

NORTHBROOK PUBLIC LIBRARY IN-PERSON & VIRTUAL BOARD MEETING

March 18, 2021 | 7:30 p.m.

Zoom Webinar

Register to attend the meeting virtually:

https://zoom.us/webinar/register/WN_ImnY4OxIRuWlIGv6lrz1iw

After registering, you will immediately receive a confirmation email
containing joining information

Regular Monthly Meeting Agenda

- 1 Call Regular Meeting to Order – Mr. Carlos Früm
- 2 Board of Trustees Roll Call – Ms. Jennifer McGee
- 3 Consent Agenda – Mr. Carlos Früm
 - 3.1 Approval of the Agenda
 - 3.2 Approve Regular Session Minutes – February 18, 2021
 - 3.3 Cash Balances & Income Statement February 2021
 - 3.4 Approve Bills and Charges from February 2021
 - 3.5 Annual Non-Resident Fee Approval
 - 3.6 FY21 Board Meeting Schedule
- 4 Public Comments
- 5 Staff Reports – Ms. Kate Hall
 - 5.1 Reopening Plan Update
- 6 Unfinished Business
 - 6.1 RFID & Circulation Renovation Update
 - 6.2 FY22 Budget
- 7 New Business
 - 7.1 Pepper Master Agreement
 - 7.2 Fiction & Media Master Plan Project Work Order
 - 7.3 Selection of Board Officer Nominating Committee
- 8 Agenda Building
- 9 Adjourn

FINAL VOTE OR ACTION MAY BE TAKEN AT THE MEETING ON ANY AGENDA ITEM SUBJECT MATTER LISTED ABOVE, UNLESS THE AGENDA LINE ITEM SPECIFICALLY STATES OTHERWISE.

The Northbrook Public Library is subject to the Requirements of the Americans with Disabilities Act of 1990. Individuals with disabilities who plan to attend any meetings of the Board and who require certain accommodations in order to allow them to observe and/or participate in this meeting, or who have questions regarding the accessibility of these meetings or the facilities are requested to contact Brodie Austin at 847-272-7074 promptly to allow the Northbrook Public Library to make reasonable accommodations for those persons. Hearing impaired individuals may establish TDD contact by calling 847-272-7074.

**NORTHBROOK PUBLIC LIBRARY
CASH BALANCES
2/28/2021**

		Beginning Balance	Cash Receipts	Expenditures	Ending Balance
<u>Operating</u>					
	General	6,276,927.25	1,093,481.52	554,843.71	6,815,565.06
	Restricted	357,753.11	7,804.05	3,578.04	361,979.12
	IMRF	632,952.01	41,184.73	32,476.68	641,660.06
	Fica	144,280.95	30,154.81	23,002.90	151,432.86
	Total Operating	\$ 7,411,913.32	\$1,172,625.11	\$ 613,901.33	\$ 7,970,637.10
<u>Capital Improvement</u>		\$ 5,070,257.25	\$ 577.12	\$ 119,524.25	\$ 4,951,310.12
<u>Debt Service</u>		\$ 215.25			\$ 215.25

Cash Detail	Operating	Capital Improvement	Debt Service
NB&T - Checking	(114,343.36)	18,132.77	10.00
PayPal	6,826.09	-	-
GSB - Money Market	226,011.92	-	-
Fifth Third - Checking/Money Market	7,847,152.66	4,929,667.46	-
US Bancorp	659.38	511.37	-
IMET	3,535.41	2,998.52	205.25
Petty Cash	795.00	-	-
Total	\$ 7,970,637.10	\$4,951,310.12	\$ 215.25

NB&T = Northbrook Bank & Trust

GSB = Glenview State Bank

IMET = Illinois Metropolitan Investment Fund

USB = US Bancorp

In May 2020, Northbrook Bank and Trust notified the Library that the Variable CD option that was offered was being sunsetted. The Accounts were closed and funds were rolled into the checking account for the Capital Improvement Fund and the Debt Service Fund.

Northbrook Public Library
Income Statement
2/28/21

	PY Month	CY Month	PY YTD	CY YTD	CY Budget	83%
01 - General Operating Fund						
Revenues						
Undesignated Revenue						
Property Tax Levy	(\$34,042.81)	(\$45,707.67)	\$7,280,923.44	\$7,257,317.44	\$7,289,188.00	99.56%
Replacement Tax	\$65,241.64	\$0.00	\$124,704.96	\$102,542.48	\$100,000.00	102.54%
Impact Fees	\$248.40	\$0.00	\$2,691.25	\$8,021.03	\$0.00	0.00%
Fines, Fees & Rentals	\$5,338.42	\$336.35	\$49,433.10	\$4,100.81	\$37,500.00	10.94%
Interest Income	\$8,511.88	\$670.46	\$122,564.98	\$14,172.97	\$50,000.00	28.35%
Other Income	\$287.26	\$6,668.91	\$11,839.31	\$24,053.64	\$100,000.00	24.05%
Total Undesignated Revenue	\$45,584.79	(\$38,031.95)	\$7,592,157.04	\$7,410,208.37	\$7,576,688.00	97.80%
Designated Revenue						
Gifts & Other Designated Income	\$5,006.52	\$7,804.00	\$94,488.30	\$154,410.01	\$100,000.00	154.41%
Designated Interest Income	\$57.33	\$0.05	\$525.91	\$216.66	\$0.00	0.00%
Total Designated Revenue	\$5,063.85	\$7,804.05	\$95,014.21	\$154,626.67	\$100,000.00	154.63%
Total Revenues	\$50,648.64	(\$30,227.90)	\$7,687,171.25	\$7,564,835.04	\$7,676,688.00	98.54%
Expenses						
Undesignated Expenses						
Materials & Services						
Books	\$46,442.55	\$62,633.00	\$596,789.11	\$644,646.59		
Audio/Visual	\$5,763.37	\$9,863.52	\$60,894.62	\$42,300.03		
Videos/DVDs	\$7,987.55	\$5,718.40	\$60,803.73	\$32,658.41		
Programs	\$12,135.83	\$365.21	\$95,969.40	\$54,297.15	\$119,000.00	45.63%
OCLC	\$0.00	\$0.00	\$20,089.55	\$19,856.63	\$21,000.00	94.56%
CCS Shared Costs	\$0.00	\$0.00	\$73,754.56	\$72,721.13	\$82,000.00	88.68%
Total Materials & Services	\$72,329.30	\$78,580.13	\$908,300.97	\$866,479.94	\$1,145,000.00	75.68%
Human Resources						
General Salaries and Wages	\$300,894.17	\$297,415.10	\$3,025,945.81	\$3,016,533.25	\$3,928,756.00	76.78%
Maintenance Salaries & Wages	\$14,245.02	\$14,549.98	\$135,506.15	\$146,239.85	\$179,744.00	81.36%
Group Insurance	\$51,233.11	\$54,692.13	\$493,366.79	\$538,003.66	\$630,000.00	85.40%
Unemployment/Worker's Comp	\$2,521.38	\$0.00	\$20,943.41	\$18,112.06	\$27,000.00	67.08%
Staff Development	\$9,312.41	\$6,372.68	\$63,262.04	\$24,988.53	\$98,000.00	25.50%
Total Human Resources	\$378,206.09	\$373,029.89	\$3,739,024.20	\$3,743,877.35	\$4,863,500.00	76.98%

Northbrook Public Library
Income Statement
2/28/21

	PY Month	CY Month	PY YTD	CY YTD	CY Budget	83%
01 - General Operating Fund						
Operating Costs						
Photocopy	\$0.00	\$1,530.00	\$24,931.75	\$22,128.76	\$35,000.00	63.23%
Office & Library Supplies	\$5,014.51	\$4,424.11	\$58,744.08	\$59,915.56	\$70,000.00	85.59%
Software	\$918.23	\$4,181.68	\$87,053.18	\$89,669.11	\$95,000.00	94.39%
Postage	(\$11.63)	\$5.64	\$15,676.63	\$16,062.01	\$20,000.00	80.31%
General Insurance	\$6,716.98	\$5,384.50	\$55,879.86	\$56,118.52	\$59,000.00	95.12%
Telephone/Internet	\$6.00	\$365.29	\$19,695.76	\$37,354.43	\$36,000.00	103.76%
Professional Services	\$19,945.17	\$17,525.45	\$229,561.83	\$195,805.62	\$265,000.00	73.89%
Furniture, Equipment	\$1,399.98	\$17,844.86	\$68,445.99	\$61,620.43	\$100,000.00	61.62%
Equipment Rental & Maintenance	\$540.00	\$0.00	\$12,402.13	\$2,928.28	\$20,000.00	14.64%
Community Relations	\$5,337.13	\$10,056.06	\$33,725.23	\$27,193.18	\$48,000.00	56.65%
Total Operating Costs	\$39,866.37	\$61,317.59	\$606,116.44	\$568,795.90	\$748,000.00	76.04%
Maintenance						
Vehicle Expense	\$51.27	\$0.00	\$3,093.39	\$372.69	\$3,000.00	12.42%
Janitorial Supplies	\$4,785.07	\$3,441.10	\$35,553.28	\$31,651.54	\$45,000.00	70.34%
Utilities	\$6,184.65	\$512.00	\$42,511.27	\$24,563.48	\$53,000.00	46.35%
Building Repairs	\$3,250.25	\$0.00	\$8,979.88	\$13,345.33	\$30,000.00	44.48%
Contracted Services	\$8,041.88	(\$6,958.55)	\$117,645.77	\$118,401.62	\$135,000.00	87.70%
Total Maintenance	\$22,313.12	(\$3,005.45)	\$207,783.59	\$188,334.66	\$266,000.00	70.80%
Other Expenses						
Recruiting	\$0.00	\$0.00	\$128.00	\$0.00	\$500.00	0.00%
Contingency & Misc Exp	\$33.39	\$507.60	\$3,635.81	\$2,011.09	\$100,000.00	2.01%
Board Development	\$122.00	\$0.00	\$394.77	\$170.99	\$3,500.00	4.89%
Total Other Expenses	\$155.39	\$507.60	\$4,158.58	\$2,182.08	\$104,000.00	2.10%
Total Undesignated Expenses	\$512,870.27	\$510,429.76	\$5,465,383.78	\$5,369,669.93	\$7,126,500.00	75.35%
Designated Expenses						
Miscellaneous Designated Expenses	\$804.52	(\$20.00)	\$52,694.41	\$3,970.72	\$100,000.00	3.97%
Designated Materials Expense	\$1,116.67	\$31.32	\$6,831.46	\$1,653.84	\$0.00	0.00%
Designated Capital Expense	\$0.00	\$0.00	\$46,427.50	\$0.00	\$0.00	0.00%
Designated Program Expense	\$4,211.53	\$2,566.72	\$23,040.92	\$24,197.61	\$0.00	0.00%
Total Designated Expenses	\$6,132.72	\$3,578.04	\$128,994.29	\$29,822.17	\$100,000.00	29.82%
Transfers & Other Financing Uses						
Transfer to CIF	\$0.00	\$0.00	\$0.00	\$0.00	\$425,000.00	0.00%
Transfer to Debt Service	\$0.00	\$0.00	\$0.00	\$0.00	\$25,000.00	0.00%
Total Transfers & Other Financing Uses	\$0.00	\$0.00	\$0.00	\$0.00	\$450,000.00	0.00%
Total Expenses	\$519,002.99	\$514,007.80	\$5,594,378.07	\$5,399,492.10	\$7,676,500.00	70.34%
NET SURPLUS/(DEFICIT)	(\$468,354.35)	\$544,235.70	\$2,092,793.18	\$2,165,342.94	\$188.00	

Northbrook Public Library
Income Statement
2/28/21

	PY Month	CY Month	PY YTD	CY YTD	CY Budget	83%
02 - IMRF/FICA Fund						
Revenues						
Undesignated Revenue						
Property Tax Levy-IMRF	(\$2,230.37)	(\$3,010.64)	\$477,023.52	\$478,020.66	\$490,000.00	97.56%
Property Tax Levy FICA	(\$1,274.50)	(\$1,775.67)	\$272,584.88	\$281,934.64	\$289,000.00	97.56%
Interest Income IMRF	\$9.43	\$0.00	\$47.84	\$4.66	\$1,500.00	0.31%
Interest Income FICA	\$5.40	\$0.00	\$27.36	\$2.92	\$1,500.00	0.19%
Total Undesignated Revenue	(\$3,490.04)	(\$4,786.31)	\$749,683.60	\$759,962.88	\$782,000.00	97.18%
Total Revenues	(\$3,490.04)	\$4,786.31	\$749,683.60	\$759,962.88	\$782,000.00	97.18%
Expenses						
Undesignated Expenses						
Human Resources						
Employer IMRF	\$33,341.28	\$32,476.68	\$281,439.96	\$332,121.13	\$400,000.00	83.03%
Employer FICA	\$23,275.21	\$23,002.90	\$233,628.92	\$232,895.00	\$289,000.00	80.59%
Total Human Resources	\$56,616.49	\$55,479.58	\$515,068.88	\$565,016.13	\$689,000.00	82.01%
Total Undesignated Expenses	\$56,616.49	\$55,479.58	\$515,068.88	\$565,016.13	\$689,000.00	82.01%
Total Expenses	\$56,616.49	\$55,479.58	\$515,068.88	\$565,016.13	\$689,000.00	82.01%
NET SURPLUS/(DEFICIT)	(\$60,106.53)	(\$60,265.89)	\$234,614.72	\$194,946.75	\$93,000.00	

Northbrook Public Library
Income Statement
2/28/21

	PY Month	CY Month	PY YTD	CY YTD	CY Budget	83%
03 - Capital Improvements Fund						
Revenues						
Undesignated Revenue						
Interest Income	\$6,744.78	\$577.12	\$39,139.05	\$9,817.93	\$25,000.00	39.27%
Other Income	\$0.00	\$0.00	\$0.00	\$7,189.00	\$0.00	0.00%
Total Undesignated Revenue	\$6,744.78	\$577.12	\$39,139.05	\$17,006.93	\$25,000.00	68.03%
Transfers & Other Financing Sources						
Transfer from General fund	\$0.00	\$0.00	\$82,925.00	\$0.00	\$425,000.00	0.00%
Bond Proceeds	\$0.00	\$0.00	\$4,010,000.00	\$0.00	\$0.00	0.00%
Total Transfers & Other Financing Sources	\$0.00	\$0.00	\$4,092,925.00	\$0.00	\$425,000.00	0.00%
Total Revenues	\$6,744.78	\$577.12	\$4,132,064.05	\$17,006.93	\$450,000.00	3.78%
Expenses						
Undesignated Expenses						
Capital Projects & Bond Expenses						
Renovation/Repair	(\$653.00)	\$117,524.25	\$326,142.52	\$944,502.14	\$2,837,178.00	33.29%
Professional Fees	\$13,206.45	\$2,000.00	\$62,485.77	\$81,612.90	\$250,000.00	32.65%
Furniture & Equipment	\$0.00	\$0.00	\$57,435.03	\$257,603.33	\$250,000.00	103.04%
Total Capital & Bond Expenses	\$12,553.45	\$119,524.25	\$446,063.32	\$1,283,718.37	\$3,337,178.00	38.47%
Total Undesignated Expenses	\$12,553.45	\$119,524.25	\$446,063.32	\$1,283,718.37	\$3,337,178.00	38.47%
Total Expenses	\$12,553.45	\$119,524.25	\$446,063.32	\$1,283,718.37	\$3,337,178.00	38.47%
NET SURPLUS/(DEFICIT)	(\$5,808.67)	(\$118,947.13)	\$3,686,000.73	(\$1,266,711.44)	(\$2,887,178.00)	

Northbrook Public Library
Income Statement
2/28/21

	PY Month	CY Month	PY YTD	CY YTD	CY Budget	83%
05 - Debt Service Fund						
Revenues						
Undesignated Revenue						
Property Tax Levy (see NOTE below)	(\$2,405.18)	\$223,577.95	\$514,425.04	\$741,399.30	\$527,476.00	140.56%
Interest Income	\$11.04	\$0.00	\$168.90	\$8.66	\$500.00	1.73%
Total Undesignated Revenue	(\$2,394.14)	\$223,577.95	\$514,593.94	\$741,407.96	\$527,976.00	100.06%
Total Revenues	(\$2,394.14)	\$10,439.19	\$514,593.94	\$741,407.96	\$527,976.00	140.42%
Expenses						
Undesignated Expenses						
Capital Projects & Bond Expenses						
Interest Payments	\$0.00	\$0.00	\$269,432.64	\$405,034.05	\$264,945.00	152.87%
Principal Payments	\$0.00	\$0.00	\$258,971.00	\$354,945.00	\$262,531.00	135.20%
Total Capital & Bond Expenses	\$0.00	\$0.00	\$528,403.64	\$759,979.05	\$527,476.00	144.08%
Total Undesignated Expenses	\$0.00	\$0.00	\$528,403.64	\$759,979.05	\$527,476.00	144.08%
Transfers & Other Financing Uses						
Other Financing Uses	\$0.00	\$0.00	\$0.00	\$0.00	\$500.00	0.00%
Total Transfers & Other Financing Uses	\$0.00	\$0.00	\$0.00	\$0.00	\$500.00	0.00%
Total Expenses	\$0.00	\$0.00	\$528,403.64	\$759,979.05	\$527,976.00	143.94%
NET SURPLUS/(DEFICIT)	(\$2,394.14)	\$223,577.95	(\$13,809.70)	(\$18,571.09)	\$0.00	0.00%

NOTE: Adjustment was made in February to align with Cook County's collection of property taxes which include the bond issuance from Fall of 2019

February 2021 Financial Summary

Total General Fund revenues collected to date is \$7,410,208 budget differences include:

- 99.56% of property taxes have been collected
 - An adjustment was made in February to align with Cook County's collection of property taxes which include the bond issuance from Fall of 2019
- Replacement Taxes are higher than budget – budget number was a conservative estimate
- Fines and Fees are less than budget due to:
 - Not accepting payments in the Library due to COVID 19
 - Not assessing overdue fines due to a change in policy
 - We have collected lost material and makerspace fees via the online payment system
- Interest Income is less than expected due to COVID 19

Total General Fund expenditures are \$4,885,484 budget differences include:

- Programming costs are less than budget due to COVID 19
- OCLC costs are greater than budget due to
 - 11 months of charges billed on a quarterly basis
 - MARC record cost for ebooks being greater than budget due to COVID 19
- Unemployment/Workers Comp is less than budget due to unemployment audit costs being less than budget
- Staff Development costs are less than budget due to COVID 19
- Photocopy costs are less than budget due to reduced use of equipment
- Software costs are greater than budget due to annual invoicing of software
- General Insurance is greater than budget – Hanover Insurance (Package, Auto and Umbrella) and FEMA Insurance (Flood) has been paid for the entire year; Travelers (D&O and Cyber) have been paid for 10.5 months
- Telephone is greater than budget due to booking of 12 months of Ring Central expense and expenses related to Employee Data/Phone reimbursement which were not budgeted
- Professional Services is less than budget due to expenses not as high as planned
- Furniture, Equipment costs are less than budget due to COVID 19
- Equipment Repair & Maintenance is less than budget due to reduced use of equipment
- Community Relations is less than budget due to COVID 19
- Vehicle Expense is less than budget due to reduced use of the Trailblazer and not having major repair costs
- Janitorial Supplies is less than budget due to COVID 19
- Utilities is less than budget due to garbage service being reduced during the shutdown and only receiving 8 months of gas bills to date
- Building Repairs is less than budget due to reduction in repairs due to COVID 19

I want to highlight that the budget is allocated evenly throughout the year while actual expenditures are recorded as paid.

Northbrook Public Library
Bills, Charges and Transfers for Board of Trustee Approval
Month of February

Operating Funds

Library Claims List	\$	182,092.15
Librarian's Claims List	\$	9,520.22
Payroll	\$	299,461.17
Fica/IMRF	\$	55,479.58
ACH to IPBC	\$	67,348.01
Total Operating Funds	\$	613,901.13

Capital Improvement Fund

Claims List	\$	119,524.25
	\$	119,524.25

Debt Service Fund

Grand Total Library	\$	733,425.38
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Northbrook Public Library
Bank Register Report
Northbrook Bank & Trust General Checking

Transaction Number	Transaction Date	Reference	Payments	Description
24458	2/18/2021	Auscura	\$ 1,500.00	quarterly payment - software - health screening
24459	2/18/2021	First Bankcard	\$6,984.68	monthly payment - supplies
24460	2/18/2021	Lechner Services	\$882.51	monthly payment - janitorial supplies - this payment is the last payment to lechner for uniforms we switched to Cintas
24461	2/18/2021	Wells Fargo Vender Fin Serv	\$1,530.00	monthly payment - photocopy - 2 month payment
24462	2/26/2021	Bayscan Technologies	\$1,152.00	monthly payment - supplies
24463	2/26/2021	Best Quality Cleaning	\$5,735.00	monthly payment - contracted services
24464	2/26/2021	Better Containers Mfg. Co.	\$732.00	monthly payment - supplies
24465	2/26/2021	CCB Technology	\$1,570.00	monthly payment - supplies
24466	2/26/2021	CDW Government, Inc.	\$9,977.00	monthly payment - supplies
24467	2/26/2021	Children's Plus Inc	\$8,942.45	monthly payment - materials
24468	2/26/2021	Discovery Benefits, Inc.	\$2,217.04	monthly payment flexible spending, dedendant care and commuter benefit
24469	2/26/2021	Encyclopaedia Britannica, Inc.	\$1,390.00	annual payment - materials - database
24470	2/26/2021	GovConnection, Inc.	\$5,688.68	monthly payment - supplies
24471	2/26/2021	Grainger	\$1,764.70	monthly payment - janitorial supplies
24472	2/26/2021	HR Source	\$1,194.00	monthly payment - staff development
24473	2/26/2021	North American	\$764.00	monthly payment - janitorial supplies
24475	2/26/2021	Northbrook Public Library Foundation	\$2,208.00	
24476	2/26/2021	Overdrive	\$13,512.17	monthly payment - materials
24477	2/26/2021	Proquest	\$10,534.78	annual payment - materials - database
24478	2/26/2021	Red Books LLC	\$3,425.25	monthly payment - materials
24479	2/26/2021	Snow Systems, Inc.	\$1,920.00	monthly payment - contracted services
24480	2/26/2021	Sterling Services, Inc.	\$2,736.90	monthly payment - contracted services
24481	2/26/2021	Sweetwater	\$999.34	monthly payment - supplies
24482	2/26/2021	Today's Business Solutions, Inc.	\$1,596.00	annual payment - photocopy
24483	2/26/2021	Vis-O-Graphic, Inc.	\$9,745.21	bi monthly payment - community relations - represents 2 payments
24484	2/26/2021	Northbrook Hardware	\$877.72	monthly payment - janitorial supplies
24485	2/26/2021	The Hanover Insurance Company	\$43,076.00	annual payment - general insurance
24486	2/26/2021	Amazon	\$1,326.18	monthly payment - supplies
24487	2/26/2021	Baker & Taylor	\$23,023.93	monthly payment - materials
24488	2/26/2021	Baker & Taylor Entertainment	\$630.48	monthly payment - materials
24489	2/26/2021	Continental Resources, Inc	\$1,105.00	monthly payment - supplies
24490	2/26/2021	Midwest Tape	\$13,351.13	monthly payment - materials

\$ 182,092.15

Northbrook Public Library
Bank Register Report
Northbrook Bank & Trust Librarian Checking

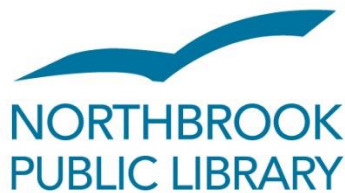
Transaction Number	Transaction Date	Reference	Payments
50722	12/29/2020	VOID - Laconi, Inc	(\$15.00)
50790	1/29/2021	VOID - Byran Gutmann	(\$10.00)
50859	2/23/2021	Accurate Office Supply Co.	\$230.95
50860	2/23/2021	Advanced Disposal	\$512.00
50861	2/23/2021	Anna Amen	\$231.13
50862	2/23/2021	American Library Association	\$59.00
50863	2/23/2021	American Library Association - Training	\$65.98
50864	2/23/2021	Aquatic Works LTD	\$175.00
50865	2/23/2021	Blackstone Publishing	\$41.60
50866	2/23/2021	The Book Bin	\$144.00
50867	2/23/2021	Nancy Buehler	\$250.00
50868	2/23/2021	CallOne	\$369.29
50869	2/23/2021	CCH Incorporated	\$257.37
50870	2/23/2021	CENGAGE Learning	\$43.18
50871	2/23/2021	Cintas	\$130.68
50872	2/23/2021	Dehne Lawn & Leisure	\$242.00
50873	2/23/2021	Demco	\$340.38
50874	2/23/2021	Discovery Benefits - Simplify	\$114.00
50875	2/23/2021	Fast Signs	\$97.26
50876	2/23/2021	Fly Pelican Fly Productions	\$100.00
50877	2/23/2021	Garvey's Office Products	\$419.40
50878	2/23/2021	Mark Gelfeld	\$200.00
50879	2/23/2021	Benjamin Goluboff	\$250.00
50880	2/23/2021	Clarence Goodman	\$250.00
50881	2/23/2021	The Home Depot Credit Services	\$41.80
50882	2/23/2021	Illinois Library Association	\$100.00
50883	2/23/2021	Image Specialties of Glenview, Inc.	\$7.60
50884	2/23/2021	Ron Mantegna	\$200.00
50885	2/23/2021	Monoprice, Inc.	\$120.18
50886	2/23/2021	Michael Pecak	\$300.00
50887	2/23/2021	Bill Pekara	\$31.70
50888	2/23/2021	Pioneer Press	\$40.81
50889	2/23/2021	Rowman & Littlefield Publishing Group	\$215.63
50890	2/23/2021	Olga Rudiak	\$300.00
50891	2/23/2021	Runco Office Supply	\$466.46
50892	2/23/2021	Nicole Rung	\$250.00
50893	2/23/2021	RV Magazine	\$18.97
50894	2/23/2021	Sheet Music Plus	\$80.96
50895	2/23/2021	Sujin Song	\$100.00
50896	2/23/2021	Mark Stredler	\$400.00
50897	2/23/2021	Sunset Food Mart, Inc.	\$2.86
50898	2/23/2021	The No-Load Fund Investor	\$169.00
50899	2/23/2021	The Risk Management Association	\$414.60

Northbrook Public Library
Bank Register Report
Northbrook Bank & Trust Librarian Checking

Transaction Number	Transaction Date	Reference	Payments
50900	2/23/2021	UPS	\$10.39
50901	2/23/2021	VSP of Illinois, NFP	\$337.54
50902	2/23/2021	Kevin Wood	\$250.00
50903	2/23/2021	Yami Vending Inc.	\$351.00
50904	2/23/2021	Chicago Tribune	\$162.50
50905	2/24/2021	Treasurer of Virginia Tech	\$95.00
50906	2/24/2021	Winona State Univeristy	\$155.00
50907	2/26/2021	LibraryWorks, Inc.	\$200.00
50908	2/26/2021	Kiss the Ground	\$200.00
			<u>\$9,520.22</u>

Northbrook Public Library
Bank Register Report
Northbrook Bank & Trust Capital Improvements

Transaction Number	Transaction Date	Reference	Payments	Description
1784	2/18/2021	Pepper Construction Co.	\$117,524.25	1st Floor Renovation Project
1785	2/18/2021	Product Architecture + Design	\$2,000.00	1st Floor Renovation Project
			<u>\$119,524.25</u>	



Memorandum

DATE: March 11, 2021

TO: Board of Trustees

FROM: Kate Hall, Executive Director

RE: Non-Resident Fee Method

Each year, the board must vote to determine how to charge non-residents for a library card. Non-residents are defined as "a person who resides outside the taxing area of a public library" ([23 Ill. Adm. Code 3030.10](#)). Non-residents have the option to annually purchase a card in order to obtain public library service.

Administrative rules ([23 Ill. Adm. Code 3050](#)) determine where non-residents must go to purchase their non-resident card. These same rules also delineate formula options that library boards should use in calculating the library's non-resident fee. Once non-resident cards are purchased, the card is recognized as a valid public library card and can be used at other public libraries.

In late 2020, the state legislature also passed the [Cards for Kids legislation](#) that allows for K-12 students living in unincorporated areas in Illinois who are eligible to receive free or reduced price lunches under the National School Lunch Program, as determined by the Income Eligibility Guidelines established by the USDA, to receive library cards for no fee.

The new Administrative Rules also clarifies how nonresident cards for disabled veterans should be handled:

The non-resident fee shall not apply to veterans with a service-connected disability of at least 70% who are exempt from paying property taxes on their primary residence.

1) The non-resident fee shall not apply to the unmarried surviving spouse of a veteran who has previously qualified for this exemption prior to his/her death. ILLINOIS REGISTER 18666 20 SECRETARY OF STATE NOTICE OF PROPOSED AMENDMENTS

2) The non-resident fee shall not apply to an unmarried surviving spouse of a service member killed in the line of duty. 3) Qualifying veterans or surviving spouses must present

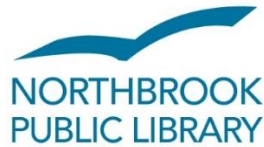
documentation from the county where they reside that indicates their residence is exempt from paying property taxes.

The Rules also allow for a Board of Trustees to approve offering non-resident cards to non-residents free of charge. We are not recommending enacting this at this time.

For the Non-Resident fee method, we currently use the tax bill method as opposed to the flat fee method, and I recommend that we continue using that method for all currently developed areas and continue to use the equivalent of the developer impact fee for developments in Northbrook for non-residents in new developments. No official action is needed on the Cards for Kids or disabled veterans rules. This will be included in the consent agenda, but I am happy to answer any questions on the new rules during my Director's Report.

Tax Bill Method:

1. Non-Resident Taxpayer: The library tax rate or equivalent, including all special levies, is applied to the non-resident property owner's principal residence assessed valuation on an individual, case by case basis. The most recent property tax bill will be used. The property owner will pay the same amount as would be paid if the property were in the library service area.
2. Non-Resident Renter: The library shall either charge a minimum of 15 percent of the monthly rent as the annual non-resident fee, or devise its own formula. The local formula shall take into account the average local rent of the general community of the public library, property tax rate, and the non-resident fee for residential homeowners. The library board shall annually determine the percent to be applied to non-resident renters. The renter shall provide to the public library a current rent receipt or a cancelled rent check for verification purposes.
3. Non-Resident New Development: Nonresidents of newly developed property who do not yet have a tax bill shall be charged the equivalent of the developer impact fee specific to the Northbrook Public Library until such time as they receive a tax bill for their property.



1201 Cedar Lane Northbrook, Illinois 60062
847-272-6224
www.northbrook.info

March, 2021

Meeting Notice

Public notice is hereby given that the Board of Trustees of the Northbrook Public Library will conduct their regular monthly meetings at the following times during the 2021-2022 fiscal year (May, 2021 - April, 2022). As identified below, the location of the meetings (unless announced otherwise) will be at 1201 Cedar Lane, Northbrook, IL 60062.

Thursday	May 20, 2021	7:30 p.m.	1201 Cedar Lane
Thursday	June 17, 2021	7:30 p.m.	1201 Cedar Lane
Thursday	July 15, 2021	7:30 p.m.	1201 Cedar Lane
Thursday	August 19, 2021	7:30 p.m.	1201 Cedar Lane
Thursday	*September 23, 2021	7:30 p.m.	1201 Cedar Lane
Thursday	October 21, 2021	7:30 p.m.	1201 Cedar Lane
Thursday	November 18, 2021	7:30 p.m.	1201 Cedar Lane

NO DECEMBER MEETING

Thursday	January 20, 2022	7:30 p.m.	1201 Cedar Lane
Thursday	February 17, 2022	7:30 p.m.	1201 Cedar Lane
Thursday	March 17, 2022	7:30 p.m.	1201 Cedar Lane
Thursday	April 21, 2022	7:30 p.m.	1201 Cedar Lane

*Meeting moved to 4th Thursday due to Yom Kippur on September 16, 2021.

Kate Hall
Executive Director

The Northbrook Library intends to comply with the Americans with Disabilities Act by making reasonable accommodations for people with disabilities. If you or someone you know with a disability will require an accommodation for library services, or have any questions about the library's compliance, call 847-272-6224. Hearing impaired individuals may call the TDD number, 847-272-6229, for more information.

DIRECTOR'S REPORT

March 2021

AGENDA ITEMS

3 Consent Agenda

The annual non-resident fee approval request is in the packet. There have been some administrative rules changes that are laid out in the memo. Next year's board schedule is also included. We have moved the September board meeting back a week due to Yom Kippur.

4 Public Comments

Any public comments received in the chat will be read aloud by Kelly Durov to enter them into the record for the meeting.

5 Staff Reports

5.1 Reopening Plan Update

A memo on where we are at with reopening is included in the packet.

6 Unfinished Business

6.1 RFID & Circulation Renovation Update NO ACTION REQUESTED

Pictures of the renovation are included in this report. A verbal update will be provided at the meeting.

6.2 FY22 Budget

A memo, budget, and budget breakdown are included in your packet. There were no changes to the budget from last month.

7 New Business

7.1 Pepper Master Agreement ACTION REQUESTED

A memo and supporting documentation is included in your packet.

7.2 Fiction & Media Master Plan Project Work Order ACTION REQUESTED

A memo and supporting documentation is included in your packet.

7.3 Selection of Board Officer Nominating Committee

Each March, the board forms a 3 person nominating committee to form a slate of officers for the May board meeting.

BOARD NEWS

Illinois Library Association Trustee Training Opportunities

ILA is doing a series of three workshops for trustees. Carlos and I are presenting in the first one happening tomorrow morning, but there are two others that board members might find of interest. If you would like to attend, please let me know so we can register you.

<https://www.ila.org/events/trustee-workshops>

- March 13, 10:00 a.m. - Noon
One Year On -- Where is Your Library and How Can You Prepare for a Post-COVID World
- April 17, 10:00 a.m. - Noon
Diversity, Equity, and Inclusion: What Library Trustees Need to Know
- May 15, 9:00 a.m. - Noon
Boot Camp for Trustees

DEPARTMENT & PROJECT UPDATES

Circulation

- Circ staff have been working effectively from their new temp staff spaces and are starting to prepare for the changes that will be coming when the lobby reopens.

Fiction & Media

- The library partnered on a virtual screening of the documentary The Long Shadow with 29 other libraries in Illinois and RAIN (Racial Awareness in the North Shore) and TiBA (Together is Better Alliance). The screening was followed by a live Q&A with the film's director. The Q&A was attended by 358 registrants including 36 participants from Northbrook. Partnering together with so many organizations helped broaden the audience for the program, strengthened partnerships and opportunities for later partnerships, and made the film much more cost effective for the Northbrook community. [Q&A Recording](#):
- A new [Adult Book & Media Bundles service](#) launched February 4 and 20 requests were filled in the first month. Patrons fill out a brief form on the library's website and 5 curated book, movie, or music picks will be pulled and delivered through curbside pickup, providing a convenient way for patrons to discover new books. The library is working in partnership with multiple area libraries including Highland Park to host a virtual event with bestselling author Harlan Coben on March 25.
- Fiction & Media staff formed a new partnership with StoryStudio Chicago. The library will work with them to offer workshops that address the latest trends in writing and publishing

while also supporting the library to schedule respected authors to teach during Northbrook Writes.

Marketing & Graphics

- Marketing & Communications Manager Linda Vering and Graphic Designer Brittany Hewerdine met with marketing and graphics staff at Indian Trails and Vernon Area Public Library as part of a collaboration between the libraries to promote the joint Job Search Series in March and April. The meetings resulted in a press release, landing page, and website (www.careercollab.org) to highlight the joint library programs, as well as community resources provided by each library. To promote the program, Linda published a press release and promoted it on our news page and in social media: (www.northbrook.info/job-search-series).
- Linda wrote and distributed the press release on the library's impressive rating in the *Library Journal* Index for Public Library Service and the Northbrook Herald published a print article in early February featuring the library's top rating.

2/4/2021

Northbrook Public Library rated among best in U.S.

Northbrook Public Library rated among best in U.S.



The Northbrook Public Library has been rated the No. 1 library in Illinois and No. 2 nationally in its budgetary category by the Library Journal index of public library service.
(Joe Lewnard | Staff Photographer)

- Marketing published the new Library History Page on the library's website (www.northbrook.info/history), which included information that Content Specialist Jane Huh and Reference Librarian Harvey Huie pulled from many different sources, including existing web content, newsletters, clippings, and scanned photos. When possible, we linked the bulleted items to their source material. The history starts in 1919 with the formation of

the first reading room in Northbrook and will continue to be updated to reflect the continuing history of the library, which will provide a valuable resource to the community.

1960s

Search

- The library becomes a charter member of the North Suburban Library System (NSLS) which provides a network for interlibrary loans and reciprocal borrowing
- The Village donated a portion of the [skating rink north of the Village Hall](#) at the corner of Cedar and Cherry as the location for a new building
- The new building opened on May 25, 1969, designed by the firm of Hammond & Roche



1970s

- The Friends of the Library held their first book sale in 1970
- First barcoded library cards and materials are introduced in 1974
- [First printed and mailed library newsletter was published in 1976](#)
- The children's department began using a [converted VW van](#) to provide outreach to neighborhoods and schools in 1976
- A signed Storymobile provides services for children who are hearing impaired in 1979

Reference

- **Emancipation to Inauguration** program presented by local historian Clarence Goodman introduced attendees to dozens of Chicago-based black men and women who contributed to society in the arts, publishing, politics, or other fields.
- **The COVID-19 Vaccine Information program** in partnership with Glenview Public Library and NorthShore HealthSystems took place on March 11. While we had over 130 registrants, the live address by President Biden may have caused less than 100 to attend. The program was recorded and will be made available for one week for anyone that missed it.

