

**CITY OF DETROIT BUILDING AUTHORITY  
DESIGN/BUILD CONSTRUCTION SERVICES AGREEMENT  
WITH  
IDEAL CONTRACTING, LLC**

THIS AGREEMENT, dated and made effective as of this 21<sup>st</sup> day of September, 2023 (hereinafter called the "Agreement"), by and between the **CITY OF DETROIT BUILDING AUTHORITY**, a public authority and body corporate organized and existing under the authority of Act 31, Public Acts of Michigan, 1948 (First Extra Session), as amended, located at 1301 Third Street, Suite 328, Detroit, Michigan 48226 (herein called the "Authority") and **IDEAL CONTRACTING, LLC** a Michigan limited liability company, with offices at 2525 Clark Street, Detroit, Michigan 48209 (hereinafter called the "Contractor").

W I T N E S E T H:

WHEREAS, the Authority has determined that it is necessary to engage the Contractor to provide design, engineering, construction, electrical, mechanical and renovation, of the East Side Trash Transfer Station at 5700 Russell Street, Detroit, Michigan (the "Project"); and

WHEREAS, the services necessary for the implementation of the Project (herein collectively called the "Services") are described in Exhibit A, hereto, and are to be performed in accordance with this Agreement and said Exhibit A; and

WHEREAS, the Contractor has the requisite skills necessary to assist the Authority and represents that it is fully qualified and capable of performing the Services required hereunder upon the terms and conditions hereinafter set forth; and

WHEREAS, the Authority has adopted or will adopt a resolution authorizing the engagement of the Contractor for the Services.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, the parties agree as follows:

ARTICLE I  
Engagement of Contractor

1.01 The Authority hereby engages the Contractor and the Contractor agrees to perform the Services as set forth in Exhibit A to this Agreement in accordance with the terms and conditions contained in this Agreement.

1.02 The relationship of the Contractor and the Authority shall be that of an independent contractor and no liability or benefits, such as retirement benefits or liabilities, pension rights or liabilities, holiday pay, sick pay, vacation pay, personal injury or property

insurance rights or liabilities, or such other rights, provisions or liabilities arising out of a contract of hire or employer/employee relationship either express or implied shall arise or accrue to either party as a result of this Agreement and undertaking.

## ARTICLE II

### Level of Performance, Warranty, Documents and Dispute Resolution

2.01 The Contractor warrants that its performance of the Services set forth in Exhibit A shall be of the highest standard of care and skill executed by expert members of its trade. All of the Services shall be subject to the approval of the Authority or such other representative as may be designated by the Authority.

2.02 The Contractor shall during the term of the Agreement, devote such time, attention, skill, knowledge and ability as is necessary to carry out and perform the Services, as herein required.

2.03 The Contractor warrants and represents that all materials and equipment included in its work hereunder are new, unless otherwise specified, and that the work is of good quality, free from improper workmanship and defective materials and in conformance with design documents for the Project. Any portion of the work that does not conform to the contract documents for the Project, including substitutions not properly approved and authorized, may be considered defective and shall be replaced by the Contractor without cost to the Authority upon discovery by the Authority. The Contractor shall correct defects in materials and/or workmanship for a period of one (1) year from the final completion date of the phase in which such portion of the work is included or final completion of this Agreement, whichever is longer. The Contractor shall collect and deliver to the Authority, in bound and indexed form, all written warranties on materials, equipment and installations. All warranties shall commence on the final completion date of the phase in which such work is included, unless otherwise defined by the contract documents. The Contractor shall warrant by sworn statements and waivers of lien that title to the work invoiced in its progress payment application will pass to the Authority upon receipt of payment by the Authority. The Contractor shall warrant that all completed work covered by an application for payment is free and clear of all liens, claims, security interests, or encumbrances, and that no portions of the work, materials, or equipment has been acquired by the Contractor, or by any other person performing any portion of the work, subject to an agreement under which an interest therein or an encumbrance thereon is retained by the other person or can be otherwise imposed on the Contractor by such other persons. The Contractor and all subcontractors shall agree that title will so pass upon the Contractor's receipt of payment from the Authority.

2.04 The Contractor agrees to provide copies of any documents furnished to the Authority as part of the Project, if requested by the Authority, to the office of the Mayor of the City of Detroit.

2.05 Unforeseen Site Conditions

2.05.1 If the Contractor discovers one or both of the following physical conditions of the surface or subsurface at the Project site, before disturbing the physical condition, the Contractor shall promptly notify the Authority of the physical condition in writing:

- (a) A subsurface or other latent physical condition at the site differs materially from the condition indicated in the Contract Documents.
- (b) A previously unknown physical condition at Project the site is of an unusual nature differing materially from conditions ordinarily encountered and generally recognized as inhering in work of the character provided for in the Agreement.

2.05.2 If the Authority receives a notice under Section 2.04.1, the Authority shall promptly investigate the physical condition.

2.05.3 If the Authority reasonably determines that the physical conditions do materially differ and will cause an increase or decrease in costs or additional time needed to perform the contract, the Authority's determination shall be made in writing and an equitable adjustment shall be made and the Agreement modified in writing accordingly.

2.05.4 The Contractor cannot make a claim for additional costs or time because of a physical condition unless the Contractor has complied with the notice requirements of Section 2.05.1. The Authority may extend the time required for notice under Section 2.05.1.

2.05.5 The Contractor cannot make a claim for an adjustment under the Agreement after the Contractor has received the final payment under the Agreement.

2.06 In the event that there shall be any dispute between the parties with regard to the extent and character of the Services to be performed, the reasonable interpretation and determination of the Authority or such other representative as may be designated by the Authority shall govern.

## 2.07 Additional Services

2.07.1 The following services are not included in Services and shall only be performed by the Contractor upon the written request of the Authority, as follows:

2.07.2 Work not included in the Services described in Exhibit A.

2.07.3 Preparation to serve as a witness on behalf of the Authority in connection with any public hearing, arbitration proceeding or legal proceeding in which the Contractor is not a party.

2.07.4 Provision of any other services not otherwise included in this Agreement.

ARTICLE III  
Contract Term

3.01 The Services to be performed by the Contractor pursuant to the terms of this Agreement shall begin on the date the Authority sends the Contractor a notice to proceed with the Project (the "Effective Date"), and shall be complete not later than September 20, 2024, (the Contract Term), unless the term of this Agreement is otherwise extended in writing by the Authority.

ARTICLE IV  
Compensation

4.01 The Authority agrees to pay the Contractor for the proper performance of the Services and the Contractor guarantees that it will complete the Services described in Exhibit A hereto as follows:

a. Cost of the Project shall not exceed One Million Eight Hundred Thousand and 00/100 (\$1,800,000.00) Dollars, which shall include the Professional Fee and the Cost of General Conditions as provided below:

b. Cost of the Work shall not exceed One Million Four Hundred Six Thousand One Hundred Thirty and 00/100 (\$1,406,130.00) Dollars.

c. Contractor's General Conditions (including the cost of insurance) shall not exceed Three Hundred Thirty-Six Thousand Five Hundred Forty and 00/100 (\$336,540.00) Dollars.

d. Payment and performance bonds shall not exceed Sixteen Thousand Eight Hundred Thirty and 00/100 (\$16,830.00) Dollars.

e. Contractor's Professional Fee shall not exceed One Hundred Forty-Three Thousand One Hundred Ninety and 00/100 (\$143,190.00) Dollars.

4.02 It is understood and agreed by the parties hereto that the fee stated above for performance of Services is inclusive of any and all remuneration to which the Contractor may be entitled and that the Contractor shall not receive any fringe benefits including but not limited to overtime pay, holiday pay, sick pay, vacation pay, retirement benefits, pension benefits and insurance benefits in addition to or in lieu of those expressly stated herein.

4.03 Any additional services requested by the Authority of the Contractor shall be payable as mutually agreed upon in writing between the Authority and the Contractor.

4.03 Requests for progress payments shall be submitted by a duly authorized representative of the Contractor to Tyrone Clifton or the current Director of the Authority. At

the election of the Authority, the parties shall submit disputes regarding the retention of a portion of progress payments in accordance with MCLA 125.1564(1).

ARTICLE V  
Method of Payment

5.01 Payment for the proper performance of Services, including installation of equipment required hereunder, shall be made in accordance with the Payment Procedures attached hereto and incorporated herein as Attachment A.

5.02 The Contractor shall receive payment for the proper performance of Services approved by the Authority hereunder, in accordance with Section 5.01 of this Agreement.

