

**MASTER AGREEMENT FOR PROJECT MANAGEMENT AND CONSTRUCTION
MANAGEMENT SERVICES**

THIS AGREEMENT is made and entered into this _____ day of _____, 2007, by and between the University of Washington (“Owner”) and _____, (“Project Management and Construction Management Consultant”).

RECITALS

Owner intends to design and construct various projects during the term of this Agreement at the University of Washington campuses.

Project and Construction Management (PM/CM) Consultant represents it has available the experienced personnel capable of managing the execution of these projects from the concept phase through construction, commissioning and acceptance.

The Owner and the Project and Construction Management Consultant agree as follows:

1. The Owner will assign projects to the PM/CM Consultant based upon the workload of the University and suitability, skill and experience of the personnel proposed by the PM/CM Consultant for the assignment. The Owner may request that one or more firms holding Master Agreements propose teams for a particular assignment. The Owner will, at its own discretion, select the personnel or team best suited for a particular assignment from among those proposed. The Owner will issue a Standard Services Authorization to the PM/CM Consultant for each assignment.
2. The PM/CM Consultant shall provide the services for Project and Construction Management described in the Standard Conditions of the Agreement, Attachment A, for each project assigned.

TERM

The initial term of this Agreement is three (03) years with an option to extend, at the Owner’s option, for up to three (03) additional one-year terms. The terms of the Agreement shall remain in full force and effect for any Standard Services Authorization (for authorizing the performance of work under this Agreement) executed prior to the expiration of this Agreement.

COMPENSATION

Compensation for personnel assigned to projects shall be negotiated for each assignment and as described in Attachment B and as negotiated in the specific Standard Service Authorization. All other terms of compensation are set forth in Attachment B of this Agreement.

ATTACHMENTS

The following are attached and incorporated herein:

- Attachment A: Standard Conditions of the Agreement
- Attachment B: Standard Terms of Compensation

This Agreement and the Standard Services Authorization issued pursuant to this Agreement constitute the entire understanding between the PM/CM Consultant and the Owner relative to the matters identified herein, and may not be amended or modified except by a written amendment by the Owner and the PM/CM Consultant.

This Agreement is effective as of the date first above written.

OWNER

PM/CM CONSULTANT

University of Washington

ATTACHMENT A

STANDARD CONDITIONS OF THE AGREEMENT

A. PROJECT AND CONSTRUCTION MANAGEMENT STANDARD SERVICES

The responsibilities of the Project and Construction Management (PM/CM) Consultant during concept, design, procurement, construction, commissioning and closeout of a particular project will be specified in the Standard Services Authorization issued to the PM/CM Consultant for each of the projects assigned. Typical assignments and duties that could be assigned include but are not limited to:

1. Senior Project Manager – Serve as the institution’s representative to manage the planning, design, construction and acceptance of public works projects on the main and branch campuses. Work with University organizations to develop project program, maintain fiscal and schedule control, and review and approve the work of consultants and contractors.
2. Project Manager – Serve as the institution’s representative to manage the planning, design, construction, and acceptance of multiple minor public works projects. Work with University organizations and user groups to develop project program, maintain fiscal and schedule control, and review and approve the work of consultants and contractors.
3. Construction Manager – Serve as the key member of the University’s team in administration of public works contracts utilizing the design-bid-build or General Contractor/Construction Manager method of contracting. Serve as the primary person responsible for on-site construction contract administration and observation. Coordinate with the University’s project manager in administration of the design architect’s contract for construction phase services.
4. Construction Coordinator – Review and coordinate construction projects, inspect construction sites and maintain related construction documents.

B. PERSONNEL

1. PM/CM Consultant shall staff the Project with personnel acceptable to the Owner provided they remain in the PM/CM Consultant’s employ. PM/CM Consultant may make changes in this staffing or may hire or use independent consultants in connection with the work only with the advance, written consent and approval of the Owner, which shall not be unreasonably withheld. The Owner may require the PM/CM Consultant to remove from the work any of its approved personnel or consultants to which the Owner develops a reasonable objection.
2. The PM/CM Consultant warrants that is has not employed any company or person, other than a bona fide employee working solely for the PM/CM Consultant, to solicit or secure this Agreement, and that it has paid or agreed to pay any company or person, other than a bona fide employee working solely for the PM/CM Consultant, any fee, commission, percentage, gift or any other consideration, contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, the Owner shall have the

right to annul this Agreement without liability and at its discretion, to deduct from the Agreement price, or otherwise recover, the full amount of such fee, commission, percentage, gift, consideration.

