

# CONSTRUCTION CONSULTING CONTRACT

**THIS CONTRACT**, entered into at Westlake Village, CA, on the 4th day of August 2009,

**BY AND BETWEEN**, Surfside III Homeowners Association, whose condominium or planned unit development is located in the City of Port Hueneme, in the County of Ventura, in the State of California, hereinafter called "Owner" and **Design Build Associates, Inc.** a California Corporation, of Westlake Village, California, hereinafter called "Construction Consultant" (CC).

The Owner and Construction Consultant agree as follows:

## ARTICLE 1

### CONSTRUCTION CONSULTANT'S SERVICES AND RESPONSIBILITIES

The CC agrees that provided owner is not in material breach of this contract, to furnish to the Owner, in compliance with this contract, the services hereinafter described in Article 11 and CC's skill and professional discretion as to the services to be provided. The CC shall furnish construction administration, business administration, management services and CC services to be provided pursuant to this contract, and shall, to the best of CC's knowledge and ability, use its best efforts to perform the project in a diligent and economical manner.

#### BASIC SERVICES

The CC's Basic Services consist of two Phases, the Pre-Construction Phase and the Construction Phase.

##### 1.1 PRECONSTRUCTION PHASE

The CC shall:

1.1.1 Assist the Owner in achieving a mutually agreed upon written program and written project budget requirements and other design parameters; provide cost evaluations of the materials and systems.

1.1.2 CC is not providing nor acting as a licensed architect, engineer, geologist or general contractor but is providing services as a construction manager. The CC is not exercising control over the property of Owner or the project nor does the CC have the duty or responsibility for procuring suitable plans and specifications for a project unless such obligation is expressly stated in the contract. Upon owner's procurement of designs from an architect, engineer or qualified general contractor, then CC shall review designs during their development and provide recommendations on relative feasibility of construction methods, availability of materials, labor, and time requirements for procurement, installation, and construction and other factors relating to cost.

1.1.2.1 The CC shall consult with the Owner and General Contractor regarding site use and improvements and the selection of materials, building systems and equipment. The CC shall provide recommendations on construction feasibility; actions designed to minimize adverse effects of labor or materials shortages; time requirements for procurement, installation and construction completion; and factors related to construction cost including estimates of alternative designs or materials, preliminary budgets and possible economies.

1.1.3 Coordinate contract documents by consulting with the Owner and/or Owner's designated representative and/or retained professionals regarding drawings and specifications as they are being prepared and recommending alternative solutions whenever design details affect construction feasibility, costs, or schedules.

1.1.4 Advise on the separation of the project into contracts for various categories of work. Advise on the method to be used for selecting contractors and awarding contracts. If separate contracts are to be awarded, review the drawings and specifications and make recommendations as required to provide that (1) the Work of the separate contractors is coordinated, (2) all requirements called for in the drawings and specifications for the project have been assigned to the appropriate contract, and (3) provide proper coordination between the contractors

1.1.5 Make recommendations for individual bidders and develop bidder's interest in the project. Establish bidding schedules, assist the Owner in issuing bid documents to bidders. As necessary, conduct pre-bid conferences to familiarize bidders with bidding documents.

1.1.6 Receive bids, prepare bid analysis, and make recommendations to the Owner for award of the contracts or rejection of bids.

1.1.7 Assist the Owner in preparing construction contracts. Owner acknowledges that CC is not an attorney and a review by an attorney shall not be provided pursuant to this Contract unless Owner separately retains and pays for such review. CC shall use its best efforts to ensure reasonable consistency among the separate contracts.

1.1.8 Develop a project construction schedule providing for all major elements, such as phasing of construction and times of commencement and completion required of each contractor. As the project proceeds, CC shall update the project schedule as needed to indicate proposed activity sequences and durations, milestone dates, and other pertinent dates. If the schedule updates indicate that previously approved schedules may not be met, the CC shall make appropriate recommendations to the Owner.

