



Pelican Rapids Public Schools, ISD #548
P.O. Box 642, Pelican Rapids, MN 56572

Program Management & Project
Representation Services

December 1, 2013

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Program Management & Representation Services

November 2013 Bond Referendum Project

Introduction

ICS Consulting, Inc. (ICS) is pleased to present this proposal agreement to provide continued Program Management and Project Representation services on behalf of the District for the upcoming improvements project based on the following understanding of the overall project scope and timeline:

ICS was originally engaged to work with the District to develop and implement a district-wide approach and associated recommendations related to completion of potential improvement projects throughout the District. After several months of further development and refinement, efforts culminated in a successful \$21,950,000 dollar voter-approved bond referendum in November of 2013.

The proposed work scopes consist of completion of numerous additions and renovations within the existing secondary facility including a new gymnasium, replacement auditorium, new cafeteria commons, and extensive interior renovations. In addition, much needed deferred maintenance work will be completed at both facilities. A detailed listing of all work scopes is included in Appendix D of this document.

Following the recent successful referendum effort, it is assumed that the design, pre-construction, and construction phase activities will commence immediately. It is anticipated that all phases of the project will be phased and completed over the course of the next two years with final completion for the vast majority of the work in late 2015.

Program Management and Project Representation Services to be provided by ICS Consulting, Inc. on your behalf as outlined in the summary below:

I. Development, Design, and Pre-Construction Phase

- Assist the District with securing and negotiating contracts with design and professional services necessary for completion of the projects.
- Assist with development of all necessary submittal and review and comment documentation for the MDE.
- Development of an on-going project communications plan to include on-going updates, reporting, etc. over the course of all projects.
- On-going interaction and coordination with District staff.
- Develop the overall project schedules and phasing.
- On-Going coordination of all project-related consultants including review of all team member contracts and agreements with the district.
- Cost estimating and overall budget development for all projects including updates at each phase of the design processes.
- Assistance with review and development of comprehensive Division 00 and 01 front-end specifications.

II. Construction & Post-Construction Phase

- Review of schematic design and design development documents for coordination and scope issues.
- Review the 95% CD's for coordination and constructability issues.
- Facilitation of a pre-bid walk-thru's.
- Coordination of public bid and award processes and necessary procurement activities for all scopes of work including post-bid analysis and contract award process.
- Develop and administer owner construction contracts for the projects.
- Coordination of on-site trade contractor work and project-related activities.
- Processing, logging, and tracking of project-related communications including SI's, RFP's, RFI's, CO's etc.
- Interface with on-site trade contractors and designs team for resolution of on-going construction-related issues.
- On-going projects budget tracking and accounting on behalf of the District including on-going reconciliation of all project-related expenditures in conjunction with the District.
- Coordination of final punch-lists and final closeouts completion by trade contractors for the projects.
- Coordination of all close-out documentation including As-Builts, warranties and O&M Manuals.
- Facilitation of an 11-month walk-thru for applicable scopes of work.

III. Basis of Compensation

ICS's Compensation for all project-related services as described and summarized above are proposed as a lump sum fixed fee of \$662,000 for services provided during the planning and pre-referendum phase, design and development phase, and construction and post-construction phases of the project.

The actual amount billed for ICS's services on a monthly basis will be based on ICS's estimate of the proportion of total services actually completed during the billing period.

Reimbursable expenses will be billed on a direct basis and include such items as travel, subsistence, reproduction of reports, drawings, specifications, bidding documents and similar project-related items, technology usage/specialized equipment.

For Project work beyond services outlined in proposal and/or any changes to the agreed upon scope of services or project duration, services will be billed on a time-and-materials basis in addition to the above noted fees. However, additional work will not be conducted without approval by the District.

Appendix A

Fee Schedule

Professional Fee Schedule

(This Rate Schedule to be used Only with Prior Approval Written from the District)

ICS provides consulting services on both a flat rate and time-and-materials basis. In the event of a clearly defined scope of additional services or specific project, a project cost estimate will be provided, when possible, based on the following rate schedule.