ARTICLE VI  
Assignments

6.01 The parties hereto having acknowledged that this Agreement is based upon the qualifications of the Contractor further agree that the Contractor shall not assign, subcontract or transfer its interest in this Agreement without the prior written consent of the Authority.

ARTICLE VII  
Events of Default and Remedies

7.01 The following acts and/or omissions shall constitute a default and material breach of this Agreement by the Contractor and shall be deemed an Event of Default if not cured within five (5) business days after written notice of default has been sent by the Authority to the Contractor, provided however, that if the default is such that more than five (5) days are required for a cure, then Contractor shall not be in default if it commences to cure the default within the five (5) day period and thereafter diligently prosecutes the same to completion:

- (a) Failure to comply with any of the material terms and conditions of this Agreement following written notice from the Authority and failure to cure; and/or
- (b) Failure to begin the Services in accordance with the terms of this Agreement; and/or
- (c) If the Contractor, in the judgment of the Authority, is unnecessarily or unreasonably or willfully delaying the performance and completion of the Services; and/or
- (d) The Contractor abandons the Services to be undertaken; and/or
- (e) The Authority reasonably believes that the Services cannot be completed within the time required, where in the Authority's judgment, the delay is attributable to conditions within the Contractor's control; and/or
- (f) The Contractor, without just cause, reduces its personnel to a number which in the judgment of the Authority, is insufficient to

complete the Services within a reasonable time and fails to sufficiently increase such personnel when directed to do so by the Authority; and/or

- (g) The Contractor assigns, transfers, conveys or otherwise disposes of this Agreement, in whole, or in part, without prior approval of the Authority; and/or
- (h) Any Authority officer or employee acquires an interest in this Agreement so as to create a conflict of interest; and/or
- (i) The Contractor violates any law, charter provision, ordinance, rule, regulation, governmental order or directive; and/or
- (j) Failure to provide adequate inventory, vehicles, equipment and/or personnel; and/or
- (k) The filing of a voluntary or involuntary petition in bankruptcy or for reorganization or an arrangement, or an assignment for the benefit of creditors, or the adjudication of the Contractor as being bankrupt or insolvent, or the appointment of a receiver of, or for the Contractor if such appointment, adjudication, or similar order or ruling remains in force or unstayed for a period of thirty (30) days, or admit in writing its inability to pay its debts generally as they become due; and/or
- (l) The Contractor's level of performance of the Services, in the reasonable judgment of the Authority falls below the standard of care set forth in Article II hereof and/or
- (m) The Contractor ceases to conduct business in the normal course, and/or
- (n) The Contractor fails to comply with any material terms, conditions and/or obligations of Contractor set forth herein.
- (o) The Contractor fails to pay any labor, tax obligations, fringe benefit funds, insurance premiums, or subcontractor invoices for Services which the Contractor has received payment from the Authority.

7.02 In the Event of Default by the Contractor, the Authority shall be entitled to exercise any and all remedies available at law and/or in equity, including, but not limited to the right to seek and sue for damages, any costs incurred to enforce, or attempt to enforce this Agreement, including reasonable attorneys fees, which enforcement shall not be limited, and may include appeals of any decisions in lower courts, as well as collection efforts thereafter, compensable damages and consequential damages, withhold and retain payment to the Contractor for the purpose of setoff until such time as the exact amount of damages due to the Authority from the Contractor is determined, seek injunctive relief and/or specific performance and such other equitable remedies that are available, as well as effectuate a termination of this Agreement, which may or could give rise to additional damages. It is expressly understood that the Contractor will remain liable for any damages the Authority sustains in excess of any set-off.

## ARTICLE VIII Termination

8.01 The Authority may terminate this Agreement in whole or in part for cause upon giving written notice of termination (herein called "Notice of Termination") to the Contractor at least fifteen (15) days before the Effective Date of the termination, should the Contractor: 1) fail to fulfill in a timely and proper manner its obligations under this Agreement; 2) violate any of the covenants, agreements, or stipulations of this Agreement; 3) cease conducting business in the normal course by reason of insolvency, bankruptcy or any similar proceedings, whether voluntary or involuntary, filed under any present or future bankruptcy or other applicable law; or 4) admit in writing its inability to pay its debts generally as they become due. The Contractor shall be liable to the Authority for damages sustained by the Authority by virtue of the Contractor's breach and shall be liable for any reasonable costs the Authority might incur enforcing or attempting to enforce this Agreement, including reasonable attorney fees. The Authority may withhold any payment(s) to the Contractor for the purpose of set-off until such time as the exact amount of damages due the Authority from the Contractor is determined. It is expressly understood that the Contractor will remain liable for any damages the Authority sustains in excess of any set-off. If this Agreement is so terminated the Authority may take over the Services, and prosecute the same to completion by contract with another party or otherwise, and the Contractor shall be liable to the Authority for any and all costs incurred by the Authority thereby.

8.02 The Contractor may terminate this Agreement in whole or in part for cause upon giving Notice of Termination to the Authority at least thirty (30) business days before the Effective Date of the termination, should the Authority fail to fulfill in a timely and proper manner its obligations under this Agreement. Other than being liable potentially for the payment(s) expressly set forth in this agreement, or as it has been amended, under no circumstances will the Detroit Building Authority, or any of its employees, representatives or agents be responsible for punitive, incidental or consequential damages arising from the Detroit Building Authority's performance or non-performance of any term(s) of this Agreement."

8.03 The Authority may terminate this Agreement without cause, in whole or in part, for its convenience, at any time, without incurring any further liability whatsoever, other than as stated in this Article VIII, by issuing a Notice of Termination to the Contractor of such termination, specifying the Effective Date thereof, at least fifteen (15) business days prior to the Effective Date of such termination. If this Agreement is so terminated, the Authority will pay the Contractor only for the Services rendered prior to such termination, including any retainage for the Services previously performed. The amount of the payment shall be computed by the Authority on the basis of the Services rendered and accepted by the Authority; any expenses incurred prior to termination; bona fide termination settlement costs reasonably incurred by the Contractor, as determined by the Authority relating to the commitments which had become firm prior to the termination, but only to the extent that the Contractor could not have mitigated the same; and such other costs as, in the judgment of the Authority, represent a fair value of the Services provided, less the amount of any previous payments made. Should the Authority or the Authority's designee undertake any part of the Services which are to be performed by the Contractor, to the extent such Services are being performed by the Authority or its designee, the Contractor shall not be entitled to

any compensation for the Services so performed. The parties expressly agree that in no case shall payment under this Section 8.03 exceed the maximum sum payable provisions in Section 4.01 and any compensation due the Contractor for any duly authorized Amendments hereto increasing the scope of work hereunder. Notwithstanding anything to the contrary, Contractor shall be paid for all labor and equipment manufactured for the use on this project if verified by the Authority and it is not used for another project or job.

8.04 After receipt of a Notice of Termination and except as otherwise directed by the Authority, the Contractor shall:

- (a) Stop work under this Agreement on the date and to the extent specified in the Notice of Termination;
- (b) Obligate no additional contract funds for payroll costs and other costs beyond such date as the Authority shall specify, and place no further orders or subcontracts for materials, services or facilities, except as may be necessary for completion of such portion of the work under this Agreement as is not terminated;
- (c) Terminate any orders and subcontracts to the extent that they relate to the portion of the work so terminated;
- (d) As of the date the termination is effective, preserve all records and submit to the Authority such records and reports as the Authority shall specify, and furnish to the Authority an inventory of all furnishings, equipment, and other property purchased for the Agreement, (if any), and carry out such directives as the Authority may issue concerning the safeguarding or disposition of files and other property; and
- (e) Submit within thirty (30) days of the Notice of Termination a final report of receipts and expenditures of funds relating to this Agreement, and a list of all creditors, subcontractors, lessors, and/or other parties with which the Contractor has incurred financial obligations pursuant to this Agreement (if any).

