## Section 00520

### Agreement for Phase 1 Services

# **Between Owner and Design-Builder**

This **AGREEMENT** is made as of the \_\_\_\_\_ day of \_\_\_\_\_ in the year of **2007**, by and between the following parties, for services in connection with the Project identified below.

#### **OWNER:**

City of Overland Park 8500 Santa Fe Drive Overland Park, KS 66212

#### **DESIGN-BUILDER:**

McCownGordon Construction, L.L.C. 422 Admiral Blvd., Suite 100 Kansas City, MO 64106

#### **PROJECT NAME:**

#### AQUATIC DEVELOPMENT PROJECTS

In consideration of the mutual covenants and obligations contained herein, Owner and Design-Builder agree as set forth herein.

### Article 1

#### General

**1.1 Duty to Cooperate**. Owner and Design-Builder commit at all times to cooperate fully with each other, and proceed on the basis of trust and good faith to allow each party to realize the benefits afforded under this Agreement.

**1.2 Definitions.** Terms, words and phrases used in this Agreement shall have the meanings given them in **Standard Form of General Conditions of Contract Between Owner and Design-Builder** ("General Conditions of Contract") and as defined in the **Contract Definitions**.

# Article 2

### Design-Builder's Services and Responsibilities

**2.1 Design Services.** Design-Builder shall, consistent with Kansas licensing laws, provide design services, including architectural, engineering and other design professional services, required by this Agreement. Such design services shall be provided through qualified, licensed design professionals who are either (i) employed by Design-Builder, or (ii) procured by Design-Builder from independent sources. Nothing in this Agreement is intended to create any legal or contractual relationship between Owner and any independent design professional.

### 2.2 Preliminary Services.

**2.2.1 Masterplan:** Owner shall provide neighborhood and staff committees to assist Design-Builder with Masterplan Document describing Owner's general Program of Facility Requirements and objectives for the Project. The Masterplan will include a general description of the use, space, price, time, site, performance, and expandability requirements. The Masterplan may include master planning and conceptual documents, criteria, performance requirements and other technical materials and requirements. The parties will meet periodically to discuss the Masterplan and agree upon what amendments and revisions, if any, should be made to such criteria in the Design-Builder's development of a Program of Facility Requirements as a part of these Preliminary Services.

**2.2.2** Program of Facility Requirements: Design-Builder shall provide a detailed Program of Facility Requirements, developed by the Design-Builder in consultation with the Owner. It shall include the Owner's requirements for size, arrangement, organization, and location of functional spaces, description of space functions, identification of fittings, equipment, and furnishings, description of the physical and environmental requirements for each space, together with a description of the image, goals, or "mission" of the project. An appendix to the Program shall include detailed data sheets for each programmed space.

#### 2.3 Schematic Design and Related Services.

- .1 Design-Builder shall prepare Schematic Design Documents based on Owner's approved Program of Facility Requirements. The Schematic Design Documents shall include design criteria, drawings, diagrams and specifications, including performance specifications (based on CSI UniFormat), setting forth the performance requirements of the Project. The parties shall meet to discuss the Schematic Design Documents and agree upon what revisions, if any, should be made. Design-Builder shall perform such agreedupon revisions.
- .2 Design–Builder shall perform geotechnical investigations that the Design–Builder requires to accept responsibility for subsurface site conditions during final design and construction of the project, with the exception of conditions relating to hazardous materials and man-made buried objects.
- .3 Design–Builder shall perform any additional survey and measurements required to prepare the Schematic Design Documents and prepare a guaranteed maximum price (GMP) and schedule in accordance with Article 2.4, Proposal.

**2.4.1 Proposal.** Based on Owner's Project Criteria, the Program of Facility Requirements, the Schematic Design Documents, as each may be revised pursuant to Sections 2.2.2 and 2.3 above, and any other documents upon which the parties may agree, Design-Builder shall submit a proposal to Owner (the "Proposal"), which shall include the following unless the parties mutually agree otherwise:

.1 a proposed Contract Price for the final design, construction, testing and commissioning of the Project, which does not exceed the Owner's Project Budget as indicated in the RFQ/RFP, unless otherwise agreed by Owner, and which is in the form as agreed by the Owner. Such Contract Price shall consist of an estimate of the cost of the work and the design-builder fees, including the design fee, with a Guaranteed Maximum Price ("GMP"). The Owner retains the right to convert all or any parts of the GMP into a fixed lump sum at the time of its acceptance of the GMP Proposal.

