TEXAS
Health and Human Services

Exhibit B

Draft Construction Manager-At-Risk Contract

HHSC Contract Number: <Insert Contract Number>
Project Number: <Insert Project Number>

TEXAS HEALTH AND HUMAN SERVICES
CONSTRUCTION MANAGER-AT-RISK CONTRACT

<INSERT COMPANY NAME>

Project Name

Pre-Construction Services and Construction Services
at <Insert Facility>

Project Delivery Method

Construction Manager-at-Risk

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ARTICLE 1. PURPOSE

The State of Texas, acting by and through the Health and Human Services Commission ("**HHSC**" or "**Owner**"), an administrative agency within the executive branch of the state of Texas and having its principal office at 4900 North Lamar Boulevard, Austin, Texas 78751, and <Insert Company Name> ("**Construction Manager-at-Risk**" or "**Construction Manager**" or "CMR" or "Contractor"), <Insert business organization type>, having its principal office at <Insert address, City, State ZIP>, each a "**Party**" and collectively the "**Parties**," enter into the following Contract for Pre-Construction Services and Construction Services (the "**Contract**") for the <Insert Facility Name and brief project description> (the "**Project**").

ARTICLE 2. LEGAL AUTHORITY

This Contract is authorized by and in compliance with the provisions of *Texas Government Code* Chapters 531 and 2269.

ARTICLE 3. DURATION

The Contract is effective upon the signature date of the latter of the Parties to sign (the "**Effective Date**"), and will terminate upon completion of the Project as described in **Article 12** of the Texas Uniform General Conditions for Construction Contracts with HHSC Supplementary General Conditions, Version 2.2 ("**UGCs**"), which is attached hereto and incorporated herein as **Attachment B**, unless extended or terminated pursuant to the terms and conditions of this Contract. The term of this Contract cannot extend past **<December 31, 202_>**, unless extended in writing by both Parties. At the sole option of Owner, this Contract may also be extended beyond the original term as necessary to complete the mission of the solicitation or as otherwise determined by Owner to serve the best interests of the state of Texas, subject to the terms and conditions mutually agreeable to the Parties.

ARTICLE 4. DEFINITIONS

The terms, words, and phrases used in the Contract Documents (as that term is defined in the UGCs and herein) will have the meanings given in the UGCs, if defined therein, and as supplemented or originally defined below. In the event of any conflict between the definitions in the UGCs and the definitions in this Article 4, then the definitions in this Article 4 control and govern.:

4.1 "**Architect/Engineer**" or "**A/E**" means the professional architect or engineer employed by Owner as architect or engineer of record for the Project and its consultants.

4.2 "**Change Order**" means a written modification of the Contract between Owner and Contract Manager, signed by Owner, Contract Manager, and Architect/Engineer.

4.3 "**Construction Cost Limitation**" ("**CCL**") means the maximum monetary amount payable to Construction Manager for all Construction Phase Services, materials, labor, and other work required for completion of the Work in accordance with the Contract Documents. The CCL includes, without limitation, the General Conditions Costs, the Cost of the Work, the Construction Phase Fee, and Construction Manager's Contingency. The CCL may be adjusted by the Parties for changes in the scope of the Project before or after acceptance of the GMP Proposal. The CCL does not include Construction Manager's Pre-Construction Phase Fee, or Owner's Construction Contingency.

4.4 "**Construction Documents**" means, collectively, the UGCs, Owner's Special Conditions and Specifications, the Drawings, Specifications, details, Change Orders, and other documents prepared by Architect/Engineer, its consultants and by Owner's other consultants that describe the scope and quality of the Project and the materials, supplies, equipment, systems, and other elements that are required for construction of the Project and which are accepted by Owner.

4.5 "**Construction Phase Services**" means the coordination, implementation, and execution of the Work required by the Contract Documents.

4.6 **"Contract Documents"** shall mean all of the documents listed below and their terms:

A. This Contract and all exhibits and attachments listed, contained or referenced in this Contract, including, but not limited to, the UGCs;
B. Construction Documents as defined above;
C. All Addenda issued prior to the Effective Date of this Agreement;
D. The Guaranteed Maximum Price Proposal when accepted by the Owner and executed by the parties; and
E. All Change Orders or Amendments issued after the Effective Date of this Agreement.

4.7 "**Contract Sum**" means the total amount of all compensation payable to Construction Manager for the Project, and will not exceed the sum total amount of the Pre-Construction Phase Fee plus the GMP Proposal accepted by the Parties, subject to adjustment for Additional Services or Change Orders. Any costs that exceed the Contract Sum will be borne solely by Construction Manager without reimbursement by Owner.

4.8 **"Cost of the Work"** means those costs as set forth in Section 14.2 of this Contract.

4.9 "**Direct Construction Cost**" means the sum of the amounts that Construction Manager actually and necessarily incurs for General Conditions Costs, Cost of the Work, and Construction Manager's Contingency during the Construction Phase as allowed by this Contract. Direct Construction Costs does not include Pre-Construction Phase Fees or Construction Phase Fees.

4.10 **"Estimated Construction Cost" ("ECC")** means the amount calculated by Construction Manager for the total cost of all elements of the Work based on the Contract Documents available at the time(s) that the ECC is prepared. The ECC will be based on current market rates with reasonable allowance for overhead, profit and price escalation and will include and consider, without limitation, all alternates, allowances, and contingencies, designed and specified by A/E and the cost of labor and materials necessary for installation of Owner furnished equipment. The ECC will not include Construction Manager's Pre-Construction Phase Fee, A/E Fees, cost of the land, rights-of-way, or any other costs that are the direct responsibility of Owner.

4.11 "**General Conditions**" means all those resources, equipment, tools and minor work that are not directly related to physical construction activities, but are required to build a project. General conditions include items but are not limited to temporary utilities, office trailers, vehicles, lay-down yard, Storm Water Pollution Prevention Plan, mobilization and demobilization, drinking water, clean up, tools, etc.

4.12 "**General Conditions Cost**" means costs incurred and minor work performed by Construction Manager. The allowable General Conditions items are further described and limited by **Article 14**.

4.13 "**Guaranteed Maximum Price**" ("**GMP**") means the amount proposed by Construction Manager and accepted by Owner as the maximum cost to Owner for construction of the Work in accordance with the Contract Documents. The GMP includes Construction Manager's Construction Phase Fee, the General Conditions Costs, the Cost of the Work, and Construction Manager's Construction Contingency amount.

4.14 "**Monthly Salary Rate**" means the amount agreed to by Owner that can be used on Applications for Payment throughout the Construction Phase to account for the services of Construction Manager's salaried personnel assigned to the Project. A Monthly Salary Rate must be established for each salaried person and must be approved in writing by Owner in advance of any Application for Payment for that person. The Monthly Salary Rate is for convenience only and any payments made for Construction Manager's personnel are subject to audit to determine the actual cost of the wages and allowable employer contributions incurred by Construction Manager for services performed for the Project.

4.15 "**Notice to Proceed**" means the written notice to be issued to Construction Manager by Owner, which will inform Construction Manager of, among other things, the date to begin a specific phase of Work, and the respective date anticipated for Substantial Completion of the specific phase of Work.

4.16 "**Partnering Program**" means a required meeting with the Construction Manager, its major subcontractors, the owner, its management consultants, and the design team to set common goals, communications strategies, dispute resolution practices, identify potential risks, and problem-solving mechanisms.

4.17 "**Pre-Construction Phase Services**" means the participation, documentation, and execution of Construction Manager's Pre-Construction Phase deliverables as required by the Contract Documents.

4.18 "**Preliminary Project Cost**" ("**PPC**") means the total estimated cost of the entire Project, including design, construction, and other associated costs and services that is established by Owner prior to the commencement of design.

4.19 "**Project Facility Program**" means the statement of the Project Facility's space requirements. It defines the types of spaces, space criteria, relationship of spaces for their functions, net and gross square footage, site requirements, and all other technical requirements for the Project Facility.

4.20 "**Project Specifications**" means the construction and contract administration requirements and standards detailed in Project Specifications to be developed and provided by the A/E.

4.21 "**Project Team**" means Owner, Construction Manager, A/E and its consultants, any separate contractors employed by Owner, and other consultants employed for the purpose of programming, design, and construction of the Project. The members of the Project Team will be designated by Owner and may be modified from time to time by Owner.

4.22 "**Total Project Cost**" ("**TPC**") means the total budget established for the Project by the Health and Human Services Commission at the end of the Design Development Phase (subject to subsequent modification by Owner). The TPC includes, but is not limited to, Construction Manager's Pre-Construction Fee, GMP Proposal(s), A/E and other professional service fees, and other miscellaneous Project costs.

4.23 "**Unforeseen Conditions**" means unanticipated or unexpected circumstances or situations that affect the final price and/or completion time of a contract or project.

4.24 "**Work**" means the administration, procurement, materials, equipment, construction, and all services necessary for Contract Manager, and/or its agents, to fulfill Contract Manager's obligations under the Contract.

ARTICLE 5. CONSTRUCTION MANAGER'S GENERAL RESPONSIBILITIES

5.1 **Construction Manager's Performance.** Construction Manager will perform all services specifically allocated to it by the Contract Documents as well as those services reasonably inferable from the Construction Documents as necessary for completion of the Work and the Project. Construction Manager agrees to perform these services using its best efforts, skills, judgment, and abilities. Construction Manager will cooperate with A/E and endeavor to further the interests of Owner and the Project. Construction Manager will furnish Pre-Construction Phase Services and Construction Phase Services and complete the Project in an expeditious and economical manner consistent with the interests of Owner and in accordance with the Project Schedule.

