected to exist and be inherent to the construction activities defined in the Contract Documents) and (4) design omissions which a prudent Construction Manager-at-Risk could not have reasonably detected during the discharge of his Pre-Construction Services. It is understood that the

amount of the Construction Manager-at-Risk Contingency is the maximum sum available to cover costs incurred because of such unanticipated causes and that cost overruns exceeding the amount of this Contingency will be borne by the Construction Manager-at-Risk.

- 2) The Construction Manager-at-Risk Contingency may be applied to any items within the Cost of the Work without the necessity of a change order, without constituting a change in the Work, and without resulting in any change in the GMP. Prior to the application of the CM Contingency on any item within the Cost of the Work, the CM must obtain documented approval from the Owner and State Construction Office. The CM is responsible for tracking the CM Contingency usage and is to provide the State Construction Office, Owner, and Designer documentation of used CM Contingency at the State Construction Office Monthly Meetings. The Construction Manager-at-Risk shall fully document the change on its copy of the construction documents.
 - 3) The amount of the Construction Manager-at-Risk Contingency is to be reviewed by the Owner as part of the review of the GMP. The Owner retains the right to specifically request revisions to the amount of the Construction Manager-at-Risk Contingency prior to the Owner's acceptance and approval of the GMP.
 - 4) Additional CM Fee may not be assessed when using the Construction Manager-at-Risk Contingency.
- c. Allowances: Project allowances beyond those explicitly identified by the Designer in Division 1 of the project manual should be avoided. A complete list of all allowances shall be provided to the State Construction Office, Owner, and Designer with the submission of the pGMP and GMP. The CM is responsible for tracking all allowance usage and is to provide the State Construction Office, Owner, and Designer documentation of used allowances at the State Construction Office Monthly Meetings.
12. Ownership of Documents: All data information, materials and matter of any nature, and all copies thereof in any and all forms whatsoever developed by the Construction Manager-at-Risk or in the possession or control of the Construction Manager-at-Risk relating to the Project are the property of the Owner and shall be turned over to the Owner within ten (10) days after the Owner's request.

13. Principal Trade and Specialty Contractor Pre-Qualification

~~a. —All Principal Trade and Specialty Contractors shall be pre-qualified by the Construction Manager-at-Risk in accordance with Article 16 of the General Conditions of the Contract (Section III of this RFP).~~

~~b. —The Construction Manager-at-Risk shall identify and define contract packages (the value of which shall total to at least 10% of the GMP) that remove barriers to participation commonly experienced by Historically Underutilized Businesses and Minority Business Enterprises (as those terms are defined in N.C.G.S. 143-128.2 (hereinafter: Reduced Barrier Packages (RBP)). Such contract packages will be submitted to the Owner for review. As an example, RBP's may require no performance or payment bonds, or may offer the participation of the Construction Manager-at-Risk as a guarantor or surety in the financing of materials purchases by the Principal Trade and/or Specialty Contractors, provided that the Construction Manager-at-Risk may condition such financing participation upon the issuance of joint checks or other similar arrangements to allow the Construction Manager-at-Risk to verify that timely payments are made to suppliers furnishing credit. The Construction Manager-at-Risk may propose other or additional provisions for reducing barriers to participation.~~

14. Payments to the Construction Manager-at-Risk: Payment of the Construction Manager-at-Risk Pre-Construction Fee shall be made in an agreed monthly sum upon the evaluation by the Owner, after consultation with the Project Designer, of work accomplished by the Construction Manager-at-Risk, but in no event exceeding the following schedule:

- a. One-sixth of the Fee during the Schematic Design Phase of the Project;
- b. One-sixth of the Fee during the Design Development Phase of the Project;
- c. One-third of the Fee during the Construction Document Phase of the Project;
- d. One-third of the Fee within fifteen (15) days after the Construction Manager-at-Risk submits a complete Guaranteed Maximum Price package for the Project.

15. Payments of the Construction Management Fee shall be made in conformance with Article 31, Paragraph d.7 of the General Conditions to the Contract included as Section III of this Request for Proposal.

G. CONSTRUCTION PHASE SERVICES

Construction Phase services provided by the Construction Manager-at-Risk shall be as required to effectively complete the construction of the Project and to maintain the established GMP of the Project.

