CITY OF MESA, ARIZONA

(Project Name)

CONSTRUCTION MANAGER AT RISK
CONSTRUCTION SERVICES CONTRACT

PROJECT NO. ______________

DATE: _________________
<table>
<thead>
<tr>
<th>ARTICLE</th>
<th>PAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 – PARTICIPANTS AND PROJECT</td>
<td>3</td>
</tr>
<tr>
<td>2 – CONTRACT DOCUMENTS</td>
<td>4</td>
</tr>
<tr>
<td>3 – PRE-CONSTRUCTION SERVICES</td>
<td>4</td>
</tr>
<tr>
<td>4 – CONSTRUCTION SERVICES</td>
<td>4</td>
</tr>
<tr>
<td>5 – CITY RESPONSIBILITIES</td>
<td>6</td>
</tr>
<tr>
<td>6 – CONTRACT TIME</td>
<td>6</td>
</tr>
<tr>
<td>7 – CONTRACT PRICE</td>
<td>7</td>
</tr>
<tr>
<td>8 – PAYMENT</td>
<td>8</td>
</tr>
<tr>
<td>9 – CHANGES TO THE CONTRACT</td>
<td>8</td>
</tr>
<tr>
<td>10 – SUSPENSION AND TERMINATION</td>
<td>8</td>
</tr>
<tr>
<td>11 – INSURANCE AND BONDS</td>
<td>8</td>
</tr>
<tr>
<td>12 – INDEMNIFICATION</td>
<td>8</td>
</tr>
<tr>
<td>13 – DISPUTE RESOLUTION</td>
<td>8</td>
</tr>
<tr>
<td>14 – MISCELLANEOUS PROVISIONS</td>
<td>8</td>
</tr>
</tbody>
</table>

**EXHIBIT**

A – ACCEPTED GMP/PRICE PROPOSAL
   (___ PAGES)

B – INSURANCE REQUIREMENTS
   (5 PAGES)

C – COMPLIANCE WITH SPECIFIC GOVERNMENT PROVISIONS
   (___ PAGES)

D – PROJECT SPECIFIC CONDITIONS & PROJECT PLANS AND SPECIFICATIONS (if any)
   (___ PAGES)
Construction Manager at Risk
Construction Services
Project No.: _________

THIS CONTRACT is made and entered into on the _____ day of _______________, 20_____, by and between City of Mesa, an Arizona municipal corporation, hereinafter called “City” and the “Construction Manager at Risk” or “CM@Risk” designated below:

City and CM@Risk agree as follows:

ARTICLE 1 – PARTICIPANTS AND PROJECT

CITY:    City of Mesa
          Project Manager:
          Telephone:  
          Fax:  
          E-mail:  

CM@RISK:    (Name)
            (Address)
            Arizona ROC No.:
            Federal Tax ID No.:
            CM@Risk Representative:
            Telephone:
            Fax:
            E-mail:

(Prior to execution of the Contract, CM@Risk must provide to City's Engineering Department its License Classification and number and its Federal Tax I.D. number.)

DESIGN PROFESSIONAL:    (Name)
                (Address)
                Design Professional Representative:
                Telephone:
                Fax:
                E-mail:

PROJECT DESCRIPTION:
ARTICLE 2 – CONTRACT DOCUMENTS

2.1 CONTRACT DOCUMENTS
The Contract between City and Contractor shall consist of the following Contract Documents:

1. This Contract and all of its Exhibits, including Technical Specifications and Plans
2. General Conditions, dated ____________, and General Conditions Appendices, incorporated by reference.*


2.2 DEFINITIONS
The definitions in Sections 2 and 15.1 of the General Conditions apply to all the Contract Documents, including this Agreement. Additional definitions or defined terms applicable to all the Contract Documents for this Project, if any, include the following:

(If any, to be added by PM)

2.3 PROJECT SPECIFIC CONDITIONS
If there are any additional conditions that apply to this Project, they are set forth in the attached Exhibit D, and are incorporated herein.

2.4 PROJECT PLANS AND SPECIFICATIONS
A detailed list of the Plans and Specifications for this Project are set forth in the attached Exhibit D.