5.2 **Construction Manager's Representative.** Construction Manager will designate a representative authorized to act on Construction Manager's behalf with respect to the Project.

5.3 **Communication and Coordination of Efforts.** Construction Manager will establish procedures for communication and coordination among the Project Team, Subcontractors, separate contractors, and others with respect to all aspects of the construction of the Project, and implement such procedures.

5.4 **Numbering and Tracking System.** Construction Manager will establish and maintain a numbering and tracking system for all Project records, including changes, requests for information, submittals, and supplementary instructions, and will provide updated records at each Owner's meeting and when requested.

5.5 **Fast Track/Multiple Completion Times.** If Owner elects to "fast-track" or develop the Project in multiple stages, Construction Manager will organize and perform its services as appropriate to each stage. Each stage of the Project may have a unique schedule for completion and a specific CCL, at Owner's discretion.

5.6 **Partnering Program.** Construction Manager will attend and participate in Owner's "Partnering Program" for all prior to commencement of construction of the Project.

5.7 **Construction Manager's Employees and Consultants.** Construction Manager will identify to Owner, the employees and other personnel that it will assign to the Project and provide the Monthly Salary Rate for each of them. Construction Manager will also identify

any consultants that will be performing services for the Project. After execution of the Contract by Owner, Construction Manager will not add, remove, or replace the persons or entities assigned to the Project except with Owner's written consent, which consent will not be unreasonably withheld. Construction Manager will not assign to the Project or contract with any person or entity to which Owner has a reasonable objection. Construction Manager will promptly update and resubmit **Attachment I**, Construction Manager's Personnel and Monthly Salary Rates Form, indicating the list of persons by name and title and consultants if they change during the course of the Project.

5.8 **Owner's Policy on the Utilization of Historically Underutilized Businesses** (the "**Policy**"). Construction Manager, as a provision of the Contract, must comply with the requirements of the Policy and adhere to the Historically Underutilized Businesses ("**HUB**") Subcontracting Plans submitted for Pre-Construction Phase and Construction Phase Services referenced in **Attachment F**. No changes to a HUB Subcontracting Plan can be made by Construction Manager without the written approval of Owner in accordance with the Policy.

ARTICLE 6. PRE-CONSTRUCTION PHASE SERVICES

6.1 **Notice to Proceed.** The Pre-Construction Phase will be deemed to commence upon the date specified in a Notice to Proceed with Pre-Construction Phase Services identified by Owner and will continue through completion of the Construction Documents and procurement of all major Subcontractor agreements. Construction Manager is not entitled to reimbursement for any costs incurred for Pre-Construction Phase Services performed before issuance of the Notice to Proceed. Pre-Construction Phase Services may overlap Construction Phase Services. Construction Manager will perform the Pre-Construction Phase Services outlined below.

6.2 **General Coordination**

6.2.1 Construction Manager's Pre-construction Phase Services team will attend Project Team meetings with Owner, Owner's representatives, and A/E at regularly scheduled intervals throughout the Pre-Construction Phase. Frequent Project Team meetings are anticipated prior to Owner's acceptance of the GMP and during completion of the Construction Documents. The frequency of meetings will be decided and agreed upon by the entire team during each phase of the project.

6.2.2 Construction Manager will provide a preliminary evaluation of Owner's Design Criteria and the CCL, each in terms of the other.

6.2.3 Construction Manager will review and understand the standards and requirements in the project Specifications and perform all services in accordance with those standards and requirements.

6.2.4 Construction Manager will visit the site and inspect the existing facilities, systems, and conditions to ensure an accurate understanding of the existing conditions as required.

6.2.5 Construction Manager will participate as a member of the Project Team in the development of the Project Facility Program if such program has not been developed prior to the Effective Date of this Contract.

6.2.6 Construction Manager will provide recommendations and information to the Project Team on: site usage and site improvements; building systems, equipment, and construction feasibility; selection and availability of materials and labor; time requirements for installation and construction; assignment of responsibilities for safety precautions and programs; temporary Project facilities; equipment, materials, and services for common use of Construction Manager and Owner's separate contractors, if any; cost factors, including costs of alternative materials or designs, preliminary budgets, and possible cost savings; recognizing and tracking the resolution of conflicts in the proposed Drawings and Specifications; methods of delivery of materials, systems, and equipment; and any other matters necessary to accomplish the Project in accordance with the Project Schedule and the CCL.

6.2.7 Construction Manager will assist Owner and/or A/E in selecting and directing the services of surveyors, soils engineers, existing facility surveys, testing, and balancing, environmental surveys or other special consultants hired by Owner and/or A/E to develop additional information for the design or construction of the Project.

6.2.8 Construction Manager will, at Owner's request, attend public meetings and hearings concerning the development and schedule of the Project.

6.2.9 Construction Manager will, at Owner's request, perform cost exercises and prepare proposals to mitigate and/or repair Unforeseen Conditions discovered during the pre-construction phase.

6.3 Constructability Program

6.3.1 Construction Manager will implement and conduct a constructability program to identify and document Project cost and schedule savings opportunities. The constructability program will follow accepted industry practices. Whenever the term "**value engineering**" is used in conjunction with this Contract or the Project, it has its commonly accepted meaning within the construction industry and does not imply the practice of professional engineering without a license. If any value engineering activities constitute the professional practice of engineering, then such activities will be performed by an engineer licensed in Texas.

6.3.2 Construction Manager will prepare a "**Constructability Report**" that identifies items that, in Construction Manager's opinion, may negatively impact construction of the Project. The Constructability Report will address the overall coordination of Project Drawings, Specifications, and details, and identify discrepancies that may generate Change Orders or claims once Project construction commences. The Constructability Report will be updated at least monthly during the Pre-Construction Phase.

6.3.3 Construction Manager will provide and implement a system for tracking questions, resolutions, decisions, directions, and other information matters that arise during the development of the Drawings and Specifications for the Project. The decision

tracking system will be in a format approved by Owner and updated at least monthly during the Pre-Construction Phase.

6.4 Budget and Cost Consultation

6.4.1 Construction Manager is responsible for preparing and updating all procurement and construction cost estimates and distributing them to the Project Team throughout the duration of the Project.

6.4.2 Construction Manager will provide Estimated Construction Cost ("**ECC**") reports at the required stages of completion of the Schematic Design and Design Development phases. Construction Manager also will provide ECC reports during the Construction Documents phases of the Project at phases of design as required in Section 19.18.1 of this Contract. Estimated Construction Cost reports for the Design Development and Construction Documents phases will be detailed estimates derived from cost quantity surveys based on unit prices for labor, materials, overhead, and profit, organized in current Construction Specifications Institute Division format for each portion of the Work. Such estimates will be provided for A/E's review and Owner's approval.

6.4.3 Provide continuous cost consultation services throughout the duration of the Project, including identification and tracking of decisions that affect the scope or quality of the Project and providing ongoing updates of their cost and budget impact. Advise the Project Team immediately if Construction Manager has reason to believe that the most current ECC will exceed the CCL or not meet Schedule requirements and recommend reasonable strategies for bringing the Project in line with the CCL and the Schedule.

6.4.4 Construction Manager will promptly identify all variances between estimated costs and actual costs during the Construction Phase, and will promptly report such variances to the Project Team along with recommendations for action, but in any event no more than two business days after acquiring such information.

6.4.5 Should any ECC exceed or fall significantly below the approved CCL, Owner and Construction Manager will negotiate changes to the Project requirements or the CCL as required.

6.5 Coordination of Design and Construction Contract Documents

6.5.1 Construction Manager will review all Drawings, Specifications, and other Construction Documents as they are developed by A/E during the Schematic Design, Design Development, and Construction Documents design phases of the Project.

6.5.2 Construction Manager will consult with Owner and A/E on the selection of materials, equipment, component systems, and types of construction used on the Project. Advise Owner on site use, construction feasibility, availability of labor and materials, procurement time requirements, and construction coordination.

6.5.3 A Construction Manager will advise Owner of any error, inconsistency, or omission discovered in the Drawings, Specifications, and other Construction Documents.

6.5.4 Construction Manager will advise Owner on reasonable adjustments in the Project scope, quality, or other options for keeping the Project cost within the CCL.

6.5.5 Construction Manager will review the Construction Documents for compliance with all applicable laws, statutes, rules, and regulations, and lawful orders of public authorities applicable to its performance under this Contract.

6.6 Construction Planning and Bid Package Strategy

6.6.1 Construction Manager will identify equipment or material requiring extended delivery times and advise Owner on expedited procurement of those items. Advise Owner and A/E on the preparation of performance specifications and requests for technical proposals for the procurement and installation of systems and components and for the procurement of long lead items. If requested by Owner, and subject to Owner's prior approval, issue requests for technical proposals to qualified sources and receive proposals and assist in their evaluation.

6.6.2 Construction Manager will make recommendations to the Project Team regarding organization of the Construction Documents to facilitate the bidding and awarding of construction subcontracts in a manner that promotes the interests of the Project and Owner. These recommendations may include, but are not limited to, phased or staged construction or multiple separate contracts. The recommendations will take into consideration such factors as time of performance, type, and Scope of Work, availability of labor and materials, overlapping trade jurisdictions, provisions for temporary facilities, comparisons of factory and on-site production costs, shipping costs, code restrictions, Owner's goals for HUB contractor participation, and other constraints.

6.6.3 Construction Manager will review the Construction Documents with the Project Team to eliminate areas of conflict and overlap in the Work to be performed by the various Subcontractors or Owner's separate contractors.

