

Attachment 03

Ector County ISD – Transportation Facility Demo
Odessa, TX

Assumptions and Clarifications

This Guaranteed Maximum Price (GMP) is based on reasonable assumptions and incorporates only certain costs and expenses that Teinert Construction (TEINERT), the Contractor, expects will be incurred in construction of the Work. Teinert warrants and guarantees that it has had an opportunity to visit the Job Site, to inspect the Job Site, and has performed a commercially reasonable investigation into the conditions of the Job Site. As of the effective date of this document, TEINERT has found no substantive issues that would necessitate altering the GMP based on its commercially reasonable investigation. Any unforeseen conditions encountered during the course of construction may be recouped via contingency or change order to the contract if necessary.

TEINERT has listed below the assumptions and clarifications that have been considered so that all parties understand what is and what is not included in the GMP. Where actual events or conditions on the project differ from the assumptions and clarifications listed below, the estimate may require adjustments for the resulting changes. These assumptions and clarifications are specifically used to establish the basis of the GMP and are also intended to clarify and take precedence over details or items shown in the Contract Documents if there is a discrepancy between or among any of them.

General Assumptions

1. The GMP is based on these Assumptions and Clarifications and the Contract Documents as prepared by Parkhill Architects and their consultants as listed and dated in Plans and Specifications (Attachment 04), which is hereby fully incorporated by reference.
2. Design Professional Responsibility:
 - a. The Contractor shall perform the Work in accordance with the Contract Documents and is entitled to rely upon the accuracy and completeness of the drawings and specifications prepared by the Architect and/or Engineer of Record.
 - b. The Contractor's obligations are limited to construction means, methods, techniques, sequences, and procedures, and to field verification of existing conditions as expressly required by the Contract Documents. The Contractor shall not be responsible for redesign, correction of design errors, or costs arising from defective plans or specifications except to the extent such error was both obvious and not timely reported.
 - c. Any additional costs, delays, or impacts resulting from design errors, omissions, or inconsistencies shall constitute a Change in the Work entitling the Contractor to an equitable adjustment in Contract Time and Contract Sum.
3. The Contractor's Builders Risk Insurance is included in the GMP. Should the GMP be increased by any amount pre or post prime contract execution, TEINERT is entitled to an increase at for these policies at .015% of the cost of the change.

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4. The Contractor’s General Liability, Umbrella Liability, and Professional Liability are included in the GMP. Should the GMP be increased by any amount pre or post prime contract execution, TEINERT is entitled to an increase for these policies at .66% of the cost of the change.
5. An Owner’s Protective Liability Insurance Policy will not be provided by TEINERT.
6. Payment and Performance Bond is included in the GMP.
7. There is a Contractor’s Contingency Allowance included in the GMP valued at \$25,000. This contingency will be used by Teinert in accordance with the General and Supplementary Conditions of the Construction Manager at-Risk Agreement. 100% of the remaining balance in this Contingency Allowance shall be returned to the Owner upon completion of the project.
8. The GMP is based on the Job Site being free from hazardous and contaminated materials including, without limitation, contaminated water and soil regardless of classification. Hazardous and contaminated materials testing, monitoring and abatement, as well as any required environmental investigations and insurance, if required, are not included in the GMP.
9. Any State Highway permits, public street permits or temporary rights-of-way are not included in the GMP as none are known to be required.
10. The GMP excludes fees for City of Odessa and Ector County Building permit and City of Odessa SWPPP review fee as well as any applicable impact fees charged by the city of Odessa or Ector County.
11. The GMP excludes any City of Odessa and Ector County impact fees.
12. The order of precedence of the documents in the event that there is a conflict between documents is:
 - a. Future Contract Amendments;
 - b. Assumptions and Clarifications and Attachments (Exhibits) herein, and Supplemental Conditions to the GMP and General Conditions;
 - c. Drawings and Specifications as prepared by the Architect/Engineer.
13. The GMP includes several Allowances for the various parts of the Work. When cost to cover the scope for these allowances is committed, 100% of any savings shall be returned to the Owner. Conversely, Owner shall pay for 100% of any overages. Specifically, these allowances are as follows:

CM Contingency	\$25,000
Owner Contingency	\$25,000
Underground Piping, Fuel Tanks & Pumps Demo	\$115,000
14. The GMP includes several line items labeled “COW” which means “cost of work.” Construction Manager shall bill these items at actual cost with proper documentation and invoice back-up each month. COW line items may have funds transferred between them, but Owner will not pay overage if all COW items are expended. Conversely, 100% of any savings of COW items will be returned to Owner upon completion of the project.

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- 15. Due to the volatility in the market on a local and global scale, price increases and delayed lead times for materials may occur during construction. Subcontractors/Vendors and Teinert are not responsible for unforeseen price and lead time increases. Subcontractors/Vendors and Teinert will do everything in their purview and authority to circumvent, avoid, address and remediate such increases. Should any commodity or manufactured product outside the Construction Manager and/or Subcontractor’s control increase more than 15% in cost prior to starting work for which it is required, recovery of said costs may be allowed through contingency funds, provided that the cost increase was not due to subcontractor or construction manager's negligence or failure to procure materials in a timely manner.
- 16. The General Conditions are to be a fixed cost line item and will be amortized monthly.
- 17. All Teinert self-performed scopes are fixed cost line items treated as any other subcontract.
- 18. The contract specifically excludes recovery of any consequential damages by either party.
- 19. GMP excludes the following: 1) any municipal requirements not specifically listed in the construction documents; 2) utility costs for power and low voltage; 3) natural gas; and 4) furniture.
- 20. Labor burden to be billed at 39% of bare labor.
- 21. GMP assumes all finishes and colors throughout to be “standard” within the manufacturer’s color index unless specifically detailed otherwise.

END OF GENERAL ASSUMPTIONS AND CLARIFICATIONS

Specific Assumptions and Clarifications

Division 2

- GMP includes an allowance for all underground demo of any piping, tanks, and storage as none is specifically lined out on the plans.

END OF ASSUMPTIONS & CLARIFICATIONS

OWNER *(Signature)*

(Printed name and title)

CONTRACTOR *(Signature)*

Daniel Horton, President

(Printed name and title)