

CITY OF PORTLAND
 AGREEMENT FOR PROFESSIONAL, TECHNICAL, OR EXPERT SERVICES

CONTRACT NO. 3000 2867

SHORT TITLE OF WORK PROJECT:

A/E Services for The Portland Building Exterior Envelope Restoration and Structural Improvements

This contract is between the City of Portland ("City," or "Bureau") and FFA Architecture and Interiors, Inc., hereafter called Contractor. The City's Project Manager for this contract is Dale Cook.

Effective Date and Duration

This contract shall become effective on September 17, 2012. This contract shall expire, unless otherwise terminated or extended, on September 16, 2015.

Consideration

- (a) City agrees to pay Contractor a sum not to exceed \$2,043,452 for accomplishment of the work.
- (b) Interim payments shall be made to Contractor according to the schedule identified in the STATEMENT OF THE WORK AND PAYMENT SCHEDULE.

CONTRACTOR DATA AND CERTIFICATION

Name (please print): FFA Architecture and Interiors, Inc.

Address: 520 SW Yamhill, Suite 900, Portland, OR 97204

Employer Identification Number (EIN) 93-0960243

[INDEPENDENT CONTRACTORS: DO NOT PROVIDE SOCIAL SECURITY NUMBER (SSN) – LEAVE BLANK IF NO EIN]

City of Portland Business License # 35550

Citizenship: Nonresident alien ☐ Yes ☐ No

Business Designation (check one): ☐ Individual ☐ Sole Proprietorship ☐ Partnership ☒ Corporation

☐ Limited Liability Co (LLC) ☐ Estate/Trust ☐ Public Service Corp. ☐ Government/Nonprofit

Payment information will be reported to the IRS under the name and taxpayer I.D. number provided above. Information must be provided prior to contract approval.

TERMS AND CONDITIONS

1. Standard of Care: Contractor shall perform all services under this contract using that care, skill and diligence that would ordinarily be used by similar professionals in this community in similar circumstances.

2. Effect of Expiration

Passage of the contract expiration date shall not extinguish, prejudice, or limit either party's right to enforce this Contract with respect to any default or defect in performance that has not been corrected.

3. Order of Precedence

This contract consists of these Terms and Conditions, the Statement of Work and Payment Schedule, and any exhibits that are attached. Any apparent or alleged conflict between these items will be resolved by using the following order of precedence: a) these Terms and Conditions; b) Statement of Work and Payment Schedule; and c) any exhibits attached to the contract.

4. Early Termination of Contract

(a) The City may terminate this Contract for convenience at any time for any reason deemed appropriate in its sole discretion. Termination is effective immediately upon notice of termination given by the City.

(b) Either party may terminate this Contract in the event of a material breach by the other party that is not cured. Before termination is permitted, the party seeking termination shall give the other party written notice of the breach, its intent to terminate and fifteen (15) calendar days to cure the breach. If the breach is not cured within 15 days, the party seeking termination may terminate immediately by giving written notice that the Contract is terminated.

5. Remedies and Payment on Early Termination

- (a) If the City terminates pursuant to 4(a) above, the City shall pay the Contractor for work performed in accordance with the Contract prior to the termination date. No other costs or loss of anticipated profits shall be paid.
- (b) If the City terminates pursuant to 4(b) above, the City is entitled all remedies available at law or equity. In addition, Contractor shall pay the City all damages, costs and sums incurred by the City as a result of the breach.
- (c) If the Contractor justifiably terminates the contract pursuant to subsection 4(b), the Contractor's only remedy is payment for work prior to the termination. No other costs or loss of anticipated profits shall be paid.
- (d) If the City's termination under Section 4(b) was wrongful, the termination shall be automatically converted to one for convenience and the Contractor shall be paid as if the Contract was terminated under Section 4(a).
- (e) In the event of early termination the Contractor's work product before the date of termination becomes property of the City.

6. Assignment

Contractor shall not subcontract, assign or transfer any of the work scheduled under this agreement, without the prior written consent of the City. Notwithstanding City approval of a subcontractor, the Contractor shall remain obligated for full performance hereunder, and the City shall incur no obligation other than its obligations to the Contractor hereunder. The Contractor agrees that if subcontractors are employed in the performance of this Agreement, the Contractor and its subcontractors are subject to the requirements and sanctions of ORS Chapter 656, Workers' Compensation.

7. Compliance with Applicable Law

Contractor shall comply with all applicable federal, state and local laws and regulations. Contractor agrees it currently is in compliance with all tax laws.

8. Indemnification for Property Damage and Personal Injury

Contractor shall indemnify, defend, and hold harmless the City, its officers, agents, and employees, from all claims, losses, damages, and costs (including reasonable attorney fees) for personal injury and property damage arising out of the intentional or negligent acts or omissions of the Contractor, its Subcontractors, suppliers, employees or agents in the performance of its services. Nothing in this paragraph requires the Contractor or its insurer to indemnify the City for claims of personal injury or property damage caused by the negligence of the City. This duty shall survive the expiration or termination of this contract.

9. Insurance

During the term of this contract, Contractor shall maintain in force at its own expense, the insurance noted below:

- (a) Workers' Compensation insurance in compliance with ORS 656.017, which requires subject employers to provide Oregon workers' compensation coverage for all their subject workers (contractors with one or more employees, unless exempt under ORS 656.027). Contractor will require any and all sub-contractors to similarly comply.
- (b) Commercial General Liability Insurance: Contractor shall have Commercial General Liability (CGL) insurance covering bodily injury, personal injury, property damage, including coverage for independent contractor's protection (required if any work will be subcontracted), premises/operations, contractual liability, products and completed operations, in per occurrence limit of not less than \$1,000,000, and aggregate limit of not less than \$2,000,000. It shall include contractual liability coverage for the indemnity provided under this contract, and shall provide that City of Portland, and its agents, officers, and employees are Additional Insureds, but only with respect to the Contractor's services to be provided under this Contract:

Required by operating Bureau X

Waived by operating Bureau Director or designee ____

- (c) Automobile Liability insurance with a combined single limit of not less than \$1,000,000 per occurrence for Bodily Injury and Property Damage, including coverage for owned, hired, or non-owned vehicles, as applicable:

Required by operating Bureau X

Waived by operating Bureau Director or designee ____

- (d) Professional Liability insurance with a combined single limit of not less than \$1,000,000 per claim, incident, or occurrence. If insurance is provided on a "claims made" basis the Contractor shall acquire "tail" coverage or continue the same coverage for three years after completion of the contract, provided coverage is available and economically feasible. If not feasible, contractor shall notify City immediately.

Required by operating Bureau X

Waived by operating Bureau Director or designee ____

- (e) There shall be no cancellation, material change, reduction of limits, or intent not to renew any required insurance without 30 days written notice from the Contractor or its insurer(s) to the City.

- (f) Certificates of insurance. The Contractor shall furnish acceptable insurance certificates to the City showing the required insurance coverage. The certificate will specify all of the parties who are Additional Insureds. Certificates and insurers are subject to City approval. Complete policy copies shall be provided to the City upon request. The Contractor shall be financially responsible for all pertinent deductibles, self-insured retentions, and/or self-insurance.

10. Ownership of Work Product

All work product produced by the Contractor under this contract is the exclusive property of the City. "Work Product" includes, but is not limited to: research, reports, computer programs, manuals, drawings, recordings, photographs, artwork and any data or information in any form. The Contractor and the City intend that such Work Product shall be deemed "work made for hire" of which the City shall be deemed the author. If for any reason a Work Product is deemed not to be a "work made for hire," the Contractor hereby irrevocably assigns and transfers to the City all right, title and interest in such work product, whether arising from copyright, patent, trademark, trade secret, or any other state or federal intellectual property law or doctrines. Contractor shall obtain such interests and execute all documents necessary to fully vest such rights in the City. Contractor waives all rights relating to work product, including any rights arising under 17 USC 106A, or any other rights of authorship, identification or approval, restriction or limitation on use or subsequent modifications. If the Contractor is an architect, the Work Product is the property of the Contractor-Architect, and by execution of this contract, the Contractor-Architect grants the City an exclusive and irrevocable license to use that Work Product.

Notwithstanding the above, all pre-existing trademarks, services marks, patents, copyrights, trade secrets and other proprietary rights of Contractor are and will remain the exclusive property of Contractor.

11. EEO Certification: In the event Contractor provides in excess of \$2,500.00 for services to the City in any fiscal year, Contractor shall obtain EEO certification from the City.