- .2 a breakdown of the construction work to indicate the items of work, equipment and materials that will be competitively bid to outside parties, and the items of work that will be self-performed with their respective estimated costs in the GMP.
- .3 a schedule indicating the main design, procurement and construction activities and guaranteed dates of Substantial and Final Completion for the Project upon which the Contract Price for the Project is based, and a time-phased list of major purchases and subcontracts.
- .4 a schedule of planned interim design submittals and meetings for the Owner to adequately review the design development, and confirm that the design meets the Owner approved Program of Facility Requirements, Schematic Design and other Contract Documents.
- .5 all other information necessary for the parties to enter into Agreement for Phase 2 Services; Agreement Between Owner and Design-Builder, Cost Plus Fee with an Option for a Guaranteed Maximum Price; and
- .6 a time limit of sixty (60) days for acceptance of the Proposal or written response of recommended changes required such that it can be accepted.

**2.5 Review and Adjustment to GMP Proposal.** After submission of the GMP Proposal, Design-Builder and Owner shall meet to discuss and review the Proposal. If Owner has any comments regarding the Proposal, or finds any inconsistencies or inaccuracies in the information presented, it shall promptly give written notice to Design-Builder of such comments or findings. As appropriate, Design-Builder shall, upon receipt of Owner's notice, make appropriate adjustments to the Proposal.

**2.6** Acceptance of GMP Proposal. If Owner accepts the GMP Proposal, as may be amended by Design-Builder, its basis shall be set forth in Agreement Between Owner and Design–Builder, Cost Plus Fee with an Option for a Guaranteed Maximum Price.

**2.7** Failure to Accept the GMP Proposal. If Owner rejects the GMP Proposal, or fails to notify Design-Builder in writing on or before the date specified in the Proposal, the GMP Proposal shall be deemed withdrawn and of no effect. In such event, Owner and Design-Builder shall meet and confer as to how the Project will proceed, with Owner having the following options:

- .1 Owner may suggest modifications to the GMP Proposal, whereupon, if such modifications are accepted in writing by Design-Builder, the GMP Proposal shall be deemed accepted and the parties shall proceed in accordance with 2.6 above;
- .2 Owner may terminate this Agreement for convenience provided, however, in this event, if Design–Build has performed the Services in good faith, Design-Builder shall be entitled to full payment of the fee established for the Services under this Agreement

**2.8 Completion of this Agreement.** Design-Builder's Services under this Agreement shall be deemed completed upon meeting with Owner to discuss the Proposal and making those revisions to the Proposal, if any, Design-Builder finds acceptable or proceeding in accordance with Section 2.6 or 2.7 above.

**2.9** Additional Services. Design-Builder may perform Additional Services as may be set forth in a separate exhibit to this Agreement. The additional cost for such services shall be as set forth in such exhibit or as mutually agreed by Owner and Design-Builder, with the Contract Price for this Agreement, as set forth in Section 6.1 hereof, being adjusted accordingly.

**2.10 Permits.** Design–Builder will obtain Design–Builder permits at its expense. Design-Builder will support Owner to obtain Owner required permits. Cost of Owner permits shall be at no cost to the Design-Builder.

# Article 3

# Owner's Services and Responsibilities

**3.1 Timely Performance.** Owner shall throughout the performance of this Agreement cooperate with Design-Builder. Owner shall perform its responsibilities, obligations and services, including its reviews and approvals of Design-Builder's submissions, in a timely manner so as not to delay or interfere with Design-Builder's performance of its obligations under this Agreement.

**3.2 Owner's Project Criteria.** Owner shall provide Design-Builder with Owner's Project Criteria and other relevant data for Design–Builder to provide Services under this Agreement. If Owner desires that Design-Builder assist Owner in developing additional studies and / or criteria as an Additional Service under Section 2.7 hereof, Owner shall provide Design-Builder with its objectives, limitations and other relevant information regarding such services.