Youth Services

- Youth Services Librarian Amanda Lopez launched a new program, Cooks and Books which is an at home cooking program led by professional chefs. Each event will feature a cooking project that ties into children's books.

- The Teen Advisory Board continues to meet virtually each month to design service projects. This month, they started planning boredom buster kits to be distributed to Northbrook children via the local schools.

PROJECT UPDATES

Climate Action Plan Team

The Climate Action Planning Team has met twice in March so far, on March 1 and March 8.

Subteams continued discussing and rating the potential actions to determine which to put into the final plan and which to reserve for later.

After the consultant edited the list down, they determined (or tried to) the primary body responsible for leading the action and listed potential partner groups. For most actions, the primary responsibility falls to a department of the Village or the Village Board. The library's role as a partner or advocate falls into two areas: 1) educate and promote, 2) support Village-wide goals by implementing some of the actions.

For example, the Village is committed to the Mayors Monarch Pledge to support pollinators with native plants and refraining from using pesticide. The library and other community entities can follow suit and support the Village-wide goals.

At the next scheduled meeting, they will review the draft plan presented by the consultant.

Equity, Diversity, and Inclusion (EDI)

- The EDI Committee's first staff training session, a viewing and discussion of the documentary *13th*, will be on March 18 and 19. The board is invited to watch the documentary and discussion questions will be provided for anyone who would like to share or discuss the film on their own.
- Chairs are creating resources and training for staff about dealing with patrons using derogatory or racist language. This information will be shared at the LIC Quarterly Meeting on 3.11 and will be used as the basis for future procedures to be shared with all staff.
- The EDI committee is putting together a proposal for a formalized library response to incidents of anti-Asian language, in person or in writing.

BEHIND THE SCENES (HR, FACILITIES, & FINANCES)

Personnel Updates

Change in Status/Position:

- Vu Nyugen our current part-time custodian has accepted the position of Full-time maintenance Worker and will start his new position on March 16.

Terminations:

(Terminations refer to all persons leaving library employment for any reason, including resignations and retirements)

- Steve Rustemeyer retired on March 5 after 12 years of service. His knowledge, experience and demeanor will be missed.
- Steve Osikowicz, regular part-time Clerk (CIRC) resigned effective Feb. 4

Fire Pump Controller Replacement

Based upon multiple fire alarm calls received in January, we asked FE Moran to come out and diagnose the problem. FE Moran recommended replacing the Fire Pump Controller due to the age (20+ years) of the controller. The new controller was ordered and will be installed in March.

Pollak Room lighting

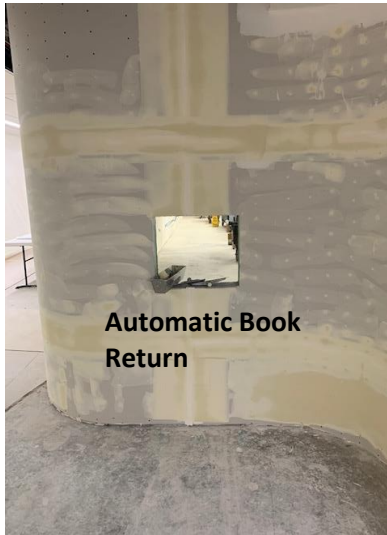
Due to some issues with the lighting control system in the Pollak Room, we have been working with KSA lighting to replace the system. We have received a proposal and planned to have the work completed in June 2021. However, Product Architecture has suggested installing a similar system in the Circulation Workroom and now we are working with KSA and Product Architecture to determine what is needed building wide. Once we have more information, we will share with the board.

Boiler Ventilation Upgrade

In April 2020 we started work on this project. When Siemens came out to complete the system integration, we learned that the equipment would not perform as requested. After much going back and forth between Calor Design (the engineer), Mechanical Concepts (the mechanical contractor), TEC (the equipment manufacturer) and Siemens, the correct equipment has been received and installed. At the end of February, we are waiting for Siemens to come on site and complete the system integration so that the project can be completed.

Circulation Renovation Update

The project is proceeding as planned and should be completed in early May. We plan to reopen in June. Here are some current pictures of the spaces.



COVID Grant Funding

We have received \$500 grant from the State of Illinois and a \$5,000 grant from Cook County.

EXECUTIVE DIRECTOR REPORT

I am adding this section to my monthly report to give you a sense of what I have on my plate at any given time. February flew by as I continued to work on a number of projects:

- Circulation Renovation Construction

- Working with the Joint Task Force on COVID related issues including getting staff vaccinated and getting ready to reopen
- Final FY22 Budget review with Anna before board presentation
- Handling some HR issues with Laurie Prioletti
- Writing Annual Evaluations for staff
- Helping the Friends of the Library find new board members/president

A large part of my time is often in prepping for future projects. This month that included:

- Prep work to onboard Kelly Durov as the new Assistant Director
- Onboarding the new Library Trustee
- EDI staff trainings and initiatives
- Fiction & Media Staff Space Renovation

And then there are projects that I work on with other libraries or consortia. This is what is currently on my plate:

- Co-chair of Director's University 2021
- Chair of the Joint Programming Steering Committee- we are looking to create a more established way to do regular joint programs like The Long Shadow with other libraries.
- Past-President and Nominating Committee Chair for CCS

I would love to hear if this new format is helpful or if there are other ways I can adjust my report to ensure you are getting the information you need.

Kate Hall, Executive Director

COLLABORATORY UPDATE

Prepared by: Cathleen Doyle
February, 2021

PROJECTS



3D PRINTS

Eleven items were printed.

PROGRAMS

We offered 5 maker programs with 44 attendees:

- Intro to Hitfilm Express
- Fiber Arts Meetup
- Quilled Greeting Cards
- E-Commerce Photography
- Meet the New 3D Printer

APPOINTMENTS

We held 10 appointments for 13 patrons in the last week of February.

FEEDBACK

Wow! Thank you, Summer, for all these great resources! Love everything the Library is doing during this pandemic! Hope everyone is staying safe, warm and engaged! 🧰 🪄 🖍️ 🖼️ 💡 🕒 🍷 🧘 🙌 📅

Warmly,
Debbie

FEBRUARY 2021 DATA & STATISTICS

We reopened to the public on Monday, February 22, but most of the month we were still closed to in person services, but still continued to offer curbside pickup, homebound delivery, and all of our other virtual services. All of the statistics are comparing February 2020 to February 2021 and do not reflect year to date numbers as we have done in the past.

Card Holders



21,363 Residents
396 Non-Residents
86 Businesses



33,170 Total Residents

70% cardholder rate vs. 57% national average

Checkouts

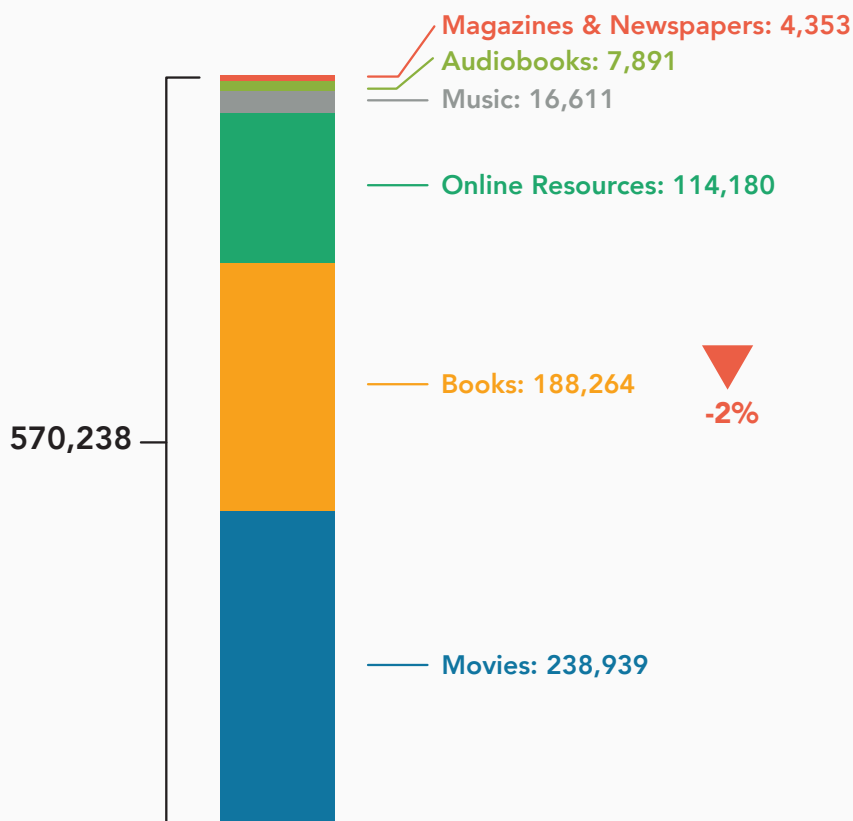
46,692

Checkouts

-39%

Books	eBooks
23,228	11,122
Audiobooks	eAudiobooks
518	3,601
Newspaper & Mags	eMags
273	1,340
Movies	eMovies
3,939	1,496
Music	eMusic
831	168

Collection



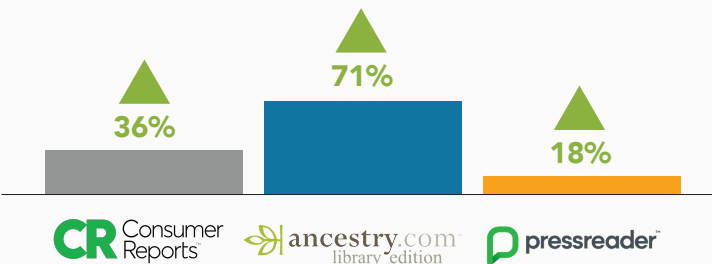
Downloadable Content

	2020	2021	
eBooks	5,288	11,122	110%
eAudiobooks	2,441	3,601	48%
eMagazines	913	1,340	47%
eVideo	614	1,496	144%
eMusic	181	168	-7%

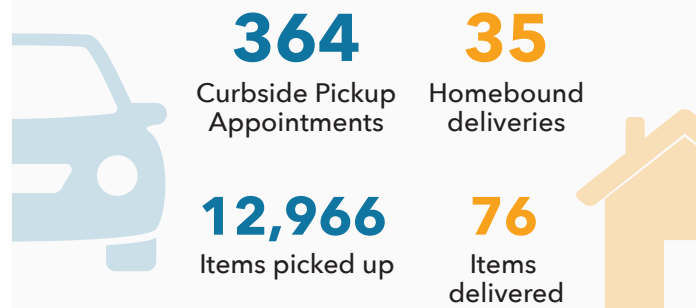
FEBRUARY 2021 DATA & STATISTICS

eResource Use

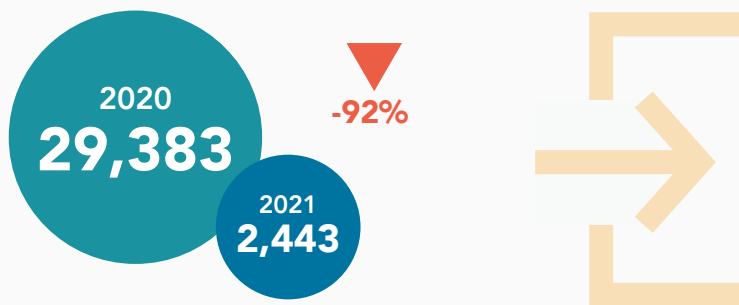
The library is helping keep patrons up to date on information.



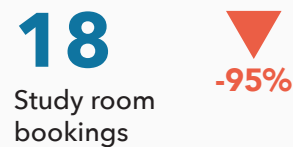
Curbside & Delivery



Visits



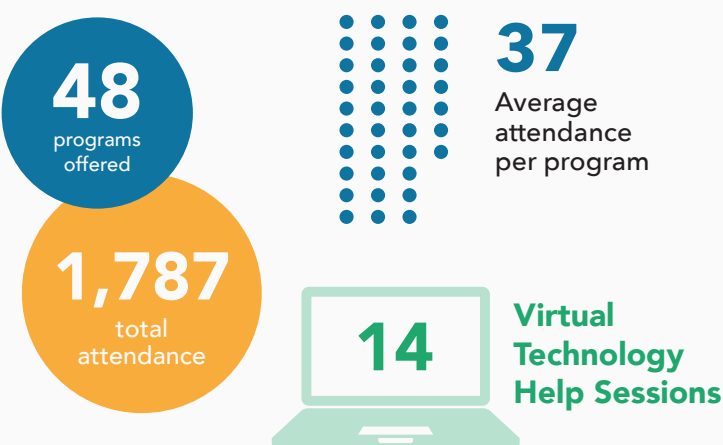
Study Room Bookings



Technology



Virtual Programs



Patron Comments and Suggestions

February 2021

RECEIVED FEBRUARY 1, 2021

Re: New curbside pickup policy

Great idea!

Comment Source: Email

Response to Patron by Susan Wolf on February 8, 2021:

Thanks for your email. We're glad that you are happy with our changes to curbside pickup!

RECEIVED FEBRUARY 1, 2021

Thanks for changing Curbside Pickup process.

Comment Source: Email

Response to Patron by Susan Wolf on February 8, 2021:

You are very welcome! Thanks for your email and we welcome any further feedback you have on our curbside pickup service or any other services.

RECEIVED FEBRUARY 1, 2021

Very excited for the new curbside process! Thank you for listening to our feedback and continuing to provide your invaluable services.

We appreciate you! Wishing you all health & safety!

Comment Source: Email

Response to Patron by Susan Wolf on February 8, 2021:

Thank you very much for your email and support! We appreciate the feedback.

RECEIVED FEBRUARY 1, 2021

Thanks so much for making curbside pick-up more convenient and for all the work you've been doing to make library materials accessible during this time. Much appreciated!

Comment Source: Email

Response to Patron by Susan Wolf on February 8, 2021:

Thank you very much for your email. We really appreciate the feedback and support!

RECEIVED FEBRUARY 4, 2021

I received the notification already and plan to pick it up today. I appreciate the work the whole team at the library has been doing. Having a tall stack of real (not digital) library books at home has always been a staple for us ever since my 21 year old son was little and I am so pleased at how the Northbrook library has been able to continue the service for us throughout the pandemic. I am so grateful to be in this community with people like you guys.

Comment Source: Email

RECEIVED FEBRUARY 9, 2021

I like the new curbside pickup system. I hope it makes it easier for staff too.

Comment Source: Email (Received by Fiction & Media Assistant Manager from patron)

RECEIVED FEBRUARY 9, 2021

I would like to inquire as to the reasoning behind the recent changes to curbside pickup. I have two small children and have been incredibly grateful that curbside pickup has been available to get picture books for them for most of the pandemic. However, curbside pickup has now gone from being outdoors (very safe), to being indoors in a VERY small room (significantly less safe). And now, instead of just walking in quickly and grabbing a bag of books at a specified time, I have to go in and gather up all of the picture books and bag them (which significantly extends the amount of time spent in the room). And when I went today to pick up books, there were two employees and 6 patrons in the tiny room, with no way to properly social distance. This is unsafe and comes at a time when COVID mutations are becoming more not less contagious and when the population is several months away from being fully (or even mostly) vaccinated. Please help me understand how this was deemed safe and appropriate.

Comment Source: Email

Response to Patron by Kate Hall on February 10, 2021:

We made the change to curbside for a number of reasons: 1. We wanted to make it easier for patrons to pick items up without waiting to schedule a curbside pickup 2. We wanted to give patrons more hours of availability to pick items up 3. We wanted to streamline the workflow for staff so we could reopen and ensure we stayed open.

During every step of this process, we have been careful to follow CDC and IDPH guidelines to ensure staff and patron safety. We moved curbside inside in November due to the change in weather. We wanted to be able to consider offer curbside to patrons even if the weather was bad outside and so moved it into our Pollak Meeting Room. I am sorry that the day you went to pick up items there were so many people in the room. People are generally there for less than a minute and we typically do not have staff in the room during the day. The day you went must have been an anomaly. We take everyone's safety very seriously and will better monitor the room to ensure people can safely distance. If you feel uncomfortable going into the room in the future, you can call us as you wait in your car and someone will bring your books out, put them in a plastic bin on a table outside and you can pick them up from there. We have some patrons that prefer this method so they do not have to enter the building.

In terms of having to bag your own items, I can imagine that must be annoying with multiple picture books. One thing you might want to consider is taking advantage of our Youth Book Bundles where staff will find 5 books for your child(ren) and check them out to you in a bag and leave them in the Pollak Room. You can learn more here:

<https://www.northbrook.info/find/books/youth-book-bundles>. You can use this service as many times as you like.

I hope this helps explain why we made the changes we did, but if you would like to talk further, please do not hesitate to contact me.

RECEIVED FEBRUARY 10, 2021

I enjoyed the Winter Reading format. It did get me to try some new things, and I felt like they were all such healthy suggestions during Covid. If you wanted to step it up a notch, you could provide places to share photos, poems, experiences doing the activities, etc. I don't think there was such a feature.

Comment Source: Email (Received by Fiction & Media Assistant Manager)

RECEIVED FEBRUARY 13, 2021

Thank you for providing the terrific Tech Tuesday services to Northbrook Public Library customers.

This past Tuesday, February 9th, I requested help from the Tech Tuesday computer gurus (Phil Collins and Joe Nama (sp)). After explaining and demonstrating the problem I was having on a Power Point Zoom session they took on the challenge. In a short period of time they solved the problem. My compliments and a big Thank You to both of them.

Some background to my search for a solution to the problem. Initially I contacted Zoom online for help. No success. Then I contacted Microsoft online. No success. Called Apple's usually successful "800" phone number. No success. Talked with two friends that are familiar with Zoom and Power Point about the problem. No success. Then I remembered Tech Tuesday and scheduled a visit. Phil and Joe easily solved the problem.

Comment Source: Email

Response to Patron by Kate Hall on February 22, 2021:

I am so embarrassed that I have not gotten back to you before this for your incredibly kind note! I do apologize. I am so happy to hear that Phil and Joe were able to assist you. I love hearing these stories and am fortunate that I hear them often! I hope your zoom presentation went well.

RECEIVED FEBRUARY 16, 2021

Thank you for this! I have so many bags from the library so it's great that they are no longer necessary. (I also have so many from Trader Joe's and Sunset because, understandably, for a while they weren't allowing reusable ones.)

I miss the library! It was eerie the few times I was in there when you were open - so few patrons, smaller staff, no "quiet buzz" of activity that it usually is.

Comment Source: Email

Response to Patron by Kate Hall on February 16, 2021:

Thank you for your kind words. I am so glad you are enjoying our curbside pickup and we are so glad that we don't have to go through all those bags.

Hoping you and your family weathered the crazy weather of the last couple of weeks.

RECEIVED FEBRUARY 16, 2021

Wow! Thank you, Summer, for all these great resources! Love everything the Library is doing during this pandemic! Hope everyone is staying safe, warm and engaged! 🙌✍️📖💡🧠📚🍷👏 Warmly, Debbie

Comment Source: Email

Staff comments by Cathleen Doyle on February 16, 2021:

Summer Kosuge responded to Ms. DePalma's email directly and thanked her for her comment.

RECEIVED FEBRUARY 19, 2021

I downloaded the app and can't wait to start using it. Well done! :) What's the eta for when the children's section will open back up? Will there be any chance for this summer?

Comment Source: Email

Response to Patron by Susan Wolf on February 20, 2021:

I'm so glad that you are excited about the new app! We are too.

I'm happy to report that the children's section will be back open for browsing starting Monday, Feb. 22. We are still asking everyone to limit their visit to one hour or less and the interactive areas with games and puzzles are still unavailable. You are welcome to come in and browse and check out books though! These are our new hours starting Monday: Monday-Thursday: 11:00am-7:00pm Friday & Saturday: 9:00am-2:00pm Sunday: 1:00-5:00pm

We look forward to seeing you soon!

RECEIVED FEBRUARY 23, 2021

We are so appreciative of you first responders for working during this pandemic to provide services. Thank you so much for the work you do. I'm happy to be able to start visiting the library again, and plan to eventually request an appointment to learn about taxes.

Comment Source: Phone (Tracy Gossage took the call from patron.)

RECEIVED FEBRUARY 25, 2021

We have been using the curbside service and we love it. It has been so helpful as a parent to be able to search books and have it ready. Also the recommendations by age is great. Thank you for making reading enjoyable for the Kids and helping making it easier for the parents to nurture it during this season of life. The services you are providing are excellent. Thank you!

Comment Source: Email

Response to Patron by Kate Hall on :

I am so happy to hear that our curbside service and Youth book bundles have been helpful to you and your family. We know that the lives of parents have been incredibly hard this year and have looked for ways to (hopefully) make it a bit easier to find resources to keep your kids happy and occupied.

RECEIVED FEBRUARY 25, 2021

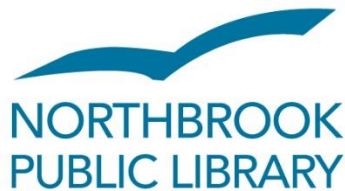
WHEN WE NEEDED YOU MOST YOU WERE CLOSED TO PROTECT FEW AT THE COST OF MANY. THINKING OF LEAVING NB BECAUSE YOU WASTE TAX DOLLARS!

Comment Source: Email

Response to Patron by Kate Hall on February 28, 2021:

I understand your frustration and am sorry we were not fully open until last week. We made the difficult decision to remain closed in mid-January after having a significant number of staff have to be out due to quarantining in addition to an overall staff reduction of 12%. We felt that being able to continue to offer curbside pick-up, homebound delivery, virtual programming, and phone service was important and ensured that the taxpayers were still able to receive services even when our building could not be open.

I know this past year has been frustrating and I am sorry that we have not been able to operate at our pre-pandemic levels due to health and safety guidelines. We continue to look for ways to offer services to our residents and look forward to the day when we can move back to our pre-pandemic levels of service. If you would like to talk further, please call me.



Memorandum

DATE: March 12, 2021

TO: Board of Trustees

FROM: Kate Hall, Executive Director

RE: Reopening Plan Update

March 13, 2021 was the last day we were open to the public with pre-pandemic guidelines and services. I want to recognize the work the staff has done in the past year to not only manage a global health crisis, but also to pivot and provide great services to our patrons. They have been incredibly innovative and resourceful during an incredibly stressful time. They are an asset to not only the Board, but show their dedication to the entire community. I am honored to have the opportunity to work with such a dedicated group of people. I also want to thank the board for all of your support in the past year. This has been a year like no other and we were able to navigate as well as we did in large part due to the confidence the board placed in us.

We have promoted to patrons 4 different ways to use the library. Here are some of the changes that we made in the past 12 months based on those areas:

1. Virtual (March-present)
 - a. Increased downloadable purchasing
 - b. Moved to remote phone service
 - c. Implemented virtual programs
2. Curbside (June-present)
 - a. Offered curbside pickup
 - b. Implemented take and make craft kits
 - c. Created a Finals Care Package in lieu of Finals Study Café
 - d. Moved curbside inside when winter came
 - e. Developed book bundles for curbside pickup for kids, teens, and adults

3. Homebound (June-present)

- a. Revamped our homebound service and quadrupled the number of people using it and increased the frequency of deliveries

4. Grab & Go (July-November, February-present)

- a. Reopened with all appropriate safety measures in place
- b. Continued to adjust safety protocols as guidance changes
- c. Offered appointments for study rooms, computers, and Collaboratory

The library reopened on February 22 and I am happy to report that it went very well. We are open 47 hours compared to our pre-pandemic levels of 69, but as you can see from the numbers, we are still finding that most patrons prefer to use our virtual services and curbside pickup. We are down 75% this year over last, which is a slight uptick from July-November 2020 when we were down 85% this year over last.

Record Date	2021	2020	Record Date	2021	2020
Monday, February 22	300	1212	Wednesday, March 3	244	1303
Tuesday, February 23	282	1040	Thursday, March 4	253	1320
Wednesday, February 24	293	1048	Friday, March 5	180	0*
Thursday, February 25	272	1061	Saturday, March 6	283	1089
Friday, February 26	211	883	Sunday, March 7	278	867
Saturday, February 27	272	1013	Monday, March 8	249	1091
Sunday, February 28	237	571	Tuesday, March 9	278	1055
Monday, March 1	255	1214	Wednesday, March 10	243	1221
Tuesday, March 2	269	1105	Thursday, March 11	198	1132

*Friday, March 6, 2020 we were closed for an Active Threat Training

Part of our reopening plan was rolling out the new self-checkout stations. Patrons have been very receptive and many have remarked how easy the new system is. We continue to promote our new app as well and encourage patrons to use the self-checkout feature on the app. We also now have limited seating and Youth Services open for browsing.

This week we started allowing non-Northbrook cardholders to use our curbside pickup services.

We continue to review services and determine if there are additional ways we can provide resources and services for our patrons. As more people become vaccinated, we will be able to follow health department and CDC guidelines and start opening things up slowly and safely.



Memorandum

DATE: 3.12.21
TO: Trustees
FROM: Anna Amen & Kate Hall
RE: 2022 Draft Budget

Attached is a draft budget for fiscal year 2022 for your review. During the Levy process the board voted to keep the operating levy flat due to the existing social and economic conditions from the pandemic.

Changes were **not** made to the budget that was presented at the February meeting.

Budgeted revenues and expenditures were determined by assessing the following information

- Prior years revenue data
 - With the implementation of Fine Free Policy and COVID 19, the amount collected for fines, fees & rentals has decreased for budgetary purposes.
- Prior year's spending data
- Strategic plan initiatives
 - Equity, Diversity & Inclusion (EDI)
 - Funds have been allocated to continue our work on this initiative and include funding for community based programming and staff training.
 - Personnel
 - Funds have been allocated to complete a salary benchmarking analysis to retain employees and ensure competitive compensation.
- Facility plan
 - Included in this year's facility plan (full plan available in the board portal), we are focusing on the following building projects:
 - Corrugated Metal Panels
 - Security Cameras
 - Alarm System

- Facility plan (continued)
 - Access Control System
 - Fiction & Media Staff Space (part of master plan)
 - Boilers
 - Pollak Room Lighting
 - HVAC Automation System Upgrade
- Salaries & Wages
 - The budgeted amount is less than FY21 budget due to open positions not being filled until the 2nd quarter of FY22, with a few exceptions (assistant director, youth services manager, full-time maintenance worker).
 - A 2% cost of living adjustment has been included in the line to ensure we are keeping up with inflation. In the past we have also done merit-based increases, but are foregoing those this year due to the pandemic and flat operating budget.
- Department budget requests
 - Materials
 - Due to a shift in community usage of materials during the pandemic, we have allocated additional funds to increase spending in electronic resources.
 - We have allocated funds for the creation of a Popular Materials Collection in the lobby that was planned as part of the Circulation Renovation.
 - Staff Development
 - While we encourage staff to complete training, we have reduced the budget due to the pandemic and do not expect staff to be traveling out of state in FY22. Training conducted virtually is less expensive than in person training as we do not have to pay for travel, meals, or lodging.
 - Software
 - Funds have been allocated to new software to assist in offering virtual programming due to the pandemic and our expectation that we will continue virtual programming after we return to in person programming.
 - Insurance (Group and General)
 - Includes for a 5% increase for Medical, Dentals, Vision and Life
 - Includes a 6.7% increase for General, Umbrella, Auto, Crime, Cyber, Director & Officer and Flood
 - Telephone
 - Funds allocated to reimburse staff for personal use of equipment and data usage while working from during the pandemic as required by state law.
 - Equipment Rental and Maintenance
 - Funds have been allocated to maintain the new RFID, Self Checkout and Automated Handling system installed during the Circulation Renovation project.

The Budget needs to be approved at the March meeting.

Northbrook Public Library
General Fund
FY2022 Budget

FY2022 Budget													
	Explanation	FY18 Actual		FY19 Actual		FY20 Actual		FY21 Budget		FY21 Forecast		FY22 Budget	
Revenues													
Undesignated Revenue													
	Property Tax Levy	6,328,983		6,994,294		7,252,236		7,439,188		7,439,188		7,439,188	
	Uncollectible Levy							(150,000)		(150,000)		(150,000)	
	Property Tax Abatement												
	Replacement Tax	134,227		121,389		159,814		100,000		125,000		125,000	
	Impact Fees	5,564		4,852									
	Fines, Fees & Rentals	104,951		57,637		111,093		37,500		10,000		25,000	
	Video/DVD rental	0		0									
	Interest Income	43,496		127,188		127,926		50,000		20,000		25,000	
	Loss on Investment	6,318		(1,495)		2,841							
	Other Income	4,959		4,771		16,933		100,000		20,000		100,000	
Total Undesignated Revenue		6,628,498		7,308,636		7,670,843		7,576,688		7,464,188		7,564,188	
Designated Revenue													
	Gifts & Other Designated Income	70,150		90,856		97,923		100,000		158,439		100,000	
	Designated Interest Income	316		449									
Total Designated Revenue		70,466		91,305		97,923		100,000		158,439		100,000	
Total Revenues		6,698,964		7,399,941		7,768,766		7,676,688		7,622,627		7,664,188	
PERSONAL SERVICES													
	Salaries and Wages	2% increase (salary adjustment)	3,382,529		3,489,313		3,637,891		3,928,756		3,782,261		3,869,725
	Maintenance Salaries/Wages		149,823		155,715		165,952		179,744		175,665		168,975
Total Personal Services			\$ 3,532,352		\$ 3,645,028		\$ 3,803,843		\$ 4,108,500		\$ 3,957,926		\$ 4,038,700
FRINGE BENEFITS													
	Group Insurance	Medical, Dental, Vison, Life	452,874		496,171		595,621		630,000		642,429		695,000
	Unemployment/Worker's Comp		30,751		36,051		25,820		27,000		27,000		27,000
	Staff Development & Incentives	Staff membership, Conferences, Mileage, Anniversary Gifts, Staff Day, Staff Appreciation Party, Staff Morale, Recognition & Acknowledgement, Tuition Reimbursement	52,431		62,958		73,320		98,000		60,500		70,000
Total Fringe Benefits			\$ 536,056		\$ 595,180		\$ 694,761		\$ 755,000		\$ 729,929		\$ 792,000

Northbrook Public Library
General Fund
FY2022 Budget

Explanation		FY18 Actual	FY19 Actual	FY20 Actual	FY21 Budget	FY21 Forecast	FY22 Budget
COMMODITIES							
Materials	Books, Ebooks, Periodicals, My Media Mall, AXIS 360, Databases, Audio Books, Movies in all formats, Music in all formats	848,148	859,746	875,000	923,000	923,000	949,000
Programs	MultiMedia, Reader Services, Reference, Young Adult, Youth Services, Digital Services, Library Wide	123,211	117,050	102,750	119,000	75,000	117,000
Office & Library Supplies	Supplies less than \$500	67,569	56,556	65,283	70,000	74,000	70,000
Software	Adobe, Antivirus, Bamboo, Basecamp, Blackbaud, Communico, Deep Freeze, Firewall, Getty, Gmail, LastPass, Microsoft, Remote Printing, ReadSquared, Server Software, StackMap, Titlesource, Website Hosting	60,470	73,712	94,023	95,000	95,000	103,000
Postage		24,385	15,604	15,876	20,000	17,000	20,000
Community Relations	Promotional items, Float, Newsletters, Email marketing, Northbrook Chamber, Rotary, Social Media, Volunteer Program	38,336	48,079	36,642	48,000	30,000	44,000
Janitorial Supplies	Supplies, Paper, Chemicals, Uniforms, Rugs, Paint, Filters, Landscaping	36,995	45,771	43,742	45,000	45,000	45,000
Total Commodities		\$ 1,199,114	\$ 1,216,518	\$ 1,233,316	\$ 1,320,000	\$ 1,259,000	\$ 1,348,000

Northbrook Public Library
General Fund
FY2022 Budget

Explanation		FY18 Actual	FY19 Actual	FY20 Actual	FY21 Budget	FY21 Forecast	FY22 Budget
CONTRACTUAL SERVICES							
	OCLC	18,069	23,902	24,537	21,000	22,000	22,000
	CCS Shared Costs	74,338	75,923	81,544	82,000	80,000	80,000
Photocopy	Copy machine lease payment and click charges, My PC, Papercut, SimpleScan, Coin op lease payment, printer maintenance	49,379	51,100	30,467	35,000	35,000	37,500
General Insurance	General liability, Auto, Umbrella, D&O, Cyber, Flood	61,689	53,216	55,880	59,000	59,000	63,000
Telephone & Internet	Phone lines, Fiber optic cable, Internet	13,906	14,878	29,995	36,000	39,500	43,000
Professional Services	Attorney, Auditor, Human Resource Advisor, Independent Contractor	219,670	231,878	246,929	265,000	265,000	275,000
Equipment Rental/Maintenance	Piano, Laminator, Microfilm readers, Postage machine, Phone system, Binding, Auditorium equipment, Collaboratory equipment	35,969	14,854	14,967	20,000	20,000	42,000
Vehicle Expense		802	620	3,093	3,000	500	3,000
Utilities	Gas, Water, Garbage	52,829	60,720	54,364	53,000	53,000	54,000
Building Repairs	HVAC, Elevator, Plumbing, Electrical, Parking stops, Sprinklers, Parking lot repairs, Curtain Wall	15,384	24,019	14,728	30,000	30,000	30,000

Northbrook Public Library
General Fund
FY2022 Budget

Explanation		FY18 Actual	FY19 Actual	FY20 Actual	FY21 Budget	FY21 Forecast	FY22 Budget
Contracted Services	Alarm, Backflow Service, Elevator, Cleaning, Snow removal, Carpet cleaning, HVAC, Sprinkler, Indoor landscaping, Sliding door, Roof, Window washing, Fish tank maintenance	104,743	116,658	130,263	135,000	135,000	135,000
Recruiting		400	388	118	500	100	500
Total Contractual Services		\$ 647,178	\$ 668,156	\$ 686,885	\$ 739,500	\$ 739,100	\$ 785,000
CAPITAL OUTLAY							
Furniture and Equipment	Items greater than \$500	150,514	81,704	89,195	100,000	65,000	50,000
Total Capital Outlay		\$ 150,514	\$ 81,704	\$ 89,195	\$ 100,000	\$ 65,000	\$ 50,000
OTHER							
Contingency & Misc Exp		4,634	4,374	4,282	100,000	10,000	100,000
Board Development		762	754	395	3,500	500	0
Total Other		\$ 5,396	\$ 5,128	\$ 4,677	\$ 103,500	\$ 10,500	\$ 100,000
Total Expenses Before Gifts & Transfers		\$ 6,070,610	\$ 6,211,714	\$ 6,512,677	\$ 7,126,500	\$ 6,761,455	\$ 7,113,700
DESIGNATED EXPENSES		\$ 135,377	\$ 63,303	\$ 44,036	\$ 100,000	\$ 75,000	\$ 100,000
TRANSFERS							
Debt Service Transfer		\$ 23,092	\$ 9,095	\$ 15,785	\$ 25,000	\$ 25,000	\$ 25,000
Capital Improvements Transfer		\$ 469,000	\$ 1,115,000	\$ 730,925	\$ 425,000	\$ 425,000	\$ 425,000
Total Transfers		\$ 492,092	\$ 1,124,095	\$ 746,710	\$ 450,000	\$ 450,000	\$ 450,000
Total Expenses		\$ 6,698,079	\$ 7,399,112	\$ 7,303,423	\$ 7,676,500	\$ 7,286,455	\$ 7,663,700
NET SURPLUS/(DEFICIT)		\$ 885	\$ 829	\$ 465,343	\$ 188	\$ 336,172	\$ 488

Northbrook Public Library
IMRF/FICA Fund
FY2022 Budget

	Explanation	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Budget	FY 2021 Forecast	FY 2022 Budget
Revenues							
Undesignated Revenue							
Property Tax Levy-IMRF		\$463,921	\$481,271	\$470,393	\$490,000	\$480,152	\$400,000
Property Tax Levy FICA & Medicare		\$263,702	\$275,012	\$276,262	\$289,000	\$283,192	\$289,000
Interest Income IMRF		\$2,087	\$7,028	\$9,371	\$1,500	\$50	\$50
Interest Income FICA & Medicare		\$1,115	\$2,975	\$3,073	\$1,500	\$50	\$50
Total Undesignated Revenue		\$730,824	\$766,286	\$759,099	\$782,000	\$763,444	\$689,100
Total Revenues		\$730,824	\$766,286	\$759,099	\$782,000	\$763,444	\$689,100
Expenses							
Undesignated Expenses							
Human Resources							
Employer IMRF	IMRF Rate - 11.39%	\$357,325	\$351,547	\$349,333	\$400,000	\$401,748	\$425,000
Employer FICA & Medicare	FICA Rate - 6.2% & Medicare Rate - 1.45%	\$262,363	\$269,780	\$281,148	\$289,000	\$280,584	\$289,000
Total Human Resources		\$619,688	\$621,326	\$630,481	\$689,000	\$682,332	\$714,000
Total Undesignated Expenses		\$619,688	\$621,326	\$630,481	\$689,000	\$682,332	\$714,000
Total Expenses		\$619,688	\$621,326	\$630,481	\$689,000	\$682,332	\$714,000
NET SURPLUS/(DEFICIT)		\$111,136	\$144,960	\$128,618	\$93,000	\$81,112	(\$24,900)