12. Equal Benefits

Contractor must comply with the City's Equal Benefits program as prescribed by Chapter 3.100 of the Code of the City of Portland. The required documentation must be filed with Procurement Services, City of Portland, prior to contract execution.

13. Successors in Interest

The provisions of this contract shall be binding upon and shall inure to the benefit of the parties hereto, and their respective successors and approved assigns.

14. Severability

The parties agree that if any term or provision of this contract is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the contract did not contain the particular term or provision held to be invalid.

15. Waiver

The failure of the City to enforce any provision of this contract shall not constitute a waiver by the City of that or any other provision.

16. Errors

The Contractor shall promptly perform such additional services as may be necessary to correct errors in the services required by this contract without undue delays and without additional cost.

17. Governing Law/Venue

The provisions of this contract shall be interpreted, construed and enforced in accordance with, and governed by, the laws of the State of Oregon without reference to its conflict of laws provisions that might otherwise require the application of the law of any other jurisdiction. Any action or suits involving any question arising under this contract must be brought in the appropriate court in Multnomah County Oregon.

18. Amendments

All changes to this contract, including changes to the scope of work and contract amount, must be made by written amendment and approved by the Chief Procurement Officer to be valid. Any amendment that increases the original contract amount by more than 25% must be approved by the City Council to be valid.

19. Business License

The Contractor shall obtain a City of Portland business license as required by PCC 7.02 prior to beginning work under this Contract.

20. Prohibited Conduct

The Contractor shall not hire any City employee who evaluated the proposals or authorized the award of this Contract for two years after the date the contract was authorized without the express written permission of the City and provided the hiring is permitted by state law.

21. Payment to Vendors and Subcontractors

The Contractor shall timely pay all subcontractors and suppliers providing services or goods for this Contract.

22. Access to Records

The Contractor shall maintain all records relating to this Contract for three (3) years after final payment. The City may examine, audit and copy the Contractor's books, documents, papers, and records relating to this contract at any time during this period upon reasonable notice. Copies of these records shall be made available upon request. Payment for the reasonable cost of requested copies shall be made by the City.

23. Audits

(a) The City may conduct financial and performance audits of the billings and services specified in this agreement at any time in the course of the agreement and during the three (3) year period established by paragraph 22. Audits will be conducted in accordance with generally accepted auditing standards as promulgated in Government Auditing Standards by the Comptroller General of the United States Government Accountability Office.

(b) If an audit discloses that payments to the Contractor exceed the amount to which the Contractor was entitled, the Contractor shall repay the amount of the excess to the City.

24. Electronic Signatures

The City and Contractor may conduct this transaction, including any contract amendments, by electronic means, including the use of electronic signatures.

25. Merger Clause

This Contract encompasses the entire agreement of the parties, and supersedes all previous understandings and agreements between the parties, whether verbal or written.

26. Dispute Resolution/Work regardless of disputes

The parties shall participate in mediation to resolve disputes before conducting litigation. The mediation shall occur at a reasonable time after the conclusion of the Contract with a mediator jointly selected by the parties. Notwithstanding any dispute under this Contract, the Contractor shall continue to perform its work pending resolution of a dispute, and the City shall make payments as required by the Contract for undisputed portions of the work. In the event of litigation no attorney fees are recoverable. No different dispute resolution paragraph(s) in this contract or any attachment hereto shall supersede or take precedence over this provision.

27. Progress Reports: ☐ / Applicable ☒ / Not Applicable

If applicable, the Contractor shall provide monthly progress reports to the Project Manager as described in the Statement of the Work and Payment Schedule.

28. Contractor's Personnel: ☒ / Applicable ☐ / Not Applicable

If applicable, the Contractor shall assign the personnel listed in the Statement of the Work and Payment Schedule for the work required by the Contract and shall not change personnel without the prior written consent of the City, which shall not be unreasonably withheld.

29. Subcontractors

The Contractor shall use the subcontractors identified in its proposals. The Contractor shall not change subcontractor assignments without the prior written consent of the Chief Procurement Officer. Failure to use the identified M/W/ESB subcontractors without prior written consent is a material breach of contract.

30. Third Party Beneficiaries

There are no third party beneficiaries to this contract. Enforcement of this contract is reserved to the parties.

STATEMENT OF THE WORK AND PAYMENT SCHEDULE

SCOPE OF CONSULTANT SERVICES

1. GENERAL SERVICES

The Contractor shall provide the following general services:

A. Provide architectural and engineering services in accordance with QBS No. FAC021 dated February 2012, QBS response dated March 6, 2012, and Exhibit A: August 9, 2012 FFA Fee Proposal, as provided below.

2. SPECIFIC SERVICES

In providing the general services described above, the Contractor shall provide not less than the following specific services:

2.1 PROJECT ADMINISTRATION SERVICES

2.1.1 The Contractor shall manage the Contractor's services and administer the Project. The Contractor shall consult with the City, research applicable design criteria, attend Project meetings, communicate with members of the Project team and issue progress reports. The Contractor shall coordinate the services provided by the Contractor and the Contractor's subcontractors with those services provided by the City and the City's consultants.

2.1.2 When Project requirements have been sufficiently identified, the Contractor shall prepare, and update at each Construction Document (CD) phase, a Project schedule that shall identify milestone dates for decisions required of the City, design services furnished by the Contractor, completion of documentation provided by the Contractor, commencement of construction and Substantial Completion of the Work.

2.1.3 The Contractor shall consider the value of alternative materials, sustainable ('green') building practices, building systems and equipment, together with other considerations based on program, budget and aesthetics in developing the design for the Project.

2.1.4 The Contractor shall submit CD documents to the City at 50% and 90% completion intervals appropriate to the design process for purposes of evaluation and approval by the City. The Contractor shall be entitled to rely on approvals received from the City in the further development of the design.

2.1.5 The Contractor shall assist the City in connection with the City's responsibility for filing documents required for the approval of governmental authorities having jurisdiction over the Project.

2.1.6 EVALUATION OF BUDGET AND COST OF THE WORK

2.1.6.1 When the Project requirements have been sufficiently identified, the Contractor shall prepare an estimate of the Cost of the Work at each major design phase. The Contractor shall advise the City of any adjustments to previous estimates of the Cost of the Work indicated by changes in Project requirements or general market conditions. If at any time the Contractor's estimate of the Cost of Work exceeds the City's budget, the Contractor shall make appropriate recommendations to the City to adjust the Project's size, quality or budget, and the City shall cooperate with the Contractor in making such adjustments.

2.1.6.2 Evaluations of the City's budget for the Project, the estimates of the Cost of the work and updated estimates of the Cost of the Work prepared by the Contractor represent the Contractor's judgment as a design professional familiar with the construction industry. It is recognized, however, that neither the Contractor nor the City has control over the cost of labor, competitive bidding, market or negotiating conditions. Accordingly, the Contractor cannot and does not warrant or represent that bids or negotiated prices will not vary from the City's budget for the Project or from any estimate of the Cost of the Work or evaluation prepared or agreed to by the Contractor.

2.1.6.3 In preparing estimates of the Cost of the Work, the Contractor shall be permitted to include contingencies for design, bidding and price escalation; to determine what materials, equipment, component systems and types of construction are to be included in the Contract Documents; to make reasonable adjustments in the scope of the Project and to include in the Contract Documents alternate bids as may be necessary to adjust the estimated Cost of the Work to meet the City's budget for the Cost of the Work. If an increase in the Contract Sum occurring after execution of the Contract between the City and the General Contractor selected for the construction of the project (General Contractor) causes the budget for the Cost of the Work to be exceeded, that budget shall be increased as provided by the Conditions of the Contract.

2.1.6.4 If bidding or negotiation has not commenced within ninety (90) days after the Contractor submits complete Construction Documents to the City, the City and the Contractor shall agree to negotiate a new budget for the Cost of the Work to reflect changes in the general level of prices in the construction industry.

2.1.6.5 If the budget for the Cost of the Work is exceeded by the lowest bona fide bid or negotiated proposal, the City shall:

1. give written approval of an increase in the budget for the Cost of the Work;
2. authorize re-bidding or renegotiating of the Project within a reasonable time;
3. terminate in accordance with Paragraph 5 of the Agreement, Early Termination; or

4. cooperate in revising the Project scope and quality as required to reduce the Cost of the Work.