**3.3** Owner Provided Information. Owner shall provide, at its own cost and expense and to the extent that it is available, for Design-Builder's information and use, the following, all of which Design-Builder is entitled to rely upon in performing its obligations hereunder:

- .1 Survey describing the property, boundaries, general topography, including known existing service and utility lines;
- .2 Easements and other requirements and encumbrances affecting land use, or necessary to permit the proper design and construction of the Project;
- .3 Record drawings of any existing structures at the Site; and
- .4 Documentation describing the environmental conditions in existence at the Site.
- .5 Owner's Project Criteria, which is the Project description and criteria, including the Masterplan, available at the website http://www.opkansas.org/ Res/Projects\_and\_Construction/index.cfm
- .6 List of known permits required for the project, including assigned responsibility for obtaining such permits

# Article 4

## **Ownership of Work Product**

**4.1 Work Product.** All planning, investigations, programs, drawings, specifications and other documents and data produced by Design-Builder for Owner under this Agreement ("Work Product") will be the sole property of the Owner upon the Owner payment for services under this Agreement.

**4.2.1 Owner's Use of Work Product.** If Owner fails to enter into a contract on this Project with Design-Builder to complete the design and construction of the Project and abandons the Project, or if Owner proceeds to design and construct the Project through its employees, agents or third parties, in accordance with Article 4.1, Owner may use the Work Product to complete the Project conditioned on the provision that Owner proceeds at its sole risk without liability or legal exposure to Design-Builder or anyone working by or through Design-Builder, including Design Consultants of any tier (collectively the "Indemnified Parties").

# Article 5

# **Contract Time**

**5.1 Commencement Date.** Design-Builder shall commence performance of the Services set forth in this Agreement within five (5) days of Design-Builder's receipt of Owner's Notice to Proceed ("Date of Commencement") unless the parties mutually agree otherwise in writing. Design-Builder shall provide such services to meet Owner dates for review and City approvals.

**5.2** Interim Dates. Interim milestone dates, if any, of identified portions of the Services set forth in this Agreement and in the Design-Builder's Proposal shall be achieved as described as an Exhibit to this Agreement.

# Article 6

# **Contract Price**

6.1 **Contract Price.** The Contract Price for this Agreement is as set forth below:

Performance of Phase 1 Services for the Lump Sum of: <u>One Hundred and Eighty-Three Thousand Nine</u> <u>Hundred and Fifty-Four Dollars</u> (\$183,954.00).

**6.2** Scope of Contract Price. The Contract Price shall be the full compensation due Design-Builder for the performance of all services set forth in this Agreement. The Contract Price shall be adjusted to reflect any Additional Services, if any, agreed upon by the parties after execution of this Agreement.

# Article 7

# Procedure for Payment

**Payment.** Design-Builder and Owner agree that portions of the Contract Price will be invoiced monthly, without retention, or based on agreed progress measurements achieved as may be included in an Exhibit to this Agreement, or upon completion of Services if no progress measurements are established. Payment is due within forty-five (45) days by Owner after receipt of an approved invoice.

## Article 8

#### Insurance

The Design–Builder shall maintain throughout the duration of this Agreement the insurance amounts, at a minimum, as specified below. All general and automobile liability insurance shall be written on an occurrence basis unless otherwise agreed in writing by the Owner.

#### 8.1 General Liability

General Aggregate:	\$1,000,000.00
Products-Completed Operations Aggregate:	\$1,000,000.00
Personal & Advertising Injury:	\$1,000,000.00
Each Occurrence:	\$1,000,000.00

#### **Policy must include the following:**

- i) Broad Form Contractual/Contractually Assumed Liability
- ii) Independent Contractors

### Name City of Overland Park as "Additional Insured".

**8.2** Automobile Liability: Policy shall protect the Design-Builder against claims for bodily injury and/or property damage arising from the ownership or use of all owned, hired and/or non-owned vehicles and must include protection for either:

i) Any Auto

### OR

ii) All Owned Autos; Hired Autos; and Non-Owned Autos.

