

**MEETING OF THE  
DULUTH ECONOMIC DEVELOPMENT AUTHORITY  
WEDNESDAY, OCTOBER 28, 2020 – 5:15 P.M.  
VIA ELECTRONIC MEANS PURSUANT TO MINNESOTA STATUTES  
SECTION 13D.021  
AGENDA**

Please take notice that the Duluth Economic Development Authority will hold a public hearing by other electronic means pursuant to Minnesota Statutes Section 13D.021 on Wednesday, October 28, 2020, at 5:15 p.m. All persons interested may monitor and participate in the hearing by visiting: <http://dulutheda.org/live-meeting> promptly at 5:15 p.m. on Wednesday, October 28, 2020, and written comments may be submitted to DEDA in advance of the meeting via the DEDA's web site at <http://dulutheda.org/contact-us/> or via email at [cfleege@duluthmn.gov](mailto:cfleege@duluthmn.gov), and DEDA will decide if the conveyance is advisable.

The regular meeting place of DEDA is the Duluth City Council Chambers at City Hall, 411 West First Street, in Duluth, Minnesota. At this time board members of DEDA do not intend to attend the meeting in person; due to continually evolving restrictions and guidance from state and federal officials and agencies, the board members of DEDA will attend the meeting remotely via telephone or other electronic means pursuant to Minnesota Statutes Section 13D.021.

**1. CALL TO ORDER**

**2. PUBLIC TO ADDRESS THE COMMISSION**

**3. PUBLIC HEARINGS**

**4. APPROVAL OF MINUTES**

**[MEETING MINUTES FROM SEPTEMBER 18, 2020 SPECIAL MEETING](#)**

**[MEETING MINUTES FROM SEPTEMBER 23, 2020 MEETING](#)**

**5. APPROVAL OF CASH TRANSACTIONS**

**[SEPTEMBER 1, 2020 TO SEPTEMBER 30, 2020](#)**

**6. NEW BUSINESS**

**[2021 BUDGET PRESENTATION](#)**

**7. RESOLUTIONS FOR APPROVAL**

**[RESOLUTION 20D-70: RESOLUTION APPROVING THE DEDA 2021 BUDGETS](#)**

**[RESOLUTION 20D-71: RESOLUTION ELECTING TREASURER FOR THE BALANCE OF YEAR 2020](#)**

**RESOLUTION 20D-72:** RESOLUTION AUTHORIZING A SERVICE AGREEMENT WITH VISIT DULUTH, INC. FOR THE DULUTH WINTER MARKETING PROGRAM IN THE AMOUNT OF \$100,000

**RESOLUTION 20D-73:** RESOLUTION AUTHORIZING A CONTRACT WITH THE JAMAR COMPANY FOR FACILITIES SERVICE AND PREVENTATIVE MAINTENANCE AT THE MAINTENANCE REPAIR AND OVERHAUL FACILITY FOR AN AMOUNT NOT TO EXCEED \$110,000

**RESOLUTION 20D-74:** RESOLUTION AUTHORIZING CONSTRUCTION MANAGEMENT AGREEMENT WITH KRAUS ANDERSON CONSTRUCTION FOR SERVICES RELATED TO THE PASTORET/ROBISON PROPERTY IN THE AMOUNT OF \$135,000

## **8. DISCUSSION**

### **DIRECTORS REPORT**

- **2021 Grandma's Marathon Agreement (NW Iron Lot)**

## **9. ADJORN**

# Duluth Economic Development Authority

## July 2020 Cash Activity - all DEDA Funds

ACCUMULATED TRANSACTION LISTING, G/L Date Range 09/01/20 - 09/30/20 (as of 10/06/2020)

G/L Date	Journal Number	Sub Ledg	Name	Net Amount	Description
<b><u>FUND 860 - OPERATING FUND</u></b>				<b>Beginning Balance</b>	<b>\$ 2,692,349.47 TB</b>
09/01/20	2020-0000359	GL	Cost Allocation - DEDA	(33,333.33)	Cost Allocation - DEDA
09/01/20	2020-00006751	GL	2020 Liability Insurance	(7,350.00)	2020 Liability Insurance
09/02/20	2020-00006352	RA	PayGrpOreillyLLC	437.09	DEDA Lease Payments
09/09/20	2020-00006480	RA	Red Wagon Popcorn	1,726.97	August 2020 Rent
09/09/20	2020-00006480	RA	Duluth Seaway Port Authority	2,500.00	Sept 2020 Lot D rent
09/14/20	2020-00006527	AP	Beauty Lawn Care Service	(110.00)	Grass Cutting 7/13/20 7/29/20
09/14/20	2020-00006527	AP	Beauty Lawn Care Service	(565.00)	Grass Cutting & Raking 7/16/20
09/14/20	2020-00006527	AP	LHB Engineers & Architects	(2,202.50)	L30321 - Demolition of RR Bridge L8493 - Oneota St
09/14/20	2020-00006527	AP	Arrowhead Printing Inc	(96.00)	Yard Signs HART District
09/14/20	2020-00006527	AP	Northspan Group Inc	(15,000.00)	C19-860-896-Northland Connection
09/16/20	2020-00006662	RA	Interstate Parking	76,646.96	Parking Ramp Revenue August 2020
09/21/20	2020-00006755	RA	Passport Labs	3,666.70	August Mobile Phone Parking Ticket Payments ACH 9-15
09/24/20	2020-00006840	GL	Reimburse City Contingent Account - Checks #37520 - 37969	(1.65)	Reimburse City Contingent Account - Checks #37520 - 37969
09/28/20	2020-00006837	AP	Chad Ronchetti	(10.24)	3/5/20-6/26/20 Mileage
09/28/20	2020-00006837	AP	St Louis County Recorder	(92.00)	Ordinance & Quit Claim Deed
09/28/20	2020-00006837	AP	Duluth News Tribune	(22.40)	DEDA Ad
09/28/20	2020-00006837	AP	Duluth Public Utilities - Comfort Systems	(822.15)	335 W Superior St 7/30-8/28/20
09/30/20	2020-00006993	GL	Investment Earnings for September	2,035.00	Investment Earnings for September
<b><u>FUND 860 - OPERATING FUND</u></b>				<b>Ending Balance - 9-30-2020</b>	<b>2,719,756.92 TB</b>
<b><u>FUND 861 - DEBT SERVICE</u></b>				<b>Beginning Balance</b>	<b>652,414.80 TB</b>
09/23/20	2020-00006792	GL	Record Wire Transfer to Collier Funding for PierB TIF27 1stHalf	(119,590.00)	Record Wire Transfer to Collier Funding for PierB TIF27 1stHalf
09/28/20	2020-00006837	AP	Summit Management, LLC	(55,343.27)	1st Half 2020 TIF Late
09/30/20	2020-00006993	GL	Investment Earnings for September	465.00	Investment Earnings for September
<b><u>FUND 861 - DEBT SERVICE</u></b>				<b>Ending Balance - 9-30-2020</b>	<b>477,946.53 TB</b>
<b><u>FUND 865 - CAPITAL PROJECTS</u></b>				<b>Beginning Balance</b>	<b>3,249,450.26 TB</b>
09/30/20	2020-00006993	GL	Investment Earnings for September	2,457.00	Investment Earnings for September
<b><u>FUND 865 - CAPITAL PROJECTS</u></b>				<b>Ending Balance - 9-30-2020</b>	<b>3,251,907.26 TB</b>
<b><u>FUND 866 - MRO FACILITY</u></b>				<b>Beginning Balance</b>	<b>792,925.77 TB</b>
09/01/20	2020-00006751	GL	2020 Property and Boiler Insurance -	(17,462.00)	2020 Property and Boiler Insurance - MRO
09/02/20	2020-00006352	RA	AAR Corporation	210,422.83	Building Rent Incoming WT
09/14/20	2020-00006527	AP	Jamar Company	(2,095.00)	Hanger Roof Leak Repairs
09/25/20	2020-00006875	RA	Cirrus Design Corporation	46,064.00	Invoice #2020-00000203; 2020-00000216; 2020-00000217; 2020-00000218
09/28/20	2020-00006837	AP	Duluth Airport Authority	(300.00)	Lawn Mowing
09/28/20	2020-00006837	AP	Chad Ronchetti	(98.44)	7/1/20-9/2/20 Mileage
09/28/20	2020-00006837	AP	Leo A Daly Company	(2,362.50)	D20-860-949 MRO Fire Suppression System Design
09/28/20	2020-00006837	AP	Northern Images Photography	(500.00)	Photos AAR Facility
09/28/20	2020-00006837	AP	Chad Ronchetti	(73.83)	3/5/20-6/26/20 Mileage
09/30/20	2020-00006993	GL	Investment Earnings for September	756.00	Investment Earnings for September
<b><u>FUND 866 - MRO FACILITY</u></b>				<b>Ending Balance - 9-30-2020</b>	<b>1,027,276.83 TB</b>
<b><u>FUND 867 - STOREFRONT LOANS</u></b>				<b>Beginning Balance</b>	<b>242,298.05 TB</b>
09/17/20	2020-00006693	RA	Alerus Financial	1,037.10	DEDA Incoming WT
09/30/20	2020-00006993	GL	Investment Earnings for September	184.00	Investment Earnings for September
<b><u>FUND 867 - STOREFRONT LOANS</u></b>				<b>Ending Balance - 9-30-2020</b>	<b>243,519.15 TB</b>

**RESOLUTION 20D-70**

**RESOLUTION APPROVING THE  
DEDA 2021 BUDGETS**

BE IT RESOLVED, by the Duluth Economic Development Authority (DEDA) that the attached DEDA Operating Fund (860), Debt Service Fund (861), Capital Projects Fund (865), and MRO Maintenance Fund (866) budgets for the year 2021 are hereby approved.

Approved by the Duluth Economic Development Authority this 28<sup>th</sup> day of October, 2020.

ATTEST:

---

Executive Director

STATEMENT OF PURPOSE: The purpose of this resolution is to approve the DEDA budgets for 2021.



**Duluth Economic Development Authority**

**DEDA DEBT SERVICE FUND 861**

**2021 Proposed Budget**

Presented to DEDA on 10/28/2020

	2019	2020	2021	Augusta dist 13 (Decert 12/31/2020)	Washington Center dist 16 (Decert 12/31/2021)	Tech Village dist 19 (Decert 12/31/2026)	Garfield dist 21 (Decert 12/31/2027)	Medical Dist Expansion dist 22 (Decert 12/31/2029)	5th Street Village Place dist 23 (Decert 12/31/2026)	Duluth Renaissance dist 24 (Decert 12/31/2034)	Bluestone dist 25 (Decert 12/31/2040)	Pier B dist 27 (Decert 12/31/2043)	Harbor Bay/ Endi dist 28 (Decert 12/31/2043)	Kenwood Village dist 29 (Decert 12/31/2043)	Voyageur Hotel dist 31 (Decert 12/31/2046)	Board of Trade dist 32 (Decert 12/31/2047)	Lincoln Park dist 33 (Decert 12/31/2048?)
	FINAL	Adopted Budget 10/23/2019	Proposed Budget 10/28/2020														
Beginning Fund Balance	7,480	6,770	6,991	505	689	547	552	1,355	552	620	615	563	494	500	-	-	-
<b>Revenues</b>																	
Investment Earnings	22,973	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tax Increment	2,874,258	2,977,667	3,058,177	-	46,484	492,125	78,325	994,488	35,907	184,587	382,968	265,755	357,336	220,204	-	-	-
Other Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenues</b>	<b>2,897,231</b>	<b>2,977,667</b>	<b>3,058,177</b>	-	<b>46,484</b>	<b>492,125</b>	<b>78,325</b>	<b>994,488</b>	<b>35,907</b>	<b>184,587</b>	<b>382,968</b>	<b>265,755</b>	<b>357,336</b>	<b>220,204</b>	-	-	-
<b>Total Available</b>	<b>2,904,710</b>	<b>2,984,437</b>	<b>3,065,168</b>	505	47,173	492,672	78,877	995,843	36,459	185,207	383,583	266,317	357,830	220,703	-	-	-
<b>Expenditures</b>																	
<b>DEVELOPER PAYMENTS (PAYG)</b>																	
Glen Place Apts (Augusta) TIF #13	74,521	70,686	0	0													
Garfield Business Park TIF #21	22,425	21,873	21,715				21,715										
NorShor Theatre TIF #22	269,142	288,365	321,926					321,926									
Sheraton Hotel & Condominiums TIF #22	210,625	210,648	239,239					239,239									
Village Place Apartments TIF #23	27,147	26,107	34,494						34,494								
Duluth Renaissance Project TIF #24	161,271	156,646	-														
Bluestone Commons TIF #25	363,002	362,941	288,673								288,673						
Pier B TIF #27	163,760	246,024	239,180									239,180					
Harbor Bay (ENDI) TIF #28	258,903	258,854	321,602										321,602				
Kenwood Village TIF #29	150,759	159,384	198,184											198,184			
Voyageur Hotel TIF #31	0	0	0														
Board of Trade TIF #32	-	-	-														
Lincoln Park TIF #33	-	-	-														
<b>OTHER</b>																	
Transfer to City's Debt Service Fund	423,701	422,175	386,232	-	-	-	-	386,232	-	-	-	-	-	-	-	-	-
Transfer to Other Districts/Funds	3,962	3,835	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Excess TIF returned to County	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
County Admin Fees/other admin expenses	6,991	6,991	6,992	505	689	547	552	1,355	552	620	615	563	494	500	-	-	-
<b>Total Expenditures</b>	<b>2,136,209</b>	<b>2,234,527</b>	<b>2,058,237</b>	<b>505</b>	<b>689</b>	<b>547</b>	<b>22,267</b>	<b>948,753</b>	<b>35,046</b>	<b>620</b>	<b>289,288</b>	<b>239,743</b>	<b>322,096</b>	<b>198,684</b>	-	-	-
Fund Balance before transfer	768,501	749,910	1,006,931	(0)	46,484	492,125	56,609	47,090	1,412	184,587	94,295	26,575	35,734	22,020	-	-	-
Less: Transfer @ Y/E to Capital Projects	761,510	742,919	1,000,443	-	45,796	491,578	56,057	45,735	860	183,966	93,680	26,012	35,239	21,520	-	-	-
<b>Ending Fund Balance</b>	<b>6,991</b>	<b>6,991</b>	<b>6,488</b>	-	<b>689</b>	<b>547</b>	<b>552</b>	<b>1,355</b>	<b>552</b>	<b>620</b>	<b>615</b>	<b>563</b>	<b>494</b>	<b>500</b>	-	-	-

**Duluth Economic Development Authority**

**Capital Projects Fund 865**

**2021 Proposed Budget**

Presented to DEDA on 10/28/2020

**ADD IN CARRY-FORWARDS / ADJUST INTERDISTRICT LOANS**

	2019	2020	2021	West Duluth	Washington	Tech Village	Garfield	Medical Dist	Village Place	Renaissance	Bluestone	Pier B	Endi	Kenwood	Voyageur	Board of	Lincoln
	FINAL	REVISED Budget 10/5/2020	PROPOSED Budget 10/28/2020	Housing dist 7	dist 16	dist 19	dist 21	dist 22	dist 23	dist 24	dist 25	dist 27	dist 28	dist 29	Hotel dist 31	Trade dist 32	Park dist 33
<b>BEGINNING FUND BALANCE</b>	2,528,271	3,222,900	4,158,334	11,312	277,045	3,031,853	258,802	251,507	813	234,089	101,249	(31,561)	27,484	1,156	(5,415)	-	-
<b>Revenues</b>																	
Investment Earnings	38,978	35,851	27,900	-	2,000	20,300	2,000	2,000	-	1,600	-	-	-	-	-	-	-
Transfer from Debt Service	761,511	1,000,443	1,000,443	-	45,796	491,578	56,057	45,735	860	183,966	93,680	26,012	35,239	21,520	-	-	-
Other Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL REVENUES/TRANSFER</b>	<b>800,489</b>	<b>1,036,294</b>	<b>1,028,343</b>	<b>-</b>	<b>47,796</b>	<b>511,878</b>	<b>58,057</b>	<b>47,735</b>	<b>860</b>	<b>185,566</b>	<b>93,680</b>	<b>26,012</b>	<b>35,239</b>	<b>21,520</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL AVAILABLE</b>	<b>3,328,760</b>	<b>4,259,194</b>	<b>5,186,677</b>	<b>11,312</b>	<b>324,841</b>	<b>3,543,731</b>	<b>316,859</b>	<b>299,242</b>	<b>1,673</b>	<b>419,655</b>	<b>194,929</b>	<b>(5,549)</b>	<b>62,723</b>	<b>22,676</b>	<b>(5,415)</b>	<b>-</b>	<b>-</b>
<b>Expenditures</b>																	
District 19 Bridge / District 22 Skywalk	-	-	2,682,986	-	-	2,473,211 <sup>(1)</sup>	-	209,775 <sup>(2)</sup>	-	-	-	-	-	-	-	-	-
Housing Rehab - City-West Duluth DEMO in 2019	5,000	-	11,312 <sup>(3)</sup>	11,312	-	-	-	-	-	-	-	-	-	-	-	-	-
TIF Admin Cost Allocation	100,860	100,860	100,860	-	5,000	5,000	-	25,000	860	5,000	20,000	20,000	10,000	10,000	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>105,860</b>	<b>100,860</b>	<b>2,795,158</b>	<b>11,312</b>	<b>5,000</b>	<b>2,478,211</b>	<b>-</b>	<b>234,775</b>	<b>860</b>	<b>5,000</b>	<b>20,000</b>	<b>20,000</b>	<b>10,000</b>	<b>10,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>ENDING FUND BALANCE</b>	<b>3,222,900</b>	<b>4,158,334</b>	<b>2,391,519</b>	<b>-</b>	<b>319,841</b>	<b>1,065,520</b>	<b>316,859</b>	<b>64,467</b>	<b>813</b>	<b>414,655</b>	<b>174,929</b>	<b>(25,549)</b>	<b>52,723</b>	<b>12,676</b>	<b>(5,415)</b>	<b>-</b>	<b>-</b>

- ① The Skywalk/Bridge budget for District 19 includes \$700,000 in money from 2017 and a carryforward from 2018 of \$1,773,211= \$2,473,211. Did not add to "project" expenses in 2019 or 2020 (needs discussion/approval)
- ② The Skywalk/Bridge budget for District 22 includes \$75,000 in new money in 2017 and a carryforward from 2018 of \$134,775=\$209,775. Did not add to "project" expenses in 2019 or 2020 (needs discussion/approval)
- ③ Balance of the City Demo contract remaining unused as of 12-31-2019. Any more demo's to occur in 2020? Or delayed to 2021?