2.1.6.6 If the City chooses to proceed under Clause 2.1.6.5.4, the Contractor shall modify the documents for which the Contractor is responsible under this Agreement as necessary to comply with the budget for the Cost of the Work. However, in the event the lowest bona fide bid exceeds the budget by 10% or more, the Contractor, without additional compensation, shall modify the documents for which the Contractor is responsible under this Agreement as necessary to comply with the budget for the Cost of the Work. The modification of such documents shall be the limit of the Contractor's responsibility under this Paragraph 2.1.6.6. The Contractor shall be entitled to compensation in accordance with this Agreement for services performed as defined in Paragraph 6 of the Agreement. Payment on Early Termination.

2.2 EVALUATION AND PLANNING SERVICES

2.2.1 The Contractor shall provide a preliminary evaluation of the information furnished by the City under this Agreement, including the City's program and schedule requirements and budget for the Cost of the Work, each in terms of the other. The Contractor shall review such information to ascertain that it is consistent with the requirements of the Project and shall notify the City of any other information or consultant services that may be reasonably needed for the Project.

2.2.2 The Contractor shall provide a preliminary evaluation of the City's site for the Project based on the information provided by the City of site conditions, and the City's program, schedule and budget for the Cost of the Work.

2.2.3 The Contractor shall review the City's proposed method of contracting for construction services and shall notify the City of anticipated impacts that such method may have on the City's program, financial and time requirement, and the scope of the Project.

2.3 DESIGN SERVICES

2.3.1 The Contractor's design services shall include normal architectural and engineering services.

2.3.2 CONSTRUCTION DOCUMENTS

2.3.2.1 The Contractor shall provide Construction Documents and budget for the Cost of the Work. The Construction Documents shall set forth in detail the requirements for construction of the Project. The Construction Documents shall include Drawings and Specifications that establish in detail the quality levels of materials and systems required for the Project.

2.3.2.2 During the development of the Construction Documents, the Contractor shall assist the City in the development and preparation of: (1) bidding and procurement information which describes the time, place and conditions of bidding; bidding or proposal forms and (2) the Conditions of the Contract for the Construction (General, Supplementary and other Conditions). The Contractor also shall assist in compiling the Project Manual that includes the Conditions of the Contract for Construction and Specifications and may include bidding requirements and sample forms.

2.4 CONSTRUCTION PROCUREMENT SERVICES

2.4.1 The Contractor shall assist the City in establishing a list of prospective bidders.

2.4.4 COMPETITIVE BIDDING

2.4.4.1 Bidding Documents provided by the Contractor shall consist of Specifications and Drawings. All other Bidding Documents will be provided by the City.

2.4.4.2 If requested by the City, the Contractor shall arrange for procuring the reproduction of Bidding Documents. The City shall pay directly for the cost of reproduction of the bidding documents. The Contractor shall not distribute bid documents to prospective bidders.

- 2.4.4.3 The City shall distribute the Bidding Documents to prospective bidders.
- 2.4.4.4 The Contractor shall consider requests for substitutions, if permitted by the Bidding Documents, and shall prepare addenda identifying approved substitution to all prospective bidders. The City will distribute the Addenda to prospective bidders.
- 2.4.4.5 The Contractor shall participate in a pre-bid conference for prospective bidders.
- 2.4.4.6 The City will forward questions from prospective bidders to the Contractor. The Contractor shall prepare responses to questions from prospective bidders and provide clarifications and interpretations of the Bidding Documents to the City in the form of addenda. The City will distribute any and all addenda to prospective bidders.
- 2.4.4.7 The Contractor shall attend in the opening of the bids. The City shall subsequently document and distribute the bidding results.
- 2.4.4.8 No direct communication shall occur between the Contractor and prospective bidders.

2.5 CONTRACT ADMINISTRATION SERVICES

2.5.1 GENERAL ADMINISTRATION

- 2.5.1.1 The Contractor shall assist with administration of the Contract between the City and the General Contractor as set forth below. Modifications made to the Conditions of the Contract, when adopted as part of the Contract Documents, shall be enforceable under this Agreement only to the extent that they are consistent with this Agreement or approved in writing by the Contractors.
- 2.5.1.2 The Contractor's responsibility to assist with the Contract Administration Services under this Agreement commences with the award of the initial Contract for Construction and terminates at the issuance to the City of the final Certificate for Payment. However, the Contractor shall be entitled to a Change in Services in accordance with Paragraph 2.6.1 when assistance with Contract Administration Services extend sixty (60) days after the date of Substantial Completion of the Work, unless the delay is caused by the Contractor.
- 2.5.1.3 The Contractor shall advise and consult with the City during the assistance of the Contract Administration Services.
- 2.5.1.4 Duties, responsibilities and limitations of the Contractor under this Article 2.5 shall not be restricted, modified or extended without written agreement of the City and Contractor.
- 2.5.1.5 The City will forward requests for additional information about Contract Documents by the General Contractor to the Contractor. The Contractor shall review properly prepared, timely requests by the General Contractor for additional information about the Contract Documents. A properly prepared request for additional information about the Contract Documents shall be in a form prepared or approved by the Contractor and shall include a detailed written statement that indicates the specific Drawings or Specifications in need of clarification and the nature of the clarification requested.
- 2.5.1.6 Upon approval of the City, the Contractor may on the City's behalf prepare, reproduce and distribute supplemental Drawings and Specifications in response to requests for information by the General Contractor. These supplemental Drawings and Specifications will be distributed to the General Contractor through the City.
- 2.5.1.7 The Contractor shall interpret disputes concerning performance of the General Contractor per the Contract Documents on written request of the City. The Contractor's response to such requests shall be made in writing to the City within any time limits agreed upon or otherwise with reasonable promptness.
- 2.5.1.8 Interpretations and decisions of the Contractor shall be consistent with the intent of and reasonably inferable from the Contract Documents and shall be in writing or in the form of drawings. These decisions will be communicated to the General Contractor by the City.

2.5.2. EVALUATIONS OF THE WORK

2.5.2.1 The Contractor (1) shall visit the site at intervals appropriate to the state of the General Contractor's operations or not less than one (1) visit per week to become generally familiar with and to keep the City informed about the progress and quality of the portion of the Work completed, (2) to endeavor to guard the City against defects and deficiencies in the Work, and (3) to determine in general if the Work is being performed in a manner indicating that the Work, when fully completed, will be in accordance with the Contract Documents. However, the Contractor shall not be required to make exhaustive or continuous on-site inspections to check the quality of quantity of the Work. The Contractor shall neither have control over or charge of, nor be responsible for, the construction means, methods, techniques, sequences or procedures, or for safety precautions and programs in connection with the Work, since these are solely the General Contractor's rights and responsibilities under the Contract Documents.

2.5.2.2 The Contractor shall report to the City known deviations from the Contract Documents and from the most recent construction schedule submitted by the General Contractor. However, the Contractor shall not be responsible for the General Contractor's failure to perform the Work in accordance with the requirements of the Contract Documents. The Contractor shall be responsible for the Contractor's, or it's subcontractor's negligent acts or omissions, but shall not have control over or charge of and shall not be responsible for acts or omissions of the General Contractor, it's subcontractors, or their agents or employees, or of any other persons or entities performing portions of the Work.

2.5.2.3 The Contractor shall at all times have access to the Work wherever it is in preparation or progress.

2.5.2.4 Communications by and with the Contractor's sub-consultants shall be through the Contractor.

2.5.2.5 Whenever the Contractor considers it necessary or advisable, the Contractor shall have authority to require inspection or testing of the Work in accordance with the provisions of the Contract Documents, whether or not such Work is fabricated, installed or completed.

2.5.3 CERTIFICATION OF PAYMENTS TO GENERAL CONTRACTOR

2.5.3.1 The Contractor shall review Certificates of Payment and certify the amounts due the General Contractor. The Contractor's certification for payment shall constitute a representation to the City based on the Contractor's evaluation of the Work as provided in Paragraph 2.5.2 and on the data comprising the General Contractor's Application for Payment, that the Work has progressed to the point indicated and that, to the best of the Contractor's knowledge, information and belief, the quality of the Work is in accordance with the Contract Documents. The foregoing representations are subject (1) to an evaluation of the Work for conformance with the Contract Documents upon Substantial Completion, (2) to results of subsequent tests and inspections, (3) to correction of minor deviations from the Contract Documents prior to completion, and (4) to specific qualifications expressed by the Contractor.

2.5.3.2 The Contractor's certification of a Certificate for Payment shall not be a representation that the Contractor 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 City to substantiate the General Contractor's right to payment, or (4) ascertained how or for what purpose the General Contractor has used money previously paid on account of the Contract Sum.