Northbrook Public Library
Capital Improvements Fund
FY2022 Budget

	Explanation	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Budget	FY 2021 Forecast	FY 2022 Budget
Capital Improvements Fund							
Revenues							
Undesignated Revenue							
Interest Income		\$3,061	\$4,351	\$48,796	\$25,000	\$10,000	\$10,000
Other Income		\$37,443				\$7,189	
Total Undesignated Revenue		\$40,504	\$4,351	\$48,796	\$25,000	\$17,189	\$10,000
Transfers & Other Financing Sources							
Transfer from General fund		\$469,000	\$1,115,000	\$730,925	\$425,000	\$425,000	\$425,000
Bond Proceeds				\$3,825,000			
Bond Premium				\$250,418			
Insurance Proceeds		\$5,180					
Other							
Total Transfers & Other Financing Sources		\$474,180	\$1,115,000	\$4,806,343	\$425,000	\$425,000	\$425,000
Total Revenues		\$514,684	\$1,119,351	\$4,855,139	\$450,000	\$442,189	\$435,000
Expenses							
Undesignated Expenses							
Capital Projects & Bond Expenses							
Renovation/Repair		\$458,549	\$311,659	\$606,306	\$2,837,178	\$2,837,178	\$908,000
Professional Fees		\$41,784	\$63,259	\$152,422	\$250,000	\$250,000	\$75,000
Furniture & Equipment			\$6,136	\$69,247	\$250,000	\$250,000	\$40,000
Miscellaneous		\$66	\$248				
Total Capital & Bond Expenses		\$500,399	\$381,302	\$827,975	\$3,337,178	\$3,337,178	\$1,023,000
Total Undesignated Expenses		\$500,399	\$381,302	\$827,975	\$3,337,178	\$3,337,178	\$1,023,000
Total Expenses		\$500,399	\$381,302	\$827,975	\$3,337,178	\$3,337,178	\$1,023,000
NET SURPLUS/(DEFICIT)		\$14,285	\$738,049	\$4,027,164	(\$2,887,178)	(\$2,894,989)	(\$588,000)

Northbrook Public Library
Debt Service Fund
FY2022 Budget

	Explanation	FY 2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Budget	FY 2021 Forecast	FY2022 Budget
Revenues							
Undesignated Revenue							
Property Tax Levy		\$992,802	\$518,856	\$512,398	\$527,476	\$516,875	\$758,249
Interest Income		\$554	\$272	\$221	\$500	\$9	
Loss on Investment		\$367	(\$86)	\$165			
Total Undesignated Revenue		\$993,723	\$519,042	\$512,784	\$527,976	\$516,883	\$758,249
Transfers & Other Financing Sources							
Transfer from General fund		\$23,092	\$9,095	\$15,620		\$243,096	
Total Transfers & Other Financing Sources		\$23,092	\$9,095	\$15,620		\$243,096	\$0
Total Revenues		\$1,016,815	\$528,137	\$528,404	\$527,976	\$759,979	\$758,249
Expenses							
Undesignated Expenses							
Capital Projects & Bond Expenses							
Interest Payments		\$290,352	\$276,061	\$258,971	\$264,945	\$405,034	\$376,077
Principal Payments		\$726,068	\$252,076	\$269,433	\$262,531	\$354,945	\$382,172
Total Capital & Bond Expenses		\$1,016,420	\$528,137	\$528,404	\$527,476	\$759,979	\$758,249
Total Undesignated Expenses		\$1,016,420	\$528,137	\$528,404	\$527,476	\$759,979	\$758,249
Transfers & Other Financing Uses							
Other Financing Uses					\$500		
Total Transfers & Other Financing Uses					\$500	\$0	\$0
Total Expenses		\$1,016,420	\$528,137	\$528,404	\$527,976	\$759,979	\$758,249
NET SURPLUS/(DEFICIT)		\$395	\$0	\$0	\$0	\$0	\$0

Northbrook Public Library
Salary Wage Analysis
FY2022 Budget

This information is for admin purposes only

	Department	FY2017 Budget	FY2018 Budget	FY2019 Budget	FY2020 Budget	FY2021 Budget		FY2022 Budget	FY2021 Salaries & Wages	Cost of Living & Restruturing	Good Health Benefit	YS Summer Reading Assistants	Programming Assistants	Parental Leave	Substitutes	Staff Day (7 hours per RPT & PT)	Safety (7.5 hours per RPT & PT)	Training (6 hours per RPT & PT)	Staff Meetings (18 hours per RPT & PT)	Committee Work (6 hrs per RPT & PT)
	Administration	532,760	606,628	605,624	638,446	640,789		580,239	573,794						2,000	699	749	599	1,798	599
	Circulation	640,616	596,224	659,766	623,775	650,411		573,849	551,215						6,000	2,617	2,803	2,243	6,728	2,243
	Maker Services	170,706	232,328	293,048	338,563	342,592		357,329	346,699						7,000	571	612	489	1,468	489
	IT	-	-	-		-		-												
	Maintenance	147,629	157,177	162,297	182,458	179,744		183,973	175,665						6,600	269	288	230	691	230
	Fiction & Media (FY15 - FY17 MM & RS)	758,534	768,355	719,462	684,957	695,455		699,276	678,301						10,800	1,601	1,715	1,372	4,116	1,372
	Reference	430,749	446,148	460,051	495,291	504,670		508,533	487,987						15,200	841	901	721	2,162	721
	Technical Services	465,386	474,790	474,049	428,112	431,809		411,590	403,592						5,100	456	488	391	1,172	391
	Youth Services	445,055	458,850	473,658	485,876	494,033		479,608	447,366			7,500			16,200	1,344	1,440	1,152	3,456	1,152
		-	-	-		-		-												
	Good Health Benefit	20,000	20,000	20,000	20,000	22,000		22,000			22,000									
	Programing Aides			6,000	6,000	6,000		6,000					6,000							
	Parental Leave					7,000		7,000						7,000						
	Merit Increase & Restructuring				92,997	133,997		73,292		73,292										
	Open Positions							134,326		131,496						445	477	382	1,145	382
	Minimum Wage Adjustment							1,591		1,591										
	Total	3,611,434	3,760,500	3,873,955	3,996,475	4,108,500		4,038,607	3,664,619	206,380	22,000	7,500	6,000	7,000	68,900	8,842	9,473	7,579	22,736	7,579

USE 4,038,700

This schedule is salaries and wages only - benefits are not included

Substitute Hours	
Administration	100 hours per year at \$20 per hour
Circulation	300 hours per year at \$20 per hour
Digital Services	350 hours per year at \$20 per hour
Fiction & Media	400 hours per year at \$27 per hour
Maintenance	300 hours per year at \$22 per hour
Reference	100 hours per year at \$17 and 500 hours per year at \$27
Technical Services	300 hours per year at \$17 per hour
Youth Services	600 hours per year at \$27 per hour

Northbrook Public Library
Material Budget
FY2022 Budget

		FY18 Actual		FY19 Actual		FY20 Actual		FY21 Budget		FY22 Budget
Total Revenue		6,698,964.00		7,399,941.00		7,768,766.00		7,676,688.00		7,664,188.00
Transfers to CIF and DS		492,092.00		1,124,095.00		746,710.00		450,000.00		450,000.00
Revenue less Transfers		6,206,872.00		6,275,846.00		7,022,056.00		7,226,688.00		7,214,188.00
Total Materials Budget		848,148.09		859,746.00		875,000.00		923,000.00		949,000.00
		13.66%		13.70%		12.46%		12.77%		13.15%
	EResources									
	Downloads & Streaming	126,950.86		160,384.61		248,735.98		325,072.19		342,150.00
	Learning & Sharing	15,850.00		9,361.45		12,545.00		13,046.80		8,355.00
	Training	12,483.00		15,407.00		13,753.32		12,113.21		10,110.00
	Other	144,372.38		122,883.05		116,750.08		113,750.00		115,500.00
	Periodicals	47,017.70		33,890.99		33,961.19		38,000.00		33,000.00
	Book									
	YS									
	Fiction	70,874.28		79,083.30		87,595.69		78,912.50		94,650.00
	Non Fiction	54,508.83		49,433.67		35,693.64		23,087.50		21,800.00
	Teen									
	Fiction	12,236.64		14,115.92		13,223.04		13,275.00		10,250.00
	Non Fiction	667.13		1,262.71		842.28		1,125.00		800.00
	Adult									
	Fiction	86,323.81		96,211.53		91,278.51		91,275.00		98,040.00
	Non Fiction	126,335.77		103,825.03		87,734.66		80,500.00		85,710.00
	Non Book									
	Youth									
	Audio	2,517.47		2,859.28		3,836.21		3,750.00		2,500.00
	Video	10,611.45		13,245.27		12,286.14		10,500.00		9,700.00
	Music	1,099.28		1,043.44		720.25		825.00		700.00
	Kit	589.51		2,607.32		143.19				
	Game	423.22		397.95		383.39		375.00		100.00
	Teen									
	Audio	1,746.27		726.86		458.91		337.50		300.00
	Adult									
	Audio	34,737.64		34,759.00		33,677.14		25,875.00		28,000.00
	Video	41,945.46		53,848.62		47,550.52		43,500.00		42,000.00
	Video Game	15,383.07		18,346.18		12,357.40		14,300.00		14,300.00
	Music	14,739.06		15,346.10		14,221.46		12,000.00		11,500.00
	Scores & Librettos	1,225.80		1,012.85		1,105.61		900.00		900.00
	Kit	-		939.09		301.60		600.00		
	Board Game	501.09		146.89		156.53		187.50		100.00
	Library of Things									3,000.00
	Other									
	Tools	1,558.23		1,721.00		627.60		1,438.35		850.00
	Processing	6,297.66		6,686.22		7,084.43		5,250.00		5,150.00
	Shipping	1,558.23		1,572.64		1,565.61		1,500.00		1,150.00
	My Media Mall	8,834.00		8,834.00						
	Misc	6,760.25		9,794.03		(3,589.38)		11,504.45		8,385.00
Total		848,148.09		859,746.00		875,000.00		923,000.00		949,000.00

	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Budget	FY21 Actual spent as of 11/30/20	FY22 Budget
Total Progamming Operating Budget	\$ 123,210.66	\$ 117,049.58	\$ 102,749.71	\$ 114,314.00	\$ 37,811.71	\$ 117,000.00
3rd Party Donations	\$ 25,474.58	\$ 25,116.11	\$ 24,294.49	\$ 52,000.00	\$ 19,155.89	\$ 35,000.00
TOTAL PROGRAMMING	\$ 148,685.24	\$ 142,165.69	\$ 127,044.20	\$ 166,314.00	\$ 56,967.60	\$ 152,000.00
BREAKDOWN BY DEPARTMENT						
Youth Service						
Library	\$ 35,758.12	\$ 27,453.33	\$ 15,511.74	\$ 20,550.00	\$ 13,063.03	\$ 20,550.00
Young Adult	\$ 5,772.85	\$ 8,460.31	\$ 5,553.07	\$ 8,400.00	\$ 2,192.05	\$ 6,500.00
Reference	\$ 6,345.07	\$ 6,247.62	\$ 6,472.29	\$ 8,600.00	\$ 3,245.00	\$ 6,200.00
Maker Services	\$ 9,265.09	\$ 14,646.89	\$ 16,726.80	\$ 20,850.00	\$ 929.01	\$ 11,050.00
Fiction & Media	\$ 75,735.63	\$ 67,505.95	\$ 47,453.38	\$ 70,514.00	\$ 15,100.00	\$ 51,515.00
Reader Services						
Library						
Friends						
MultiMedia						
Library						
Friends						
Arts Commission						
Library Wide		\$ 457.29			\$ 1,331.72	\$ 5,285.00
ADA Accomadations					\$ 2,475.00	\$ 2,500.00
Grand Opening						
Green Team	\$ 1,227.73	\$ 1,193.58	\$ 929.95	\$ 1,400.00	\$ 1,125.14	\$ 1,400.00
Light It Up Blue						
Make it Month						
13th Documentary Screening						
Magic Week	\$ 1,493.71					
Star Wars Day	\$ 1,067.07		\$ 1,814.94		\$ 511.67	
Ted X	\$ 8,390.33	\$ 8,868.62	\$ 2,250.00	\$ 10,000.00	\$ 7,200.00	
Unconference	\$ 832.76					
Horror						
Rock Music		\$ 1,175.00	\$ 1,554.78			
80's Month						
Summer Reading Kick Off & Wrap UP	\$ 2,796.88	\$ 1,424.96				
Reading Programs			\$ 22,816.01	\$ 26,000.00	\$ 9,794.98	\$ 23,000.00
Craft Brewing Week		\$ 896.95				
NB Library Film Craft		\$ 2,557.70				
Bicentennial Program		\$ 1,195.00				
One Book One Community		\$ 82.49	\$ 5,961.24			\$ 20,000.00
EDI						\$ 4,000.00
Reserve						



Memorandum

DATE: March 10, 2021

TO: Board of Trustees

FROM: Kate Hall, Executive Director

RE: Pepper Construction Master Agreement

We are now in Year 4 of the 10 year Master Plan as outlined in the Facility Plan (located in the [Board Portal](#)) the Board approved in 2019. As we have multiple upcoming projects, during the bid process for the Circulation Renovation, the attorney advised that we could create a Master Agreement with Pepper Construction that would allow us to use one contract for the remaining projects. This allows us to set terms favorable to the library for all remaining projects instead of renegotiating for each project. It will also save on attorney fees and give us a cleaner process when starting these projects.

If approved by the board, the Master Agreement will serve as the umbrella contract for the remaining Master Plan projects outlined in the Facility Plan:

- Fiction & Media Staff Space (FY22)
- Middle & High School Space (FY23)
- Youth Services (FY24)
- Fiction & Media Patron Space (FY25)
- Reference Patron Space (FY26)
- 2nd floor Staff Space (FY27)

When it is time for each project, the Board will be presented with a Work Order detailing information for the specific project. Included in the packet are four items that have all been reviewed by the attorney:

- A133 Master Agreement- this is the umbrella contract under which all the projects will fall
- A133 Exhibit A Guaranteed Maximum Price Amendment- this will be approved as part of the bid process for each project
- A201 General Conditions of the Contract for Construction- this lays out the requirements for Pepper on each project
- Project Work Order #001 for the 3rd Floor Fiction & Media Staff Space Renovations- this is the first work order that would fall under the Master Agreement.

If the board approved the Master Agreement, a separate motion would be needed to approve the Fiction & Media Staff Space Renovation Work Order. The pricing in the work order is based on the Facility Plan estimate and is covered by the 2019 Bond taken out. Once a work order has been approved, work will begin on the design and development of the project and a more accurate price will be determined and presented to the board.

POSSIBLE MOTION: Motion to approve the A133 Master Agreement between Pepper Construction and the Northbrook Public Library as presented.



AIA[®] Document A133[™] – 2009

Standard Form of Agreement Between Owner and Construction Manager as Constructor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price

Master Agreement Between Owner & Construction Manager
AGREEMENT made as of the 12 day of March in the year 2021
(In words, indicate day, month and year.)

BETWEEN the Owner:
(Name, legal status and address)

Board of Library Trustees of the Village of Northbrook
1201 Cedar Lane
Northbrook, IL 60062

and the Construction Manager:
(Name, legal status and address)

Pepper Construction Company, a Delaware Corporation
411 Lake Zurich Road
Barrington, IL 60010

for the following Project:
(Name and address or location)

See applicable Project Work Order

The Architect:
(Name, legal status and address)

See applicable Project Work Order

The Owner's Designated Representative:
(Name, address and other information)

See applicable Project Work Order

The Construction Manager's Designated Representative:
(Name, address and other information)

See applicable Project Work Order

ADDITIONS AND DELETIONS:

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

AIA Document A201[™]–2007, General Conditions of the Contract for Construction, is adopted in this document by reference. Do not use with other general conditions unless this document is modified.

Init.

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User Notes:

The Architect's Designated Representative:
(Name, address and other information)

| See applicable Project Work Order

The Owner and Construction Manager agree as follows.

Init.

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TABLE OF ARTICLES

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ARTICLE 1 GENERAL PROVISIONS

§ 1.1 The Master Agreement

§ 1.1.1 The Contract Documents consist of this AIA A133-2009 and AIA A201-2007 (collectively "Master Agreement"), the applicable Project Work Order as defined in Section 1.1.2, below, and the Drawings and Specifications referenced therein, Addenda issued prior to execution of a Project Work Order, other documents listed in this Master Agreement or a Project Work Order and Modifications issued after execution of this Master Agreement or any Project Work Order (including A133-2009 Exhibit A, Guaranteed Maximum Price Amendment); these form the Contract, and are as fully a part of the Contract as if attached to this Master Agreement or repeated herein. The Contract represents the entire and integrated agreement between the parties hereto and supersedes prior negotiations, representations or agreements, either written or oral. If anything in the other Contract Documents is inconsistent with this Master Agreement, this Master Agreement shall govern. The term of this Master Agreement is for ten (10) years from the date of execution ("Term").

All references to AIA

Document A201-2007 General Conditions of the Contract for Construction as well as AIA Document A133-2009 Standard Form of Agreement Between Owner and Construction Manager as Constructor where the basis of payment is the Cost of Work Plus a Fee with a Guaranteed Maximum Price shall refer to the modified forms of these documents as agreed to by the Owner and Construction Manager.

§ 1.1.2 For each construction project performed under this Master Agreement, the Owner and Construction Manager shall agree upon and execute a work order detailing the Project specific details ("Project Work Order"). A sample Project Work Order is attached hereto as Exhibit 1.1.2, Project Work Order Sample. The Project Work Order sets forth Project-specific information, including, but not limited to:

- a. the name of the Project;
- b. the location of the Project;
- c. the Commencement Date of the Work;
- d. Pre-Construction Costs
- e. Construction Manager's Compensation
- f. Relevant Exhibits, including Exhibit A, Guaranteed Maximum Price Amendment

The Project Work Order is referred to throughout the Contract Documents as if singular in number.

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§ 1.1.3 Owner at its sole discretion will decide whether to award any Project to Construction Manager and Construction Manager reserves the right to accept or decline the Project.

§ 1.2 Relationship of the Parties

The Construction Manager accepts the relationship of trust and confidence established by this Master Agreement and covenants with the Owner to cooperate with the Architect and exercise the Construction Manager's skill and judgment in furthering the interests of the Owner; to furnish efficient construction administration, management services and supervision; to furnish at all times an adequate supply of workers and materials; and to perform the Work in an expeditious and economical manner consistent with the Owner's interests. The Owner agrees to furnish or approve, in a timely manner, information required by the Construction Manager and to make payments to the Construction Manager in accordance with the requirements of the Contract Documents. Because this Project Work Order contains a GMP, the Owner agrees to communicate with its Prime Contractors only through the Construction Manager. The parties agree that the services of the Construction Manager involve a high degree of professional skill and that the ability or fitness of the individuals primarily responsible for performing such services and coordinating the Project is a material component of this Agreement. Accordingly, the Construction Manager shall be represented by Project Superintendent and Project Manager as identified in the applicable Project Work Order. Construction Manager shall give Owner as much notice as is reasonably possible concerning any substitution of the Project Manager or Project Superintendent and Owner shall have the right of approval of each proposed substitute

§ 1.3 General Conditions

For the Preconstruction Phase, AIA Document A201™–2007, General Conditions of the Contract for Construction, shall apply only as specifically provided in this Agreement. For the Construction Phase, the general conditions of the contract shall be as set forth in A201–2007, which document is incorporated herein by reference. The term "Contractor" as used in A201–2007 shall mean the Construction Manager.

ARTICLE 2 CONSTRUCTION MANAGER'S RESPONSIBILITIES

If contemplated in the applicable Project Work Order, the Construction Manager's Preconstruction Phase responsibilities are set forth in Sections 2.1 and 2.2. The Construction Manager's Construction Phase responsibilities are set forth in Section 2.3. The Owner and Construction Manager may agree, in consultation with the Architect, for the Construction Phase to commence prior to completion of the Preconstruction Phase, in which case, both phases will proceed concurrently. The Construction Manager shall identify a representative authorized to act on behalf of the Construction Manager with respect to the Project.

§ 2.1 Preconstruction Phase

§ 2.1.1 The Construction Manager shall provide a preliminary evaluation of the Owner's program, schedule and construction budget requirements, each in terms of the other for the Work to be performed under each Project Work Order.

§ 2.1.2 Consultation

The Construction Manager shall schedule and conduct meetings with the Architect and Owner to discuss such matters as procedures, progress, coordination, and scheduling of the Work. The Construction Manager shall advise the Owner and the Architect on proposed site use and improvements, selection of materials, and building systems and equipment under the Project Work Order.. The Construction Manager shall also provide recommendations consistent with the Project requirements to the Owner and Architect on constructability; availability of materials and labor; time requirements for procurement, installation and construction; and factors related to construction cost including, but not limited to, costs of alternative designs or materials, preliminary budgets, life-cycle data, and possible cost reductions.

§ 2.1.3 When Project requirements in Section 3.1.1 have been sufficiently identified in the Project Work Order, the Construction Manager shall prepare and periodically update a Project schedule for the Architect's review and the Owner's acceptance. The Construction Manager shall obtain the Architect's approval for the portion of the Project schedule relating to the performance of the Architect's services. The Project schedule shall coordinate and integrate the Construction Manager's services, the Architect's services, other Owner consultants' services, and the Owner's responsibilities and identify items that could affect the Project's timely completion. The updated Project schedule shall include the following: submission of the Guaranteed Maximum Price proposal; components of the Work; times of commencement and completion required of each Prime Contractor; ordering and delivery of products, including those that must be ordered well in advance of construction; and the occupancy requirements of the Owner.

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§ 2.1.4 Phased Construction

The Construction Manager shall provide recommendations with regard to accelerated or fast-track scheduling, procurement, or phased construction under the Project Work Order. The Construction Manager shall take into consideration cost reductions, cost information, constructability, provisions for temporary facilities and procurement and construction scheduling issues.

§ 2.1.5 Preliminary Cost Estimates

§ 2.1.5.1 Based on the preliminary design and other design criteria prepared by the Architect for Work to be performed under the Project Work Order, the Construction Manager shall prepare preliminary estimates of the Cost of the Work or the cost of program requirements using area, volume or similar conceptual estimating techniques for the Architect's review and Owner's approval. If the Architect or Construction Manager suggest alternative materials and systems, the Construction Manager shall provide cost evaluations of those alternative materials and systems.

§ 2.1.5.2 As the Architect progresses with the preparation of the Schematic Design, Design Development and Construction Documents, the Construction Manager shall prepare and update, at appropriate intervals agreed to by the Owner, Construction Manager and Architect, estimates of the Cost of the Work of increasing detail and refinement and allowing for the further development of the design until such time as the Owner and Construction Manager agree on a Guaranteed Maximum Price for the Work. Such estimates shall be provided for the Architect's review and the Owner's approval. The Construction Manager shall inform the Owner and Architect when estimates of the Cost of the Work exceed the latest approved Project budget and make recommendations for corrective action.

§ 2.1.6 Prime Contractors and Suppliers

(Paragraph deleted)

All construction Work on the Project shall be performed by Contractors that have been awarded contracts through the public bidding procedures for public construction projects, and in particular library construction projects, as required under law. The Construction Manager shall be responsible for coordinating such bidding procedures required under Section 5-5 of the Illinois Local Library Act as amended (75 ILCS 5/5-5.)

§ 2.1.7 The Construction Manager shall prepare, for the Architect's review and the Owner's acceptance, a procurement schedule for items that must be ordered well in advance of construction. The Construction Manager shall expedite and coordinate the ordering and delivery of materials that must be ordered well in advance of construction. If the Owner agrees to procure any items prior to the establishment of the Guaranteed Maximum Price, the Owner shall procure the items on terms and conditions acceptable to the Construction Manager. Upon the establishment of the Guaranteed Maximum Price, the Owner shall assign all contracts for these items to the Construction Manager and the Construction Manager shall thereafter accept responsibility for them.

§ 2.1.8 Extent of Responsibility

The Construction Manager shall exercise reasonable care in preparing schedules and estimates. The Construction Manager, however, does not warrant or guarantee estimates and schedules except as may be included as part of the Guaranteed Maximum Price. The Construction Manager is not required to ascertain that the Drawings and Specifications are in accordance with applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of public authorities, but the Construction Manager shall promptly report to the Architect and Owner any nonconformity discovered by or made known to the Construction Manager as a request for information in such form as the Architect may require.

§ 2.1.9 Notices and Compliance with Laws

(Paragraph deleted)

Construction Manager shall establish procedures to require all Prime Contractors and their Subcontractors to comply with all federal, state, and local laws, statutes, ordinances and rules and regulations including but not limited to the Illinois Prevailing Wage Act and the Illinois Human Rights Act. Prime Contractors must have sexual harassment policies in place and agree that their contracts shall be performed in compliance with all other applicable requirements of the Illinois Human Rights Act, 775 ILCS 5/1-101 et seq. The Prime Contractors and their subcontractors shall not engage in any prohibited form of discrimination in employment as defined in that Act. The Construction Manager shall maintain, and establish procedures that require that the Prime Contractors maintain, policies of equal employment opportunity which shall prohibit discrimination against any employee or applicant for employment on the basis of race, religion, color, sex, national origin, ancestry, citizenship status, age, marital status, physical or mental disability unrelated to the individual's ability to perform the essential functions of the job, association with a

person with a disability, or unfavorable discharge from military service. Prime Contractors and their subcontractors shall comply with all requirements of the Act and of the Rules of the Illinois Department of Human Rights with regard to posting information on employees' rights under the Act. Prime Contractors and their subcontractors shall place appropriate statements identifying their companies as equal opportunity employers in all advertisements for workers to be employed in work to be performed under their contracts.

§ 2.2 Guaranteed Maximum Price Proposal and Contract Time

§ 2.2.1 At a time to be mutually agreed upon by the Owner and the Construction Manager and in consultation with the Architect, the Construction Manager shall prepare a Guaranteed Maximum Price proposal for the Owner's review and acceptance. The Guaranteed Maximum Price in the proposal shall be the sum of the Construction Manager's estimate of the Preconstruction Services costs, if any Cost of the Work, including contingencies described in Section 2.2.4, and the Construction Manager's Fee. Upon Owner's approval, the GMP, Schedule of Values and Clarifications shall be incorporated as an exhibit to Exhibit A, Guaranteed Maximum Price Amendment

§ 2.2.2 To the extent that the Drawings and Specifications are anticipated to require further development by the Architect, the Construction Manager shall provide in the Guaranteed Maximum Price for such further development consistent with the Project Work Order and reasonably inferable therefrom. Such further development does not include such things as changes in scope, systems, kinds and quality of materials, finishes or equipment, all of which, if required, shall be incorporated by Change Order.

§ 2.2.3 The Construction Manager shall include with the Guaranteed Maximum Price proposal a written statement of its basis, which shall include the following:

- .1 A list of the Drawings and Specifications, including all Addenda thereto, and the Conditions of the Contract, a copy of which is attached as an exhibit to Exhibit A, Guaranteed Maximum Price Amendment to the applicable Project Work Order;
- .2 A list of the clarifications and assumptions made by the Construction Manager in the preparation of the Guaranteed Maximum Price proposal, including assumptions under Section 2.2.2, to supplement the information provided by the Owner and contained in the Drawings and Specifications;
- .3 A statement of the proposed Guaranteed Maximum Price, including a statement of the estimated Cost of the Work organized by trade categories or systems, allowances, contingency, and the Construction Manager's Fee;
- .4 The anticipated date of Substantial Completion upon which the proposed Guaranteed Maximum Price is based; and
- .5 A date by which the Owner must accept the Guaranteed Maximum Price.

§ 2.2.4 Included in the Construction Manager's Guaranteed Maximum Price proposal is a contingency amount ("Contingency") to cover additional costs arising under the Project Work Order not requiring a change to the Guaranteed Maximum Price. The amount of the Contingency shall be a lump sum amount listed in the Exhibit A, Guaranteed Maximum Price Amendment to the applicable Project Work Order. To the extent any amount of the Contingency is allocated toward actual construction costs, Construction Manager and the Owner must award such Work through any applicable competitive bidding requirements and/or the issuance of a properly issued and approved Change Order. To the extent not otherwise approved pursuant to a properly approved Change Order, the Construction Manager shall advise and obtain the consent of the Owner's designated representative and/or liaison prior to expending any amounts from the Contingency. The Owner's designated representative shall not unreasonably delay or unreasonably withhold any such required approval for the use of the Contingency recommended by the Construction Manager. Any such amounts of the Contingency not otherwise approved by a Change Order may only be used for additional costs incurred for the Owner's benefit and may include, but not limited to, the following examples:

- .1 costs incurred due to excusable delays but not reimbursed by Change Order;
- .2 costs due to latent conditions which could not be foreseen but are not accepted as concealed conditions;
- .3 costs of the Work not included in the GMP budget but arguably inferable from the Construction Documents;
- .4 costs of completing the work of a defaulted or bankrupt Prime Contractor in excess of the Prime Contract price;
- .5 net premium time or multiple shift or weekend time not provided for in the Contract or Change Orders;
- .6 costs for re-work when not a result of unworkmanlike performance or sub-standard efforts; and
- .7 deductible expenses for Builder's Risk Insurance if Construction Manager is responsible for such costs under the Agreement with Owner.

At Final Completion of the Work under the Project Work Order, the unused portion of the Contingency Fund shall be credited in full to the Owner.

§ 2.2.5 The Construction Manager shall meet with the Owner and Architect to review the Guaranteed Maximum Price proposal. In the event that the Owner and Architect discover any inconsistencies or inaccuracies in the information presented, they shall promptly notify the Construction Manager, who shall make appropriate adjustments to the Guaranteed Maximum Price proposal, its basis, or both. The Guaranteed Maximum Price Proposal delivered by the Construction Manager shall be a representation by the Construction Manager, that the Contract Documents are full and complete, are sufficient to enable the Construction Manager to determine the cost of the Work and that the Contract Documents are sufficient to enable it to construct the Work under the Project Work Order, in accordance with applicable laws and regulations, and otherwise to fulfill all its obligations hereunder, including, but not limited to, Construction Manager's obligations to construct the Work for an amount not in excess of the Guaranteed Maximum Price on or before the date(s) of Completion established in the Agreement. The Construction Manager further acknowledges and declares that it has visited and examined the Project site, examined all physical and other conditions affecting the Work and is fully familiar with all of the conditions thereon and thereunder affecting the same. In connection therewith, Construction Manager specifically represents and warrants to Owner that prior to the submission of its Guaranteed Maximum Price it has: (a) thoroughly examined the location of the work to be performed, is familiar with local conditions, and has read and thoroughly understands the Contract Documents as they relate to the physical conditions prevalent or likely to be encountered in the performance of the work at such location; (2) examined the nature, location and character of the general area in which the Project is located, including without limitation, its climatic conditions, available labor supply and labor costs, and available equipment supply and equipment costs; and (3) examined the quality and quantity of all materials, supplies, tools, equipment, labor, and professional services necessary to complete the Work in the manner and within the cost and time frame required by the Contract Documents. The Guaranteed Maximum Price is not intended to include any changes in scope, systems, kinds, qualities, quantities of materials, finishes or equipment from that shown or reasonably inferable from the information stated in the design documents upon which the Guaranteed Maximum Price was based, subject to the qualifications and assumptions to that Guaranteed Maximum Price, all of which, if required, would warrant an adjustment to the Guaranteed Maximum Price by Change Order

§ 2.2.6 If the Owner notifies the Construction Manager that the Owner has accepted the Guaranteed Maximum Price proposal in writing before the date specified in the Guaranteed Maximum Price proposal, the Guaranteed Maximum Price proposal shall be deemed effective without further acceptance from the Construction Manager. Following acceptance of a Guaranteed Maximum Price, the Owner and Construction Manager shall execute the Exhibit A, Guaranteed Maximum Price Amendment amending the Project Work Order, a copy of which the Owner shall provide to the Architect. The Guaranteed Maximum Price Amendment shall set forth the agreed upon Guaranteed Maximum Price with the information and assumptions upon which it is based.

§ 2.2.7 The Construction Manager shall not incur any cost to be reimbursed as part of the Cost of the Work prior to the commencement of the Construction Phase, unless the Owner provides prior written authorization for such costs.

§ 2.2.8 The Owner shall authorize the Architect to provide the revisions to the Drawings and Specifications to incorporate the agreed-upon assumptions and clarifications contained in the Guaranteed Maximum Price Amendment. The Owner shall promptly furnish those revised Drawings and Specifications to the Construction Manager as they are revised. The Construction Manager shall notify the Owner and Architect of any inconsistencies between the Guaranteed Maximum Price Amendment and the revised Drawings and Specifications.

§ 2.2.9 Owner is a public body and as such is exempt from all sales and excise taxes; therefore, no tax amounts shall be included in the Guaranteed Maximum Price.

§ 2.2.10 Following public bidding of all Prime Contracts and acceptance by the Owner of the lowest responsive and responsible bidders, the final Guaranteed Maximum Price shall be established in writing by the Construction Manager for the applicable Project Work Order. All such public bidding shall be obtained by the Construction Manager in compliance with Section 5-5 of the Illinois Local Library Act as amended (75 ILCS 5/5-5).

§ 2.3 Construction Phase

§ 2.3.1 General

§ 2.3.1.1 For purposes of Section 8.1.2 of A201–2007, the date of commencement of the Work shall mean the date of commencement of the Construction Phase under the applicable Project Work Order.

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§ 2.3.1.2 The Construction Phase shall commence upon issuance of applicable permits and the Owner's acceptance of the Construction Manager's Guaranteed Maximum Price proposal or the Owner's issuance of a Notice to Proceed for the applicable Project Work Order, whichever occurs earlier.

§ 2.3.2 Administration

§ 2.3.2.1 All Prime Contracts for construction Work on the Project shall be obtained by the Construction Manager through the public bidding procedures required under Illinois law including Section 5-5 of the Illinois Local Library Act (75 ILCS 5/5-5.) All construction Work for the Project shall be performed by the lowest responsible, responsive bidders as determined and accepted by Owner. Other than for General Conditions appropriate to the performance of a Construction Manager who is not a Constructor, the Construction Manager shall not self-perform any of the construction Work on the Project without the Owner's consent. The Construction Manager shall be required to perform those services related to its construction management duties set forth in this Agreement and the General Conditions. After the Construction Manager obtains and bids for construction Work on the Project, the Construction Manager shall enter into Contracts with those accepted lowest responsible bidders as the authorized representative of the Owner. All Contracts and other appropriate agreements for construction Work on the Project shall incorporate the terms and conditions of the Master Agreement between the Owner and Construction Manager relating to the performance of construction Work on the Project.

§ 2.3.2.2 Intentionally deleted.

§ 2.3.2.3 Intentionally deleted.

§ 2.3.2.4 If the Construction Manager recommends a specific bidder that may be considered a "related party" according to Section 6.10, then the Construction Manager shall promptly notify the Owner in writing of such relationship and notify the Owner of the specific nature of the contemplated transaction, according to Section 6.10.2.

§ 2.3.2.5 The Construction Manager shall schedule and conduct meetings to discuss such matters as procedures, progress, coordination, scheduling, and status of the Work. The Construction Manager shall prepare and promptly distribute minutes to the Owner and Architect

§ 2.3.2.6 Upon the execution of the Guaranteed Maximum Price Amendment, the Construction Manager shall prepare and submit to the Owner and Architect a construction schedule for the Work and submittal schedule in accordance with Section 3.10 of A201–2007. The Construction Schedule shall be attached to the applicable Project Work Order as Exhibit B, Project Construction Schedule.

§ 2.3.2.7 The Construction Manager shall record the progress of the Project. On a monthly basis, or otherwise as agreed to by the Owner, the Construction Manager shall submit written progress reports to the Owner and Architect, showing percentages of completion and other information required by the Owner. The Construction Manager shall also keep, and make available to the Owner and Architect, a daily log containing a record for each day of weather, portions of the Work in progress, number of workers on site, identification of equipment on site, problems that might affect progress of the work, accidents, injuries, and other information required by the Owner.

§ 2.3.2.8 The Construction Manager shall develop a system of cost control for the Work, including regular monitoring of actual costs for activities in progress and estimates for uncompleted tasks and proposed changes. The Construction Manager shall identify variances between actual and estimated costs and report the variances to the Owner and Architect and shall provide this information in its monthly reports to the Owner and Architect, in accordance with Section 2.3.2.7 above.

§ 2.4 Professional Services

Section 3.12.10 of A201–2007 shall apply to both the Preconstruction and Construction Phases.

§ 2.5 Hazardous Materials

Section 10.3 of A201–2007 shall apply to both the Preconstruction and Construction Phases.

ARTICLE 3 OWNER'S RESPONSIBILITIES

§ 3.1 Information and Services Required of the Owner

§ 3.1.1 The Owner shall provide information with reasonable promptness, regarding requirements for and limitations on the Project, including a written program which shall set forth the Owner's objectives, constraints, and criteria, including schedule, space requirements and relationships, flexibility and expandability, special equipment, systems sustainability and site requirements.