### Limits

Each Accident, Combined Single LimitsBodily Injury and Property Damage:\$1,000,000

### Name City of Overland Park as "Additional Insured"

**8.3.** Workers' Compensation and Employer's Liability: This insurance shall protect the Design-Builder against all claims under applicable state workers' compensation laws. The Design-Builder shall also be protected against claims for injury, disease or death of employees which, for any reason may not fall within the provisions of a workers' compensation law. The policy limits shall not be less than the following:

Workers' Compensation:	Statutory
Employer's Liability: Bodily Injury by Accident Bodily Injury by Disease	\$100,000 each accident \$500,000 policy limit

#### Bodily Injury by Disease \$100,000 each employee

**8.4 Professional Liability**: The Design-Builder or each of its Design Consultant(s) shall maintain throughout the duration of this Agreement Professional Liability Insurance in an amount not less than one million dollars (\$ 1,000,000.00), and shall provide the Owner with certification thereof.

**8.5 Industry Ratings**: The City will only accept coverage from an insurance carrier who offers proof of the following:

- 1) Is licensed to do business in the State of Kansas;
- 2) Carries a Best's policyholder rating of B+ or better;

#### AND

3) Carries at least a Class X financial rating.

### OR

Is a company mutually agreed upon by the Owner and Design-Builder. Certification of insurance coverage shall be on the City's standard Certificate of Insurance form or on forms acceptable to the City.

- **8.6** Subcontractor's Insurance: If any part of this Contract is to be sublet, Design-Builder shall either:
  - a) Cover all subcontractors under its insurance policies;

or

b) Require each subcontractor not so covered to secure insurance, which will protect against applicable hazards or risks of loss as and in the minimum amounts designated herein.

# Article 9

#### Indemnification

**9.1** Definition: For purposes of indemnification requirements, the term "Loss" shall have the meaning set forth as follows:

"Loss" means any and all loss, damage, liability or expense, of any nature whatsoever, whether incurred as a judgment, settlement, penalty, fine or otherwise (including attorney's fees and the cost of defense), in connection with any action, proceeding, demand or claim for injury, including death, to any person or persons or damages to or loss of, or loss of the use of, property of any person, firm or corporation, including the parties hereto, which arise out of or are connected with, or are claimed to arise out of or be connected with, the performance of this Agreement whether arising before or after the completion of the work required hereunder.

**9.2** Indemnity: For purposes of this Agreement, Design-Builder hereby agrees to indemnify, defend and hold harmless the City, its employees and agents from any and all loss where loss is caused or incurred or alleged to be caused or incurred in whole or in part as a result of the negligence or other

actionable fault of the Design-Builder, its affiliates, subsidiaries, employees, agents, design consultants, subcontractors/assignees and their respective servants, agents and employees.

It is agreed as a specific element of consideration of this Agreement that this indemnity shall apply notwithstanding the joint, concurring or contributory or comparative fault or negligence of the City or any third party and, further notwithstanding any theory of law including, but not limited to, a characterization of the City's or any third party's joint, concurring or contributory or comparative fault or negligence as either passive or active in nature; provided, however, that the Design-Builder's obligation hereunder shall not include amounts attributable to the fault or negligence of the City or any third party for whom the Design-Builder is not responsible.

In the case of any claims against the City, its employees or agents indemnified under this Agreement, by an employee of the Design-Builder, its affiliates, subsidiaries, or assignees, the indemnification obligation contained in this Agreement shall not be limited by any limitation on amount or type of damages, compensation or benefits payable by or for the Design-Builder, its affiliates, subsidiaries, or assignees, under workers' compensation acts, disability benefit acts, or other employee benefit acts.

## Article 10

### Stop Work and Termination for Cause

### **10.1** Owner's Right to Stop Work

**10.1.1** Owner may, without cause and for its convenience, order Design-Builder in writing to stop and suspend the Work. Such suspension shall not exceed sixty (60) consecutive days or aggregate more than one hundred twenty (120) days during the duration of the Project.

**10.1.2** Design-Builder is entitled to seek an adjustment of the Contract Price and/or Contract Time(s) if its cost or time to perform the Work has been adversely impacted by any suspension of stoppage of work by Owner.