- Work performed beyond a normal working day (defined as hours in excess of 8 hours a day), weekends and national holidays will be billed at time and one-half.
- Outside consultant fees, equipment or materials purchased at the client's request will be billed at cost plus 10%.
- Current mileage is billed at \$.65 per mile. Travel time will be billed at half rate for trips in excess of one hour. Mileage may be adjusted to reflect the current IRS allowance.

ICS's services will be billed at the following rates:

Consulting Services

▪ Principal	\$130.00
▪ Senior Project Engineer	\$125.00
▪ Senior Project Manager	\$125.00
▪ Project Manager	\$90.00
▪ Graphics/Computer-Aided Drafting (CAD).....	\$75.00
▪ Administrative/Clerical Support.....	\$55.00
▪ Legal Consultant	\$260.00
▪ Cost Estimator.....	\$95.00
▪ Professional Engineer	\$135.00
▪ Certified Thermographer	\$170.00

Emergency services and rates for services after hours, on weekends or under extenuating circumstances will require an increased labor rate one and one-half times the above rates. Travel and other expenses will be billed on a direct basis.

ICS invoices reflect all costs associated with the services performed, to include project management/project review fees such as project planning, project development, project oversight costs such as contract management, process of lien waivers, obtaining certificates of insurance, etc, and a project quality control fee. Reimbursable expenses are typically travel mileage and/or lodging expenditures.

Appendix B

General Conditions

General Conditions

The word "Consultant" refers to ICS Consulting, Inc., the company with which Owner is contracting. "Owner" is our client. The Agreement with you, the client, is comprised of this Agreement and accompanying written proposal.

1. Scope of Work and Duration of Services

Consultant will furnish and perform the services specified in Consultant's proposal (the "Proposal"). If any portion of the proposal is inconsistent with this Agreement, this Agreement shall control.

The commencement date for basic services shall be the date of approval of this proposal agreement.

Consultant's obligation to perform the Services shall terminate upon completion of the 1 year statutory warranty period for the project or upon completion of all specified services described in this proposal.

2. General Provisions

In addition to the Proposal, Consultant and Owner agree as follows:

A. Right of Access

Unless otherwise agreed in writing, Owner will furnish Consultant with right-of-access to the Site and accurate information necessary to conduct the Services, as requested by Consultant.

B. Confidential & Proprietary Information

The Consultant and Owner agree not to disclose to others or use any confidential or proprietary information or trade secrets of the other, which may become known to each prior to, during or after the performance of this Agreement without the prior written consent of the other. "Confidential or proprietary information" and "trade secrets" shall mean any information about the other which is neither publicly known nor legally accessible to the other parties from third parties. Prior to the disclosure of any such confidential or proprietary information or trade secrets, each shall obtain the written approval of the other. Neither Owner nor Consultant shall use the specification or other materials produced under this Agreement for any purpose beyond the scope of this project, without prior written agreement of the other.

C. Quality

Consultant warrants that the Services it performs under this Agreement will be performed with the care and skill ordinarily exercised by reputable members of its profession practicing under similar conditions during the period of this Agreement and in the same or similar locality.

2. Payment for Services

A. Invoices will be submitted monthly for services performed during the previous month.

B. Payments will be considered due and payable 30 days from the date of the associated invoice. If payments are not received upon becoming due and payable, interest may be assessed on the outstanding balance at a rate of the US Bank Reference Rate plus 5%, with interest accruing beginning 30 days from the original date of the invoice.

3. Indemnity & Insurance

A. Indemnity

Consultant agrees, to the fullest extent permitted by law, to indemnify and hold harmless Owner, its agents, and employees, from all claims, losses, costs, and damages arising in any way out of Consultant's performance of work under this agreement, but only to the extent caused in whole or in part by negligent acts or omissions or intentional fault on the part of the consultant, regardless of whether such claim, loss, cost, or damage is caused in part by the Owner.

Owner agrees, to the fullest extent permitted by law, to indemnify and hold harmless Consultant, its agents, and employees, from all claims, losses, costs, and damages arising in any way out of

Owner's performance of work under this agreement, but only to the extent caused in whole or in part by negligent acts or omissions or intentional fault on the part of the Owner, regardless of whether such claim, loss, cost, or damage is caused in part by the Consultant.