§ 3.1.2 Prior to the execution of the Guaranteed Maximum Price Amendment, the Construction Manager may request in writing that the Owner provide reasonable evidence that sufficient funds to pay for the Work under Project Work Order are levied (or have otherwise been allocated and deposited in the Owner's account) and available for disbursement.

§ 3.1.3 The Owner shall establish and periodically update the Owner's budget for the Project, including (1) the budget for the Cost of the Work as defined in Section 6.1.1, (2) the Owner's other costs, and (3) reasonable contingencies related to all of these costs. If the Owner significantly increases or decreases the Owner's budget for the Cost of the Work, the Owner shall notify the Construction Manager and Architect. The Owner and the Architect, in consultation with the Construction Manager, shall thereafter agree to a corresponding change in the Project's scope and quality.

§ 3.1.4 **Structural and Environmental Tests, Surveys and Reports.** During the Preconstruction Phase, the Owner shall furnish the following information or services with reasonable promptness. The Owner shall also furnish any other information or services under the Owner's control and relevant to the Construction Manager's performance of the Work with reasonable promptness after receiving the Construction Manager's written request for such information or services. The Construction Manager shall be entitled to rely on the accuracy of information and services furnished by the Owner but shall exercise proper precautions relating to the safe performance of the Work.

§ 3.1.4.1 The Owner shall furnish tests, inspections and reports required by law and as otherwise agreed to by the parties, such as structural, mechanical, and chemical tests, tests for air and water pollution, and tests for hazardous materials.

§ 3.1.4.2 The Owner shall furnish surveys describing physical characteristics, legal limitations and utility locations for the site of the Project, and a legal description of the site. The surveys and legal information shall include, as applicable, grades and lines of streets, alleys, pavements and adjoining property and structures; designated wetlands; adjacent drainage; rights-of-way, restrictions, easements, encroachments, zoning, deed restrictions, boundaries and contours of the site; locations, dimensions and necessary data with respect to existing buildings, other improvements and trees; and information concerning available utility services and lines, both public and private, above and below grade, including inverts and depths. All the information on the survey shall be referenced to a Project benchmark.

§ 3.1.4.3 The Owner, when such services are requested, shall furnish services of geotechnical engineers, which may include but are not limited to test borings, test pits, determinations of soil bearing values, percolation tests, evaluations of hazardous materials, seismic evaluation, ground corrosion tests and resistivity tests, including necessary operations for anticipating subsoil conditions, with written reports and appropriate recommendations.

§ 3.1.4.4 During the Construction Phase under the applicable Project Work Order, the Owner shall furnish information or services required of the Owner by the Contract Documents with reasonable promptness. The Owner shall also furnish any other information or services under the Owner's control and relevant to the Construction Manager's performance of the Work with reasonable promptness after receiving the Construction Manager's written request for such information or services.

§ 3.2 Owner's Designated Representative

The Owner may designate a liaison between the Board of Trustees and the Construction Manager to facilitate the administrative and day-to-day management issues relating to the Project. The Construction Manager acknowledges that the Owner is an Illinois public body that can only be contractually bound by an affirmative vote of the Board of Library Trustees of the Village of Northbrook. The Owner shall not unreasonably delay its vote to approve or disapprove necessary items in relation to the completion of this Project.

§ 3.2.1 **Legal Requirements.** The Owner shall furnish all legal, insurance and accounting services, including auditing services, that may be reasonably necessary at any time for the Project to meet the Owner's needs and interests.

§ 3.3 Architect

The Owner shall retain an Architect, as identified in the applicable Project Work Order, to provide services, duties and responsibilities as described in AIA Document B103™–2007, Standard Form of Agreement Between Owner and Architect, including any additional services requested by the Construction Manager that are necessary for the Preconstruction and Construction Phase services under the terms of this Agreement. The Owner shall provide the Construction Manager a copy of the executed agreement between the Owner and the Architect, and any further modifications to the agreement.

ARTICLE 4 COMPENSATION AND PAYMENTS FOR PRECONSTRUCTION PHASE SERVICES

§ 4.1 Compensation

§ 4.1.1 For the Construction Manager's Preconstruction Phase services, the Owner shall compensate the Construction Manager as set forth in the applicable Project Work Order.

§ 4.1.2

(Paragraphs deleted)

If the Preconstruction Phase services covered by the Project Work Order have not been completed within the time period set forth in the applicable Project Work Order, through no fault of the Construction Manager, the Construction Manager's compensation for Preconstruction Phase services shall be equitably adjusted.

§ 4.1.3 Compensation based on Direct Personnel Expense includes the direct salaries of the Construction Manager's personnel providing Preconstruction Phase services on the Project and the Construction Manager's costs for the mandatory and customary contributions and benefits related thereto, such as employment taxes and other statutory employee benefits, insurance, sick leave, holidays, vacations, employee retirement plans and similar contributions.

(Paragraph deleted)

§ 4.2 Payments

§ 4.2.1 Unless otherwise agreed, payments for services shall be made monthly in proportion to services performed.

§ 4.2.2 Payments are due and

(Paragraphs deleted)

interest on late payments shall be charged pursuant to the provisions of the Local Government Prompt Payment Act (50 ILCS 505/1 et seq.). The Owner and Construction Manager shall negotiate in good faith to work out a mutually agreeable payment schedule consistent with the above referenced Act.

ARTICLE 5 COMPENSATION FOR CONSTRUCTION PHASE SERVICES

§ 5.1 For the Construction Manager's performance of the Work as described in Section 2.3, the Owner shall pay the Construction Manager the Contract Sum in current funds for the Construction Manager's performance of the Contract. The Contract Sum is the Cost of the Work as defined in Section 6.1.1, Preconstruction Services costs, if any, plus the Construction Manager's Fee.

§ 5.1.1 The Construction Manager's

(Paragraphs deleted)

Fee shall be set forth in each Project Work Order.

§ 5.1.2 The method of adjustment of the Construction Manager's Fee for changes in the Work:

As set forth in Section 7.3.3.1 in A201-2007 or as otherwise set forth in the Project Work Order

§ 5.1.3 Limitations, if any, on a Prime Contractor's overhead and profit for increases in the cost of its portion of the Work:

As set forth in Section 7.3.3.1 in A201-2007 or as otherwise set forth in the Project Work Order

§ 5.1.4 Rental rates for Construction Manager-owned equipment shall not exceed the rates set forth in Exhibit A of the applicable Project Work Order.

§ 5.1.5 Unit prices, if any:

(Identify and state the unit price; state the quantity limitations, if any, to which the unit price will be applicable.)

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§ 5.2 Guaranteed Maximum Price

§ 5.2.1 The Construction Manager guarantees that the Contract Sum shall not exceed the Guaranteed Maximum Price set forth in the Guaranteed Maximum Price Amendment executed as necessary for the applicable Project Work Order, as it is amended from time to time. To the extent the Cost of the Work exceeds the Guaranteed Maximum Price for the Work performed under a Project Work Order, the Construction Manager shall bear such costs in excess of the Guaranteed Maximum Price without reimbursement or additional compensation from the Owner.

(Insert specific provisions if the Construction Manager is to participate in any savings.)

§ 5.2.2 The Guaranteed Maximum Price is subject to additions and deductions by Change Order as provided in the Contract Documents and the Date of Substantial Completion shall be subject to adjustment as provided in the Contract Documents.

§ 5.2.3 The GMP is based upon, and is subject to, the Schedule of Values and Clarifications included in Exhibit A of the applicable Project Work Order.

§ 5.2.4 Should the Cost of the Work (as defined in Article 6) plus the Construction Manager's Fee (as defined in Article 5) be less than the GMP as adjusted by Change Order, the resulting savings shall be shared between Owner and Construction Manager as determined by the applicable Project Work Order.

§ 5.2.5 Work other than Preconstruction Services performed by Construction Manager prior to establishing the GMP shall be billed as a percentage of the Cost of the Work shown in the most current, approved Preliminary Cost Estimate, as further described in Section 2.1.5, above, and Article 7, below. Such Work and payments made, therefore, shall account as part of the GMP, when established.

§ 5.3 Changes in the Work

§ 5.3.1 The Owner may, without invalidating the applicable Project Work Order, order changes in the Work within the general scope of the Project Work Order consisting of additions, deletions or other revisions. The Owner shall issue such changes in writing. The Architect may make minor changes in the Work as provided in Section 7.4 of AIA Document A201–2007, General Conditions of the Contract for Construction, as amended by the parties. The Construction Manager shall be entitled to an equitable adjustment in the Contract Time and Contract Sum as a result of changes in the Work.

§ 5.3.2 Adjustments to the Guaranteed Maximum Price on account of changes in the Work subsequent to the execution of the Guaranteed Maximum Price Amendment may be determined by any of the methods listed in Section 7.3.3 of AIA Document A201–2007, General Conditions of the Contract for Construction.

§ 5.3.3 In calculating adjustments to prime contracts (except those awarded with the Owner's prior consent on the basis of cost plus a fee), the terms "cost" and "fee" as used in Section 7.3.3.3 of AIA Document A201–2007 and the term "costs" as used in Section 7.3.7 of AIA Document A201–2007 shall have the meanings assigned to them in AIA Document A201–2007 and shall not be modified by Sections 5.1 and 5.2, Sections 6.1 through 6.7, and Section 6.8 of this Agreement. Adjustments to prime contracts awarded with the Owner's prior consent on the basis of cost plus a fee shall be calculated in accordance with the terms of those prime contracts.

§ 5.3.4 In calculating adjustments to the Guaranteed Maximum Price for Construction Manager's Work performed on a cost basis, the terms "cost" and "costs" as used in the above-referenced provisions of AIA Document A201–2007 shall mean the Cost of the Work as defined in Sections 6.1 to 6.7 of this Agreement and the term "fee" shall mean the Construction Manager's Fee as defined in Section 5.1 of this Agreement.

§ 5.3.5 If no specific provision is made in Section 5.1.2 for adjustment of the Construction Manager's Fee in the case of changes in the Work, or if the extent of such changes is such, in the aggregate, that application of the adjustment provisions of Section 5.1.2 will cause substantial inequity to the Owner or Construction Manager, the Construction

Manager's Fee shall be equitably adjusted on the same basis that was used to establish the Fee for the original Work, and the Guaranteed Maximum Price shall be adjusted accordingly.

ARTICLE 6 COST OF THE WORK FOR CONSTRUCTION PHASE

§ 6.1 Costs to Be Reimbursed

§ 6.1.1 The term "Cost of the Work" shall mean costs necessarily incurred by the Construction Manager in the proper performance of the Work under the Project Work Order. Such costs shall be at rates for labor as required under the Illinois Prevailing Wage Act as applicable to the place of the Project and shall be at rates for all other items that are not higher than those customarily paid at the place of the Project, except by written prior consent of the Owner. If requested by the Owner, Construction Manager must submit with its Application for Payment--in addition to all other documents required by the General Conditions--photocopies of the actual invoices or expense bills directly attributable to the Project which the Construction Manager claims as part of the "Cost of the Work."

§ 6.1.2 Where any cost is subject to the Owner's prior approval, the Construction Manager shall obtain this approval prior to incurring the cost. The parties shall endeavor to identify any such costs prior to executing Guaranteed Maximum Price Amendment.

§ 6.2 Labor Costs

§ 6.2.1 Wages of any workers employed by Construction Manager for any required general conditions work on the Project directly related to and furtherance of the Construction Manager's exercise of its professional constructional management services on the Project.

§ 6.2.2 Wages or salaries of the Construction Manager's supervisory and administrative personnel at Construction Manager's Comprehensive Management Rates, attached to Exhibit A of the Project Work Order, at the jobsite office, in the home office to the extent directly engaged in the supervision or the administration of the Work, and in shops or on the road when expediting or inspecting the production of materials or equipment (or their transportation to) the Project. These rates, which are revised annually as of January 1, are inclusive of salary, all fringe benefits, incentives, payroll taxes, Workers' Compensation Insurance and overhead charges.

§ 6.2.3 Bonuses, profit sharing, incentive compensation and any other discretionary payments paid to anyone hired by the Construction Manager or paid to any Prime Contractor or vendor, with the Owner's prior approval.

(Paragraphs deleted)

§ 6.3 Prime Contract Costs

Payments made by the Construction Manager to Prime Contractors in accordance with the requirements of the prime contracts. In response to a properly submitted and approved application for payment and required lien waivers from each of the respective Prime Contractors performing Work on the Project, the Construction Manager shall make the appropriate construction progress payments to each of the respective Prime Contractors upon receipt of the required funds from the Owner. Construction Manager shall make payment to the eligible Prime Contractors within three (3) days of receipt of such funds from the Owner. Upon receipt of such funds from the Owner, the Construction Manager shall hold such funds in a constructive trust for benefit of the Prime Contractors performing Work on the Project.

§ 6.4 Costs of Materials and Equipment Incorporated in the Completed Construction

§ 6.4.1 Costs, including transportation and storage, of materials and equipment incorporated or to be incorporated in the completed construction.

§ 6.4.2 Costs of materials described in the preceding Section 6.4.1 in excess of those actually installed to allow for reasonable waste and spoilage. Unused excess materials, if any, shall become the Owner's property at the completion of the Work.

§ 6.5 Costs of Other Materials and Equipment, Temporary Facilities and Related Items

§ 6.5.1 Costs of transportation, storage, installation, maintenance, dismantling and removal of materials, supplies, temporary facilities, machinery, equipment and hand tools not customarily owned by construction workers that are provided by the Construction Manager at the site and fully consumed in the performance of the Work. Costs of materials, supplies, temporary facilities, machinery, equipment and tools that are not fully consumed shall be based on the cost or value of the item at the time it is first used on the Project site.. Costs for items not fully consumed by the Construction Manager shall mean replacement costs

Init.

§ 6.5.2 Rental charges for temporary facilities, machinery, equipment and hand tools not customarily owned by construction workers that are provided by the Construction Manager at the site, at rental rates established by Construction Manager's Equipment Rental Rates and Practices, set forth within Exhibit A of the applicable Project Work Order, or, if not rented from the Construction Manager then at market competitive rates from others, and costs of transportation, installation, minor repairs, dismantling and removal. The total rental cost of any Construction Manager-owned item may not exceed the purchase price of any comparable item. Rates of Construction Manager-owned equipment and quantities of equipment shall be subject to the Owner's prior approval.

§ 6.5.3 Costs of removal of debris from the site of the Work and its proper and legal disposal.

§ 6.5.4 Costs of document reproductions, facsimile transmissions and long-distance telephone calls, postage and parcel delivery charges, telephone service at the site and reasonable petty cash expenses of the site office.

§ 6.5.5 That portion of the reasonable expenses of the Construction Manager's supervisory or administrative personnel incurred while traveling in discharge of duties connected with the Work. Any such expenses shall be limited to mileage at the IRS approved rate. Any other expenses must be approved by the Owner at its sole discretion.

§ 6.5.6 Costs of materials and equipment suitably stored off the site at a mutually acceptable location, subject to the Owner's prior approval.

§ 6.6 Miscellaneous Costs

§ 6.6.1 Premiums for that portion of insurance and bonds required by the Contract Documents that can be directly attributed to this Contract. Self-insurance for either full or partial amounts of the coverages required by the Contract Documents, with the Owner's prior approval. General and excess liability insurance shall be charged at the rate establish in the Project Work Order.

§ 6.6.2 No costs shall be allowed for taxes because the Owner is exempt from federal, state and local sales and excise taxes because it is a public body.

§ 6.6.3 Fees and assessments for the building permit and for other permits, licenses and inspections for which the Construction Manager is required by the Project Work Order to pay.

§ 6.6.4 Unless excluded in Construction Manager's Clarifications included in Exhibit A of the applicable Project Work Order, fees of laboratories for tests required by the Contract Documents, except those related to defective or nonconforming Work for which reimbursement is excluded by Section 13.5.3 of AIA Document A201-2007 or by other provisions of the Contract Documents, and which do not fall within the scope of Section 6.7.3.

§ 6.6.5 Royalties and license fees paid for the use of a particular design, process or product required by the Contract Documents; the cost of defending suits or claims for infringement of patent rights arising from such requirement of the Contract Documents; and payments made in accordance with legal judgments against the Construction Manager resulting from such suits or claims and payments of settlements made with the Owner's consent. However, such costs of legal defenses, judgments and settlements shall not be included in the calculation of the Construction Manager's Fee or subject to the Guaranteed Maximum Price. If such royalties, fees and costs are excluded by the last sentence of Section 3.17 of AIA Document A201-2007 or other provisions of the Contract Documents, then they shall not be included in the Cost of the Work.

§ 6.6.6 Costs for electronic equipment and software, directly related to the Work with the Owner's prior approval.

§ 6.6.7 Intentionally Deleted.

§ 6.6.8 Legal, mediation and arbitration costs, including attorneys' fees, other than those arising from disputes between the Owner and Construction Manager and not related to Construction Manager's acts or omissions or negligence associated with its performance of its obligations and duties on the Project, reasonably incurred by the Construction Manager after the execution of this Agreement in the performance of the Work and with the Owner's prior approval, which shall not be unreasonably withheld.

§ 6.6.9

Costs of materials and equipment rental furnished by Construction Manager for General Conditions are subject to ten percent (10%) mark-up for overhead. This overhead factor is not applied to Prime Contractor costs.

§ 6.7 Other Costs and Emergencies

§ 6.7.1 Other costs incurred in the performance of the Work if, and to the extent, approved in advance in writing by the Owner. In re-executing Work that is unique or difficult or aesthetically subjective in order to meet Specifications that is performed by construction workers in the employ of its Prime Contractors, provided such Work is consistent with efforts of good workmanship for the materials and finishes involved and did not result from the fault or negligence of the Construction Manager or the Construction Manager's foreman, engineers, superintendent or other supervisory, administrative, or managerial personnel of the Construction Manager.

§ 6.7.2 Costs incurred in taking action to prevent threatened damage, injury or loss in case of an emergency affecting the safety of persons and property, as provided in Section 10.4 of AIA Document A201–2007.

§ 6.7.3 Costs of repairing or correcting damaged or nonconforming Work executed by the Construction Manager, Prime Contractors or suppliers, provided that such damaged or nonconforming Work was not caused by negligence or failure to fulfill a specific responsibility of the Prime Contractor and only to the extent that the cost of repair or correction is not recovered by the Construction Manager from insurance, sureties, Prime Contractors, suppliers, or others.

§ 6.7.4 The costs described in Sections 6.1 through 6.7 shall be included in the Cost of the Work, notwithstanding any provision of AIA Document A201–2007 or other Conditions of the Contract which may require the Construction Manager to pay such costs, unless such costs are excluded by the provisions of Section 6.8.

§ 6.8 Costs Not To Be Reimbursed

§ 6.8.1 The Cost of the Work shall not include the items listed below:

- .1 Salaries and other compensation of the Construction Manager's personnel stationed at the Construction Manager's principal office or offices other than the site office, except as specifically provided in Section 6.2, or as may be provided in Article 11;
- .2 Expenses of the Construction Manager's principal office and offices other than the site office;
- .3 Overhead and general expenses, except as may be expressly included in Sections 6.1 to 6.7;
- .4 The Construction Manager's capital expenses, including interest on the Construction Manager's capital employed for the Work;
- .5 Except as provided in Section 6.7.3 of this Agreement, costs due to the negligence or failure of the Construction Manager, Prime Contractors and suppliers or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable to fulfill a specific responsibility of the Project Work Order;
- .6 Any cost not specifically and expressly described in Sections 6.1 to 6.7; and
- .7 Costs, other than costs included in Change Orders approved by the Owner, that would cause the Guaranteed Maximum Price to be exceeded

§ 6.9 Discounts, Rebates and Refunds

§ 6.9.1 Cash discounts obtained on payments made by the Construction Manager shall accrue to the Owner if (1) before making the payment, the Construction Manager included them in an Application for Payment and received payment from the Owner, or (2) the Owner has deposited funds with the Construction Manager with which to make payments; otherwise, cash discounts shall accrue to the Construction Manager. Trade discounts, rebates, and refunds shall accrue to the Owner, and the Construction Manager shall make provisions so that they can be obtained.

§ 6.9.2 Amounts that accrue to the Owner in accordance with the provisions of Section 6.9.1 shall be credited to the Owner as a deduction from the Cost of the Work.

§ 6.10 Related Party Transactions

§ 6.10.1 For purposes of Section 6.10, the term "related party" shall mean a parent, subsidiary, affiliate or other entity having common ownership or management with the Construction Manager; any entity in which any stockholder in, or management employee of, the Construction Manager owns any interest in excess of ten percent in the aggregate; or

any person or entity which has the right to control the business or affairs of the Construction Manager. The term "related party" includes any member of the immediate family of any person identified above.

§ 6.10.2 If any of the costs to be reimbursed arise from a transaction between the Construction Manager and a related party, the Construction Manager shall notify the Owner of the specific nature of the contemplated transaction, including the identity of the related party and the anticipated cost to be incurred, before any such transaction is consummated or cost incurred. If the Owner, after such notification, authorizes the proposed transaction, then the cost incurred shall be included as a cost to be reimbursed, and the Construction Manager shall procure the Work, equipment, goods or service from the related party, as a Prime Contractor, according to the terms of Sections 2.3.2.1, 2.3.2.2 and 2.3.2.3. If the Owner fails to authorize the transaction, the Construction Manager shall procure the Work, equipment, goods or service from some person or entity other than a related party according to the terms of Sections 2.3.2.1, 2.3.2.2 and 2.3.2.3.

§ 6.11 Accounting Records

The Construction Manager shall keep full and detailed records and accounts related to the cost of the Work and exercise such controls as may be necessary for proper financial management under this Master Agreement and any Project Work Orders that follow, and to substantiate all costs incurred. The accounting and control systems shall be satisfactory to the Owner. The Owner and the Owner's auditors shall, during regular business hours and upon reasonable notice, be afforded access to, and shall be permitted to audit and copy, the Construction Manager's records and accounts, including complete documentation supporting accounting entries, books, correspondence, instructions, drawings, receipts, prime contracts, Prime Contractor's proposals, purchase orders, vouchers, memoranda and other data relating to this Contract. The Construction Manager shall preserve these records for a period of three years after final payment, or for such longer period as may be required by law. Wages, salaries and all associated taxes, costs and benefits that are combined as a comprehensive unit of pay described as "Management Rates", "Labor Rates", or "Equipment Rental Rates", and included in Exhibit A of the applicable Project Work Order, above, constitute the primary data for accounting purposes.

ARTICLE 7 PAYMENTS FOR CONSTRUCTION PHASE SERVICES

§ 7.1 Progress Payments

§ 7.1.1 Based upon Applications for Payment submitted to the Architect by the Construction Manager and Certificates for Payment issued by the Architect, the Owner shall make progress payments on account of the Contract Sum to the Construction Manager as provided below and elsewhere in the Contract Documents. The Construction Manager in cooperation with the Architect, shall provide with each Application for Payment, a properly completed Affidavit setting out, under oath, the name, address and amount due or to become due to each Contractor and/or any other appropriate party included in that payment. For every party listed, the Construction Manager shall also provide a full or partial waiver of lien, as appropriate, before payment shall be made by the Owner. The Construction Manager's partial or final waiver of lien must be included. Payment Certificates shall not be issued without such mechanic's lien waivers and sworn Certificates shall not be issued without such mechanic's lien waivers and sworn statements unless they are conditioned upon receipt of such waivers and statements.

§ 7.1.2 The period covered by each Application for Payment shall be one calendar month ending on the last day of the month, or as follows:

§ 7.1.3

(Paragraphs deleted)

The Owner, upon receipt of Applications for Payment, shall make payment in conformance with the Local Government Prompt Payment Act, 50 ILCS 505/1 et seq.

§ 7.1.4 With each Application for Payment, the Construction Manager shall its sworn statement to demonstrate that cash disbursements already made by the Construction Manager on account of the Cost of the Work equal or exceed progress payments already received by the Construction Manager, less that portion of those payments attributable to the Construction Manager's Fee, plus payrolls for the period covered by the present Application for Payment.

§ 7.1.5 Each Application for Payment shall be based on the most recent schedule of values submitted by the Construction Manager in accordance with the Contract Documents. The schedule of values shall allocate the entire Guaranteed Maximum Price among the various portions of the Work, except that the Construction Manager's Fee

shall be shown as a single separate item. The schedule of values shall be prepared in such form and supported by such data to substantiate its accuracy as the Architect may require. This schedule, unless objected to by the Architect, shall be used as a basis for reviewing the Construction Manager's Applications for Payment.

§ 7.1.6 Applications for Payment shall show the percentage of completion of each portion of the Work as of the end of the period covered by the Application for Payment. The percentage of completion shall be the lesser of (1) the percentage of that portion of the Work which has actually been completed, or (2) the percentage obtained by dividing (a) the expense that has actually been incurred by the Construction Manager on account of that portion of the Work for which the Construction Manager has made or intends to make actual payment prior to the next Application for Payment by (b) the share of the Guaranteed Maximum Price allocated to that portion of the Work in the schedule of values. Work performed by Construction Manager will be billed on a Lump Sum basis using the percentage of the Work completed. On the final application, the billing will be prepared on a detailed basis for the entire project.

§ 7.1.7 Subject to other provisions of the Contract Documents, the amount of each progress payment shall be computed as follows:

- .1 Take that portion of the Guaranteed Maximum Price properly allocable to completed Work as determined by multiplying the percentage of completion of each portion of the Work by the share of the Guaranteed Maximum Price allocated to that portion of the Work in the schedule of values. Pending final determination of cost to the Owner of changes in the Work, amounts not in dispute shall be included as provided in Section 7.3.9 of AIA Document A201–2007;
- .2 Add that portion of the Guaranteed Maximum Price properly allocable to materials and equipment delivered and suitably stored at the site for subsequent incorporation in the Work, or if approved in advance by the Owner, suitably stored off the site at a location agreed upon in writing;
- .3 Add the Construction Manager's Fee, less retainage of ten percent (10%) until the job is eighty percent (80%) complete, then five percent (5%) retention until acceptance of the building or completion of the punch list. The Construction Manager's Fee shall be computed upon the Cost of the Work at the rate stated in Section 5.1 or, if the Construction Manager's Fee is stated as a fixed sum in that Section, shall be an amount that bears the same ratio to that fixed-sum fee as the Cost of the Work bears to a reasonable estimate of the probable Cost of the Work upon its completion;
- .4 Subtract retainage of as described at Section 7.1.7.3, above from that portion of the Work that the Construction Manager self-performs;
- .5 Subtract the aggregate of previous payments made by the Owner;
- .6 Subtract the shortfall, if any, indicated by the Construction Manager in the documentation required by Section 7.1.4 to substantiate prior Applications for Payment, or resulting from errors subsequently discovered by the Owner's auditors in such documentation; and
- .7 Subtract amounts, if any, for which the Architect has withheld or nullified a Certificate for Payment as provided in Section 9.5 of AIA Document A201–2007.

§ 7.1.8 The Owner and Construction Manager shall agree upon (1) a mutually acceptable procedure for review and approval of payments to Prime Contractors and (2) the percentage of retainage held on prime contracts shall be subject to retainage not less than ten percent (10%) until the job is eighty percent (80%) complete, then five percent (5%) until acceptance of the building or completion of the punch list and the Construction Manager shall execute subcontracts in accordance with those agreements.

§ 7.1.9 Except with the Owner's prior approval, the Construction Manager shall not make advance payments to suppliers for materials or equipment which have not been delivered and stored at the site.

§ 7.1.10 In taking action on the Construction Manager's Applications for Payment, the Architect shall be entitled to rely on the accuracy and completeness of the information furnished by the Construction Manager and shall not be deemed to represent that the Architect has made a detailed examination, audit or arithmetic verification of the documentation submitted in accordance with Section 7.1.4 or other supporting data; that the Architect has made exhaustive or continuous on-site inspections; or that the Architect has made examinations to ascertain how or for what purposes the Construction Manager has used amounts previously paid on account of the Contract. Such examinations, audits and verifications, if required by the Owner, will be performed by the Owner's auditors acting in the sole interest of the Owner.

§ 7.1.11 On the first application under a Project Work Order, Construction Manager will furnish its partial waiver of lien for the net amount of the application. Assuming prior, partial applications have been paid. Construction Manager

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will furnish with each succeeding partial application a current waiver of lien and the applicable waivers of lien and affidavits from Prime Contractors for the previous partial application. On the final application, Construction Manager will furnish the applicable waivers and affidavits from Prime Contractors for the previously paid partial application. At the time the final application is approved and funds are available for payment, Construction Manager will furnish its final waiver of lien and the applicable final waivers and affidavits from its Prime Contractors. In the event a Prime Contractor, or Sub-prime contractor or material supplier fails to provide a waiver of lien for any application for payment, or, should a Prime Contractor or Sub-prime contractor record a lien, the Construction Manager may furnish, either directly or through the appropriate Prime Contractor, a bond in lieu of the Prime Contractor's absent waiver of lien. Such bond shall be for one hundred and fifty percent (150%) of the amount of the disputed claim.

§ 7.2 Final Payment

§ 7.2.1 Final payment for each Project Work Order, constituting the entire unpaid balance of the Contract Sum, shall be made by the Owner to the Construction Manager when

- .1 the Construction Manager has fully performed the Work specified in the Project Work Order except for the Construction Manager's responsibility to correct Work as provided in Section 12.2.2 of AIA Document A201–2007, and to satisfy other requirements, if any, which extend beyond final payment;
- .2 the Construction Manager has submitted a final accounting for the Cost of the Work together with the written consent of the Surety and a final Application for Payment; and
- .3 a final Certificate for Payment has been issued by the Architect for the Work specified in the Project Work Order..

The Owner's final payment to the Construction Manager shall be made in accordance with the Local Government Prompt Payment Act (50 ILCS 505-1 et seq.).

§ 7.2.2 The Owner's auditors will review and report in writing on the Construction Manager's final accounting within 30 days after delivery of the final accounting to the Architect by the Construction Manager. Based upon such Cost of the Work as the Owner's auditors report to be substantiated by the Construction Manager's final accounting, and provided the other conditions of Section 7.2.1 have been met, the Architect will, within seven days after receipt of the written report of the Owner's auditors, either issue to the Owner a final Certificate for Payment with a copy to the Construction Manager, or notify the Construction Manager and Owner in writing of the Architect's reasons for withholding a certificate as provided in Section 9.5.1 of the AIA Document A201–2007. The time periods stated in this Section supersede those stated in Section 9.4.1 of the AIA Document A201–2007. The Architect is not responsible for verifying the accuracy of the Construction Manager's final accounting.

§ 7.2.3 If the Owner's auditors report the Cost of the Work as substantiated by the Construction Manager's final accounting to be less than claimed by the Construction Manager, the Construction Manager shall be entitled to request mediation of the disputed amount without seeking an initial decision pursuant to Section 15.2 of A201–2007. A request for mediation shall be made by the Construction Manager within 30 days after the Construction Manager's receipt of a copy of the Architect's final Certificate for Payment. Failure to request mediation within this 30-day period shall result in the substantiated amount reported by the Owner's auditors becoming binding on the Construction Manager. Pending a final resolution of the disputed amount, the Owner shall pay the Construction Manager the amount certified in the Architect's final Certificate for Payment.

§ 7.2.4 If, subsequent to final payment for the Work specified in the Project Work Order, and at the Owner's request, the Construction Manager incurs costs described in Section 6.1.1 and not excluded by Section 6.8 to correct defective or nonconforming Work, the Owner shall reimburse the Construction Manager such costs and the Construction Manager's Fee applicable thereto on the same basis as if such costs had been incurred prior to final payment, but not in excess of the Guaranteed Maximum Price. If the Construction Manager has participated in savings as provided in Section 5.2.1, the amount of such savings shall be recalculated and appropriate credit given to the Owner in determining the net amount to be paid by the Owner to the Construction Manager.

§ 7.2.5 Any payment due under the Contract Documents and unpaid shall bear interest pursuant to the Local Government Prompt Payment Act (50 ILCS 505/1 et seq.)

ARTICLE 8 INSURANCE AND BONDS

For all phases of the Project, the Construction Manager and the Owner shall purchase and maintain insurance, and the Construction Manager shall provide bonds as set forth in Article 11 of AIA Document A201–2007, as amended by the parties. Construction Manager’s Certificate of General Liability Insurance, to which the Owner and the Owner’s Designer Professionals have been added as Additional Insureds, is attached at Exhibit C of the applicable Project Work Order and establishes the coverages and limits of liability as required by Article 11.1 of the A201-2007 General Conditions, as modified.

(State bonding requirements, if any, and limits of liability for insurance required in Article 11 of AIA Document A201–2007.)

Type of Insurance or Bond

Limit of Liability or Bond Amount (\$0.00)

Upon Substantial Completion and/or beneficial occupancy of the building and prior to termination of the All Risk Builder’s Risk Insurance coverage, the Owner will secure and place in force permanent fire and extended coverage insurance, including consequential loss and any other perils covered under a Builder’s Risk policy, and will have Construction Manager named as an Additional Insured as its interests may appear.

§ 8.1 Performance Bond and Payment Bond

The Construction Manager shall furnish a Payment and Performance Bonds covering faithful performance of the Contract and payment of obligations arising thereunder for the Work under a Project Work Order. Bonds may be obtained through Construction Manager’s usual source, and the cost thereof shall be included in the Cost of the Work. The amount of each bond such shall be equal to One Hundred percent (100%) of the Contract Sum under the applicable Project Work Order. This provision shall in no way be construed to excuse bidders from complying with their own bonding requirements if awarded work as a Prime Contractor. The Owner requires the Construction Manager to furnish bonds from a surety authorized to do business in Illinois and acceptable to the Owner, in the Owner’s discretion.

The Construction Manager shall deliver the required bonds to the Owner at least three days before the commencement of any Work at the Project site under a Project Work Order. Execution of a Project Work Order by the Owner is contingent upon receipt of Performance and Payment Bonds and Certificates of Insurance.

ARTICLE 9 DISPUTE RESOLUTION

(Paragraphs deleted)

§ 9.3 Initial Decision Maker

The Architect will serve as the Initial Decision Maker pursuant to Section 15.2 of AIA Document A201–2007 for Claims arising from or relating to the Construction Manager’s Construction Phase services, unless the parties appoint below another individual, not a party to the Agreement, to serve as the Initial Decision Maker.

(If the parties mutually agree, insert the name, address and other contact information of the Initial Decision Maker, if other than the Architect.)

§ 9.4 Governing Law

Section 13.1 of the A201–2007, as modified, shall apply to both the Preconstruction and Construction Phases and venue for legal disputes shall be Cook County, Illinois.

ARTICLE 10 TERMINATION OR SUSPENSION

§ 10.1 Termination Prior to Establishment of the Guaranteed Maximum Price of a Project Work Order

§ 10.1.1 Prior to the execution of the Guaranteed Maximum Price Amendment, the Owner may terminate a Project Work Order upon not less than seven days’ written notice to the Construction Manager for the Owner’s convenience

and without cause, and the Construction Manager may terminate a Project Work Order, upon not less than seven days' written notice to the Owner, for the reasons set forth in Section 14.1.1 of A201–2007.

§ 10.1.2 In the event of termination of a Project Work Order pursuant to Section 10.1.1, the Construction Manager shall be equitably compensated for Preconstruction Phase services performed prior to receipt of a notice of termination. In no event shall the Construction Manager's compensation under this Section exceed the compensation set forth in Section 4.1.

§ 10.1.3 If the Owner terminates a Project Work Order pursuant to Section 10.1.1 after the commencement of the Construction Phase but prior to the execution of the Guaranteed Maximum Price Amendment, the Owner shall pay to the Construction Manager an amount calculated as follows, which amount shall be in addition to any compensation paid to the Construction Manager under Section 10.1.2:

- .1 Take the Cost of the Work incurred by the Construction Manager to the date of termination;
- .2 Add the Construction Manager's Fee computed upon the Cost of the Work to the date of termination at the rate stated in Section 5.1 or, if the Construction Manager's Fee is stated as a fixed sum in that Section, an amount that bears the same ratio to that fixed-sum Fee as the Cost of the Work at the time of termination bears to a reasonable estimate of the probable Cost of the Work upon its completion; and
- .3 Subtract the aggregate of previous payments made by the Owner for Construction Phase services.

The Owner shall also pay the Construction Manager fair compensation, either by purchase or rental at the election of the Owner, for any equipment owned by the Construction Manager which the Owner elects to retain and which is not otherwise included in the Cost of the Work under Section 10.1.3.1.

§ 10.2 Termination Subsequent to Establishing Guaranteed Maximum Price of a Project Work Order

Following execution of the Guaranteed Maximum Price Amendment and subject to the provisions of Section 10.2.1 and 10.2.2 below, a Project Work Order may be terminated as provided in Article 14 of AIA Document A201–2007.

§ 10.2.1 If the Owner terminates a Project Work Order after execution of the Guaranteed Price Amendment, the amount payable to the Construction Manager pursuant to Sections 14.2 and 14.4 of A201–2007 shall not exceed the amount the Construction Manager would otherwise have received pursuant to Sections 10.1.2 and 10.1.3 of this Agreement.

§ 10.2.2 If the Construction Manager terminates a Project Work Order after execution of the Guaranteed Maximum Price Amendment, the amount payable to the Construction Manager under Section 14.1.3 of A201–2007 shall not exceed the amount the Construction Manager would otherwise have received under Sections 10.1.2 and 10.1.3 above.