##### 1.2 CONSTRUCTION PHASE

The CC shall:

1.2.1 Provide administrative, consulting and related advisory services as required to coordinate work of the contractors, engineers, architects and/or subcontractors with each other and with the activities of the CC and the Owner so as to complete the project in accordance with the construction schedule and the Owner's cost, time and quality objectives.

1.2.2 Provide sufficient organization, personnel, and consultation to carry out the requirements of this Contract. Depending on the work in progress, CC shall make on-site inspections, as and when reasonably needed (frequent job visits, but not necessarily daily visits) to verify that the materials and work are in accordance with the design drawings and the construction schedule. The establishment of on-site personnel for various phases of the construction shall be approved by the Owner and paid for by the Owner as a reimbursable expense to this contract (only should it become within the owners best interest to do so).

1.2.3 Consult with the owner or its designated representative and general contractor to obtain satisfactory performance from each of the contractors, subcontractors, engineers, architects or materialmen; recommend courses of action to the Owner when requirements of a contract are not being fulfilled, and the nonperforming party will not take satisfactory corrective action. The CC shall have no authority on its own to stop work or control the project site. Owner or its designated representative shall be responsible to communicate stop work orders or notices of defective condition(s) to a non-performing party. If a problem is discovered by CC, CC shall promptly notify owner or its designated representative and advise owner to stop work or correct the condition(s) or give notice to impacted contractors, parties or persons.

1.2.4 Review any change orders that are requested and verify the need and/or validity of the change order and the price to complete the change order and make timely written recommendations to the Owner regarding the change orders.

1.2.5 Maintain cost accounting records on each contractor, engineer and architect regarding the work performed under that contract, including monthly review of all contractors' invoices and approval of the invoice as it relates to the work completed. Obtain and review lien releases from various subcontractors as they relate to their current and final billings. If required, assist the Owner in selecting and retaining other professionals and coordinating their services.

1.2.6 Except for the negligence or willful misconduct of CC, the CC shall not be responsible for construction means, methods, techniques, sequences and procedures employed by contractors, subcontractors, engineers, architects and materialmen in the performance of their contracts, and shall not be responsible for the failure of any contractor to carry out work in accordance with the contract documents and /or for any latent defect in any materials or supplies furnished to the property.

1.2.7 Consult with the Owner and/or its designated representative if any contractors, subcontractors, engineers, architects and materialmen request interpretations of the meaning and intent of the drawings and specifications, and assist in the resolution of questions that may arise.

1.2.8 Obtain and receive Certificates of Insurance or other documentation from all contractors and subcontractors and forward them to the Owner which expressly reflect liability coverage for the performance of work at a condominium complex. The Owner shall require that the Contractor and his sub and sub-sub contractors list the Owner and the CC as additional named insureds.

1.2.9 Coordinate with Owner and/or its designated representative the approval of any necessary shop drawings or product data samples or any other submittals.

1.2.10 When the CC considers the contractor's work or designated portion thereof substantially complete, the CC will

make a list of incomplete or unsatisfactory items and a schedule for their completion. The CC shall assist the Owner in conducting final inspections. After the date of substantial completion of the work, the CC shall schedule the correction, completion and inspection of the remaining items.

1.2.11 The CC shall secure from the contractors, subcontractors, engineers, architects and materialmen, and transmit to the Owner required guarantees, affidavits, releases, and manuals, as the project requires.

## **ARTICLE 2 THE OWNER'S RESPONSIBILITIES**

2.1 At the onset of the pre-construction phase the Owner, to the best of its knowledge, shall provide to CC, full, complete and accurate information regarding the requirements and/or specifications of the proposed project, all known conditions of the property that might affect the project and a clear and concise statement of the Owner's objectives, constraints and criteria.