# Duluth Economic Development Authority

## DEDA MRO Maintenance Facility Fund 866

### 2021 Proposed Budget

Updated for October 2020 DEDA Meeting & for 2021 Proposed Budget

	2019	2020	2021
	<u>FINAL</u>	Revised Budget 8/25/2020	Proposed Budget 10/28/2020
<b>BEGINNING FUND BALANCE</b>	708,376	675,348	894,853
<b><u>Revenues</u></b>			
Investment Earnings	16,536	9,740	7,200
<b><u>Building Rent</u></b> (Orig 2020 Budget Included: AAR with 4th Bay Occupied & Leased whole year.) REVISED 2020 Budget includes Revised AAR rent & contract buyout and Cirrus temporary lease 8-26-20 to 12-31-20	401,618	463,033	-
Sale of Used Equipment	300	-	-
<b>TOTAL REVENUES</b>	418,454	472,773	7,200
<b>TOTAL AVAILABLE</b>	1,126,830	1,148,121	902,053
<b><u>EXPENDITURES</u></b>			
Other Professional Services (Northspan Group Inc in 2019 & Leo Daly in 2020)	26,500	30,100	30,000
Repairs/Maintenance (includes roof repairs 2019, & estimated in 2020 & 21, & east wall in 2019)	406,141	36,532	70,000
Repairs/Maintenance (2020 Budget includes- Fire Supression Audit & Upgrades, Gr Lease)	-	145,968	134,600
Long-Term MRO Maintenance Planning	-	-	-
Targeted Marketing (advertising/promo)	-	-	10,000
Property Insurance	16,273	16,800	16,800
Utilities (electricity, water/gas/sewer & Communications/fiber)	-	23,868	71,600
Other Services and Charges (WFD, Contingency, Misc.)	2,568	-	-
<b>TOTAL EXPENDITURES</b>	451,482	253,268	333,000
<b>ENDING FUND BALANCE</b>	675,348 <b>TB</b>	894,853	569,053



## **RESOLUTION 20D-71**

### **RESOLUTION ELECTING TREASURER FOR THE BALANCE OF YEAR 2020**

RESOLVED, by the Duluth Economic Development Authority ("DEDA") that DEDA hereby elects Roz Randorf to serve as Treasurer for the remainder of the current term of officers and until election of officers in 2021.

Approved by the Duluth Economic Development Authority this 28th day of October, 2020.

ATTEST:

---

Executive Director

STATEMENT OF PURPOSE: The purpose of this Resolution is to elect Roz Randorf to serve the remaining term as treasurer for Craig Chilcote who has resigned from the Commission.

**RESOLUTION 20D-72**

**RESOLUTION AUTHORIZING A SERVICE AGREEMENT  
WITH VISIT DULUTH, INC. FOR THE DULUTH WINTER  
MARKETING PROGRAM IN THE AMOUNT OF \$100,000**

RESOLVED by the Duluth Economic Development Authority (DEDA) that the proper DEDA officials are hereby authorized to enter into an agreement (DEDA Contract No. 20-860-\_\_\_\_\_) with Visit Duluth, Inc. substantially in conformance with the attached Exhibit A for the Duluth Winter Marketing Program in the amount of \$100,000, payable from fund 860.

Approved by the Duluth Economic Development Authority this 28<sup>th</sup> day of October, 2020.

ATTEST:

---

Executive Director

STATEMENT OF PURPOSE: The purpose of this resolution is to authorize an agreement with Visit Duluth, Inc. to fund a portion of the Duluth Winter Marketing Program for the 2020-2021 season.

Tourism and particularly winter tourism is one of the key drivers of the Duluth economy. Faced with the negative effects that the COVID-19 pandemic had on the 2019-2020 season and the anticipated impacts on the forthcoming season, it is important to reach out to Duluth's winter markets to encourage the continued status of Duluth as a winter recreation destination.

Visit Duluth as the community's tourism marketing arm has developed a marketing plan to promote Duluth for the upcoming season. This is a prudent investment in this important segment of our economy.

**AGREEMENT FOR SERVICES**  
**DULUTH ECONOMIC DEVELOPMENT AUTHORITY**  
**AND**  
**DULUTH PUBLICITY BUREAU, INC.**  
**d/b/a VISIT DULUTH.**

THIS AGREEMENT entered into, as of the date of execution thereof by the parties, by and between the DULUTH ECONOMIC DEVELOPMENT AUTHORITY, an economic development authority created and existing under Minnesota Statutes (1989) Chapter 469 (“DEDA”), and DULUTH PUBLICITY BUREAU, INC. d/b/a VISIT DULUTH, a non-profit corporation created and existing under the laws of the State of Minnesota, (“Consultant”), for the purpose of rendering services to DEDA.

WHEREAS, DEDA is responsible for fostering economic development and job growth in the City of Duluth; and;

WHEREAS, the winter season tourism industry is a key element of the overall Duluth economy, the health of which for the 2020-2021 season is being endangered by the impact of the COVID-19 pandemic; and

WHEREAS, DEDA has determined that it is prudent and necessary for DEDA to assist in promoting Duluth as a winter tourism destination for the 2020-2021 winter season; and

WHEREAS, DEDA is in need of expert consulting services to assist it in implementing a promotion plan for said season; and

WHEREAS, Consultant has represented that it is qualified and willing to perform services set forth in its proposal referenced below.

NOW, THEREFORE, in consideration of the mutual covenants and conditions hereinafter contained, the parties hereto agree as follows:

I. Services to be Performed.

Consultant will provide services related to the implementing a winter tourism marketing plan as described in Consultant’s “Duluth Winter Marketing Assistance Request”, a copy of which is attached hereto as Exhibit A (the “Services”).

Consultant agrees that it will provide its services at the direction of the Executive Director of DEDA (the "Director"). In the event of a conflict between the Proposal and this Agreement, the terms and conditions of this Agreement shall be deemed controlling.

II. Fees.

It is agreed between the parties that Consultant shall be paid fees for the Services provided which are shown on the attached Exhibit A for the performance thereof to the reasonable satisfaction of the Director. All other out-of-pocket expenses are included in Consultant's fees. Consultant's maximum fee for the term of this Agreement shall not exceed the sum of One Hundred Thousand and No/100ths Dollars (\$100,000), which shall be payable from in Fund 860. All bills for services rendered shall be submitted no more frequently than monthly to Director and shall be accompanied by such documentation as the Director shall request.

III. Contract Period.

This Agreement shall commence upon the later of the date of the last required signature below and shall continue until March 31, 2021, unless terminated earlier as provided herein.

IV. Termination of Services.

DEDA may, by giving written notice specifying the effective date thereof, terminate this Agreement in whole or in part, with or without cause. In the event of termination, all property and finished or unfinished documents, materials, and other data prepared by Consultant under this Agreement shall be promptly delivered by Consultant to DEDA at the address provided in Section IX. Consultant shall be entitled to compensation for the performance of any unreimbursed services properly performed by it prior to the date of termination.

V. General Terms and Conditions.

1. Qualifications. Consultant represents that it is qualified and willing to perform the services set forth herein. All services to be provided by Consultant shall be provided by Anna Tanski or under her direction.
2. Amendments. Any alterations, variations, modifications or waivers of terms

of this Agreement including contract price shall be binding upon DEDA and Consultant only upon being reduced to writing and signed by a duly authorized representative of each party.

3. Assignment. Consultant represents that it will utilize only its own personnel in the performance of the services set forth herein, and further agrees that it will not assign, transfer or subcontract any rights or obligations under this Agreement without prior written consent of the Director. Consultant shall be responsible for the performance of all subcontractors.
4. Data and Confidentiality.
  - a. Consultant must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by DEDA under this contract, and as it applies to all data created, collected, received, stored, used, maintained or disseminated by Consultant under this contract. The civil remedies of Minnesota Statutes Section 13.08 apply to the release of the data referred to in this clause by Consultant. If Consultant receives a request to release the data referred to in this clause, Consultant must immediately notify DEDA and consult with DEDA as to how Consultant should respond to the request. Consultant's response to the request must comply with applicable law.
  - b. All notes, reports, records and other documents, data and materials prepared by Consultant under this Agreement shall become the property of DEDA when prepared, whether delivered to DEDA or not, and shall, together with any materials forwarded by DEDA, be delivered to DEDA at the address provided in Section IX upon request, or in any event, upon completion or termination of this Agreement.
5. Standard of Performance. Consultant agrees that all services to be provided to DEDA pursuant to this Agreement shall be in accordance with the generally accepted standards for the provisions of services of this type.

6. Civil Rights Covenant. Consultant agrees to comply with all applicable requirements of federal and state civil rights and rehabilitation statutes, rules and regulations.
7. Records Auditing and Retention. Consultant's books, records, documents and accounting procedures and practices, and other evidence relevant to this Agreement are subject to the examination, duplication, transcription and audit by DEDA and either the Legislative Auditor or State Auditor, pursuant to Minn. Stat. Sec. 16C.05, subd. 5. Such evidence is also subject to review by the Comptroller General of the United States, or a duly authorized representative, if federal funds are used for any work under this Agreement. Consultant agrees to maintain such evidence for a period of six (6) years from the date payment was last made or longer if any audit in progress requires a longer retention period.

VI. Independent Contractor.

- a. At all times and for all purposes hereunder, Consultant shall be an independent contractor and is not an employee of DEDA or the City for any purpose. No statement contained in this Agreement shall be construed so as to find Consultant to be an employee of DEDA or the City and Consultant shall not be entitled to any of the rights, privileges, or benefits of employees of DEDA or the City, including, but not limited to, workers' compensation, health/death benefits, tenure rights, sick or vacation leave, disability or severance pay, unemployment insurance or P.E.R.A., or indemnification for third-party personal injury/property damage claims.
- b. Contractor is responsible for hiring sufficient workers to perform the services/duties required by this contract, withholding their taxes, and paying all other employment tax obligations on their behalf.

VII. Indemnity.

Consultant agrees to defend, hold harmless, and indemnify DEDA and the City, and their officers, agents, and employees from and against all claims, causes of action, fees, liabilities, damages and expenses, including reasonable attorneys' fees,

relating to or arising from the acts or omissions of Consultant, its employees, agents, or subcontractors under this Agreement.

VIII. Insurance.

- a. Consultant shall provide the following minimum amounts of insurance from insurance companies authorized to do business in the State of Minnesota.
- (1) Workers' compensation insurance in accordance with the laws of the State of Minnesota.
  - (2) Commercial General Liability and Automobile Liability Insurance with limits not less than \$1,500,000 Single Limit; shall be in a company approved by DEDA; and shall provide for the following: Liability for Premises, Operations, Completed Operations, Independent Contractors, and Contractual Liability.
  - (3)  
DEDA and the City shall be named as Additional Insureds under the Commercial General Liability and Automobile Liability, or as an alternate, Contractor may provide Owners-Contractors Protective policy, naming itself, DEDA and the City. Consultant shall also provide evidence of Statutory Minnesota Workers' Compensation Insurance. Consultant to provide a certificate of insurance evidencing such coverage with 30 days' notice of cancellation, non-renewal or material change provisions included. DEDA does not represent or guarantee that these types or limits of coverage are adequate to protect the Contractor's interests and liabilities.
  - (4) If a certificate of insurance is provided, the form of the certificate shall contain an unconditional requirement that the insurer notify DEDA without fail not less than 30 days prior to any cancellation, non-renewal or modification of the policy or coverages evidenced by said certificate and shall further provide that failure to give such notice to DEDA will render any such change or changes in said policy or coverages ineffective as against DEDA or the City.

- b. The insurance required herein shall be maintained in full force and effect during the life of this Agreement and shall protect Consultant, its employees, agents and representatives from claims and damages including but not limited to personal injury and death and any act or failure to act by Consultant, its employees, agents and representatives in the negligent performance of work covered by this Agreement.
- c. Certificates showing that Consultant is carrying the above described insurance in the specified amounts shall be furnished to DEDA prior to the execution of this Agreement and a certificate showing continued maintenance of such insurance shall be on file with DEDA during the term of this Agreement.

IX. Notices.

Notices shall be sufficient if sent by regular United States mail, postage prepaid, addressed to DEDA as follows:

Duluth Economic Development Authority  
Attn: Director  
418 City Hall  
411 West First Street  
Duluth, MN 55802;

and addressed to Consultant as follow:

Visit Duluth, Inc...  
Attn: Anna Tanski  
225 West Superior Street  
Suite 110  
Duluth, MN 55802,

or to such other persons or addresses as the parties may designate to each other in writing from time to time.

X. Laws, Rules and Regulations.

Consultant agrees to observe and comply with all laws, ordinances, rules and regulations of the United States of America, the State of Minnesota and the City of



Duluth with respect to their respective agencies which are applicable to its activities under this Agreement.

XI. Applicable Law.

This Agreement, together with all of its paragraphs, terms and provisions is made in the State of Minnesota and shall be construed and interpreted in accordance with the laws of the State of Minnesota. The appropriate venue and jurisdiction for any litigation hereunder shall be in a court located in St. Louis County, Minnesota. However, litigation in the federal courts involving the parties shall be in the appropriate federal court within the State of Minnesota. The parties to this Agreement waive any objection to the jurisdiction of those courts, whether based on convenience or otherwise.

XII. No Third Party Rights.

Nothing in this Agreement confers or purports to confer on any third party any benefit or any right to enforce any term of this Agreement.

XIII. Waiver.

Any waiver by either party of any provision of this Agreement shall not imply a subsequent waiver of that or any other provision.

XIV. Severability.

In the event any provision herein shall be deemed invalid or unenforceable, the remaining provisions shall continue in full force and effect and shall be binding upon the parties to this Agreement.

XV. Entire Agreement.

This Agreement, including Exhibit A, constitutes the entire Agreement between DEDA and Consultant and supersedes all prior written or oral agreements and negotiations between the parties relating to the subject matter hereto.

IN WITNESS WHEREOF, the parties have hereunto set their hands the day and date first above shown.

DULUTH ECONOMIC DEVELOPMENT  
AUTHORITY

DULUTH PUBLICITY BUREAU, INC. d/b/a  
VISIT DULUTH

By: \_\_\_\_\_  
President – Matt Cartier

By: \_\_\_\_\_  
Anna Tanski

Date: \_\_\_\_\_

**Its:** \_\_\_\_\_  
President

By: \_\_\_\_\_  
Secretary – Zack Filipovich

Date: \_\_\_\_\_

Date: \_\_\_\_\_

# DULUTH WINTER MARKETING ASSISTANCE REQUEST

## OVERVIEW

Visit Duluth is the official destination marketing organization for the City of Duluth, which is contracted to brand the city's image, create and implement comprehensive promotional campaigns and establish detailed metrics to measure the impact and effectiveness of these initiatives. Visit Duluth is a small (10 FTE) non-profit which represents more than 350 small businesses who rely on us now more than ever to drive the maximum number of visitors to our community. These businesses are from a broad range of sectors including restaurants, hotels/B&Bs/vacation rentals, attractions, retail, galleries and museums, hospitals, education and many more.

Leisure travel brings 6.7 million visitors to Duluth annually, with 2.3 million overnight stays and 4.4 million daytrips (Longwoods, Int'l 2015 study.) The visitor economy results in \$319 million in direct spending with an impact of \$957 million using a conservative multiplier of each dollar turning over three times within the city.

In addition to leisure, Visit Duluth is responsible for leading the Convention Sales effort as well as Sports Marketing. Meetings, conventions, sporting events and team competitions combined generate more than \$47 million direct economic impact each year. These efforts result in significant revenue for the Duluth Entertainment Convention Center (DECC), local hotels and multiple venues citywide.

According to DEED's latest data, the hospitality and tourism sector is Duluth's second largest industry representing more than 7,000 jobs. With the hospitality industry being the hardest hit by COVID-19, unemployment remains at more than 25%. Through targeted, impactful marketing Visit Duluth's objective is to sustain workforce levels through increased visitor activity which directly benefits small businesses, City sales tax and tourism tax collections.

## VISIT DULUTH

Duluth's Marketing Organization

LEISURE TRAVEL  
BRINGS

**6.7** MILLION

VISITORS TO DULUTH  
ANNUALLY.



**2.3** MILLION  
OVER NIGHT VISITS

**4.4** MILLION  
DAY VISITS



DULUTH VISITOR ECONOMY  
RESULTS IN \$319 MILLION IN  
DIRECT SPENDING



EACH DOLLAR TURNS  
OVER 3X WITHIN THE  
CITY RESULTING IN AN  
IMPACT OF \$957  
MILLION

**\$47**  
MILLION

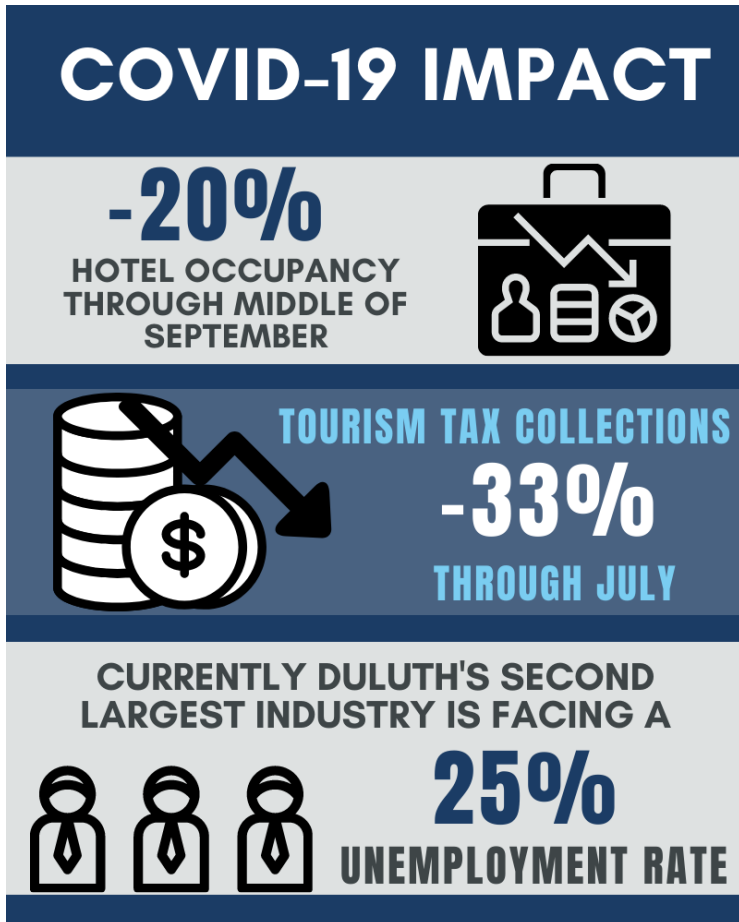
DIRECT ECONOMIC  
IMPACT ANNUALLY  
FROM CONVENTION  
SALES & SPORTS  
MARKETING.



**DEDA's mission is to drive economic prosperity in the City of Duluth.**

DEDA accomplishes its mission by leading significant development initiatives, being a catalyst for sustainable development and redevelopment, and prudently investing unique resources that leverage other investments.