8.05 Upon completion or other termination of this Agreement, all finished or unfinished original documents or copies (when originals are unavailable), data, studies, briefs, drawings, maps, models, photographs, files, intermediate materials estimates, memoranda, computations, papers, supplies, recordings, videotapes, notes or other materials (herein collectively called the "Work Product") prepared by the Contractor under this Agreement or in anticipation of this Agreement shall, at the option of the Authority, become its sole and exclusive property, whether or not in the Contractor's possession, free from any claims or retention of rights thereto on the part of the Contractor. The Contractor shall promptly deliver to the Authority upon the Authority's request all of such property and the Authority shall return all the Contractor's properties to it. The Contractor acknowledges that any intentional failure or delay on its part to deliver the Work Product to the Authority



will cause irreparable injury to the Authority not adequately compensable in damages and for which the Authority has no adequate remedy at law, and the Contractor accordingly agrees that the Authority may, in such event, seek and obtain injunctive relief in a court of competent jurisdiction and compel delivery of the Work Product. The Authority shall have full and unrestricted use of the Work Product for the purpose of completing the Project. The Contractor may retain copies of the Work Product at its own expense with the consent of the Authority, which consent shall not be unreasonably withheld.

Should the Authority use such Work Product for any purpose except for the Project without utilizing the services of the Contractor, the Contractor shall have no liability arising out of or in connection with such use, or involving or resulting from such use.

#### ARTICLE IX Amendments

9.01 The Authority may from time to time consider it in its best interest to change, modify or extend a term, condition or covenant of this Agreement or require changes in the scope of the services to be performed by the Contractor, or require the Contractor to perform additional services. Any such change, addition, deletion, extension or modification, including any increase or decrease in the amount of the Contractor's compensation, which is mutually agreed upon by and between the Authority and the Contractor, shall be incorporated in written amendments (herein called "Amendments") to this Agreement. Such Amendments shall not invalidate this Agreement, nor relieve or release the Contractor and/or Authority from any of its obligations under this Agreement, unless so stated therein. The Contractor shall not be required to perform in accordance with any requested Amendment until Section 9.02 is complied with.

9.02 No Amendment to this Agreement shall be effective and binding upon the parties, unless it expressly makes reference to this Agreement, is in writing and is signed and acknowledged by duly authorized representatives of both parties. No verbal order or instructions shall in any way change or modify this Agreement. No verbal conversation, understanding, or agreement with any officer or employee of the Authority, or any other person, either before or after the execution of the Agreement shall affect or modify any of the terms, conditions or obligations contained herein.

#### ARTICLE X Conflict of Interest

10.01 The Contractor warrants and covenants that it does not have and that it will not have during the performance of this Agreement, any direct or indirect proprietary or other interest in any concern, business or entity which would conflict in any manner or degree with the performance of the Services under this Agreement. The Contractor further warrants and covenants that no officer, commissioner, member or employee of the Authority or any other public official who exercises any functions or responsibilities in the review or approval of the undertaking or carrying out of this

Agreement has any personal or financial interest, direct or indirect in this Agreement or the proceeds hereof.

ARTICLE XI  
Confidential Information

11.01 In order that the Contractor may effectively fulfill its obligations under this Agreement, it may be necessary or desirable for the Authority to disclose confidential and proprietary information to the Contractor pertaining to the Authority's or the City of Detroit's (herein called the "City") past, present and future activities. Since it is difficult to separate confidential and proprietary information from that which is not, the Contractor shall regard all information gained as a result of the Services to be performed hereunder as information which is confidential and proprietary to the Authority or the City and not to be disclosed to any organization without the prior written consent of the Authority or the City.

ARTICLE XII  
Indemnity

12.01 The Contractor agrees to indemnify and hold harmless the Authority and the City against and from any and all liabilities, obligations, damages, penalties, claims, costs, charges, losses and expenses (including without limitation, fees and expenses of attorneys, expert witnesses and other consultants) which may be imposed upon, incurred by or asserted against the Authority or the City to the degree of fault of the Contractor and its employees, agents, consultants and sub-consultants caused by any of the following occurring during the term of this Agreement:

- (a) Any negligent or tortious act or omission of the Contractor or any of its personnel, employees, agents, consultants or subcontractors, or any entities associated, affiliated or subsidiary to the Contractor now existing or hereafter created, or their agents and employees.
- (b) Any failure by the Contractor, its personnel, employees agents, consultants or subcontractors to perform its obligations, either implied or expressed, under this Agreement.
- (c) Any act, failure to act or misrepresentation by the Contractor or any of its agents, personnel, employees, consultants or subcontractors in connection with the Project.

The Contractor also agrees to hold the City and the Authority harmless from any and all injury to the person or damage to the property of, or any loss or expense incurred by, an employee of the Authority which arises out of the negligent performance by the Contractor or its employees of the Services under this Agreement to the degree of fault of the Contractor.

12.02 The Contractor agrees that it is its responsibility and not the responsibility of the Authority to safeguard the property and materials that any employees, consultants, or subcontractors use or have in their possession while performing under this Agreement. Further, the Contractor agrees to hold the Authority harmless for any loss of such property and materials to the degree of Contractor's fault used by such persons pursuant to the Contractor's performance under this Agreement or which is in their possession.

12.03 The indemnification obligation under this Article shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the Contractor under workers' compensation acts or other employee benefit acts. In addition, the Contractor agrees to hold the Authority and the City of Detroit harmless to the degree of Contractor's fault from the payment of any deductible on any insurance policy.

12.04 The Contractor agrees that it will require the same indemnification of the Authority by any consultant or subcontractor it hires in providing the Services to be provided in this Agreement.

12.05 Nothing contained in this Article XII shall be construed to require indemnification by the Contractor to a greater degree than that permitted by Act 165 of the Michigan Public Acts of 1966, being MCLA 691.991.

ARTICLE XIII  
Insurance

13.01 It is agreed, prior to the execution of this Agreement by the Contractor, that the Contractor shall procure and maintain, and shall provide the Authority with evidence of, the following occurrence-based liability insurances in the following amounts:

- (a) Worker's Compensation insurance which meets Michigan Workers Compensation statutory requirements and Employers Liability insurance with limits of \$500,000 for bodily injury by accident for each accident and \$500,000 for bodily injury by disease for each accident. The Contractor agrees that it will obtain a similar covenant with respect to worker's compensation insurance from any subcontractor retained by the Contractor to render any of the Services. This insurance shall be kept in force and effect until receipt of final payment by the Contractor. This insurance is mandatory if the Contractor has employees.
- (b) Commercial General Liability insurance with the following limits.

Each Occurrence Limit	2,000,000
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Personal & Advertising Injury Limit	2,000,000
General Aggregate Limit	2,000,000
Products/Completed Operations Aggregate Limit	5,000,000
Damages to Premises Rented to the Contractor's Limit	100,000
Medical Expenses	10,000

- (b) Contractor's Pollution Liability Coverage with limits of Five Million and 00/100 (\$5,000,000.00) Dollars. The Contractor shall keep this insurance in force for at least one (1) year after termination of this Agreement and shall deliver to the Authority a certificate of contractor pollution liability coverage for such one (1) year after such termination.
- (c) Errors and Omissions and Professional Liability with minimum limits of \$5,000,000.
- (d) Automobile liability insurance covering all owned, non-owned, or hired automobiles with limits for bodily injury and property damage of \$1,000,000 each occurrence. Such insurance shall comply with the provisions of the Michigan No Fault Insurance Law. This insurance shall be kept in force and effect until receipt of final payment by the Contractor.

13.02 Contractor agrees to notify the Authority in writing of any material change or cancellation or non-renewal of any of the required policies at least thirty (30) days prior to such material change, cancellation or non-renewal and failure to do so will constitute material breach of this Agreement.

13.03 [INTENTIONALLY OMITTED].

13.04 Unless prohibited by law, the commercial general liability policy maintained by the Contractor hereunder shall name the Authority and the City as additional insureds and as "Loss Payee" with respect to property coverage, but the Authority's insurance shall be primary and non-contributory to any insurance carried by the Contractor.

13.05 The insurance required of all parties to this Agreement shall be written with insurers authorized to do business in the State of Michigan and shall be rated at least A: IX by A.M. Best's Rating Service.

13.06 Notwithstanding anything to the contrary contained in this Agreement, the Authority and the Contractor hereby waive any and all rights of recovery, claim, action or cause of action against the other, its agents, employees, officers, directors, venturers, partners, members, servants or shareholders for any loss or damage

to the other's property by reason of fire, the elements, or any other cause which is covered by standard "all risks" property insurance (including comprehensive boiler and machinery coverage), regardless of cause or origin, including negligence of the other party hereto, its agents, employees, officers, directors, venturers, partners, members, servants or shareholders. Each party's property insurance policies shall contain provisions where the insurer waives their right of subrogation against such other party.

ARTICLE XIV  
Payment and Performance Bonds

14.01 Contractor agrees to deliver to the Authority prior to the Commencement of Services, payment and performance bonds issued by a corporate surety licensed to transact business in Michigan in amounts equal to one hundred percent (100%) of the cost of Services.