§ 10.3 Suspension

The Work under a Project Work Order may be suspended by the Owner as provided in Article 14 of AIA Document A201–2007. In such case, the Guaranteed Maximum Price and Contract Time shall be increased as provided in Section 14.3.2 of AIA Document A201–2007, except that the term "profit" shall be understood to mean the Construction Manager's Fee as described in Sections 5.1 and 5.3.5 of this Agreement.

ARTICLE 11 MISCELLANEOUS PROVISIONS

§ 11.1 Terms in this Agreement shall have the same meaning as those in A201–2007, as modified.

§ 11.2 Ownership and Use of Documents

Section 1.5 of A201–2007 shall apply to both the Preconstruction and Construction Phases.

§ 11.3 Assignment

The Owner and Construction Manager, respectively, bind themselves, their agents, successors, assigns and legal representatives to this Agreement. Neither the Owner nor the Construction Manager shall assign this Master Agreement or Project Work Order without the written consent of the other, except that the Owner may assign this Master Agreement to a lender providing financing for the Project if the lender agrees to assume the Owner's rights and obligations under this Agreement. Except as provided in Section 13.2.2 of A201–2007, neither party to the Contract shall assign the Contract as a whole without written consent of the other. If either party attempts to make such an

assignment without such consent, that party shall nevertheless remain legally responsible for all obligations under the Contract.

§ 11.4 Other provisions:

11.4.1 The Construction Manager warrants that it is familiar with and shall comply with Federal, State and local laws, statutes, ordinances, rules and regulations and the orders and decrees of any courts or administrative bodies or tribunals in any manner affecting the performance of the Contract including without limitation Workers' Compensation Laws, minimum salary and wage statutes and regulations, laws with respect to permits and licenses and fees in connection therewith, laws regarding maximum working hours. No plea of misunderstanding or ignorance thereof will be considered.

11.4.2 Whenever required, the Construction Manager or Prime Contract shall furnish the Architect and Owner with satisfactory proof of compliance with said Federal, State and local laws, statutes, ordinances, rules, regulations, orders, and decrees.

11.4.3 Construction Manager shall carefully examine the Occupational Safety and Health Act as issued by the Federal Register (OSHA), and the specific regulations governing procedures, techniques, safety precautions, equipment design, and the configuration of the same as required under this Act and shall comply with all terms of the Act and to perform and complete in a workmanlike manner all work required in full compliance with said Act.

11.4.4 Construction Manager shall comply with all terms of the Illinois Preference Act and all terms of the Equal Employment Opportunity Clause of the Illinois Fair Employment Practices Commission.

11.4.5 At all times Construction Manager shall remain in compliance with the Illinois Public Works Employment Discrimination Act (775 ILCS 10/1, et seq.) and the Illinois Human Rights Act (775 ILCS 5/2-101, et seq.), and in addition shall at all times comply with Section 2-105 of the Illinois Human Rights Act requiring a written sexual harassment policy as defined therein.

11.4.6 Construction Manager understands, represents and warrants to the Owner that the Construction Manager and its Subcontractors (for which the Contractor takes responsibility to ensure that they comply with the above-mentioned Acts) are in and will be in compliance with all requirements provided by the Acts set forth in this Agreement and that they will remain in compliance for the entirety of the Work under a Project Work Order. A violation of any of the Acts set forth in this Article is cause for the immediate cancellation of a Project Work Order. . However, any forbearance or delay by the Owner in canceling a Project Work Order shall not be considered as, and does not constitute, Owner's consent to such violation and a waiver of any rights the Owner may have, including without limitation, cancellation of a Project Work Order.

11.4.7 Construction Manager agrees to maintain all records and documents for any Project Work Order under this Agreement in compliance with the Freedom of Information Act, 5 ILCS 140/1 et seq. In addition, Construction Manager shall produce, without cost to the Owner, records which are responsive to a request received by the owner under the Freedom of Information Act so that the Owner may provide records to those requesting them within the time frames required. If additional time is necessary to compile records in response to a request, then Construction Manager shall so notify the Owner and if possible, the Owner shall request an extension so as to comply with the Act. In the event that the Owner is found to have not complied with the Freedom of Information Act based upon the Construction Manager's failure to produce documents or otherwise appropriately respond to a request under the Act, then Construction Manager shall indemnify and hold the Owner harmless, and pay all amount determined to be due including but not limited to fines, costs, attorneys' fees and penalties.

11.4.8 Prevailing Wage Act

To the extent that the Prevailing Wage Act, 820 ILCS 13010.01 e/. seq., applies, Construction Manager and all contractors and subcontractors shall comply with the Act concerning payment of prevailing rate of wages to all laborers, workmen, and mechanics engaged on work provided for by this Agreement. The Construction Manager agrees for itself and for all Contractors and Subcontractors that prior to making any payments to its own laborers, workers or mechanics or to any subcontractor that it will determine and pay the then-current prevailing rate of wage as

determined by the Illinois Department of Labor and posted at:
<http://www.illinois.gov/idol/Laws-Rules/CONMED/Pages/Rates.aspx>.

The Owner may at any time inquire of the Construction Manager, Contractor or Subcontractor as to rates of wages being paid employees and any subcontractor or material men, whereupon such information shall be promptly provided to the Owner. The Construction Manager agrees to indemnify the Owner for any and all violations of the prevailing wage laws and any rules and regulations now and hereafter issued pursuant to said laws arising from work under this Agreement.

The Construction Manager shall insert into each contract and subcontract and into the project specifications for each subcontract a written stipulation to the effect that, to the extent that the Prevailing Wage Act applies, each Contractor and Subcontractor shall comply with the Act. The Construction Manager shall also cause such a provision to be included in all such bonds as will guarantee the faithful performance of the prevailing wage obligations as established in the Contract Documents.

11.4.9 Substance Abuse Prevention The Construction Manager shall comply with and cause all contractors and subcontractors to comply with the requirements and provisions of the Illinois Substance Abuse Prevention on Public Works Projects Act (820 ILCS 265/1 et. seq.) (the "Act"). Failure by the Construction Manager to comply with the requirements of the Illinois Substance Abuse Prevention on Public Works Projects Act shall constitute a material default under this Agreement and shall give the Owner the right to pursue any remedy available to it at law or in equity, including termination of this Agreement and any Project Work Order for cause in the Owner's sole discretion and any other remedy as provided in this Agreement. In the event of a default hereunder, Construction Manager shall also pay to the Owner all damages Owner is entitled to under this Agreement that arise from the default, together with interest, costs, and the Owner's reasonable attorney fees.

(Paragraphs deleted)

ARTICLE 12 SCOPE OF THE AGREEMENT

§ 12.1 This Master Agreement, and any executed Project Work Order, represent the entire and integrated agreement between the Owner and the Construction Manager and supersedes all prior negotiations, representations or agreements, either written or oral. This Master Agreement may be amended only by written instrument signed by both Owner and Construction Manager.

§ 12.2 The following documents comprise the Agreement:

- .1 AIA Document A133–2009, Standard Form of Agreement Between Owner and Construction Manager as Constructor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price, as modified
- .2 AIA Document A201–2007, General Conditions of the Contract for Construction
- .3 In the event a virtual design model is implemented for the coordinated design and construction of the Project, the ConsensusDOCS 301 Building Information Modeling ("BIM") Addendum is hereby incorporated by reference as a Contract Document. The Owner shall cause an identical BIM Addendum to be appended or incorporated into all written agreements between the Owner and any design professional performing obligations to be modeled.
- .4 AIA Document E202™–2008, Building Information Modeling Protocol Exhibit, if completed, or the following:
- .5 Other documents:
(List other documents, if any, forming part of the Agreement.)

§12.3 LIST OF EXHIBITS INCLUDED WITH THIS MASTER AGREEMENT

Exhibit 1.1.2.1 Sample Project Work Order

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§12.4 LIST OF EXHIBITS TO BE ATTACHED TO EACH PROJECT WORK ORDER

Exhibit A Guaranteed Maximum Price Amendment
Exhibit B Project Construction Schedule
Exhibit C Construction Manager's Certificate of Insurance

This Master Agreement is entered into as of the day and year first written above.

OWNER *(Signature)*

(Printed name and title)

CONSTRUCTION MANAGER *(Signature)*

(Printed name and title)

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AIA[®] Document A133[™] – 2009 Exhibit A

Guaranteed Maximum Price Amendment

Sample Template to be Executed with each Project Work Order

for the following PROJECT:

(Name and address or location)

Project Work Order # _____

THE OWNER:

(Name, legal status and address)

Board of Library Trustees of the Village of Northbrook
1201 Cedar Lane
Northbrook, IL 60062

THE CONSTRUCTION MANAGER:

(Name, legal status and address)

Pepper Construction Company, a Delaware Corporation

411 Lake Zurich Rd.
Barrington, IL 60010
PCC Job #

City of Chicago General Contractor Class A License Number GC04179

ARTICLE A.1

§ A.1.1 Guaranteed Maximum Price

Pursuant to Section 2.2.6 of the Agreement, the Owner and Construction Manager hereby amend the Agreement to establish a Guaranteed Maximum Price. As agreed by the Owner and Construction Manager, the Guaranteed Maximum Price is an amount that the Contract Sum shall not exceed. The Contract Sum consists of the Construction Manager's Fee, as set forth in the Project Work Order, plus the Cost of the Work, as that term is defined in Article 6 of the Master Agreement.

§ A.1.1.1 The Contract Sum, consisting of the Cost of the Work, Contingency as defined in the A133, and the Contractor's Fee as set forth in the Project Work Order is guaranteed by the Construction Manager not to exceed (\$ _____), subject to additions and deductions by Change Order as provided in the Contract Documents.

§ A.1.1.2 Contingency, as described in Section 2.2.4 of the Master Agreement, shall be a lump sum amount of _____ (\$ _____).

§ A.1.1.2 Itemized Statement of the Guaranteed Maximum Price. Provided below is an itemized statement of the Guaranteed Maximum Price organized by trade categories, allowances, contingencies, alternates, the Construction Manager's Fee, and other items that comprise the Guaranteed Maximum Price.

(Provide below or reference an attachment.)

See Exhibit A.1.1.2, GMP, Schedule of Values and Clarifications.

ADDITIONS AND DELETIONS:

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

AIA Document A201[™]–2007, General Conditions of the Contract for Construction, is adopted in this document by reference. Do not use with other general conditions unless this document is modified.

Init.

AIA Document A133[™] – 2009 Exhibit A. Copyright © 1991, 2003 and 2009 by The American Institute of Architects. All rights reserved. The "American Institute of Architects," "AIA," the AIA Logo, and "AIA Contract Documents" are registered trademarks and may not be used without permission. This document was produced by AIA software at 12:27:21 CT on 03/10/2021 under Order No.3343451608 which expires on 11/28/2021, is not for resale, is licensed for one-time use only, and may only be used in accordance with the AIA Contract Documents[®] Terms of Service. To report copyright violations, e-mail copyright@aia.org.

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§ A.1.1.3 The Guaranteed Maximum Price is based on the following alternates, if any, which are described in the Contract Documents and are hereby accepted by the Owner:

(State the numbers or other identification of accepted alternates. If the Contract Documents permit the Owner to accept other alternates subsequent to the execution of this Amendment, attach a schedule of such other alternates showing the amount for each and the date when the amount expires.)

See Exhibit A.1.1.3, List of Alternates.

§ A.1.1.4 Allowances included in the Guaranteed Maximum Price, if any:

(Identify allowance and state exclusions, if any, from the allowance price.)

See Exhibit A.1.1.4, List of Allowances.

Item

Price (\$0.00)

§ A.1.1.5 Assumptions, if any, on which the Guaranteed Maximum Price is based:

See Exhibit A.1.1.5, List of Assumptions.

§ A.1.1.6 The Guaranteed Maximum Price is based upon the following Supplementary and other Conditions of the Contract:

Document

Title

Date

Pages

§ A.1.1.7 The Guaranteed Maximum Price is based upon the following Specifications:

(Either list the Specifications here, or refer to an exhibit attached to this Agreement.)

See Exhibit A.1.1.7, List of Specifications.

Section

Title

Date

Pages

§ A.1.1.8 The Guaranteed Maximum Price is based upon the following Drawings:

(Either list the Drawings here, or refer to an exhibit attached to this Agreement.)

See Exhibit A.1.1.8, List of Drawings.

Number

Title

Date

§ A.1.1.9 The Guaranteed Maximum Price is based upon the following other documents and information:

(List any other documents or information here, or refer to an exhibit attached to this Agreement.)

Exhibit A.1.1.9.1

Construction Manager's Equipment Rental Rates and Practices

Exhibit A.1.1.9.2

Construction Manager's Comprehensive Trade Labor Rates

Exhibit A.1.1.9.3

Construction Manager's Comprehensive Management Rates

ARTICLE A.2

§ A.2.1 The anticipated date of Substantial Completion, if not set forth in the Project Work Order, is established by this Amendment:

PEPPER CONSTRUCTION COMPANY

OWNER *(Signature)*

CONSTRUCTION MANAGER *(Signature)*

(Printed name and title)

(Printed name and title)



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AIA® Document A201® – 2007

General Conditions of the Contract for Construction

for the following PROJECT:

(Name and location or address)

See applicable Project Work Order

THE OWNER:

(Name, legal status and address)

Board of Library Trustees of the Village of Northbrook
1201 Cedar Lane
Northbrook, IL 60062

THE ARCHITECT:

(Name, legal status and address)

See applicable Project Work Order

NOTWITHSTANDING ANY OTHER PROVISION TO THE CONTRARY CONTAINED HEREIN, ALL REFERENCES TO 'CONTRACTOR' SHALL BE UNDERSTOOD TO MEAN 'CONSTRUCTION MANAGER' AND ALL REFERENCES HEREIN TO 'SUBCONTRACT/SUBCONTRACTOR' SHALL BE UNDERSTOOD TO MEAN 'PRIME CONTRACTOR/PRIME CONTRACT'.

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This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

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ARTICLE 1 GENERAL PROVISIONS

§ 1.1 BASIC DEFINITIONS

§ 1.1.1 THE CONTRACT DOCUMENTS

The Contract Documents consist of the AIA A133-2009 between Owner and Construction Manager (hereinafter "Master Agreement" or "Contract"), the applicable Project Work Order, Conditions of the Contract (General, Supplementary and other Conditions), Drawings, Specifications, Addenda issued prior to execution of the Contract, other documents listed in the Agreement and Modifications issued after execution of the Contract. A Modification is (1) a written amendment to the Contract signed by both parties, (2) a Change Order, (3) a Construction Change Directive or (4) a written order for a minor change in the Work issued by the Architect. Unless specifically enumerated in the Agreement, the Contract Documents do not include the advertisement or invitation to bid, Instructions to Bidders, sample forms, other information furnished by the Owner in anticipation of receiving bids or proposals, the Contractor's bid or proposal, or portions of Addenda relating to bidding requirements. Also included as part of the Contract Documents are the following documents: Invitation to Bid, Instructions to Bidders, Contractor's Bid Proposal as it conforms to the Owner's bid package, the Standard Form of Agreement Between Owner and Construction Manager as Constructor, required Performance and Payment Bonds, Certificate of Eligibility to Enter into Public Contract; and required insurance Certificates.

§ 1.1.2 THE CONTRACT

The Contract Documents form the Contract for Construction. The Contract represents the entire and integrated agreement between the parties hereto and supersedes prior negotiations, representations or agreements, either written or oral. The Contract may be amended or modified only by a Modification. The Contract Documents shall not be construed to create a contractual relationship of any kind (1) between the Contractor and the Architect or the Architect's consultants, (2) between the Owner and a Subcontractor or a Sub-subcontractor, provided, however, Owner shall be a third party beneficiary of any Subcontract agreement under the circumstances set forth in Article 5 herein (3) between the Owner and the Architect or the Architect's consultants or (4) between any persons or entities other than the Owner and the Contractor. The Architect shall, however, be entitled to performance and enforcement of obligations under the Contract intended to facilitate performance of the Architect's duties.

§ 1.1.3 THE WORK

The term "Work" means the construction and services required under a Project Work Order, whether completed or partially completed, and includes all other labor, materials, equipment and services provided or to be provided by the Contractor to fulfill the Contractor's obligations. The Work may constitute the whole or a part of the Project.

§ 1.1.4 THE PROJECT

The Project is the total construction of which the Work performed under the Project Work Order may be the whole or a part and which may include construction by the Owner and by separate contractors.

§ 1.1.5 THE DRAWINGS

The Drawings are the graphic and pictorial portions of the Contract Documents showing the design, location and dimensions of the Work, generally including plans, elevations, sections, details, schedules and diagrams.

§ 1.1.6 THE SPECIFICATIONS

The Specifications are that portion of the Contract Documents consisting of the written requirements for materials, equipment, systems, standards and workmanship for the Work, and performance of related services.

§ 1.1.7 INSTRUMENTS OF SERVICE

Instruments of Service are representations, in any medium of expression now known or later developed, of the tangible and intangible creative work performed by the Architect and the Architect's consultants under their respective professional services agreements. Instruments of Service may include, without limitation, studies, surveys, models, sketches, drawings, specifications, and other similar materials.

§ 1.1.8 INITIAL DECISION MAKER

The Initial Decision Maker is the person identified in the Agreement to render initial decisions on Claims in accordance with Section 15.2 and certify termination of the Agreement under Section 14.2.2.

§ 1.2 CORRELATION AND INTENT OF THE CONTRACT DOCUMENTS

§ 1.2.1 The intent of the Contract Documents is to include all items necessary for the proper execution and completion of the Work by the Contractor. The Contract Documents are complementary, and what is required by one shall be as binding as if required by all; performance by the Contractor shall be required only to the extent consistent with the Contract Documents and reasonably inferable from them as being necessary to produce the intended results. In the event the Contract Documents conflict, Contractor shall comply with the more stringent of the requirements

§ 1.2.2 Organization of the Specifications into divisions, sections and articles, and arrangement of Drawings shall not control the Contractor in dividing the Work among Subcontractors or in establishing the extent of Work to be performed by any trade.

§ 1.2.3 Unless otherwise stated in the Contract Documents, words that have well-known technical or construction industry meanings are used in the Contract Documents in accordance with such recognized meanings.

§ 1.3 CAPITALIZATION

Terms capitalized in these General Conditions include those that are (1) specifically defined, (2) the titles of numbered articles or (3) the titles of other documents published by the American Institute of Architects.

(Paragraphs deleted)

§ 1.4.1 INTERPRETATION

In the interest of brevity the Contract Documents frequently omit modifying words such as "all" and "any" and articles such as "the" and "an," but the fact that a modifier or an article is absent from one statement and appears in another is not intended to affect the interpretation of either statement.

1.4.2. The headings for each paragraph of the Contract Documents are for convenience and reference purposes only and in no way define, limit or describe the scope or intent of said paragraphs or of the Contract Documents nor in any way affect the Contract Documents.

§ 1.5 OWNERSHIP AND USE OF DRAWINGS, SPECIFICATIONS AND OTHER INSTRUMENTS OF SERVICE

§ 1.5.1 The Architect and the Architect's consultants shall be deemed the authors and owners of their respective Instruments of Service, including the Drawings and Specifications, and will retain all common law, statutory and other reserved rights, including copyrights. The Contractor, Subcontractors, Sub-subcontractors, and material or equipment suppliers shall not own or claim a copyright in the Instruments of Service. Submittal or distribution to meet official regulatory requirements or for other purposes in connection with this Project is not to be construed as publication in derogation of the Architect's or Architect's consultants' reserved rights.

§ 1.5.2 The Contractor, Subcontractors, Sub-subcontractors and material or equipment suppliers are authorized to use and reproduce the Instruments of Service provided to them solely and exclusively for execution of the Work. All copies made under this authorization shall bear the copyright notice, if any, shown on the Instruments of Service. The Contractor, Subcontractors, Sub-subcontractors, and material or equipment suppliers may not use the Instruments of Service on other projects or for additions to this Project outside the scope of the Work without the specific written consent of the Owner, Architect and the Architect's consultants.

§ 1.6 TRANSMISSION OF DATA IN DIGITAL FORM

If the parties intend to transmit Instruments of Service or any other information or documentation in digital form, they shall endeavor to establish necessary protocols governing such transmissions, unless otherwise already provided in the Master Agreement or the Contract Documents.

ARTICLE 2 OWNER

§ 2.1 GENERAL

§ 2.1.1 The Owner is the person or entity identified as such in the Master Agreement and is referred to throughout the Contract Documents as if singular in number. The Director of the Northbrook Public Library or her designee shall be designated as the Library's liaison between the Board of Library Trustees of the Village of Northbrook and the Contractor. This designation is being made for purposes of facilitating the administrative and day-to-day management issues relating to the Project. In dealing with the Owner's liaison, the Contractor acknowledges that the Owner is an Illinois public body that can only be bound by an affirmative vote of the Board of Library Trustees of the Village of

Northbrook. The Owner agrees to not unreasonably delay its vote to approve or disapprove necessary items in relation to the completion of the Project. Except as otherwise provided in Section 4.2.1, the Architect does not have such authority. The term "Owner" means the Owner or the Owner's authorized representative.

§ 2.1.2 The Owner shall furnish to the Contractor within fifteen days after receipt of a written request, information necessary and relevant for the Contractor to evaluate, give notice of or enforce mechanic's lien rights. Owner is a public body and, as such, mechanics' liens may be filed only against public funds and not against public property.

§ 2.2 INFORMATION AND SERVICES REQUIRED OF THE OWNER

§ 2.2.1 Prior to commencement of the Work, the Contractor may request in writing that the Owner provide reasonable evidence that the Owner has made financial arrangements to fulfill the Owner's obligations under the Contract. Thereafter, the Contractor may only request such evidence if (1) the Owner fails to make payments to the Contractor as the Contract Documents require; (2) a change in the Work materially changes the Contract Sum; or (3) the Contractor identifies in writing a reasonable concern regarding the Owner's ability to make payment when due. The Owner shall furnish such evidence as a condition precedent to commencement or continuation of the Work or the portion of the Work affected by a material change. After the Owner furnishes the evidence, the Owner shall not materially vary such financial arrangements without prior notice to the Contractor.

§ 2.2.2 Except for permits and fees that are the responsibility of the Contractor under the Contract Documents, including those required under Section 3.7.1, the Owner shall secure and pay for necessary approvals, easements, assessments and charges required for construction, use or occupancy of permanent structures or for permanent changes in existing facilities.

§ 2.2.3 The Owner shall furnish surveys describing physical characteristics, legal limitations and utility locations for the site identified in the Project Work Order, and a legal description of the site. The Contractor shall be entitled to reasonably rely on the accuracy of information furnished by the Owner but shall exercise proper precautions relating to the safe performance of the Work. The furnishing of surveys by the Owner is not a guarantee of the accuracy of the information contained therein and shall not relieve the Contractor from its duties under the Contract Documents in general. The submission of a bid for the Work implies that the Contractor has examined the site, taking into consideration all such conditions that may affect the Work, regardless of the information contained in the surveys.

§ 2.2.4 The Owner shall furnish information or services required of the Owner by the Contract Documents with reasonable promptness. The Owner shall also furnish any other information or services under the Owner's control and relevant to the Contractor's performance of the Work with reasonable promptness after receiving the Contractor's written request for such information or services.

§ 2.2.5 Unless otherwise provided in the Contract Documents, the Owner shall furnish to the Contractor one copy of the Contract Documents for purposes of making reproductions pursuant to Section 1.5.2.

§ 2.3 OWNER'S RIGHT TO STOP THE WORK

If the Contractor fails to correct Work that is not in accordance with the requirements of the Contract Documents as required by Section 12.2 or fails to carry out Work in accordance with the Contract Documents, or in the event an emergency arises that requires the Work to be stopped, the Owner may issue a written order to the Contractor to stop the Work, or any portion thereof, until the cause for such order has been eliminated or the emergency no longer exists; however, the right of the Owner to stop the Work shall not give rise to a duty on the part of the Owner to exercise this right for the benefit of the Contractor or any other person or entity. The exercise of this right shall not be construed as placing the Owner in charge of the Work or making the Owner responsible for site safety

§ 2.4 OWNER'S RIGHT TO CARRY OUT THE WORK

If the Contractor defaults or neglects to carry out the Work of a Project Work Order in accordance with the Contract Documents and fails within a ten-day period after receipt of written notice from the Owner to commence and continue correction of such default or neglect or other deficiency with diligence and promptness, the Owner may, without prejudice to other remedies the Owner may have, correct such deficiencies. In such case an appropriate Change Order shall be issued deducting from payments then or thereafter due the Contractor the actual and reasonable cost of correcting such deficiencies, including Owner's expenses and compensation for the Architect's additional services made necessary by such default, neglect or failure. Such action by the Owner and amounts charged to the Contractor are both subject to prior evaluation of the Architect. If payments then or thereafter due the Contractor are not

sufficient to cover such amounts, the Contractor shall pay the difference to the Owner. Owner's rights under this Article 2 for Contractor's deficiencies in the Work are not Owner's sole remedies but are cumulative and may be exercised along with any other rights of Owner as permitted by law.

ARTICLE 3 CONTRACTOR

§ 3.1 GENERAL

§ 3.1.1 The Contractor is the person or entity identified as such in the Master Agreement and is referred to throughout the Contract Documents as if singular in number. The Contractor shall be lawfully licensed, if required in the jurisdiction where the Project is located. The Contractor shall designate in writing a representative who shall have express authority to bind the Contractor with respect to all matters under this Contract and Project Work Order. The term "Contractor" means the Contractor or the Contractor's authorized representative.

§ 3.1.2 The Contractor shall perform the Work in accordance with the Contract Documents under the applicable Project Work Order.

§ 3.1.3 The Contractor shall not be relieved of obligations to perform the Work in accordance with the Contract Documents either by activities or duties of the Architect in the Architect's administration of the Contract, or by tests, inspections or approvals required or performed by persons or entities other than the Contractor.

§ 3.2 REVIEW OF CONTRACT DOCUMENTS AND FIELD CONDITIONS BY CONTRACTOR

§ 3.2.1 Execution of a Project Work Order by the Contractor is a representation by the Contractor, that the Contract Documents are full and complete, are sufficient to enable the Contractor to determine the cost of the Work and that the Contract Documents are sufficient to enable it to construct the Work outlined in the Project Work Order, in accordance with applicable laws and regulations, and otherwise to fulfill all its obligations hereunder, including, but not limited to, Contractor's obligations to construct the Work for an amount not in excess of the Contract Sum on or before the date(s) of Completion established in the Project Work Order. The Contractor further acknowledges and declares that it has visited and examined the Project site, examined all physical and other conditions affecting the Work and is fully familiar with all of the conditions thereon and thereunder affecting the same. In connection therewith, Contractor specifically represents and warrants to Owner that it has: (a) thoroughly examined the location of the work to be performed, is familiar with local conditions, and has read and thoroughly understands the Contract Documents as they relate to the physical conditions prevalent or likely to be encountered in the performance of the work at such location; (2) examined the nature, location and character of the general area in which the Project is located, including without limitation, its climatic conditions, available labor supply and labor costs, and available equipment supply and equipment costs; and (3) examined the quality and quantity of all materials, supplies, tools, equipment, labor, and professional services necessary to complete the Work in the manner and within the cost and time frame required by the Contract Documents.

§ 3.2.2 Because the Contract Documents are complementary, the Contractor shall, before starting each portion of the Work, carefully study and compare the various Contract Documents relative to that portion of the Work, as well as the information furnished by the Owner pursuant to Section 2.2.3, shall take field measurements of any existing conditions related to that portion of the Work, and shall observe any conditions at the site affecting it. It is recognized that the Contractor's review is made in the Contractor's capacity as a contractor and not as a licensed design professional, unless otherwise specifically provided in the Contract Documents.

§ 3.2.3 The Contractor is not required to ascertain that the Contract Documents are in accordance with applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of public authorities, but the Contractor shall promptly report to the Architect any nonconformity discovered by the Contractor as a request for information in such form as the Architect may require.

§ 3.2.4 If the Contractor believes that additional cost or time is involved because of clarifications or instructions the Architect issues, the Contractor shall make Claims as provided in Article 15. If the Contractor fails to perform the obligations of Sections 3.2.2 or 3.2.3, the Contractor shall pay such costs and damages to the Owner as would have been avoided if the Contractor had performed such obligations. If the Contractor performs those obligations, the Contractor shall not be liable to the Owner or Architect for damages resulting from errors, inconsistencies or omissions in the Contract Documents or for nonconformities of the Contract Documents to applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities.

§ 3.3 SUPERVISION AND CONSTRUCTION PROCEDURES

§ 3.3.1 The Contractor shall supervise and direct the Work, using the Contractor's best skill and attention. The Contractor shall be solely responsible for, and have control over, construction means, methods, techniques, sequences and procedures and for coordinating all portions of the Work under the Project Work Order, unless the Contract Documents give other specific instructions concerning these matters. If the Contract Documents give specific instructions concerning construction means, methods, techniques, sequences or procedures, the Contractor shall evaluate the jobsite safety thereof and, except as stated below, shall be fully and solely responsible for the jobsite safety of such means, methods, techniques, sequences or procedures. If the Contractor determines that such means, methods, techniques, sequences or procedures may not be safe, the Contractor shall give timely written notice to the Owner and Architect and shall not proceed with that portion of the Work without further written instructions from the Architect. If the Contractor is then instructed to proceed with the required means, methods, techniques, sequences or procedures without acceptance of changes proposed by the Contractor, the Owner shall be solely responsible for any loss or damage arising from those Owner-required means, methods, techniques, sequences or procedures.

§ 3.3.2 The Contractor shall be responsible to the Owner for acts and omissions of the Contractor's employees, Subcontractors and their agents and employees, and other persons or entities performing portions of the Work for, or on behalf of, the Contractor or any of its Subcontractors.

§ 3.3.3 The Contractor shall be responsible for inspection of portions of Work already performed to determine that such portions are in proper condition to receive subsequent Work.

§ 3.4 LABOR AND MATERIALS

§ 3.4.0 The Construction Manager and all Prime Contractors and their Subcontractors of any tier shall pay to all laborers, workman and mechanics performing work under the Contract, where applicable, not less than the prevailing rate of wages determined by the Illinois Department of Labor in accordance with the Prevailing Wage Act (820 ILCS 130/1 et seq.). It is the Contractor's sole responsibility and duty to ensure that any revision in the prevailing wage rates during the course of the Project will be reflected in payment from the Contractor and each Prime Contractor or any Subcontractor of any tier to each worker where the change is applicable. Contractor and Prime Contractors shall comply with all applicable provisions of this Act, including providing certified payrolls to the Owner. Revisions in the prevailing hourly wage rates affecting this Contract shall be reported to the Contractor and Prime Contractors by the Owner. All bonds provided by the Contractor under the terms of this contract shall include such provisions as will guarantee the faithful performance of the Contractor's obligations under this clause and under the Prevailing Wage Act, 820 ILCS 130/1 et seq. Should the Department of Labor revise any prevailing rate of hourly wages, such revised rate shall be applicable to this Contract; however, in no event shall the increase in any prevailing rate of hourly wages be a basis for a change order or other claim for an increase in the Contract Sum.

§ 3.4.1 Unless otherwise provided in the Project Work Order, the Contractor shall provide and pay for labor, materials, equipment, tools, construction equipment and machinery, water, heat, utilities, transportation, and other facilities and services necessary for proper execution and completion of the Work, whether temporary or permanent and whether or not incorporated or to be incorporated in the Work. Notwithstanding any other text in the Contract Documents, consumption of temporary utilities shall be Owner's expense.

§ 3.4.2 Except in the case of minor changes in the Work authorized by the Architect in accordance with Sections 3.12.8 or 7.4, the Contractor may make substitutions only with the consent of the Owner, after evaluation by the Architect and in accordance with a Change Order or Construction Change Directive.

§ 3.4.3 The Contractor shall enforce strict discipline and good order among the Contractor's employees and other persons carrying out the Work. The Contractor shall not permit employment of unfit persons or persons not properly skilled in tasks assigned to them.

(Paragraphs deleted)

§ 3.4.6 In the event of a labor dispute resulting in a slow-down or in the cessation or suspension of work, the Contractor shall not be relieved of its obligations to provide labor or for timely progress and completion of the work. In such event, the notice provisions contained in Section 2.4 shall not apply. Instead, the Contractor shall be automatically deemed to be in default and to have committed a breach of contract unless said work stoppage or slow-down is remedied to the Owner's satisfaction in accordance with this Section. In the event of a work stoppage due to a labor dispute, the Contractor shall provide replacement labor within 24 hours of the commencement of the

work stoppage. In the event of a slow-down of work due to a labor dispute, the Contractor shall provide as much supplemental labor as may be necessary to resume normal and customary progress and deadlines on the project in accordance with the time schedules established for the work. In the alternative, the Owner shall have the option to replace or supplement labor, and shall be entitled to reduce the contract sum by an amount equal to the Owner's cost of replacing or supplementing labor. If the balance of the contract sum is not sufficient to cover such amounts, the contractor shall pay the difference to the Owner. The Owner may also pursue any other remedies it may have, including, but not limited to, remedies under the performance bond and payment bond. If any labor dispute necessitates legal action or legal intervention by the Owner, or in the event that the Owner otherwise takes legal action to enforce the terms of this section, the Contractor shall be responsible for the Owner's attorney's fees and court costs, without prejudice to any other remedies that the Owner may have.

§ 3.5.1 WARRANTY

The Contractor warrants to the Owner and Architect that materials and equipment furnished under the Contract will be of good quality and new unless the Contract Documents require or permit otherwise. The Contractor further warrants that the Work will conform to the requirements of the Contract Documents and will be free from defects, in material and workmanship for one (1) year from the date of Final Completion of the Work under a Project Work Order or the length of the original warranty period, whichever is longer, whichever is longer, and deficiencies shall be corrected in accordance with Section 12.2.2.1. Such warranty does not preclude the Owner's right to bring an action for breach of this Master Agreement. Work, materials, or equipment not conforming to these requirements may be considered defective. The Contractor's warranty excludes remedy for damage or defect caused by abuse, alterations to the Work not executed by the Contractor, improper or insufficient maintenance, improper operation, or normal wear and tear and normal usage. If required by the Architect, the Contractor shall furnish satisfactory evidence as to the kind and quality of materials and equipment. The Construction Manager shall have an obligation to inform the Owner of known deficiencies or inconsistencies in the materials planned to be used during the course of construction.

3.5.2 Defective materials, equipment or workmanship occurring within the Warranty period may be repaired where such produces results conforming to the Contract Documents relating to appearance, performance and reliability. Where the nature of the defective materials, equipment or workmanship is such that acceptable results cannot be obtained by repair, such defective items shall be removed and replaced with new materials, equipment or workmanship complying with the Contract Documents.

§ 3.6 TAXES

The Owner is exempt from federal, state and local sales and excise taxes because it is a public body.

§ 3.7 PERMITS, FEES, NOTICES AND COMPLIANCE WITH LAWS

§ 3.7.1 Unless otherwise provided in the Project Work Order, the Contractor shall secure and pay for the building permit as well as for other permits, fees, licenses, and inspections by government agencies necessary for proper execution and completion of the Work that are customarily secured after execution of the Contract and legally required at the time bids are received or negotiations concluded.

§ 3.7.2 Without assuming any design responsibilities, the Contractor shall comply with and give notices required by applicable laws, statutes, ordinances, building codes, rules and regulations, and lawful orders of public authorities applicable to performance of the Work under the Project Work Order.

§ 3.7.3 It is not the Contractor's responsibility to ascertain that the Contract Documents prepared by the Architect are in accordance with applicable laws, statutes, ordinances, building codes, and rules and regulations. However, if the Contractor performs Work knowing it to be or should have known it to be contrary to applicable law, statutes, ordinances, rules and regulations, or lawful orders of public authorities, or if the Contractor should have reasonably recognized, within construction industry standards, that such Work was performed contrary to applicable laws, statutes, ordinances, rules and regulations or lawful orders of public authorities, the Contractor shall assume appropriate responsibility for such Work and shall bear the costs attributable to correction.

§ 3.7.4 Concealed or Unknown Conditions. If the Contractor encounters conditions at the site that are (1) subsurface or otherwise concealed physical conditions that differ materially from those indicated in the Contract Documents or (2) unknown physical conditions of an unusual nature, that differ materially from those ordinarily found to exist and generally recognized as inherent in construction activities of the character provided for in the Contract Documents, the

Contractor shall promptly provide notice to the Owner and the Architect before conditions are disturbed and in no event later than 21 days after first observance of the conditions. The Architect will promptly investigate such conditions and, if the Architect determines that they differ materially and cause an increase or decrease in the Contractor's cost of, or time required for, performance of any part of the Work, will recommend an equitable adjustment in the Contract Sum or Contract Time, or both. If the Architect determines that the conditions at the site are not materially different from those indicated in the Contract Documents and that no change in the terms of the Contract is justified, the Architect shall promptly notify the Owner and Contractor in writing, stating the reasons. If either party disputes the Architect's determination or recommendation, that party may proceed as provided in Article 15.

§ 3.7.5 If, in the course of the Work, the Contractor encounters human remains or recognizes the existence of burial markers, archaeological sites or wetlands not indicated in the Contract Documents, the Contractor shall immediately suspend any operations that would affect them and shall notify the Owner and Architect. Upon receipt of such notice, the Owner shall promptly take any action necessary to obtain governmental authorization required to resume the operations. The Contractor shall continue to suspend such operations until otherwise instructed by the Owner but shall continue with all other operations that do not affect those remains or features. Requests for adjustments in the Contract Sum and Contract Time arising from the existence of such remains or features may be made as provided in Article 15.