The terms of Visit Duluth's contract with the City provides a \$2 million allocation from tourism tax collections, which is a combination of lodging tax and food and beverage tax. In addition, Visit Duluth generates an additional \$250-300,000 in revenue through membership dues, advertising on the website and visitor guide and co-op marketing partnerships.



Due to the City's bond obligations from the tourism tax fund, Visit Duluth has been unfunded since May 1<sup>st</sup>. Until the City reaches the threshold for making bond payments, there is no opportunity for further funding from the City through the end of 2020. However, once summer collections are calculated, the City and Visit Duluth will begin discussions for 2021 funding and outline the destination marketing and plan which remains essential for the long-term recovery of the tourism industry and overall economy.

As 2020 began, January and February tourism tax collections and general sales tax were outperforming budget and exceeded previous year levels. This supplemental funding request provides resources for Duluth to capitalize on our abundance of winter outdoor recreation assets through targeted marketing, strategically placed to maximize reach and exposure.

To date, 501c6 organizations have been excluded from critical CARES relief programs such as PPP. Visit Duluth has limited resources to continue providing essential marketing support to partner businesses. This request coincides with colder weather limiting restaurant outdoor dining options, waning crowds of visitors, meetings/conventions delayed until Q2 2021. Visit Duluth had a second round of layoffs October 1.

# SUPPLEMENTAL FUNDING FOR MARKETING ASSISTANCE

Amount Requested: \$100,000 (itemized below)

## SCOPE OF WORK

This is where targeted marketing provides an *immediate positive* impact on the economy. **Bentleyville** promotions begin November 1, 2020. As one of the first major events taking place in our region, coupled with its duration, restaurants, lodging, retail, gas stations and many other businesses benefit greatly. In addition, Visit Duluth will provide extensive marketing of **Spirit Mountain's** re-opening. As demand for outdoor recreation surges, our campaign positions Spirit Mountain for a strong recovery. This investment enhances the economic vitality of Duluth as neither of these attractions have resources to fund marketing and are relying on Visit Duluth to drive visitors to these venues and the broader community.

### BENTLEYVILLE CAMPAIGN

Messaging highlights the Drive Thru format, showcasing safe, family fun.

### SPIRIT MOUNTAIN MARKETING

Outdoor digital billboards, online ads, social media, TV and OTT commercials  
Special promotions / contests

### WINTER PROMOTION

#### Television (:15 second spots)

Twin Cities, Rochester, Iowa

**Estimated Budget** **\$50,000**

#### Online/Social through Media Partners

Work with Media One & Star Tribune on winter integrated campaign with online ads and OTT video spots  
Focus on targeting Twin Cities, Southern MN, IA, ND, SD

**Estimated Budget** **\$20,000**

#### Town Square Media

Integrated campaign with online ads and OTT video spots promoting Bentleyville, Spirit Mountain, outdoor recreation and local attractions /activities  
Focus on targeting Twin Cities, Southern MN, IA

**Estimated Budget** **\$5,000**

#### In-house social media promotion

**Estimated Budget** **\$6,000**

### STAFFING

Social media content creation, video editing,  
Website design/programming, graphic design

**Estimated Budget** **\$19,000**

### Contact information

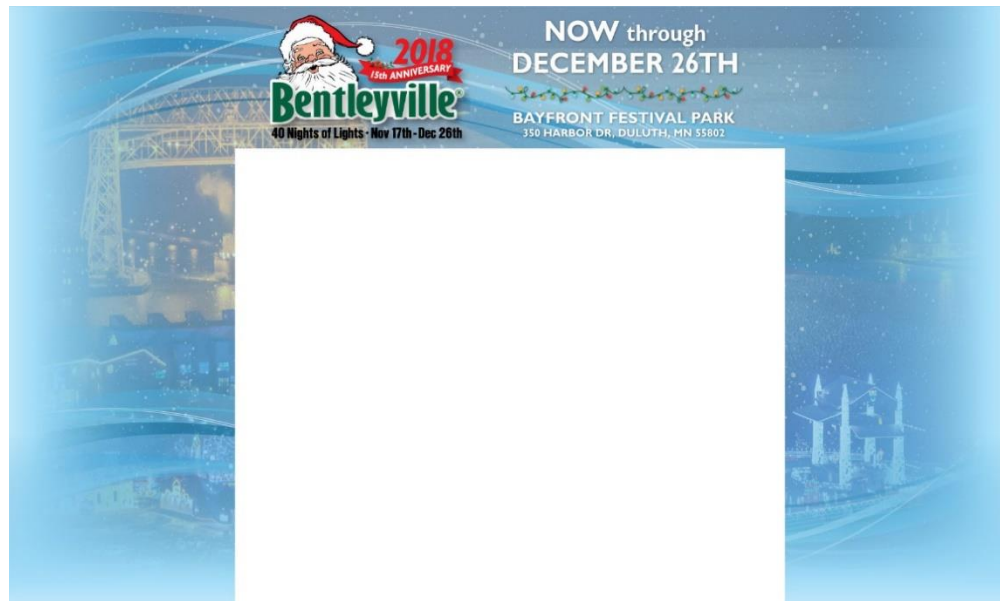
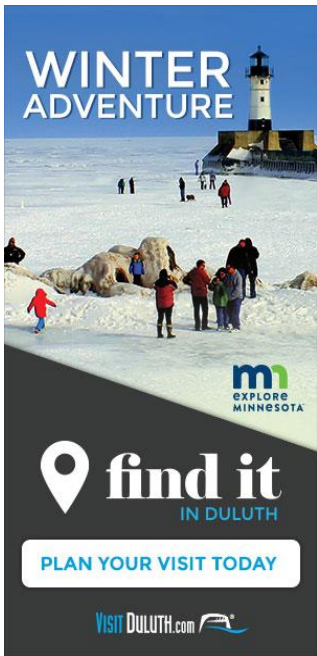
Anna Tanski, President/CEO

[anna@visitduluth.com](mailto:anna@visitduluth.com)

218-625-8103



Creative Examples:



WCCO Take over



**RESOLUTION 20D-73**

**RESOLUTION AUTHORIZING A CONTRACT WITH THE JAMAR COMPANY FOR FACILITIES SERVICE AND PREVENTATIVE MAINTENANCE AT THE MAINTENANCE REPAIR AND OVERHAUL FACILITY FOR AN A MOUNT NOT TO EXCEED \$110,000**

BE IT RESOLVED, by the Duluth Economic Development Authority (DEDA) that the proper DEDA officials are hereby authorized to enter into an agreement (DEDA Contract No. 20-860-\_\_\_\_) with the Jamar Company, substantially in conformance with the attached Exhibit A, for facilities service and preventative maintenance at the Maintenance Repair & Overhaul (MRO) Facility for a total amount not to exceed \$110,000, payable from fund 866-860-5400 (DEDA Northwest Maintenance Facility, Duluth Economic Development Authority, Misc. Repair & Mtc Service).

Approved by the Duluth Economic Development Authority this 28<sup>th</sup> day of October, 2020.

ATTEST:

---

Executive Director

STATEMENT OF PURPOSE: This resolution authorizes a contract with The Jamar Company for facilities service and preventative maintenance at the MRO Facility for a total amount not to exceed \$110,000.

Jamar has on staff one of the few persons locally who is familiar with all of the systems, having worked for NWA, AAR and most every entity having been responsible for those systems as owner and tenants; this would include working for Oneida Realty Company during the time that DEDA had contracted with Oneida to manage the building on an interim basis and for DEDA directly in 2010-2012.

Staff has determined that the most cost effective and efficient way to carry forward the maintenance and operation of the building is to contract directly with the Jamar Company for their unique facility knowledge. DEDA would pay Jamar a management fee of \$7,800 per month for performing or overseeing the necessary maintenance of the facility, including cycling and operating equipment as needed to maintain its operability.

In addition, Jamar would have the authority to make small purchases of every day supplies and materials needed for routine maintenance, such as light bulbs, belts,

filters, and cleaning supplies, and well as order subcontractors such as plumbers and electricians for small jobs under the direction of either DEDA's Executive Director or the DEDA's Property Manager.

The initial term of the agreement would be for one year. The agreement would, however, be subject to termination by either party without cause on 60 days' notice as well as being subject to termination on 10 days' notice in the event of breach.



**SERVICES AGREEMENT**  
**(Purchase Order # \_\_\_\_\_)**

This agreement (“Agreement”) between the Duluth Economic Development Authority, an economic development authority created and existing under Minnesota Statutes (1989) Chapter 469 (“DEDA”) and The Jamar Company (“JAMAR”), with offices located at 4701 Mike Colalillo Drive, Duluth, MN 55807-2762.

WHEREAS, DEDA desires to enter into an agreement with a service provider to provide facilities service and preventive maintenance at DEDA’s Maintenance Repair and Overhaul Facility, located at 4600 Stebner Road, Duluth, MN 55803 the “MRO”); and

WHEREAS, JAMAR is in the business of providing facilities maintenance services and has represented itself as fully capable of providing the Services to its customers and that it is qualified and willing to perform the services; and

WHEREAS, DEDA wishes to engage JAMAR to provide the Services;

NOW, THEREFORE, in consideration of the mutual covenants and conditions hereinafter contained, the parties hereto agree as follows:

DEDA and JAMAR hereby agree to the following terms and conditions:

1. Services. Under the direction of DEDA’s Executive Director, JAMAR shall provide all personnel, services, tools, equipment and materials to perform maintain the MRO as are described in more detail in the Proposal dated October 6, 2020, which is attached to this Agreement as Exhibit A and incorporated by reference (the “Proposal”), except as hereinafter provided for. In the event of a conflict between the terms of this Agreement and any terms contained in the Proposal, the terms of this Agreement shall be deemed to be controlling.

2. Emergency Services. In addition to the providing the services specified in the Proposal during the hours set forth therein, JAMAR agrees to provide said services on a 24 hour per day/7 day per week basis under the terms of this Paragraph. JAMAR agrees to provide in writing to DEDA no more than two emergency call-out telephone numbers, at least one of which shall be manned at all times which the Executive Director may use to request services on an emergency basis. JAMAR agrees to have qualified maintenance personnel capable of responding to the emergency giving rise to the call-out on site at the MRO to respond to the request within two (2) hours of the Executive Director making the

request therefore. Call-out services shall be reimbursed as reimbursable expenses pursuant to the terms of the Proposal.

3. Rates/Price and Payment for Services. For satisfactory performance of the services set forth in the Proposal for up to Twenty (20) hours per week, JAMAR will be entitled to payment for services in the amount of Seven Thousand Eight Hundred Dollars (\$7,800) per month, subject to the following. In addition, JAMAR shall be entitled to reimbursement for the cost of small purchases of every day supplies and materials needed for routine maintenance, such as light bulbs, belts, filters, and cleaning supplies. Further with the prior written authorization of the Executive Director, JAMAR shall be entitled to reimbursement for the work of subcontractors for work beyond the capacities of JAMAR staff. Reimbursement of reimbursable expenses shall be supported by such reasonable documentation as the Executive Director shall reasonably require. The total amount payable under this agreement including reimbursable expenses shall not exceed \$110,000, unless the contract is modified by formal amendment. Payments shall be made from fund 866-860-5400. JAMAR shall be paid for the Services within thirty (30) days of DEDA's receipt of an invoice.

4. Term; Termination. The term of this Agreement shall be deemed to have commenced on August 1, 2020 and shall continue, unless earlier terminated as provided for herein, for a period of One (1) year (the "Term"), provided that either JAMAR or DEDA may terminate this Agreement without cause upon Sixty (60) days prior written notice to the other party as provided for in Section 14 below. In addition, either party may terminate this Agreement at any time prior to the end of the Term due to the other party's material breach of any of its obligations hereunder, which breach has not been cured to the non-breaching party's reasonable satisfaction within a reasonable time, not to exceed ten (10) business days, after receipt of written notice specifying such breach.

5. Representations and Warranties. JAMAR represents and warrants that:

- a. All services under this Agreement shall be performed by Rand Lally or under his supervision unless otherwise approved by the Executive Director.
- b. JAMAR shall perform its respective duties in a professional and diligent manner in the best interests of DEDA and in compliance with all applicable laws.
- c. JAMAR and all personnel to be provided by it hereunder have sufficient training and experience to perform the duties set forth herein and are in good standing with all applicable licensing requirements.

6. Insurance.

- a. JAMAR shall provide and maintain in full force and effect during the life of this Agreement the following minimum amounts of insurance:
  - (1) Workers compensation insurance in accordance with applicable law.
  - (2) Public Liability and Automobile Liability Insurance with limits not less than \$1,500,000 Single Limit and twice the limits provided when a claim arises out of the release or threatened release of a hazardous substance; and shall provide for the following: Liability for Premises, Operations, Completed Operations, Independent Contractors, and Contractual Liability.
  - (3) City of Duluth and DEDA shall be named as Additional Insureds under the Public Liability and Automobile Liability and JAMAR will provide Certificate of Insurance evidencing such coverage with 30-days' notice of cancellation, non-renewal or material change provisions included. The City of Duluth nor DEDA represents or guarantees that these types or limits of coverage are adequate to protect the JAMAR's interests and liabilities.
- b. Such insurance shall protect JAMAR, its employees, agents and representatives from claims and damages including but not limited to personal injury and death and any act or failure to act by JAMAR, its employees, agents and representatives in the negligent performance of work covered by this Agreement.
- c. Certificates showing that JAMAR is carrying the above described insurance in the specified amounts shall be furnished to DEDA prior to the execution of this Agreement and a certificate showing continued maintenance of such insurance shall be on file with DEDA during the term of this Agreement.

7. Indemnification. To the extent allowed by law, JAMAR shall defend, indemnify and hold the City of Duluth and DEDA, its employees, officers, and agents harmless from and against any and all cost or expenses, claims or liabilities, including but not limited to, reasonable attorneys' fees and expenses in connection with any claims resulting from the JAMAR's a) breach of this agreement or b) its negligence or misconduct or that of its agents or contractors in performing the Services hereunder or c) any claims arising in connection with the JAMAR's employees or contractors, or d) the use of any materials supplied by the JAMAR to DEDA unless such material was modified by DEDA and such modification is the cause of such claim. This Section shall survive the termination of this Agreement for any reason.

8. Data, Records and Inspection.

- a. DEDA agrees that it will make available all pertinent information, data and records under its control for JAMAR to use in the performance of this Agreement, or to assist JAMAR wherever possible to obtain such records, data and information.
- b. All customer addresses and other data or customer information provided to JAMAR by DEDA pursuant to this Agreement will be confidential and will not be released by JAMAR without prior authorization from DEDA.
- c. Records shall be maintained by JAMAR in accordance with requirements prescribed by DEDA and with respect to all matters covered by this Agreement. Such records shall be maintained for a period of six (6) years after receipt of final payment under this Agreement.
- d. JAMAR will ensure that all costs shall be supported by properly executed payrolls, time records, invoices, contracts, vouchers, or other official documentation evidencing in proper detail the nature and propriety of the charges. All checks, payrolls, invoices, contracts, vouchers, orders, or other accounting documents pertaining in whole or in part to this Agreement shall be clearly identified and readily accessible.
- e. JAMAR shall be responsible for furnishing to DEDA records, data and information as DEDA may require pertaining to matters covered by this Agreement.
- f. JAMAR shall ensure that at any time during normal business hours and as often as DEDA may deem necessary, there shall be made available to DEDA for examination, all of its records with respect to all matters covered by this Agreement JAMAR will also permit DEDA to audit, examine, and make excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment, and other data relating to all matters covered by this Agreement.

9. Independent Contractors. The parties agree that they are independent contractors, and no agency, partnership, employment or joint venture arrangement shall be deemed to exist by virtue of this Agreement, performance hereunder or otherwise. No employee or independent contractor of JAMAR shall be deemed to have any employment or independent contractor relationship with DEDA by virtue of this Agreement or performance hereunder, and such individuals shall have no claim against DEDA for any employee benefits offered to employees of DEDA.

10. Assignment. JAMAR may not assign this agreement. DEDA may assign this Agreement without the prior written consent of JAMAR.

11. Amendment; Entire Agreement. This Agreement embodies the entire understanding of the parties and there are no other agreements or understandings, written or oral, in effect between parties relating to the subject matter hereof. This Agreement may be amended or modified only by an instrument signed by the parties.

12. Applicable Law. This Agreement, together with all of its paragraphs, terms and provisions is made in the state of Minnesota and shall be construed and interpreted in accordance with the laws of the State of Minnesota.

13. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original as against any party whose signature appears thereon, but all of which together shall constitute but one and the same instrument. Signatures to this Agreement transmitted by facsimile, by electronic mail in “portable document format” (“pdf”), or by any other electronic means which preserves the original graphic and pictorial appearance of the Agreement, shall have the same effect as physical delivery of the paper document bearing the original signature.

14. Captions. The captions contained in this Agreement are solely for convenience of reference and are not part of the Agreement and shall not be used in construing this Agreement or in any way affect the meaning or interpretation of this Agreement.

15. Notices. Notices to be given from one party to the other under this Agreement shall be deemed to have been given if given in writing and sent to the other party by U.S. Mail, postage prepaid addressed to such party at the address set forth below or to such other address as such party shall have designated to the other in writing:

In the Case of DEDA

Duluth Economic Development Authority  
411 West First Street  
Room 418 City Hall  
Duluth, MN 55802

In the Case of JAMAR

Jamar Company  
4701 Mike Colalillo Drive  
Duluth, MN 55807-2762



**EXHIBIT A**  
**PROPOSAL**



THE JAMAR COMPANY | 4701 MIKE COLALILLO DR. | DULUTH, MN 55807-2762 | PHONE 218.628.1027 | FAX 218.628.1174

October 16, 2020

City of Duluth – Planning & Development  
411 West First Street  
Duluth, MN 55802

Attn: Mr. Chad Ronchetti  
Proposal: 20-S-088-3  
Scope: Maintenance Proposal  
Location: AAR MRO Facility – Duluth, MN

The Jamar Company is pleased to provide the following proposal to perform the subject project as detailed below.