ARTICLE XV  
Fair Employment Practices

15.01 In accordance with the United States Constitution and all federal legislation and regulations governing fair employment practices and equal employment opportunity, including but not limited to Title VI and VII of the Civil Rights Act of 1964 (P.L. 88-352, 78 STAT. 252), and United States Department of Justice Regulations (28 C.F.R. Part 42) issued pursuant to that Title, and in accordance with the Michigan Constitution and all state laws and regulations governing fair employment practices and equal employment opportunity, including but not limited to the Michigan Civil Rights Act (P.A. 1976 No. 453) and the Michigan Handicappers Civil Rights Act (P.A. 1976 No. 220) the Contractor agrees that it will not discriminate against any person, employee, consultant or applicant for employment with respect to his (her) hire, tenure, terms, conditions or privileges of employment or hire because of his (her) religion, race, national origin, age, sex, height, weight, marital status, or handicap that is unrelated to the individual's ability to perform the duties of a particular job or position. The Contractor recognizes the right of the United States and the State of Michigan to seek judicial enforcement of the foregoing covenants against discrimination against itself or its subcontractors.

15.02 The Contractor is required to adhere to City of Detroit Ordinance No. 20-93, codified as Detroit City Code 18-5-60 through 18-5-66, "Prevailing Wage and Fringe Benefit Rates Required for City Projects," as amended.

15.03 The Contractor shall not discriminate against any employee or applicant for employment, training, education, or apprenticeship connected directly or indirectly with the performance of this Agreement, with respect to his (her) hire, promotion, job assignment, tenure, terms, conditions or privileges of employment because of race, color, creed, national origin, age, marital status, handicap, sex or sexual orientation.

15.04 The Contractor shall promptly furnish any information required by the Authority or the City of Detroit Human Rights Department pursuant to this Section.

15.05 The Contractor further agrees that it will notify any subcontractor of its obligations relative to fair employment practices nondiscrimination and affirmative action under this Agreement when soliciting same and will include the provisions of this Article in such subcontract, as well as provide the Authority a copy of any subcontract agreement upon request. The Contractor further agrees to take such action with respect to any subcontract procurement as the Authority may direct as a means of enforcing such provisions, including the aforementioned sanctions for noncompliance.

15.06 Breach of the terms and conditions of this Article XV may be regarded as a material breach of this Agreement.

ARTICLE XVI  
Personnel, Labor and Staffing

16.01 Contractor agrees to have available at all times during the Contract Term the appropriate levels of competent administrative, supervisory and skilled trade personnel required to perform the Services associated with the Project in a timely, efficient and professional manner and in full cooperation with the Authority.

16.02 Contractor acknowledges that the Authority shall have approval rights with respect to certain Key Personnel (as defined herein) assigned to the Project, and that Contractor shall not remove such Key Personnel without the prior written consent of the Authority, which will not be unreasonably withheld. "Key Personnel" means those personnel identified as key personnel in Contractor's accepted proposal in response to the Authority's request for proposals for this Project.

16.03 Contractor further acknowledges and agrees that the Authority has the right to require the Contractor to remove and replace from the Project any of its direct employees or subcontracted personnel, including skilled trades who, in the reasonable discretion of the Authority, are not performing at the proper skill level or in the best interest of the Authority or are otherwise deemed detrimental to the Authority's service to its customers, patrons, invitees or the public.

ARTICLE XVII  
Notices

17.01 All notices, consents, approvals, requests, reports and other communications (herein collectively called "Notices") required or permitted under this Agreement shall be in writing and sent by registered or certified mail, postage prepaid and addressed as follows:

If to Authority:	City of Detroit Building Authority 1301 Third Street, Suite 328 Detroit, Michigan 48226 Attention: Tyrone Clifton
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with a copy to:

The Allen Law Group, PC  
3011 W. Grand Blvd., Suite 2500  
Detroit, Michigan 48202  
Attention: Floyd E. Allen

If to Contractor: Ideal Contracting, LLC  
2525 Clark Street  
Detroit, Michigan 48209

17.02 Notices shall be deemed given on the date of mailing. Either party to this Agreement may change its address for the receipt of Notices at any time by giving Notice thereof to the other as herein provided. Any Notice given by a party hereunder must be signed by an authorized representative of such party.

#### ARTICLE XVIII Representations and Warranties

18.01 Contractor represents and warrants that all of the following statements are true and shall remain true from the Effective Date of this Agreement throughout the Contract Term:

- (a) The Contractor covenants that it is not, and will not become, in arrears to the Authority or the City upon any contract, debt or other obligations.
- (b) The Contractor is fully qualified and capable and has the requisite skills necessary to perform the Services pursuant to the terms and conditions set forth therein.
- (c) Contractor represents and warrants that it has full power to enter into this Agreement, to enter into the obligations described herein, to execute and deliver this as well as any and all other documents to be executed and/or delivered in connection herewith, and to incur the obligations provided for herein, all of which have been duly authorized by all proper and necessary action of the Contractor.
- (d) Contractor represents and warrants that, as of the Effective Date and throughout the Contract Term of this Agreement, Contractor has not been and is not in arrears to the State of Michigan for any debts whatsoever (including, but not limited to, back taxes), nor is or was Contractor in default or in litigation regarding any issues with the State of Michigan, US Federal Government, Wayne County, Oakland County, Macomb County or the City.

- (e) Contractor represents and warrants that it has the necessary financial resources, employees, vehicles and equipment available to provide the Services as required by this Agreement.
- (f) Contractor represents and warrants that it is not, jointly or severally, party to any contract or agreement or subject to any other restriction or unusually burdensome order of any regulatory commission, court, board or agency, which may materially and adversely affect its ability to provide the Services. The execution and performance of this Agreement and the documentation related hereto, will not result in the creation of any other encumbrance or charge upon any asset of Contractor pursuant to the terms of any other agreement. No provisions of any existing mortgage, indenture, contract or agreement affecting Contractor's operations and/or assets is in effect which would conflict with or in any way prevent the execution, delivery or enforcement of the terms of this Agreement.
- (g) To the best of Contractor's knowledge, it has not received any written notice from any governmental authority that the Contractor is now in violation of any governmental orders, regulations, statutes or ordinances dealing with the Contractor's operations. In the event any such notice from any governmental authority is received by Contractor between the Effective Date and throughout the Contract Term, which Contractor does not reasonably contest, Contractor shall correct the same at Contractor's expense as promptly as possible.
- (h) Contractor has not entered into any contracts or made any commitments which would bind the Authority as a successor in interest.
- (i) Contractor has not entered into any other existing agreements which will conflict with its obligations hereunder.
- (j) To the best of Contractor's knowledge, all documents heretofore and hereafter provided to the Authority are, and shall be complete, true, and accurate in all material respects.
- (k) Contractor has not contracted for the furnishing of labor or materials which will not be paid in full by Contractor in the ordinary course. Contractor shall indemnify the Authority from all loss, claims, and costs which the Authority may incur from the imposition of construction and/or storage/bailment liens, if any, arising from the acts and/or omissions of Contractor.
- (l) Contractor has no notice of, and there is no pending or threatened litigation, administrative action or examination, claim or demand whatsoever relating to the Contractor and/or its operations and/or assets, or the Services contemplated herein, before any court or any federal, state or municipal government department, commission, board, bureau, agency or instrumentality thereof, the outcome of which may materially adversely affect Contractor and/or Contractor's ability to perform the Services in accordance with this Agreement.



- (m) No federal, state or local taxing authority has asserted any tax deficiency, lien, or assessment against the Contractor which has not been paid or the payment for which adequate provision has not been made to the Authority's reasonable satisfaction.
- (n) That Contractor and the principals and/or partners and/or owners and/or officers of Contractor are citizens of the United States of America as defined in Section 1445 of the Internal Revenue Code.
- (o) This Agreement, and all related documents will, when executed and delivered by Contractor, be the valid, legal and binding agreements or obligations of the Contractor, enforceable in accordance with their respective terms, having been duly authorized by all requisite corporate action.
- (p) Contractor has complied with all City applicable clearance and hiring policy requirements, including execution and delivery of a Request for Income Tax Clearance, Vendor Clearance Request, Covenant of Equal Opportunity, Hiring Policy Compliance Affidavit and Slavery Era Records and Insurance Disclosure Affidavit.
- (q) Contractor hereby warrants, represents and covenants with the Authority that each and every warranty, representation, and covenant set forth in this Agreement shall be true for the period from the Effective Date and throughout the Contract Term of this Agreement.