§ 3.8 ALLOWANCES

§ 3.8.1 The Contractor shall include in the Contract Sum, as established in the applicable Project Work Order all allowances stated in the Contract Documents. Items covered by allowances shall be supplied for such amounts and by such persons or entities as the Owner may direct, but the Contractor shall not be required to employ persons or entities to whom the Contractor has reasonable objection.

§ 3.8.2 Unless otherwise provided in the Contract Documents,

- .1 Allowances shall cover the cost to the Contractor of materials and equipment delivered at the site and all required taxes, less applicable trade discounts, as well as the labor costs of performing the Work when made part of the allowance line item within the Schedule of Values;
- .2 Unless excluded under Section 3.8.2.1, above, Contractor's costs for unloading and handling at the site, labor, installation costs, overhead, profit and other expenses contemplated for stated allowance amounts shall be included in the Contract Sum but not in the allowances; and
- .3 Whenever costs are more than or less than allowances, the Contract Sum shall be adjusted accordingly by Change Order. The amount of the Change Order shall reflect (1) the difference between actual costs and the allowances under Section 3.8.2.1 and (2) changes in Contractor's costs under Section 3.8.2.2.

§ 3.8.3 Materials and equipment under an allowance shall be selected by the Owner with reasonable promptness so as not to delay progress of the Work..

§ 3.9 SUPERINTENDENT

§ 3.9.1 The Contractor shall employ a full-time competent superintendent and necessary assistants who shall be in attendance at the Project site during performance of the Work. The superintendent shall represent the Contractor, and communications given to the superintendent shall be as binding as if given to the Contractor.

§ 3.9.2 The Contractor, as soon as practicable after award of the Project Work Order, shall furnish in writing to the Owner through the Architect the name and qualifications of a proposed superintendent. The Architect may reply within 14 days to the Contractor in writing stating (1) whether the Owner or the Architect has reasonable objection to the proposed superintendent or (2) that the Architect requires additional time to review. Failure of the Architect to reply within the 14 day period shall constitute notice of no reasonable objection.

§ 3.9.3 The Contractor shall not employ a proposed superintendent to whom the Owner or Architect has made reasonable and timely objection. The Contractor shall not change the superintendent without the Owner's consent, which shall not unreasonably be withheld or delayed.

§ 3.10 CONTRACTOR'S CONSTRUCTION SCHEDULES

§ 3.10.1 The Contractor, promptly after being awarded the Project Work Order, shall prepare and submit for the Owner's and Architect's information a Contractor's construction schedule for the Work. The schedule shall indicate the proposed completion dates for the various subdivisions of the Work, as well as the totality of the Work. The

schedule shall be updated every thirty (30) days and submitted to Architect with Contractor's Applications for Payment. Each schedule shall contain a comparison of actual progress with the estimated progress for such point in time stated in the original schedule. If any schedule submitted sets forth a date for Completion for the Work or any phase of the Work beyond the date(s) of Completion established in the Contract (as the same may be extended as provided in the Contract Documents), then Contractor shall submit to Architect and Owner for their review and approval a narrative description of the means and methods which Contractor intends to employ to expedite the progress of the Work to ensure timely completion of the various phases of the Work as well as the totality of the Work. To ensure such timely completion, Contractor shall take all necessary action including, without limitation, increasing the number of personnel and labor on the Project and implementing overtime and double shifts. In that event, Contractor shall not be entitled to an adjustment in the Contract Sum of the schedule. The Owner may, in its discretion, choose to withhold any payment due the Contractor until an updated schedule is submitted. The Owner's or Architect's failure to object to a submitted schedule that exceeds time limits current under the Contract Documents shall not relieve the Contractor of its obligations to meet the time limits in the Contract Documents, nor shall it make the Owner or Architect liable for any of the Contractor's damages incurred as a result of increased construction time or not meeting the time limits in the Contract Documents. Similarly, the Owner's or Architect's failure to object to a Contractor's schedule showing completion in advance of the time limits in the Contract Documents shall not create or infer any rights in favor of the Contractor for acceleration of the Work.

§ 3.10.2 The Contractor shall prepare a submittal schedule, promptly after being awarded the Project Work Order and thereafter as necessary to maintain a current submittal schedule, and shall submit the schedule(s) for the Architect's approval. The Architect's approval shall not unreasonably be delayed or withheld. The submittal schedule shall (1) be coordinated with the Contractor's construction schedule, and (2) allow the Architect reasonable time to review submittals. If the Contractor fails to submit a submittal schedule, the Contractor shall not be entitled to any increase in Contract Sum or extension of Contract Time based on the time required for review of submittals.

§ 3.10.3 The Contractor shall perform the Work in general accordance with the most recent schedules submitted to the Owner and Architect.

§ 3.11 DOCUMENTS AND SAMPLES AT THE SITE

The Contractor shall maintain at the site for the Owner one copy of the Drawings, Specifications, Addenda, Change Orders and other Modifications, in good order and marked currently to indicate field changes and selections made during construction, and one copy of approved Shop Drawings, Product Data, Samples and similar required submittals. These shall be available to the Architect and shall be delivered to the Architect for submittal to the Owner upon completion of the Work as a record of the Work as constructed.

§ 3.12 SHOP DRAWINGS, PRODUCT DATA AND SAMPLES

§ 3.12.1 Shop Drawings are drawings, diagrams, schedules and other data specially prepared for the Work by the Contractor or a Subcontractor, Sub-subcontractor, manufacturer, supplier or distributor to illustrate some portion of the Work.

§ 3.12.2 Product Data are illustrations, standard schedules, performance charts, instructions, brochures, diagrams and other information furnished by the Contractor to illustrate materials or equipment for some portion of the Work.

§ 3.12.3 Samples are physical examples that illustrate materials, equipment or workmanship and establish standards by which the Work will be judged.

§ 3.12.4 Shop Drawings, Product Data, Samples and similar submittals are not Contract Documents. Their purpose is to demonstrate the way by which the Contractor proposes to conform to the information given and the design concept expressed in the Contract Documents for those portions of the Work for which the Contract Documents require submittals. Review by the Architect is subject to the limitations of Section 4.2.7. Informational submittals upon which the Architect is not expected to take responsive action may be so identified in the Contract Documents. Submittals that are not required by the Contract Documents may be returned by the Architect without action.

§ 3.12.5 The Contractor shall review for compliance with the Contract Documents, approve and submit to the Architect Shop Drawings, Product Data, Samples and similar submittals required by the Contract Documents in accordance with the submittal schedule approved by the Architect or, in the absence of an approved submittal schedule, with reasonable promptness and in such sequence as to cause no delay in the Work or in the activities of the Owner or of separate contractors.

§ 3.12.6 By submitting Shop Drawings, Product Data, Samples and similar submittals, the Contractor represents to the Owner and Architect that the Contractor has (1) reviewed and approved them, (2) determined and verified materials, field measurements and field construction criteria related thereto, or will do so and (3) checked and coordinated the information contained within such submittals with the requirements of the Work and of the Contract Documents.

§ 3.12.7 The Contractor shall perform no portion of the Work for which the Contract Documents require submittal and review of Shop Drawings, Product Data, Samples or similar submittals until the respective submittal has been approved by the Architect.

§ 3.12.8 The Work shall be in accordance with approved submittals except that the Contractor shall not be relieved of responsibility for deviations from requirements of the Contract Documents by the Architect's approval of Shop Drawings, Product Data, Samples or similar submittals unless the Contractor has specifically informed the Architect in writing of such deviation at the time of submittal and (1) the Architect has given written approval to the specific deviation as a minor change in the Work, or (2) a Change Order or Construction Change Directive has been issued authorizing the deviation. The Contractor shall not be relieved of responsibility for errors or omissions in Shop Drawings, Product Data, Samples or similar submittals by the Architect's approval thereof.

§ 3.12.9 The Contractor shall direct specific attention, in writing or on resubmitted Shop Drawings, Product Data, Samples or similar submittals, to revisions other than those requested by the Architect on previous submittals. In the absence of such written notice, the Architect's approval of a resubmission shall not apply to such revisions. Contractor shall be entitled to one resubmittal of any submittal or shop drawing rejected by Architect or returned by the Architect for further action. Thereafter, Contractor shall pay the cost of all further reviews of such submittal or shop drawing and agrees to execute a Change Order reducing the Contract Sum by the amount charged by Architect to Owner for the additional reviews.

§ 3.12.10 The Contractor shall not be required to provide professional services that constitute the practice of architecture or engineering unless such services are specifically required by the Contract Documents for a portion of the Work or unless the Contractor needs to provide such services in order to carry out the Contractor's responsibilities for construction means, methods, techniques, sequences and procedures. The Contractor shall not be required to provide professional services in violation of applicable law. If professional design services or certifications by a design professional related to systems, materials or equipment are specifically required of the Contractor by the Contract Documents, the Owner and the Architect will specify all performance and design criteria that such services must satisfy. The Contractor shall cause such services or certifications to be provided by a properly licensed design professional, whose signature and seal shall appear on all drawings, calculations, specifications, certifications, Shop Drawings and other submittals prepared by such professional. Shop Drawings and other submittals related to the Work designed or certified by such professional, if prepared by others, shall bear such professional's written approval when submitted to the Architect. The Owner and the Architect shall be entitled to rely upon the adequacy, accuracy and completeness of the services, certifications and approvals performed or provided by such design professionals, provided the Owner and Architect have specified to the Contractor all performance and design criteria that such services must satisfy. Pursuant to this Section 3.12.10, the Architect will review, approve or take other appropriate action on submittals only for the limited purpose of checking for conformance with information given and the design concept expressed in the Contract Documents. The Contractor shall not be responsible for the adequacy of the performance and design criteria specified in the Contract Documents.

§ 3.13 USE OF SITE

The Contractor shall confine operations at the site to areas permitted by applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities and the Contract Documents and shall not unreasonably encumber the site with materials or equipment.

§ 3.14 CUTTING AND PATCHING

§ 3.14.1 The Contractor shall be responsible for cutting, fitting or patching required to complete the Work or to make its parts fit together properly. All areas requiring cutting, fitting and patching shall be restored to the condition existing prior to the cutting, fitting and patching, unless otherwise required by the Contract Documents.

§ 3.14.2 The Contractor shall not damage or endanger a portion of the Work or fully or partially completed construction of the Owner or separate contractors by cutting, patching or otherwise altering such construction, or by

excavation. The Contractor shall not cut or otherwise alter such construction by the Owner or a separate contractor except with written consent of the Owner and of such separate contractor; such consent shall not be unreasonably withheld. The Contractor shall not unreasonably withhold from the Owner or a separate contractor the Contractor's consent to cutting or otherwise altering the Work.

§ 3.15 CLEANING UP

§ 3.15.1 The Contractor shall keep the premises and surrounding area free from accumulation of waste materials or rubbish caused by operations under the Project Work Order. At completion of the Work, the Contractor shall remove waste materials, rubbish, the Contractor's tools, construction equipment, machinery and surplus materials from and about the Project.

§ 3.15.2 If the Contractor fails to clean up as provided in the Contract Documents, the Owner may do so and Owner shall be entitled to reimbursement from the Contractor.

§ 3.16 ACCESS TO WORK

The Contractor shall provide the Owner and Architect access to the Work in preparation and progress wherever located.

§ 3.17 ROYALTIES, PATENTS AND COPYRIGHTS

The Contractor shall pay all royalties and license fees. The Contractor shall defend suits or claims for infringement of copyrights and patent rights and shall hold the Owner and Architect harmless from loss on account thereof, but shall not be responsible for such defense or loss when a particular design, process or product of a particular manufacturer or manufacturers is required by the Contract Documents, or where the copyright violations are contained in Drawings, Specifications or other documents prepared by the Owner or Architect. However, if the Contractor has reason to believe that the required design, process or product is an infringement of a copyright or a patent, the Contractor shall be responsible for such loss unless such information is promptly furnished to the Architect.

§ 3.18 INDEMNIFICATION

§ 3.18.1 To the fullest extent permitted by law, the Contractor shall waive any right of contribution against the Owner to the extent the claim is not caused by the Owner's fault or negligent act, and shall indemnify and hold harmless the Owner and the Architect and their officers, officials, employees, volunteers and agents from and against all claims, damages losses and expenses, including, but not limited to, legal fees (attorney's and paralegal's fees, expert fees and court costs), arising out of or resulting from the performance of the Contractor's work provided that any such claim, damage, loss or expense is attributable to bodily injury, sickness, disease or death, or injury to or destruction of property, other than the work itself, including the loss of use resulting therefrom, to the extent it is caused by any wrongful or negligent act or omission of the Contractor, its Subcontractors, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable. Such obligation shall not be construed to negate, abridge or otherwise reduce any other right to indemnity which the Owner would otherwise have. The indemnification obligations under this paragraph 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 or any subcontractor under Workers' Compensation or Disability Benefit Acts or Employee Benefit Act.

"Claims, damages, losses and expenses" as these words are used in this Contract shall be construed to include, but not limited to (1) injury or damage consequent upon the failure of or use or misuse by Contractor, its Subcontractors, agents, servants or employees, of any hoist, rigging, blocking, scaffolding, or any and all other kinds of items of equipment, including those covered in the Illinois Structural Work Act whether or not the same be owned, furnished or loaned by Owner; (2) all attorneys' fees and costs incurred in bringing an action to enforce the provisions of this indemnity or any other indemnity contained herein; (3) time expended by the party being indemnified and their employees, at their usual rates plus costs of travel, long distance telephone and reproduction of documents; and (4) error or omission or defect in any submission made to Architect / Engineer for its approval or review. The Contractor and every subcontractor expressly waive all so-called *Kotecki* rights under the Illinois workers' compensation statutes even though the Owner has retained all such rights.

§ 3.18.2 In claims against any person or entity indemnified under this Section 3.18 by an employee of the Contractor, a Subcontractor, anyone directly or indirectly employed by them or anyone for whose acts they may be liable, the indemnification obligation under Section 3.18.1 shall not be limited by a limitation on amount or type of damages,

compensation or benefits payable by or for the Contractor or a Subcontractor under workers' compensation acts, disability benefit acts or other employee benefit acts.

§ 3.18.3 The obligations of the Contractor under this Section 3.18 shall not extend to the judicially established liability of the Architect, the Architect's consultants, and agents and employees of any of them arising out of (1) the preparation or approval of maps, Drawings, opinions, reports, surveys, Change Orders, designs or Specifications, or (2) the giving of or the failure to give directions or instructions by the Architect, the Architect's consultants, and agents and employees of any of them. Notwithstanding this language, nothing herein shall abrogate Contractor's duty to defend the Owner up to the point of the judicially established liability of the Architect without any corresponding and/or contributing negligence or wrongful conduct on the part of the Contractor. Nothing herein shall abrogate Contractor's indemnification obligations under Section 3.18 for any injuries and/or damages involving Contractor's negligence and/or wrongful conduct.

§ 3.19 COMPLIANCE WITH GOVERNMENTAL REGULATIONS

Construction Manager shall comply with all applicable governmental ordinances, statutes, rules and regulations including but not limited to the Illinois Human Rights Act and hereby agrees that the Construction Manager will establish procedures to require that the Construction Manager, Prime Contractors and their Subcontractors shall have written sexual harassment policies in place and shall not engage in any prohibited form of discrimination in employment as defined in that Act including maintaining policies of equal employment opportunity which shall prohibit discrimination against any employee or applicant for employment on the basis of race, religion, color, sex, national origin, ancestry, citizenship status, age, marital status, physical or mental disability unrelated to the individual's ability to perform the essential functions of the job, association with a person with a disability, or unfavorable discharge from military service. They also shall comply with all the Rules of the Illinois Department of Human Rights with regard to posting information on employees' rights under the Act and shall place statements identifying their companies as equal opportunity employers in all advertisements for workers to be employed in work to be performed under this Agreement.

ARTICLE 4 ARCHITECT

§ 4.1 GENERAL

§ 4.1.1 The Owner shall retain an architect lawfully licensed to practice architecture or an entity lawfully practicing architecture in the jurisdiction where the Project is located. That person or entity is identified as the Architect in the Project Work Order and is referred to throughout the Contract Documents as if singular in number.

§ 4.1.2 Duties, responsibilities and limitations of authority of the Architect as set forth in the Contract Documents shall not be restricted, modified or extended without written consent of the Owner, Contractor and Architect. Consent shall not be unreasonably withheld.

§ 4.1.3 If the employment of the Architect is terminated, the Owner shall employ a successor whose status under the Contract Documents shall be that of the Architect.

§ 4.2 ADMINISTRATION OF THE CONTRACT

§ 4.2.1 The Architect will provide administration of the Contract as described in the Contract Documents and will be an Owner's representative during construction until the date the Architect issues the final Certificate for Payment. The Architect will have authority to act on behalf of the Owner only to the extent provided in the Contract Documents.

§ 4.2.2 The Architect will visit the site at intervals appropriate to the stage of construction, or as otherwise agreed with the Owner, to observe the progress and quality of the portion of the Work completed, and to determine if the Work observed is being in accordance with the Contract Documents. However, the Architect will not be required to make exhaustive or continuous on-site inspections to check the quality or quantity of the Work. The Architect will not have control over, charge of, or responsibility for, the construction means, methods, techniques, sequences or procedures, or for the safety precautions and programs in connection with the Work, since these are solely the Contractor's rights and responsibilities under the Contract Documents, except as provided in Section 3.3.1.

§ 4.2.3 On the basis of the site visits, the Architect will keep the Owner reasonably informed about the progress and quality of the portion of the Work completed, and report to the Owner (1) known deviations from the Contract Documents and from the most recent construction schedule submitted by the Contractor, and (2) defects and deficiencies observed in the Work. The Architect will not be responsible for the Contractor's failure to perform the

Work in accordance with the requirements of the Contract Documents. The Architect will not have control over or charge of and will not be responsible for acts or omissions of the Contractor, Subcontractors, or their agents or employees, or any other persons or entities performing portions of the Work.

§ 4.2.4 COMMUNICATIONS FACILITATING CONTRACT ADMINISTRATION

Except as otherwise provided in the Contract Documents or when direct communications have been specially authorized, the Owner and Contractor shall endeavor to communicate with each other through the Architect about matters arising out of or relating to the Project Work Order. Communications by and with the Architect's consultants shall be through the Architect. Communications by and with Subcontractors and material suppliers shall be through the Contractor. Communications by and with separate contractors shall be through the Owner.

§ 4.2.5 Based on the Architect's evaluations of the Contractor's Applications for Payment, the Architect will review and certify the amounts due the Contractor and will issue Certificates for Payment in such amounts.

§ 4.2.6 The Architect has authority to reject Work that does not conform to the Project Work Order. Whenever the Architect considers it necessary or advisable, the Architect will have authority to require inspection or testing of the Work in accordance with Sections 13.5.2 and 13.5.3, whether or not such Work is fabricated, installed or completed. However, neither this authority of the Architect nor a decision made in good faith either to exercise or not to exercise such authority shall give rise to a duty or responsibility of the Architect to the Contractor, Subcontractors, material and equipment suppliers, their agents or employees, or other persons or entities performing portions of the Work.

§ 4.2.7 The Architect will review and approve, or take other appropriate action upon, the Contractor's submittals such as Shop Drawings, Product Data and Samples, but only for the limited purpose of checking for conformance with information given and the design concept expressed in the Contract Documents. The Architect's action will be taken in accordance with the submittal schedule approved by the Architect or, in the absence of an approved submittal schedule, with reasonable promptness so as not to delay progress of the Work while allowing sufficient time in the Architect's professional judgment to permit adequate review. Review of such submittals is not conducted for the purpose of determining the accuracy and completeness of other details such as dimensions and quantities, or for substantiating instructions for installation or performance of equipment or systems, all of which remain the responsibility of the Contractor as required by the Contract Documents. The Architect's review of the Contractor's submittals shall not relieve the Contractor of the obligations under Sections 3.3, 3.5 and 3.12. The Architect's review shall not constitute approval of safety precautions or, unless otherwise specifically stated by the Architect, of any construction means, methods, techniques, sequences or procedures. The Architect's approval of a specific item shall not indicate approval of an assembly of which the item is a component.

§ 4.2.8 The Architect will prepare Change Orders and Construction Change Directives, and may authorize minor changes in the Work as provided in Section 7.4. The Architect will investigate and make determinations and recommendations regarding concealed and unknown conditions as provided in Section 3.7.4.

§ 4.2.9 The Architect will conduct inspections to determine the date or dates of Substantial Completion and the date of final completion; issue Certificates of Substantial Completion pursuant to Section 9.8; receive and forward to the Owner, for the Owner's review and records, written warranties and related documents required by the Project Work Order and assembled by the Contractor pursuant to Section 9.10; and issue a final Certificate for Payment pursuant to Section 9.10.

§ 4.2.10 If the Owner and Architect agree, the Architect will provide one or more project representatives to assist in carrying out the Architect's responsibilities at the site. The duties, responsibilities and limitations of authority of such project representatives shall be as set forth in an exhibit to be incorporated in the Contract Documents.

§ 4.2.11 The Architect will interpret and decide matters concerning performance under, and requirements of, the Contract Documents on written request of either the Owner or Contractor. The Architect's response to such requests will be made in writing within any time limits agreed upon or otherwise with reasonable promptness.

§ 4.2.12 Interpretations and decisions of the Architect will be consistent with the intent of, and reasonably inferable from, the Contract Documents and will be in writing or in the form of drawings. When making such interpretations and decisions, the Architect will endeavor to secure faithful performance by both Owner and Contractor, will not show partiality to either and will not be liable for results of interpretations or decisions rendered in good faith.

§ 4.2.13 The Architect's decisions on matters relating to aesthetic effect will be final if consistent with the intent expressed in the Contract Documents.

§ 4.2.14 The Architect will review and respond to requests for information about the Contract Documents. The Architect's response to such requests will be made in writing within any time limits agreed upon or otherwise with reasonable promptness so as not to delay the progress of the Work or cause Work to be performed out of sequence.. If appropriate, the Architect will prepare and issue supplemental Drawings and Specifications in response to the requests for information.

ARTICLE 5 SUBCONTRACTORS

§ 5.1 DEFINITIONS

§ 5.1.1 A Subcontractor is a person or entity who has a direct contract with the Contractor to perform a portion of the Work at the site. The term "Subcontractor" is referred to throughout the Contract Documents as if singular in number and means a Subcontractor or an authorized representative of the Subcontractor. The term "Subcontractor" does not include a separate contractor or subcontractors of a separate contractor.

§ 5.1.2 All references to the term "Subcontractors of any tier" shall be understood to incorporate the term Sub-subcontractors. A Sub-subcontractor is a person or entity who has a direct or indirect contract with a Subcontractor to perform a portion of the Work at the site. The term "Sub-subcontractor" is referred to throughout the Contract Documents as if singular in number and means a Sub-subcontractor or an authorized representative of the Sub-subcontractor.

§ 5.2 AWARD OF SUBCONTRACTS AND OTHER CONTRACTS FOR PORTIONS OF THE WORK

§ 5.2.1 All contracts with Prime Contractors shall be obtained through public, competitive bidding as required under Illinois law, including Section 5-5 of the Illinois Public Library Act, for public construction projects (75 ILCS 5/5-5). The Construction Manager shall enter into all such contracts with Prime Contractors as an authorized representative of the Board of Library Trustees of the Village of Northbrook

(Paragraphs deleted)

§ 5.3 SUBCONTRACTUAL RELATIONS

By appropriate agreement, written where legally required for validity, the Contractor shall require each Subcontractor, to the extent of the Work to be performed by the Subcontractor, to be bound to the Contractor by terms of the Contract Documents, and to assume toward the Contractor all the obligations and responsibilities, including the responsibility for safety of the Subcontractor's Work, which the Contractor, by these Documents, assumes toward the Owner and Architect. Each subcontract agreement shall preserve and protect the rights of the Owner and Architect under the Contract Documents with respect to the Work to be performed by the Subcontractor so that subcontracting thereof will not prejudice such rights, and shall allow to the Subcontractor, unless specifically provided otherwise in the subcontract agreement, the benefit of all rights, remedies and redress against the Contractor that the Contractor, by the Contract Documents, has against the Owner. Where appropriate, the Contractor shall require each Subcontractor to enter into similar agreements with Sub-subcontractors. The Contractor shall make available to each proposed Subcontractor, prior to the execution of the subcontract agreement, copies of the Contract Documents to which the Subcontractor will be bound. Subcontractors will similarly make copies of applicable portions of such documents available to their respective proposed Sub-subcontractors.

§ 5.4 CONTINGENT ASSIGNMENT OF SUBCONTRACTS

§ 5.4.1 Each subcontract agreement for a portion of the Work under the Project Work Order is assigned by the Contractor to the Owner, provided that

- .1 assignment is effective only after termination of the Contract by the Owner for cause pursuant to Section 14.2 and only for those subcontract agreements that the Owner accepts by notifying the Subcontractor and Contractor in writing; and
- .2 assignment is subject to the prior rights of the surety, if any, obligated under bond relating to the Contract.

When the Owner accepts the assignment of a subcontract agreement, the Owner assumes the Contractor's rights and obligations under the subcontract.

§ 5.4.2 Upon such assignment, if the Work under the Project Work Order has been suspended for more than 30 days, the Subcontractor's compensation shall be equitably adjusted for increases in cost resulting from the suspension.

§ 5.4.3 Upon such assignment to the Owner under this Section 5.4, the Owner may further assign the subcontract to a successor contractor or other entity.

ARTICLE 6 CONSTRUCTION BY OWNER OR BY SEPARATE CONTRACTORS

§ 6.1 OWNER'S RIGHT TO PERFORM CONSTRUCTION AND TO AWARD SEPARATE CONTRACTS

§ 6.1.1 The Owner reserves the right to perform construction or operations related to the Project with the Owner's own forces, and to award separate contracts in connection with other portions of the Project or other construction or operations on the site under Conditions of the Contract identical or substantially similar to these including those portions related to insurance and waiver of subrogation. If the Contractor claims that delay or additional cost is involved because of such action by the Owner, the Contractor shall make such Claim as provided in Article 15.

§ 6.1.2 When separate contracts are awarded for different portions of the Project or other construction or operations on the site, the term "Contractor" in the Contract Documents in each case shall mean the Contractor who executes each separate Owner-Contractor Agreement.

§ 6.1.3 The Owner shall provide for coordination of the activities of the Owner's own forces and of each separate contractor with the Work of the Contractor, who shall cooperate with them. The Contractor shall participate with other separate contractors and the Owner in reviewing their construction schedules. The Contractor shall make any revisions to the construction schedule deemed necessary after a joint review and mutual agreement. The construction schedules shall then constitute the schedules to be used by the Contractor, separate contractors and the Owner until subsequently revised.

§ 6.1.4 Unless otherwise provided in the Contract Documents, when the Owner performs construction or operations related to the Project with the Owner's own forces, the Owner shall be deemed to be subject to the same obligations and to have the same rights that apply to the Contractor under the Conditions of the Contract, including, without excluding others, those stated in Article 3, this Article 6 and Articles 10, 11 and 12.

§ 6.1.5 Owner shall not assign to Contractor any separate contracts whose terms with respect to payment applications, insurance, damages, and excusable delay materially vary from those contained in the Subcontract Agreement.

§ 6.2 MUTUAL RESPONSIBILITY

§ 6.2.1 The Contractor shall afford the Owner and separate contractors reasonable opportunity for introduction and storage of their materials and equipment and performance of their activities, and shall connect and coordinate the Contractor's construction and operations with theirs as required by the Contract Documents.

§ 6.2.2 If part of the Contractor's Work depends for proper execution or results upon construction or operations by the Owner or a separate contractor, the Contractor shall, prior to proceeding with that portion of the Work, promptly report to the Architect apparent discrepancies or defects in such other construction that would render it unsuitable for such proper execution and results. Failure of the Contractor to report apparent discrepancies or defects identified by Contractor shall constitute an acknowledgment that the Owner's or separate contractor's completed or partially completed construction is fit and proper to receive the Contractor's Work, except as to defects not then apparent.

§ 6.2.3 Contractor shall perform the work under the Project Work Order expeditiously in cooperation with the Owner's agents, employees, contractors and subcontractors

§ 6.2.3.1 Notwithstanding any other provision to the contrary, the Owner shall reimburse the Construction Manager for actual costs including overhead and profit but not including damages, incurred by the Construction Manager due to delays resulting from the inability to proceed on the critical path of construction that is not caused by or related in any way to any act or omission of the Construction Manager.

§ 6.2.4 The Contractor shall promptly remedy damage the Contractor causes to completed or partially completed construction or to property of the Owner, its officers, agents, employees, subcontractors, or separate contractors as provided in Section 10.2.5.

§ 6.2.5 The Owner and each separate contractor shall have the same responsibilities for cutting and patching as are described for the Contractor in Section 3.14.

§ 6.3 OWNER'S RIGHT TO CLEAN UP

If a dispute arises among the Contractor, separate contractors and the Owner as to the responsibility under their respective contracts for maintaining the premises and surrounding area free from waste materials and rubbish, the Owner may clean up and the Architect will allocate the cost among those responsible.

ARTICLE 7 CHANGES IN THE WORK

§ 7.1 GENERAL

§ 7.1.0 After execution of a Project Work Order, changes in the Work may be accomplished by Change Order or by order of a minor Change in the Work. No change orders shall be issued for the work under this Contract which authorize or necessitate an increase or decrease in the cost of the Contract by a total of \$10,000 or more or in the time of completion by a total of thirty (30) days or more unless a written determination that the circumstances necessitating the change in performance were not reasonably foreseeable at the time the contract was signed, the change is germane to the original contract as signed or the change order is in the best interest of the Owner, is made by the Owner or a duly authorized designee of the Owner. Change Orders increasing the original Contract Sum by 50% or more of Contracts originally publicly bid must be re-submitted to public, competitive bidding.

§ 7.1.1 Changes in the Work may be accomplished after execution of a Project Work Order, and without invalidating the Contract, by Change Order, Construction Change Directive or order for a minor change in the Work, subject to the limitations stated in this Article 7 and elsewhere in the Contract Documents.

§ 7.1.2 A Change Order shall be based upon agreement among the Owner, Contractor and Architect; a Construction Change Directive requires agreement by the Owner and Architect and may or may not be agreed to by the Contractor; an order for a minor change in the Work may be issued by the Architect alone.

§ 7.1.3 Changes in the Work shall be performed under applicable provisions of the Contract Documents, and the Contractor shall proceed promptly, unless otherwise provided in the Change Order, Construction Change Directive or order for a minor change in the Work.

§ 7.2 CHANGE ORDERS

§ 7.2.1 A Change Order is a written instrument prepared by the Architect and signed by the Owner, Contractor and Architect stating their agreement upon all of the following:

- .1 The change in the Work;
- .2 The amount of the adjustment, if any, in the Contract Sum; and
- .3 The extent of the adjustment, if any, in the Contract Time.

§ 7.2.2 Any additive adjustment to the Contract Sum shall include such markups for overhead and profit as set forth in Section 7.3.3, below.

§ 7.3 CONSTRUCTION CHANGE DIRECTIVES

§ 7.3.1 A Construction Change Directive is a written order prepared by the Architect and signed by the Owner and Architect, directing a change in the Work prior to agreement on adjustment, if any, in the Contract Sum or Contract Time, or both. The Owner may by Construction Change Directive, without invalidating the Project Work Order, order changes in the Work within the general scope of the Project Work Order consisting of additions, deletions or other revisions, the Contract Sum and Contract Time being adjusted accordingly.

§ 7.3.2 A Construction Change Directive shall be used in the absence of total agreement on the terms of a Change Order.

§ 7.3.3 If the Construction Change Directive provides for an adjustment to the Contract Sum, the adjustment shall be based on one of the following methods:

- .1 Mutual acceptance of a lump sum properly itemized and supported by sufficient substantiating data to permit evaluation, with markups for overhead and profit as follows:

- a) Work performed by a Subcontractor shall include ten percent (10%) overhead and five percent (5%) Fee; and
- b) Work performed by a Sub-subcontractor shall include ten percent (10%) overhead and five percent (5%) Fee, plus a five percent (5%) Fee to the Subcontractor;;
- .2 Unit prices stated in the Contract Documents or subsequently agreed upon;
- .3 Cost to be determined in a manner agreed upon by the parties and a mutually acceptable fixed or percentage fee; or
- .4 As provided in Section 7.3.7.

§ 7.3.4 If unit prices are stated in the Contract Documents or subsequently agreed upon, and if quantities originally contemplated are materially changed in a proposed Change Order or Construction Change Directive so that application of such unit prices to quantities of Work proposed will cause substantial inequity to the Owner or Contractor, the applicable unit prices shall be equitably adjusted.

§ 7.3.5 Upon receipt of a Construction Change Directive, the Contractor shall promptly proceed with the change in the Work involved and advise the Architect of the Contractor's agreement or disagreement with the method, if any, provided in the Construction Change Directive for determining the proposed adjustment in the Contract Sum or Contract Time.

§ 7.3.6 A Construction Change Directive signed by the Contractor indicates the Contractor's agreement therewith, including adjustment in Contract Sum and Contract Time or the method for determining them. Such agreement shall be effective immediately and shall be recorded as a Change Order.

§ 7.3.7 If the Contractor does not respond promptly or disagrees with the method for adjustment in the Contract Sum, the Architect shall determine the method and the adjustment on the basis of reasonable expenditures and savings of those performing the Work attributable to the change, including, in case of an increase in the Contract Sum, an amount for overhead and profit as set forth in the Agreement, or if no such amount is set forth in the Master Agreement or Project Work Order, a reasonable amount. In such case, and also under Section 7.3.3.3, the Contractor shall keep and present, in such form as the Architect may prescribe, an itemized accounting together with appropriate supporting data. Unless otherwise provided in the Contract Documents, costs for the purposes of this Section 7.3.7 shall be limited to the following: and shall be applied as defined in Article 6 of the A133:

- .1 Costs of labor, including social security, old age and unemployment insurance, fringe benefits required by agreement or custom, and workers' compensation insurance; these costs, when incurred by the Contractor, shall be computed at the Comprehensive Trade Rates included in Exhibit 6.2.1 to the A133;
- .2 Costs of materials, supplies and equipment, including cost of transportation, whether incorporated or consumed;
- .3 Rental costs of machinery and equipment, exclusive of hand tools, whether rented from the Contractor or others, as set forth in Exhibit 5.1.4 to the A133;
- .4 Costs of premiums for all bonds and insurance, permit fees, and sales, use or similar taxes related to the Work; and
- .5 Additional costs of supervision and field office personnel directly attributable to the change when incurred by Contractor, computed at the Comprehensive Management Rates included in Exhibit 6.2.2 to the A133.

§ 7.3.8 The amount of credit to be allowed by the Contractor to the Owner for a deletion or change that results in a net decrease in the Contract Sum shall be actual net cost as confirmed by the Architect. When both additions and credits covering related Work or substitutions are involved in a change, the allowance for overhead and profit shall be figured on the basis of net increase, if any, with respect to that change. If not established elsewhere in the Contract Documents, Contractor's profit shall be its percentage Fee under the GMP and overhead shall apply as set forth at Section 6.1.6.10 of the A133.

§ 7.3.9 Pending final determination of the total cost of a Construction Change Directive to the Owner, the Contractor may request payment for Work completed under the Construction Change Directive in Applications for Payment. The Architect will make an interim determination for purposes of monthly certification for payment for those costs and

certify for payment the amount that the Architect determines, in the Architect's professional judgment, to be reasonably justified. The Architect's interim determination of cost shall adjust the Contract Sum on the same basis as a Change Order, subject to the right of either party to disagree and assert a Claim in accordance with Article 15.

§ 7.3.10 When the Owner and Contractor agree with a determination made by the Architect concerning the adjustments in the Contract Sum and Contract Time, or otherwise reach agreement upon the adjustments, such agreement shall be effective immediately and the Architect will prepare a Change Order. Change Orders may be issued for all or any part of a Construction Change Directive.

§ 7.4 MINOR CHANGES IN THE WORK

The Architect has authority to order minor changes in the Work not involving adjustment in the Contract Sum or extension of the Contract Time and not inconsistent with the intent of the Contract Documents. Such changes will be effected by written order signed by the Architect and shall be binding on the Owner and Contractor.

ARTICLE 8 TIME

§ 8.1 DEFINITIONS

§ 8.1.1 Unless otherwise provided, Contract Time is the period of time, including authorized adjustments, allotted in the Contract Documents for Substantial Completion of the Work.

§ 8.1.2 The date of commencement of the Work is the date established in the Project Work Order.

§ 8.1.3 The date of Substantial Completion is the date certified by the Architect in accordance with Section 9.8.

§ 8.1.4 The term "day" as used in the Contract Documents shall mean calendar day unless otherwise specifically defined.

§ 8.2 PROGRESS AND COMPLETION

§ 8.2.1 Time limits stated in the Contract Documents are of the essence of the Contract. By executing a Project Work Order, the Contractor confirms that the Contract Time is a reasonable period for performing the Work.

§ 8.2.2 The Contractor shall not knowingly, except by agreement or instruction of the Owner in writing, prematurely commence operations on the site or elsewhere prior to the effective date of insurance required by Article 11 to be furnished by the Contractor and Owner. The date of commencement of the Work shall not be changed by the effective date of such insurance.

§ 8.2.3 The Contractor shall proceed expeditiously with adequate forces and shall achieve Substantial Completion within the Contract Time by all proper and appropriate means and unless excused by 8.3.1 of the Agreement, including working overtime without additional compensation. Time is of the essence of this Agreement.