1. Our proposal is based on **providing/including** the following:
  - A. Provide (1) person (4) hours per day 7AM – 11AM Monday through Friday for facilities service and preventive maintenance of below
    - 1) Provide preventive maintenance for the following:
      - a) Control systems for HVAC equipment
      - b) Forty (40) variable air volume terminals
      - c) Seven (7) roof top units
      - d) Thirteen (13) make up air units
      - e) Four (4) computer room units
      - f) Sixteen (16) gas fire unit heaters
      - g) Ten (10) electric unit heaters
      - h) One (1) air conditioning unit
      - i) Five (5) cabinet unit heaters
      - j) Twenty five (25) pneumatic control dampers
      - k) Three (3) electric reheat coils
      - l) One (1) compressed air regulating valve
      - m) Three (3) domestic water pumps
      - n) Three (3) foam concentrate pumps
      - o) Seven (7) bridge cranes
      - p) Six (6) main doors
      - q) Twenty (20) roll up doors
      - r) Two (2) fuel oil systems
      - s) Thirty seven (37) exhaust fans
      - t) Two (2) hot water boilers with power burners
      - u) Four (4) heating circulating pumps
      - v) Two (2) refrigeration air dryers
      - w) Five (5) compressed air systems
      - x) Vertical parts retrievers
      - y) Other maintenance requested by DEDA

**SPECIALTY CONTRACTOR SERVICES**

*Jamar is an Equal Opportunity / Affirmative Action Employer*



- B. Provide project management and support to the technician
  - C. Provide project management and support to the owner
  - D. Provide small tools and transportation to the site
2. Our proposal is based on **excluding** the following:
- A. Materials- Cost + 15%
  - B. Subcontractors – Coat + 10%
  - C. Labor above 20 hours weekly
  - D. Equipment besides small tools
  - E. Temporary services including heat, water or utilities
  - F. Fire protection or fire alarm work
  - G. Any other mechanical work not listed above
3. Our proposal is based on the following general **exceptions and / or clarifications**:
- A. Work will be conducted between the business hours of 7:00 am and 4:30 pm, Monday through Friday excluding holidays, weekends or overtime periods.
  - B. Additional work, performed by Jamar due to changes in out-of-scope items, will be performed on a lump sum or time and material basis, at your option.
4. Our proposal does not include work with or the removal or disposal of any hazardous material. Removal and disposal of hazardous material, required to complete specified work, is a customer / owner responsibility.
5. Payment Terms: net 30 days (*note: all invoices not paid in 30 days will be charged 1½ % interest per month on the unpaid balance as well as any fees incurred resulting from collection efforts*).
6. Please incorporate the above terms into all related purchase orders and/or contracts.

Emergency call out work and overtime work performed outside of normal working hours 7:00 AM –5:00 PM Monday – Friday will be invoiced at 1½ times the established hourly rate

Emergency work performed on Sundays or holidays will be invoiced at 2 times the established hourly rate.

- Trip Charge: Included in rate:
- Mileage: Included in rate:
- Small Tools: Included in rate:
- Adjust rate with union contract – May 1, 2021

---

	<b>5.1.20 THRU 4.30.21</b>
• • Controls Technician	\$ 120.00
• • HVAC-R Technician	\$ 120.00
• • Boiler Technician	\$ 120.00
• • Chiller Maintenance Technician	\$ 120.00
• • Plumbing - Pipefitter	\$ 120.00
• • Sheet Metal	\$ 120.00
• • Balancing Air & Water	\$ 120.00
• • Refrigeration	\$ 120.00
• • Roofing Service	\$ 120.00
• • General Maintenance	\$ 72.00

In closing, Jamar proposes to complete the subject project, as summarized above, for the Monthly price of **\$7800.00 (SEVEN THOUSAND EIGHT HUNDRED DOLLARS)**.  
PLUS, APPLICABLE TAXES

We appreciate the opportunity to provide pricing for this project and look forward to discussing this project further with you. If there is any other way we can be of assistance, please contact me at (218) 269-9455.

*signature on last page*

*signature on next page*

In Witness whereof, the Contractor and Owner signify their understanding and agreement with the terms hereof by signing below:

**THE JAMAR COMPANY**

**City of Duluth – Planning & Development**

Signature: 

Signature: \_\_\_\_\_

Name: John Kontny

Name: \_\_\_\_\_

Its: Sr. Project Manager / Business Devl

Its: \_\_\_\_\_

Date: October 16, 2020

Date: \_\_\_\_\_

Federal Tax ID: 41-1509431  
State Tax ID: 3186956

The Jamar Company is an equal opportunity employer and federal contractor or subcontractor. Consequently, the parties agree that, as applicable, they will abide by the requirements of 41 CFR 60-1.4(a), 41 CFR 60-300.5(a) and 41 CFR 60-741.5(a) and that these laws are incorporated herein by reference. These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin. These regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status or disability. The parties also agree that, as applicable, they will abide by the requirements of Executive Order 13496 (29 CFR Part 471, Appendix A to Subpart A), relating to the notice of employee rights under federal labor laws.

**RESOLUTION 20D-74**

**RESOLUTION AUTHORIZING CONSTRUCTION MANAGEMENT AGREEMENT  
WITH KRAUS ANDERSON CONSTRUCTION FOR SERVICES RELATED TO THE  
PASTORET/ROBISON PROPERTY IN THE AMOUNT OF \$135,000**

RESOLVED, by the Duluth Economic Development Authority ("DEDA") that the proper DEDA officials are hereby authorized to enter into an agreement for construction management services (DEDA Contract No. 20 860 \_\_\_) with Kraus Anderson Construction, substantially in the form of that attached hereto, to assist DEDA in the design, bidding and management of work required to maintain and preserve the Pastoret Terrace/Robison Ballroom buildings in an amount of not to exceed \$135,000, said sum to be payable to Fund 860.

Approved by the Duluth Economic Development Authority this 28<sup>th</sup> day of October, 2020.

ATTEST:

---

Executive Director

STATEMENT OF PURPOSE: The purpose of this resolution is to authorize the execution of a construction management services agreement with Kraus Anderson Construction to assist DEDA in performing maintenance as may be required of the Pastoret Terrace/Robison Ballroom buildings in the amount of not to exceed \$135,000.

When DEDA acquired the buildings in 2016, it was for the purpose of redeveloping the property in a manner which would be beneficial to the neighborhood. As the buildings were known to be on the historic register, DEDA sought proposals which would best meet DEDA's redevelopment objectives, including possible historic re-use of existing structures, and demonstrate sound economic viability. Having failed to receive any proposals that would satisfy DEDA's objectives and redevelop the existing structures, DEDA accepted the proposal from Merge LLC which required the demolition of the buildings.

DEDA is defending ongoing litigation challenging demolition under Minnesota environmental statutory provisions. On August 31<sup>st</sup>, the State Court of Appeals reversed an earlier District Court ruling and remanded the case back to the District Court with the order that DEDA "perform all maintenance and repairs necessary to prevent the property's further deterioration". The District Court has not yet issued specific guidance

interpreting that language from the Court of Appeals.

Because "prevent[ing] the property's further deterioration" is likely to require a significant level of expertise in the areas design, construction and historic restoration as well as the ability to respond expeditiously to needs discovered in the course of that work, DEDA sought proposals from experienced construction management firms to assist staff in fulfilling the court's order in the most cost-effective way possible.

Two proposals were reviewed and Kraus Anderson Construction was selected as the best fit for the work that needed to be done. They will assist an architect in the design of complex projects, do minor design work on minor projects, assist Purchasing In bidding out the work in accordance with DEDA's established policies and perform construction inspection to make sure that the work is properly performed.

# DRAFT AIA® Document C132™ - 2009

## Standard Form of Agreement Between Owner and Construction Manager as Adviser

AGREEMENT made as of the « » day of « » in the year  
«2020 »

*(In words, indicate day, month and year.)*

**BETWEEN** the Owner:

*(Name, legal status, address and other information)*

« Duluth Economic Development Authority (DEDA) » « a an  
economic development authority under Minnesota Statutes  
(1989) Chapter 469 »  
« 411 West 1<sup>st</sup> Street »  
« Duluth, MN 55802 »  
« »

and the Construction Manager:

*(Name, legal status, address and other information)*

Kraus-Anderson Construction Company  
3716 Oneota St.  
Duluth, MN 55807

for the following Project:

*(Name, location and detailed description)*

« Pastoret Terrace/Robeson Ballroom Maintenance & Repairs »  
« See Individual Project Work Orders for Specific Project  
Information »  
« »

The Architect:

*(Name, legal status, address and other information)*

« See Individual Project Work Orders » « »  
« »  
« »

### ADDITIONS AND DELETIONS:

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An Additions and Deletions Report that notes added information as well as revisions to the standard form text is available from the author and should be reviewed.

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

This document is intended to be used in conjunction with AIA Documents A132™-2009, Standard Form of Agreement Between Owner and Contractor, Construction Manager as Adviser Edition; A232™-2009, General Conditions of the Contract for Construction, Construction Manager as Adviser Edition; and B132™-2009, Standard Form of Agreement Between Owner and Architect, Construction Manager as Adviser Edition. ^AIA Document A232™-2009 is adopted in this document by reference. Do not use with other general conditions unless this document is modified.

**ELECTRONIC COPYING** of any portion of this AIA® Document to another electronic file is prohibited and constitutes a violation of copyright laws as set forth in the footer of this document.

The Owner and Construction Manager agree as follows.

REBAR



## TABLE OF ARTICLES

- 1 INITIAL INFORMATION
- 2 CONSTRUCTION MANAGER'S RESPONSIBILITIES
- 3 SCOPE OF CONSTRUCTION MANAGER'S BASIC SERVICES
- 4 ADDITIONAL SERVICES
- 5 OWNER'S RESPONSIBILITIES
- 6 COST OF THE WORK
- 7 COPYRIGHTS AND LICENSES
- 8 CLAIMS AND DISPUTES
- 9 TERMINATION OR SUSPENSION
- 10 MISCELLANEOUS PROVISIONS
- 11 COMPENSATION
- 12 SPECIAL TERMS AND CONDITIONS
- 13 SCOPE OF THE AGREEMENT

### ARTICLE 1 INITIAL INFORMATION

#### § 1.1

**§ 1.1.1** This Agreement is entered into between the parties for the purpose of the Construction Manager providing construction management services for a variety of construction projects related to the maintenance of the Pastoret Terrace/Robeson Ballroom, located at 129 East 1st Street, Duluth, MN 55802, each of which is deemed a "Project". It is hereby understood by the parties that each Project to be included herein shall be fully defined in a separate, written and dated Work Order that requires the approval of the DEDA Executive Director (the "Executive Director"). All Work Orders with an estimated cost exceeding \$50,000- shall require the prior written approval of the Owner's governing body. Work Orders shall include the following:

- A. A full definition of each Project including a scope of work with project phasing and tasks, if required.
- B. In consultation with Construction Manager, the information provided for in Sections 1.1.0, 1.1.11, 1.1.12, 1.1.13, 1.1.14 and 1.1.15 below.
- C. A fee and expense schedule.
- D. A timeline for each Project.
- E. The maximum amount payable to Construction Manager under any Work Order.
- F. Execution by Executive Director and Construction Manager

Each Work Order, when executed as provided for above, shall be incorporated into and become a part of this Agreement. Nothing herein shall be construed as requiring the Executive Director to assign a particular Project or work to the Construction Manager. The Executive Director shall assign Projects or work at its sole discretion, whether to the Construction manager or to other parties.

The Construction Manager's services consist of Basic Services and Additional Services, both as defined below.

« »

### § 1.1.2

Construction Manager's services may be provided in conjunction with the services of an Architect or design professional pursuant to an Architect/Engineering Agreement.

« »

### § 1.1.3

Construction Manager shall provide sufficient organization, personnel and management to carry out the requirements of this Agreement in an expeditious and economical manner consistent with the interests of the Owner.

« »

### §

§ 1.1.5 The contracts to implement Work Orders greater than \$ 25,000 shall be advertised, bid and awarded by the City of Duluth ("City") Purchasing Agent in

accordance with Chapter 41 of the Duluth City Code, 1959, as amended and procedures and practices of the Purchasing Agent. The Owner intends the following procurement method for the Project:  
(Identify method such as competitive bid, negotiated Contract or multiple Prime Contracts.)

« Competitive bids for all Work Orders with an estimated cost greater than \$25,000 »

**§ 1.1.6** The Owner's requirements for accelerated or fast-track scheduling, multiple bid packages, or phased construction are set forth below:  
*(List number and type of bid/procurement packages.)*

« As determined by the Executive Director; see Individual Project Work Orders »

**§ 1.1.7** Other Project information:  
*(Identify special characteristics or needs of the Project not provided elsewhere, such as environmentally responsible design or historic preservation requirements.)*

« As determined by the Executive Director; see Individual Project Work Order »

**§ 1.1.8** The Owner identifies the following representative in accordance with Section 5.5:  
*(List name, address and other information.)*

« Chris Fleege, MBA, P.E. » (the Executive Director)

« Director Planning & Economic Development »

« City of Duluth »

« 411 West First Street »

« Duluth, MN 55802 »

« 218-730-5297 »

**§ 1.1.9** The persons or entities, in addition to the Owner's representative, who are required to review the Construction Manager's submittals to the Owner are as follows:

*(List name, address and other information.)*

« N/A »

**§ 1.1.10** Unless provided by the Construction Manager, the Owner will retain the following consultants and contractors:

*(List name, legal status, address and other information.)*

« See Individual Project Work Order »

§ 1.1.11 The Construction Manager identifies the following representative in accordance with Section 2.4:

*(List name, address and other information.)*

« »  
« »  
« »  
« »  
« »  
« »

§ 1.1.12 The Construction Manager's staffing plan as required under Section 3.3.2 shall include:

*(List any specific requirements and personnel to be included in the staffing plan, if known.)*

« See Individual Project Work Order »

§ 1.1.13 The Construction Manager's consultants retained under Basic Services, if any:

.1 Cost Estimator:

*(List name, legal status, address and other information.)*

« See Individual Project Work Order »« »

« »  
« »  
« »  
« »

.2 Other consultants:

« See Individual Project Work Order »

§ 1.1.14 The Construction Manager's consultants retained under Additional Services:

« See Individual Project Work Order »

§ 1.1.15 Other Initial Information on which the Agreement is based:

« N/A »

§ 1.2 The Owner and Construction Manager may rely on the Initial Information. Both parties, however, recognize that such information may materially change and, in that event, the Owner and the Construction Manager shall, by appropriate written agreement, appropriately adjust the schedules, the Construction Manager's services and the Construction Manager's compensation.

## **ARTICLE 2 CONSTRUCTION MANAGER'S RESPONSIBILITIES**

§ 2.1 The Construction Manager shall provide the services as set forth in this Agreement.

§ 2.2 The Construction Manager shall perform its services consistent with the skill and care ordinarily provided by construction managers practicing in the same or similar locality under the same or similar circumstances. The Construction Manager shall perform its services as expeditiously as is consistent with such skill and care and the orderly progress of the Project.

§ 2.3 The Construction Manager shall provide its services in conjunction with the services of an architect or other design professional as determined by the Executive Director. The agreement for said services shall be a standard City of Duluth form therefore. The Construction Manager shall not be responsible for actions taken by the Architect.

§ 2.4 The Construction Manager shall identify a representative authorized to act on behalf of the Construction Manager with respect to the Project.

§ 2.5 The Construction Manager shall not engage in any activity, or accept any employment, interest or contribution that would reasonably appear to compromise the Construction Manager's judgment with respect to this Project. It is specifically agreed that the Construction Manager shall not self-perform any of the Projects unless pre-authorized to submit bids thereon by the Executive Director; any resulting contract will be awarded in accordance with Section 1.1.5 above

§ 2.6 The Construction Manager shall maintain the following insurance for the duration of this Agreement.

**§ 2.6.1** Comprehensive General Liability with policy limits of not less than « One Million Five Hundred Thousand and no/100ths Dollars » (\$ « 1,500,000.00 » ) for each occurrence and in the aggregate for bodily injury and property damage.

**§ 2.6.2** Automobile Liability covering owned and rented vehicles operated by the Construction Manager with policy limits of not less than « One Million Five Hundred Thousand and no/100ths Dollars » (\$ « 1,500,000.00 » ) combined single limit and aggregate for bodily injury and property damage.

**§ 2.6.3** The Construction Manager may use umbrella or excess liability insurance to achieve the required coverage for Comprehensive General Liability and Automobile Liability, provided that such umbrella or excess insurance results in the same type of coverage as required for the individual policies.

**§ 2.6.4** Workers' Compensation at statutory limits and Employers Liability with a policy limit of not less than « Five Hundred Thousand and no/100ths Dollars » (\$ « 500,000.00 » ).

**§ 2.6.5** Professional Liability covering the Construction Manager's negligent acts, errors and omissions in its performance of services with policy limits of not less than « One Million Five Hundred Thousand and no/100ths Dollars » (\$ « 1,500,000.00 » ) per claim and in the aggregate.

**§ 2.6.6** The Construction Manager shall provide to the Owner certificates of insurance evidencing compliance with the requirements in this Section 2.6. The certificates will show the Owner as an additional insured on the Comprehensive General Liability, Automobile Liability, and umbrella or excess policies for claims caused in whole or in part by the Construction Manager's negligent acts or omissions occurring through completion of Construction Manager's services hereunder.

**2.6.7** All aforesaid insurance policies shall be underwritten with responsible insurance carriers, with Best's ratings of A and X and otherwise satisfactory to Owner and licensed to provide insurance in the state of Minnesota. Non-admitted carriers may be considered on a case-by-case basis.

**2.6.8** Approval of the insurance by the Owner shall not relieve or decrease the liability of the Construction Manager. The Owner does not in any way represent that the insurance or limits of insurance specified above are sufficient or adequate to protect the Construction Manager's interests or liabilities, but are minimums.

## **ARTICLE 3 SCOPE OF CONSTRUCTION MANAGER'S BASIC SERVICES**

### **§ 3.1 Definition**

The Construction Manager's Basic Services consist of those described in Sections 3.2 and 3.3 and include usual and customary construction coordination and scheduling, constructability review, cost estimating, and allocation of construction activities among the Multiple Prime Contractors.

### **§ 3.2 Preconstruction Phase**

**§ 3.2.1** The Construction Manager shall review the program furnished by the Owner and any evaluation of the Owner's program provided by the Architect, to ascertain the requirements of the Project and shall arrive at a mutual understanding of such requirements with the Owner and Architect.

**§ 3.2.2** The Construction Manager shall provide a preliminary evaluation of the Owner's program, schedule and construction budget requirements, each in terms of the other.

**§ 3.2.3** The Construction Manager shall prepare, and deliver to the Owner, a written Construction Management Plan that includes, at a minimum, the following: (1) preliminary evaluations required in Section 3.2.2, (2) a Project schedule, (3) cost estimates, (4) recommendations for Project delivery method, and (5) Contractors' scopes of Work, if multiple Contractors or fast-track construction will be used. The Construction Manager shall periodically update the Construction Management Plan over the course of the Project.

**§ 3.2.4** Based on preliminary design and other design criteria prepared by the Architect, the Construction Manager shall prepare preliminary estimates of the Cost of the Work or the cost of program requirements using area, volume or similar conceptual estimating techniques for the Architect's review and Owner's approval. If the Architect suggests alternative materials and systems, the Construction Manager shall provide cost evaluations of those alternative materials and systems and may also provide its own suggestions.

**§ 3.2.5** The Construction Manager shall expeditiously review design documents during their development and advise the Owner and Architect on proposed site use and improvements, selection of materials, and building systems and equipment. The Construction Manager shall also provide recommendations to the Owner and Architect on constructability, availability of materials and labor, sequencing for phased construction, time requirements for procurement, installation and construction, and factors related to construction cost including, but not limited to,

costs of alternative designs or materials, preliminary budgets, life-cycle data, and possible cost reductions.