2.1.1 The Owner shall disclose to CC and potential bidders any and all known or suspected hazardous materials and/or substances believed to exist in or around the project before preparation of the pre-bid documents for the proposed project. Such disclosure shall include any and all documents in Owner's possession relating to a prior investigation, survey or remediation of such condition. CC will include such disclosures in the pre-bid documents but will not independently investigate or verify a disclosed condition. Owner agrees that CC will not supervise or control a renovation or demolition of a hazard impacted area, but will solely act as a CC to the Owner and suggest licensed investigation and/or remediation contractors for Owners consideration and retention.

2.2 The Owner shall provide a budget for the project, based on consultation with the CC and any other consultants, which shall include contingencies for bidding, changes during construction and other costs that are the responsibility of the Owner. The Owner shall, at the request of the CC, provide a statement of funds available for the project and their source.

2.3 Owner shall designate in writing and deliver such to CC an Owners representative with whom the CC may deal directly. CC may rely upon the statements and/or representations of the authorized representative to act on the Owner's behalf, to speak with authority with respect to the project and to bind the owner thereto.

2.4 The Owner shall retain (if necessary), an architect, geologist, engineer, hygienist, general contractor, or other professional each of whose duties and responsibilities shall be described in a written contract to be entered into by and between the Owner and professional. The CC will use its best efforts to ensure that any contract entered into with such professional is consistent with other contracts relating to the Project. The CC will coordinate the services of the professionals with reference to the project and shall fully, completely and accurately inform owner as to its opinion regarding such services, provided, however, that the CC shall not be responsible for the accuracy or content of the services rendered by such third-party professionals.

2.5 Immediately upon signing this construction consulting contract, Owner shall furnish to CC a true accurate and complete copies of any and all structural, mechanical reports drawings or documents and or any and all hazardous material surveys reports and/or violation notices including but not limited to laboratory tests in the possession or control of Owner. If Owner is unable to locate such documents but has any knowledge or belief relating to a prior occurrence generating such a document, Owner shall provide to CC a written statement setting forth all details recalled

about the prior occurrence.

2.6 The Owner shall furnish the CC with any construction documents required by the City, County or other regulatory or governmental agency that are necessary to complete his work on behalf of the Owner.

2.7 The services, information and reports required by paragraphs 2.1 through 2.6, inclusive, shall be furnished at the Owner's expense, and the CC shall be entitled to reasonably rely upon their accuracy and completeness.

2.8 If the Owner observes or otherwise becomes aware of any fault or defect in the project, or nonconformance with the contract documents, the Owner shall give prompt written notice to the CC.

2.9 Subject to the terms of this Contract or Agreement, the Owner reserves the right to perform other, unrelated work in the development with the Owner's own agents or employees, and to award contracts in connection with such work which are not part of the CC's responsibilities under this contract. The Owner must notify the CC in writing at least thirty (30) days before commencement of work of any such independent contracts and the CC shall notify the Owner if in CC's opinion any such independent contracts or action will in any way compromise or interfere with the CC's ability to meet the CC's responsibilities under this contract. The parties shall forthwith meet and confer to resolve any disputes relating to this paragraph.

2.10 The Owner shall forthwith furnish to CC all third party professionals' contract documents, specifications, designs and budgets and/or shall consider such matters for approval and/or decisions as expeditiously as possible and as necessary for the orderly progress of CC's services in accordance with the agreed upon construction schedule.

### **ARTICLE 3 CONSTRUCTION COST**

3.1 The total construction cost shall be the total of the final contract sums of all contracts let (contractors, subcontractors, materialmen and/or suppliers, also, geologists, and/or other consultants hired for the purpose of testing and inspections relating to the project).

3.2 Construction cost does not include the compensation of the Owner's design consultants.

3.3 Evaluations of the Owner's project budget and cost estimates prepared by the CC represent the CC's best judgment as a professional familiar with the construction industry. It is recognized, however, that neither the CC nor the Owner has control over the cost of labor, materials or equipment, over contractors' methods of determining bid prices or other competitive bidding or negotiating conditions. Accordingly, the CC cannot and does not warrant or represent that bids or negotiated prices will not vary from the project budget proposed, established or approved by the Owner, or from any cost estimate or evaluation prepared by the CC.