6.6.4 Construction Manager will develop a bid/proposal package strategy in coordination with A/E that addresses the entire Scope of Work for each phase and stage of the Project. In developing the bid/proposal package strategy, Construction Manager will identify all bid/proposal packages on which Construction Manager intends to submit a self-performance bid/proposal. The bid/proposal package strategy will be reviewed with Owner on a regular basis and revised throughout the buyout of the Project in order to best promote the interests of the Project and Owner.

6.6.5 Construction Manager will assist Owner, A/E, Owner's other consultants, and Owner's separate contractors in obtaining all applicable risk management, code, and regulatory agency reviews and approvals for the Project including, without limitation, the Texas Department of Licensing and Regulation, the State Fire Marshal, the local fire department.

6.6.6 Construction Manager will refine, implement, and monitor required HUB Subcontracting Plans to promote equal employment opportunity in the provision of goods and services to Owner for the Project.

6.6.7 Construction Manager will advise Owner of any tests to be performed, and assist Owner in selecting testing laboratories and consultants, without assuming direct responsibility for the work of such laboratories and consultants.

6.6.8 Construction Manager will review the Construction Documents to ensure that they contain adequate provision for all temporary facilities necessary for performance of the Work, and provisions for all of the job site facilities necessary to manage, inspect, and supervise construction of the Work.

6.6.9 Construction Manager will comply with applicable laws, statutes, ordinances, codes, rules, and regulations, and lawful orders of public authorities applicable to its performance under this Contract, and with equal employment opportunity programs, and other programs as may be required by governmental and quasi-governmental authorities for inclusion in the Contract Documents.

6.6.10 Construction Manager will provide an analysis of the types and quantities of labor required for the Project and review the appropriate categories of labor required for critical phases or Stages. Construction Manager will also make recommendations that minimize adverse effects of labor shortages.

6.6.11 **Furniture, Fixtures, and Equipment.** Construction Manager will consult with and make recommendations, if applicable, to Owner on the acquisition schedule for fixtures, furniture, and equipment and coordinate with Owner as may be required to meet the Schedule.

6.7 Obtaining Bids/Proposals for the Work

6.7.1 Construction Manager will publicly advertise and solicit competitive lump sum bids/proposals from trade contractors or Subcontractors for the performance of all major elements of the Work other than the minor Work that may be included in General Conditions. Criteria for determining the bid/proposal that provides the best value to Owner will be established by the Project Team and included in the request for bids/proposals. Construction Manager will notify Owner in advance in writing of the date it will receive the bids/proposals.

6.7.2 Construction Manager will schedule and conduct pre-bid conferences with interested bidders/proposers, Subcontractors, material suppliers, and equipment suppliers, and record minutes of the conferences.

6.7.3 Construction Manager may be required to schedule and conduct a ‘Meet the Prime’ event or events, for each Guaranteed Maximum Price (GMP) exercise, in coordination with the Owner and the HHSC HUB Program.

6.7.4 Construction Manager and Owner will review all trade contractor or subcontractor bids/proposals in a manner that does not disclose the contents of any bid/proposal

to persons outside of the Project Team during the selection process. Based on the selection criteria included in the request for proposals, Construction Manager will recommend to Owner the bid/proposal that provides the best value for the Project. Upon Owner's concurrence in the recommendation, Construction Manager may negotiate the terms of the subcontract with the apparent best value bidder/proposer.

6.7.5 All subcontracts must be on a lump sum basis unless other payment terms are approved in writing and in advance by Owner. Upon Owner's concurrence on the final terms of the subcontract, Construction Manager will enter into a written subcontract for the subcontract work and provide a copy to Owner. All bids/proposals will be publicly available after award of the subcontract or within seven days after the date of final selection, whichever is later.

6.7.6 If Construction Manager reviews, evaluates, and recommends to Owner a bid/proposal from a trade contractor or subcontractor, but Owner requires another bid/proposal to be accepted, Owner will compensate Construction Manager by a change in price, time, or GMP for any additional cost and risk that Construction Manager incurs because of Owner's requirement that the other bid/proposal be accepted.

6.7.7 Construction Manager may seek to self-perform portions of the Work identified for self-performance in the bid/proposal strategy. Construction Manager must submit a bid/proposal for the self-performance work in the same manner as all other trade contractors or subcontractors. Owner will determine whether Construction Manager's bid/proposal provides the best value for Owner, which determination is final. Construction Manager must perform approved self-performance work in accordance with the same terms and conditions as its other Subcontractors. For payment purposes, Construction Manager will account for self-performance work in the same manner as it does all other subcontract costs.

6.7.8 For Scope of Work bid packages typically performed by Subcontractors, Construction Manager may self-perform ("**Self-Perform**") such work on a cost-plus fee **(Not-To-Exceed X.X%)** basis subject to an agreed upon GMP for the self-performed work ("**Self-Performed Work**"). Construction Manager will bid their proposed GMP for the Work to be Self-Performed against at least three other interested trade contractors. Any subcontract for Self-Performed Work will provide for payment in an amount equal to the Cost of the Work (as defined in this Contract) and will not exceed the agreed upon subcontract guaranteed maximum price. All terms and provisions of any subcontract for Self-Performed Work will be consistent with the terms and conditions of this Contract with the exception of the agreed upon fee percentage. All savings under any such subcontract for Self-Performed Work will be applied to reduce the Cost of the Work under this Contract and the GMP of this Contract. For purposes of defining Self-Performed Work subject to this contract provision, any division of Construction Manager, or any separate Construction Manager or Subcontractor that is partially owned or wholly owned by Construction Manager or any of their employees or employee's relatives will be considered a related party entity and will be subject to this provision regarding Self-Performed Work. No Self-Performed Work will be allowed to be performed on a lump sum basis.

6.7.9 Construction Manager will identify every Subcontractor it intends to use on the Project through the Owner-approved HSP, including Subcontractors used for Self-Performed Work, to Owner in writing at least ten business days before entering into any subcontract. Construction Manager will not use any Subcontractor to which Owner has a reasonable objection. Construction Manager will not be required to subcontract with any Subcontractor to which it has reasonable objection. Following Owner acceptance of a Subcontractor, that Subcontractor will not be changed without Owner's written consent, which will not be unreasonably withheld, subject to Construction Manager's submission of a revised HSP.

6.7.10 If a selected trade Contractor or Subcontractor fails to execute a subcontract after being selected in accordance with this Section or defaults in the performance of its work, Construction Manager may, in consultation with Owner and without further advertising, fulfill the subcontract requirements itself or select a replacement trade Contractor or Subcontractor to do so.

ARTICLE 7. PRE-CONSTRUCTION PHASE FEE

7.1 The Pre-Construction Phase Fee is the total compensation payable to Construction Manager for the performance of Pre-Construction Phase Services, except for Additional Pre-Construction Phase Services approved in advance and in writing by Owner. The Pre-Construction Phase Fee will be a lump sum amount based on the CCL established in this Contract.

7.1.1 Except as specifically allowed in **Section 7.1.2**, Construction Manager will not be entitled to any increase in the Pre-Construction Phase Fee for any costs, expenses, liabilities, or other obligations arising from the performance of Pre-Construction Phase Services.

7.1.2 Costs associated with the following items are specifically, but not exclusively, in the establishment of the Pre-Construction Phase Fee: profit and profit sharing; general overhead; salaries and labor; housing and relocation; estimating, scheduling, and information management systems and software; contract administration; office expenses; printing and copying; consulting fees; legal or accounting fees; cost of money; taxes; insurance premiums and deductibles; bond costs; purchase or rental of equipment; utilities; travel; per diem; fines or penalties; and damage awards.

7.1.3 If the scope of the Pre-Construction Phase Services is changed materially, the Pre-Construction Phase Fee may be equitably adjusted. If the CCL is changed materially before or after acceptance of the GMP Proposal, the Pre-Construction Phase Fee may be adjusted in proportion to the change in the CCL.

7.1.4 For Additional Pre-Construction Phase Services, for example, to mitigate Unforeseen Conditions, that are approved in advance and in writing by Owner, Construction Manager will be entitled to additional compensation computed as:

7.1.4.1 A pre-established lump sum amount; or

7.1.4.2 The hourly cost of Construction Manager's employees or consultants who actually perform the Additional Services based on the employee's Worker

Wage Rate or prorated Monthly Salary Rate plus the actual cost of allowable expenses incurred in the performance of the Additional Services plus an overhead and profit markup of **XX%,** of the total cost; or

7.1.4.3 As otherwise agreed to by the Parties in advance of performing the Additional Pre-Construction Phase Services.

ARTICLE 8. GUARANTEED MAXIMUM PRICE PROPOSAL

8.1 Preparation and Submittal of GMP Proposal. When the Parties agree that the design of the Project is sufficiently developed and documented to allow detailed pricing of its construction, Construction Manager will prepare and submit a GMP Proposal to Owner. The GMP Proposal must be prepared in accordance with the guidelines and delivered in the format specified by Owner in the Attachments appended to this Contract. Owner, at its sole option and discretion, may specify different requirements for the GMP Proposal. Construction Manager will not withdraw its GMP Proposal for 90 days following submission to Owner.

8.2 Development of GMP Proposal. In developing the GMP Proposal, Construction Manager will coordinate efforts with A/E to identify qualifications, clarifications, assumptions, exclusions, value engineering, and any other factors relevant to establishment of a GMP. Construction Manager will review development of the GMP Proposal with Owner on an ongoing basis to address clarifications of scope and pricing, distribution of contingencies, schedule, assumptions, exclusions, and other matters relevant to the establishment of a GMP.