1. Consultation During Continuing Project Development: Upon acceptance of the GMP, the Construction Manager-at-Risk shall continue to advise and assist the Owner and Project Designer during any continuing Design Activities as outlined in the Pre-construction Phase for single or multiple design packages until the Bid Documents are released to the CM for bidding for single or multiple packages.
2. Project Construction Costs:
 - a. Construction Manager-at-Risk will publicly bid Principal Trade & Specialty Subcontracts in accordance with the established project schedule. Upon completion of the award process for subcontracts the Construction Manager-at-Risk will summarize the values of all of the subcontracts and compare this total with the budgeted amount within the GMP cost summary. Should the value of the awarded subcontracts be less than the GMP trade contract budget, a reserve fund will be established. The Construction Manager-at-Risk may utilize the Reserve Fund as follows:
 - 1) The Construction Manager-at-Risk shall be authorized to use or allocate Reserve Funds for other purposes only upon mutual agreement that the purpose is appropriate to the project and to the contract, and only with the prior written approval of the Owner and the State Construction Office.
 - b. At the time of beneficial occupancy as established by the State Construction Office, any and all non-expended funds remaining in the GMP will be retained by the Owner via a change order.
3. Principal Trade & Specialty Contracts
 - a. One or more Principal Trade Contract packages shall be prepared for each of the General Construction, Electrical, Mechanical, Fire Protection, and Plumbing divisions of the work of the Project. The Construction Manager-at-Risk may at any time prior to the prequalification of bidders, identify and define other Specialty Contract packages which the Construction Manager-at-Risk determines may be helpful in the timely, cost-effective construction of the Project, with or without barrier reduction. Each Principal Trade Contractor shall provide such bonds and insurance as the Construction Manager-at-Risk

may require in the contract package.

- b. Upon establishment of all bid packages and their scope, the CM will submit all bid packages to the Owner, Designer, and assigned SCO individual for a compliance review. Advertisement to bid should not occur prior to the approval of the bid packages.
- c. In addition to Principal Trade and Specialty Contract packages including general, plumbing, HVAC, and electrical divisions of the work, a Construction Manager-at-Risk, in conjunction with the public agency with whom the Construction Manager-at-Risk has contracted, may advertise for one or more combinations of one or more Principal Trade and/or Specialty contract packages, and may prequalify and accept bids from first-tier subcontractors who wish to submit such combined bids which fully and completely incorporate the specifications for two or more of the bid packages advertised to bid at a single bid opening. All requirements of N.C.G.S. Sections 143-128, 143-128.1, ~~143-128.2~~, and 143-129, as well as all advertised conditions for bidding, must be satisfied for such a combination bid to be considered responsive.
- d. In conformity with the public policy set forth in N.C.G.S. 143-128, no Trade Contract Package, ~~including RBP's~~, may be awarded other than to the bidder submitting the lowest verified bid.
- e. After the Construction Manager-at-Risk has prequalified Principal Trade and Specialty Contractors, the Construction Manager-at-Risk shall advertise for receipt of bids as directed by the owner. Bids will be received from all prequalified contractors for each trade & specialty package in a public venue and publicly opened at the time specified. The Construction Manager-at-Risk shall tabulate the bids received on each package. Next, the Construction Manager-at-Risk shall determine the apparent low bidder for each package. Upon this determination, the Construction Manager-at-Risk shall have the right to review all bid documentation from the apparent low bid contractor to verify the scope of the bid. If this review shows that the low bid contractor fully accounted for all costs associated with the scope of the work on which he was bidding, then the contract shall be awarded to the low bid contractor. If, however, this review shows that the low bid contractor failed to account for all costs associated with the scope of the work on which he was bidding, then the bid may be disqualified at the discretion of the Construction Manager-at-Risk. The Construction Manager-at-Risk shall have the right as outlined above to verify the scope of each low bid in the same manner until he determines the lowest verified bid.