### **ARTICLE 4 PAYMENTS TO THE CONSTRUCTION CONSULTANT**

#### **4.1 PAYMENTS ON ACCOUNT OF BASIC SERVICES**

4.1.1 An initial payment as set forth in Paragraph 10.2 is the minimum payment under this Contract.

4.1.2 Except where reasonably objected to by Owner, payments for the Basic Services described in Article 10 of this

Contract shall be due within fifteen (15) days of the rendition of a written invoice from CC describing such services. Owner agrees that the services being rendered here do not relate to personal, family or household matters. In reliance upon such statement, a service charge of one and one half percent (1-1/2%) per month (or at the legal prevailing rate, which ever is less) will be due on all unpaid billings after thirty (30) days from the date of rendition of the statement. On accounts outstanding over sixty (60) days, CC reserves the right to halt all services required by reason of this contract. Owner shall be solely responsible for any damage or liability arising out of Owner's failure to pay CC and/or a resulting work stoppage by CC except to the extent such damage or liability is caused by the negligence or willful misconduct of CC.

4.1.2.1 Written invoices submitted by the CC shall be consistent with the overall progress of the Project and the Construction Cost through the end of the period covered by the written statement. With each written invoice, the CC shall submit reasonable backup documentation.

4.1.3 If and to the extent that the time initially established for the Construction Phase of the project is exceeded or extended through no fault of the CC, compensation for Basic Services required for such extended period of administration of the construction contract shall be computed as set forth in Paragraph 10.5.2 for Additional Services.

4.1.4 When compensation is based on a percentage of the total of the contract sums of all the separate contracts, and any portions of the project are deleted or otherwise not constructed, compensation for such portions of the project shall be payable to the extent services have already been performed on such portions prior to the date of such deletion or decision to not construct such portion.

#### **4.2 PAYMENTS ON ACCOUNT OF REIMBURSABLE COSTS**

4.2.1 Reimbursable costs shall be paid monthly upon the CC's statement of services rendered or costs incurred.

4.2.2 No deductions shall be made from the CC's compensation on account of penalty, liquidated damages or other sums withheld from payments to contractors, subcontractors, engineers, architects and materialmen, or on account of the cost of changes in work unless caused by CC.

4.2.3 Reimbursable expenses include expenses incurred by the CC in the interest of the Project for the items listed below; Expense of transportation and living expenses in connection with out-of-town travel providing it is authorized by the Owner in writing in advance; (it being understood and acknowledged that CC shall be entitled to no expenses of transportation for traveling to or from CC's business offices or home to the Project). Long-distance and facsimile communications, fees advanced, if any, to any governmental agencies for permits or approvals, reproductions of contract documents, postage and handling of drawings and specifications, renderings and models requested by the Owner in writing, expense of computer-aided design and drafting equipment time when used in connection with the Project when authorized in writing by Owner, film and developing cost or digital photos at .20 cents each, full time on site supervision (if requested by owner), job trailer, toilet, clean up or any other on site general conditions, and items necessary to complete project.

#### **4.3 PROJECT SUSPENSION**

4.3.1 If the project is suspended, but not abandoned, in whole or in part for more than three months, the CC shall be compensated for all services performed prior to receipt of written notice from the Owner of such suspension, together with Reimbursable Costs then due and all Termination Expenses as

defined in Paragraph 6.3. If the project is resumed after being suspended for more than three months, the CC's compensation shall be equitably adjusted.

## **ARTICLE 5 ARBITRATION**

**(This Article intentionally omitted)**

## **ARTICLE 6 TERMINATION OF CONTRACT**

6.1 Termination by CC. In the event of a material breach or repudiation of the Contract by Owner, including but not limited to a failure to pay monies due to CC under the Contract, then CC may terminate the Contract upon 14 days written notice delivered to Owner. Termination by CC upon such grounds shall entitle CC to the remedies described in Paragraph 6.4.