ARTICLE 3 – PRE-CONSTRUCTION SERVICES
Although CM@Risk has performed Pre-Construction Services pursuant to a separate Contract between City and CM@Risk, the completion, quality and accuracy of those services and the deliverables provided by City thereunder directly impact CM@Risk’s performance of its obligations under this Contract. Therefore, all of CM@Risk’s obligations, duties, and warranties in relation to Pre-Construction Services and deliverables survive completion of the Pre-Construction Services Contract and are incorporated herein. Any breach of any of CM@Risk’s duties, obligations, or warranties under the Pre-Construction Services Contract shall likewise be considered a breach of this Contract.

ARTICLE 4 – CONSTRUCTION SERVICES

4.1 GENERAL
4.1.1 CM@Risk agrees at its own cost and expense, to do all work necessary and required to fully, timely and properly complete the construction of the Project in strict accordance with the Contract Documents in a good and workmanlike manner, free and clear of all claims, liens, and charges whatsoever, in the manner and under the conditions specified, and within the schedule, stated in attached Exhibit A.

4.1.2 CM@Risk shall provide all of the labor and materials, and perform the Work in accordance with Section 4 of the General Conditions. Some but not all of the major components of the Construction Services and the corresponding subsections of Section 4 of the General Conditions are set forth below.

4.1.3 At all times relevant to the Contract and performance of the Work, the CM@Risk shall fully comply with all Laws, Regulations, or Legal Requirements applicable to City, the Project and the Contract, including, without limitation, those set forth on attached Exhibit C.

4.1.4 CM@Risk shall perform the Work under this Contract using only those firms, team members and individuals designated by CM@Risk consistent with the Statement of Qualifications dated ____________.
the GMP Proposal, or otherwise approved by City pursuant to the General Conditions. No other entities or individuals may be used without prior approval of the Project Manager.

4.1.5 CM@Risk will comply with all terms and conditions of the General Conditions.

4.1.6 In the event of a conflict between this Contract and the General Conditions or any exhibit hereto or appendix thereto, the terms of this Contract shall control.

4.1.7 **Ownership of Work Product.** Notwithstanding anything to the contrary in this Contract, all Work Product prepared or otherwise created in connection with the performance of this Contract, including the Work, are to be and remain the property of City. For purposes of this provision, "Work Product" shall include all designs, drawings, plans, specifications, ideas, renderings and other information or matter, in whatever form created (e.g., electronic or printed) and in all media now known or hereinafter created. All Work Product shall be considered Work Made for Hire as defined in the United States Copyright Act 17 U.S.C. § 101 (Copyright Act). If for any reason any such Work is found not to be a work for hire, Contractor hereby transfers and assigns ownership of the copyright in such Work to City. The rights in this section are exclusive to City in perpetuity.

4.2 **CONTRACTOR’S PRE-CONTRACT AND PRE-WORK DELIVERABLES**

4.2.1 The CM@Risk will provide the Deliverables in accordance with Section 4.2 of the General Conditions.

4.2.2 Any additional items which CM@Risk must deliver to City prior to commencing the Work on this Project, if any, include the following:

  **(If any, to be added by PM)**

4.3 **PRE-CONSTRUCTION CONFERENCE**

CM@Risk shall attend the Pre-Construction Conference in accordance with Section 4.3 of the General Conditions.

4.4 **PERFORMANCE OF THE WORK (INCLUDING FIELD MEASUREMENTS, SUBCONTRACTORS, AND SUPPLIERS)**

CM@Risk shall perform the Work in accordance with Section 4.4 of the General Conditions.

4.5 **CONTROL OF THE PROJECT SITE**

CM@Risk shall control and maintain the Project Site in accordance with Section 4.5 of the General Conditions.

4.6 **PROJECT SAFETY**

CM@Risk shall implement and enforce Project safety in accordance with Section 4.6 of the General Conditions.

4.7 **MATERIALS QUALITY, SUBSTITUTIONS AND SHOP DRAWINGS**

CM@Risk shall provide materials testing and submit substitute materials and Shop Drawings in accordance with Section 4.7 of the General Conditions.

4.8 **PROJECT RECORD DOCUMENTS**

CM@Risk shall maintain and make available the Project Record Documents in accordance with Section 4.8 of the General Conditions.