8.3 GMP Proposal Contents. The GMP Proposal must include a written description of how it was derived that specifically identifies the clarifications and assumptions made by Construction Manager in the GMP and the monetary amounts attributable to them. The GMP Proposal will include, without limitation, a breakdown of Construction Manager's estimated General Conditions Costs and estimated Costs of the Work organized by trade; contingency amounts; the Construction Phase Fee; and the proposed Contract Time, including dates for Notice to Proceed, Substantial Completion, and Final Completion.

8.4 GMP Proposal Adjustments. The GMP Proposal will allow for reasonably expected changes and refinements in the Drawings and Specifications through completion of the Construction Documents, except for material changes in scope.

8.5 Construction Manager's Contingency. The GMP Proposal may include a Construction Manager's Contingency amount as allowed under Cost of the Work.

8.6 Supporting Documents. Included with its GMP Proposal, Construction Manager will provide two complete, bound sets of the drawings, specifications, plans, sketches, instructions, requirements, materials, equipment specifications and other information or documents that fully describe the Project as developed at the time of the GMP Proposal and that are relevant to the establishment of the GMP. The bound supporting documents will be referenced in and incorporated into the GMP Proposal. The GMP Proposal and all supporting documents will identify and describe all items, assumptions, costs, contingencies, schedules and other matters necessary and relevant for proper execution and completion of the Work and for establishment of the GMP. The GMP Proposal and the supporting documents are complementary and, in the event of an irreconcilable conflict between or among them, the

interpretation that provides for the higher quality of material and/or workmanship will prevail over all other interpretations.

8.7 **No Increase in GMP.** In submitting the GMP Proposal, Construction Manager represents that it will provide every item, system, or element of Work that is identified, shown, or specified in the GMP Proposal or the supporting documents, along with all necessary or ancillary materials and equipment for their complete operating installation, unless specifically excluded by Owner. Upon Owner's acceptance of the GMP Proposal, Construction Manager will not be entitled to any increase in the GMP due to the continued refinement of the Construction Documents or the absence or addition of any detail or specification that may be required in order to complete the construction of the Project as described in and reasonably inferable from the GMP Proposal or the supporting documents used to establish the GMP. This does not include additions and changes requested and approved by the Owner.

8.8 **Conflicts.** The GMP Proposal will adopt and incorporate all of the terms and conditions of this Contract and all attachments to this Contract. Any proposed deviation from the terms and conditions of this Contract must be clearly and conspicuously identified to Owner in writing and specifically accepted by Owner. In the event of a conflict between any term of the GMP Proposal that was not clearly and conspicuously identified and approved by Owner and the terms of this Contract and its attachments, the terms of the Contract and its attachments will control and govern.

8.9 **Acceptance/Rejection of GMP Proposal.** Owner may accept or reject the GMP Proposal or attempt to negotiate its terms with Construction Manager. Upon acceptance by Owner of the written GMP Proposal, both Parties will execute the GMP Proposal. Upon execution of the GMP Proposal, the terms of the GMP Proposal, including the GMP and the supporting documents, will become part of the Contract between Owner and Construction Manager. If Owner rejects the GMP Proposal or the Parties are unable or unwilling to agree on a GMP, Owner may terminate this Contract.

8.10 **Monthly Status Report.** Following Owner acceptance of the GMP Proposal, Construction Manager will continue to monitor the development of the Construction Documents so that, when complete, the Construction Documents adequately incorporate and resolve all qualifications, assumptions, clarifications, exclusions, and value engineering issues identified in the GMP Proposal. During this phase, Construction Manager and A/E will jointly deliver a monthly status report to Owner describing the progress on the incorporation of all qualifications, assumptions, clarifications, exclusions, value engineering issues, and all other matters relevant to the establishment of the GMP into the Construction Documents.

8.11 **Adjustment of the GMP.** Construction Manager will be entitled to an equitable adjustment of the GMP if it is required to pay or bear the burden of any new federal, state, or local tax, or any rate increase of an existing tax, except taxes on income, adopted through statute, court decision, written ruling, or regulation taking effect after acceptance of the GMP Proposal in accordance with **Section 2.6** of the UGC's. This equitable adjustment does not apply to tax increases borne solely by Subcontractors.

8.12 **Conversion to Lump Sum.** The Parties may agree to convert the GMP to a lump sum contract amount at any time after Construction Manager has received bids or proposals from trade Contractors or Subcontractors for the performance of all major elements of the Work. In proposing a lump sum amount, Construction Manager will consider the buyout savings, any

unused contingency amounts, and the trade package contracts that have not been finalized. In preparing a lump sum conversion proposal, Construction Manager must provide the following information:

A. the stage of completion of the Project;
B. the trade packages that have been completely bought out;
C. the trade packages remaining that have not been bought out;
D. a complete line item breakdown of the calculations used to establish a lump sum amount based on the GMP Schedule of Values;
E. an accounting of all savings amounts that are to be returned to Owner as part of the lump sum calculation; and
F. any other Project information requested by Owner.

8.13 **Cost of the Work at Buyout/GMP.** Construction Manager will document the actual Cost of the Work at buyout as compared to the GMP proposal and will report this information to Owner at least monthly and with Construction Manager's recommendation for selection of a bid/proposal for each subcontracting package.

ARTICLE 9. CONSTRUCTION PHASE SERVICES

9.1 The Construction Phase will be deemed to commence upon the date specified in a Notice to Proceed issued by Owner after approval of the GMP Proposal and will continue until Final Completion of all Work. Pre-Construction Phase Services may overlap Construction Phase Services. Construction Manager will not incur any Subcontractor costs for construction of the Work prior to issuance by Owner of written authorization to commence such Work. Construction Manager will perform the following Construction Phase Services.

9.1.1 Construction Manager will construct the Work in strict accordance with the Construction Documents and as required by the UGCs and project Specifications within the time required by the Project Schedule approved by Owner.

9.1.2 Construction Manager will organize and maintain a competent, full-time staff at the Project site with clearly defined lines of authority and communication as necessary to coordinate construction activities, monitor and direct progress of the Work, and further the goals of the Project Team.

9.1.3 Construction Manager will designate in writing a representative who is responsible for the day-to-day management of the Construction Phase Services. The designated representative will be Owner's primary contact during the Construction Phase and will be available as required for the benefit of the Project and Owner. The designated representative will be authorized to act on behalf of and bind Construction Manager in all matters related to Construction Phase Services including, but not limited to, execution of Change Orders and Applications for Payment.

9.1.4 Construction Manager will attend Owner's regularly scheduled Project progress meetings and fully advise the Project Team of the Project status including schedule, costs, quality, and changes.

9.1.5 In addition to attending Owner's regularly scheduled Project progress meetings, Construction Manager will schedule, direct, and attend interim progress meetings with

other members of the Project Team as required to maintain Project progress. Construction Manager will record and distribute the minutes of each meeting to each Project Team member. The minutes will identify critical activities that require action and the dates by which each activity must be completed. The meeting minutes will be distributed within seven days of meeting.

9.1.6 Construction Manager will coordinate delivery and installation of Owner-procured material and equipment.

9.1.7 Construction Manager will provide and pay for all labor, materials, equipment, tools, construction equipment, and machinery, transportation, and all other facilities and services necessary for the proper execution and completion of the Work in strict accordance with the requirements of the Construction Documents.

9.1.8 Construction Manager will obtain any building permits and special permits for permanent improvements that may be required by law or the Construction Documents. Construction Manager will assist Owner or A/E in obtaining all approvals required from authorities having jurisdiction over the Project.

9.1.9 Construction Manager will coordinate, monitor, and inspect the work of Subcontractors to ensure conformance with the Construction Documents.

9.1.10 Construction Manager will promptly correct any defective Work at Construction Manager's sole expense, unless Owner specifically agrees to accept the Work.

9.1.11 Construction Manager will warrant that the materials and equipment provided for the Project will be of good quality and new unless otherwise required or permitted by the Construction Documents; that the construction will be free from faults and defects; and that the construction will conform to the requirements of the Construction Documents. Construction Manager will be responsible for correcting Work that does not comply with the Construction Documents at its sole expense without cost to Owner.

9.1.12 In accordance with the UGCs regarding Record Documents and Owner's project closeout specification, Construction Manager will maintain and deliver the required documents that describe changes or deviations from the Construction Documents that occurred during construction and that reflect the actual "As-Built" conditions of the completed Work.

9.1.13 Upon the execution of the GMP, Construction Manager will prepare and submit to Owner and A/E a construction schedule for the Work and submittal schedule in accordance with the UGCs.

9.1.14 Construction Manager will record the progress of the Project. On a monthly basis, or otherwise as agreed to by Owner, Construction Manager will submit written progress reports to Owner and A/E, showing percentages of completion and other information required by Owner. Construction Manager will also keep, and make available to Owner and A/E, a daily log containing a record for each day of weather, portion of the Work in progress, number of workers on site, identification of equipment on site,

problems that might affect progress of the Work, accidents, injuries, and other information required by Owner.

9.1.15 Construction Manager will develop a system of cost control for the Work, including regular monitoring of actual costs for activities in progress and estimates for uncompleted tasks and proposed changes. Construction Manager will identify variances between actual and estimated costs and report the variances to Owner and A/E and will provide this information in its monthly reports to Owner and A/E, in accordance with **Section 9.1.14** above.

ARTICLE 10. OWNER'S RESPONSIBILITIES

10.1 Designation of A/E. Owner will designate an A/E for the Project to provide services, duties, and responsibilities as described in the A/E/Owner Contract, including any Additional Services requested by Construction Manager that are necessary for the Pre-Construction and Construction Phase services under this Contract.

10.2 Preliminary Project Cost and General Schedule. Owner will provide the Preliminary Project Cost ("**PPC**") and general schedule for the Project. The PPC will include the CCL, contingencies for changes in the Work during construction, and other costs that are the responsibility of Owner. The general schedule will set forth Owner's plan for milestone dates and completion of the Project.