3. The PM/CM Consultant, all employees of the PM/CM Consultant and other personnel employed by the PM/CM Consultant providing the services under this Agreement, shall in no way stand to gain financially from this Agreement except for the compensation provisions of this Agreement or through wages, salaries, or bonuses paid by the PM/CM Consultant; nor shall they own any interest in any contracting firm, subcontracting firm, or material supplier connected with the project.

C. STANDARD OF CARE

The PM/CM Consultant acknowledges the relationship of trust and confidence established between the PM/CM Consultant and the Owner by this Agreement. Accordingly, the PM/CM Consultant's acts shall be consistent with this relationship. The PM/CM Consultant further covenants with the Owner to furnish its best skill, care, diligence, and judgment in the rendition of all services under this Agreement which shall be no less than that exercised by a PM/CM Consultant of similar reputation performing work for projects of a size, scope and complexity similar to these projects and to further the interest of the Owner at all times through efficient business administration, management and construction management service.

D. RECORDS

Records of the PM/CM Consultant's payroll, consultant and reimbursable expenses pertaining to the projects shall be kept on a generally recognized accounting basis, shall be available to the Owner or its authorized representatives at mutually convenient times, and shall be retained for six years after the termination of this Agreement.

E. NONDISCRIMINATION

PM/CM Consultant verifies that: (a) it will comply with Presidential Executive Order 11246, as amended, and agrees that the Equal Opportunity Clause contained therein, is incorporated herein by reference; (b) it will comply with Section 503 of the Rehabilitation Act of 1974, as amended, and agrees that the Affirmative Action Clause contained therein by reference; and (c) it will comply with the Americans with Disabilities Act of 1990, as amended, regarding its programs, services, activities and employment practices.

F. INSURANCE

Prior to commencement of services under this Agreement, the PM/CM Consultant shall submit to the Owner certificates of insurance for the coverage required below and shall maintain the same type and amount of coverage for the life of this Agreement. Each insurance certificate shall provide that coverage will not be canceled or materially modified without 30 days notice to the Owner. The liability for the PM/CM Consultant's errors, omissions or negligent acts shall not be limited by the policy or exclusions contained in the Consultant's professional liability insurance policy.

PM/CM Consultant shall maintain at PM/CM Consultant's own expense, the following insurance coverages, insuring PM/CM Consultant, PM/CM Consultant's employees, agents, designees and indemnities as required herein:

1. Workers' Compensation and Employer's Liability:

- a) Workers' Compensation Benefits State of Washington, statutory.
- b) Employer's Liability:
 - (1) Each Accident - \$1,000,000
 - (2) Disease – Policy Limit - \$1,000,000
 - (3) Disease – Each Employee - \$1,000,000
- c) U.S. L&H, if applicable.

2. Commercial General Liability:

- a) Limits – Bodily Injury and Property Damage Combined Limit:
 - (1) General Aggregate - \$1,000,000
 - (2) Products and Completed Operations Aggregate - \$1,000,000
 - (3) Personal and Advertising Injury - \$1,000,000
 - (4) Each Occurrence - \$1,000,000
- b) If policy is issued on other than the 1997 ACORD Commercial General Liability Policy Form, the policy shall be endorsed to include the Broad Form Comprehensive General Liability Endorsement.
- c) PM/CM Consultant shall continue Products and Completed Operations Insurance coverage with the same limits as contained herein for two years, commencing with issuance of final certificate of payment.

3. Automobile Liability:

Limits – Bodily Injury and Property Damage, combined single limit - \$1,000,000. Coverage shall apply to all owned, non-owned and hired automobiles.

4. Umbrella Excess Liability:

Limit - \$3,000,000.

5. Professional Liability:

Unless provided on a project basis, professional liability insurance with all coverage retroactive to the earlier of the effective date of this Agreement or the commencement of PM/CM Consultant's services in relation to the Project.

PM/CM Consultant's professional liability insurance shall have a limit of no less than \$1 million, on a form and from a carrier acceptable to Owner. The policy shall remain in effect for the duration of the Project and for at least six (6) years following Substantial Completion ("Required Coverage Period").