- f. The Construction Manager-at-Risk may repeat the bidding for a Principal Trade or Specialty Contract or perform a portion of the work in accordance with GS 143.128.1 only if 1) the initial bidding produces no responsible, responsive bids for that portion of the work, or 2) no responsible, responsive bidder will execute a contract for the bid portion of the work, or 3) in the judgment of the Construction Manager-at-Risk the bids represent an excessive cost based on current market value and 4) the Owner approves of such a re-bid. Public entity as defined by said GS in this case is the Owner and State Construction Office.
- g. The Construction Manager-at-Risk will require the Principal Trade & Specialty Contractors to provide the applicable contract documents including insurance certificates, ~~Historically Underutilized Businesses (HUB) and Minority Business Enterprise (MBE) participation schedules, and verification of HUB and MBE participation (by submission of letters of intent, copies of purchase orders, etc.)~~
- h. All contract documents between the Construction Manager-at-Risk and the Principal Trade and Specialty Contractors will be reviewed and approved by the owner, designer, and State Construction Office before bidding.

4. Project Control & Management

- a. The Construction Manager-at-Risk shall schedule, accept delivery, and arrange for storage, protection and security for any Owner purchased materials, systems and equipment that are a part of the work until such items are turned over to the respective Principal Trade & Specialty Contractors.
- b. The Construction Manager-at-Risk shall schedule and conduct regular weekly progress meetings, or as conditions on the Project require but at least weekly, and the Construction Manager-at-Risk shall conduct bi-weekly Owner's meetings and other meetings as may be directed by the Owner, at which Principal Trade and Specialty Contractors, Owner, Project Designer, and other designated representatives, and the Construction Manager-at-Risk can discuss jointly such matters as progress, scheduling, and construction-related problems. The Construction Manager-at-Risk shall prepare and distribute complete minutes of meetings to all attendees and others as directed by the Owner within three (3) days of such meetings. Representatives of the Owner may attend meetings and shall in any case receive all notices and minutes of meetings.

- 5. Requests for Information (RFI): The Construction Manager-at-Risk will be responsible for developing and implementing an RFI process for use on the project and shall be responsible for tracking and monitoring all RFI's

throughout the Construction Phase.

6. Claims Avoidance/Resolution: See Appendix H for rules implementing mediated settlement conferences in North Carolina public construction contracts.

7. Reports

- a. The Construction Manager-at-Risk shall keep accurate and detailed written records of project progress during all stages of construction.
- b. The Construction Manager-at-Risk shall maintain a detailed daily diary of all events, which occur at the jobsite or elsewhere, and which affect, or may be expected to affect, project progress. The diary shall be available to the Owner at all times and shall be turned over to the Owner upon completion of the contract.
- c. The monthly report by the Construction Manager-at-Risk shall include the following items: project status, schedule update, cost status (including tracking of all allowances, CM Contingency, and Reserve funds), change order summary, shop drawing/submittal/RFI summary, quality control/inspection summary, any current construction and/or cost issues with proposed solutions for resolution, an accident report, ~~HUB-status-report~~ and a 30 and 60 day look ahead report.

8. Contract Close-Out

- a. The Construction Manager-at-Risk is responsible for compliance with all Contract Close Out items per the Contract Documents and shall obtain data from Principal Trade & Specialty Contractors and maintain a current set of record drawings, specifications and operating manuals.
- b. With mechanical and electrical equipment, the Construction Manager-at-Risk is to obtain the Operating and Maintenance (O&M) manuals at least four (4) months prior to the demonstration for such equipment. These O&M manuals are to be sent to the Owner's Project Manager who is to forward one (1) set to the Owner's department responsible for maintaining the facility for review prior to the equipment demonstration.
- c. At the completion of the Project and before final payment, the Construction Manager-at-Risk shall deliver all such records to the Owner along with a complete set of as-built drawings for use by the Project Designer in preparing Record Drawings. This shall occur within 30 days of final acceptance.

9. Separate Contracts: Without invalidating the relationships with the Construction Manager at Risk, the Owner reserves the right to let other contracts in connection with the project, the work under which shall proceed simultaneously with the execution of the work of the Construction Manager-at-Risk. The Construction Manager-at-Risk shall afford other separate contractors reasonable opportunity for the introduction and storage of their materials and the execution of their work and the Construction Manager-at-Risk shall take all reasonable action to coordinate his work with theirs. If the work performed by the separate contractor is defective or so performed as to prevent the Construction Manager-at-Risk from carrying out his work according to the plans and specifications, the Construction Manager-at-Risk shall immediately notify the Project Designer and the Owner upon discovering such conditions.