ARTICLE XIX  
Miscellaneous

19.01 (a) No failure by the Authority to insist upon the strict performance of any covenant, agreement, term or condition of this Agreement or to exercise any right, term or remedy resulting from a breach thereof shall constitute a waiver of any such covenant, agreement, term or condition of this Agreement and the same shall continue in full force and effect with respect to any other then existing or subsequent breach thereof.

- (b) Each party reserves and shall have the exclusive right to waive, at its sole discretion, and to the extent permitted by law, any requirement or provision under this Agreement unless such waiver is specifically prohibited. No act by or on behalf of a party hereto shall be, or shall be deemed or construed to be, a waiver of any such requirement or provision, unless the same be in writing, signed by the authorized representative of the party and expressly stated to constitute a waiver.

19.02 If any provision of this Agreement or the application thereof to any person or circumstance shall to any extent be invalid or unenforceable, the remainder of the Agreement, or the application of such provisions to persons or circumstances other than those as to which it is invalid or unenforceable shall not be affected thereby, and each

provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

19.03 This instrument, including Exhibit A, attached hereto, which is a part of this Agreement, contains the entire agreement between the parties and all prior negotiations and agreements are merged herein. Neither the Authority nor the Authority's agents have made any representations except as expressly set forth herein, and no rights or remedies are or shall be acquired by the Contractor by implication or otherwise unless expressly set forth herein. The Contractor hereby waives any defense it may have to the validity of the execution of this Agreement.

19.04 Unless the context otherwise expressly requires, the words "herein," "hereof," and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular article or section or other subdivision.

19.05 All the terms and provisions of this Agreement shall be deemed and construed to be "covenants" and "conditions" as though the words specifically expressing or importing covenants and conditions were used in each separate term and provision.

19.06 The headings and sections in this Agreement are for convenience only and shall not be used to construe or interpret the scope of intent of this Agreement or in any way effect the same.

19.07 The rights and remedies set forth herein are not exclusive and are in addition to any of the rights and remedies provided at law or in equity. The Agreement and all actions arising hereunder shall be governed by, subject to and construed according to the laws of the State of Michigan. The Contractor agrees, consents and submits to the personal jurisdiction of any competent court in Wayne County, Michigan for any action arising out of this Agreement. The Contractor agrees that service of process at the address and in the manner specified in Article 14 will be sufficient to put the Contractor on notice, and the Contractor hereby waives any and all claims relative to such notice. The Contractor also agrees that it will not commence any action against the Authority because of any matter whatsoever arising out of or relating to the validity, construction, interpretation and enforcement of this Agreement, in any courts other than those in the County of Wayne, State of Michigan, unless original jurisdiction can be had in the United States District Court, Eastern District, the Michigan Court of Appeals or the State Supreme Court.

19.08 If any affiliate (as hereinafter defined) of the Contractor shall take any action, which, if done by a party, would constitute a breach of this Agreement, the same shall be deemed a breach by the Contractor with right legal effect. "Affiliate" shall mean a "parent," subsidiary or other company controlling, controlled by or in common control with the Contractor.

19.09 It is understood that this is not an exclusive service contract, and that during the term of this Agreement, the Authority may contract with other companies and that the Contractor is free to render the same or similar services to other clients; provided,

however, that the Contractor's obligations to the Authority contained in this Agreement will not be affected in any manner.

19.10 Neither party shall be responsible for any loss, damage, detention, or delay caused by labor trouble or disputes, strikes, lockouts, fire, explosion, theft, lightning, wind storm, earthquake, floods, storms, riot, civil commotion, malicious mischief, embargoes, government priorities, or requests or demands of the National Defense Program, civil or military authority, war, insurrection, orders or instructions of any federal, state, or municipal government or any department or agency thereof, acts of God, or by any other cause beyond the reasonable control of either party. Dates for the performance or completion of the work shall be extended by such delay of time as may be reasonably necessary to compensate for the delay.

19.11 For purposes of the hold harmless and indemnity provisions contained in this Agreement, the term "Authority" shall be deemed to include the Detroit Building Authority, the City of Detroit, and all other associated, affiliated, allied or subsidiary entities or commissions, their officers, agents and representatives and employees now existing or hereafter created.

19.12 The Contractor covenants that it is not, and will not become, in arrears to the Authority upon any contract, debt or other obligations to the City, including real property, personal property and income taxes.

19.13 This Agreement may be executed in any number of counterparts and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Promptly after the execution hereof, the Authority shall submit to the Contractor a confirmed copy of this Agreement.

19.14. Contractor covenants and agrees that it will complete the Project in a manner consistent with local, state or federal laws, rules or regulations now or hereafter in force and applicable hereto.

19.15. [INTENTIONALLY OMITTED].

19.16 Contractor acknowledges and agrees that the Authority shall be permitted to audit the Contractor's financial records pertaining to the Contractor's performance of this Agreement, which right to audit may be assigned by the Authority to its designee, including the Detroit City Council and the City Auditor General.

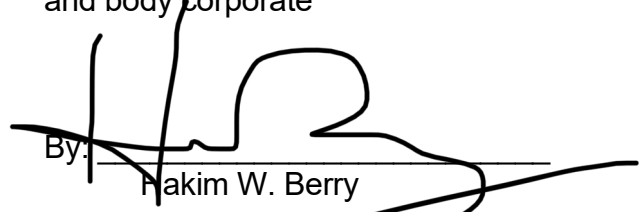
19.17 Contractor and each of its subcontractors shall comply with all anti-kickback laws, including the Copeland Anti-Kickback Act (18 USC §874) and is prohibited from inducing, by any means, any person employed in connection with the Project to give up any part of the compensation to which he/she is otherwise entitled. Contractor shall insert substantially similar language to the language in this Section to ensure compliance by subcontractors with the terms of this Section.

19.18 Contractor and each of its subcontractors are prohibited from paying or accepting any bribe in connection with securing this Agreement or in connection with performing under the terms of this Agreement. Contractor shall insert substantially similar language to the language in this Section to ensure compliance by subcontractors with the terms of this Section.

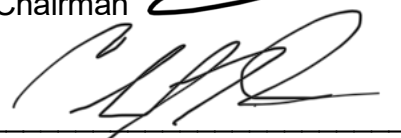
19.19 Contractor shall comply with all federal, state and local statutes, rules regulations and orders applicable to the conduct of the work under this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

CITY OF DETROIT BUILDING  
AUTHORITY, a Michigan public authority  
and body corporate

By:   
Hakim W. Berry

Its: Chairman

By:   
Christopher T. Jackson

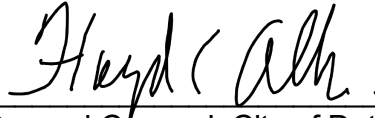
Its: Treasurer

**IDEAL CONTRACTING, LLC**, a  
Michigan limited liability company

By: \_\_\_\_\_

Its: Senior Project Manager

APPROVED AS TO FORM:

  
\_\_\_\_\_  
General Counsel, City of Detroit  
Building Authority

## LIST OF ATTACHMENTS

Schedule A – Scope of Services

Schedule B – Facility Improvements

Schedule C – Invoice Format – Rates - Method of Payment

Schedule D – Minimum Insurance Requirements

Schedule E - Payment Bond, Guaranty and Warranty Requirements

## **Schedule A**

### **SCOPE OF WORK**

**SCOPE OF SERVICES:** The Respondent will be responsible for providing professional and comprehensive Design/Build Construction Services necessary and incidental for the design, engineering, construction, improvements, and renovations of the existing East Side Trash Transfer Facility located at 5700 Russell Street, Detroit, MI 48211, as more fully described in the Request for Qualification/Proposals (RFP/Q), including administering and supervising the completion, start-up, and commissioning of the Work, with the Detroit Building Authority. Services to be provided shall include, as appropriate without being limited to, the following:

#### **I. Pre-Construction Services**

The Respondent (Design/Build Team) will coordinate and oversee analysis, consultation, advice, and reasonable recommendations relating to the design, planning and administration of the Project, including but not limited to, the following:

##### A. Establish architectural/engineering requirements:

- Visual Site Inspection (assessment)
- Programming
- Schematic Design
- Design Development
- Sustainability Design
- Construction Documents
- Construction Administration

##### B. Complete Design Reviews. The reviews shall include, but are not limited to:

- Input on Design – review recommendations during the design process. This effort will identify opportunities for cost, schedule, or operation/maintenance savings that can be achieved without adversely impacting the safe operation, design intent or functional quality of the structure.
- Constructability Reviews – are intended to address the ability to successfully construct the design as intended. Review means and methods intended to reduce cost, improve schedule, and worker safety.
- Phasing and Logistics – will be an integral part of construction. Develop a coordinated phasing, sequencing, and staging plan.