G. HOLD HARMLESS

1. PM/CM Consultant shall defend, indemnify, and hold the Owner harmless from and against any cost, reasonable attorneys fees, and liability for damages arising out of bodily injury or death to persons and damage to property, cause by or resulting from:
 - a. The sole negligence of the PM/CM Consultant, its officers, employees or agents only to the extent of the negligence of the PM/CM Consultant, its officers, employees or agents;
 - b. the concurrent negligence of the PM/CM Consultant, its officers, employees, agents or subconsultants only to the extent of the negligence of the PM/CM Consultant, its officers, employees, agents or subconsultants;
 - c. the use of any design, process, or equipment which constitutes an infringement of any United States patent presently issued, or violates any other proprietary interest, including copyright, trademark, and trade secret that is not required or specified by the Owner or its design professionals.
2. To the extent allowed by law, the University shall defend, indemnify, and hold the PM/CM harmless from and against any cost, reasonable attorney fees, and liability for damages arising out of bodily injury or death to persons and damages to property, caused by or resulted from:
 - a. The sole negligence of the University, its officers, employees and agents or;
 - b. The concurrent negligence of the University, its officers, employees and agents, only to the extent of the negligence of the University, its officers, employees and agents.

H. JURISDICTION

This Agreement shall be deemed executed in King County of the State of Washington and the laws of the State of Washington shall govern the interpretation and application of its provision.

I. TERMINATION

1. Termination for Cause

If the PM/CM Consultant shall fail to fulfill in timely and proper manner, his/her obligations under this Agreement, or if the PM/CM Consultant shall violate any of the covenants, agreements, or stipulations of the Agreement, the Owner shall thereupon have the right to terminate this Agreement by giving written notice to the PM/CM Consultant

of such termination and specifying the effective date thereof, at least ten days before the effective date of such termination; provided, however, that the PM/CM Consultant may correct or commence to correct its alleged default at any time prior to the proposed date of termination, in which event, the Termination Notice shall be null and void.

If the Agreement is terminated by the Owner for cause as provided herein, the PM/CM Consultant shall receive no further compensation over and above the amount earned to the effective date of termination. However, the Owner shall be entitled to reimbursement for out of pocket expenses directly attributable to retention of a replacement PM/CM Consultant.

2. Termination for Convenience of Owner

The Owner may terminate the Agreement at any time by a 30 day notice in writing.

If the Agreement is terminated by the Owner as provided herein, the PM/CM Consultant shall be entitled to reimbursement for all compensation due PM/CM Consultant for its Basic Services and Additional Services to date of termination and for reasonable out-of-pocket expenses directly attributable to the termination.

J. CONFIDENTIALITY LANGUAGE

The PM/CM Consultant understands that it must safeguard and protect the confidentiality of any and all information, patient or otherwise obtained or observed in the performance of assigned duties. In maintaining confidentiality it is understood by the PM/CM Consultant and its employees that all patient and sensitive business information heard, learned, read and viewed will be maintained in the strictest confidence and not divulged to individuals not directly involved with the performance of duties and assignments.

K. ADDITIONAL TERMS

1. The parties recognize that PM/CM Consultant is not a guarantor of the work by designer or contractor and PM/CM Consultant shall not be responsible for defective or non-conforming work performed by contractor or designer or for the means and methods of construction including a contractor's safety program, employed by the contractors.
2. The parties recognize that PM/CM Consultant cannot and will not be in control of the activities of a contractor or designer in connection with a Project, and therefore, PM/CM Consultant cannot warrant or represent that the actual Project schedule will be consistent with the estimated Project schedule for the Project.
3. Owner shall provide PM/CM Consultant with office space as needed. Specific situations will be addressed in individual authorizations.

End of Standard Conditions of the Agreement

ATTACHMENT B

STANDARD TERMS OF COMPENSATION

A. STANDARD SERVICES COMPENSATION

1. The Owner shall pay the PM/CM Consultant the Standard Services Compensation in accordance with the terms and conditions of this Agreement as below:
2. The Standard Services Compensation to be paid to the PM/CM Consultant shall be based on:
3. Hourly rates will be negotiated for each Standard Service Authorization.
 - a. For individuals assigned to the Project by the PM/CM Consultant an amount computed by multiplying the number of hours required to perform the Standard Services (a maximum of up to 173 hours per month) times the individual's hourly compensation rate times the multipliers as indicated in 3 below agreed to in the Standard Services
 - b. For professional sub-consultants, materials, and/or equipment retained by the PM/CM Consultant and performing services related to the Project, a multiplier of 1.10 times the amount billed to or incurred by the PM/CM Consultant for such services. All such consultants shall be approved in advance by the Owner.
 - c. Billing rates for the year(s) subsequent to the year in which the authorization is issued shall be as stated in the authorization.
 - d. Personnel hours billed will be the actual hours worked, up to a maximum of 173 hours per month, based on normal working conditions. Personnel time off for sick leave, holidays and vacations will not be billed.