#### **10.2** Owner's Right to Terminate for Cause

**10.2.1** If Design-Builder persistently fails to (i) provide a sufficient number of skilled workers, (ii) supply the materials required by the Contract Documents, (iii) comply with applicable Legal Requirements, (iv) timely pay, without cause, Design Consultants or Subcontractors, (v) prosecute the Work with promptness and diligence to ensure that the Work is completed by the Contract Time(s), as such times may be adjusted, or (vi) perform material obligations under the Contract Documents, then Owner, in addition to any other rights and remedies provided in the Contract Documents or by law, shall have the rights set forth in Sections 10.2.2 and 10.2.3 below.

**10.2.2** Upon the occurrence of an event set forth in Section 10.2.1 above, Owner may provide written notice to Design-Builder that it intends to terminate the Agreement unless the problem cited is cured, or commenced to be cured, within seven (7) days of Design-Builder's receipt of such notice. If Design-Builder fails to cure, or reasonably commence to cure, such problem, then Owner may give a second written notice to Design-Builder of its intent to terminate within an additional seven (7) day period. If Design-Builder, within such second seven (7) day period, fails to cure, or reasonably commence to cure, such problem, then Owner may declare the Agreement terminated for default by providing written notice to Design-Builder of such declaration.

**10.2.3** Upon declaring the Agreement terminated pursuant to Section 10.2.2 above, Owner may enter upon the premises and take possession, for the purpose of completing the Work, of all materials, equipment, scaffolds, tools, appliances and other items thereon, which have been purchased or provided for the performance of the Work, all of which Design-Builder hereby transfers, assigns and sets over to Owner for such purpose, and to employ any person or persons to complete the Work and provide all of the required labor, services, materials, equipment and other items.

In the event of such termination, Design-Builder shall not be entitled to receive any further payments under the Contract Documents until the Work shall be finally completed in accordance with the Contract Documents. At such time, if the unpaid balance of the Contract Price exceeds the cost and expense incurred by Owner in completing the Work, such excess shall be paid by Owner to Design-Builder.

Notwithstanding the preceding sentence, if the Agreement establishes a Guaranteed Maximum Price, Design-Builder will only be entitled to be paid for Work performed prior to its default. If Owner's cost and expense of completing the Work exceeds the unpaid balance of the Contract Price, then Design-Builder shall be obligated to pay the difference to Owner.

Such costs and expense shall include not only the cost of completing the Work, but also losses, damages, costs and expense, including attorneys' fees and expenses, incurred by Owner in connection with the reprocurement and defense of claims arising from Design-Builder's default, subject to the waiver of consequential damages.

**10.2.4** If Owner improperly terminates the Agreement for cause, the termination for cause will be converted to a termination for convenience.

**10.2.5** If Owner terminates this Agreement for its convenience above and proceeds to design and construct the Project through its employees, agents or third parties, Owner's shall have rights to use the Work Product as set forth in the Agreement.

# Article 11

### Affirmative Action

**11.1** Equal Employment Opportunity: During the performance of this Agreement, the Design-Builder agrees as follows:

A. The Design-Builder shall comply with the Kansas Act against discrimination and shall not discriminate against any employee because of race, religion, color, sex or national origin and will abide by the provisions of the Age Discrimination in Employment Act of 1967, as amended. The Design-Builder will take affirmative action to ensure that applicants are employed and that applicants are treated during employment without regard to their race, religion, color, sex or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment advertisement; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Design-Builder agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the requirements of these nondiscrimination provisions.

B. The Design-Builder will, in all solicitations or advertisements for employees placed by or on behalf of the Design-Builder, state that all qualified applicants will receive consideration for

employment without regard to race, religion, color, sex or national origin and shall include the phrase "equal opportunity employer" or a similar phrase approved by the Kansas Commission on Civil Rights.

C. If the Design-Builder fails to comply with the manner in which the Design-Builder reports to the commission in accordance with the provisions of K.S.A. 44-1031 and amendments thereto, the Design-Builder shall be deemed to have breached the present Agreement and it may be canceled, terminated or suspended, in whole or in part, by the City.