4.9 **WARRANTY AND CORRECTION OF DEFECTIVE WORK**

CM@Risk shall provide warranties and correct defective Work in accordance with Section 4.9 of the General Conditions.
ARTICLE 5 – CITY RESPONSIBILITIES

5.1 City shall have the responsibilities, and provide the information specified in, and subject to the conditions set forth in, Section 5 of the General Conditions.

5.2 Additional services to be provided and responsibilities assumed, by City, if any, are listed below:

(If any, to be added by PM)

5.3 Additional information to be provided by City, if any, is listed below:

(If any, to be added by PM)

ARTICLE 6 – CONTRACT TIME

Contract Duration is _____ Calendar Days.

6.1 CONTRACT TIME

6.1.1 The Contract Time shall start with the Notice to Proceed ("NTP") and end with Final Acceptance, as set forth in Article 6.4 below. The Notice to Proceed cannot be issued prior to the approval and acceptance by City of the GMP or Fixed Price.

6.1.2 The Contract Time shall be as set forth in attached as Exhibit A. CM@Risk agrees that it will commence performance of the Work and complete the Project through both Substantial Completion and Final Completion within the Contract Time.

6.1.3 Time is of the essence of this Contract, for the Project, and for each phase and/or designated Milestone thereof.

6.2 PROJECT SCHEDULE

The Project Schedule approved as part of the GMP Proposal and incorporated herein as part of the attached Exhibit A shall be updated and maintained throughout CM@Risk’s performance under this Contract in accordance with Section 6.2 of the General Conditions.

6.2.1 Failure on the part of CM@Risk to adhere to the approved Project Schedule will be deemed a material breach and sufficient grounds for termination for cause of this Contract by City.

6.3 SUBSTANTIAL COMPLETION

Substantial Completion shall be achieved not later than the Substantial Completion Date set forth in the Project Schedule. Substantial Completing shall be determined in accordance with Section 6.3 of the General Conditions.

6.4 FINAL COMPLETION AND FINAL ACCEPTANCE

6.4.1 Final Completion will be obtained within the time period set forth in the Project Schedule.

6.4.2 Final Completion will be determined, and Final Acceptance will be issued, pursuant to Section 6.4 of the General Conditions.

6.5 LIQUIDATED DAMAGES

6.5.1 Substantial Completion Liquidated Damages. CM@Risk acknowledges and agrees that if CM@Risk fails to obtain Substantial Completion of the Work within the Contract Time, City will sustain extensive damages and serious loss as a result of such failure. The exact amount of such damages will be extremely difficult to ascertain. Therefore, City and CM@Risk agree that if CM@Risk fails to achieve Substantial Completion of the Work within the time set forth in Article 6.3 above, City shall be entitled to retain or recover from CM@Risk, as liquidated damages and not as a penalty, the following per diem
amounts commencing from the Substantial Completion Date required under the Contract until the actual date of Substantial Completion:

$ (to be added by PM if applicable) per calendar day.

6.5.2 **Final Completion Liquidated Damages.** For the same reasons set forth in Article 6.5.1 above, City and CM@Risk further agree that if CM@Risk fails to achieve Final Completion of the Work within the time set forth in Article 6.4.1 above, City shall be entitled to retain or recover from CM@Risk, as liquidated damages and not as a penalty, the following per diem amounts commencing from the actual date of Substantial Completion or the Final Completion Date as required under the Contract, whichever is later, until the actual date of Final Completion:

$ (to be added by PM if applicable) per calendar day.

6.5.3 **MAG Liquidated Damages.** If no liquidated damages are specified in Articles 6.5.1 and/or 6.5.2 above, then the liquidated damages provisions in MAG § 108.9 shall apply.

6.5.4 City may deduct liquidated damages described in this Article 6.5 above from any unpaid amounts then or thereafter due CM@Risk under this Agreement. Any liquidated damages not so deducted from any unpaid amounts due CM@Risk shall be payable to City at the demand of City, together with interest from the date of the demand at the highest lawful rate of interest payable by CM@Risk.