2.5.3.3 The Contractor shall maintain a record of the General Contractor's Applications for Payment.

2.5.4 SUBMITTALS

2.5.4.1 The Contractor shall review and approve or take other appropriate action upon the General 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 Contractor's action shall be taken with such reasonable promptness as to cause no delay in

the Work or in the activities of the City, General Contractor, its subcontractors, or separate contractors, while allowing sufficient time in the Contractor'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 General Contractor as required by the Contract Documents. The Contractor's review shall not constitute approval of safety precautions or, unless otherwise specifically stated by the Contractor, of any construction means, methods, techniques, sequences or procedures. The Contractor's approval of a specific item shall not indicate approval of an assembly of which the item is a component.

2.5.4.2 The Contractor shall maintain a record of submittals and copies of submittals supplied by the General Contractor in accordance with the requirements of the Contract Documents.

2.5.4.3 If professional design services or certifications by a design professional related to systems, materials or equipment are specifically required of the General Contractor by the Contract Documents, the Contractor shall specify appropriate performance and design criteria that such services must satisfy. Shop Drawings and other submittals related to the Work designed or certified by the design professional retained by the General Contractor shall bear such professionals written approval when submitted to the Contractor. The Contractor shall be entitled to rely upon the adequacy, accuracy and completeness of the services, certifications or approvals performed by such design professionals.

2.5.5 CHANGES IN THE WORK

2.5.5.1 The Contractor shall prepare Construction Change Directives for the City's approval and execution in accordance with the Contract Documents. The City will prepare Change Orders. The Contractor may authorize minor changes in the Work not involving an adjustment in Contract Sum or an extension of the Contract Time which are consistent with the intent of the Contract Documents. If necessary, the Contractor shall prepare, reproduce and distribute Drawings and Specifications to describe Work to be added, deleted or modified, as provided in Paragraph 2.6.1., upon approval of the City.

2.5.5.2 The Contractor shall review properly prepared, timely requests by the City or General Contractor for change in the Work, including adjustments to the Contract Sum or Contract Time. A properly prepared request for a change in the Work shall be accompanied by sufficient supporting data and information to permit the Contractor to make a reasonable determination without extensive investigation or preparation of additional drawings or specifications. If the Contractor determines that requested changes in the work are not materially different from the requirements of the Contract Documents, the Contractor may issue an order for a minor change in the Work or recommend to the Owner that the requested change be denied.

2.5.5.3 If the Contractor determines that implementation of the requested changes would result in a material change to the Contract that may cause an adjustment in the Contract Time or Contract Sum, the Contractor shall make a recommendation to the City, who may authorize further investigation of such change. Upon such authorization, and based upon information furnished by the General Contractor, if any, the Contractor shall estimate the additional cost and time that might result from such change, including any additional costs attributable to a Change in Services of the Contractor. With the City's approval, the Contractor shall incorporate those estimates into a Change Order or other appropriate documentation for the City's execution or negotiation with the General Contractor.

2.5.5.4 The Contractor shall maintain records relative to changes in the Work.

2.5.6 PROJECT COMPLETION

2.5.6.1 The Contractor shall conduct inspections to determine the date or dates of Substantial Completion and the date of final completion. Contractor shall review written warranties and related documents required by the Contract Documents and assembled by the General Contractor and forward them

to the City, for the City's review and records. Contractor shall issue a final Certificate for Payment based upon a final inspection indicating the Work complies with the requirements of the Contract Documents.

2.5.6.2 The Contractor's inspection shall be conducted with the City's Project Manager to check conformance of the Work with the requirements of the Contract Documents and to verify the accuracy and completeness of the list submitted by the General Contractor of Work to be completed or corrected.

2.5.6.3 When the Work is found to be substantially complete, the Contractor shall inform the City about the balance of the Contract Sum remaining to be paid the General Contractor, including any amounts needed to pay for final completion or correction of the Work.

2.5.6.4 The Contractor shall receive from the General Contractor and forward to the Owner: (1) consent of surety or sureties, if any, to reduction in or partial release of retainage or the making of final payment and (2) affidavits, receipts, releases and waivers of liens of bonds indemnifying the City against liens.

2.5.6.5 The Contractor shall provide to the City all Construction Document plans on computer disks in AutoCAD 2004 V.14 format, or in a format that can be read by AutoCAD 2004 V.14.

2.6 REQUEST FOR ADDITIONAL SERVICES

2.6.1 The following information shall be provided to the City by the Contractor as a Change in Services:

1. review of a General Contractor's submittal out of sequence from the submittal schedule agreed to by the Contractor;
2. excessive responses to the General Contractor's requests for information where such information is available to the General Contractor from a careful study and comparison of the Contract Documents, field conditions, other City-provided information, General Contractor-prepared coordination drawings, or prior Project correspondence or documentation;
3. Change Orders and Construction Change Directives involving substantial changes to the project at the request of the City or General Contractor requiring evaluation of proposals, including the preparation or revision of Instruments of Service;
4. providing consultation concerning replacement of Work resulting from fire or other cause during construction;
5. evaluation of an extensive number of claims submitted by the City's consultants, the General Contractor or others in connection with the Work;
6. evaluation of an extensive number of substitutions proposed by the City's consultants or contractors and making subsequent revisions to Instruments of Service resulting there-from;
7. preparation of design and documentation for alternate bid or proposal requests proposed by the City; or
8. assistance with Contract Administration Services provided sixty (60) days after the date of Substantial Completion of the Work unless a delay was caused by the Contractor.

2.7 OTHER REQUIREMENTS

1. The Contractor shall submit a Monthly Subconsultant Payment and Utilization Report by the 15th of each month.
2. All deliverables and resulting work products from this contract will become the property of the City of Portland.

CONTRACTOR PERSONNEL

The Contractor shall assign the following personnel to do the work in the capacities designated:

NAME	ROLE ON PROJECT
Troy Ainsworth, AIA	Project Principal
Eric Wilcox, LEED AP	Project Manager
Carin Carlson	Historical Architect & Preservation Specialist
Erica Ceder, LEED AP BD + C	Project Architect

SUBCONTRACTORS

The Contractor shall assign the following subcontractors to perform work in the capacities designated:

NAME	ROLE ON PROJECT
Rob Kistler AIA, NCARB – The Facade Group	Building Enclosure Specialist
David L. Wolff AIA – The Facade Group	Building Enclosure Specialist
James A. Jerde, AIA – Architectural Cost Consultants	Cost Estimator
Clinton J. Ambrose, P.E., S.E. – ABHT Structural Eng.	Lead Structural Engineer
Sean Clark, P.E. – ABHT Structural Engineers	Structural Engineer
Blake D. Patsy – P.E., S.E. – KPFF Consulting Eng	Principal /Manager Structural Engineering
Ian K. Eikanas – P.E., S.E., LEED AP - KPFF	Structural Engineer

The City will enforce all diversity in workforce and Minority, Women and Emerging Small Business (M/W/ESB) subcontracting commitments submitted by the Contractor in its Proposal. For contracts valued \$100,000 or more, the Contractor shall submit a Monthly Subconsultant Payment and Utilization Report (MUR), made part of this contract by reference, reporting ALL subcontractors employed in the performance of this agreement. An electronic copy of the MUR may be obtained at: <http://www.portlandonline.com/shared/cfm/image.cfm?id=119851>.

COMPENSATION

The “not to exceed amount” of \$2,043,452 is the maximum amount of compensation due the Contractor for all the work required by the Contract. Errors in estimating the number of hours necessary to perform the work is the sole responsibility of the Contractor.

As work progresses on the contract, the City will pay the Contractor a portion of the contract amount each month until the work is complete. Progress Payments are based on the percentage of work successfully completed by the Contractor and approved by the City. For example, if in a given month the Contractor successfully completes 10% of the work the Contractor will be paid 10% of the Contract amount after City approval.

The following schedule of tasks and fee breakdown defines the maximum amounts the Contractor may earn for each task. The Contractor will be paid each month based on the percentage of work successfully completed for each task after City approval. Example:

Assessment Phase:

Schematic Design, Investigation, and Discovery	\$ 451,230.00
Reimbursable Expenses:	\$ 9,024.00
Assessment Phase Total:	\$ 460,254.00

Construction Documents and Construction Phase: Not-to-exceed \$1,583,198.00

Fee breakdown will be negotiated at completion of Assessment Phase. Contractor shall not proceed with Construction Documents and Construction Phase until an amendment to this Agreement is executed by the City to define fees.