**§ 3.2.6** The Construction Manager shall prepare and periodically update the Project schedule included in the Construction Management Plan for the Architect's review and the Owner's acceptance. The Construction Manager shall obtain the Architect's approval for the portion of the Project schedule relating to the performance of the Architect's services. The Project schedule shall coordinate and integrate the Construction Manager's services, the Architect's services, other Owner consultants' services, and the Owner's responsibilities and highlight items that could affect the Project's timely completion.

**§ 3.2.7** As the Architect progresses with the preparation of the Schematic Design, Design Development and Construction Documents, the Construction Manager shall prepare and update, at appropriate intervals agreed to by the Owner, Construction Manager and Architect, estimates of the Cost of the Work of increasing detail and refinement. The Construction Manager shall include appropriate contingencies for design, bidding or negotiating, price escalation, and market conditions in the estimates of the Cost of the Work. Such estimates shall be provided for the Architect's review and the Owner's approval. The Construction Manager shall advise the Owner and Architect if it appears that the Cost of the Work may exceed the Owner's budget and make recommendations for corrective action.

**§ 3.2.8** As the Architect progresses with the preparation of the Schematic Design, Design Development and Construction Documents, the Construction Manager shall consult with the Owner and Architect and make recommendations whenever the Construction Manager determines that design details adversely affect constructability, cost or schedules.

**§ 3.2.9** The Construction Manager shall provide recommendations and information to the Owner and Architect regarding the assignment of responsibilities for temporary Project facilities and equipment, materials and services for common use of the Contractors. The Construction Manager shall verify that such requirements and assignment of responsibilities are included in the proposed Contract Documents.

**§ 3.2.10** The Construction Manager shall provide recommendations and information to the Owner regarding the allocation of responsibilities for safety programs among the Contractors.



**§ 3.2.11** The Construction Manager shall provide recommendations to the Owner on the division of the Project into individual Contracts for the construction of various categories of Work, including the method to be used for selecting Contractors and awarding Contracts. If multiple Contracts are to be awarded, the Construction Manager shall review the Drawings and Specifications and make recommendations as required to provide that (1) the Work of the Contractors is coordinated, (2) all requirements for the Project are assigned to the appropriate Contract, (3) the likelihood of jurisdictional disputes is minimized, and (4) proper coordination is provided for phased construction.

**§ 3.2.12** The Construction Manager shall update the Project schedule to include the components of the Work, including phasing of construction, times of commencement and completion required of each Contractor, ordering and delivery of products, including those that must be ordered well in advance of construction, and the occupancy requirements of the Owner.

**§ 3.2.13** The Construction Manager shall expedite and coordinate the ordering and delivery of materials, including those that must be ordered well in advance of construction.

**§ 3.2.14** The Construction Manager shall assist the Owner in selecting, retaining and coordinating the professional services of surveyors, special consultants and testing laboratories required for the Project.

**§ 3.2.15** The Construction Manager shall provide an analysis of the types and quantities of labor required for the Project and review the availability of appropriate categories of labor required for critical phases. The Construction Manager shall make recommendations for actions designed to minimize adverse effects of labor shortages.

**§ 3.2.16** The Construction Manager shall assist the Owner in obtaining information regarding applicable requirements for equal employment opportunity programs, and other programs as may be required by governmental and for quasi governmental authorities for inclusion in the Contract Documents.

**§ 3.2.17** Following the Owner's approval of the Drawings and Specifications, the Construction Manager shall update and submit the latest estimate of the Cost of the Work and the Project schedule for the Architect's review and the Owner's approval.

§ 3.2.18 The Construction Manager shall submit the list of prospective bidders for each Project the Architect's review and the Owner's approval. Said list shall not be exclusive and the purchasing procedures as provided for in Section 1.1.15 shall be followed.

§ 3.2.19 The Construction Manager shall develop bidders' interest in the Project and establish bidding schedules. The Construction Manager, with the assistance of the Architect, shall issue bidding documents to bidders and conduct pre-bid conferences with prospective bidders. The Construction Manager shall issue the current Project schedule with each set of bidding documents. The Construction Manager shall assist the Architect with regard to questions from bidders and with the issuance of addenda.

§ 3.2.20 The Construction Manager shall receive bids, prepare bid analyses and make recommendations to the Owner for the Owner's award of Contracts or rejection of bids.

§ 3.2.21 The Construction Manager shall assist the Owner in preparing Construction Contracts and advise the Owner on the acceptability of Subcontractors and material suppliers proposed by Multiple Prime Contractors. The Owner will review and approve contracts consistent with the Owner's approval process as set forth above.

§ 3.2.22 The Construction Manager shall assist the Owner in obtaining building permits and special permits for permanent improvements, except for permits required to be obtained directly by the various Multiple Prime Contractors. The Construction Manager shall verify that the Owner has paid applicable fees and assessments. The Construction Manager shall assist the Owner and Architect in connection with the Owner's responsibility for filing documents required for the approvals of governmental authorities having jurisdiction over the Project.

### § 3.3 Construction Phase Administration of the Construction Contract

§ 3.3.1 Subject to Section 4.3, the Construction Manager's responsibility to provide Construction Phase Services commences with the award of the initial Contract for Construction and terminates on the date the Architect issues the final Certificate for Payment.

§ 3.3.2 The Construction Manager shall provide a staffing plan to include one or more representatives who shall be in attendance at the Project site whenever the Work is being performed.

**§ 3.3.3** The Construction Manager shall provide on-site administration of the Contracts for Construction in cooperation with the architect's agreement with Owner.

**§ 3.3.4** The Construction Manager shall provide administrative, management and related services to coordinate scheduled activities and responsibilities of the Multiple Prime Contractors with each other and with those of the Construction Manager, the Owner and the Architect. The Construction Manager shall coordinate the activities of the Multiple Prime Contractors in accordance with the latest approved Project schedule and the Contract Documents.

**§ 3.3.5** Utilizing the construction schedules provided by the Multiple Prime Contractors, the Construction Manager shall update the Project schedule, incorporating the activities of the Owner, Architect, and Multiple Prime Contractors on the Project, including activity sequences and durations, allocation of labor and materials, processing of Shop Drawings, Product Data and Samples, and delivery and procurement of products, including those that must be ordered well in advance of construction. The Project schedule shall include the Owner's occupancy requirements showing portions of the Project having occupancy priority. The Construction Manager shall update and reissue the Project schedule as required to show current conditions. If an update indicates that the previously approved Project schedule may not be met, the Construction Manager shall recommend corrective action, if any, to the Owner and Architect.

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

**§ 3.3.7** Utilizing information from the Multiple Prime Contractors, the Construction Manager shall schedule and coordinate the sequence of construction and assignment of space in areas where the Multiple Prime Contractors are performing Work, in accordance with the Contract Documents and the latest approved Project schedule.

**§ 3.3.8** The Construction Manager shall schedule all tests and inspections required by the Contract Documents or governmental authorities, and arrange for the delivery of test and inspection reports to the Owner and Architect.

**§ 3.3.9** The Construction Manager shall endeavor to obtain satisfactory performance from each of the Multiple Prime Contractors. The Construction

Manager shall recommend courses of action to the Owner when requirements of a Contract are not being fulfilled.

**§ 3.3.10** The Construction Manager shall monitor and evaluate actual costs for activities in progress and estimates for uncompleted tasks and advise the Owner and Architect as to variances between actual and budgeted or estimated costs. If the Contractor is required to submit a Control Estimate, the Construction Manager shall meet with the Owner and Contractor to review the Control Estimate. The Construction Manager shall promptly notify the Contractor if there are any inconsistencies or inaccuracies in the information presented. The Construction Manager shall also report the Contractor's cost control information to the Owner.

**§ 3.3.11** The Construction Manager shall develop cash flow reports and forecasts for the Project, if requested.

**§ 3.3.12** The Construction Manager shall maintain accounting records on authorized Work performed under unit costs, additional Work performed on the basis of actual costs of labor and materials, and other Work requiring accounting records.

**§ 3.3.12.1** The Construction Manager shall develop and implement procedures for the review and processing of Applications for Payment by Multiple Prime Contractors for progress and final payments.

**§ 3.3.12.2** Not more frequently than monthly, the Construction Manager shall review and certify the amounts due the respective Contractors as follows:

- .1 Where there is only one Contractor responsible for performing the Work, the Construction Manager shall, within seven days after the Construction Manager receives the Contractor's Application for Payment, review the Application, certify the amount the Construction Manager determines is due the Contractor, and forward the Contractor's Application and Certificate for Payment to the Architect, or directly to DEDA if no Architect is retained for the Project.
- .2 Where there are Multiple Prime Contractors responsible for performing different portions of the Project, the Construction Manager shall, within seven days after the Construction Manager receives each Contractor's Application for Payment: (1) review the Applications and certify the amount the Construction Manager determines is due each Contractor, (2) prepare a Summary of Contractors' Applications for Payment by summarizing information from each Contractor's Application for Payment, (3) prepare a Project Application and Certificate for Payment,

(4) certify the total amount the Construction Manager determines is due all Multiple Prime Contractors collectively, and (5) forward the Summary of Contractors' Applications for Payment and Project Application and Certificate for Payment to the Architect, or directly to DEDA if no Architect is retained for the Project.

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

**§ 3.3.12.4** (Omitted)

**§ 3.3.13** The Construction Manager shall review the safety programs developed by each of the Multiple Prime Contractors solely and exclusively for purposes of coordinating the safety programs with those of the other Contractors and for making recommendations to the Owner for any safety programs not included in the Work of the Multiple Prime Contractors. The Construction Manager's responsibilities for coordination of safety programs shall not extend to direct control over or charge of the acts or omissions of the Contractor, Multiple Prime Contractors, Subcontractors, agents or employees of the Contractors or Multiple Prime Contractors or Subcontractors, or any other persons performing portions of the Work and not directly employed by the Construction Manager.

**§ 3.3.14** The Construction Manager shall determine in general that the Work of each Contractor is being performed in accordance with the requirements of the Contract Documents and notify the Owner, Contractor and Architect of defects and deficiencies in the Work. The Construction Manager shall have the authority to reject Work that does not conform to the Contract Documents and shall notify DEDA and the Architect about the rejection. The failure of the Construction Manager to reject Work shall not constitute the acceptance of the Work. The Construction Manager shall record any rejection of Work in its daily log and

include information regarding the rejected Work in its progress reports to the Architect and Owner pursuant to Section 3.3.20.1. Upon written authorization from the Owner, the Construction Manager may require and make arrangements for additional 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, and the Construction Manager shall give timely notice to the Architect of when and where the tests and inspections are to be made so that the Architect may be present for such procedures.

**§ 3.3.15** The Construction Manager shall advise and consult with the Owner and Architect during the performance of its Construction Phase Services. The Construction Manager shall have authority to act on behalf of the Owner only to the extent provided in this Agreement. The Construction Manager shall not have control over, charge of, or responsibility for the construction means, methods, techniques, sequences or procedures, or for safety precautions and programs in connection with the Work of each of the Contractors, since these are solely the Contractor's rights and responsibilities under the Contract Documents. The Construction Manager shall not be responsible for a Contractor's failure to perform the Work in accordance with the requirements of the Contract Documents. The Construction Manager shall be responsible to the Owner for the Construction Manager's negligent or wrongful acts or omissions, but shall not have control over or charge of, and shall not be responsible for, acts or omissions of the Contractor or Multiple Prime Contractors, Subcontractors, or their agents or employees, or any other persons or entities performing portions of the Work.

**§ 3.3.16** The Construction Manager shall transmit to the Architect, or to the Owner if there is no architect on the subject Project, requests for interpretations and requests for information of the meaning and intent of the Drawings and Specifications with its written recommendation, and assist in the resolution of questions that may arise.

**§ 3.3.17** The Construction Manager shall review requests for changes, assist in negotiating Contractors' proposals, submit recommendations to the Architect and Owner, and, if they are accepted, prepare Change Orders and Construction Change Directives that incorporate the Architect's modifications to the Contract Documents.

**§ 3.3.18** The Construction Manager shall assist the Owner in the review, evaluation and documentation of Claims, subject to Section 4.3.1.7.

**§ 3.3.19** Utilizing the submittal schedules provided by each Contractor, the Construction Manager shall prepare, and revise as necessary, a Project submittal schedule incorporating information from the Owner, Owner's consultants, Owner's separate contractors and vendors, governmental agencies, and all other participants in the Project under the management of the Construction Manager. The Project submittal schedule and any revisions shall be submitted to the Architect for approval. The Construction Manager shall promptly review all Shop Drawings, Product Data, Samples and other submittals from the Multiple Prime Contractors for compliance with the submittal requirements of the Contract, coordinate submittals with information contained in related documents, and transmit to the Architect those that the Construction Manager recommends for approval. The Construction Manager's actions shall be taken in accordance with the Project submittal schedule approved by the Architect, or in the absence of an approved Project submittal schedule, with such reasonable promptness as to cause no delay in the Work or in the activities of the Contractor, other Multiple Prime Contractors, the Owner, or the Architect.

**§ 3.3.20** The Construction Manager shall keep a daily log containing a record of weather, each Contractor's Work on the site, number of workers, identification of equipment, Work accomplished, problems encountered, and other similar relevant data as the Owner may require.

**§ 3.3.20.1** The Construction Manager shall record the progress of the Project. On a monthly basis, or otherwise as agreed to by the Owner, the Construction Manager shall submit written progress reports to the Owner and Architect, showing percentages of completion and other information identified below:

- .1 Work completed for the period;
- .2 Project schedule status;
- .3 Submittal schedule and status report, including a summary of remaining and outstanding submittals;
- .4 Request for information, Change Order, and Construction Change Directive status reports;
- .5 Tests and inspection reports;
- .6 Status report of nonconforming and rejected Work;
- .7 Daily logs;
- .8 Summary of all Multiple Prime Contractors' Applications for Payment;
- .9 Cumulative total of the Cost of the Work to date including the Construction Manager's compensation and reimbursable expenses at the job site, if any;
- .10 Cash-flow and forecast reports; and
- .11 Any other items the Owner may require;

« »

§ 3.3.20.2 In addition, for Projects constructed on the basis of the Cost of the Work, the Construction Manager shall include the following additional information in its progress reports:

- .1 Contractor's work force report;
- .2 Equipment utilization report;
- .3 Cost summary, comparing actual costs to updated cost estimates; and
- .4 Any other items as the Owner may require:

« »

§ 3.3.21 Utilizing the documents provided by the Contractor, the Construction Manager shall maintain at the site one copy of all Contracts, Drawings, Specifications, addenda, Change Orders and other Modifications, in good order and marked currently to record all changes and selections made during construction, and in addition, approved Shop Drawings, Product Data, Samples and similar required submittals. The Construction Manager shall maintain records, in duplicate, of principal building layout lines, elevations of the bottom of footings, floor levels and key site elevations certified by a qualified surveyor or professional engineer. The Construction Manager shall make all such records available to the Architect and the Contractor, and upon completion of the Project, shall deliver them to the Owner.

§ 3.3.22 The Construction Manager shall arrange for the delivery, storage, protection and security of Owner-purchased materials, systems and equipment that are a part of the Project until such items are incorporated into the Work.

§ 3.3.23 With the Architect and the Owner's maintenance personnel, the Construction Manager shall observe the Contractor's or Multiple Prime Contractors' final testing and start-up of utilities, operational systems and equipment and observe any commissioning as the Contract Documents may require.

§ 3.3.24 When the Construction Manager considers each Contractor's Work or a designated portion thereof is substantially complete, the Construction Manager shall, jointly with the Contractor, prepare for the Architect a list of incomplete or unsatisfactory items and a schedule for their completion. The Construction Manager shall assist the Architect in conducting inspections to determine whether the Work or designated portion thereof is substantially complete.



§ 3.3.25 When the Work or designated portion thereof is substantially complete, the Construction Manager shall prepare, and the Construction Manager and Architect shall execute, a Certificate of Substantial Completion. The Construction Manager shall submit the executed Certificate to the Owner and Contractor. The Construction Manager shall coordinate the correction and completion of the Work. Following issuance of a Certificate of Substantial Completion of the Work or a designated portion thereof, the Construction Manager shall evaluate the completion of the Work of the Contractor or Multiple Prime Contractors and make recommendations to the Architect when Work is ready for final inspection. The Construction Manager shall assist the Architect in conducting final inspections.

§ 3.3.26 The Construction Manager shall forward to the Owner, with a copy to the Architect, the following information received from the Contractor or Multiple Prime Contractors: (1) certificates of insurance received from the Contractor or Multiple Prime Contractors; (2) consent of surety or sureties, if any, to reduction in or partial release of retainage or the making of final payment; (3) affidavits, receipts, releases and waivers of liens or bonds indemnifying the Owner against liens; and (4) any other documentation required of the Contractor under the Contract Documents, including warranties and similar submittals.

§ 3.3.27 The Construction Manager shall deliver all keys, manuals, record drawings and maintenance stocks to the Owner. The Construction Manager shall forward to the Architect a final Project Application for Payment and Project Certificate for Payment or final Application for Payment and final Certificate for Payment upon the Contractor's compliance with the requirements of the Contract Documents.

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

§ 3.3.29 Upon request of the Owner, and prior to the expiration of one year from the date of Substantial Completion, the Construction Manager shall, without additional compensation, conduct a meeting with the Owner to review the facility operations and performance.

## **ARTICLE 4 ADDITIONAL SERVICES**

§ 4.1 Additional Services listed below are not included in Basic Services but may be required for the Project. The Construction Manager shall provide the listed

Additional Services only if specifically designated in the table below as the Construction Manager’s responsibility, and the Owner shall compensate the Construction Manager as provided in Section 11.2.

*(Designate the Additional Services the Construction Manager shall provide in the second column of the table below. In the third column indicate whether the service description is located in Section 4.2 or in an attached exhibit. If in an exhibit, identify the exhibit.)*

<b>Services</b>	<b>Responsibility</b> <i>(Construction Manager, Owner or Not Provided)</i>	<b>Location of Service Description</b> <i>(Section 4.2 below or in an exhibit attached to this document and identified below)</i>
-----------------	---	--

§ 4.1.1 Measured drawings	Owner, if required	
§ 4.1.2 Architectural interior design (B252™–2007)	Owner, if required	
§ 4.1.3 Tenant-related services	Owner, if required	
§ 4.1.4 Commissioning (B211™–2007)	Owner, if required	
§ 4.1.5 LEED® certification (B214™–2012)	Owner, if required	
§ 4.1.6 Furniture, furnishings, and equipment design (B253™–2007)	Owner, if required	

§ 4.2 Insert a description of each Additional Service designated in Section 4.1, if not further described in an exhibit attached to this document.