6.6 **MUTUAL WAIVER OF CONSEQUENTIAL DAMAGES ONLY**

6.6.1 CM@Risk and City waive claims against each other for consequential damages arising out of or relating to this Contract. This mutual waiver includes:

1. Damages incurred by City for rental expenses, for losses of use, income, profit, financing, business and reputation, and for loss of management or employee productivity or of the services of such persons; and

2. Damages incurred by CM@Risk for principal office expenses including the compensation of personnel stationed there, for losses of financing, business and reputation, and for loss of profit except anticipated profit arising directly from the Work.

6.6.2 This mutual waiver is applicable, without limitation, to all consequential damages due to either party’s termination of this Contract. Nothing contained in this Article 6.6 shall be deemed to preclude an award of liquidated damages, when applicable, in accordance with Article 6.5 above.

6.6.3 Nothing herein shall be deemed to constitute a waiver of any other remedy available to City in the event of CM@Risk’s default under this Contract prior to full performance of the Work including, as applicable, specific performance of completion of the Work on behalf of CM@Risk, the cost and expense of which shall be offset against any monies then or thereafter due to Contractor (if any) and otherwise immediately reimbursed to City by CM@Risk.

**ARTICLE 7 – CONTRACT PRICE**

7.1 **CONTRACT PRICE**

7.1.1 In exchange for CM@Risk’s full, timely, and acceptable performance and construction of the Work under this Contract, and subject to all of the terms of this Contract, City will pay CM@Risk the “Contract Price” which:

The sum of the CM@Risk’s Fee and reimbursable Cost of the Work, as defined in Section 15 of the General Conditions, which the CM@Risk guarantees will not exceed the GMP set forth in Exhibit A in the amount of $ ____________________. Costs which would cause the GMP to be exceeded shall be paid by CM@Risk without reimbursement from City.
7.1.2 The Contract Price is all-inclusive and specifically includes all fees, costs, insurance and bond premiums, and taxes any type necessary to fully, properly and timely perform and construct the Work encompassed in attached Exhibit A.

7.2 COSTS
For any portion of the Work which, either through this Contract, Change Order or otherwise, is performed and paid for on a cost, or time and materials basis, the costs which may be reimbursed to CM@Risk and/or chargeable against the Contract Price shall be determined as set forth in Section 15 of the General Conditions.

ARTICLE 8 – PAYMENT
Payments shall be made to CM@Risk in accordance with Section 8 (and 15 if the Contract Price is a GMP) of the General Conditions.

ARTICLE 9 – CHANGES TO THE CONTRACT
Changes to the Contract may be made in strict accordance with Section 9 of the General Conditions.

ARTICLE 10 – SUSPENSION AND TERMINATION
This Contract may be suspended and/or terminated in accordance with Section 10 of the General Conditions.

ARTICLE 11 – INSURANCE AND BONDS
11.1 CM@Risk shall provide insurance as provided on the attached Exhibit B, and in accordance with Section 11.1 of the General Conditions. CM@Risk shall provide proof of such insurance and all required endorsements in form acceptable to City prior to commencing any Work under this Contract.

11.2 CM@Risk shall provide performance and payment bonds to City in accordance with Section 11.2 of the General Conditions and A.R.S. § 34-610(A).

11.3 Failure to provide proof of insurance and the required endorsements, or the required bonds, in forms acceptable to City will be material breach and grounds for termination for cause of this Contract by City.

ARTICLE 12 – INDEMNIFICATION
CM@Risk shall have and assume the indemnity obligations set forth in Section 12 of the General Conditions.

ARTICLE 13 – DISPUTE RESOLUTION
Any claims or disputes relating to this Contract shall be resolved according to the dispute resolution process set forth in Section 13 of, and Appendix 7 to, the General Conditions.

ARTICLE 14 – MISCELLANEOUS PROVISIONS
This miscellaneous provisions set forth in Section 14 of the General Conditions shall apply to this Contract.
IN WITNESS WHEREOF, the parties hereto executed this Contract through their duly authorized representatives and bind their respective entities as of the effective date.