Submitting Payment Invoices

On or before the 15th of each month, the Contractor shall submit to the City's Project Manager an invoice for work performed by the Contractor during the preceding month. The invoice shall contain the City's Contract Number and set out all items for payment. Invoices from the Contractor shall identify the work performed and state the percentage of work successfully completed for each task.

The Contractor shall attach photocopies of claimed reimbursable expenses. The Contractor shall stamp and approve all subconsultant invoices and note on the subconsultant invoice what they are approving as "billable" under the contract.

The City shall pay all amounts to which no dispute exists within thirty (30) days of receipt of the invoice. Payment of any bill, however, does not preclude the City from later determining that an error in payment was made and from withholding the disputed sum from the next progress payment until the dispute is resolved.

The City may disapprove a payment previously made, withhold money from a future progress payment, or disapprove of an invoice submitted by the Contractor in whole or in part, if the work has not progressed to the point indicated by the Contractor's invoice or if it appears that previously approved work was not, in fact, successfully completed based on the requirements of the contract.

The Contractor shall make full payment to its subcontractors within ten (10) business days following receipt of any payment made by the City to Contractor.

INDEPENDENT CONTRACTOR CERTIFICATION STATEMENT

SECTION A

CONTRACTOR CERTIFICATION I, undersigned, am authorized to act on behalf of entity designated below, hereby certify that entity has current Workers' Compensation Insurance.

Contractor Signature



Date

8/17/12

Entity

FPA ARCHITECTURE
AND INTERIORS, INC.

If entity does not have Workers' Compensation Insurance, City Project Manager and Contractor complete the remainder of this form.

SECTION B

ORS 670.600 Independent contractor standards. As used in various provisions of ORS Chapters 316, 656, 657, and 701, an individual or business entity that performs labor or services for remuneration shall be considered to perform the labor or services as an "independent contractor" if the standards of this section are met. The contracted work meets the following standards:

1. The individual or business entity providing the labor or services is free from direction and control over the means and manner of providing the labor or services, subject only to the right of the person for whom the labor or services are provided to specify the desired results;
2. The individual or business entity providing labor or services is responsible for obtaining all assumed business registrations or professional occupation licenses required by state law or local government ordinances for the individual or business entity to conduct the business;
3. The individual or business entity providing labor or services furnishes the tools or equipment necessary for performance of the contracted labor or services;
4. The individual or business entity providing labor or services has the authority to hire and fire employees to perform the labor or services;
5. Payment for the labor or services is made upon completion of the performance of specific portions of the project or is made on the basis of an annual or periodic retainer.

City Project Manager Signature

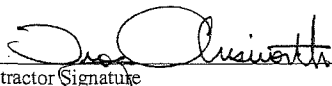
Date

SECTION C

Independent contractor certifies he/she meets the following standards:

1. The individual or business entity providing labor or services is registered under ORS Chapter 701, if the individual or business entity provides labor or services for which such registration is required;
2. Federal and state income tax returns in the name of the business or a business Schedule C or form Schedule F as part of the personal income tax return were filed for the previous year if the individual or business entity performed labor or services as an independent contractor in the previous year; and
3. The individual or business entity represents to the public that the labor or services are to be provided by an independently established business. Except when an individual or business entity files a Schedule F as part of the personal income tax returns and the individual or business entity performs farm labor or services that are reportable on Schedule C, an individual or business entity is considered to be engaged in an independently established business when four or more of the following circumstances exist. Contractor check four or more of the following:

- ☒ A. The labor or services are primarily carried out at a location that is separate from the residence of an individual who performs the labor or services, or are primarily carried out in a specific portion of the residence, which portion is set aside as the location of the business;
- ☒ B. Commercial advertising or business cards as is customary in operating similar businesses are purchased for the business, or the individual or business entity has a trade association membership;
- ☒ C. Telephone listing and service are used for the business that is separate from the personal residence listing and service used by an individual who performs the labor or services;
- ☒ D. Labor or services are performed only pursuant to written contracts;
- ☒ E. Labor or services are performed for two or more different persons within a period of one year; or
- ☒ F. The individual or business entity assumes financial responsibility for defective workmanship or for service not provided as evidenced by the ownership of performance bonds, warranties, errors and omission insurance or liability insurance relating to the labor or services to be provided.


Contractor Signature

8/17/12
Date

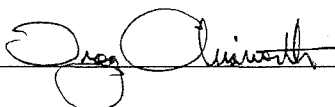
CONTRACTOR SIGNATURE:

This contract may be signed in two (2) or more counterparts, each of which shall be deemed an original, and which, when taken together, shall constitute one and the same Agreement.

The parties agree the City and Contractor may conduct this transaction, including any contract amendments, by electronic means, including the use of electronic signatures.

I, the undersigned, agree to perform work outlined in this contract in accordance to the STANDARD CONTRACT PROVISIONS, the terms and conditions, made part of this contract by reference, and the STATEMENT OF THE WORK made part of this contract by reference; hereby certify under penalty of perjury that I/my business am not/is not in violation of any Oregon tax laws; hereby certify that my business is certified as an Equal Employment Opportunity Affirmative Action Employer and is in compliance with the Equal Benefits Program as prescribed by Chapter 3.100 of Code of the City of Portland; and hereby certify I am an independent contractor as defined in ORS 670.600.

FFA ARCHITECTURE AND INTERIORS, INC.

BY: 

8/17/12
Date:

Name: TROY AINSWORTH

Title: PRINCIPAL

Contract No. 30002867

Contract Title: A/E Services for The Portland Building Exterior Envelope Restoration and Structural Improvements Project

CITY OF PORTLAND SIGNATURES:

By: 
Bureau Director

Date: 8/20/12

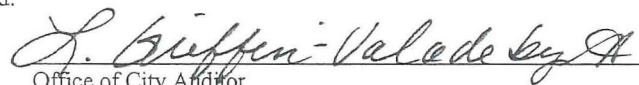
By: 
Chief Procurement Officer

Date: 9/5/12

By: N/A
Elected Official

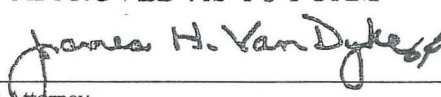
Date: _____

Approved:

By: 
Office of City Auditor

Date: 9/7/12

APPROVED AS TO FORM
Approved as to Form:

By: 
Office of City Attorney

Date: 8/20/12

CITY ATTORNEY



August 8, 2012

Dale Cook
Project Manager
Office of Management and Finance
1120 SW 5th Ave, Room 1204
Portland, Oregon 97204

Re: Architectural and Engineering Services for the Portland Building Exterior Envelope Restoration and Structural Improvements Project Fee Proposal. (REVISED August 8, 2012)

Dear Dale,

We are pleased to have the opportunity to work with the City of Portland on the restoration of the Portland Building. As noted in our proposal:

"The Portland Building is an iconic civic structure by a notable architect that represents one of the most controversial periods in architecture. As such, it is an important piece of Portland's history and its listing on the National Register of Historic Places ensures that it will remain a part of Portland's future. A building of this stature must be entrusted to a team who has a proven track record addressing complicated issues for historical properties, FFA is that team."

As part of our scope of work, we are now including a full structural assessment and budget estimate for structural improvements design and documentation, pending results of the assessment.

For clarification purposes, the following proposal is separated into four sections.

Section 1: Exterior Assessment, Phase 1 (Schematic Design, Investigation and Discovery).

Section 2: Structural Assessment, Phase 1 (Schematic Design, Investigation and Discovery).

Section 3: Exterior Restoration, Phase 2 (Construction Documents and Construction).

Section 4: Structural Improvements, Phase 2 (Construction Documents and Construction).

The Portland Building has exhibited numerous signs of exterior envelope failure over the past 30 years. We have reviewed the results of at least twelve different studies and repair projects previously completed. Each study or repair project attempted to address a specific problem including: window leaks, curtainwall leaks, roof replacement, and tile efflorescence, essentially putting a 'Band-Aid' on the problem and then waiting for the

Portland Building Fee Proposal
August 8, 2012

Page 1 of 16

next problem to develop. None of these studies reviewed the building and addressed the issues as part of a complete restoration process.

The Portland Building has also had several structural issues identified over the years. We have reviewed the available documents and reports provided by the City of Portland. A similar situation to the exterior restoration / repair history exists. None of these documents reviewed the building and addressed the structural issues as part of a complete assessment process. The issues noted in the documents include:

- Structural design compliance with the Uniform Building Code in effect at the time of permitting.
- Structural observation and inspection of reinforcement placement prior to pouring concrete. Significant concern was noted for the 'as-built' connection between the floor slab and exterior wall.
- Low strength concrete installed in some locations.
- Structure settlement and resulting cracking at the 14th floor.
- Structure settlement and resulting cracking in architectural finishes at the lower floor levels.
- Structure failure identified at a concrete beam in the elevator hoistway.
- Structural condition of existing building as it relates to current International Building Code.