##### C. Schedule Development – The Respondent will be required to develop a detailed coordinated schedule using an established format acceptable and accessible for use by the DBA. The schedule will identify detailed work activities in relationship to the City Departments and users. The Respondent will be required to obtain DBA approval of the schedule and for deviations from the approved schedule, including development and implementation of schedule recovery strategies when required.

- D. The Respondent will be required to obtain DBA written approval for the budgets. After approval of the initial budgets, monitor project development and execution to ensure conformance with the budgets. For deviations from the approved budget, develop rectification strategies and implement their execution.
- E. Bidding: Using bidding documents developed by the Respondent, bid the work. Receive and evaluate bids and make contract recommendations to the DBA. Prepare construction contracts.

### **III. Programming**

- A. Conduct interviews with the identified site and facility user groups.
- B. A design program will be presented to the DBA and the Department of Innovation and Technology for review. Revisions may be required prior to finalization of the program document. Deliverables:
  - List program goals and objectives. Design and provide programmed spaces and sizes, conceptual design sketches, questionnaires, and supplemental design criteria.

### **IV. Schematic Design**

- A. Based on approved space program, prepare a schematic layout, highlighting major circulation and uses.
- B. Ensure that schematic layout is code compliant.
- C. Prepare schematic layout for special uses or multipurpose areas and identify potential expansion area.
- D. Identify and propose options for furniture, built-ins, special equipment, fixtures and finishes.
- E. Propose preliminary designs for the building's exterior facades and site relationships.
- F. Develop a shared vision and narrative for the park that captures design and functional characteristics.
- G. Develop various site configurations and include schemes that consider street vacations.
- H. Prepare an initial strategy for a phased development approach, preliminary construction.



- I. Cost estimation package 1 – outlining estimated construction budget for entire design.
- J. Prepare schematic package for review and comment. Package should include a preliminary budget and construction schedule. If necessary, prepare phasing recommendations for consideration. Assist in value engineering as required.
- K. Deliverables:

Accurate Existing Conditions Plans based on actual field verification of dimensions and conditions by the Consultant.

- Schematic drawings and specifications illustrating and describing the architectural and engineering components of the Project.
- Schematic Plan Drawings illustrating all components of the Project including the size, scale, location, dimensions, and character of physical systems and equipment including any potential additional structure(s).
- Schematic Elevations and Section Drawings which illustrate the spatial relationships, construction, materials, and character of the Project.
- Written description of all materials, components, and systems to be incorporated into the Project.
- Any other documents or items required to illustrate the Schematic Design and the conformity of same with the requirements of the Project.
- Schematic Design Estimate of Probable Construction Cost in CSI format, based on costs for comparable work in this area.
- Schematic Design Package and Cost Estimate in Unifomat or CSI format, for the Scope of Work determined as appropriate given project priorities and available funding.

## V. **Design Development**

- A. Based on approved schematic design package, prepare drawings and specifications.
- B. Drawings shall include dimensioned floor plans, RCP, Finish Plans with FFE, architectural systems, built-ins, security plan, AV/IT plan, fire protection plan, signage plan, and any other special features.
- C. Design exterior elements and facades and provide wall sections for review.
- D. Provide a draft submittal package of FFE to the DBA for review and approval, it includes but not limited to: plumbing fixture, light fixture, finish schedule, window specs.
- E. Refine the comprehensive full park design and site plan.

- F. Coordinate other consultant’s work and work by the DBA into the Design Development package. Include building and park site plan.
- G. Coordinate electrical, telecommunications, and IT security requirements with the City’s facilities and telecom staff.
- H. Prepare a construction budget based on quantities and unit prices. Assist in value engineering as required.
- I. Prepare a final Design Development package for review and comment.
- J. Develop the project budget and implementation framework for operation and maintenance.
- K. Cost estimation package 2 and 3 – Refine and provide the cost estimation during two milestones DD-50% and 100% DD.
- L. Design Deliverables:
  - Architectural: Site Plan, Dimensioned Floor Plans indicating sizes and construction of all components, Roof Plan, Furnishing and Equipment Plan, Enlarged Plans and Sections, Room finish Plans/Schedule, Building Sections, Door and Window Schedules, Preliminary Wall Sections and Building Details, and Reflected Ceiling Plans.
  - Mechanical: Heating/Cooling Load Calculations, Equipment Schedules, HVAC Plans indicating main and branch ductwork and Equipment.
  - Plumbing: Plumbing Calculations, Fixture Schedules, Plumbing Plans indicating all Supply and Drainage piping and equipment.
  - Electrical: Floor Plans locating all equipment and loads, Site Plan with site lighting and fixture types, Lighting Plans with preliminary circuiting, Preliminary Panel Schedules.
  - Outline Specification: An outline specification describing in general the type of construction, materials, systems, and other pertinent information for all disciplines.
  - Cost Estimation: Design Development Estimate of Probable Construction Cost in CSI format updated and with additional detail from Schematic Level estimate
  - Site Development and Landscape: Site Design Development-parking and roadway design to meet the needs of the proposed rec center including SESC, grading, drainage, planting, and detail plans

**VI. Sustainability Design**

- A. As outlined in the 2019 Sustainability Action Agenda and the pending Climate Action Strategy, the City of Detroit endeavors to reduce energy usage and carbon emissions and improve climate resilience through cost effective integration of

efficiency, electrification and renewables measures in the design, building, and retrofitting of its buildings. The 2019 Greenhouse Gas Ordinance commits the City to reduce the CO2 emissions from City Operations by 35% by 2024, 75% by 2034, and has a goal to be carbon free by the year 2050.

[https://library.municode.com/mi/detroit/ordinances/code\\_of\\_ordinances?nodeId=100\\_3272](https://library.municode.com/mi/detroit/ordinances/code_of_ordinances?nodeId=100_3272)

B. The selected firm will be asked to review lighting, plumbing and mechanical systems to improve sustainability and maintenance cost reduction. Must provide a design to achieve advanced energy efficiency performance. Include both design (predicted) and operating (measured) Energy Use Intensity.

C. Bidder will offer a building design that has an energy use intensity (EUI) at project completion that will maximize the Energy Star Score possible for this property type. The bidder should outline in the design documents the final EUI and Energy Star Score and how the design will achieve that intent.

[https://www.energystar.gov/buildings/resources/topic/commercial\\_new\\_construction/design\\_guidance](https://www.energystar.gov/buildings/resources/topic/commercial_new_construction/design_guidance)

D. Selected firm will incorporate sustainable site design to manage any impervious surfaces created by the project by incorporating stormwater management into road, parking lot, and building design.

E. Develop construction cost comparison to pursue a design to maximize the Energy Star Score where possible.

F. Deliverables:

- Provide written description of all sustainable alternates that could be incorporated into the project.
- Develop construction cost comparison to pursue the sustainable alternates what will help us maximize the Energy Start Scope where possible.
- Once sustainable alternate is provided and approved by the DBA, incorporate into the design development and construction documents.

## **VII. Construction Documents**

A. Based on approved Design Development package, prepare complete set of construction documents that outline the requirements of construction for the facility and site, including all architectural, structural, fire alarm/fire protection design, IT security, AV/IT plan, and mechanical, electrical, plumbing (MEP) engineering drawings, and site plans including SESC, grading, layout, planting, and detail plans. This should include project specifications detailing all materials and required quality levels.

B. Documentation will include submission of 30%, 60%, 90%, and 100% construction document bid sets for review, issued for permits, and issues for bid. (See Exhibit B for deliverables details)

- C. During the 30%, 60%, 90%, and 100% a revised itemized Estimate of Probable Construction Cost should be updated and reflect the additional detail developed in the documents and the construction environment.
- D. Assist in the preparation of a Bid Package for construction.
- E. Provide an estimated timeline and lead time items needed to complete all construction services
- F. Provide any required drawings for the coordination of fixtures, furniture and equipment.
- G. Assist in the selection of construction contractor. Assist the city on bidding process, negotiation and awarding the contract.
- H. Submit required stamped and sealed construction documents for required government permits and approvals. Review Plan Review and permit application and calculated fees with DBA project Manager PRIOR to submission. Add DBA project manager as a plan review/ permit delegate, with all permissions in ELAPS on-line application.
- I. Revise construction documents per City's plan review comments as required.
- J. Assist the City during the construction document bid process.
- K. Deliverables:
  - See attached Exhibit B for expected level of document completion at 30,60, and 90% Construction Documents.