B. Insurance

Insurance Provided by Consultant. Before the start of its work, the Consultant shall procure and maintain in force coverage and limits of insurance for its own negligence as follows:

- (a) Employers' Liability: \$1,000,000.00.
- (b) General Liability: \$1,000,000.00 Occurrence, \$1,000,000.00 Aggregate
- (c) Automobile Insurance: All Owned vehicles used in connection with the services of this Agreement.

4. Limitations on Liability

- A.** The obligations of the Owner under this Agreement do not constitute personal obligations of Owner or its directors, officers or agents. Consultant will look solely to Owner's assets for satisfaction of any liability in respect of this Agreement and will not seek recourse against the directors, officers or agents of Owner or any of their personal assets for such satisfaction, unless there is a written agreement which makes an individual personally liable, executed by that individual. The provisions of this Paragraph 4 are not intended to relieve Owner from the performance of its obligations under this Agreement, but only to limit personal liability in the case of recovery of judgment. They do not limit Consultant's rights to obtain injunctive relief and specific performance or to maintain any other action not involving the personal liability of Owner or its directors, officers or agents.
- B.** In any event, the financial liability of the Consultant for any alleged breach of this Contract, or for any tort committed in performance of this contract, shall not exceed 25% of the total contract amount due to Consultant as payment to it for services performed under this Contract.
- C.** ICS shall not be responsible for the acts or omissions of any consultant, contractor or any subcontractor, supplier or other individuals or entities performing design and/or furnishing any portions of the work. ICS shall not be responsible for the failure of any Contractor to perform or furnish the work in accordance with the Contract Documents.

5. Assignment

This Agreement shall not be assigned by Consultant without prior written consent of the Owner.

6. Authorities for Action

Owner designates a responsible employee for administration and coordination of the work. Consultant designates a responsible employee to act on its behalf in any matter under this Agreement. Either party may designate in writing one or more persons to act on its behalf in any manner under this Agreement, provided notice is given according to the provisions set forth in Paragraph 8 below.

7. Independent Contractor

It is specifically understood and agreed that at all times pertinent to this Agreement, Consultant shall be an independent Contractor and shall not be considered an employee of the Owner.

8. Notices

Any notice under this Agreement shall be in writing and shall be deemed to be properly given when delivered to an officer of Owner or Consultant or upon receipt by the other party, when mailed by registered or certified mail, postage prepaid, return receipt requested.

Either party shall have the right to designate by notice, in the manner set forth above, a different address to which notices are to be mailed.

9. Applicable Law

This Agreement shall be governed by and construed under the laws of the State of Minnesota.

10. Extent of Agreement

This Agreement represents the entire Agreement between Owner and Consultant, and supersedes all prior obligations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument, dated and executed by both Owner and Consultant.

11. Termination

This Agreement may be terminated for proper cause by either party for any reason upon thirty (30) days written notice to the other party. Upon termination, Consultant will deliver to Owner or its designee all records, documents or materials in its possession or control of Consultant which relate to the Project and for which payment has been received. If Services have been prepared for, or performed, for which payment has not been received as of the date of termination, Owner shall be entitled to purchase the products of those Services, such as records, materials and documents, for the consideration due therefore under this Agreement. If Owner does not purchase the products of these Services, Owner remains liable to Consultant for any incurred but unpaid charges for Services performed.

12. Hazardous Materials

It is acknowledged by both parties that ICS Consulting, Inc.'s scope of services does not include any services related to asbestos, hazardous, or toxic materials that may be encountered or found to be present at or in areas adjacent to the site. Any such materials that are encountered shall be immediately brought to the attention of the owner, who will be solely responsible for any required abatement and/or removal of the materials in full compliance with applicable laws and regulations.

Appendix C

Signature Page

Signature Page

Pelican Rapids Public Schools ISD #548
Program Management and Project Representation Services
December 1, 2013

Proposal Terms

Terms on payment of services are delineated in the proposal dated December 1, 2013.

Signature includes acceptance of attached proposal, fee schedule, and general conditions.

Authorization to Proceed

We appreciate the opportunity to present this proposal for Program Management and Project Representation Services. Please sign and return both copies of this document to our office. Upon receipt of both signed copies, a fully executed original copy will be forwarded back to you for your records. We will begin the project at the time of signature acceptance of this proposal.