FFA proposes to add KPFF Consulting Engineers to the project team. Their expertise in building forensics, design and structural improvements will provide the 'whole building' review, investigation, design, and construction package necessary for the City of Portland to determine how to proceed with the potential structural improvements of this civic icon. FFA has worked with KPFF in the past on numerous large scale structural upgrades including the White Stag Building, Multnomah County Central Library and currently, the Galleria Building.

EXISTING CONDITIONS

The basic scope of work noted in the QBS Requirements was reviewed by the FFA Team during an extensive walk through in June, 2012. Additional review of existing documentation and discussion of the conditions has been completed. The potential for increased scope beyond the QBS summary is significant. A brief summary of the Portland Building Restoration follows.

EXTERIOR WORK

As outlined in the QBS, the exterior window, storefront and curtainwall assemblies listed need to be replaced. All are in various levels of failure. The assemblies and their installations leak, transfer heat and cold, and are very inefficient compared to today's energy efficiency requirements. The ceramic tile has significant amounts of efflorescence, cracks, and potential delamination from the building substrate. To restore this material may require complete removal and replacement.

This work could generate significant amounts of noise, dust, and vibration, and should be completed during off hours. Barricades, lifts and scaffolding for each elevation will be required. The exterior scope of work includes:

1. Replace all exterior window assemblies.
2. Replace all exterior curtainwall assemblies.
3. Replace all exterior storefront assemblies.
4. Clean and repaint exterior concrete surfaces.
5. Replace exterior ceramic tile on exterior wall except at protected first floor level.

INTERIOR WORK

In order to replace the window, storefront, and curtainwall assemblies, a significant amount of interior demolition will be required. The existing exterior wall assemblies do not include a water proof membrane or moisture barrier; these are critical components in contemporary wall design. As the window and curtain wall assemblies failed, water penetrated the wall assemblies and in many cases saturated the interior gypsum wall board, insulation, and in some cases the carpet was noted to be damp 20 feet into the building. The gypsum wallboard has failed and needs to be replaced at head and jambs. Adding to this deteriorated condition, the interior finish on the exterior walls includes a vinyl wall covering. Vinyl wall covering seals the moisture in the gypsum board. This condition will lead to mold developing under the wall covering. Mold has already been noted in some locations. While this type of installation was common in the 1980's, it is now known to be a significant problem that may lead to 'sick building syndrome'. Based on this condition, we recommend that the city consider removing and replacing all interior gypsum wall board and insulation.

In order to keep the building operational while the restoration is in progress, we recommend that most construction work be completed during off hours. The anticipated scope of work will require shutting down and barricading part of each floor. An area approximately 10 feet deep by the length of the elevation will need to be closed off with either a temporary partition or by using existing office walls. Flooring and ceilings in this closed-off area will need to be removed and replaced if complete gypsum wall board and insulation replacement is required.

The FFA team will work within the 'Work Requirements' parameters established by the City of Portland in the QBS process RFP.

GENERAL PROJECT MANAGEMENT

A. Meetings (Project team organization)

FFA and the consultant team will work with the City Of Portland and the consultant to develop a preliminary project schedule and meeting schedule. FFA will document each meeting utilizing minutes, including project schedule and budget updates. FFA will work with the City of Portland project manager and other interested parties, including building tenants, facility managers, department administrators and staff that should be included in the process.

FFA and their consultants will provide documentation in the most recent AUTOCAD release and CSI Master Format 2011.

The City of Portland has expressed an interest in CMGC (Construction Manager / General Contractor) process for this project. We strongly recommend the addition of a CMGC to the project team early in the design process. They can provide technical support for mock-ups and test fits, value engineering, constructability reviews, phasing /scheduling, and construction industry expertise. The complex nature of this project will require multiple phases and continued communication, and coordination between the owner, design team and contractor.

The proposed scope of investigation during the design and documentation phases will require the assistance of a general contractor. Removal of exterior wall and window assemblies and the installation of temporary mock-ups and test fits are beyond the FFA team's technical experience. We recommend that the City of Portland contract with a general contractor for this scope or utilize the CMGC (Construction Manager / General Contractor) process to facilitate this investigation process.

SECTION 1: EXTERIOR ASSESSMENT, PHASE 1

A. Schematic Design (Investigation and Discovery)

This phase will include extensive investigation of the existing conditions. In addition to visual review and minor destructive investigation, we propose to isolate a window / office area and preform a complete demolition investigation of the existing assemblies. In addition to providing the project team with information on the existing conditions, these openings will also serve as 'test beds' for various optional solutions. New window assemblies can be tested for water tightness, perimeter seals, weeps and flashing. Should different colors and types of glazing be proposed, these openings could also allow for full size mock-ups of each proposed option. The Land Use Review (LUR) and Historic Review processes will require significant documentation of each proposed change prior to their review / approval.

B. This phase will include a total building review and development of preliminary Exterior Restoration solution concepts. FFA will perform in-house quality review of project documents. In addition to this, the FFA Team will complete the Schematic Design scope of work identified in the QBS Requirements Section including:

1. Review all available plans and documents.
2. Review existing building conditions.
3. Generate a written program statement including:
 - a. Identify and categorize problems.
 - b. Develop solution concepts.
 - c. Review cost implications.
 - d. Coordinate schedule.
4. Prepare a detail project schedule.
5. Meet with project team.

C. Develop a conceptual level design scheme restoration of exterior elements. This work would be used to determine probable construction costs for the exterior elements.

SECTION 2: STRUCTURAL ASSESSMENT, PHASE 1

A. Schematic Design (Investigation and Discovery)

Perform physical investigation and testing of existing structural elements to confirm/determine material properties. The testing will involve non-destructive and some destructive testing. We will need to coordinate closely with the owner to minimize disruption to the building during the testing phase. For purpose of this proposal, we have assumed normal working hours to accomplish this work. These elements include concrete footings, elevated slabs, joists, beams, columns, and walls. This process will include the following:

1. Visual verification of existing concrete elements to confirm geometry and condition. (Non-Destructive)
2. Verification of existing concrete element thicknesses and reinforcing bar placement using GPR (ground-penetrating radar). (Non-Destructive)
3. Confirmation/determination of concrete compressive strength of existing concrete elements. (Destructive)
4. Confirmation/determination of reinforcing bar yield and ultimate strength taken from existing concrete elements. (Destructive)

B. Complete a gravity framing analysis of the existing building structure using the 2010 Oregon Structural Specialty Code (OSSC).

C. Complete a seismic analysis of the existing building structure using *ASCE Standard 41-06, Seismic Rehabilitation of Existing Buildings (ASCE 41-06)*. ASCE Standard 41-06 is a state of the art document recognized by the IBC for existing buildings that allows us to utilize existing lateral systems, such as the one in the Portland Building, that are not recognized in current codes. Obviously, the existing system is deficient but does provide some capacity, and it is this capacity that ASCE 41-06 allows us to recognize and use, which obviously will provide the most economical repair solution for the building.

D. Develop a conceptual level seismic strengthening program to describe the required repairs needed so that the structure conforms to current code. This work would be used to determine probable construction costs for the seismic repairs.

E. Develop a conceptual level gravity upgrade scheme for gravity elements found to be deficient. This work would be used to determine probable construction costs for the gravity elements needing repairs.

SECTION 3: EXTERIOR RESTORATION, PHASE 2

A. Design Development / DD (Problem Solving)

Upon direction from the City of Portland, the FFA team will proceed with the Exterior Restoration Design Development phase and will work to respond to issues identified in the SD phase. Preliminary solution

concepts will be further developed and can be tested within the full size mock-up openings. Based on reviews and the results of the testing, the Design Development documents will be developed. The FFA team goal at the completion of this phase is to have primary solutions to the known issues developed and a strategy to implement them. Products and materials will be identified and outline specifications assembled.

This phase will include a total building review and analysis and documentation of proposed solutions. FFA will perform in-house quality review of project documents. In addition to this, the FFA team will complete the Design Development scope of work identified in the QBS Requirements Section including:

1. Design Development package submitted in multiple copies to the City of Portland for review.
2. Describe scope of new and existing systems impacted by the restoration process.
3. Develop specifications for major materials and systems and establish quality levels.
4. Provide preliminary Design Development package for City of Portland review.
5. Integrate City of Portland review comments in final Design Development package.
6. Provide updated Design Development cost estimate.
7. Review and final approval of DD package will allow the FFA team to proceed with Construction Documents.