B. REIMBURSABLE EXPENSES

A 10% service charge may be added to authorized reimbursable expenses, which may include the items listed in paragraphs 2 through 4 below.

1. The Owner shall compensate the PM/CM Consultant for Reimbursable Expenses (when authorized). Reimbursable Expenses are in addition to Basic Services Compensation and Additional Services Compensation.
2. Travel expenses (when authorized)
 - a. Within 50 mile radius of University No reimbursement
 - b. Beyond 50 mile radius of University:

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| | (1) | Automobile | .48 cents/mile |
| | (2) | Air travel* | Actual coach class fare |
| | (3) | Rental automobile* | Actual costs for midsize car or smaller |
| | (4) | Taxis, ferries* | Actual costs |
| 3. | | Per diem expenses (when authorized) | |
| | a. | Lodging* | Actual costs up to \$136 per day not including state and local taxes |
| | b. | Restaurant Meals* | Actual costs up to \$64 per day including state and local taxes |
| 4. | | Printing (when authorized) | |
| | a. | Bid sets, reports, specifications, final products | Actual costs |
| | b. | Correspondence, check prints, file copies, etc. | No Reimbursement |
| 5. | | Service Charge on Subconsultants Consultants, Materials & Equipment | 10% when rates do not exceed maximums established herein |

*Receipts required

C. PAYMENTS WITHHELD

No deductions shall be made from the PM/CM Consultant's compensation on account of any liquidated damages, retainage or other sums claimed or withheld by the Owner for payments to the Contractor, the Design Consultant, or others. The Owner shall pay amounts invoiced per applicable state statutes.

D. CESSATION OR SUSPENSION OF SERVICE

In the event any invoice submitted by the PM/CM Consultant for Services rendered is wrongfully not paid within 60 days from the date of the invoice, the PM/CM Consultant shall have the right to cease or suspend all performance required under this Agreement until all outstanding invoices from PM/CM Consultant to the Owner are paid in full. Notwithstanding anything herein to the contrary, such cessation or suspension of Services by the PM/CM Consultant shall not be deemed a breach of this Agreement in whole or in part of the fault of the PM/CM Consultant. The decision by the PM/CM Consultant not to cease or suspend performance if there is a non-payment shall not constitute a waiver of its right to stop work as long as a non-payment condition exists.

If the PM/CM Consultant ceases or suspends performance for wrongful non-payment under this paragraph, the PM/CM Consultant shall not be liable to the Owner for, and the Owner agrees to indemnify and hold the PM/CM Consultant harmless against, any increase in construction or other costs, for delay in the time for completion of the Project, or for any other adverse consequences, claims, liabilities or expenses which may arise due to the exercise of this right to cease or suspend performance.

E. TAXES

The Standard Services Compensation and Additional Services Compensation do not include local, state or federal sales, use, gross receipts, excise, personal property or other similar taxes or duties with respect to the Services, and such taxes or duties shall be assumed and paid for by the PM/CM Consultant.

F. ADDITIONAL SERVICES

Should events occur, beyond the control of the PM/CM Consultant, that cause an increase in the time required or the cost to complete the Standard Services, or should the Owner request the PM/CM Consultant to perform Additional Services, the PM/CM Consultant shall be entitled to receive Additional Services Compensation.

G. ADDITIONAL SERVICES COMPENSATION

The amount of Additional Services Compensation to be paid to the PM/CM Consultant shall be set forth in a written amendment to the Standard Service Authorization and executed by the Owner and the PM/CM Consultant. In the event no agreement is reached as to the amount of Additional Services Compensation to be paid to the PM/CM Consultant, the Owner may issue a written order to the PM/CM Consultant to proceed with or to resume the work on the Project and the PM/CM Consultant may proceed or resume the performance of the Services and/or the Additional Services, and such Additional Services Compensation shall be determined on a time-spent basis calculated by multiplying the number of hours spent on performing the Additional Services times the applicable Hourly Billing Rate for the personnel set forth in the Standard Services Authorization plus applicable Reimbursable Expenses.