“CITY”
CITY OF MESA
Signature __________________________________
Name  _____________________________________
Title  _____________________________________

ATTEST:
Signature __________________________________
Name  _____________________________________
Title  _____________________________________

“CM@RISK”
COMPANY NAME
Signature __________________________________
Name  _____________________________________
Title  _____________________________________

STATE OF ARIZONA   )
) ss.
County of Maricopa   )

SUBSCRIBED AND SWORN TO before me, the undersigned notary public, by__________________,
who was identified as the __________________________ of ____________________________, on
this ______ day of _________________, 20____.

___________________________________________
Notary Public

My Commission expires:
___________________________________________

Version date: November 12, 2014
NOTE – Contractor’s insurance coverage to be reviewed and approved by Contract Services Specialist PRIOR TO CONTRACT EXECUTION.
EXHIBIT B

MINIMUM INSURANCE REQUIREMENTS

Contractor/Design Professional shall obtain and submit to City before any Work is performed, certificates from the Contractor's/Design Professional's insurance carriers indicating the presence of coverages and limits of liability as set forth in the Contract Documents, but in no event shall the coverages and limits be less than those specified as follows.

The City only accepts the most recent ACORD® Certificate of Liability Insurance form with additional insured endorsements. The course of construction policy (if required) and the owner’s liability policy shall remain in effect during construction through the date of project final acceptance. The remainder of the insurance policies shall remain in effect during construction and through the one-year warranty period that follows project final acceptance, unless otherwise specified in contract documents. Proof of all required coverage(s) shall be provided by the Contractor/Design Professional.

1. **Workers' Compensation:**
   - Coverage A. Statutory Benefits
   - Coverage B. Employer’s Liability
     - Bodily Injury by accident $1,000,000 each accident
     - Bodily Injury by disease $1,000,000 policy limit
     - Bodily Injury by disease $1,000,000 each employee
   
   Coverage must include a Waiver of Subrogation endorsement.
   
   Where applicable, U.S. Longshore and Harbor Workers Compensation Act Endorsement shall be attached to the policy.

2. **Commercial Auto Coverage:**
   - Auto Liability limits of not less than $1,000,000 Combined Single Limit (Each Accident), combined Bodily Injury and Property Damage Liability insurance. Certificate to reflect coverage for "Any Auto" or "All Owned, Scheduled, Hired and Non-Owned."
   
   If the Contract Documents require Contractor/Design Professional to remove and haul hazardous waste from the Project site, or if the Project involves such similar environmental exposure, pollution liability coverage equivalent to that provided under the ISO Pollution Liability-Broadened Coverage for Covered Autos Endorsement shall be provided, and the Motor Carrier Act Endorsement (MCS 90) shall be attached.

3. **Commercial General Liability:**
   - Each Occurrence Limit $1,000,000
   - Personal Injury/Advertising Injury Limit $1,000,000
   - Products/Completed Operations Aggregate Limit $1,000,000
   - General Aggregate Limit $2,000,000
     - (other than Products/Completed Operations)

   Coverage must include a Waiver of Subrogation endorsement.
   
   Both policy forms must include:
   
   1) Premises and Operations coverage with no explosion, collapse or underground damage (XCU) exclusions.
2) Products and Completed Operations coverage. Contractor/Design Professional agrees to maintain this coverage for a minimum of 10 years following completion of the Contractor/Design Professional Work and to continue to name City as an Additional Insured for the entire 10-year period.

3) Blanket contractual coverage for the indemnity/hold harmless agreements assumed in this Subcontract and in the Prime Contract. Any Employee Exclusion will be deleted.

4) Broad Form Property Damage coverage, including completed operations or its equivalent.

5) An endorsement naming City, any other party required to be named as an additional insured under the Contract Documents, and any other parties in interest as Additional Insured(s) under the coverage specified under Comprehensive General Liability or Commercial General Liability. The endorsement shall be on ISO forms CG2010B 11/85 or CG2026 11/85, or equivalent. Additional Insured Endorsements on both ISO forms CG2010 10/01 and CG2037 10/01 are acceptable. ISO forms CG2010A or CG2010B 10/93 and/or 3/97, or their equivalent, ARE NOT ACCEPTABLE. Any form that does not grant additional insured status for both the ongoing operations and products/completed operations coverages IS NOT ACCEPTABLE.