* * *

Please proceed according to the above stated terms, attached general conditions and the proposal.

Date

Printed Name

Authorized Signature

Appendix D

Scope of Work Summary

PROJECT: Pelican Rapids Schools - Conceptual Facilities Planning Scenarios
 LOCATION: Pelican Rapids, MN
 PREP BY: ICS Consulting
 DATE: July 29, 2013

	<u>Concept Budget</u>	SF	\$ / SF
Construction (assumes 2014 & 2015 const.)			
Demolition			
Admin / Dist. Office Areas	\$180,000	15,000	\$12
Cafeteria	(in above)		
Dock Area	(in above)		
Existing Auditorium	\$200,000		
Other	\$100,000		
Commons / Admin / Entry Additions			
Admin. / District Office Spaces	\$525,000	3,500	\$150
Secure Entrance / Foyer	\$102,000	600	\$170
Kitchen	\$500,000	2,500	\$200
Serving	\$153,000	900	\$170
Storage	\$52,000	400	\$130
Commons / Cafeteria Space	\$1,120,000	7,000	\$160
Loading Dock / Storage	\$156,000	1,200	\$130
Toilets	\$162,000	900	\$180
Concessions / Support	\$232,000	1,450	\$160
FACS Space Relocation	\$150,000	1,500	\$100
Misc. Tie-Ins	\$300,000		
Auditorium Addition (500-530 seats)			
Seating / House / Vestibules	\$1,275,000	7,500	\$170
Stage	\$612,000	3,600	\$170
Orchestra Pit	\$144,000	900	\$160
Dressing / Make-up Rooms / Toilets	\$135,000	900	\$150
Lg. Group Room / Storage / Tool Rm.	\$140,000	1,000	\$140
Control Room / Dimmer Rm.	\$70,000	500	\$140
Piano Storage / Shell Stor. / Riser & Music Stor.	\$78,000	600	\$130
Access / Scene Shop / Etc.	\$104,000	800	\$130
Gymnasium / LR / Auxiliary Spaces Addition			
2 - Station Gym (bleacher seating for approx. 2000 to 2250)	\$2,030,000	14,500	\$140
3-Lane Walking Track in New Gym	\$705,600	5,880	\$120
Boys & Girls Lockerrooms	\$810,000	4,500	\$180
Storage / Support / Circulation	\$130,000	1,000	\$130
Toilets, etc.	\$216,000	1,200	\$180
Wrestling Space	\$455,000	3,500	\$130
Renovated Weights / Fitness Space	\$160,000	2,000	\$80
Renovated Dance / Multi-Use Space	\$240,000	3,000	\$80
New Entry and Associated Circulation / Misc.	\$700,000	5,000	\$140
Additional Improvements			
Additional Re-Org., ADA, & Security Imp.	\$300,000		
District Garage	\$150,000		
Sitework and Parking	\$800,000		
Renovation of Existing Science Spaces	\$416,000	5,200	\$80
Renovation of (8) Existing JH Classrooms	\$448,000	6,400	\$70
Renovate Existing HS & JH Bathrooms	\$250,000		
Sub-Divide Upper Level Study Hall for Addtnl CR's	\$250,000	4,000	\$50
Deferred Maintenance			
Priority #1	\$2,260,000		Refer to Detail Attached
Construction Total	\$16,810,600		
Professional Fees, Services, & Reimb.	\$2,017,272		Allowance
Building Permit/Fees/State Plan Review	\$336,212		Allowance
FF&E	\$900,000		Incl. food service and auditorium
Technology & Security	\$400,000		
Other Consultant Costs			
Project Commissioning/Validation	\$80,000		Allowance
Construction Testing	\$50,000		Allowance
Soil Testing	\$20,000		Allowance
Site Survey	\$15,000		Allowance
Owner Costs			
District Project Expenses	\$50,000		Allowance for moving, cleaning, etc.
Bond Issuance/Underwriter Costs	\$370,916		Per Springsted
Contingency	\$900,000		Allowance - Design and Construction
Totals:	\$21,950,000		