D. If the Design-Builder is found to have violated the Kansas Act against discrimination under a final decision or order of the Kansas Commission on Civil Rights, the Design-Builder shall be deemed to have breached the Contract, and it may be canceled, terminated or suspended, in whole or in part, by the City.

E. The Design-Builder will include all of Subsections A through D in every design subconsultant agreement, subcontract or purchase order, so that such provisions will be binding upon each subcontractor or vendor.

**11.2.** Other Laws: The Design-Builder agrees to abide by all other Federal, State of Kansas or local laws, ordinances and regulations applicable to this Project and to furnish any certification required by any federal, state or local governmental agency in connection with same.

# Article 12

# **Other Provisions**

**12.2 Dispute Resolution.** Owner and Design/Builder/Architect agree that disputes relative to the Project should first be addressed by negotiations between the parties. If direct negotiations fail to resolve the dispute, the party initiating the claim that is the basis for the dispute shall be free to take such steps as it deems necessary to protect its interests; provided, however, that notwithstanding any such dispute, Design/Builder shall proceed with the Services in accordance with this Agreement as if no dispute existed, and the Owner shall continue to make payment for Design/Builder completed Services; and provided further that no dispute will be submitted to mediation without both parties' express written consent.

**12.3** Assignment. Neither Design-Builder nor Owner shall without the written consent of the other party assign, transfer, or sublet any portion or part of its obligations under this Agreement.

**12.4 Governing Law.** It is the intention of the parties that this Agreement and the performance hereunder, and all suits and special proceedings under this Agreement, be construed in accordance with and under and pursuant to the laws of the State of Kansas and that, in any action, special proceeding or other proceeding that may be brought arising out of, in connection with, or by reason of this Agreement, the laws of the State of Kansas shall be applicable and shall govern to the exclusion of the law of any other forum, without regard to the jurisdiction in which any action or special proceeding may be instituted. The Design-Builder agrees to abide by all other Federal, State of Kansas or local laws, ordinances and regulations applicable to this Project and to furnish any certification required by any federal, state or local governmental agency in connection with same.

**12.5** Severability. If any provision or any part of a provision of this Agreement shall be finally determined to be superseded, invalid, illegal, or otherwise unenforceable pursuant to applicable laws by any authority having jurisdiction, such determination shall not impair or otherwise affect the validity, legality, or enforceability of the remaining provisions or parts of the provision of this Agreement, which shall remain in full force and effect as if the unenforceable provision or part was deleted.

**12.6 Amendments.** This Agreement may not be changed, altered, or amended in any way except in writing signed by a duly authorized representative of both parties.

**12.7** Entire Agreement. This Agreement forms the entire agreement between Owner and Design-Builder, and contains the complete agreement between the parties and shall, as of the effective date hereof, supersede all other agreements between the parties. No oral representations or other agreements have been made by the parties except as specifically stated in this Agreement. The parties stipulate that neither of them has made any representation with respect to the subject matter of this Agreement except such representations as are specifically set forth in this document and each of the parties acknowledges that it has relied on its own judgment in entering into this Agreement.

**12.8** Section Titles: The titles to sections of this Agreement are solely for the convenience of the parties and shall not be used to explain, modify, simplify, or aid in the interpretation of the provisions of this Agreement.

In executing this Agreement, Owner and Design-Builder each individually represents that it has the necessary financial resources to fulfill its obligations under this Agreement, and each has the necessary corporate approvals to execute this Agreement, and perform the services described herein.

### **OWNER:**

### **DESIGN-BUILDER:**

City of Overland Park	McCownGordon Construction, L.L.C.
Carl Gerlach Mayor	(Signature)
Date:	Title:
Attest:	Date:
Marian Cook City Clerk	
Approved as to Form:	

Bart Budetti Senior Assistant City Attorney

### Exhibits

- Owner's RFQ/RFP dated, March 29, 2007
- Design-Builder's Qualification Submittal dated, April 18, 2007
- Design-Builder's Price Proposal dated, April 18, 2007
- Labor & Expense Rate Sheet for Additional Services as negotiated and agreed by the Owner
- Standard Form of General Conditions of Contract Between Owner and Design-Builder
- Contract Definitions
- Design-Builder's/Owner's List of Deliverables
- Certificate of Insurance