10.3 Owner's Designated Representative. Owner will identify a person as its Owner's Designated Representative ("**ODR**") authorized to administer this Contract on behalf of Owner in accordance with the UGCs, including final determination of fees and costs earned by Construction Manager and equitable back charges against Construction Manager.

10.4 Authority Having Jurisdiction. Owner will designate an employee to act as the primary Authority Having Jurisdiction ("**AHJ**") for all applicable Codes and standards during this Project, including but not limited to:

10.4.1 higher Code authorities including the Joint Commission for accreditation standards relating to Code compliance and building design, and the State Fire Marshal's Office;

10.4.2 the National Fire Protection Association ("**NFPA**") 101 *Life Safety Code* and related codes and standards (mandated by the Centers for Medicare and Medicaid Services ("**CMS**");

10.4.3 the International Building Code ("**IBC**") and related codes (mandated by *Texas Administrative Codes* ("**TAC**");

10.4.4 the Facility Guidelines Institute ("**FGI**") Guidelines for Design and Construction of Hospitals and Outpatient Facilities (mandated by The Joint Commission ("**TJC**"));

10.4.5 ANSI/ASHRAE 170 Ventilation of Healthcare Facilities (mandated by TJC); and

10.4.6 ANSI/ASHRAE 90.1 Energy Standards for Buildings Except Low-Rise Residential Buildings (mandated by State Energy Conservation Office ("**SECO**").

10.5 Consultants. Owner, at Owner's cost, will secure the services of surveyors, soils engineers, existing facility surveys, testing and balancing, environmental surveys or other special consultants to develop such additional information as may be necessary for the design or construction of the Project.

10.6 Laboratory Tests. Owner will arrange and pay for materials, structural, mechanical, chemical, and other laboratory tests as required by the Construction Documents.

10.7 Owner Furnished Services. Owner will furnish all legal, accounting, auditing, and insurance counseling services for itself as may be necessary for the Project.

10.8 Approvals and Decisions by Owner. Owner will render approvals and decisions as expeditiously as is consistent with reasonable skill and care and the orderly progress of Construction Manager's services and of the Work.

10.9 Construction Inspectors. Owner may designate one or more construction inspectors who will be given access to the Work as requested or needed. The provision of inspection services by Owner will not reduce or lessen Construction Manager's responsibility for the Work. Construction Manager is fully and solely responsible for constructing the Project in strict accordance with the Construction Documents.

10.10 Defective Work. Owner will have the right to reject any defective Work on the Project. Should Construction Manager refuse or neglect to correct any such Work within a reasonable time after notice, Owner may have the Work corrected and recover all expenses incurred from Construction Manager on demand.

10.11 Construction Document Sets. Owner will furnish to Construction Manager the number of Construction Document sets as required by this Contract.

ARTICLE 11. OWNERSHIP AND USE OF DOCUMENTS

11.1 Use of Proprietary Documents. Drawings, specifications, and other documents prepared by A/E, its consultants, or other consultants retained by Owner for the Project that describe the Work to be executed by Construction Manager (the "**Proprietary Documents**") are instruments of service and will remain the property of their authors whether the Project for which they are made is executed or not. Construction Manager will be permitted to retain one record set of the Proprietary Documents. All other copies of the Proprietary Documents will be returned to their respective authors or suitably accounted for. Construction Manager and its Subcontractors are authorized to reproduce and use portions of the Proprietary Documents as necessary and appropriate for the execution of the Work. Construction Manager and its Subcontractors will not use the Proprietary Documents on any other projects.

11.2 Preservation of Proprietary Rights. Submission or distribution of the Proprietary Documents to meet official regulatory requirements or for other purposes in connection with the Project will not diminish A/E's or other author's rights.

ARTICLE 12. TIME

12.1 **Progress of the Work.** Unless otherwise approved, Owner and Construction Manager will perform their respective obligations under the Contract as expeditiously as is consistent with reasonable skill and care and the orderly progress of the Work.

12.2 **Critical Path Method.** Prior to commencement of the Construction Phase Services and concomitantly with submission of the GMP Proposal, Construction Manager will submit an up-to-date Critical Path Method ("**CPM**") Schedule for the performance of Construction Phase Services as specified. The CPM Schedule will include reasonable periods of time for Owner's and A/E's review and approval of shop drawings and submissions and for the approval of other authorities having jurisdiction over the Project.

12.3 TIME LIMITS STATED IN THE CONTRACT DOCUMENTS ARE OF THE ESSENCE OF THIS AGREEMENT.

ARTICLE 13. PAYMENTS

13.1 **General Requirements.** Each Schedule of Values submitted with an Application for Payment will include the originally established value for each Work classification line item or subcontract and will identify any revisions to the costs or cost estimates for each Work classification or subcontract. The format and tracking method of the original Schedule of Values and of all updates will be subject to approval by Owner. At all times, the estimated cost of performing the uncompleted and unpaid portion of the Work, including Construction Manager's overhead and profit, will not exceed the unpaid balance of the GMP, less retainage on Work previously completed.

13.2 **Travel Expenses.** Transportation and overnight living expenses in connection with Owner approved out-of-state travel will be identified separately in each Application for Payment. All travel must be approved in writing and in advance by Owner to be eligible for payment.

Allowable expenses are limited as follows:

Travel within Texas:

A. Maximum rates for lodging and meals will be in accordance with the "In State Meals and Lodging Rates", Texas Comptroller of Public Accounts. (Website https://fmx.cpa.state.tx.us/fm/travel/travelrates.php);

B. Lodging: maximum reimbursement for lodging in state will be limited to current State of Texas per diem rates plus city and state taxes. The meal per diem will only be paid on trips involving overnight travel;

C. Meals: reimbursement limited to current State of Texas per diem rate.

13.3 Expenses specifically excluded from reimbursement include telephone charges, FAX services, alcoholic beverages, laundry service, valet service, parking, entertainment expenses, and any non-Project related items. Tips are included in the per diem rates.

13.4 Retainage as specified in the UGCs will be withheld from the entire amount approved in an Application for Payment, except for payments for Pre-Construction Phase Services.

13.5 Owner is an agency of the State of Texas and materials and services utilized in the construction of the Project may be exempted from state and local taxes. Construction Manager is responsible for taking full advantage of all tax exemptions applicable to the Project. Owner will deduct from the Applications for Payment and from the Request for Final Payment any taxes paid for materials or services that were entitled to tax exemption.

13.6 This Agreement is subject to the assessment of liquidated damages against Construction Manager. Amounts assessed as liquidated damages, and other amounts to which Owner is entitled by way of setoff or recovery, may be deducted from any moneys due Construction Manager.

Owner shall have the right to withhold from payments due Construction Manager such sums as are necessary to protect Owner against any loss or damage which may result from negligence by Construction Manager or any Subcontractor or failure of Construction Manager or any Subcontractor to perform their obligations under this Agreement.

13.7 Notwithstanding any other contractual provision to the contrary, Owner shall not be obligated to make any payment to Construction Manager under any of the following circumstances:

13.7.1 Construction Manager persistently fails to perform the Work in accordance with the Contract Documents or is otherwise in material breach or default under this Agreement;

13.7.2 If Owner, in its good faith judgment, determines that the unpaid balance of the GMP is not sufficient to complete the Work in accordance with the Construction Documents;

13.7.3 Construction Manager has persistently failed to complete the Work in accordance with the CPM Schedule requirements or if Owner, in its good faith judgment, determines that the remaining Work will not be completed within the contract time;

13.7.4 Construction Manager is insolvent, makes a general assignment for the benefit of its creditors or otherwise seeks protection under the laws and regulations of the bankruptcy courts; or

13.7.5 Construction Manager fails to obtain, maintain or renew insurance coverage as required by the Agreement.

13.8 No partial payment made by the Owner shall constitute, or be construed to constitute, final acceptance or approval of the work to which the partial payment relates or of the documentation provided in support of the partial payment. No partial payment made by the Owner shall constitute, or be construed to constitute, a release of Construction Manager from any of its obligations or liabilities with respect to the Work.

13.9 Owner shall have the right to verify and audit the details of Construction Manager's billings, certificates, accountings, cost data, and statements, either before or after payment,

by (1) inspecting the books and records of Construction Manager during normal business hours; (2) examining any reports with respect to this Project; (3) interviewing Construction Manager's employees; (4) visiting the Project site; and (5) any other reasonable action. Construction Manager's records shall be kept on the basis of generally accepted accounting principles in accordance with cost accounting standards issued by the Federal Office of Management and Budget Cost Accounting Standards Board and organized by each Application for Payment period.

13.10 **Pre-Construction Phase Payments.** Payments for Pre-Construction Phase Services will be made monthly based on the percentage completion of Construction Manager's required services for each stage of development of the Construction Documents and the procurement of Subcontractor bids/proposals in accordance with the following schedule:

A.	***Schematic Design Stage***	***10%***
B.	***Design Development Stage***	***20%***
C.	***XX% Construction Documents/GMP Development Stage***	***XX%***
D.	***XX% Construction Documents/GMP Development Stage***	***XX%***
E.	***95% Construction Documents/GMP***	***XX%***
F.	***100% Construction Documents Stage***	***10%***
G.	***Subcontractor Bid/Proposal Stage***	***10%***

All payment requests for Pre-Construction Phase Services will be submitted on an Application for Payment and Schedule of Values approved by Owner and includes all required attachments identifying payments to HUBs and to all Subcontractors.