**VIII. Construction Administration**

- A. In conjunction with selected construction contractor, review construction schedule.
- B. Review and approve all request for information (RFI), shop drawings, project data, and samples for compliance with contract documents. Consult with the City as needed.
- C. Conduct site visits for the purposes of construction observation, project review and general project oversight as needed. Coordinate site visits with the DBA and the selected contractor at major milestones might that include but is not limited to: after wall layout has been established, wall rough-in near completion, above ceiling rough-ins, during finishes installation, punch list walk.
- D. Review and communicate with the city on any proposed change orders. Assist in the processing them for approval.
- E. Participate at weekly construction project progress meetings and take meeting minutes.
- F. Certify that all contractor work is performed and completed per the project's construction documents.
- G. At the completion of construction, perform all final project walk-throughs with the DBA for final Owner acceptance of the project.

- H. Prepare a punch list and submit for a certificate of substantial completion.
- I. Assist the City in securing a Certificate of Occupancy or other approvals as required.

**II. Construction Phase Services and Post-Construction Phase Services:**

The Respondent (Design/Build Team) shall provide the following Services for the Project:

- A. Prepare and execute construction contracts upon receipt of the DBA's written approval.
- B. Coordinate the Work with the DBA and GDRRA.
- C. Coordinate all access, unloading, storage, temporary facilities/equipment, and trash removal for the Project with the DBA and GDRRA.
- D. Review of payment requests, including coordinating with the DBA acceptance of materials, review of completed work, organization of any required testing, coordination with authorities having jurisdiction, and receipt of final record documentation.
- E. Permits – Coordinate with those entities having jurisdiction over the Project to ensure that all necessary permits are obtained in a timely fashion, in support of the schedule.
- F. Coordinate with the DBA and GDRRA, the site management, including the allocation of storage areas, jobsite trailers, site access, site maintenance, jobsite safety and security, waste removal, etc.
- G. Preparing consolidated monthly updated schedules, budgets, progress status reports and cash flow projections during pre-construction and construction through close-out. The Respondent will provide the DBA with monthly progress reports during construction, including when requested, presentations to the DBA Board.
  - Monthly Reporting – See Exhibit N “FORMAT FOR THE MONTHLY PROGRESS REPORT DETROIT BUILDING AUTHORITY CAPITAL PROJECTS”.
- H. Providing compatibility and constructability assessments with consideration for operations and potential for future improvements / expansion including close coordination with the DBA.
- I. Start up and Commissioning of System - The Respondent shall be responsible for coordinating and overseeing with the DBA the startup and commissioning appropriate and incidental to the Project.

- J. Assisting the DBA with Project scope development & use / benefit (ROI) assessment of conceptual design features and systems.
- K. Executing, administering, and providing direct supervision for all DBA approved contracts for the construction and commissioning of the Project.
- L. Arranging for, contracting, and supervising independent quality control inspection services.
- M. Preparing accurate cash flow projections, processing invoices for construction contracts, and assembling monthly invoices in cooperation with the DBA's Project Accountant
- N. Executing, administering, and providing direct supervision for all DBA approved contracts for the construction and commissioning of the Project.
- O. Arranging for, contracting, and supervising independent quality control inspection services.
- P. Preparing accurate cash flow projections, processing invoices for construction contracts, and assembling monthly invoices in cooperation with the DBA's Project Accountant.
- Q. Plan and provide a construction sequencing plan or phasing plan with the DBA and the Department of Innovation and Technology. This project will require a minimum disturbance of office activity during construction. After hours work will be required for certain tasks such as the preparation and installation of flooring.

**IX. Post Construction (Project Close Out):**

- A. Supervise completion of all punch lists:
  - (a) Coordinate final sign off with the DBA and GDRRA.
- B. Coordinate the completeness and delivery of marked up "as-built" plans for incorporation into record drawings that meet the DBA's requirements.
- C. Obtain, review for completeness, and deliver operations and maintenance manuals and warranties to the DBA, GSD, and GDRRA.
- D. Arrange and coordinate the training of the facility with the DBA, GSD, and GDRRA's Office operations personnel, as required.
- E. Receive and review warranties of the systems.
- F. Ensure closure of all permits.

- G. Address post construction insurance requirements.
- H. Resolve all claims.
- I. All other requirements of the General Terms and Conditions.
- J. Security – The Respondent will coordinate job site security from construction until acceptance of Certificate of Occupancy from the DBA.

**Schedule B**  
**Facility Improvements**

Facility Improvements shall include the design, engineering, construction, electrical, mechanical, and finish work for the renovation of 4500 square feet of the East Side Trash Transfer Station at 5700 Russell Street, Detroit, Michigan.

All Work shall be performed in accordance with the DBA's RFQ/P for the Project, Addendums and Contractor's Proposal, all of which are incorporated herein by this reference.



**Schedule C**  
**Invoice Format – Rates - Method of Payment**

The DBA shall issue payment to the Contractor for the proper performance of Services required hereunder shall be made within forty-five (45) days of receipt of an acceptable application for payment from Contractor.

1. The Project Architect/Engineer will review all Applications for payment. An advance copy of the application for payment for each month shall be submitted to the DBA by the Contractor on or about the 25th day of the prior month. This advance copy will be reviewed by the Contractor and the DBA on or about the 27th day of the prior month for their information only. The monthly application for payment will be submitted by the Contractor on or about the first day of the month in which payment will be due. The Project Architect /Engineer will certify to the DBA the amounts to be paid pursuant to the final application for payment within ten (10) days of receipt of same. Such amount as the Project Architect/Engineer may certify for payment shall be payable by the DBA following the submission of the final application for payment by the Contractor. Notwithstanding anything herein to the contrary, all such payments for each Phase, or designated portion thereof, if any, shall be subject to a retainage of ten (10%) percent until such time as the Work for such Phase shall be fifty (50%) percent complete, after which, no additional retainage will be taken out. However, a retainage of 10% may be continued on all additional payments if the DBA reasonably determines that the Contractor is not making satisfactory progress towards substantial completion of the Work for any other reason relating to the Contractor's performance under the Contract Documents. There shall be no retainage of the professional fee and general conditions items. Pursuant to Act No. 524 of the Michigan Public Acts of 1980, all disputes regarding the DBA's right to retain funds as herein described shall at the option of the DBA be submitted to an agent, as that term is defined in the aforementioned Public Act, for resolution. All retained funds held by the DBA shall be deposited with a regulated financial institution in the State of Michigan in a separate interest bearing account; however, the DBA is not required to deposit retained funds in an interest bearing account if the retained funds are to be provided under a State or Federal grant and the retained funds have not been paid to the DBA.
2. In taking action on the applications for payment, the Project Architect/Engineer shall be entitled to rely on the accuracy and completeness of the information furnished by the Contractor and shall not be deemed to have approved the Work on behalf of the DBA or represent to have made audits of the supporting data, exhaustive or continuous on-site inspections or examination to ascertain how or for what purposes the Contractor has expended funds previously paid pursuant to the Contract Documents.
3. Final payment, constituting the entire unpaid balance of the cost of the Work and the fixed professional fee shall be paid by the DBA to the Contractor within sixty (60) days after the final completion date for the Work, unless otherwise stipulated in the

certificate of substantial completion. If, on the substantial completion date, there should remain minor items to be completed as identified by the Contractor and reviewed and approved by the Project Architect/Engineer the Contractor shall deliver, in writing, its unconditional promise to complete such items within a reasonable time thereafter. The DBA may retain a sum equal to 110% of the estimated cost of completing any unfinished items as determined by the Project Architect/Engineer. Thereafter, the DBA shall pay to the Contractor, monthly, the amount retained for such incomplete items as each of said items is completed based upon an application for payment in accordance herewith.