6.2 Termination by Owner, CC material breach. In the event of a material breach or repudiation of the Contract by CC related to the services rendered by CC pursuant to the Contract, then Owner may terminate the Contract effective upon 14 days written notice delivered to CC. Any services rendered by CC during such 14 day notice period requires prior written authorization by Owner.

6.4 Remedies for improper termination. In the event that either Owner or CC should terminate or repudiate the Contract on a basis not authorized herein or for which there are no grounds as required by Paragraphs 6.2, then either party may bring an action or proceeding to enforce its rights to compensation under this Contract or for damages for the breach thereof.

## **ARTICLE 7 INDEMNIFICATION**

7.1 Owner acknowledges and agrees that CC is, as to the project being the subject matter of this contract, serving solely as a CC and Construction Manager to the Owner, and not acting as a general contractor or subcontractor regarding the project. CC's sole duties and responsibilities as to the project are as described in this Contract, including but not limited to those described in the attached Exhibits". In consideration for the services to be rendered by CC pursuant to this Contract, except for CC's negligence or willful misconduct, Owner hereby agrees to save and hold CC harmless from any and all claims, demands, liabilities or expenses arising out of design and/or construction work relating to the project but provided by third-party engineers, architects, contractors, subcontractors or materialmen, and including, but not limited to, claims of design defects, negligence, property damage, injury to or death of a person. This duty to indemnify shall include the right to attorney's fees and costs. The tendered performance of the obligation to defend CC in this regard shall be subject to the reasonable approval of CC.

7.1.1 This indemnification includes the cost of defense for the CC for any claims of liability or damages brought against the CC by third parties not associated with this contract but relating to this project except to the extent that such claims of liability or damages arises from the negligence or willful misconduct of CC

7.1.2 CC does not guaranty the completion or quality of performance of the contract by any construction contractors, subcontractors, or third parties, nor is CC vicariously responsible for their acts or omissions, means, methods, techniques, sequences and procedures, except to the extent that any liability or damages are caused by the negligence or willful misconduct of CC. CC does warrant the reasonableness

of its recommendations made to Owner in connection with the Project.

7.1.3 CC makes no warranty, either expressed or implied, as to its findings, recommendations, specifications, or professional advice except for the specific warranty that the services will be and/or have been performed in accordance with generally accepted construction consulting standards and practices in the Ventura County area, in effect at the time of performance.

7.1.4 CC makes no representation concerning the estimated quantities and cost figures made in connection with obtaining any services, plans, specifications, or drawings other than that all such figures are estimates only and CC shall not be responsible for fluctuations in cost factors

7.1.5 Except for CC's negligence or willful misconduct in no event shall CC, its agents or servants or employees, be responsible or liable for the acts or omissions of third parties. In any contract entered into by Owner with a third party relating to the project, the Owner shall require that the CC be listed as an additional named insured, if possible.

7.1.6 Owner understands and acknowledges that CC is not an architect, engineer, geologist, accountant, insurance broker and/or attorney and that, absent negligence on the part of CC, CC shall not be responsible for any act or omission made with reference to the project by such third party professionals.

7.1.7 In consideration for the compensation agreed to in this Contract and for the services to be rendered by CC, Owner agrees that any claim for liability or damages as against CC not covered by CC's Liability Insurance shall not exceed the total sum of fees and costs paid to CC by Owner under this Contract.

7.1.8 Owner represents and warrants to CC that it shall obtain the consent of the Occupants to any work requiring removal or relocation of the occupants and their compliance therewith, including but not limited to any required temporary removal or treatment of, toxic or hazardous substances as a part of the project. Owner shall indemnify and hold CC harmless from any cost, damage, injury, expenses or liability, (including reasonable attorney's fees) in any action or proceeding arising out of this subparagraph unless caused by the negligence or willful misconduct of CC.