6) An endorsement stating: "Such coverage as is afforded by this policy for the benefit of the additional insured(s) is primary and except for any builder's risk property insurance coverage that may be purchased and maintained by City in connection with the Project, any other coverage maintained by such additional insured(s) shall be non-contributing with the coverage provided under this policy."

7) Coverage on an "Occurrence" form. "Claims Made" and "Modified Occurrence" forms are not acceptable.

8) Coverage to include general aggregate limits on a "per project" basis.

4. Excess Liability:
Umbrella or Excess Liability may be used to satisfy the above Auto and General Liability coverage requirements and limits to reach a total combined limit of:

- **Auto** Amount sufficient to cover difference in limits when compared to minimum coverage required.
- **Each Occurrence** Amount sufficient to cover difference in limits when compared to minimum coverage required.
- **Aggregate** Amount sufficient to cover difference in limits when compared to minimum coverage required.

Coverage must include an endorsement naming City of Mesa, its elected officials, and employees as Additional Insureds under the Contract Documents.

5. Errors & Omissions/Professional Liability:
(Applicable only to Design Professional services which are part of Work.)

Coverage provided must have no exclusion for design-build projects. Contractor/Design Professional must provide evidence of coverage for three (3) years beyond completion of the Project.

Coverage Amount: $1,000,000 per claim/$2,000,000 aggregate, unless higher coverage limits are required under the Contract Documents, in which case such higher limits shall apply.
6. **Pollution Legal Liability:**

   $1,000,000 per Occurrence
   $1,000,000 Aggregate Limit

   (Applicable to any pollutants or hazardous waste exposures as part of Work, except for CM@Risk Pre-
   Construction services work.)

   Contractor shall maintain insurance covering losses caused by pollution conditions (including mold) that
   arise from the Work.

7. **Waivers of Subrogation:**

   The policies shall provide waivers of subrogation by endorsement or otherwise. A waiver of subrogation
   shall be effective as to a person or entity even though that person or entity would otherwise have a duty
   of indemnification, contractual or otherwise, did not pay the insurance premium directly or indirectly, and
   whether or not the person or entity had an insurable interest in the property damaged.

8. **Other Requirements:**

   A. Contractor/Design Professional and/or Contractor/Design Professional's insurance broker must
      provide timely written notice of cancellation to the additional insured(s) in the event of cancellation,
      non-renewal or material reduction in coverage.

   B. All policies must be written by insurance companies whose rating, in the most recent Best's Rating
      Guide, is not less than A-. All coverage forms must be acceptable to City.

   C. ACORD® Certificate of Liability Insurance form with the required endorsements evidencing the
      required coverages must be delivered to the City prior to commencement of any Work. Failure of
      City to demand such certificate or other evidence of full compliance with these insurance
      requirements or failure of City to identify a deficiency from evidence that is provided shall not be
      construed as a waiver of Contractor's/Design Professional's obligation to maintain such insurance.
      City shall have the right, but not the obligation, to prohibit Contractor/Design Professional or any of
      its subcontractors from entering the Project site until such certificates or other evidence that
      insurance has been placed in complete compliance with these requirements is received and
      approved by City.

   D. Contractor/Design Professional shall be responsible to satisfy any deductible or self-insured
      retention with respect to any of the coverages required by the Contract Documents to be provided
      by Contractor/Design Professional.

   E. City reserves the right, in its sole discretion, to require higher limits of liability coverage if, in City's
      opinion, operations by or on behalf of Contractor/Design Professional create higher than normal
      hazards and, to require Contractor/Design Professional to name additional parties in interest to be
      Additional Insureds; provided however, City is responsible for paying all actual additional costs
      associated with such higher limits, if any.

   F. In the event that rental of equipment is undertaken by Contractor/Design Professional or any
      Subcontractor to complete and/or perform the Work, Contractor/Design Professional agrees that it
      shall be solely responsible for such rental equipment. Such responsibility shall include, but not be
      limited to, theft, fire, vandalism and use by unauthorized persons.