« »

§ 4.3 Additional Services may be provided after execution of this Agreement, without invalidating this Agreement. Except services required due to the fault of the Construction Manager, any Additional Services provided in accordance with this Section 4.3 shall entitle the Construction Manager to compensation pursuant to Section 11.3.

**§ 4.3.1** Upon recognizing the need to perform the following Additional Services, the Construction Manager shall notify the Owner with reasonable promptness and explain the facts and circumstances giving rise to the need. The Construction Manager shall not proceed to provide the following services until the Construction Manager receives the Owner's written authorization:

- .1 Services necessitated by a material change in the Project including, but not limited to, size, complexity, the Owner's schedule or budget for Cost of the Work;
- .2 Preparation of documentation for alternate bid or proposal requests proposed by the Owner;
- .3 Preparation for, and attendance at a dispute resolution proceeding or legal proceeding, except where the Construction Manager is party thereto; or
- .4 Providing consultation concerning replacement of Work resulting from fire or other cause during construction and furnishing services required in connection with the replacement of such Work;

**§ 4.3.2** Upon the Construction Manager's receipt of written notice from the Owner to provide the following Additional Services, the Construction Manager shall perform the Additional Services and the Owner shall compensate the Construction manager for such services performed:

- .1 .2 To the extent the Construction Manager's Basic Services are affected, providing Construction Phase Services 60 days after (1) the date of Substantial Completion of the Work or (2) the anticipated date of Substantial Completion, identified in Initial Information, whichever is earlier.
- .3 Services required in an emergency to coordinate the activities of a Contractor or Multiple Prime Contractors in the event of risk of personal injury or serious property damage, consistent with Section 3.3.13.

**§ 4.3.3** If the services pertaining to any Project covered by this Agreement have not been completed within the number of (weeks)(days) stated in the Work Order therefore , through no fault of the Construction Manager, the Construction Manager's compensation for that Project shall be equitably adjusted based on the rates set forth in the Work Order, provided that total payments to Construction Manager shall not exceed the amount set forth in Section 11.2 .

## **ARTICLE 5 OWNER'S RESPONSIBILITIES**

**§ 5.1** Unless otherwise provided for under this Agreement, the Owner shall provide information in a timely manner regarding requirements for and limitations on each

Project, including the Owner's program, which may set forth the Owner's objectives, schedule, constraints and criteria, special equipment, systems, and site requirements. Within 15 days after receipt of a written request from the Construction Manager, the Owner shall use best efforts to furnish the requested information as necessary and relevant for the Construction Manager to evaluate, give notice of, or enforce any lien rights, if any.

**§ 5.2** The Owner shall establish and periodically update the Owner's budget for the Project, including (1) the budget for the Cost of the Work as defined in Section 6.1, (2) the Owner's other costs, and (3) reasonable contingencies related to all of these costs. If the Owner significantly increases or decreases the Owner's budget for the Cost of the Work, the Owner shall notify the Construction Manager and Architect. The Owner and the Architect, in consultation with the Construction Manager, shall thereafter agree to a corresponding change in the budget for the Cost of the Work or in the Project's scope and quality.

**§ 5.3** (Omitted)

**§ 5.4** As the Executive Director deems necessary, the Owner shall retain an Architect or design professional to provide services, duties and responsibilities as described in Owner's architect agreement.

**§ 5.5** The Owner shall identify a representative authorized to act on the Owner's behalf with respect to each Project. The Owner shall render decisions pertaining to documents the Construction Manager submits in a timely manner in order to avoid unreasonable delay in the orderly and sequential progress of the Construction Manager's services.

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

**§ 5.7** Unless otherwise required by this Agreement to be provided by the Construction Manager, and if required by the Project, the Owner shall furnish services of geotechnical engineers, which may include but are not limited to test borings, test pits, determinations of soil bearing values, percolation tests, evaluations of hazardous materials, seismic evaluation, ground corrosion tests and resistivity tests, including necessary operations for anticipating subsoil conditions, with written reports and appropriate recommendations.

**§ 5.8** Construction Manager shall cooperate with the coordination of the services of Owner's consultants with those services provided by the Construction Manager. Upon the Construction Manager's request, the Owner shall furnish copies of the scope of services in the contracts between the Owner and the Owner's consultants. The Owner shall furnish the services of consultants other than those designated in this Agreement, when the Construction Manager requests such services and demonstrates that they are required by the scope of the Project. The Owner shall require that its consultants maintain professional liability insurance and other liability insurance as appropriate to the services provided.

**§ 5.9** The Owner shall furnish such tests, inspections and reports if required by law or the Contract Documents, such as structural, mechanical, and chemical tests, tests for air and water pollution, and tests for hazardous materials.

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

**§ 5.11** The Owner shall provide prompt written notice to the Construction Manager and Architect if the Owner becomes aware of any fault or defect in Project, including errors, omissions or inconsistencies in the Architect's Instruments of Service or any fault or defect in the Construction Manager's services.

**§ 5.12** The Owner reserves the right to perform construction and operations related to the Project with the Owner's own forces, and to award contracts in connection with the Project which are not part of the Construction Manager's responsibilities under this Agreement. The Construction Manager shall notify the Owner if any such independent action will interfere with the Construction Manager's ability to perform the Construction Manager's responsibilities under this Agreement.

**§ 5.13** Except as otherwise provided in this Agreement, or when direct communications have been specially authorized, the Owner shall endeavor to communicate with the Contractor and the Construction Manager's consultants

through the Construction Manager about matters arising out of or relating to the Contract Documents. The Owner shall promptly notify the Construction Manager of any direct communications that may affect the Construction Manager's services.

**§ 5.14** The Owner shall provide the Construction Manager a copy of the executed agreements between the Owner and Contractors, including the General Conditions of the Contracts for Construction.

**§ 5.15** The Owner shall provide the Construction Manager access to the Project site prior to commencement of the Work and shall obligate the Contractor to provide the Construction Manager access to the Work wherever it is in preparation or progress.

**5.16** Except as otherwise provided in this Agreement, the services, information and reports provided by the Owner's consultants pursuant to this Article 5 shall be provided at the Owner's expense, and the Construction Manager shall be entitled to rely upon the accuracy and completeness thereof to the same extent as the Owner.

## **ARTICLE 6 COST OF THE WORK**

**§ 6.1** For purposes of this Agreement, the Cost of the Work shall be the total cost to the Owner to construct all elements of the Project designed or specified by the Architect and shall include the contractors' general conditions costs, overhead and profit. The Cost of the Work includes the compensation of the Construction Manager and Construction Manager's Consultants during the Construction Phase only, including compensation for reimbursable expenses at the job site, if any. The Cost of the Work does not include the compensation of the Architect, the costs of the land, rights-of-way, financing, contingencies for changes in the Work or other costs that are the responsibility of the Owner.

**§ 6.2** The Owner's budget for the Cost of the Work is provided in Initial Information, and may be adjusted throughout the Project as required under Sections 5.2 and 6.4. Evaluations of the Owner's budget, preliminary estimates for the Cost of the Work and detailed estimates of the Cost of the Work prepared by the Construction Manager represent the Construction Manager's judgment as a person or entity familiar with the construction industry. It is recognized, however, that neither the Construction Manager nor the Owner has control over the cost of labor, materials or equipment, over Contractors' methods of determining bid prices, or over competitive bidding, market or negotiating conditions. Accordingly, the Construction Manager cannot and does not warrant or represent that bids or negotiated prices will not vary from the budget proposed, established or approved

by the Owner, or from any cost estimate or evaluation prepared by the Construction Manager.

**§ 6.3** If the Architect is providing detailed cost estimating services, and a discrepancy exists between the Construction Manager's cost estimates and the Architect's cost estimates, the Architect and the Construction Manager shall work cooperatively to conform the cost estimates to one another.

**§ 6.4** If, prior to the conclusion of the Design Development Phase, the Construction Manager's estimate of the Cost of the Work exceeds the Owner's budget for the Cost of the Work, the Construction Manager, in consultation with the Architect, shall make appropriate recommendations to the Owner to adjust the Project's size, quality or budget, and the Owner shall cooperate with the Construction Manager and Architect in making such adjustments.

**§ 6.5** If the estimate of the Cost of the Work at the conclusion of the Design Development Phase exceeds the Owner's budget for the Cost of the Work, the Owner shall

- .1 give written approval of an increase in the budget for the Cost of the Work;
- .2 in consultation with the Construction Manager and Architect, revise the Project program, scope, or quality as required to reduce the Cost of the Work; or
- .3 implement any other mutually acceptable alternative.

## **ARTICLE 7 COPYRIGHTS AND LICENSES**

The Construction Manager and the Construction Manager's consultants, if any, shall not own or claim a copyright in the Instruments of Service. The Construction Manager, the Construction Manager's consultants, if any, warrant that in transmitting Instruments of Service, or any other information, the transmitting party is the copyright owner of such information or has permission from the copyright owner to transmit such information for its use on the Project. If the Construction Manager intends to transmit Instruments of Service or any other information or documentation in digital form, they shall endeavor to establish necessary protocols governing such transmissions.

## **ARTICLE 8 CLAIMS AND DISPUTES**

### **§ 8.1 General**

**§ 8.1.1** The Owner and Construction Manager shall commence all claims and causes of action, whether in contract, tort, or otherwise, against the other arising out of or related to this Agreement in accordance with the requirements of the

method of binding dispute resolution selected in this Agreement within the period specified by applicable law.

**§ 8.1.2** To the extent damages are covered by property insurance, the Owner and Construction Manager waive all rights against each other and against the contractors, consultants, agents and employees of the other for damages, except such rights as they may have to the proceeds of such. The Owner or the Construction Manager, as appropriate, shall require of the contractors, consultants, agents and employees of any of them similar waivers in favor of the other parties enumerated herein.

**§ 8.1.3** To the fullest extent permitted by law, the Construction Manager shall indemnify, defend and hold the Owner and the Owner's officers and employees harmless from and against claims, damages, losses, expenses and judgments, whether before or after substantial completion of the Project, including but not limited to attorney's fees, arising out of or resulting from performance of the Construction manager's services hereunder to the extent caused by negligent or wrongful acts or omissions of the Construction Manager, its employees and its consultants or anyone directly or indirectly employed by them or anyone for whose acts they may be liable in the performance of professional services under this Agreement, regardless of whether or not such claim, damage, loss or expense is caused in part by a party indemnified hereunder. Such obligation shall not be construed to negate, abridge, or reduce the other rights or obligations of indemnity which would exist as to a party or person described in this Section 8.1.3. The Construction Manager's obligations under this Section 8.1.3 shall survive the completion of the Project and termination of this Agreement and the Agreement between Owner and Architect(s), if any, and the Agreements between the Owner and the Contractors.

**§ 8.1.4** In claims against any person or entity indemnified under Section 8.1.3 by an employee of the Construction Manager, the Construction Manager's consultants, or anyone directly or indirectly employed by them or anyone for whose acts they may be liable, the indemnification obligation under Section 8.1.3 shall not be limited by a limitation on amount or type of damages, compensation or benefits payable by or for the Construction Manager or the Construction Manager's consultants under worker's compensation acts, disability benefit acts or other employee benefit acts.

**8.1.5** The Construction manager and Owner waive consequential damages for claims, disputes or other matters in question arising out of or relating to any Individual Project Work Order to the extent such consequential damages exceed the total amount due to Construction Manager for services performed pursuant to



any such Individual Project Work Order. This mutual waiver is applicable, without limitation, to all consequential damages due to either party's termination of this Agreement, except as specifically provided in Section 9.7.

## § 8.2 Dispute Resolution

**§ 8.2.4** If the parties do not resolve a dispute through mediation, the method of binding dispute resolution shall be the following:

*(Check the appropriate box. If the Owner and Construction Manager do not select a method of binding dispute resolution below, or do not subsequently agree in writing to a binding dispute resolution method other than litigation, the dispute will be resolved in a court of competent jurisdiction.)*

[  ] Litigation in a court of competent jurisdiction

## ARTICLE 9 TERMINATION OR SUSPENSION

### 9.1 (Omitted)

**§ 9.2** If the Owner suspends the Project, and the suspension is not based on the fault of the Construction Manager, the Construction Manager shall be compensated for services properly performed prior to notice of such suspension.

### 9.3. (Omitted)

**§ 9.4** Either party may terminate this Agreement upon not less than seven days' written notice should the other party fail substantially to perform in accordance with the terms of this Agreement through no fault of the party initiating the termination.

**§ 9.5** The Owner may terminate this Agreement upon not less than seven days' written notice to the Construction Manager for the Owner's convenience and without cause.

**§ 9.6** In the event of a termination by the Owner that is not the fault of the Construction Manager, the Construction Manager shall be compensated for services properly performed prior to termination, together with Reimbursable Expenses then due and all Termination Expenses as defined in Section 9.7.

**§ 9.7** Termination Expenses are in addition to compensation for the Construction Manager's services and include expenses directly attributable to termination for which the Construction Manager is not otherwise compensated.

**§ 9.7.1** In the event of termination for the Owner's convenience prior to commencement of construction, the Construction Manager shall be entitled to receive payment for services properly performed and costs incurred by reason of such termination.

**§ 9.7.2** In the event of termination for the Owner's convenience after commencement of construction, the Construction Manager shall be entitled to receive payment for services properly performed and costs incurred by reason of such termination.

## **ARTICLE 10 MISCELLANEOUS PROVISIONS**

**§ 10.1** This Agreement shall be governed by the law of the place where the Project is located.

**§ 10.2** (Omitted)

**§ 10.3** The Owner and Construction Manager, respectively, bind themselves, their agents, successors, assigns and legal representatives to this Agreement. Neither the Owner nor the Construction Manager shall assign this Agreement without the written consent of the other, except that the Owner may assign this Agreement to a lender providing financing for the Project if the lender agrees to assume the Owner's rights and obligations under this Agreement.

**§ 10.4** If the Owner requests the Construction Manager to execute certificates, the proposed language of such certificates shall be submitted to the Construction Manager for review at least 14 days prior to the requested dates of execution. If the Owner requests the Construction Manager to execute consents reasonably required to facilitate assignment to a lender, the Construction Manager shall execute all such consents that are consistent with this Agreement, provided the proposed consent is submitted to the Construction Manager for review at least 14 days prior to execution. The Construction Manager shall not be required to execute certificates or consents that would require knowledge, services or responsibilities beyond the scope of this Agreement.

**§ 10.5** Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against either the Owner or Construction Manager.

**§ 10.6** Unless otherwise required in this Agreement, the Construction Manager shall have no responsibility for the discovery, presence, handling, removal or disposal of, or exposure of persons to, hazardous materials or toxic substances in any form at the Project site, except that the Construction Manager shall immediately inform the Owner and the Architect if the Construction Manager becomes aware of the presence, handling, removal or disposal of, or exposure of persons to, hazardous materials or toxic substances in any form at the Project site..

**§ 10.7** The Construction Manager shall have the right to include photographic or artistic representations of the design of the Project among the Construction Manager's promotional and professional materials. The Construction Manager shall be given reasonable access to the completed Project to make such representations. However, the Construction Manager's materials shall not include the Owner's confidential or proprietary information if the Owner has previously advised the Construction Manager in writing of the specific information considered by the Owner to be confidential or proprietary..

**§ 10.8** If the Construction Manager or Owner receives information specifically designated by the other party as "confidential" or "business proprietary," the receiving party shall keep such information strictly confidential and shall not disclose it to any other person except as required by law or except to (1) its employees, (2) those who need to know the content of such information in order to perform services or construction solely and exclusively for the Project, or (3) its consultants and contractors whose contracts include similar restrictions on the use of confidential information.

10.9 The appropriate venue and jurisdiction for any litigation hereunder shall be in a court located in St. Louis County, Minnesota. However, litigation in the federal court involving the parties shall be in the appropriate federal court within the State of Minnesota.

10.10 In the event any provision herein shall be deemed invalid or unenforceable, the remaining provisions shall continue in full force and effect and shall be binding upon the parties to this Agreement.

## **ARTICLE 11 COMPENSATION**

**11.1** Compensation for the Construction Manager's Basic Services described under Article 3, the Owner shall compensate the Construction Manager as referenced in Exhibit B and more specifically set forth in each Work Order.

**11.2** Nothing to the contrary herein withstanding, the compensation payable to the Construction Manager hereunder, including all compensation for Basic Services,

Additional Services and reimbursable costs, shall not exceed \$135,000, payable from Fund 860, provided, however, that the aggregate total Work Order managed volume shall not exceed \$1,002,750. Nothing to the contrary herein withstanding, the compensation payable to the Construction Manager hereunder with regard to each Work Order, including all compensation for Basic Services, Additional Services and reimbursable costs, shall not exceed the maximum amount set forth in the applicable Work Order.”

§ 11.3 For Additional Services that may arise during the course of the Project, including those under Section 4.3, the Owner shall compensate the Construction Manager as follows:

*(Insert amount of, or basis for, compensation.)*

« At the usual hourly rates for Construction Manager’s personnel as set forth in Exhibit C. »

§ 11.4 Compensation for Additional Services of the Construction Manager’s consultants when not included in Sections 11.2 or 11.3, shall be the amount invoiced to the Construction Manager plus « Zero » percent ( « 0 » %), or as otherwise stated below:

« »

§ 11.5 The hourly billing rates for services of the Construction Manager and the Construction Manager’s consultants, if any, are set forth below. The rates shall be adjusted in accordance with the Construction Manager’s and Construction Manager’s consultants’ normal review practices.

*(If applicable, attach an exhibit of hourly billing rates or insert them below.)*

« See Individual Project Work Order »

**Employee or Category**

**Rate (\$0.00)**

## § 11.6 Compensation for Reimbursable Expenses

§ 11.6.1 Reimbursable Expenses are in addition to compensation for Basic and Additional Services and include expenses incurred by the Construction Manager and the Construction Manager’s consultants directly related to the Project, as follows:

- .1 Transportation and authorized out-of-town travel and subsistence;

- .2 Long distance services, dedicated data and communication services, teleconferences, Project Web sites, and extranets;
- .3 Fees paid for securing approval of authorities having jurisdiction over the Project;
- .4 Printing, reproductions, plots, standard form documents;
- .5 Postage, handling and delivery;
- .6 Expense of overtime work requiring higher than regular rates, if authorized in advance by the Owner;
- .7 Professional photography, and presentation materials requested by the Owner;
- .8 Site office expenses; and
- .10 Other similar Project-related expenditures

§ 11.6.2 For Reimbursable Expenses the compensation shall be the expenses incurred by the Construction Manager and the Construction Manager's consultants plus « Zero » percent ( « 0 » %) of the expenses incurred.

### § 11.7 Payments to the Construction Manager Intentionally Deleted.

§ 11.7.2 Unless otherwise agreed, payments for services shall be made monthly in proportion to services performed. Payments are due and payable upon presentation of the Construction Manager's invoice. Amounts unpaid « Thirty » ( « 30 » ) days after the invoice date shall bear interest at the rate entered below, or in the absence thereof at the legal rate prevailing from time to time at the principal place of business of the Construction Manager.