13.11 Construction Phase Payments

13.11.1 Payments for Construction Phase Services shall be made as provided for in the UGCs and the Owner's Specifications

13.11.2 Owner shall have no obligation to make Final Payment until a complete and final accounting of the Direct Construction Cost has been submitted by Construction Manager and has been audited and verified by Owner or Owner's representatives.

13.11.3 Nothing contained herein shall require the Owner to pay the Construction Manager an aggregate amount for Construction Phase Services that exceeds the Guaranteed Maximum Price or to make any payment if, in the Owner's belief, the cost to complete the Work would exceed the Guaranteed Maximum Price less previous payments to Construction Manager. The total amount of all Construction Phase payments to the Construction Manager shall not exceed the actual verified Direct Construction Cost for the Project plus the Construction Manager's Construction Phase Fee.

13.11.4 The acceptance by Construction Manager or Construction Manager's successors of Final Payment under this Agreement shall constitute a full and complete release of Owner from any and all claims, demands, and causes of action whatsoever that Construction Manager, its Subcontractors, suppliers and consultants or any of their successors or assigns have or may have against Owner arising from the Project or any provision(s) of this Agreement, except for those previously made in writing and identified by Construction Manager as unsettled at the time of the Request for Final Payment.

ARTICLE 14. DIRECT CONSTRUCTION COST

Direct Construction Cost means the sum of the amounts that Construction Manager actually and necessarily incurs constructing the Work in strict compliance with the Construction Documents. Direct Construction Cost includes only the cost categories set forth in this Article and does not include the Pre-Construction Phase Fees or the Construction Phase Fees unless specifically noted.

14.1 General Conditions Costs

14.1.1 Construction Manager is entitled to receive payment for the actual cost of the allowable General Conditions items incurred after receipt of a Notice to Proceed with Construction from Owner through Substantial Completion of the Project plus 30 calendar days. Construction Manager is not entitled to reimbursement for General Conditions Costs incurred before receipt of the Notice to Proceed. General Conditions Costs incurred after Substantial Completion must be approved in advance by Owner.

14.1.2 Allowable General Conditions items are identified below and by **Attachment G**. These items will be included in the General Conditions cost amount shown as a line item in the GMP Proposal and as detailed on the Schedule of Values. Items not specifically included below or in the exhibit will not be allowed as a General Condition cost.

A. The actual Worker Wage Rate for Construction Manager's hourly employees and the Monthly Salary Rate of Construction Manager's salaried personnel who are identified to Owner in advance and in writing, but only for the time actually stationed at the Project site with Owner's prior consent. The Project Manager's Monthly Salary Rate may be included in the General Conditions Costs only when the Project Manager is directly managing the Project. All personnel costs are subject to audit to determine the actual cost of the wages, salaries, and allowable employer contributions incurred by Construction Manager for services performed for the Project.

B. Costs of long-distance telephone calls, telegrams, postage, package delivery and courier service, hardwired telephone service, and reasonable expenses of Construction Manager's jobsite office if incurred at the Project site and directly and solely in support of the Work.

C. Costs of materials, supplies, temporary facilities, equipment, and hand tools (except those customarily owned by construction workers), supplied to the Project site by Construction Manager, if such items are fully consumed in the construction of the Work and are included in the list of allowable General Condition Line Items. Cost for used items will be based on fair market value and may include transportation, installation, and minor maintenance costs, and removal costs. If an item is not fully consumed in the construction of the Work, its cost will be based on actual cost of the item less its fair market salvage value.

D. Rental charges for temporary facilities, equipment, and hand tools (except those customarily owned by construction workers), supplied to the Project site by Construction Manager, provided they are included in the list of allowable General Condition Line Items and Owner has approved the rentals and the rental rates in advance and in writing. Rental rates may include transportation,

installation, and minor maintenance costs, and removal costs. For tools, machinery or construction equipment rented directly from Construction Manager, the rental rate, including freight and delivery costs and all operating expenses except labor, will be approved in advance by Owner and shall be no higher than the prevailing competitive rates for rental of similar equipment in the Project vicinity.

E. The aggregate rental cost of any item charged to Owner will not exceed **90%** of the purchase price and maintenance cost of the item. If the anticipated aggregate rental cost for an item of equipment exceeds **90%** of the purchase and maintenance price, Construction Manager will purchase the equipment and turn it over to Owner upon final completion of the Work or, at Owner's option, credit Owner with the fair market resale value of the item.

F. Premiums for Construction Manager's insurance and bonds to the extent directly attributable to this Project. Premiums for bonds and/or Subcontractor default insurance purchased for Subcontractor Work are excluded from General Conditions costs.

14.2 Cost of the Work

14.2.1 Construction Manager is entitled to receive payment for the actual cost of the allowable Cost of the Work items incurred after receipt of Owner's written authorization to commence the Construction Phase Work through Final Completion of the Project. Construction Manager is not entitled to reimbursement for Cost of the Work costs incurred before receipt of Owner's written authorization. Cost of the Work includes the following:

A. costs of materials and equipment purchased directly by Construction Manager and incorporated into or consumed in the performance of the Work, including transportation charges, and a reasonable and customary allowance for waste and spoilage;

B. costs of site debris removal and disposal in accordance with all applicable laws and regulations if not otherwise included in General Conditions;

C. payments made to Subcontractors and their vendors or suppliers by Construction Manager for the subcontract work in accordance with the Construction Documents and the requirements of the subcontracts with the Subcontractors, vendors, or suppliers, <u>however, the cost of Subcontractor payment and performance bonds, if any, are specifically excluded from the Cost of the Work;</u>

D. payments earned by Construction Manager for self-performed subcontract work, other than General Conditions work, in accordance with the Construction Documents and the terms of this Contract and approved by Owner;

E. testing fees pursuant to **Article 8** of the UGCs;

F. intellectual property royalties and licenses for items specifically required by the Construction Documents which are, or will be, incorporated into the Work;

G. Costs associated with any Subcontractor default insurance program (one such common product is referred to as "**SUBGUARD**") provided or required by Construction Manager ARE EXPLICITLY EXCLUDED from the Cost of the Work.

14.3 Construction Manager's Contingency

14.3.1 The GMP Proposal may include a Construction Manager's Contingency amount to be used to fund increases in the Direct Construction Cost of the Project identified through the refinement, development, and completion of the Construction Documents or procurement of the Work, as set forth in **Section 8.5.**

14.3.2 Any re-allocation of funds from Construction Manager's Contingency to cover increases in the Direct Construction Cost must be approved by Owner in advance and in writing, such approval not to be unreasonably withheld. In written requests to use Construction Manager's Contingency, Construction Manager will provide detailed documentation of the Scope of Work affected and the bases for any increases in costs.

14.3.3 Construction Manager's Contingency is specifically not to be used for Contractor rework, unforeseen conditions, cost increases caused by lack of coordination or communication with A/E or trade Subcontractors, or to correct errors or omissions in the Construction Documents.

14.3.4 As the Construction Documents are finalized and the Buyout of the Work progresses Construction Manager's Contingency amount will be reduced by mutual agreement of Owner and Contractor. Any balance in Construction Manager's Contingency fund remaining at the end of the Project will be returned to Owner as savings.

ARTICLE 15. CONSTRUCTION PHASE FEE

15.1 Construction Manager's Construction Phase Fee is the maximum amount payable to Construction Manager for any cost or profit expectation incurred in the performance of the Work that is not specifically identified as being eligible for reimbursement by Owner elsewhere in the Contract. References in the UGCs to Construction Manager's "**overhead**" and "**profit**" mean Construction Manager's Construction Phase Fee. The Construction Phase Fee includes, but is not limited to, the following items:

15.1.1 All profit, profit expectations, and costs associated with profit sharing plans such as personnel bonuses, incentives, and rewards; company stock options; or any other like expenses of Construction Manager;

15.1.2 Salaries of Construction Manager's officers, project manager(s), estimators, schedulers, and all other employees not stationed at the Project site and performing services directly related to the Project;

15.1.3 Any and all overhead, labor, or general expenses of any kind unless specifically allowed under General Conditions. These costs include, but are not limited to: costs for the purchase, lease, rental, allowance, or maintenance of vehicles, radios/communication equipment, jobsite computers, copiers, and other business equipment, specialized telephone systems and cellular/digital phones; trade or professional association dues; costs for hiring and/or relocation of any of Construction Manager's personnel; and travel, per diem, and subsistence expense of Construction Manager, its officers, or employees except as specifically allowed under General Conditions.

15.1.4 In the event that Construction Manager elects to provide or require participation in a Subcontractor SUBGUARD or substantially equivalent insurance product or subcontractor default insurance program, the entire cost of the insurance program and all costs related to the administration of the program will be included in the Construction Phase Fee.

15.1.5 All costs associated with payment and performance bonds obtained from trade Contractors or Subcontractors, including bonds for change orders to subcontracts and the cost of any bonds for minor work that might be included in the general conditions.

15.1.6 Any financial costs incurred by Construction Manager including the cost of capital or interest on capital, regardless of whether it is related to the Project, and costs associated with construction warranty reserves.

15.1.7 Any legal, accounting, professional, or other similar costs incurred by Construction Manager, including costs incurred in connection with the prosecution or defense of any dispute, mediation, arbitration, litigation, or other such proceeding related to or arising from the Project.

With regard to subsections 15.1.8 to 15.1.12, the following applies: These fees, fines, penalties, and other costs and expenses referred to below, may be included in the Construction Phase Fee, but if not included, will not be eligible for reimbursement without Owner's prior written approval.

15.1.8 Any Federal and/or State income and franchise taxes paid by Construction Manager. Any fines, penalties, sanctions or other levies assessed by any governmental body against Construction Manager.