B. 50% and 90% Construction Documents / CD (Solution Documentation)

Upon direction from the City of Portland, the FFA team will proceed with the Exterior Restoration Construction Documents phase working to finalize and document solutions developed in the DD phase. Technical aspects will be addressed through details and specifications. Final testing of any mock-ups will be completed and documented. The FFA team will also work with the City of Portland to develop mock-up requirements, testing protocol, construction observation schedules, and third party testing criteria.

This phase will include a total building review and solutions review. FFA will perform in house quality review of project documents. In addition to this, the FFA team will complete the 50% and 90% Construction Documents scope of work identified in the QBS Requirements Section including:

1. 50% and 90% Construction Documents including specifications
2. Clear and concise detailing, with quality control review by the FFA design team.
3. List of outstanding issues and proposed solutions.
4. 50% and 90% cost estimate updates with list of potential value engineering and alternate options.
5. Review and final approval of the 50% and 90% CD packages will allow the FFA team to proceed with 100% Construction Documents.

C. 100% Construction Documents

After each Construction Document submittal, the FFA team will meet with the City of Portland to review the document packages and address any issues that may arise. Upon approval of the 90% package, the FFA team will proceed to complete the construction documents and prepare them for bidding /

negotiation. FFA will incorporate value engineered options and alternates and assemble the final permit / bid documents. FFA will deliver the 100% CD's to the City of Portland Bureau of Development Services for plan check and permits.

This phase will include a total building review and solutions review. FFA will perform in-house quality review of project documents. In addition to this, the FFA Team will complete the 100% Construction Documents scope of work identified in the QBS Requirements Section including:

1. Generate 100% complete Construction Documents including 100% cost estimate update.
2. Submit the 100% package to the Bureau of Development Services for building permits.
3. Finalize the package for bidding purposes including review comments from BDS reviews and LUR reviews.
4. Provide 100% Construction Documents to the City Of Portland.

D. Bidding / CMGC / Alternative contracting Methods

The FFA team will work with the City of Portland to determine the best project delivery process for this specific project. FFA will respond to questions from potential contractors and materials suppliers, review substitution requests, produce addendums and other bid documentation.

In addition to this, the FFA Team will complete the Bidding / CMGC / Alternative Contracting Methods scope of work identified in the QBS Requirements Section including:

1. Submit final 100% Construction Documents to the City of Portland.
2. Develop draft bid forms.
3. Assist in any contractor prequalification review process.
4. If requested, FFA will be participate in the CMGC selection process.
5. Attend pre-bid meeting.
6. Review contractor generated information.

As noted previously, FFA recommends the City of Portland consider the CMGC process for a project of this nature.

E. Construction Administration.

Due to the nature of the Portland Building Exterior Envelope Restoration and Structural Improvements Project, the FFA team anticipates a significant scope of work during the Construction Administration phase. Initial review of the restoration scope would require phasing of the work by elevation and floor. This process could extend the normal construction process by several months. As the contractor works through the building, the FFA Team will be on site on a regular basis to observe existing conditions and new installations.

In addition to this, the FFA Team will complete the Construction Administration scope of work identified in the QBS Requirements Section including:

1. Construction Administration services, coordination of consultants, attend and document weekly meetings, document and track RFI's, ASI's, RFP's, change orders and application for payment and prepare close-out documents.
2. Provide full set of 'As-builts' based on information provided by the contractor.

SECTION 4: STRUCTURAL IMPROVEMENTS, PHASE 2

A. Design Development / DD (Problem Solving)

Upon direction from the City of Portland, the FFA team will proceed with the Structural Improvements, Design Development phase and will work to respond to issues identified in the SD phase. The FFA team will complete gravity analysis and design repairs for elements that were found to be deficient in phase one. All gravity upgrades will be completed so that the repairs will meet the IBC requirements, complete a seismic upgrade of the building structure. The upgrade will include seismic strengthening of the building such that the resulting system will meet current code requirements per *ASCE 41-06*.

The FFA team goal at the completion of this phase is to have primary solutions to the known issues developed and a strategy to implement them.

This phase will include a total building review and analysis and documentation of proposed solutions. FFA will perform in-house quality review of project documents. In addition to this, the FFA team will complete the Design Development scope of work identified in the QBS Requirements Section including:

1. Design Development package submitted in multiple copies to the City of Portland for review.
2. Describe scope of new and existing systems impacted by the restoration process.
3. Develop specifications for major materials and systems and establish quality levels.
4. Provide preliminary Design Development package for City of Portland review.
5. Integrate City of Portland review comments in final Design Development package.
6. Provide updated Design Development cost estimate.
7. Review and final approval of DD package will allow the FFA team to proceed with Construction Documents.

B. 50% and 90% Construction Documents / CD (Solution Documentation)

Upon direction from the City of Portland, the FFA team will proceed with the Structural Improvements, Construction Documents phase working to finalize and document solutions developed in the DD phase. Technical aspects will be addressed through details and specifications. The FFA team will also work with the City of Portland to develop testing protocol, construction observation schedules, and third party testing criteria.

This phase will include a total building review and solutions review. FFA will perform in house quality review of project documents. In addition to this, the FFA team will complete the 50% and 90% Construction Documents scope of work identified in the QBS Requirements Section including:

1. 50% and 90% Construction Documents including specifications
2. Clear and concise detailing, with quality control review by the FFA design team.
3. List of outstanding issues and proposed solutions.
4. 50% and 90% cost estimate updates with list of potential value engineering and alternate options.
5. Review and final approval of the 50% and 90% CD packages will allow the FFA team to proceed with 100% Construction Documents.

C. 100% Construction Documents

After each Construction Document submittal, the FFA team will meet with the City of Portland to review the document packages and address any issues that may arise. Upon approval of the 90% package, the FFA team will proceed to complete the construction documents and prepare them for bidding / negotiation. FFA will incorporate value engineered options and alternates and assemble the final permit / bid documents. FFA will deliver the 100% CD's to the City of Portland Bureau of Development Services for plan check and permits.

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1. Generate 100% complete Construction Documents including 100% cost estimate update.
2. Submit the 100% package to the Bureau of Development Services for building permits.
3. Finalize the package for bidding purposes including review comments from BDS reviews and LUR reviews.
4. Provide 100% Construction Documents to the City Of Portland.

D. Bidding / CMGC / Alternative contracting Methods

The FFA team will work with the City of Portland to determine the best project delivery process for this specific project. FFA will respond to questions from potential contractors and materials suppliers, review substitution requests, produce addendums and other bid documentation.

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1. Submit final 100% Construction Documents to the City of Portland.
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In addition to this, the FFA Team will complete the Construction Administration scope of work identified in the QBS Requirements Section including:

1. Construction Administration services, coordination of consultants, attend and document weekly meetings, document and track RFI's, ASI's, RFP's, change orders and application for payment and prepare close-out documents.
2. Provide full set of 'As-builts' based on information provided by the contractor.

OTHER SERVICES INCLUDED IN BASIC SERVICES

A. Design Consultant

It is extremely rare for a building listed on the National Historic Register to have the design architect still alive and practicing. In this case, Michael Graves and his firm Michael Graves and Associates, continue to be very active and successful in the field of architecture and design. Listed buildings typically have to be at least fifty years old to qualify. Due to the historical design significance of the Portland Building, we are working on a building only thirty years old. As issues arise with the design review and historic review, we recommend that Michael Graves be consulted. His input regarding the original design intent could be very valuable resolving any issues in the review process. We have included this in our proposed fee.

B. Structural Scope

In addition to the known conditions on the exterior restoration of the Portland Building, we anticipate a minor amount of work related to the building structure including new curtainwall connection design, documentation, and observation. We also recommend periodic observation of the building structure during the construction phase to verify the overall building condition. We have included this in our proposed fee.

C. Electrical Scope

The exterior restoration will include replacement of inefficient, out of date light fixtures for the 'Portlandia' Statue and flagpoles. Also, there are several conduits on the third level that are mounted to the exterior wall. These conduits may need to be moved or re-routed during the restoration process. We have included this in our proposed fee.