## **ARTICLE 8 MISCELLANEOUS PROVISIONS**

8.1 Unless otherwise expressly specified, the laws of the State of California in effect at the time of the project shall govern with reference to this Contract.

8.2 The Owner and the CC, respectively, bind themselves, their partners, successors, assigns and legal representatives to this Contract and to the partners, successors, assigns and legal representatives with respect to all covenants of this Contract. Neither the Owner nor the CC shall assign or transfer any interest in this Contract without the written consent of the other.

8.3 This Contract constitutes the final, and integrated Contract between the Owner and the CC and supersedes all prior negotiations, representations or Contracts, either written or oral. This Contract may be amended only by written instrument signed by both the Owner and the CC.

8.4 Nothing contained herein shall be deemed to create any contractual relationship between the CC and any other of the Owner's third party consultants, contractors, subcontractors, CCs, or material suppliers on this project; nor shall anything contained in this Contract be deemed to give any third party any claim or right of action against the Owner or the CC which does not

otherwise exist without regard to this Contract.

8.5 The following items are not associated with the performance of the CC's work on this project, however, if they are required of the CC by the Owner, compensation for these additional services will be agreed upon at the time they are requested:

8.5.1 Owner's Construction - making detailed appraisals of existing facilities, making surveys or inventories required in connection with construction performed by the Owner not managed under this contract. Providing services to investigate or make measured drawings of existing conditions or facilities or verifying the accuracy of drawings or other information furnished by the Owner.

8.5.2 Damage to the Work - Providing services required in connection with the replacement of work damaged by fire or other causes during construction.

8.5.3 Expert Witness - Preparing to serve and/or serving as an Expert Witness or preparing reports, evidence, giving depositions, or other assistance in connection with any public hearing, arbitration proceeding, or legal proceeding.

8.6 Owner agrees that CC may use photos and other work product developed for the Owner in the CC's future marketing materials.

## **ARTICLE 10 BASIS OF COMPENSATION**

10.1 The Owner shall compensate the CC for the scope of services provided in accordance with Article 4.2 and other terms and conditions of this Contract as follows:

10.2 AN INITIAL PAYMENT of Zero Thousand Dollars (\$00.00) shall be made upon execution of this Contract and credited to the Owner's account as follows: N/A.

10.3 **FOR BASIC COMPENSATION AND ANY OTHER SERVICES**, basic compensation shall be computed as follows:

10.3.1 Based on Exhibit "A" the CC shall be paid a lump sum of \$33,500.00 for the preconstruction services provided (Article 1.1 above). This fee will be divided up by the months expected to complete this scope of work and invoiced and paid accordingly.

CC shall be paid a lump sum fee of \$40,500.00 for the construction portion (Article 1.2 above) of this contract. This fee will also be divided up in direct proportion of the anticipated construction schedule and invoice and paid accordingly. It is understood and agreed to that these fees are for buildings 7 and 12 only. Additional buildings and/or scope of work may be added at any time by written mutual agreement between the Owner and CC.

10.3.2 The CC's work under this contract shall be deemed complete and his fees as outlined above shall be deemed fully earned after the CC has approved the Contractors final retention payment and all warranties and guarantees have been turned over to the Owner. Should the Owner need further miscellaneous assistance after that time, the CC will assist the Owner if requested at an hourly rate of \$185.00 per hour.

10.4 **FOR REIMBURSABLE COSTS** as described in Article 4.2, the actual cost incurred by the CC in the interest of the project.

10.5 The Owner and the Construction Consultant agree in accordance with the Terms and Conditions of this Contract that:

10.5.1 IF THE SCOPE of the Project or the CC's services is changed materially; the amounts of compensation shall be equitably adjusted.

10.5.2 IF THE SERVICES covered by this Contract have not been completed within (12) months of the date hereof, through no fault of the CC, the amounts of compensation, rates and multiples set forth herein may be equitably adjusted.