   G. In the event that materials or any other type of personal property (“personal property”) is acquired
      for the Project or delivered to the Project site, Contractor/Design Professional agrees that it shall be
      solely responsible for such property until it becomes a fixture on the Project, or otherwise is
      installed and incorporated as a final part of the Project. Such responsibility shall include, but not be
      limited to, theft, fire, vandalism and use by unauthorized persons.
H. Contractor/Design Professional shall maintain "all risk" insurance, on a replacement cost basis, covering loss or damage to personal property (for which it has title and/or risk of loss) which is to become a final part of the Project, during any time such personal property is in transit and while stored or worked upon away from the Project site. City shall be named as additional insured under such insurance.

I. City and Contractor/Design Professional waive all rights against each other and against Design Professional, and the subcontractors, subconsultants and separate contractors/Design Professionals and employees of any of them, for damages caused by fire or other perils covered by Builder's Risk or any other property insurance applicable to the Project, except such rights as they may have to the proceeds of such insurance.

J. Builders Risk/Course of Construction

Contractor shall include in its Cost Proposal the cost to obtain builders risk or "all risk" or equivalent policy form coverage in the amount of the initial Contract Price. This required insurance coverage is required on projects that are typically outside the public rights-of-way whereby the City is constructing or modifying a public building. The City may, at the City's sole option, purchase and maintain, in a company or companies lawfully authorized to do business in the jurisdiction in which the Project is located, property insurance written on a builders risk "all-risk" or equivalent policy form in the amount of the initial Contract Price, plus value of subsequent contract modifications and cost of materials supplied or installed by others, comprising total value for the entire Project at the site on a replacement cost basis. This insurance shall include interests of the City, Contractor and its subcontractors in the Project, and shall include, without limitation, insurance against the perils of fire and physical loss or damage including, without duplication of coverage, theft, vandalism, malicious mischief, collapse, earthquake, flood, windstorm, falsework, testing and startup, temporary buildings and debris removal, including demolition occasioned by enforcement of any applicable legal requirements. City shall bear the responsibility for the deductible for such coverage when a loss affects the Work, provided, however, to the extent such loss is attributable to the negligent or wrongful acts or omissions of Contractor or someone for whom Contractor is responsible, Contractor shall bear the responsibility of the deductible. Such property insurance will not cover any tools or equipment owned or rented by Contractor that will not be incorporated into the Project, including trailers, excavators, scaffoldings, or forms. Contractor is responsible for providing insurance coverage for such items.

K. If City elects to utilize an Owner Controlled Insurance Program ("OCIP") which provides coverage for the Work, the Contractor/Design Professional shall comply with all provisions of any such OCIP.

L. Contractor/Design Professional shall also deliver to City, and City must accept, the Certificates of Insurance required herein prior to commencing any Work.

M. Any additional provisions specific to the Project are attached. In the event of any conflict between the attached terms and the terms of this Exhibit, Contractor/Design Professional shall comply with the more stringent provisions.

9. Valuable Papers:

Valuable Papers insurance sufficient to assure the restoration of any documents, memoranda, reports, or other similar data relating to the services of the CONSULTANT used in completion of this contract.

(Applicable to any design/engineering services which are part of Work.)

10. Owner's Liability:

Owner's Liability Policy: Prior to the execution of the Contract the Contractor shall provide a separate policy of insurance in the amount of $2,000,000, per occurrence, at its sole cost and expense, naming
the City of Mesa, a Municipal Corporation and all its agents, representatives, officers, directors, officials and employees as the insured. The Policy shall be primary and not contributory to any insurance maintained by the City of Mesa and shall remain in effect through date of final acceptance.

If a policy does expire prior to final acceptance, a renewal certificate of the required coverage shall be sent to the City of Mesa not less than five (5) days prior to the expiration date or, if a policy is to be cancelled, changed or not renewed, a proper notice of such action shall be sent to the City not less than ten (10) days prior to any such action by the insurance company.

Notice shall be sent to: City Engineer or Fax to 480-644-3392
City of Mesa Attention: City Engineer
P.O. Box 1466
Mesa, AZ 85211-1466
EXHIBIT D – PROJECT SPECIFIC CONDITIONS & PROJECT PLANS AND SPECIFICATIONS

Section D.1 – Project Specific Conditions

Section D.2 – Project Plans and Specifications