D. Land Use Review (LUR) / Historical Design Review

As noted in the QBS requirements, land use review / approval and historical building review / approval will be required. The FFA team has extensive experience in this process and understands the time and potential schedule impact these reviews can have on a project of this type. The Portland Building is a unique opportunity to establish historical review criteria for 'Post-Modern' style of architectural design. Based on this understanding, we will be initiating the review process during the Schematic Design phase with final approvals / sign-off occurring during the 100% Construction Document phase. FFA's fee proposal includes the cost for a standard LUR process.

E. Construction Cost Estimates

The key to a successful project is clearly identifying the project scope and developing a complete and concise project budget. The primary component of the project budget is the DIRECT CONSTRUCTION COST estimate. The City of Portland QBS requires DIRECT CONSTRUCTION COST estimates at the following phases: Schematic Design, Design Development, 50% Construction Documents, 90% Construction Documents and 100% Construction Documents. We have included this in our proposed fee.

F. CMGC Coordination

The above QBS phasing process is very linear and more applicable to a conventional design, bid, and build process. FFA recommends that the City of Portland consider the CMGC process. The CMGC process allows more flexibility in materials and phasing and will be critical in the restoration scheduling process. FFA's fee proposal includes the cost of additional project administration requirements for the CMGC process.

G. Insurance

Currently the FFA team carries an industry standard Professional Liability and Errors and Omissions Insurance policy with coverage levels of \$1,000,000.00 per occurrence and aggregate of \$2,000,000.00. The QBS requires \$1,000,000.00 per occurrence and aggregate of \$3,000,000.00. This will require FFA to purchase a separate project specific policy. The added cost for the 3-year construction policy and 7 year statute of limitations is budgeted at \$30,000.00. We have included this in our proposed fee.

H. Space Planning and Tenant phasing

As the contractor works around the building, each tenant on each floor will be impacted to various degrees. FFA will work with the City of Portland and the tenant groups or departments, to mitigate the impact. FFA's interior design staff has extensive experience in this type of planning. We would anticipate this portion of the work to start during the construction document phase and continue during the construction phase as each tenant is impacted. This scope of work is unknown at this time; however the area impacted by the potential restoration could exceed 78,000 square feet. We have included this in our proposed fee.

I. Exterior Commissioning

Over the last thirty years the design of exterior wall assemblies has become significantly more complex. The understanding of how individual components of exterior wall assemblies perform has led to the development of criteria for exterior envelope commissioning. If included, this process will allow for on-site observation during construction by an owner's representative to verify that the specified materials and systems are being properly installed. We have included this in our proposed fee.

ADDITIONAL SERVICES NOT INCLUDED IN BASIC SERVICES

A. Additional Testing

In addition to testing included in the Schematic Design and Design Development phases, FFA's basic services proposal includes testing of twenty installed window and curtainwall assemblies, approximately 3% of the total number of windows. In high-rise construction, additional testing is often preformed to further insure that the installation is meeting the design requirements. The scope of testing is unknown at this time. We recommend that funds be allocated for this and our proposal identifies this as an additional service.

B. Special Inspection

Special inspection of added structural elements:

Concrete, rebar, post-installed anchors, structural steel, pin piles, etc.

This is a best estimate based our experience and the information currently available to assess what work would be required to complete a renovation of the Portland Building. A more refined estimate will be developed once further information is available including:

Plans / details of the seismic upgrade.

The selected general contractor and the sequence of construction.

Construction schedule length.

C. Energy Modeling

The Portland Building window, curtainwall and storefront assemblies typically include tinted single pane glass in extruded aluminum frames. These assemblies are very inefficient compared to today's energy code standards. Per the RFP scope, it is the intent to replace the existing assemblies with new 'high efficiency' assemblies including: insulating 'low-e' glass in thermally improved or broken frames. This upgrade will improve the energy performance of the exterior wall, reduce heat gain in the summer and heat loss in the winter. An energy study would document the cost savings and justify part of the renovation cost. It can also provide the data necessary to review the size and capacity requirements of the existing and future HVAC systems. Our proposal identifies this as an additional service.

D. Operable Windows

The Portland Building is sealed from the exterior environment. It relies completely on mechanical systems for fresh air, heating and cooling. In addition, the relatively small dark tinted windows create a poor work place environment. Several staff commented on this concern during our tour. The historical listing and basic construction allow for a limited number of design options to help improve the work place environment. Clear glazed operable windows are one potential option that could be tested and vetted with the review committees. Our proposal identifies this as an additional service.

ESTIMATED DIRECT CONSTRUCTION COST SUMMARY EXTERIOR RESTORATION ONLY

With the stated project goal of 'doing it right, and no temporary fixes', FFA and the Façade Group worked with Architectural Cost Consultants to develop a preliminary direct construction cost estimate. The team reviewed the criteria listed in the QBS for the Portland Building Exterior Envelope Restoration and Structural Improvements Project, the potential for increased scope noted in the FFA Team walk through and the previous reports and studies.

Due to the un-known scope of potential structural improvements, the preliminary direct construction cost estimate does not include cost estimates for structural improvements.

As noted, this estimate recognizes that the restoration process will require extensive planning and coordination with the Portland Building tenants, department administrators and staff.

The current direct construction project construction cost estimate
for the Portland Building Exterior Envelope Restoration Project is: \$10,525,083.00

Operable windows (Alternate) \$ 377,012.00

TOTAL DIRECT CONSTRUCTION COST ESTIMATE: \$10,902,095.00
(Portland Building Exterior Envelope Restoration Only)

FEE SUMMARY

1. EXTERIOR ASSESSMENT, PHASE 1

BASIC SERVICES *including insurance premium

Time and Material / Not to Exceed: \$ 249,430.00

Reimbursable expenses : \$ 4,988.00

TOTAL EXTERIOR ASSESSMENT, PHASE 1 \$ 254,418.00

2. STRUCTURAL ASSESSMENT, PHASE 1

BASIC SERVICES

Time and Material / Not to Exceed: \$ 201,800.00

Reimbursable expenses : \$ 4,036.00

TOTAL EXTERIOR ASSESSMENT, PHASE 1 \$ 205,836.00

3. EXTERIOR RESTORATION, PHASE 2

BASIC SERVICES (based on anticipated scope, to be adjusted
pending results of Exterior Assessment)

Fixed Fee: \$ 764,530.00

Reimbursable expenses : \$ 15,290.00

TOTAL EXTERIOR RESTORATION PHASE 1 \$ 779,820.00

4. STRUCTURAL IMPROVEMENTS, PHASE 2

BASIC SERVICES (based on anticipated scope, to be adjusted
pending results of Exterior Assessment)

Fixed Fee: \$ 787,625.00

Reimbursable expenses : \$ 15,752.00

TOTAL STRUCTURAL IMPROVEMENTS, PHASE 2 \$ 803,377.00

TOTAL FEE, PHASE 1

EXTERIOR ASSESSMENT	\$ 249,430.00
STRUCTURAL ASSESSMENT	<u>\$ 201,800.00</u>

	TOTAL	\$ 451,230.00
Reimbursable expenses:		\$ 9,024.00

TOTAL	\$ 460,254.00
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TOTAL FEE, PHASE 2

EXTERIOR RESTORATION	\$ 764,530.00
STRUCTURAL IMPROVEMENTS	<u>\$ 787,625.00</u>

	TOTAL	\$ 1,552,155.00
Reimbursable expenses:		\$ 31,043.00

TOTAL	\$ 1,583,198.00
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GRAND TOTAL FEE, PHASE 1 AND PHASE 2	\$ 2,043,452.00
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ADDITIONAL SERVICES

Additional Testing – budget	\$ 100,000.00
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Special testing – budget	\$ 79,000.00
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Energy modeling - budget	\$ 40,000.00
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Operable Windows design-- budget	\$ 15,000.00
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Reimbursable expenses such as reproduction, postage / messenger, photography, long distance phone, computer plots, fax transmissions, etc. will be billed at direct cost plus 10%. We recommend the City of Portland budget 2 percent of the Architect / Engineering contract fee for these expenses.

$.02 \times \$2,003,385.00 = \$40,087.00$

We hope that we have provided the information required to best establish the scope of work for this Portland Building Exterior Envelope Restoration and Structural Improvements Project. If this proposal meets with your approval, please sign below and return a copy to us.

Sincerely,

FFA Architecture and Interiors, Inc.

A handwritten signature in black ink, appearing to read "Troy Ainsworth". The signature is fluid and cursive, with the first name "Troy" and last name "Ainsworth" clearly distinguishable.

Troy Ainsworth, AIA
Principal

Approved by

Date

cc: Eric Wilcox, FFA
Diana Simmons, FFA