## **ARTICLE 9 INSURANCE**

9.1 The CC shall purchase and maintain insurance for protection from claims under workers' compensation acts (if required to by law); claims for damages because of bodily injury, including personal injury, sickness, disease or death of any of the CC employees.

9.2 The CC must obtain and maintain during the course of this project, a general liability policy, including coverage for Premises-Operations, in the amount of at least one million (\$1,000,000.00) dollars per occurrence, two million (\$2,000,000) dollars aggregate. Such insurance must specifically be applicable to CC's services at the subject condominium project and Owner must be specified as an additional named insured. This insurance must specifically cover work performed by CC at condominium projects and multi-family dwellings. CC must also maintain during the course of this Project a professional liability policy in the amount of at least one millions (\$1,000,000) per occurrence. Should the Owner require additional insurance of any type of coverage or amount greater than that stated above, CC will work to obtain and maintain such incremental insurance at the Owner's expense (to be advanced by Owner upon billing) as part of the project cost.

### **9.3 OWNER'S LIABILITY INSURANCE**

9.3.1 The Owner shall maintain liability and property insurance from an institutional insurer admitted to the State of California Such insurance shall list CC as additional insured and shall provide for notice to Owner and CC at least thirty (30) days before the cancellation or expiration of the policy.

**ARTICLE 11**  
**SCOPE OF SERVICES**

The scope of this contract is to provide the above referenced construction consulting and management services relating to the repairs as established and described in this contract, specifically as described in the attached Exhibit "A."

**OWNER**

Surfside III Homeowners Association

Date

Board Member      President or Vice President

Board Member      Secretary or Treasurer

**CONSTRUCTION CONSULTANT**

Design Build Associates, Inc. a California Corporation

Date

Dennis Brooks,      President

Les Jillson,      Vice President

**Surfside III Homeowners Association  
Construction Consulting Contract**

**Exhibit “A”**

**This contract is specifically limited to exterior repairs to buildings 7 and 12. The CC has based their fee for this contract on the Owner’s estimate that the scope of this project, construction costs for these repairs, will be approximately \$200,000 for the Townhouse repairs (Building 7) and approximately \$250,000 for the condo repairs (Building 12). It is understood that the Owner will hire a General Contractor to complete the repairs. These two buildings will be considered “prototype” buildings in order to gain a better understanding of the exterior renovation repairs for the balance of the buildings in the Association.**

**Preconstruction services include:**

- Review the current records and the physical property conditions. We will review the Association’s reserve study, maintenance history and CC & R’s.
- Arrange any necessary Destructive Testing (DT) and conduct such testing (using Board approved contractor) to determine a proper scope of work associated with condo building number 7 and townhouse building number 12. For building 7, this would include any necessary DT observations for two stacks of units and the end of the building. For the townhomes, we would look at any and all issues associated with building 12.
- Report to the Owner on the results of such testing.
- Assist the Owner in the retention of any necessary design professionals, architects, waterproofing consultants, engineers, etc., including the contract negotiations and preparation with Owner’s attorney.
- CC shall review designs during their development and provide recommendations on relative feasibility of construction methods, availability of materials, labor, and time requirements for procurement, installation, and construction and other factors relating to cost.
- Assist the Owner in achieving a mutually agreed upon written program and written project budget requirements and other design parameters.
- Provide cost evaluations of the materials and systems.
- Coordinate contract documents by consulting with the Owner and/or the Owner’s consultants regarding drawing and specification as they are being prepared.
- Recommend alternative solutions whenever design details affect construction feasibility, costs or schedules.
- Assist these professionals in preparing the necessary plans or documents in order to conform to City requirements and obtain building permits.
- Advise on the separation of the project into contracts for various categories of work.
- Advise on the method to be used for selecting contractors and awarding contracts.
- Make recommendations for individual bidders and develop bidder’s interest in the project.
- Establish bidding schedule and issue bid documents to bidders.
- Conduct pre-bid conference(s) to familiarize bidders with bid documents, if necessary.
- Receive bids, prepare bid analysis, and make recommendations to the Owner for award of the contracts and/or rejection of bids.
- CC shall assist the Owner in preparing construction contracts.