§ 8.3 DELAYS AND EXTENSIONS OF TIME

§ 8.3.1 If the Contractor is delayed at any time in the commencement or progress of the Work under the Project Work Order by an act or neglect of the Owner or Architect, or of an employee of either, or of a separate contractor employed by the Owner; or by changes ordered in the Work; or by labor disputes, fire, unusual delay in deliveries, services provided by public utilities, unavoidable casualties or other causes beyond the Contractor's control; or by other causes that the Architect determines may justify delay, then the Contract Time shall be extended and the Contract Sum shall be adjusted by Change Order for such reasonable time and amount as the Architect may determine.

§ 8.3.2 Claims relating to time shall be made in accordance with applicable provisions of Article 15.

§ 8.3.3 There shall be no recovery for delay unless permitted under 6.2.3.1 of this Agreement.

ARTICLE 9 PAYMENTS AND COMPLETION

§ 9.1 CONTRACT SUM

The Contract Sum is stated in the Project Work Order and, including authorized adjustments, is the total amount payable by the Owner to the Contractor for performance of the Work under the Contract Documents.

§ 9.2 SCHEDULE OF VALUES

Where the Project Work Order is based on a stipulated sum or Guaranteed Maximum Price, the Contractor shall submit to the Architect, before the first Application for Payment, a schedule of values allocating the entire Contract Sum to the various portions of the Work and prepared in such form and supported by such data to substantiate its accuracy as the Architect may require. This schedule, unless objected to by the Architect, shall be used as a basis for reviewing the Contractor's Applications for Payment.

§ 9.3 APPLICATIONS FOR PAYMENT

§ 9.3.1 At least ten days before the date established for each progress payment, the Contractor shall submit to the Architect an itemized Application for Payment prepared in accordance with the schedule of values, if required under Section 9.2, for completed portions of the Work. The Owner requires for each Application for Payment, a properly completed Contractor's Affidavit setting out, under oath, the name, address and amount due or to become due, of each Prime Contractor, Subcontractor of any tier, vendor, supplier or other appropriate party included in that payment. For every party listed, the Contractor shall also provide a full or partial waiver of lien, as appropriate, before a payment will be made to the Contractor. The Contractor's partial or final waiver of lien must be included. Payment certificates shall not be issued by Architect without such mechanics' lien waivers and contractors' sworn statements unless they are conditioned upon receipt of such waivers and statements.

§ 9.3.1.1 As provided in Section 7.3.9, such applications may include requests for payment on account of changes in the Work that have been properly authorized by Construction Change Directives, or by interim determinations of the Architect, but not yet included in Change Orders.

§ 9.3.1.2 Applications for Payment shall not include requests for payment for portions of the Work for which the Contractor does not intend to pay a Subcontractor or material supplier, unless such Work has been performed by others whom the Contractor intends to pay.

§ 9.3.2 Unless otherwise provided in the Contract Documents, payments shall be made on account of materials and equipment delivered and suitably stored at the site for subsequent incorporation in the Work. No certificate shall be issued in favor of the Contractor and no payment will be made by Owner for material not actually installed and built into the building without prior written authorization from the Owner. Payment for materials and equipment stored on or off the site shall be conditioned upon compliance by the Contractor with procedures satisfactory to the Owner to establish the Owner's title to such materials and equipment or otherwise protect the Owner's interest, and shall include the costs of applicable insurance, storage and transportation to the site for such materials and equipment stored off the site.

§ 9.3.3 The Contractor warrants that title to all Work included in an Application for Payment will pass to the Owner no later than the time of payment. The Contractor further warrants that upon submittal of an Application for Payment all Work for which Certificates for Payment have been previously issued and payments received from the Owner shall, to the best of the Contractor's knowledge, information and belief, be free and clear of liens, claims, security interests or encumbrances in favor of the Contractor, Subcontractors, material suppliers, or other persons or entities making a claim by reason of having provided labor, materials and equipment relating to the Work under the Project Work Order..

§ 9.4 CERTIFICATES FOR PAYMENT

§ 9.4.1 The Architect will, within seven days after receipt of the Contractor's Application for Payment, either issue to the Owner a Certificate for Payment, with a copy to the Contractor, for such amount as the Architect determines is properly due, or notify the Contractor and Owner in writing of the Architect's reasons for withholding certification in whole or in part as provided in Section 9.5.1.

§ 9.4.2 The issuance of a Certificate for Payment will constitute a representation by the Architect to the Owner, based on the Architect's evaluation of the Work and the data comprising the Application for Payment, that, to the best of the Architect's knowledge, information and belief, the Work has progressed to the point indicated and that the quality of the Work is in accordance with the Contract Documents. The foregoing representations are subject to an evaluation of the Work for conformance with the Contract Documents upon Substantial Completion, to results of subsequent tests and inspections, to correction of minor deviations from the Contract Documents prior to completion and to specific qualifications expressed by the Architect. The issuance of a Certificate for Payment will further constitute a representation that the Contractor is entitled to payment in the amount certified. However, the issuance of a Certificate

for Payment will not be a representation that the Architect has (1) made exhaustive or continuous on-site inspections to check the quality or quantity of the Work, (2) reviewed construction means, methods, techniques, sequences or procedures, (3) reviewed copies of requisitions received from Subcontractors and material suppliers and other data requested by the Owner to substantiate the Contractor's right to payment, or (4) made examination to ascertain how or for what purpose the Contractor has used money previously paid on account of the Contract Sum.

§ 9.5 DECISIONS TO WITHHOLD CERTIFICATION

§ 9.5.1 The Architect may withhold a Certificate for Payment in whole or in part, to the extent reasonably necessary to protect the Owner, if in the Architect's opinion the representations to the Owner required by Section 9.4.2 cannot be made. If the Architect is unable to certify payment in the amount of the Application, the Architect will notify the Contractor and Owner as provided in Section 9.4.1. If the Contractor and Architect cannot agree on a revised amount, the Architect will promptly issue a Certificate for Payment for the amount for which the Architect is able to make such representations to the Owner. The Architect may also withhold a Certificate for Payment or, because of subsequently discovered evidence, may nullify the whole or a part of a Certificate for Payment previously issued, to such extent as may be necessary in the Architect's opinion to protect the Owner from loss for which the Contractor is responsible, including loss resulting from acts and omissions described in Section 3.3.2, because of

- .1 defective Work under the Project Work Order not remedied;
- .2 third party claims filed or reasonable evidence indicating probable filing of such claims unless security acceptable to the Owner is provided by the Contractor;
- .3 failure of the Contractor to make payments to Subcontractors in accordance with the terms of the applicable subcontracts, or for properly performed/delivered labor, materials or equipment;
- .4 reasonable evidence that the Work cannot be completed for the unpaid balance of the Contract Sum;
- .5 damage to the Owner or a separate contractor;
- .6 reasonable evidence that the Work will not be completed within the Contract Time, and that the unpaid balance would not be adequate to cover actual or liquidated damages for the anticipated delay; or
- .7 repeated failure to carry out the Work in accordance with the Contract Documents.

§ 9.5.2 When the above reasons for withholding certification are removed, certification will be made for amounts previously withheld.

§ 9.5.3 If the Architect withholds certification for payment under Section 9.5.1.3, the Owner may, with Contractor's consent, issue joint checks to the Contractor and to any Subcontractor or material or equipment suppliers to whom the Contractor failed to make payment for Work properly performed or material or equipment suitably delivered. If the Owner makes payments by joint check, the Owner shall notify the Architect and the Architect will reflect such payment on the next Certificate for Payment.

§ 9.6 PROGRESS PAYMENTS

§ 9.6.1 After the Architect has issued a Certificate for Payment, the Owner shall make payment in the manner and within the time provided in the Contract Documents, and shall so notify the Architect.

§ 9.6.2 Provided a Subcontractor has performed in accordance with the terms of its Subcontract, the Contractor shall, in compliance with any and all applicable laws, pay each Subcontractor no later than seven days after receipt of payment from the Owner the amount to which the Subcontractor is entitled, reflecting percentages actually retained from payments to the Contractor on account of the Subcontractor's portion of the Work. The Contractor shall, by appropriate agreement with each Subcontractor, require each Subcontractor to make payments to Sub-subcontractors in a similar manner.

§ 9.6.3 The Architect will, on request, furnish to a Subcontractor, if practicable, information regarding percentages of completion or amounts applied for by the Contractor and action taken thereon by the Architect and Owner on account of portions of the Work done by such Subcontractor.

§ 9.6.4 The Owner has the right to request written evidence from the Contractor that the Contractor has properly paid Subcontractors and material and equipment suppliers amounts paid by the Owner to the Contractor for subcontracted Work. If the Contractor fails to furnish such evidence within seven days, the Owner shall have the right to contact Subcontractors to ascertain whether they have been properly paid. Neither the Owner nor Architect shall have an obligation to pay or to see to the payment of money to a Subcontractor, except as may otherwise be required by law.

§ 9.6.5 Contractor payments to material and equipment suppliers shall be treated in a manner similar to that provided in Sections 9.6.2, 9.6.3 and 9.6.4.

§ 9.6.6 A Certificate for Payment, a progress payment, or partial or entire use or occupancy of the Project by the Owner shall not constitute acceptance of Work not in accordance with the Contract Documents.

§ 9.6.7 Unless the Contractor provides the Owner with a payment bond in the full penal sum of the Contract Sum, payments received by the Contractor for Work properly performed by Subcontractors and suppliers shall be held by the Contractor for those Subcontractors or suppliers who performed Work or furnished materials, or both, under contract with the Contractor for which payment was made by the Owner. Nothing contained herein shall require money to be placed in a separate account and not commingled with money of the Contractor, shall create any fiduciary liability or tort liability on the part of the Contractor for breach of trust or shall entitle any person or entity to an award of punitive damages against the Contractor for breach of the requirements of this provision.

§ 9.7 FAILURE OF PAYMENT

If the Architect does not issue a recommendation for a Certificate for Payment, through no fault of the Contractor, or if the Owner either (i) does not reject the Architect's recommendation for a Certificate for Payment, or (ii) does not pay the Contractor the amount accepted by the Owner as due and owing within 10 days after the date established for payment in the Contract Documents, then the Contractor may, upon seven days additional days' written notice to the Owner, stop the Work. The Contract Time shall be extended appropriately and the Contract Sum shall be increased by the amount of the Contractor's reasonable costs incurred of shutdown, and start-up, plus interest as provided for in the Contract Documents.

§ 9.8 SUBSTANTIAL COMPLETION

§ 9.8.1 Substantial Completion is the stage in the progress of the Work when the Work or designated portion thereof is sufficiently complete in accordance with the Contract Documents so that the Owner can occupy or utilize the Work for its intended use.

§ 9.8.2 When the Contractor considers that the Work, or a portion thereof which the Owner agrees to accept separately, is substantially complete, the Contractor shall prepare and submit to the Architect a comprehensive list of items to be completed or corrected prior to final payment. Failure to include an item on such list does not alter the responsibility of the Contractor to complete all Work in accordance with the Contract Documents.

§ 9.8.3 Upon receipt of the Contractor's list, the Architect will make an inspection to determine whether the Work or designated portion thereof is substantially complete. If the Architect's inspection discloses any item, whether or not included on the Contractor's list, which is not sufficiently complete in accordance with the Contract Documents so that the Owner can occupy or utilize the Work or designated portion thereof for its intended use, the Contractor shall, before issuance of the Certificate of Substantial Completion, complete or correct such item upon notification by the Architect. In such case, the Contractor shall then submit a request for another inspection by the Architect to determine Substantial Completion.

§ 9.8.4 When the Work specified in the Project Work Order or designated portion thereof is substantially complete, the Architect will prepare a Certificate of Substantial Completion that shall establish the date of Substantial Completion, shall establish responsibilities of the Owner and Contractor for security, maintenance, heat, utilities, damage to the Work and insurance, and shall fix the time within which the Contractor shall finish all items on the list accompanying the Certificate. Warranties required by the Contract Documents shall commence on the date of Substantial Completion of the Work specified in the Project Work Order or designated portion thereof unless otherwise provided in the Contract Documents or the Certificate of Substantial Completion.

§ 9.8.5 The Certificate of Substantial Completion shall be submitted to the Owner and Contractor for their written acceptance of responsibilities assigned to them in such Certificate. Upon such acceptance and consent of surety, if any, the Owner shall make payment of retainage applying to such Work or designated portion thereof. Such payment shall be adjusted for Work that is incomplete or not in accordance with the requirements of the Contract Documents or the amount in reduction of retainage as is otherwise called for in the Contract Documents.

§ 9.9 PARTIAL OCCUPANCY OR USE

§ 9.9.1 The Owner may occupy or use any completed or partially completed portion of the Work specified in the Project Work Order at any stage when such portion is designated by separate agreement with the Contractor, provided

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such occupancy or use is consented to by the insurer as required under Section 11.3.1.5 and authorized by public authorities having jurisdiction over the Project. Such partial occupancy or use may commence whether or not the portion is substantially complete, provided the Owner and Contractor have accepted in writing the responsibilities assigned to each of them for payments, retainage, if any, security, maintenance, heat, utilities, damage to the Work and insurance, and have agreed in writing concerning the period for correction of the Work and commencement of warranties required by the Contract Documents. When the Contractor considers a portion of such Work specified in the Project Work Order substantially complete, the Contractor shall prepare and submit a list to the Architect as provided under Section 9.8.2. Consent of the Contractor to partial occupancy or use shall not be unreasonably withheld. The stage of the progress of the Work shall be determined by written agreement between the Owner and Contractor or, if no agreement is reached, by decision of the Architect.

§ 9.9.2 Immediately prior to such partial occupancy or use, the Owner, Contractor and Architect shall jointly inspect the area to be occupied or portion of the Work to be used in order to determine and record the condition of the Work.

§ 9.9.3 Unless otherwise agreed upon, partial occupancy or use of a portion or portions of the Work shall not constitute acceptance of Work not complying with the requirements of the Contract Documents.

§ 9.10 FINAL COMPLETION AND FINAL PAYMENT

§ 9.10.1 Upon receipt of the Contractor's written notice that the Work specified in the Project Work Order is ready for final inspection and acceptance and upon receipt of a final Application for Payment, the Architect will promptly make such inspection and, when the Architect finds the Work acceptable under the Contract Documents and the Project Work Order fully performed, the Architect will promptly issue a final Certificate for Payment stating that to the best of the Architect's knowledge, information and belief, and on the basis of the Architect's on-site visits and inspections, the Work has been completed in accordance with terms and conditions of the Contract Documents and that the entire balance found to be due the Contractor and noted in the final Certificate is due and payable. The Architect's final Certificate for Payment will constitute a further representation that conditions listed in Section 9.10.2 as precedent to the Contractor's being entitled to final payment have been fulfilled.

§ 9.10.2 Neither final payment nor any remaining retained percentage shall become due until the Contractor submits to the Architect (1) an affidavit that payrolls, bills for materials and equipment, and other indebtedness connected with the Work specified in the Project Work Order for which the Owner or the Owner's property might be responsible or encumbered (less amounts withheld by Owner) have been paid or otherwise satisfied, (2) a certificate evidencing that insurance required by the Contract Documents to remain in force after final payment is currently in effect and will not be canceled or allowed to expire until at least 30 days' prior written notice has been given to the Owner, (3) a written statement that the Contractor knows of no substantial reason that the insurance will not be renewable to cover the period required by the Contract Documents, (4) consent of surety, if any, to final payment and (5), if required by the Owner, other data establishing payment or satisfaction of obligations, such as receipts, releases and waivers of liens, claims, security interests or encumbrances arising out of the Contract, to the extent and in such form as may be designated by the Owner. If a Subcontractor refuses to furnish a release or waiver required by the Owner, the Contractor may furnish a bond satisfactory to the Owner to indemnify the Owner against such lien. If such lien remains unsatisfied after payments are made, the Contractor shall refund to the Owner all money that the Owner may be compelled to pay in discharging such lien, including all costs and reasonable attorneys' fees.

§ 9.10.3 The final payment by Owner shall not relieve the Contractor of the responsibility for the correction of any and all defects in the work performed under a Project Work Order. Contractor shall correct all defects as notified for the applicable warranty period after final payment

§ 9.10.4

(Paragraphs deleted)

Intentionally deleted.

§ 9.10.5 Acceptance of final payment by the Contractor, a Subcontractor or material supplier shall constitute a waiver of claims by that payee except those previously made in writing and identified by that payee as unsettled at the time of final Application for Payment.

ARTICLE 10 PROTECTION OF PERSONS AND PROPERTY

§ 10.1 SAFETY PRECAUTIONS AND PROGRAMS

The Contractor shall be responsible for initiating, maintaining and supervising all safety precautions and programs in connection with the performance of the Project Work Order .

§ 10.2 SAFETY OF PERSONS AND PROPERTY

§ 10.2.1 The Contractor shall take reasonable precautions for safety of, and shall provide reasonable protection to prevent damage, injury or loss to

- .1 employees on the Work and other persons who may be affected thereby;
- .2 the Work and materials and equipment to be incorporated therein, whether in storage on or off the site, under care, custody or control of the Contractor or the Contractor's Subcontractors or Sub-subcontractors; and
- .3 other property at the site or adjacent thereto, such as trees, shrubs, lawns, walks, pavements, roadways, structures and utilities not designated for removal, relocation or replacement in the course of construction.

§ 10.2.2 The Contractor shall comply with and give notices required by applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities bearing on safety of persons or property or their protection from damage, injury or loss.

§ 10.2.3 The Contractor shall erect and maintain, as required by existing conditions and performance of the Project Work Order , reasonable safeguards for safety and protection, including posting danger signs and other warnings against hazards, promulgating safety regulations and notifying owners and users of adjacent sites and utilities.

§ 10.2.4 When use or storage of explosives or other hazardous materials or equipment or unusual methods are necessary for execution of the Work, the Contractor shall exercise utmost care and carry on such activities under supervision of properly qualified personnel.

§ 10.2.5 The Contractor shall promptly remedy damage and loss (other than damage or loss insured under property insurance required by the Contract Documents) to property referred to in Sections 10.2.1.2 and 10.2.1.3 caused in whole or in part by the Contractor, a Subcontractor, a Sub-subcontractor, or anyone directly or indirectly employed by any of them, or by anyone for whose acts they may be liable and for which the Contractor is responsible under Sections 10.2.1.2 and 10.2.1.3, except damage or loss attributable to acts or omissions of the Owner or Architect or anyone directly or indirectly employed by either of them, or by anyone for whose acts either of them may be liable, and not attributable to the fault or negligence of the Contractor. The foregoing obligations of the Contractor are in addition to the Contractor's obligations under Section 3.18.

§ 10.2.6 The Contractor shall designate a responsible member of the Contractor's organization at the site whose duty shall be the prevention of accidents. This person shall be the Contractor's superintendent unless otherwise designated by the Contractor in writing to the Owner and Architect.

§ 10.2.7 The Contractor shall not permit any part of the construction or site to be loaded so as to cause damage or create an unsafe condition.

§ 10.2.8 INJURY OR DAMAGE TO PERSON OR PROPERTY

If either party suffers injury or damage to person or property because of an act or omission of the other party, or of others for whose acts such party is legally responsible, written notice of such injury or damage, whether or not insured, shall be given to the other party within a reasonable time not exceeding 21 days after discovery. The notice shall provide sufficient detail to enable the other party to investigate the matter.

§ 10.3 HAZARDOUS MATERIALS

§ 10.3.1 Without accepting any responsibility to liability for the remediation of hazardous materials that exist on or contiguous to the Project site as of the date of the Project Work Order, the Contractor is responsible for compliance with any requirements included in the Contract Documents regarding hazardous materials. If the Contractor encounters a hazardous material or substance not addressed in the Contract Documents and if reasonable precautions will be inadequate to prevent foreseeable bodily injury or death to persons resulting from a material or substance, including but not limited to asbestos or polychlorinated biphenyl (PCB), encountered on the site by the Contractor, the

Contractor shall, upon recognizing the condition, immediately stop Work in the affected area and report the condition to the Owner and Architect in writing.

§ 10.3.2 Upon receipt of the Contractor's written notice, the Owner shall obtain the services of a licensed laboratory to verify the presence or absence of the material or substance reported by the Contractor and, in the event such material or substance is found to be present, to cause it to be rendered harmless. Unless otherwise required by the Contract Documents, the Owner shall furnish in writing to the Contractor and Architect the names and qualifications of persons or entities who are to perform tests verifying the presence or absence of such material or substance or who are to perform the task of removal or safe containment of such material or substance. The Contractor and the Architect will promptly reply to the Owner in writing stating whether or not either has reasonable objection to the persons or entities proposed by the Owner. If either the Contractor or Architect has an objection to a person or entity proposed by the Owner, the Owner shall propose another to whom the Contractor and the Architect have no reasonable objection. When the material or substance has been rendered harmless, Work in the affected area shall resume upon written agreement of the Owner and Contractor. By Change Order, the Contract Time shall be extended appropriately and the Contract Sum shall be increased in the amount of the Contractor's reasonable additional costs of shut-down and start-up.

§ 10.3.3 To the fullest extent permitted by law, the Owner shall indemnify and hold harmless the Contractor, Subcontractors, Architect, Architect's consultants and agents and employees of any of them from and against claims, damages, losses and expenses, including but not limited to attorneys' fees, arising out of or resulting from performance of the Work in the affected area if in fact the material or substance presents the risk of bodily injury or death as described in Section 10.3.1 and has not been rendered harmless, provided that such claim, damage, loss or expense is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property (other than the Work itself), except to the extent that such damage, loss or expense is due to the fault or negligence of the party seeking indemnity.

§ 10.3.4 The Owner shall not be responsible under this Section 10.3 for materials or substances the Contractor brings to the site unless such materials or substances are required by the Contract Documents. The Owner shall be responsible for materials or substances required by the Contract Documents, except to the extent of the Contractor's fault or negligence in the use and handling of such materials or substances.

§ 10.3.5 The Contractor shall indemnify the Owner for the cost and expense the Owner incurs (1) for remediation of a material or substance the Contractor brings to the site and negligently handles, or (2) where the Contractor fails to perform its obligations under Section 10.3.1, except to the extent that the cost and expense are due to requirements of the Contract Documents or the Owner's fault or negligence.

§ 10.3.6 If, without negligence on the part of the Contractor, the Contractor is held liable by a government agency for the cost of remediation of a hazardous material or substance solely by reason of performing Work as required by the Contract Documents, the Owner shall indemnify the Contractor for all cost and expense thereby incurred.

§ 10.3.7 The Contractor shall not be required to perform, without consent, any Work relating to toxic mold, asbestos or polychlorinated biphenyl ("PCB"). The Contractor shall perform no work involving toxic, contaminant, contaminated or hazardous material of any type, which removal or responsibility to render harmless is the Owner's obligation.

§ 10.4 EMERGENCIES

In an emergency affecting safety of persons or property, the Contractor shall act, at the Contractor's discretion, to prevent threatened damage, injury or loss. Additional compensation or extension of time claimed by the Contractor on account of an emergency shall be determined as provided in Article 15 and Article 7.

§ 10.5 ACCESS TO WORK AND THE WORK

§ 10.5.1 Contractor shall have the right to impose reasonable rules regarding visitation to the Work by the Owner, Owner's agents and employees, and the general public, based on the safety rules and insurance requirements of the particular work area.

ARTICLE 11 INSURANCE AND BONDS

§ 11.1 CONTRACTOR'S LIABILITY INSURANCE

§ 11.1.1 The Contractor shall purchase from and maintain in a company or companies lawfully authorized to do business in the jurisdiction in which the Project is located such insurance as will protect the Contractor from claims set forth below which may arise out of or result from the Contractor's operations and completed operations under the Project Work Order and for which the Contractor may be legally liable, whether such operations be by the Contractor or by a Subcontractor or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable:

- .1 Claims under workers' compensation, disability benefit and other similar employee benefit acts that are applicable to the Work to be performed;
- .2 Claims for damages because of bodily injury, occupational sickness or disease, or death of the Contractor's employees;
- .3 Claims for damages because of bodily injury, sickness or disease, or death of any person other than the Contractor's employees;
- .4 Claims for damages insured by usual personal injury liability coverage;
- .5 Claims for damages, other than to the Work itself, because of injury to or destruction of tangible property, including loss of use resulting therefrom;
- .6 Claims for damages because of bodily injury, death of a person or property damage arising out of ownership, maintenance or use of a motor vehicle;
- .7 Claims for bodily injury or property damage arising out of completed operations; and
- .8 Claims involving contractual liability insurance applicable to the Contractor's obligations under Section 3.18.

The Contractor shall carry workmen's compensation and public liability insurance in the amounts set forth below and furnish the Owner with Certificates of Insurance prior to commencing with Work. All such insurance shall be carried with companies satisfactory to the Owner. The Contractor shall have the following obligations with regard to insurance coverage for the Work under a Project Work Order:

- a. All Certificates of Insurance required to be obtained by the Contractor shall provide that coverages under the policies named shall not be canceled, modified, reduced or allowed to expire without at least Thirty (30) Days prior written notice given to the Owner. All certificates evidencing coverage extended beyond the date of final payment shall be provided at the time of the final Pay Request. All Certificates of Insurance shall name the Board of Library Trustees of the Village of Northbrook and its officers, agents and employees as additional insured on a primary non-contributory basis.
- b. All insurance required of the Contractor shall state that it is Primary Insurance as to all additional insureds with respect to all claims arising out of operations by or on their behalf. If additional insureds have other applicable insurance coverages, those coverages shall be regarded as on an excess or contingent basis.
- c. The Contractor shall require that every Prime Contractor and each of their subcontractors of any tier obtain insurance of the same character as that required of Contractor, unless the Owner authorizes such lesser amount of coverage, naming the same additional insureds and subject to the same restrictions and obligations as set forth for the Contractor's insurance in the Contract Documents.
- d. Under no circumstances shall the Owner be deemed to have waived any of the insurance requirements of this Contract by any act or omission, including, but not limited to:
 - (1) allowing work by Contractor or any subcontractor of any tier to start before receipt of Certificates of Insurance;
 - (2) failure to examine, or to demand correction of any deficiency, of any certificate of insurance received.

The Contractor agrees that the obligation to provide insurance is solely the Contractor's responsibility and cannot be waived by any act or omission of the Owner.

- e. The purchase of insurance by the Contractor under this Contract shall not be deemed to limit the liability of the Contractor in any way, for damages suffered by Owner in excess of policy limits or not covered by the policies purchased.
- f. The Contractor shall notify the Owner, in writing, of any possible or potential claim for personal injury or property damage arising out of the work of this Contract promptly whenever the occurrence giving rise to such a potential claim becomes known to the Contractor.
- g. The Contractor shall provide insurance acceptable to the Owner. Such insurance shall include the following coverages in the following amounts:
- (1) Workmen's Compensation (including occupational disease and employer's liability insurance) covering liability of its employees and employees of its subcontractors in accordance with the law of the State of Illinois, including the Illinois Worker's Compensation Act, as amended.
 - (2) Comprehensive General Liability (including Premises-Operations; Independent Contractors's Protective; Products and Completed Operations: Broad Form Property Damage):
 - a. Bodily Injury \$1,000,000 each occurrence
\$1,000,000 aggregate
 - b. Property Damage \$1,000,000 each occurrence
\$1,000,000 aggregate
 - c. Covering the following hazards:
X(Explosion)
C(Collapse)
U(Underground)
 - d. Products and Completed Operations Insurance shall be maintained for a minimum of two years after final payment and the Contractor shall continue to provide evidence of such coverage to the Owner on an annual basis during the two-year period.
 - (3) Umbrella Excess Liability:
 - a. Bodily Injury: \$2,000,000 over Primary Insurance
\$10,000 Retention
 - (4) Automobile Liability (owned, non-owned, hired):
 - a. Bodily Injury \$1,000,000 each person
\$1,000,000 each accident
 - b. Property Damage \$1,000,000 each occurrence
 - (5) Professional Liability Insurance in the amount of Three Million Dollars (\$3,000,000).
- h. The Contractor further agrees to cause contractual liability endorsements to be issued by the insurance companies and attached to the above-mentioned policies to include under the coverage therein extended an obligation on the part of the insurers to insure against Contractor's contractual liability hereunder and to indemnify the Owner and Agent against loss, liability, costs, expenses, attorney's fees and court costs, and further agrees that said coverage shall be afforded therein against all claims arising out of the operation of any structural work law or law imposing liability arising out of the use of scaffolds, hoists, cranes, stays, ladders, supports or other mechanical contrivances. Endorsements to the Certificates of Insurance shall include as additional named insured the following:

- (1) Board of Library Trustees of the Village of Northbrook and its officers, agents and employees.

§ 11.1.2 The insurance required by Section 11.1.1 shall be written for not less than limits of liability specified in the Contract Documents or required by law, whichever coverage is greater. Coverages, whether written on an occurrence or claims-made basis, shall be maintained without interruption from the date of commencement of the Work specified in the Project Work Order until the date of final payment and termination of any coverage required to be maintained after final payment, and, with respect to the Contractor's completed operations coverage, until the expiration of the period for correction of Work or for such other period for maintenance of completed operations coverage as specified in the Contract Documents.

§ 11.1.3 Certificates of insurance acceptable to the Owner, naming the Owner, its officers, agents and employees as additional insureds shall be filed with the Owner prior to commencement of the Work specified in the Project Work Order and thereafter upon renewal or replacement of each required policy of insurance. These certificates and the insurance policies required by this Section 11.1 shall contain a provision that coverages afforded under the policies will not be canceled or allowed to expire until at least 30 days' prior written notice has been given to the Owner. An additional certificate evidencing continuation of liability coverage, including coverage for completed operations, shall be submitted with the final Application for Payment as required by Section 9.10.2 and thereafter upon renewal or replacement of such coverage until the expiration of the time required by Section 11.1.2. Information concerning reduction of coverage on account of revised limits or claims paid under the General Aggregate, or both, shall be furnished by the Contractor with reasonable promptness.

§ 11.1.4 The Contractor shall cause the commercial liability coverage required by the Contract Documents to include (1) the Owner, the Architect and the Architect's consultants as additional insureds for claims caused by the Contractor's negligent acts or omissions during the Contractor's operations; and (2) the Owner as an additional insured for claims caused by the Contractor's negligent acts or omissions during the Contractor's completed operations.

§ 11.1.5 The Construction Manager shall require that every Prime Contractor and Subcontractors of any tier obtain insurance as set forth in Prime Trade Contract for public work, 04/23/07 Revision attached hereto as Rider Exhibit 1.

§ 11.1.6 Under no circumstances shall the Owner be deemed to have waived any of the insurance requirements of this Contract by any act or omission, including, but not limited to:

- 1) allowing work by Prime Contractor or any Subcontractor of any tier to start before receipt of Certificates of Insurance.
- 2) failure to examine, or to demand correction of any deficiency, of any certificate of insurance received.

§ 11.1.7 The Construction Manager agrees that the obligation to provide its insurance is solely the Construction Manager's responsibility and cannot be waived by any act or omission of the Owner. The purchase of insurance by the Construction Manager under this Contract shall not be deemed to limit the liability of the Construction Manager in any way, for damages suffered by Owner in excess of policy limits or not covered by the policies purchased.

§ 11.1.8 The Construction Manager shall notify the Owner, in writing, of any possible or potential claim for personal injury or property damage arising out of the work of a Project Work Order promptly whenever the occurrence giving rise to such a potential claim becomes known to the Construction Manager.

§ 11.2 OWNER'S LIABILITY INSURANCE

The Owner shall be responsible for purchasing and maintaining the Owner's usual liability insurance.

§ 11.3 PROPERTY INSURANCE

(Paragraph deleted)

§ 11.3.1 The Owner shall 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 builder's risk "all-risk" or equivalent policy form in the amount of the initial Contract Sum, 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 without optional deductibles. Such property insurance shall be maintained, unless otherwise provided in the Contract Documents or otherwise agreed in writing by all persons and entities who are beneficiaries of such insurance, until final payment has been made as provided in Section 9.10 or until no person or entity other than the Owner has an insurable interest in the property required by this Section 11.3 to be covered, whichever is later. This insurance shall include interests of the Owner, the Contractor, Subcontractors and Sub-subcontractors in the Project. The Owner and Contractor shall mutually agree upon the property insurance policy to be purchased by the Owner. The Owner's insurance obligations under this paragraph may be satisfied by membership in programs of self-insurance or membership in an insurance pool.

§ 11.3.1.1 Property insurance shall be on broad form, All-Risk, Commercial Property Insurance, and shall insure against physical loss or damage including, without duplication of coverage, at least 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, and shall cover reasonable compensation for the services and expenses of Architect and Contractor required as a result of such insured loss. Coverage for other perils shall not be required unless otherwise provided in the Contract Documents.

§ 11.3.1.2 If the Owner does not intend to purchase such property insurance required by the Contract and with all of the coverages in the amount described above, the Owner shall so inform the Contractor in writing prior to commencement of the Work under the Project Work Order. The Contractor may then effect insurance that will protect the interests of the Contractor, Subcontractors and Sub-subcontractors in the Work, and by appropriate Change Order the cost thereof shall be charged to the Owner. If the Contractor is damaged by the failure or neglect of the Owner to purchase or maintain insurance as described above, without so notifying the Contractor in writing, then the Owner shall bear all reasonable costs properly attributable thereto.

§ 11.3.1.3 If the property insurance requires deductibles, the Owner shall pay costs not covered because of such deductibles unless the loss is due in whole or part to the negligent acts or omissions of the Construction Manager or responsible Prime Contractor, and the responsible party shall pay the portion of the deductible amount that corresponds to its comparative degree of negligence.

§ 11.3.1.4 Contractor shall provide insurance for portions of the Work stored off site (if Owner allows off site storage) and Work in transit to the site

§ 11.3.1.5 Partial occupancy or use in accordance with Section 9.9 shall not commence until the insurance company or companies providing property insurance have consented to such partial occupancy or use by endorsement or otherwise. The Owner and the Contractor shall take reasonable steps to obtain consent of the insurance company or companies and shall, without mutual written consent, take no action with respect to partial occupancy or use that would cause cancellation, lapse or reduction of insurance.

§ 11.3.2 BOILER AND MACHINERY INSURANCE

The Owner shall purchase and maintain boiler and machinery insurance required by the Contract Documents or by law, which shall specifically cover such insured objects during installation and until final acceptance by the Owner; this insurance shall include interests of the Owner, Contractor, Subcontractors and Sub-subcontractors in the Work, and the Owner and Contractor shall be named insureds.

§ 11.3.3 LOSS OF USE INSURANCE

The Owner, at the Owner's option, may purchase and maintain such insurance as will insure the Owner against loss of use of the Owner's property due to fire or other hazards, however caused.

§ 11.3.4 If the Contractor requests in writing that insurance for risks other than those described herein or other special causes of loss be included in the property insurance policy, the Owner shall, if possible, include such insurance, and the cost thereof shall be charged to the Contractor by appropriate Change Order.

§ 11.3.5 If during the Project construction period the Owner insures properties, real or personal or both, at or adjacent to the site by property insurance under policies separate from those insuring the Project, or if after final payment property insurance is to be provided on the completed Project through a policy or policies other than those insuring the

Project during the construction period. All separate policies shall provide this waiver of subrogation by endorsement or otherwise.

§ 11.3.6 Before an exposure to loss may occur, the Owner shall file with the Contractor a copy of each policy that includes insurance coverages required by this Section 11.3. Each policy shall contain all generally applicable conditions, definitions, exclusions and endorsements related to this Project. Each policy shall contain a provision that the policy will not be canceled or allowed to expire, and that its limits will not be reduced, until at least 30 days' prior written notice has been given to the Contractor.

§ 11.3.7 WAIVERS OF SUBROGATION

(Paragraph deleted)

Notwithstanding any other provision in the Contract Documents, the Owner shall not, in any manner, be deemed or intended to have waived any right of subrogation which either it, or its insurance carrier may have against the Architect, Contractor, Subcontractor or any tier, or any of their employees, agents, consultants, officers and directors.

§ 11.3.8 A loss insured under the Owner's property insurance shall be adjusted by the Owner as fiduciary and made payable to the Owner as fiduciary for the insureds, as their interests may appear, subject to requirements of any applicable mortgagee clause and of Section 11.3.10. The Contractor shall pay Subcontractors their just shares of insurance proceeds received by the Contractor, and by appropriate agreements, written where legally required for validity, shall require Subcontractors to make payments to their Sub-subcontractors in similar manner.

§ 11.3.9 If required in writing by a party in interest, the Owner as fiduciary shall, upon occurrence of an insured loss, give bond for proper performance of the Owner's duties. The cost of required bonds shall be charged against proceeds received as fiduciary. The Owner shall deposit in a separate account proceeds so received, which the Owner shall distribute in accordance with such agreement as the parties in interest may reach, or as determined in accordance with the method of binding dispute resolution selected in the Agreement between the Owner and Contractor. If after such loss no other special agreement is made and unless the Owner terminates the Contract for convenience, replacement of damaged property shall be performed by the Contractor after notification of a Change in the Work in accordance with Article 7.

§ 11.3.10 The Owner as fiduciary shall have power to adjust and settle a loss with insurers unless one of the parties in interest shall object in writing within five days after occurrence of loss to the Owner's exercise of this power.