*(Insert rate of monthly or annual interest agreed upon.)*

The local rate of interest as required by Minnesota Statute 549.09.

Intentionally Deleted.

§ 11.7.4 Records of Reimbursable Expenses, expenses pertaining to Additional Services, and services performed on the basis of hourly rates shall be available to the Owner at mutually convenient times. Construction manager shall ensure that all costs shall be supported by properly executed payrolls, time records, invoices, contracts, vouchers or other official documentation evidencing in proper detail the nature and propriety of the charges. All checks, payrolls, invoices, contracts, vouchers, orders or other accounting documents pertaining in whole or in part to the Agreement shall be clearly identified and readily accessible.

11.7.5 Records shall be maintained by the Construction manager in accordance with requirements prescribed by the Owner and with respect to all matters covered by this Agreement. Such records shall be maintained for a period of six (6) years after receipt of final payment under this Agreement.

11.7.6 The Construction Manager shall ensure that at any time during normal business hours and as often as the Owner may deem necessary, there shall be made available to the Owner for examination, all of its records with respect to all matters covered by this Agreement. The Construction manager will also permit the Owner to audit, examine, and make excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment, and other data relating to all matters covered by this Agreement.

## ARTICLE 12 SPECIAL TERMS AND CONDITIONS

Special terms and conditions that modify this Agreement are as follows:

« N/A »

## ARTICLE 13 SCOPE OF THE AGREEMENT

§ 13.1 This Agreement represents the entire and integrated agreement between the Owner and the Construction Manager and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both Owner and Construction Manager.

« Exhibit A – Construction Manager’s Proposal  
Exhibit B – Construction Manager’s Fee Letter  
Each Individual Project Work Order when Executed by Owner and  
Construction Manager»

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

DULUTH ECONOMIC  
DEVELOPMENT AUTHORITY

KRAUS-ANDERSON  
CONSTRUCTION COMPANY

\_\_\_\_\_  
**President)**

\_\_\_\_\_  
*(Signature)*

**Daniel Markham**  
Director of Operations

---

*Secretary*

---

*Date Attested*

*Countersigned:*

---

*City Auditor*

---

*City Attorney*





DULUTH ECONOMIC DEVELOPMENT AUTHORITY  
PASTORET TERRACE & PAUL ROBESON BALLROOM  
October 16, 2020.



*Building enduring relationships and strong communities*







Kraus-Anderson Construction Company  
3716 Oneota Street, Duluth, MN 55807

October 16, 2020

Chris Fleege, Director of Planning & Economic Development  
City of Duluth  
411 West First Street  
Duluth, MN 55802  
Via Email: [cfleege@duluthmn.gov](mailto:cfleege@duluthmn.gov)

RE: PROPOSAL FOR CONSTRUCTION MANAGEMENT SERVICES

Dear Mr. Fleege and DEDA Board:

Kraus-Anderson (KA) is excited for the opportunity to submit our proposal to provide Construction Management to the City of Duluth and Duluth Economic Development Authority (DEDA) for the Pastoret Terrace and Paul Robeson Ballroom repair project. Kraus-Anderson is the leading provider of construction services in northern Minnesota. We have reached this position through a complete focus on our client's goals and by taking a "cooperative team" approach to all our project assignments. Selecting Kraus-Anderson Construction Company as your partner provides many distinct benefits:

- **Trusted Partner:** Kraus-Anderson offers the City of Duluth and DEDA a knowledgeable, committed construction partner that will guide you through the preconstruction, construction, and post-construction phases of your project. Our core purpose, *building enduring relationships and strong communities*, is embodied in all that we do.
- **Project Team:** The team members proposed for your project have been specifically selected for their specialized experience planning, managing, securing, maintaining, and repairing existing buildings.
- **Collaborative Team Approach:** KA understands that enduring relationships are built on a foundation of trust and open communication. We will provide the City of Duluth and DEDA with timely input in an open-book format for a clear understanding of options. This allows the team to make swift, informed decisions throughout the project.
- **Comprehensive Planning Services:** KA will assist you with accurate cost estimates, creative problem-solving, and strategic planning to efficiently and cost-effectively achieve the project goals.
- **Local Participation:** Leveraging our depth of experience and relationships in the region, we will generate the broadest possible opportunity for qualified local subcontractors to bid on the project. KA has a robust subcontractor selection process that encourages local, competitive, and responsive bids.
- **Safety, Our Top Priority:** KA's outstanding safety record of 0.48 EMR is in the top-tier of the construction industry nationwide. We will enforce and maintain a proactive, site-specific safety program that includes ongoing jobsite inspections, continuous training, and motivational efforts to develop health and safety awareness.

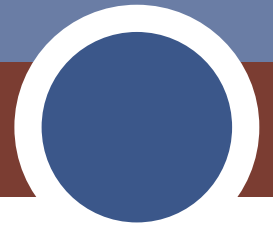
Thank you for the opportunity to present our qualifications. We are excited to partner with the City of Duluth and DEDA, and look forward to further discussion on the project.

Very truly yours,

KRAUS-ANDERSON® CONSTRUCTION COMPANY

Daniel E. Markham  
Director of Operations  
218-428-6843  
[dan.markham@krausanderson.com](mailto:dan.markham@krausanderson.com)

# Table of Contents



1	Project Team Members . . . . .	4
2	Relevant Project Experience & Approach . . . . .	10
3	Fee Rate Schedule . . . . .	17
4	Other Relevant Information . . . . .	18

## DEDA

Creating Jobs

Supporting Businesses

Growing Duluth



DEDA's project presents some unique challenges that will require creative and collaborative solution management by the project team. The team we will provide to lead this solutions management process and achieve the goals of DEDA's project will not only have an experience base of projects similar to yours but will have intimate knowledge of this particular project and this facility. Our team will build off the successful working relationship established with the City of Duluth to develop an implementation plan for the project that will meet its goals and success factors.

Kraus-Anderson offers DEDA the following capabilities that enhance the value we bring to the project:

- **DEEP LOCAL CONNECTIONS.**

Kraus-Anderson is committed to providing opportunities for the subcontractors, material suppliers, and the local workforce in the area surrounding Duluth. As a contractor that completes more than 300 projects per year, primarily within the Upper Midwest, we have developed relationships with an extensive network of qualified firms in communities in which we live and work.

- **POSITIVE RELATIONSHIPS WITH SUBCONTRACTORS.**

Kraus-Anderson will provide a “listen, learn, and implement” strategy with DEDA and Owner Team from the beginning. We believe in continual team interaction/learning through the planning phase, leading to a clear scope of work provided to the bidding market. With this approach, KA learns the most critical aspects of the project and relays that message to subcontractors through the bidding process. Our continued interaction and close involvement with all subcontractors and material suppliers separate Kraus-Anderson from our competition.

- **INDUSTRY-LEADING BUDGETING SERVICES.**

KA utilizes industry-leading technology to support our team of experienced estimating professionals. Our team consists of estimators, BIM, M&E Systems, and Building Science professionals who bring varied backgrounds (including engineering and architecture) and experiences to manage critical aspects of construction projects.

- **OPEN BOOK CONCEPT.**

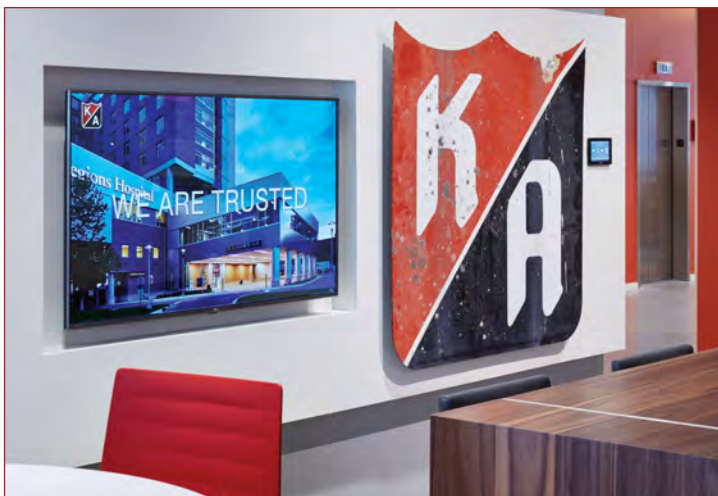
Within an open book format, DEDA, Owner Team, and Kraus-Anderson establish open communication and cooperation. All issues pertaining to bidding, value assessment/engineering, budget control, schedule, etc., are identified, discussed, and resolved early in the process so that a “no surprises” project proceeds from conception to completion. Within this “open book” format, DEDA is continually aware of all fees.

- **LEAN CULTURE.**

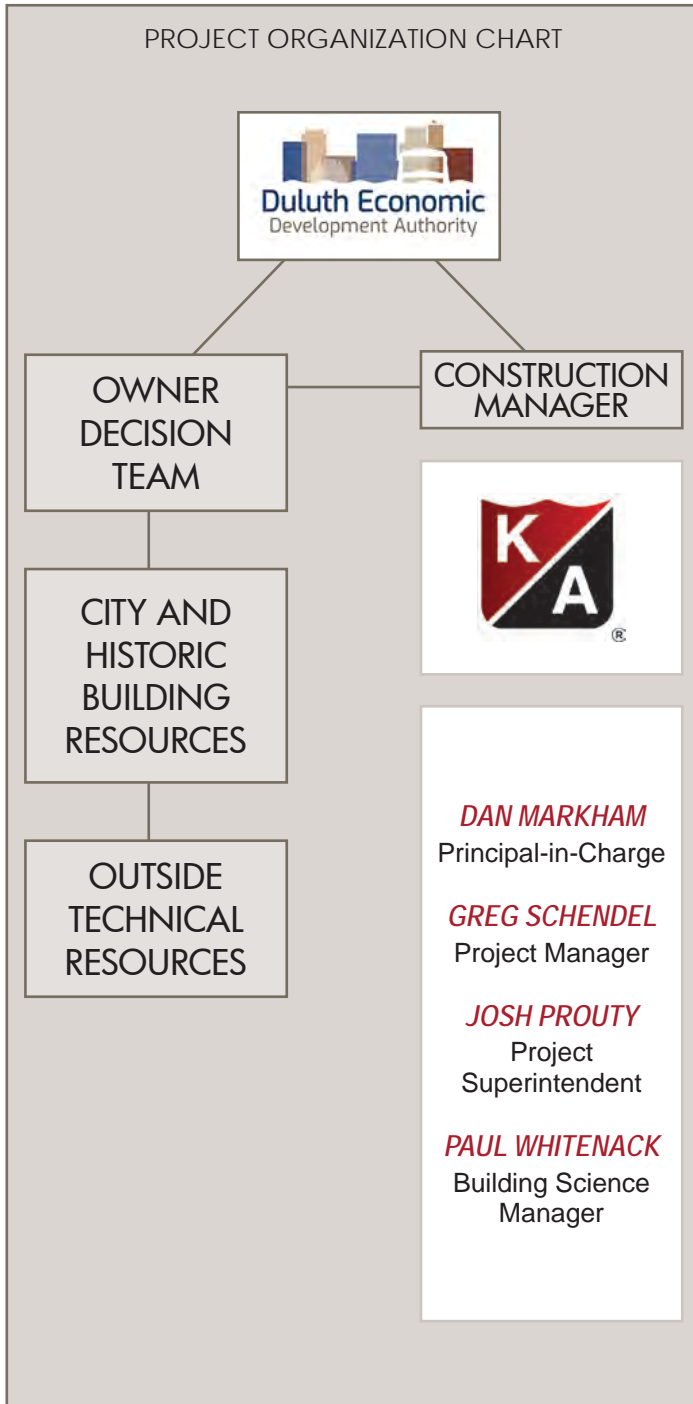
At KA, we work continually to refine and improve our processes. We strive to “work lean” within our organization and use recognized lean construction methods on our project sites. We work in a lean culture every day and bring that style to every project we undertake.

- **FINANCIAL STRENGTH.**

The financial strength KA brings to the project provides confidence that your project will be managed by leaders in the industry, with the stability to honor our commitment and get the project to successful completion.



Kraus-Anderson®  
**COREVALUES**



## SKILLED CONSTRUCTION TEAM

Proven, skilled construction experts uphold Kraus-Anderson's strong reputation. Our team members are dedicated to safety, precision, integrity, and cost-effectiveness in delivering innovative strategies and methods necessary to construct complex projects.

Kraus-Anderson has over 100 years of experience in the construction industry and is supported by KA's team's depth and resources. We are well-positioned to provide comprehensive, effective construction services to DEDA and the City of Duluth.

Kraus-Anderson's organizational structure for the Duluth Economic Development Authority project is displayed to the left. The project organization chart is succeeded on the following pages by in-depth resumes for key team members.

## TECHNICAL RESOURCES

If requested, Kraus-Anderson's technical experts are available to provide DEDA with additional support in mechanical-electrical-plumbing systems coordination, value engineering, building sciences, Building Information Modeling (BIM), constructability, and quality management. Their value is immediately evident in the preconstruction stage, where conflicts and challenges are unearthed and addressed well before they can emerge in the field, when they can drive up costs and time.

Because the building has been open to the elements, we feel the Pastoret Terrace and Paul Robeson Ballroom project would benefit from the knowledge of our Building Science Manager, Paul Whitenack. Paul's experience working with existing structures and the mitigation of moisture problems would provide you with vital information in planning and executing your plans for securing a weather tight building.

## BUDGET CLARITY

During planning and construction, we will draw from our experiences with local experts and leverage our relationships with subcontractors and vendors to complete the project within our established budget parameters.



## DAN MARKHAM

### PRINCIPAL-IN-CHARGE

As Principal-in-Charge, Dan has corporate responsibility for the delivery of all preconstruction and construction services. He will direct Kraus-Anderson's resources to ensure we meet the City of Duluth and DEDA's goals and expectations for the Pastoret Terrace and Paul Robeson Ballroom project. Paired with his industry knowledge and experience, Dan's superior management skills promise a safe, successful delivery of construction projects of all types and sizes. Dan is known for his attention to detail, his ability to work well with other team members, professionalism, and his "can-do" attitude. He will advocate for your vision, goals, and objectives.

#### Education

MBA, Finance and Accounting,  
Regis University, Denver, CO

BS, Economics, Saint John's  
University, Collegetown, MN

#### Professional Associations

- APEX
- Duluth Chamber of Commerce  
Board of Directors
- Duluth Builder's Exchange
- The Duluth Playhouse Board of  
Directors
- Greater Downtown Council  
Member
- Iron Range Construction  
Liaison Committee
- Rotary Club of Duluth #25  
Member
- Twins Ports Construction  
Alliance

#### Industry Experience

Since 2005

#### SELECTED EXPERIENCE

West Theater, Duluth, MN

*Historical restoration to the existing theater*

City of Rice Lake, Rice Lake, MN

*1,500 SF city hall addition*

Duluth Seaway Port Authority, Duluth, MN

*12,000 SF, 2-story office building interior demolition and remodel preparation*

Lake Superior Zoo, Duluth, MN

*Bear exhibit restoration*

MNDOT, Duluth, MN

*700 SF, 3-story selective demolition and bathroom remodels*

Lake Vermilion State Park, Soudan, MN

*North Lodging: 3,000 SF new utilities including sewer, water, electric, and communication, roads, 14-car parking spaces, 8-camper cabins, 1 year-round sanitation building, 2-vault toilets, wood shed, kiosk, landscaping, and rock removal*

Lake County Highway Department Facility, Two Harbors, MN

*51,000 SF new facility*

City of Duluth Lund Toolhouse, Duluth, MN

*Salt storage shed, fabric structure with concrete bunkers*

Werner Electric, Duluth, MN

*4,000 SF Interior remodel of warehouse and front office*

Duluth Public Schools

- Lincoln Park Middle School: 250 SF Storage room conversion into bathroom
- Duluth Denfeld High School: Plaster repair and stairwell drywall
- Rockridge Elementary School: 30,156 SF renovation of mechanical/electrical systems and classroom upgrades

Essentia Health Therapy Center, Duluth, MN

*75,000 SF interior buildout of existing retail space at Miller Hill Mall into an Adult/Pediatric Therapy Center*

Lake View Hospital, Two Harbors, MN

*38,000 SF expansion and renovation*

St. Luke's Healthcare System, Duluth, MN

- Lakeview Cancer Center: 2,200 SF, 1 story addition (concrete vault) to medical clinic for new Linear Accelerator



## GREG SCHENDEL

### PROJECT MANAGER

Greg will serve as the project manager from planning through construction completion. He will provide management oversight of all project elements, including budget and schedule control and overall project communication. In addition to comprehensive preconstruction phase cost estimating, value engineering, and project scheduling, Greg will develop a cash flow disbursement schedule for the Owner. He will also provide the front-end bidding documents and generate local bidder interest in the project. His responsibilities will include subcontractor performance review, subcontractor negotiation and award, monitoring and updating progress schedules, and job site staff administration.