- Develop a project construction schedule providing for all major elements, such as phasing of construction and times of commencement and completion required of each separate contractor.
- CC will assist the Board in establishing client contact and protocol for communications and send an introduction letter to the homeowners.

Throughout this process, CC will make regular presentations to the Board to review findings and progress. CC will gather necessary photos and documentation for presentation to the Board and to the Association as a whole. CC will also write a letter to the homeowners to introduce CC and announce a general meeting to present these findings to the homeowners. In order to keep everyone informed, there may be more than one general meeting to present updated information regarding the repair project.

Once the Scope of Work is completed, and any drawings/reports etc. are permit ready, CC will establish a bid form, identify qualified bidders and obtain bids. When completed CC will review bids, CC will review them with the Board, who will select the vendor(s) to be awarded the contract(s).

CC's support includes responding to phone calls and e-mails in a timely manner and providing detailed monthly invoices.

It is understood by CC that buildings 7 and 12 are prototype buildings and that the repair methodologies, concepts and materials are intended to then be translated into the same form for the remaining buildings owned by the Owner. By completing these buildings first, CC and Owner can confirm issues relating to design and cost and know with more certainty how the balance of the buildings should be addressed. Completing these prototype buildings also allows the team (Owner, CC, the design professionals, and the contractor) to adjust materials, means and methods so that the total project will benefit from that process.

#### **Construction services include:**

- CC will provide administrative, management and related services, as required, to coordinate work of the contractors, engineers, architects, other consultants and/or subcontractors with each other and with the activities of the CC and the Owner so as to complete the project in accordance with the construction schedule and the Owner's cost, time and quality objectives.
- CC will provide sufficient organization, personnel and management to carry out the requirements of this contract.
- CC will make on-site inspections, as and when needed (frequent job visits, but not daily visits), to verify that the materials and work are in accordance with the design drawings and the construction schedule.
- Work to obtain satisfactory performance from each of the contractors, subcontractors, engineers, architects or suppliers.
- CC will recommend courses of action to the Owner when requirements of a contract are not being fulfilled, and the non-performing party will not take satisfactory corrective action.
- Review any change orders that are requested and verify the need and/or validity of the change order, the price to complete the change order and the effect on the construction schedule.
- CC will make recommendations to the Owner regarding the change orders.

- CC will maintain cost accounting records on each contractor, subcontractor, engineer and architect regarding the work performed under that contract.
- There will be monthly review of all contractors' invoices and approval of the invoice as it relates to the work completed.
- CC will obtain and review lien releases from various subcontractors and the general contractor as they relate to their current and final billings.
- CC will assist the Owner in selecting and retaining the professional services of surveyors, geologists, deputy inspectors, or any other special consultant that may be required, and coordinate their services, if applicable.
- CC will consult with the Owner and/or his consultants if any contractor, subcontractor, engineer, architect and/or supplier request interpretations of the meaning and intent of the drawings and specifications, and assist in the resolution of questions that may arise.
- CC will request, receive and review Certificates of Insurance from the contractors, subcontractors, engineers and architects and document them for the Owner.
- CC will coordinate with the Owner and/or his consultants the approval of any necessary shop drawings or product data samples or any other submittals.
- CC will make a list of incomplete or unsatisfactory items (punch list) and a schedule for their completion.
- CC will assist the Owner in conducting final inspections.
- CC will coordinate the correction, completion and inspection of the remaining punch-list items.
- CC shall secure from the contractor, subcontractors, engineers, architects and suppliers, and submit to the Owner, required guarantees, affidavits, releases and manuals as the project requires.

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