4. The Contractor shall submit to the DBA and Project Architect/Engineer with each application for payment its sworn statement that the Work covered by the application for payment has been completed, and such information and documents relating to the Work and payment therefor as the DBA shall request. Except for final payment on the Project, unconditional waivers of lien from the Contractor and each Subcontractor shall be obtained and submitted to the DBA by the Contractor no later than fifteen (15) days after payment is made.
5. Retainages held by the DBA relating to any portion of the Work as the DBA in its sole discretion may determine may be released upon the written recommendation of the Project Architect/Engineer.
6. If the Work is suspended for more than three (3) months or abandoned through no fault or negligence of the Contractor, the Contractor shall be paid the fixed professional fee for that portion of the Work performed and approved prior to such suspension or abandonment of the Work, together with the Cost of the Work then due. If the Work is resumed after being suspended for more than three months, the cost of the project, fixed professional fee, the substantial completion and/or final completion date may be adjusted.
7. If construction of the Project has started and is delayed by reason of: (i) any act or neglect of the DBA; (ii) by any separate Contractor employed by the DBA; (iii) by changes in the Work; (iv) by labor disputes, fire, unusual delay in transportation, adverse weather conditions or unavoidable casualties provided that such events are not reasonably anticipatable by the Contractor; or (v) by delay authorized by the DBA pending litigation or arbitration; then in any of such events the DBA may extend the Substantial Completion Date and/or the Final Completion Date to the extent of any such delay. The DBA shall reimburse the Contractor for increases in the cost of the Work directly attributable to the delay, and an appropriate adjustment may be made to the fixed professional fee to reflect the increased costs resulting from such delays; provided, however, that any such delay materially affects the substantial completion or final completion dates, the cost of the Work, and/or the fixed professional fee, as the case may be. Upon direction by the DBA, the Contractor shall reduce the size of its Project staff after a thirty (30) day delay, or sooner if requested by the DBA, for the remainder of the delay period.

8. If the Contractor concludes that: (a) any Work ordered to be completed as Work by the Project Architect/Engineer, is extra Work and not Work required under this Agreement, (c) any determination or order of the DBA violates the terms and provisions of this Agreement, the Contractor shall promptly notify the DBA in writing of its contentions with respect thereto and request a final determination thereof.
9. Such determination of the Project Architect/Engineer shall be given in writing to the Contractor. If the Project Architect/Engineer determines that the Work in question is extra Work and not Work, or the determination or order complained of requires performance by the Contractor beyond that required by the Construction Documents or violates the terms and provisions of the Agreement, thereupon the Project Architect/Engineer shall cause either (a) the issuance of a written order by the DBA covering the extra Work, or (b) the determination or order complained of to be rescinded or so modified so as to not require performance beyond that required by or so as not to be in violation of the terms and provisions of the Agreement.
10. If the Project Architect/Engineer determines that the Work in question is Work required under this Agreement and not extra Work, or that the determination or order complained of does not require performance by the Contractor beyond that required by this Agreement or that the Work in question does not violate the terms and provisions of the Agreement, the Project Architect/Engineer will direct the Contractor to proceed and the Contractor must promptly comply. However, in order to preserve its right to claim compensation for such Work or damages resulting from such compliance, the Contractor must, within ten (10) days after receiving the Project Architect/Engineer's determination and direction, notify the Project Architect/Engineer in writing that the Work is being performed, or that the determination and direction is being complied with under protest.
11. If the Contractor fails to so appeal to the Project Architect/Engineer for a determination or, having so appealed, should the Contractor thus fail to notify the Project Architect/Engineer in writing of its protest, the Contractor shall be deemed to have waived any claim for extra compensation or damages therefor. No oral appeals or oral protests, no matter to whom made, shall be deemed even substantial compliance with the provisions of this Section.
12. If the Contractor shall claim to be sustaining damages by reason of any acts or omissions of the DBA, its officers, or employees, the Contractor shall within five (5) days after such acts or omissions occur, notify the DBA in writing with a copy to the Project Architect/Engineer, except that if the claim is of a continuing character and the notice of claim is not given within the five (5) days of its commencement, the claim will be considered only for a period commencing two (2) days prior to the receipt by the DBA of the notice thereof. Within ten (10) days after the date of notification, or within such additional time as may be granted in writing by the Project Architect/Engineer upon the Contractor's written request therefor, the Contractor shall submit to the Project Architect/Engineer verified detailed statements of the damages sustained together with documented evidence of such damages. On

failure of the Contractor to fully comply with the foregoing provisions, such claims shall be deemed waived and no right to recover on such claims shall exist.

13. In addition to the foregoing statements, the Contractor shall, upon notice from the DBA, produce for examination at the Contractor's office, for the representatives of the DBA all books of record, showing all acts and transactions in connection with or relating to or arising by reason of this Agreement. At such examination, a duly authorized representative of the Contractor may be present
14. Unless the aforesaid statements shall be made and filed within the time aforesaid and the aforesaid records submitted for examination, the DBA shall be released from all claims arising under, relating to, or by reason of this Agreement, except for the sums certified by the DBA to be due under the provisions of this Agreement. It is further stipulated and agreed that no person has power to waive any of the foregoing provisions, and that in any action against the DBA or City to recover any sum in excess of the sums certified by the DBA to be due under or by reason of this Agreement, the Contractor must allege in its complaint and prove, at trial, compliance with the provisions of this Section
15. In connection with the examination provided for herein, the DBA, upon demand therefor, will also produce for inspection by the Contractor, such records as the DBA may have with respect to such disputed Work or Work performed under protest pursuant to order of the DBA, except those records and reports which may have been prepared for the purpose of determining the accuracy and validity of the Contractor's claim.

**Schedule D**  
**Minimum Insurance Requirements**

Contractor and any Subcontractors shall, at its own expense, secure and deliver to the DBA, and shall keep in force at all times during the Term of this Agreement, the following minimum insurance policies ("Minimum Insurance Requirements"):

(a) Commercial General Liability insurance policy, covering the operations, products and completed operations of the Contractor, including but not limited to its services, with limits for bodily injury and property damage (including damage to the Work) of at least Two Million Dollars (\$2,000,000.00) each occurrence; products-completed operations aggregate and general aggregate with an Excess Liability (umbrella) coverage not less than \$5,000,000.00.

Coverage shall be written on an occurrence basis and shall include the following coverages: (a) products liability and completed operations coverages, (b) Contractor's protective liability protecting against claims arising out of the acts and operations of independent Contractors; and (c) coverage for business income of the DBA that could be lost in the event DBA's operations are temporarily interrupted as a result of the negligent or wrongful conduct of Contractor; and

(b) Automobile liability insurance for all owned, non-owned, or hired automobiles utilized by Contractor, with a combined single limit for bodily injury and property damage (CSL) of at least Two Million Dollars (\$2,000,000).

(c) Workers Compensation insurance for all of Contractor's Employees (and its Subcontractors where such Contractors do not carry such insurance) with statutory limits required by the State of Michigan where the Services are to be performed and employer's liability coverage with limits of at least \$500,000 /\$500,000/\$500,000.

The certificate shall name the Detroit Building Authority and the City of Detroit as "additional insured" for the coverages in (a) and as "Loss Payee" with respect to property coverage, if applicable.

Subcontractors: If a supplier subcontracts any of the Work/Services, the supplier/Subcontractor must provide DBA with the identity of each Subcontractor, a description of the Work to be performed by each Subcontractor and proof that each Subcontractor has in force, the insurance coverages and limits required above.

**Waiver of Subrogation**

To the extent commercially reasonable, the DBA and Contractor waive all rights against each other, the City and any and all Subcontractors for damages caused by perils covered by insurance provided hereunder except such rights as they may have to the proceeds of such insurance held by the DBA and Contractor as trustee. The Contractor shall require similar waivers from any and all Subcontractors. The DBA and Contractor waive all rights against each other, the City and any and all Subcontractors for loss or damage to any

equipment used in connection with the Project and covered by any property insurance. The Contractor shall require similar waivers from all Subcontractors. If the policies of insurance referred to in this Article require an endorsement to provide for continued coverage where there is a waiver of subrogation, the owners of such policies will cause them to be so endorsed.

**Schedule E**  
**Payment Bond, Guaranty and Warranty Requirements**

The Contractor shall be required to provide a Performance and Payment Bond for 100% of the not-to-exceed value of this Agreement.

Fully executed original copies of the Performance and Payment Bond in the form acceptable to the DBA must be received by the DBA prior to the performance of the Services at the Facility.

The cost of the bond is included in the not-to-exceed amount of this Agreement.

The Contractor shall warranty the performed Services for a period of one year from the time of the provision of the Service and shall resolve all issues or repairs to the satisfaction of the DBA. The warranty period for any performed Service that fails due to Workmanship or the fault of the Contractor shall continue for a period of one year after the last required repair made during the initial warranty period.