§ 11.4 PERFORMANCE BOND AND PAYMENT BOND

§ 11.4.1

The Contractor shall furnish to the Owner at the time of execution of a Project Work Order, bonds in the full amount of the Project Work Order securing the full and faithful performance of this Contract and the payment for all labor and material furnished by the Contractor or anyone furnishing such under the Contractor's contracts or a subcontract of any tier. Said bonds shall be in conformance as set forth below and any additional specifications imposed by other Contract Documents, including, but not limited to, the prevailing wage requirements set forth in the Contract Documents. Said bonds shall be written by a surety authorized to do business in Illinois that is acceptable to the Owner, in the Owner's discretion. Such bonds shall be obtained from a company with a minimum A.M. Best Rating of A- and to which the Owner has no reasonable objection. The cost thereof shall be paid by the Contractor.

The Construction Manager shall provide Performance and Labor and Material Payment Bonds as follows:

1. Provide a 100 percent Performance Bond in conformance with AIA Document 312 as modified to show that the time during which the Bond may be called is limited only to the extent required by Illinois law.
2. Provide a 100 percent Payment Bond in conformance with AIA Document 312 as modified to show that the time during which the Bond may be called is limited only to the extent required by Illinois law.
3. The bonds must be from a reputable company acceptable to the Owner as set forth above.

Execution of a Project Work Order with the Contractor by the Owner is contingent upon receipt of the required Bonds. The Performance Bond and Labor and Material Payment Bond will become a part of the Contract Documents. The Contractor and all Prime Contractors shall name the Owner as an obligee on all bonds.

§ 11.4.2 Upon the request of any person or entity appearing to be a potential beneficiary of bonds covering payment of obligations arising under the Contract, the Contractor shall promptly furnish a copy of the bonds or shall authorize a copy to be furnished.

ARTICLE 12 UNCOVERING AND CORRECTION OF WORK

§ 12.1 UNCOVERING OF WORK

§ 12.1.1 If a portion of the Work under a Project Work Order is covered contrary to the Architect's request or to requirements specifically expressed in the Contract Documents, it must, if requested in writing by the Architect, be uncovered for the Architect's examination and be replaced at the Contractor's expense without change in the Contract Time.

§ 12.1.2 If a portion of the Work under a Project Work Order has been covered that the Architect has not specifically requested to examine prior to its being covered, the Architect may request to see such Work and it shall be uncovered by the Contractor. If such Work is in accordance with the Contract Documents, costs of uncovering and replacement shall, by appropriate Change Order, be at the Owner's expense. If such Work is not in accordance with the Contract Documents, such costs and the cost of correction shall be at the Contractor's expense unless the condition was caused by the Owner or a separate contractor in which event the Owner shall be responsible for payment of such costs.

§ 12.2 CORRECTION OF WORK

§ 12.2.1 BEFORE OR AFTER SUBSTANTIAL COMPLETION

The Contractor shall promptly correct Work rejected by the Architect or failing to conform to the requirements of the Contract Documents, whether discovered before or after Substantial Completion and whether or not fabricated, installed or completed. Costs of correcting such rejected Work, including additional testing and inspections, the cost of uncovering and replacement, and compensation for the Architect's services and expenses made necessary thereby, shall be at the Contractor's expense.

§ 12.2.2 AFTER SUBSTANTIAL COMPLETION

§ 12.2.2.1 In addition to the Contractor's obligations under Section 3.5, if, within one year after the date of Substantial Completion of the Work specified in the Project Work Order or designated portion thereof or after the date for commencement of warranties established under Section 9.9.1, or by terms of an applicable special warranty required by the Contract Documents, any of the Work is found to be not in accordance with the requirements of the Contract Documents, the Contractor shall correct it promptly after receipt of written notice from the Owner to do so unless the Owner has previously given the Contractor a written acceptance of such condition. The Owner shall give such notice promptly after discovery of the condition. During the applicable period for correction of Work, if the Owner fails to notify the Contractor and give the Contractor an opportunity to make the correction, the Owner waives the rights to require correction by the Contractor and to make a claim for breach of warranty. The Owner shall give Contractor a reasonable opportunity to correct any Work not in accordance with the requirements of the Contract Documents prior to making any claim for breach of warranty.

§ 12.2.2.2 The one-year period for correction of Work performed under the Project Work Order shall be extended with respect to portions of Work first performed after Substantial Completion by the period of time between Substantial Completion and the actual completion of that portion of the Work. This obligation shall survive acceptance of the Work under the Contract and termination of the Contract.

(Paragraph deleted)

§ 12.2.3 The Contractor shall remove from the site portions of the Work that are not in accordance with the requirements of the Contract Documents and are neither corrected by the Contractor nor accepted by the Owner.

§ 12.2.4 The Contractor shall bear the cost of correcting destroyed or damaged construction, whether completed or partially completed, of the Owner or separate contractors caused by the Contractor's correction or removal of Work that is not in accordance with the requirements of the Contract Documents.

§ 12.2.5 Nothing contained in this Section 12.2 shall be construed to establish a period of limitation with respect to other obligations the Contractor has under the Contract Documents. Establishment of the one-year period for correction of Work as described in Section 12.2.2 relates only to the specific obligation of the Contractor to correct the Work, and has no relationship to the time within which the obligation to comply with the Contract Documents may be

sought to be enforced, nor to the time within which proceedings may be commenced to establish the Contractor's liability with respect to the Contractor's obligations other than specifically to correct the Work.

§ 12.3 ACCEPTANCE OF NONCONFORMING WORK

If the Owner prefers to accept Work that is not in accordance with the requirements of the Contract Documents, the Owner may do so instead of requiring its removal and correction, in which case the Contract Sum will be reduced as appropriate and equitable. Such adjustment shall be effected whether or not final payment has been made.

ARTICLE 13 MISCELLANEOUS PROVISIONS

§ 13.1 GOVERNING LAW

This Master Agreement shall be governed by the law of the State of Illinois and venue shall be fixed in the Circuit Court of Cook County.

§ 13.2 SUCCESSORS AND ASSIGNS

§ 13.2.1 The Owner and Contractor respectively bind themselves, their partners, successors, assigns and legal representatives to covenants, agreements and obligations contained in the Contract Documents. Except as provided in Section 13.2.2, neither party to the Master agreement shall assign the Master Agreement or any Project Work Order as a whole without written consent of the other. If either party attempts to make such an assignment without such consent, that party shall nevertheless remain legally responsible for all obligations under the Master Agreement or Project Work Order.

§ 13.2.2 The Owner may, upon the consent of the Contractor, assign the Project Work Order to a lender providing construction financing for the Project, if the lender assumes the Owner's rights and obligations under the Contract Documents. The Contractor shall execute all consents reasonably required to facilitate such assignment.

§ 13.3 WRITTEN NOTICE

Written notice shall be deemed to have been duly served if delivered in person to the individual, to a member of the firm or entity, or to an officer of the corporation for which it was intended; or if delivered at, or sent by registered or certified mail or by courier service providing proof of delivery to, the last business address known to the party giving notice.

§ 13.4 RIGHTS AND REMEDIES

§ 13.4.1 Duties and obligations imposed by the Contract Documents and rights and remedies available thereunder shall be in addition to and not a limitation of duties, obligations, rights and remedies otherwise imposed or available by law.

§ 13.4.2 No action or failure to act by the Owner, Architect or Contractor shall constitute a waiver of a right or duty afforded them under the Master Agreement, nor shall such action or failure to act constitute approval of or acquiescence in a breach there under, except as may be specifically agreed in writing.

§ 13.5 TESTS AND INSPECTIONS

§ 13.5.1 Tests, inspections and approvals of portions of the Work shall be made as required by the Contract Documents and by applicable laws, statutes, ordinances, codes, rules and regulations or lawful orders of public authorities. Unless otherwise provided, the Contractor shall make arrangements for such tests, inspections and approvals with an independent testing laboratory or entity acceptable to the Owner, or with the appropriate public authority, and shall bear all related costs of tests, inspections and approvals. The Contractor shall give the Architect timely notice of when and where tests and inspections are to be made so that the Architect may be present for such procedures. The Owner shall bear costs of (1) tests, inspections or approvals that do not become requirements until after bids are received or negotiations concluded, and (2) tests, inspections or approvals where building codes or applicable laws or regulations prohibit the Owner from delegating their cost to the Contractor.

§ 13.5.2 If the Architect, Owner or public authorities having jurisdiction determine that portions of the Work require additional testing, inspection or approval not included under Section 13.5.1, the Architect will, upon written authorization from the Owner, instruct the Contractor to make arrangements for such additional testing, inspection or approval by an entity acceptable to the Owner, and the Contractor shall give timely notice to the Architect of when and where tests and inspections are to be made so that the Architect may be present for such procedures. Such costs, except as provided in Section 13.5.3, shall be at the Owner's expense.

§ 13.5.3 If such procedures for testing, inspection or approval under Sections 13.5.1 and 13.5.2 reveal failure of the portions of the Work to comply with requirements established by the Contract Documents, all costs made necessary by such failure including those of repeated procedures and compensation for the Architect's services and expenses shall be at the Contractor's expense.

§ 13.5.4 Required certificates of testing, inspection or approval shall, unless otherwise required by the Contract Documents, be secured by the Contractor and promptly delivered to the Architect.

§ 13.5.5 If the Architect is to observe tests, inspections or approvals required by the Contract Documents, the Architect will do so promptly and, where practicable, at the normal place of testing.

§ 13.5.6 Tests or inspections conducted pursuant to the Contract Documents shall be made promptly to avoid unreasonable delay in the Work.

§13.5.7 **Retests.** The cost of a retest will be borne by the party requesting the retest, unless the retest shows that the original test or the Work being tested was in error or defective, and in such event, the cost of the retest shall be borne by the other party.

§ 13.6 INTEREST

All references to interest payments throughout the contract documents are hereby voided. Payment is governed by the Illinois Local Government Prompt Payment Act.

§ 13.7 CERTIFICATION REQUIRED

Contractor and Prime Contractors must certify that they are not barred from contracting with any unit of state or local government as a result of a violation of either Section 33E-3 or 33E-4 of the Illinois Criminal Code or any similar offense of any State or of the United States which contains the same elements as the Illinois offenses of bid-rigging or bid rotating. A Certificate of Eligibility to Enter into Public Contracts shall be executed by the Contractor and Prime Contractors.

§ 13.8 Tax Certificates and Exemption Numbers

Owner shall, as part of its undertakings under this Contract, provide to the Contractor all certificates of exemptions and tax exempt numbers needed to entitle Contractor and Prime Contractors to purchase material and other items to be used on the work or incorporated into the work on a tax exempt basis, said exemptions specifically to include but not be limited to the "Illinois Retailer's Occupation Tax" (sales tax). Contractor shall warrant that all material costs and scheduled values have been calculated so as to give Owner its full benefit of its tax-exempt status, and Contractor shall require that all Prime Contracts, and Subcontracts include a requirement that materials be purchased so as to give Owner the full benefit of its tax exempt status. Owner shall not be liable for, and shall be entitled to a credit against the Contract sum for, any sales tax paid by Contractor, Prime Contractors or any Subcontractor of any tier which is shown to have been charged to owner as part of the Contract sum, as a component of the schedule of values, as a unit price, or otherwise.

§ 13.9 No Waiver of Payment

Notwithstanding any language in the Master Agreement or any other Contract Document to the contrary or inconsistent with this provision, Owner shall not be deemed to waive any claim or right to assert a claim by making any progress payment or final payment.

§ 13.10 Waiver of Lien

Upon satisfaction of the terms and conditions of the Project Work Order and final payment, the Construction Manager agrees to provide the Owner with a final release and waiver of all liens covering all work performed under a Project Work Order relative to the project. Said final waiver of lien shall identify and state that all Prime Contractors and any applicable Subcontractors of any tier have been paid in full and there are no contract balances outstanding and owed to any such Prime Contractors or other Subcontractors."

§ 13.10 Drugfree Workplace

The Contractor shall comply with the *Illinois Drug Free Workplace Act* as contained in the Illinois Compiled Statutes Ch. 30, Sec. 580/1 *et. seq.*"

§ 13.11 Equal Employment Opportunity

Init.

All companies entering into contractual relationships with the Owner on federal or state-assisted projects must comply with the Illinois Preference Act and Federal Equal Opportunity regulations, including, but not limited to Executive Order 11246-11375.

§ 13.12 Record Keeping

Contractor and any Prime Contractor shall keep and maintain accurate books of record and account, in accordance with sound accounting principles, of all expenditures made and all costs, liabilities and obligations incurred under this Contract, and all papers, files, accounts, reports, cost proposals with backup data and all other material relating to work under a Project Work Order and shall make all such materials available at the office of the Owner at any reasonable time during the term of this contract and for the length of time established by law or five (5) years, whichever is longer from the date of final payment to Contractor or termination of this Contract for audit, inspection and copying upon Owner's request. The Contractor agrees to maintain all records and documents for projects of the Owner in compliance with the Freedom of Information Act, 5 ILCS 140/1 et seq. In addition, the Contractor shall produce records which are responsive to a request received by the Owner under the Freedom of Information Act so that the Owner may provide records to those requesting them within the time frames required. If additional time is necessary to compile records in response to a request, then the Contractor shall so notify the Owner and if possible, the Owner shall request an extension so as to comply with the Act. In the event that the Owner is found to have not complied with the Freedom of Information Act due to the Contractor's failure to produce documents or otherwise appropriately respond to a request under the Act, then the Contractor shall indemnify and hold the Owner harmless, and pay all amounts determined to be due including but not limited to fines, costs, attorneys' fees and penalties.

§ 13.13 Substance Abuse Prevention

The Contractor shall comply with and cause all subcontractors to comply with the requirements and provisions of the Illinois Substance Abuse Prevention on Public Works Projects Act (820 ILCS 265/1 et. seq.) (the "Act") by:

- .1 Prohibiting the use, possession, distribution or delivery of any drug or alcohol (as defined under the Act) or allowing any employee to be under the influence of any said drug or alcohol while performing the Work;
- .2 Filing a written substance abuse prevention program with the Owner for the prevention of substance abuse among its employees prior to the commencement of the Work. Said program shall be available to the general public and, at a minimum, contain the following:
 - .a A minimum requirement of a 9 panel urine drug test plus a test for alcohol. Testing an employee's blood may only be used for post-accident testing, however, blood testing is not mandatory for the employer where a urine test is sufficient;
 - .b A prohibition against the actions for the use, possession, distribution or delivery of any drug or alcohol (as defined under the Act) or any employee under the influence of any said drug or alcohol while performing the Work;
 - .c A requirement that employees performing the Work submit to pre-hire, random, reasonable suspicion, and post-accident drug and alcohol testing. Testing of an employee before commencement of the Work is not required if the employee participated in a random testing program during the 90 days preceding the date on which the employee commenced work hereunder; and
 - .d A procedure for notifying an employee that he or she may not perform any of the Work if he or she: 1) uses, possess, delivers or is under the influence of a drug or alcohol as prohibited under the Act; 2) tests positive for the presence of a drug as outlined in the Act; or 3) refuses to submit to drug or alcohol testing as required under the Contractor's substance abuse program until the employee tests negative for the presence of drugs or alcohol as outlined in the Act or has been approved to commence or return to work in accordance with the Contractor's substance abuse program.
- .3 Immediately removing and/or prohibiting access to the Work site of any employee who: 1) uses, possess, delivers or is under the influence of a drug or alcohol as prohibited under the Act; 2) tests positive for the presence of a drug as outlined in the Act; or 3) refuses to submit to drug or alcohol testing as required under the Contractor's substance abuse program. Said employee shall be prohibited from the Work site until he or she tests negative for the presence of drugs or alcohol as outlined in the Act or has been approved to commence or return to work in accordance with the Contractor's substance abuse program; and

.4 Complying with all other requirements of the Act.

§ 13.13.1 Failure by the Contractor to comply with the requirements of the Illinois Substance Abuse Prevention on Public Works Projects Act shall constitute a material default of the Contract and shall give the Owner the right to pursue any remedy available to it at law or in equity, including termination of this Contract for cause in the Owner's sole discretion and any other remedy as provided in this Contract. In the event of a default hereunder, Contractor shall also pay to the Owner all damages Owner is entitled to under this Contract that arise from the default, together with interest, costs, and the Owner's reasonable attorney fees."

§ 13.14 Contractor warrants that it is familiar with and shall comply with Federal, State and local laws, statutes, ordinances, rules and regulations and the orders and decrees of any courts or administrative bodies or tribunals in any manner affecting the performance of the Contract including without limitation Workers' Compensation Laws, minimum salary and wage statutes and regulations, laws with respect to permits and licenses and fees in connection therewith, laws regarding maximum working hours. No plea of misunderstanding or ignorance thereof will be considered.

§ 13.14.1 Whenever required, the Contractor or Subcontractor shall furnish the Architect and Owner with satisfactory proof of compliance with said Federal, State and local laws, statutes, ordinances, rules, regulations, orders, and decrees.

§ 13.14.2 Contractor shall carefully examine the Occupational Safety and health Act as issued by the Federal Register (OSHA), and the specific regulations governing procedures, techniques, safety precautions, equipment design, and the configuration of the same as required under this Act and shall comply with all terms of the Act and to perform and complete in a workmanlike manner all work required in full compliance with said Act.

§ 13.14.3 Contractor shall comply with all terms of the Illinois Preference Act and all terms of the Equal Employment Opportunity Clause of the Illinois Fair Employment Practices Commission.

§ 13.14.4 At all times Contractor shall remain in compliance with the Illinois Public Works Employment Discrimination Act (775 ILCS 10/1, et seq.) and the Illinois Human Rights Act (775 ILCS 5/2-101, et seq.), and in addition shall at all times comply with Section 2-105 of the Illinois Human Rights Act requiring a written sexual harassment policy as defined therein.

§ 13.14.5 Contractor understands, represents and warrants to the Owner that the Contractor and its Subcontractors (for which the Contractor takes responsibility to insure that they comply with the above-mentioned Acts) are in compliance with all requirements and that they will remain in compliance for the entirety of the Work. A violation of any of the Acts set forth in this Article is cause for the immediate cancellation of the Contract. However, any forbearance or delay by the Owner in canceling this Contract shall not be considered as, and does not constitute, Owner's consent to such violation and a waiver of any rights the Owner may have, including without limitation, cancellation of this Contract.

ARTICLE 14 TERMINATION OR SUSPENSION OF THE CONTRACT

§ 14.1 TERMINATION BY THE CONTRACTOR

§ 14.1.1 The Contractor may terminate the Project Work Order if the Work is stopped for a period of 30 consecutive days through no act or fault of the Contractor or a Subcontractor, Sub-subcontractor or their agents or employees or any other persons or entities performing portions of the Work under direct or indirect contract with the Contractor, for any of the following reasons:

- .1 Issuance of an order of a court or other public authority having jurisdiction that requires all Work under the Project Work Order to be stopped;
- .2 An act of government, such as a declaration of national emergency that requires all Work under the Project Work Order to be stopped;
- .3 Because the Architect has not issued a Certificate for Payment for Work performed under the Project Work Order and has not notified the Contractor of the reason for withholding certification as provided in Section 9.4.1, or because the Owner has not made payment on a Certificate for Payment within the time stated in the Contract Documents

§ 14.1.2 The Contractor may terminate the Project Work Order if, through no act or fault of the Contractor or a Subcontractor, Sub-subcontractor or their agents or employees or any other persons or entities performing portions of the Work under direct or indirect contract with the Contractor, repeated suspensions, delays or interruptions of the entire Work by the Owner as described in Section 14.3 constitute in the aggregate more than 100 percent of the total number of days scheduled for completion, or 120 days in any 365-day period, whichever is less.

§ 14.1.3 If one of the reasons described in Section 14.1.1 or 14.1.2 exists, the Contractor may, upon seven days' written notice to the Owner and Architect, terminate the Project Work Order and recover from the Owner payment for Work executed.

§ 14.1.4 If the Work is stopped for a period of 60 consecutive days through no act or fault of the Contractor or a Subcontractor or their agents or employees or any other persons performing portions of the Work under contract with the Contractor because the Owner has repeatedly failed to fulfill the Owner's obligations under the Contract Documents with respect to matters important to the progress of the Work, the Contractor may, upon seven additional days' written notice to the Owner and the Architect, terminate the Project Work Order and recover from the Owner as provided in Section 14.1.3.

§ 14.2 TERMINATION BY THE OWNER FOR CAUSE

§ 14.2.1 The Owner may terminate the Project Work Order if the Contractor

- .1 refuses or fails to supply enough properly skilled workers or proper materials;
- .2 fails to make payment to Subcontractors for materials or labor in accordance with the respective agreements between the Contractor and the Subcontractors;
- .3 disregards applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of a public authority; or
- .4 otherwise is guilty of substantial breach of a provision of the Contract Documents; or
- .5 declares bankruptcy or if a receiver is appointed.

§ 14.2.2 When any of the above reasons exist, the Owner, upon certification by the Initial Decision Maker that sufficient cause exists to justify such action, may without prejudice to any other rights or remedies of the Owner and after giving the Contractor and the Contractor's surety, if any, seven days' written notice, terminate employment of the Contractor and may, subject to any prior rights of the surety:

- .1 Exclude the Contractor from the site and take possession of all materials, equipment, tools, and construction equipment and machinery thereon owned by the Contractor;
- .2 Accept assignment of subcontracts pursuant to Section 5.4; and
- .3 Finish the Work of the applicable Project Work Order by whatever reasonable method the Owner may deem expedient. Upon written request of the Contractor, the Owner shall furnish to the Contractor a detailed accounting of the costs incurred by the Owner in finishing the Work.

§ 14.2.3 When the Owner terminates the Project Work Order for one of the reasons stated in Section 14.2.1, the Contractor shall not be entitled to receive further payment until the Work is finished.

(Paragraph deleted)

§ 14.3 SUSPENSION BY THE OWNER FOR CONVENIENCE

§ 14.3.1 The Owner may, without cause, order the Contractor in writing to suspend, delay or interrupt the Work under the Project Work Order in whole or in part for such period of time as the Owner may determine. If the suspension, delay or interruption is solely for Owner's convenience and not due to any act or omission of the Contractor, Owner shall extend the Contract Time.

§ 14.3.2 The Contract Sum and Contract Time shall be adjusted for increases in the cost and time caused by suspension, delay or interruption as described in Section 14.3.1. Adjustment of the Contract Sum shall include profit. No adjustment shall be made to the extent

- .1 that performance is, was or would have been so suspended, delayed or interrupted by another cause for which the Contractor is responsible; or
- .2 that an equitable adjustment is made or denied under another provision of the Contract.

§ 14.4 TERMINATION BY THE OWNER FOR CONVENIENCE

§ 14.4.1 The Owner may, at any time, terminate the Project Work Order for the Owner's convenience and without cause.

§ 14.4.2 Upon receipt of written notice from the Owner of such termination for the Owner's convenience, the Contractor shall

- .1 cease operations as directed by the Owner in the notice;
- .2 take actions necessary, or that the Owner may direct, for the protection and preservation of the Work; and
- .3 except for Work directed to be performed prior to the effective date of termination stated in the notice, terminate all existing subcontracts and purchase orders and enter into no further subcontracts and purchase orders.

§ 14.4.3 In case of such termination for the Owner's convenience, the Contractor shall be entitled to receive payment for Work executed, and costs incurred by reason of such termination, along with reasonable overhead and profit.

ARTICLE 15 CLAIMS AND DISPUTES

§ 15.1 CLAIMS

§ 15.1.1 DEFINITION

A "Claim" is a written demand or assertion by the Contractor seeking adjustment to interpretation of contract terms, payment of money, extension of time or other relief with respect to the terms or arising out of the Master Agreement.

§ 15.1.2 NOTICE OF CLAIMS

Claims by either the Owner or Contractor must be initiated by written notice to the other party and to the Initial Decision Maker with a copy sent to the Architect, if the Architect is not serving as the Initial Decision Maker. Claims by either party must be initiated within 21 days after occurrence of the event giving rise to such Claim or within 21 days after the claimant first recognizes the condition giving rise to the Claim, whichever is later.

§ 15.1.3 CONTINUING PERFORMANCE

Pending final resolution of a Claim, except as otherwise agreed in writing or as provided in Section 9.7 and Article 14, the Contractor shall proceed diligently with performance of the Work under Project Work Order and the Owner shall continue to make payments in accordance with the Contract Documents. The Architect will prepare Change Orders and issue Certificates for Payment in accordance with the decisions of the Initial Decision Maker.

§ 15.1.4 CLAIMS FOR ADDITIONAL COST

If the Contractor wishes to make a Claim for an increase in the Contract Sum, written notice as provided herein shall be given before proceeding to execute the Work. Prior notice is not required for Claims relating to an emergency endangering life or property arising under Section 10.4.

§ 15.1.5 CLAIMS FOR ADDITIONAL TIME

§ 15.1.5.1 If the Contractor wishes to make a Claim for an increase in the Contract Time, written notice as provided herein shall be given. The Contractor's Claim shall include an estimate of cost and of probable effect of delay on progress of the Work. In the case of a continuing delay, only one Claim is necessary.

§ 15.1.5.2 If adverse weather conditions are the basis for a Claim for additional time, such Claim shall be documented by data substantiating that weather conditions were abnormal for the period of time, could not have been reasonably anticipated and had an adverse effect on the scheduled construction.

§ 15.1.6 **Waiver of Punitive Damages.** The Contractor and Owner waive all claims against each other for all punitive damages arising out of or relating to this

(Paragraphs deleted)

Master Agreement, but nothing in this Subparagraph 4.4.4 shall be deemed to preclude an award of liquidated damages, when applicable, in accordance with the requirements of the Contract Documents.

§ 15.1.7 **Attorneys' Fees and Costs.** In any suit or action arising under this Master Agreement, the prevailing party shall be entitled to an award of reasonable attorney's fees and costs of litigation.

§ 15.2 INITIAL DECISION

§ 15.2.1 Claims, excluding those arising under Sections 10.3, 10.4, 11.3.9, and 11.3.10, shall be referred to the Initial Decision Maker for initial decision. The Architect will serve as the Initial Decision Maker, unless otherwise indicated in the Agreement. Unless the Initial Decision Maker and all affected parties agree, the Initial Decision Maker will not decide disputes between the Contractor and persons or entities other than the Owner.

§ 15.2.2 The Initial Decision Maker will review Claims and within ten days of the receipt of a Claim take one or more of the following actions: (1) request additional supporting data from the claimant or a response with supporting data from the other party, (2) reject the Claim in whole or in part, (3) approve the Claim, (4) suggest a compromise, or (5) advise the parties that the Initial Decision Maker is unable to resolve the Claim if the Initial Decision Maker lacks sufficient information to evaluate the merits of the Claim or if the Initial Decision Maker concludes that, in the Initial Decision Maker's sole discretion, it would be inappropriate for the Initial Decision Maker to resolve the Claim.

§ 15.2.3 In evaluating Claims, the Initial Decision Maker may, but shall not be obligated to, consult with or seek information from either party or from persons with special knowledge or expertise who may assist the Initial Decision Maker in rendering a decision. The Initial Decision Maker may request the Owner to authorize retention of such persons at the Owner's expense.

§ 15.2.4 If the Initial Decision Maker requests a party to provide a response to a Claim or to furnish additional supporting data, such party shall respond, within ten days after receipt of such request, and shall either (1) provide a response on the requested supporting data, (2) advise the Initial Decision Maker when the response or supporting data will be furnished or (3) advise the Initial Decision Maker that no supporting data will be furnished. Upon receipt of the response or supporting data, if any, the Initial Decision Maker will either reject or approve the Claim in whole or in part.

§ 15.2.5 The Initial Decision Maker will render an initial decision approving or rejecting the Claim, or indicating that the Initial Decision Maker is unable to resolve the Claim. This initial decision shall (1) be in writing; (2) state the reasons therefor; and (3) notify the parties and the Architect, if the Architect is not serving as the Initial Decision Maker, of any change in the Contract Sum or Contract Time or both.

§ 15.2.6 A decision by the Initial Decision Maker shall not constitute a waiver by either party to have a claim resolved through judicial decision.

(Paragraph deleted)

§ 15.2.7 In the event of a Claim against the Contractor, the Owner may, but is not obligated to, notify the surety, if any, of the nature and amount of the Claim. If the Claim relates to a possibility of a Contractor's default, the Owner may, but is not obligated to, notify the surety and request the surety's assistance in resolving the controversy.

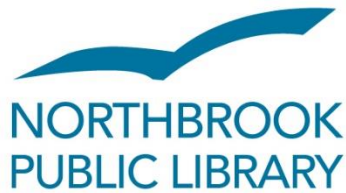
§ 15.2.8 If a Claim relates to or is the subject of a mechanic's lien, the party asserting such Claim may proceed in accordance with applicable law to comply with the lien notice or filing deadlines.

(Paragraphs deleted)

§ 16 RENOVATION OR ADDITIONS TO AN EXISTING STRUCTURE AND TEMPORARY UTILITIES

§ 16.1 INVESTIGATION, ANALYSIS AND TESTING The Contractor has not investigated or determined the current conditions of the existing superstructure, building systems and the adequacy of utilities that may impact Contractor's performance of the Work. The cost of correcting any such deficiencies is not included within the GMP.

§ 16.2 SERVICES PROVIDED BY OWNER Notwithstanding anything to the contrary contained in Section 3.4.1 of these General Conditions or elsewhere in the General Conditions or other Contract Documents, Owner shall pay for water, heat, utilities, and any other services or facilities necessary for the proper execution and completion of the Work.



Memorandum

DATE: March 10, 2021

TO: Board of Trustees

FROM: Kate Hall, Executive Director

RE: Fiction & Media Staff Space Renovation

If the board approves the Master Agreement, the next step would be to approve the work order for the next Master Plan project. Up next is renovating the staff space on the 3rd floor. This project was included in the bond funding received in 2019. This project will renovate the existing space (pictured below) and allow for more uniform staff spaces for the 17 staff members that work in the department. Currently, the space does not have ceilings, which means that patrons can hear conversations happening in the staff spaces. Construction on this project would begin in 2022 as outlined in the schedule attached to the Work Order.



POSSIBLE MOTION (If Master Agreement is approved): Motion to approve the Fiction & Media Staff Space Renovation Work Order as presented.

PROJECT WORK ORDER # 001

Board of Library Trustees of the Village of Northbrook ("Owner") and **Pepper Construction Company** ("Construction Manager") entered into a Master Agreement on (Tentative) March 18th, 2021 ("Master Agreement"). Such Master Agreement is in the format of an AIA A133-2009, as modified, with additional Contract Documents including General Conditions (AIA A201-2007, as modified), the Project Manual, and Drawings and Specifications.

The Owner and the Construction Manager hereby agree to enter into this Project Work Order, dated (Tentative) 03/18/21, whereby all provisions of the Master Agreement shall be incorporated herein for the project known as "3rd Floor - Fiction and Media Staff Space Renovations" ("Project"), which is located at 1201 Cedar Lane Northbrook, IL 60062 and consists of renovations and as further described in the Contract Documents and Clarifications, a list of which to be included upon execution of Exhibit A, Guaranteed Maximum Price Amendment. Project-specific terms and information pursuant to this Project Work Order are as follows:

1. Date of Design Commencement shall be (Tentative) 04/05/21.
2. Date of Construction Commencement shall be (Tentative) 03/19/22.
3. Substantial Completion shall be achieved no earlier than (Tentative) 05/01/22 and as further set forth in the attached Exhibit B, Project Construction Schedule.
4. The Preconstruction Cost Estimate (As established by the Northbrook Public Library Facility Plan, PCC budgetary estimate to follow) is Five-Hundred and Seventy-Five Thousand Dollars (\$575,000). Compensation for Preconstruction Phase Services shall be equitably adjusted if such services extend beyond (Tentative) 01/10/22, without the fault of the Construction Manager or if the originally contemplated scope of services is significantly modified.
5. Commercial General Liability insurance premiums, as further described at Section 6.6.1 of the Master Agreement, shall be charged at the rate of 1.2% per thousand dollars of the Cost of the Work.
6. Construction Manager's Fee shall be Five percent (5%).
7. Exhibit A, Guaranteed Maximum Price Amendment shall be executed by both parties pursuant to Section 2.2.6 of the Master Agreement.
8. Should the Cost of the Work plus the Construction Manager's Fee be less than the GMP as adjusted by Change Order, the resulting savings shall be shared between Owner and Construction Manager 100% / 0%, respectively.
9. The Owner's representative for this Project shall be:

Northbrook Public Library
1201 Cedar Lane
Northbrook, IL 60062
847-272-6224

The Architect's representative for this Project shall be:

Product Architecture + Design

811 W. Evergreen, Suite 405
Chicago, IL 60642
(773) 398-7286

The Construction Manager's representative for this Project shall be:

Pepper Construction Company

411 Lake Zurich Road
Barrington, IL 60010
(847) 381-2760

10. Exhibits attached hereto, and which are a portion of the Contract Documents, include the following:

Exhibit A	Guaranteed Maximum Price Amendment (Following Issue for Bid Documents)
Exhibit B	Master Project Schedule – Dated 03.02.21 (To be refined following Issue for Bid Documents)
Exhibit C	Construction Manager's Certificate of Insurance (Following Issue for Bid Documents)

The parties hereto execute this Project Work Order through their authorized officers, as of the date first above written, in at least three original copies, of which one is to be delivered to the Construction Manager, one to the Architect for use in the administration of the Contract, and the remainder to the Owner.

PEPPER CONSTRUCTION COMPANY

By: _____

By: _____

Its:

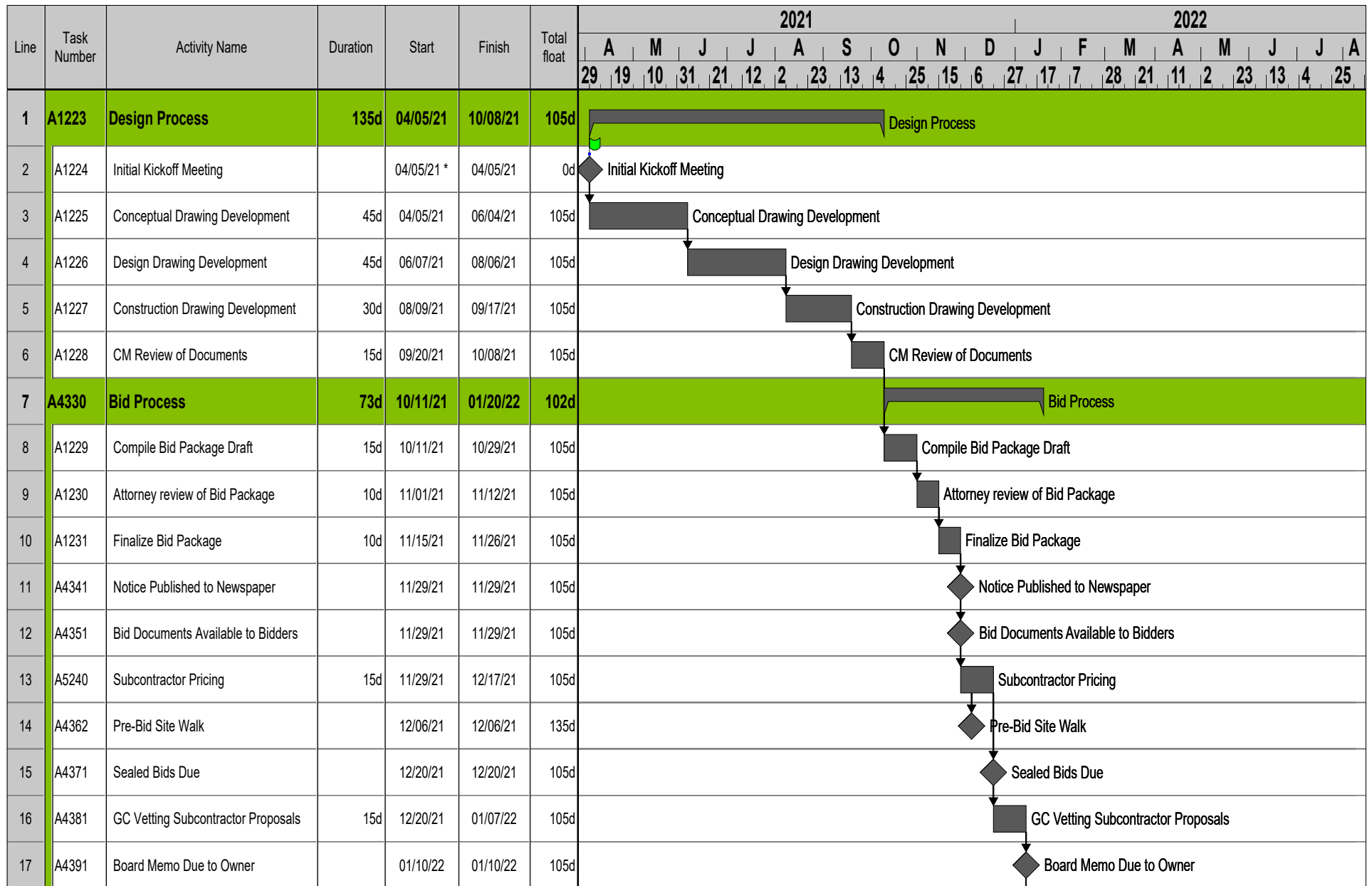
Its: **Project Executive**

Northbrook Public Library - F&M Staff Space

Standard View

Print Date: 03/02/2021

Data Date: 01/04/2021



Revision Number: A
Revision Comments: Comment - Chart Properties
Revision Date: 04/27/2006