15.1.9 Any cost arising out of a breach of this Contract or the fault, failure or negligence of Construction Manager, its Subcontractors, or any person or entity for whom they may be liable. These costs include, without limitation: costs to remedy defective, rejected, or nonconforming work, materials or equipment; costs due to failure to coordinate the Work or meet CPM Schedule milestones; costs arising from Construction Manager's contractual indemnification obligations; liquidated or actual damages imposed by Owner for failure to complete the Work within the Contract Time; costs due to the bankruptcy or insolvency of any Subcontractor; and damage or losses to persons or property.

15.1.10 The cost of any and all insurance deductibles payable by the Construction Manager and costs due to the failure of Construction Manager or any Subcontractor to procure and maintain insurance as and to the extent required by the Contract Documents.

15.1.11 Any and all costs that would cause the Guaranteed Maximum Price to be exceeded, other than costs attributable to change orders which increase the contract amount. For change order work which increases the contract amount, other than Guarantee Maximum Price Change Orders, overhead and profit shall be determined in accordance with the "Changes" section of the UGCs.

15.1.12 Any and all costs not specifically identified as an element of the Direct Construction Cost.

ARTICLE 16. CONTRACT SAVINGS, ALLOWANCES, REBATES & REFUNDS

16.1 If the allowable amount of the Cost of Work, General Conditions, and Construction Manager's Contingency is less than the amount established for each of those line items in the originally approved GMP Proposal, the entire difference will be credited to Owner as savings and the Contract amount will be adjusted accordingly, including associated Construction Phase Fees. When buyout of the Project is at least 85% complete, Owner may recognize any savings achieved to that point by issuing a deductive change order for the saved amount.

16.2 Items to be provided for through Owner's Special Cash Allowances will be clearly identified in the Construction Documents and the GMP proposal. The Cost of the Work included in the Allowances will be determined in accordance with the UGCs. Any claim by Construction Manager for an adjustment to an Allowance amount included in the GMP based on the cost of Allowance work will be made within a reasonable time after the issuance of the Construction Documents for the Allowance items. Construction Manager will not be entitled to any increase in its Construction Phase Fee for increases to Allowance amounts that were initially based on estimates provided by Construction Manager. Owner will be entitled to retain 100% of the balance of any unused Allowance amount.

16.3 Owner will be entitled to deduct amounts for the following items from any Application for Payment or from the Request for Final Payment submitted by Construction Manager:

16.3.1 The fair market value of all tools, surplus materials, construction equipment, and temporary structures that were charged to the Work (other than rental items) but were not consumed during construction or retained by Owner. Upon completion of the Work or when no longer required, Construction Manager will either credit Owner for the fair market value (as approved by Owner) for all surplus tools, construction equipment and materials retained by Construction Manager or, at Owner's option, use commercially reasonable efforts to sell the surplus tools, construction equipment, and materials for the highest available price and credit the proceeds to Owner's account.

16.3.2 Discounts earned by Construction Manager through advance or prompt payments funded by Owner. Construction Manager will obtain all possible trade and time

discounts on bills for material furnished, and will pay bills within the highest discount periods. Construction Manager will purchase materials for the Project in quantities that provide the most advantageous prices to Owner.

16.3.3 Rebates, discounts, or commissions obtained by Construction Manager from material suppliers or Subcontractors, together with all other refunds, returns, or credits received for materials, bond premiums, insurance, and sales taxes.

16.3.4 Deposits made by Owner and forfeited due to the fault of Construction Manager.

16.3.5 Balances remaining on any Allowances, Construction Manager's Contingency, or any other identified contract savings.

16.4 Owner will be entitled to recover any savings realized between the GMP and the buyout price for subcontracting work, provided however, that Construction Manager may use such savings to offset other buyout packages that exceed the amounts identified in the initial GMP, so long as the total Cost of Work proposed in the GMP does not increase.

16.5 Owner will be entitled to recognize and recover 100% of any savings identified by cost review or audit at any time, before or after Final Payment.

ARTICLE 17. PRE-EXISTING CONDITIONS & DESIGN ERRORS AND OMISSIONS

17.1 Construction Manager acknowledges that it has been provided unrestricted access to the existing improvements and conditions on the Project site and that it has thoroughly investigated those conditions. Construction Manager's investigation was instrumental in preparing its GMP Proposal for the Work. Construction Manager will not make or be entitled to any claim for any adjustment to the Contract Time or the Contract Sum for Pre-Construction Phase Services or for Construction Phase Services arising from Project conditions that Construction Manager discovered or, in the exercise of reasonable care, should have discovered in Construction Manager's investigation.

17.2 Construction Manager acknowledges that as part of its Pre-Construction Phase Services, it will participate in the development and review of the Construction Documents. Construction Manager's participation in the design development process will be instrumental in preparing its GMP Proposal for the Work. Before submitting its GMP Proposal, Construction Manager will review the drawings, specifications, and other Construction Documents and notify Owner of any errors, omissions, or discrepancies in the Construction Documents of which it is aware. Construction Manager will not make or be entitled to any claim for any adjustment to the Contract Time or the Contract Sum for errors or omissions in the Construction Documents that Construction Manager discovered or, in the exercise of reasonable care, should have discovered in Construction Manager's Pre-Construction Phase design review process that Construction Manager did not bring to the attention of Owner and A/E in a timely manner.

ARTICLE 18. COMPENSATION

18.1 Guaranteed Maximum Price

18.1.1 The anticipated GMP for the Project at the time this Contract was executed is:

<$XX,XXX,XXX.00>;

18.2 Pre-Construction Phase Fee

18.2.1 For Pre-Construction Phase Services, Owner will pay Construction Manager a Pre-Construction Phase Fee in the total stipulated amount of:

<$XXX,XXX.00>;

18.2.2 Refer to **Section 13.4** for the percentages of each stage of Work within the Pre-Construction Phase Fee for payment purposes.

18.3 Construction Phase Fee

18.3.1 For Construction Phase Services, Owner will pay Construction Manager a stipulated Construction Phase Fee equal to **<X.XXX>%** of the GMP for the Project.

18.3.2 Based on the anticipated GMP established at the time of this Contract, the Construction Phase Fee would be the total stipulated amount of:

<$XXX,XXX.00>;

18.4 If Owner agrees to an increase in the GMP during the Construction Phase, the Construction Phase Fee will be equitably adjusted by applying the percentage established in **Section 18.3.1** to the amount of the increase in the GMP. For change order work which increases the contract amount, other than GMP Change Orders, overhead and profit costs will be determined in accordance with the "Changes" section of the UGCs.

18.5 The percentage rate established in **Section 18.3.1** of this Contract for calculation of the Construction Phase Fee cannot be increased except with the express written approval of Owner.

18.6 Limitation on General Condition Costs

18.6.1 Based on the anticipated GMP established at the time of this Contract, the maximum allowable amount of General Conditions Costs payable to Construction Manager during the Construction Phase of the Project will not exceed <**X.XXX**>**%** of the GMP for the Project.

18.6.2 Based on the anticipated GMP established at the time of this Contract, the maximum allowable amount of General Conditions Costs would be the total amount of:

<$XXX,XXX.00>;

18.7 If Owner agrees to an increase in the GMP during the Construction Phase, the maximum allowable amount of General Conditions Costs will be equitably adjusted by applying the percentage established in **Section 18.6.1** to the amount of the increase in the GMP. For change

order work which increases the contract amount, other than GMP Change Orders, overhead, and profit costs will be determined in accordance with **Article 11** of the UGCs.

18.8 The percentage rate established in **Section 18.6.1** of this Contract for calculation of the General Conditions Costs cannot be increased except with the express written approval of Owner.

18.9 The **anticipated Contract Sum,** as defined herein, is <Pre-Construction Phase Fee plus GMP>**.** Any costs that exceed the Contract Sum, and any amendments or adjustments thereto, will be borne solely by Construction Manager without reimbursement by Owner.

ARTICLE 19. MISCELLANEOUS PROVISIONS

19.1 **Proprietary Interests.** All information owned, possessed, or used by Owner which is communicated to, learned, developed, or otherwise acquired by Construction Manager in the performance of services for Owner, which is not generally known to the public, will be confidential. Construction Manager will not, beginning on the date of first association or communication between Owner and Construction Manager and continuing through the term of this Contract and any time thereafter, disclose, communicate or divulge, or permit disclosure, communication or divulgence, to another or use for Construction Manager's own benefit or the benefit of another, any such confidential information, unless required by law. Except when defined as part of the Work, Construction Manager will not make any press releases, public statements, or advertisement referring to the Project or the engagement of Construction Manager as an independent Contractor of Owner in connection with the Project, or release any information relative to the Project for publications, advertisement, or any other purpose without the prior written approval of Owner. Construction Manager will obtain assurances similar to those contained in this Subsection from persons, vendors, and consultants retained by Construction Manager. Construction Manager acknowledges and agrees that a breach by Construction Manager of the provisions hereof will cause Owner irreparable injury and damage. Therefore, Construction Manager expressly agrees that Owner will be entitled to injunctive and/or other equitable relief in any court of competent jurisdiction to prevent or otherwise restrain a breach of this Contract.

19.2 **Waivers**. No delay or omission by either of the Parties hereto in exercising any right or power accruing upon the non-compliance or failure of performance by the other Party hereto of any of the provisions of this Contract will impair any such right or power or be construed to be a waiver thereof. A waiver by either of the Parties hereto of any of the covenants, conditions, or agreements hereof to be performed by the other Party hereto will not be construed to be a waiver of any subsequent breach thereof or of any other covenant, condition, or agreement herein contained. A payment, act, or omission in any manner will not impair or prejudice any right, power, privilege, or remedy available to Owner to enforce its rights, powers, privileges, and remedies as they are specifically preserved. No employee or agent of Owner may waive the effect of this provision. No waiver by Owner is valid unless authorized by Owner's Executive Commissioner or his/her designee in writing.

19.3 **Appointment.** Owner hereby expressly reserves the right from time to time to designate by notice to Construction Manager a representative(s) to act partially or wholly for Owner in connection with the performance of Owner's obligations. Construction Manager will act only upon instructions from the ODR unless otherwise specifically notified to the contrary.

19.4 Contract Representatives. The following will act as the representative authorized to administer activities under this Contract on behalf of their respective Party, and to receive all written communications and electronic communications by the Parties, except for and excluding legal notice. Delivery of the written or electronic communications may be by e-mail, overnight delivery, hand delivery, or United States mail, return receipt requested. Delivery of the written or electronic communications shall be deemed completed upon actual receipt by the intended Party. The Construction Manager's designated representative may be referred to as its "**Project Manager**," and Owner's Designated Representative may be referred to as its "**ODR**." The designated Project Manager and ODR are as follows:

Project Manager
<Insert Name of CMR PM>
<Insert Street Address>
< Insert City, State ZIP code>
<(XXX) XXX-XXXX>
<Insert email XX@XXXX.com>

ODR
<Insert Name>, Architect
909 West 45th Street; Mail Code: 2064
Austin, Texas 78751
<(XXX) XXX-XXXX>
<Insert email XXX@hhsc.state.tx.us>

With copy to:

Renu Razdan, AIA, LEED AP, BD+C
Director, Maintenance and Construction Dept.
909 West 45th Street; Mail Code: 2064
Austin, Texas 78751
(512) 206-4692
renu.razdan@hhsc.state.tx.us

Either Party may change its designated representative by providing written notice to the other Party.

19.5 Legal Notices. Any legal notice required under this Contract will be deemed delivered when actually received by the receiving Party. Acceptable means of transmission or delivery for the legal notice are as follows: (i) the United States mail, postage paid, certified, return receipt requested; (ii) a common carrier, overnight, signature required; or (iii) personal or hand delivery, signature required to the appropriate address below:

Construction Manager
<Insert Company Name>
Attn: <Insert Name>
<Insert Address>
<Insert City, State ZIP code>

With copy to:
<Insert Company Name>
<Insert Address>
<Insert City, State ZIP code>

Owner
Health and Human Services Commission
Attn: Office of Chief Counsel
4900 N. Lamar Boulevard; MC 1100
Austin, Texas 78751

With copy to:
Health and Human Services Commission
Attn: Director of Maintenance and Const.
909 West 45th Street; Mail Code: 2064
Austin, Texas 78751

Either Party may change its address for notice by written notice to the other Party.

19.6 Severability. If any provision contained in this Contract is held to be unenforceable by a court of law or equity, this Contract will be construed as if such provision did not exist and the non-enforceability of such provision will not be held to render any other provision or provisions of this Contract unenforceable.

19.7 Survivability. Termination or expiration of this Contract or a Contract for any reason will not release either Party from any liabilities or obligations in this Contract that the Parties have expressly agreed will survive any such termination or expiration, remain to be performed, or by their nature would be intended to be applicable following any such termination or expiration, including maintaining confidentiality of information and records retention.

19.8 Captions. The captions of sections in this Contract are for convenience only and will not be considered or referred to in resolving questions of interpretation or construction.

19.9 Counterparts. This Contract may be executed in multiple counterparts, each of which will be deemed, construed, and considered to be an original, but all of which will constitute one and the same instrument. Each Party agrees that this Contract, as well as any amendments thereto, may be executed by written or electronic signature and may be delivered in multiple counterparts by facsimile or other electronic transfer of an originally signed document, each of which will be as binding on the Party or Parties as an original document. The Parties each agree that this transaction and Contract may be conducted under the Texas Uniform Electronic Transactions Act ("**UETA**"), and, in particular, the Parties each consent to an electronic signature (as defined in Texas UETA) as an enforceable signature for this Contract and any amendment thereto. The Parties further agree that that any objections that electronic signatures and electronically transmitted documents do not constitute the "best evidence" of the documents, or that they do not comply with the "Statute of Frauds," as well as any other similar objections to the validity or admissibility of the document, are hereby expressly waived by the Parties.

19.10 Extent of Contract. This Contract supersedes all prior Contracts concerning this Project, written or oral, between Construction Manager and Owner, and will constitute the entire Contract and understanding between the Parties with respect to the subject matter hereof. This Contract and each of its provisions will be binding upon the Parties and may not be waived, modified, amended or altered except by a writing signed by Owner and Construction Manager.

19.11 Entire Contract. This Contract is intended as a complete and exclusive statement of the promises, representations, negotiations, discussions, and other agreements which may have been made in connection with the subject matter hereof. Any additional or conflicting terms in any future document incorporated into the Contract will be harmonized with this Contract to the extent possible by Owner.

19.12 Independent Contractor. Construction Manager acknowledges that it is engaged by this Contract as an independent contractor and that Owner has no responsibility to provide Construction Manager or its employees with transportation, insurance, or other fringe benefits normally associated with employee status. Construction Manager is not, and will not claim to be, an officer, partner, employee or agent of Owner and will not make any claim, demand or application to or for any right or privilege applicable to an officer, partner, employee or agent of Owner, including, but not limited to, unemployment

insurance benefits, social security coverage or retirement benefits. Construction Manager hereby agrees to make Construction Manager's own arrangements for any of such benefits as Construction Manager may desire and agrees that Construction Manager is responsible for all income taxes required by applicable law.

19.13 Captions. The captions of paragraphs in this Agreement are for convenience only and shall not be considered or referred to in resolving questions of interpretation or construction.

19.14 Disclosure of Copies. Construction Manager agrees that Owner has the right to use, produce, and distribute copies of, and to disclose to Owner employees, agents, and contractors and other governmental entities, all or part of this Contract or any related Solicitation Response as Owner deems necessary to complete the procurement process or comply with state or federal laws.

19.15 Assignment. Owner and Construction Manager, respectively, bind themselves, their partners, successors, assigns, and legal representatives to the other Party to this Contract, and to the partners, permitted successors, assigns, and legal representatives of such other Party with respect to all covenants of this Contract. Pursuant to this Contract, duties hereunder and/or fees due hereunder may not be assigned or delegated to a third Party without the written approval of Owner. The benefits and burdens of this Contract are, however, assignable by Owner.

19.16 Records Retention. All records relevant to this Contract will be retained by Construction Manager for a minimum of seven (7) years. This retention period runs from the date of payment for the relevant goods or services by Owner, or from the date of termination of the Contract, whichever is later. Retention time will be extended when an audit is scheduled or in progress for a period reasonably necessary to complete an audit and/or to complete any administrative proceeding or litigation which may ensue.

19.17 Limitation on Authority and No Other Obligations. Construction Manager will have no authority to act for or on behalf of Owner or the State of Texas except as expressly provided for in this Contract; no other authority, power, or use is granted or implied. Owner hereby expressly reserves the right from time to time to designate by written notice to Construction Manager to act partially or wholly for Owner in connection with the performance of Owner's obligations hereunder. Construction Manager may not incur any debts, obligations, expenses, or liabilities of any kind on behalf of Owner or the State of Texas.

19.18 Estimated Construction Cost Reports

19.18.1 Construction Manager will prepare and update, as part of Pre-Construction Services, an Estimated Construction Cost report as follows:

A. 100% completion of Schematic Design Phase;
B. 100% completion of Design Development Phase;
C. XX% completion of Construction Documents Phase;
D. XX% completion of Construction Documents Phase;
E. 95% completion of Construction Documents Phase; and

F. 100% completion of Construction Documents Phase (GMP).

19.19 Construction Document Sets

A/E will coordinate the printing, binding, and distribution of the initial issuance of all Construction Documents to all Subcontractor proposers requesting documents in order to provide proposals to Construction Manager. A maximum of 25 sets will be furnished at the expense of Owner. Construction Manager will utilize all Construction Documents returned to A/E from the Subcontractor proposers.

(Signature Page Follows)

Signature Page for
HHSC Contract No. <INSERT CONTRACT NUMBER>

BY SIGNING BELOW, the Parties have executed and bound themselves to this Contract as of the Effective Date.

Health and Human Services Commission	**<Insert Company Name>**
By:_____	By:_____
<Insert Signature Authority>	
<Insert Title>	Name:_____
	Title:_____
Date of execution:_____	Date of execution:_____

The following attachments to this Contract are hereby attached and incorporated by reference:

ATTACHMENT A	**Contract Affirmations for State Architectural/Engineering and Construction Projects**
ATTACHMENT B	**Texas Uniform General Conditions for Construction Contracts with HHSC Supplementary General Conditions**
ATTACHMENT C	**Facility Specific Policies and Procedures**
ATTACHMENT D	**Prevailing Wage Rates**
ATTACHMENT E	**Respondent's Signed Pricing and Delivery Proposal**
ATTACHMENT F	**Respondent's Historically Underutilized Business Subcontracting Plan**
ATTACHMENT G	**Allowable General Conditions Line Items**
ATTACHMENT H	**Guaranteed Maximum Price Proposal**
EXHIBIT 1	**Guidelines for the Preparation of the Guaranteed Maximum Price Proposal**
EXHIBIT 2	**Performance and Payment Bond Forms**
ATTACHMENT I	**Construction Manager's Personnel and Monthly Salary Rates**
ATTACHMENT J	**Additional Services Proposal for Pre-Construction Phase Services**
ATTACHMENT K	**HHSC Project Special Conditions**