#### Education

Architectural Drafting, Lakes Superior College, Duluth, MN

Machine Shop and Tool and Die Making, Staples Area Vocational and Technical School, Staples, MN

#### Certifications and Training

- ASHE Healthcare Construction Certificate
- Stormwater Pollution Prevention Program (SWPPP) Training
- MN Licensed Contractor Lic. BC182201
- WI Registered Architect Lic. 8456-5

#### Professional Associations

- AIA Minnesota
- Duluth Builder's Exchange
- Twins Ports Construction Alliance

#### Industry Experience

Since 1983

#### SELECTED EXPERIENCE

##### West Theater, Duluth, MN

*Historical restoration to the existing theater*

##### Lake Superior Zoo, Duluth, MN

- Fairmont Park Project: preconstruction services
- Entry building
- Siberian tiger exhibit
- African lion exhibit
- Australian exhibit
- Petting zoo/barn exhibit
- Polar shores exhibit
- Bear exhibit restoration

##### Gary New Duluth Recreation Center, Duluth, MN

*St. Louis River corridor site work for recreation area*

##### Lake County Highway Department Facility, Two Harbors, MN

*51,000 SF, 2-story new Highway Department facility including precast concrete vehicle maintenance and storage building with offices*

##### City of Duluth, Duluth, MN

*City Center: Interior remodeling of existing toilet rooms to meet accessibility requirements*

##### City of Duluth Public Works, Duluth, MN

*82,000 SF new precast concrete and steel frame building for multiple city divisions*

##### Cloquet Public Schools, Cloquet, MN

- Churchill Elementary School
  - reroof existing school
  - 6,784 SF new ECFE addition consisting of classrooms, bathrooms, offices, classrooms, and associated support facilities; new ducted VAV box mechanical HVAC system
- Washington Elementary School: reroof existing school
- Cloquet Middle School
  - Provide labor and equipment to dry out old gym floor
  - 146,607 SF middle school addition to existing high school including a pool, district wide security projects, an addition and renovation to two elementary schools, and miscellaneous deferred maintenance upgrades
- Cloquet High School:
  - 6,784 SF auditorium renovations
  - Office addition, elementary school buildout, and office remodel at old Garfield School



## JOSH PROUTY

### PROJECT SUPERINTENDENT

Josh will be responsible for leading the day-to-day, onsite supervision and managing all activities associated with the Pastoret Terrace and Paul Robeson Ballroom project site. He will participate in preconstruction, assisting in resolving constructability issues, disruption avoidance planning, and the development of the project schedule. He is responsible for all field operation scheduling, coordination, quality control, and ensuring all onsite personnel's safety. Josh will hold weekly meetings and daily huddles with the contractors to review the progress of the work. He is also the direct contact for the City, DEDA, and neighborhood as it concerns site logistics and safety. **Onsite full-time during construction, Josh will work closely with Greg Schendel to lead, manage, and direct all field operations.**

#### Certifications and Training

- ICRA Healthcare Construction Certification
- Stormwater Pollution Prevention Program (SWPPP) Training
- Aerial Boom Lift Certification

#### Industry Experience

Since 1999

#### SELECTED EXPERIENCE

Lake Superior Zoo, Duluth, MN

*Bear exhibit restoration: Renovations of the existing bear den holding area, adjacent exhibit area, and existing holding building*

West Theater, Duluth, MN

*Historical restoration to the existing theater*

Sauk Centre Public Schools, Sauk Centre, MN

*Locker room and secure entrance upgrades*

University of Minnesota Duluth, Duluth, MN

*Glensheen Carriage House Exterior: Carriage House exterior restoration*

Hermantown High School, Hermantown, MN

*134,425 SF new high school attached to the existing high school, convert and remodel existing high school into the new middle school, and associated site work*

School District of Superior High School, Superior, WI

*200,000 SF new construction and 140,000 SF remodel including three-story academic wing, three-station gym, PAC, offices, and commons/cafeteria*

Lake Vermilion State Park, Soudan, MN

*Site work including rock excavation, water distribution system, fiber optic communications system, boardwalks, a sanitation building, water storage, and picnic shelters*

Vermillion Community College, Ely, MN

*31,000 SF new student housing comprised of 4 separate wood frame constructed student housing that consists of 12 units per building to house 120 students; 4 buildings with 2 different styles all include living room, kitchen, and shared bedrooms and bathrooms*

Boy Scouts of America, Ely, MN

*3,840 SF new CMU/rock forced block shower house containing 18 showers and 2 saunas, shared laundry, and mechanical/electric area*



## Technical Resources



### **Audie Miller**

Preconstruction Services Manager

Audie's responsibilities include value engineering, budget monitoring, constructability review, and interface with the architect. Audie will also handle preconstruction scheduling, risk assessment, subcontractor/vendor solicitation, and prequalification.

Audie will be responsible for developing the project cost estimate from schematic documentation to the final cost estimate. He will lead the budgeting/estimating activities during preconstruction. He will also be responsible for assisting in constructability reviews and value engineering along with the other team members. Audie will confirm that the most current subcontractor pricing trends are reflected in our estimates and that the upcoming bid period of the project is communicated to the subcontractor market.



### **Paul Whitenack, AIA, NCARB, LEED AP**

Manager, Building Science

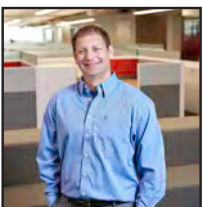
As Manager of Building Science, Paul provides leadership and training in quality issues to ensure that KA delivers a customer experience that exceeds the client's expectations. In his primary role, Paul serves as a technical resource to the project team with means and methods, constructability, building materials technology, workflow and sequencing, proper installation techniques, and testing and acceptance protocols.



### **Jay Vander Leest**

Director of Safety

Jay, a 27-year veteran at Kraus-Anderson, will coordinate with the project management team on a site-specific safety plan for the project, and safety policies to be incorporated into all bid specifications. As Director of Safety, he reviews and monitors the safety programs of all onsite subcontractors and randomly inspects project sites to ensure operations are in full compliance with state and federal OSHA laws and regulations. Jay works with KA's Legal and HR leaders to implement company-wide and project-specific protocols as we navigate through the Covid-19 pandemic.



### **Jake Leoni, ARM, CHST, CRIS**

Safety Coordinator

Jake's background and current responsibilities include: corporate construction safety management, federal, state and local regulations (OSHA/MNOSHA/DOT/MPCA/SWPPP), investigations, evaluations, and analyses of jobsite issues, training and employee development, workers' compensation and medical care management, jobsite inspections, and safety policy development and implementation to continuously improve the safety culture onsite and throughout the company.

Kraus-Anderson has been at the forefront of construction safety in Minnesota. The firm's safety record has consistently been placed with the top construction firms nationally. Kraus-Anderson has been recognized by the Minnesota Safety Council yearly since 1992 for our excellent safety record and has received the Governor's Safety Award for Outstanding Achievement ten times.





**WEST THEATER CENTER FOR THE ARTS**  
Duluth, MN

The West Theater Center For The Arts will be a unique niche establishment offering a variety of entertainment choices from second-run movies, foreign films, small concerts, local theater, and art gallery all in one building that is able to transition from one event to another. The theater will fill the gap in the 300-350 seat range, offering comfortable seats and a raked floor for a good sightline. The historical renovation project included demolition of interior and exterior walls in the existing theater, doors, windows, ductwork, and renovate the interior including adding fire and burglar alarm systems.



**GLENSHEEN ESTATE**  
UNIVERSITY OF MINNESOTA DULUTH  
Duluth, MN

KA completed repairs and historically designed landscape restoration following severe rain and flooding at the Glensheen Estate. The project was performed in two phases over two summers, in compliance with multiple jurisdictions, including FEMA, the State Historic Preservation Office, Army Corps of Engineers, Minnesota Department of Natural Resources, Minnesota Department of Transportation, and the City of Duluth.

Additional projects include:

Gardener's Cottage (pictured left): 926 SF remodel of the existing pantry into an ADA restroom along with widening 3 doorways and exterior handicap ramp

Sewer Repairs: Emergency repair of existing sewer force main

Tennis Court: Replacement and restoration of the tennis court garden walls





**LAKE SUPERIOR ZOO - BEAR COUNTRY EXHIBIT**  
Duluth, MN

Owned by the City of Duluth, the \$3.8 million exhibit included renovations of the existing bear den holding areas, adjacent exhibit areas, and existing holding building.

The completed Black Bear Exhibit renovated of the former exhibit that was built in 1930 and was closed for more than 10 years.

The Brown Bear Exhibit renovated the former Polar Shores Exhibit that was closed following the 2012 flood. The Brown Bear Exhibit also includes a new river otter exhibit.

KRAUS-ANDERSON'S INTERNAL CULTURE IS ONE THAT ENCOURAGES SHARING OF INFORMATION AND OPEN COLLABORATION.

WE BRING THE MOST INNOVATIVE AND RELEVANT CONSTRUCTION PRACTICES TO OUR CLIENTS, AND UNDERSTAND THE IMPORTANCE OF A WELL THOUGHT-OUT AND WELL-BUILT ENVIRONMENT THAT REFLECTS THE VISIONS AND GOALS OF OUR CLIENTS' CULTURE.

KRAUS-ANDERSON IS NATIONALLY-RECOGNIZED AS A LEADER IN SUSTAINABLE CONSTRUCTION, LEAN PRACTICES, AND THE USE OF VIRTUAL DESIGN TO IMPROVE CONSTRUCTION DELIVERY AND EFFICIENCY.

**HISTORICAL PRESERVATION PROJECTS** REQUIRE SPECIAL SERVICES AND TECHNIQUES TO MAINTAIN THE SPIRIT OF THE BUILDING. KRAUS-ANDERSON'S COMMAND OF THESE PROCESSES HAS PROVIDED US WITH A WIDE SCOPE OF PROJECTS. AS COMMUNITIES SEEK TO RECLAIM AND PRESERVE BUILDINGS FOR FUTURE USE, KRAUS-ANDERSON CAN PROVIDE CONSTRUCTION SERVICES TO FACILITATE THE PROCESS.



**LAKE SUPERIOR ZOO - PAVILION RENOVATION**  
Duluth, MN

The pavilion renovation was a challenging project as the old timber roof was cut off with chain saws. Window sill elevations varied by 7" and there was a dogleg of several inches in the long wall. Trim on windows at interior and exterior were scribed to the hewn stone contours for a beautifully finished effect.

KA used big timbers (8"x14") and (4"x8") douglas fir, salvaged from material removed from elevators torn down in Duluth.

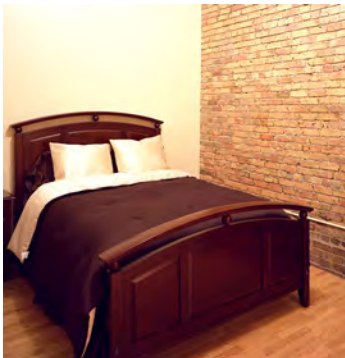
The building was built by Civilian Conservation Corps (CCC) as part of the Roosevelt era following The Great Depression.



**BRIDGEMAN-RUSSELL APARTMENTS**

Duluth, MN

- Built in 1905, this building is the birthplace of one of America's most prominent creameries
- 48,000 SF rebirth project consists of 31-units (studio, 1 bedroom and 2 bedroom) of contemporary apartments that offer underground heated parking, an elevator, and an onsite fitness center



**FANNIE ROSE BUILDING**

Duluth, MN

- 12,000 SF turn of the century retail building was renovated
- Brick parapet walls were added to return the building to its original appearance from 1907
- The exterior facade was enhanced with new storefronts, brick repairs, tuck-pointing, and cleaning
- Much of the floor structure was replaced and a new roof was installed
- The building was retrofitted with a new mechanical and electrical system



**SPINA BUILDING**

Duluth, MN

- The brick and terra-cotta Spina Building was built in 1911
- 6,000 SF renovation of tenant retail space on the first level and the second level was renovated into a 12,000 SF, two-level office space



### WADE STADIUM

Duluth, MN

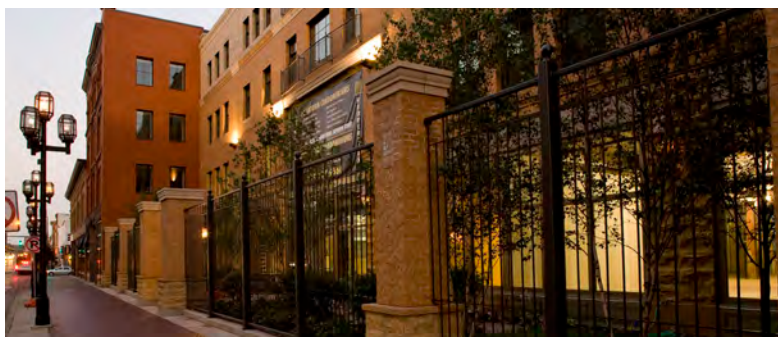
- Artificial turf
- Removal of existing stadium lighting for replacement with new
- Brick restoration and masonry wall reconstruction
- Replacement of stadium seating
- Installation of a news scoreboard
- Painting and miscellaneous repair of the stadium



### WEILAND/STRAND BUILDING

Duluth, MN

- This 5-story renovation project converted 133,050 SF to a multi-use space
- Included were medical practice facilities, new retail, office space, and condominiums
- The renovation included a new elevator tower, stair tower, and the rebuilding of all existing floors with new trusses, new windows, and masonry restoration
- New 5-story infill building with parking on the first level with office and retail space
- The top two floors are divided into condominiums



## OUR SERVICES

Kraus-Anderson is nationally-recognized as a leader in sustainable construction, lean practices, and virtual design to improve construction delivery and efficiency.

After reviewing the project details in the RFP and visiting the site, we understand there are several unknown details about the project. We are providing you with an overview of our in-house services on the following pages since the project scope is unidentified at this time.



- Scope & Budget Development
- Cost Estimating
- Schedule Development
- Value Engineering
- Constructability Reviews
- MEP Review
- Sustainability Analyses
- BIM/VDC
- Quality Control/Building Science
- Long-Lead Procurement
- Compliance
- Permitting



- Bidding & Procurement
- Sub Coordination
- Field Supervision
- MEP Coordination
- Document & Change Management
- Schedule
- Contract Administration
- Material & Equipment Procurement
- Cost Control
- Quality Control
- Insurance Administration



- Owner's Fit-Up/FF&E Coordination
- Final Cost Accounting
- Commissioning
- Punch List Management
- Warranty

## In-House Technical Resources



- Analysis of building materials & systems
- Existing conditions investigation
- Select demo for unforeseen conditions
- Review of documents for potential issues



- Instrumental in Preconstruction
- Life-Cycle Cost Estimating
- Commissioning/ Turn-over
- Construction As-Built Review



- Visualizes Design Intent
- Aids Layout & Fabrication
- 3D Laser Scanning
- Drone Services
- Documents Existing & As-Built Conditions
- Supports Estimating



- Site Specific Safety Plan
- Controls/ Mitigates Risks
- Safety Orientation & Training
- Daily Activity on the Jobsite

## ESTIMATING

Using your budget as the basis of construction, we will develop an “initial cost model” as a framework to begin evaluating the required work scopes of your project. KA will lead this concurrent process to align your proposed program to the budget. We provide timely cost estimates so the team can make well-informed decisions regarding the cost impact of various options.

During this phase, our team establishes the required documentation and written summary of the work scope, along with value engineering ideas for the team’s consideration. As the level of documentation progresses, the level of detail in the estimate correspondingly expands, and we report to confirm that project costs align with your budget.

While preparing estimates, KA will work with the project team performing quality reviews of the documents for completeness and ensure subcontractors have the necessary information to bid on the project.



## BUDGET MANAGEMENT

After meeting with all of the project stakeholders on site to develop consensus on project goals, we will develop work scopes for bidding that accomplish those goals, and we’ll work to stay within the established budget parameters.

By participating in routine meetings with the project team, the KA team will develop a real understanding of the project intent. Therefore, we can offer value engineering solutions that align the goals, budget requirements, and construction capabilities available within the marketplace.

We provide detailed cost estimates and recommendations regarding contemplated and alternative building solutions, construction methods, the availability of specified materials and properly skilled labor, and the cost impact of schedule requirements. Our goal is to maximize value in each step of the process.

## TECHNOLOGY

Kraus-Anderson utilizes a complete project management software package called ViewPoint, which allows all aspects of the project to be tracked through one program, including bid packages, budget control, contracts, submittals, requests for information, changes, and meeting minutes. Kraus-Anderson will facilitate reporting and provide access to project information from our ViewPoint management and reporting system at all points of the project. The information will be available in electronic format and in hard copy that can be delivered to the City and DEDA at any point throughout the project.

We maintain an accounting system and fiscal controls that accurately account for, manage, and report costs to support project costs, progress billing, and change request management. These essential project management elements provide responsive, verifiable accounting and financial data for your submission or review.

As we have experienced from the initial design workshops, advanced technology will continue to play an important role going forward. KA incorporates a variety of technology and software systems in the delivery of our services. From preconstruction through close-out, we utilize the leading technology platforms available to the construction industry.

The overall goals and benefits of utilizing our technical tools include:

- Thoroughly evaluate design and cost options
- Cost-effective/accurate as-built modeling
- Accurate/detailed estimates
- Thoroughly evaluate constructability and quality
- Building condition documentation
- Project visualization



## KA's Technical Tools

- WinEst provides multiple comparison options to estimate accurate preconstruction pricing. WinEst allows Kraus-Anderson to be able to have multiple combinations to analyze estimates for project costs. This database can be pre-priced for material, labor, and subcontract costs.
- Modelogix is used with WinEst to support accurate cost history for immediate estimates. Modelogix has data readily available to help with critical owner decision-making.
- Net Energy Optimizer (NEO) software, a whole-building energy modeling program, is used to calculate the cost savings, payback, and life-cycle costs for alternative design solutions. NEO helps us determine which energy efficiency measures yield the best investment return for both new and retrofit applications. The software draws on decades of energy data to provide accurate estimates. It can model the performance of various building components (wall, windows, roofs) and systems (heating, cooling, ventilation, lighting, power loads) and can be customized to a geographic location and orientation.
- PlanGrid is a web-based solution that provides the team with portability and real-time communication about project documents and field adaptations and expedites team communications and project processes. PlanGrid is also used during close-out to track and record punchlist work and create custom as-built documents.
- Building Information Modeling (BIM) plays an important role during the preconstruction phase. Our team utilizes advanced BIM tools to analyze quantities and discuss cost options with our design partners. Design models of the proposed plan, 3D laser scans of any existing structures, and construction models of new systems are analyzed to ensure constructibility and coordination.
- Navisworks is one of the BIM tools used to review integrated models and data with all stakeholders to control project outcomes better. Navisworks helps reduce rework, increases productivity, communicates design intent, and encourages teamwork.

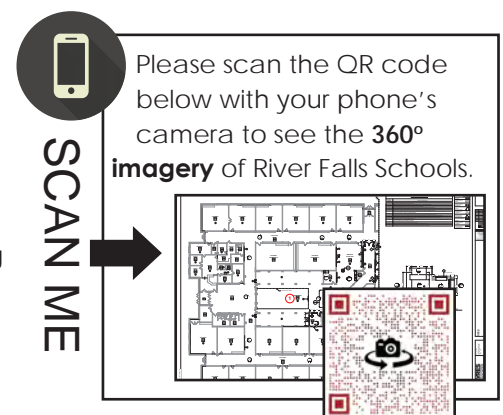
## In-House Drone Services

KA's in-house BIM/VDC Specialist, Andrea Blair is a certified Drone Pilot and can provide real-time data on projects utilizing our in-house drone services.

- Building Surveys and Site Inspections – A drone provides a “bird’s eye view” to difficult areas to access or high-risk areas. It also allows for more frequent surveys and inspections, covering larger areas more efficiently.
- Progress Reports – A drone flight records and visualizes a project’s progress. Photos and videos are shared with the team.
- Thermal Imaging – Similar to laser scanning, the drone can record thermal imaging pinpointing potential hot and cold spots in a building. This provides essential information to identify and access building defects on existing buildings. It can also assure proper enclosure of a building in new construction.

## 360° Walk-Through Reporting

Our BIM team can perform 360° imagery of the project. The result is a panoramic image that can be panned both horizontally and vertically, allowing you to visually explore all 360° interior spaces. Besides saving a substantial amount of time taking and organizing individual photographs, 360° images produce a more immersive viewing experience, providing a greater level of detail than any single image. The 360° images will provide as-built conditions to be used throughout the life of the buildings, and document construction progress.





Our total compensation is based on the scope of services Kraus-Anderson anticipates will be required to achieve the project goals. Those services are influenced by the project scope, descriptions, project schedule, and project personnel needed for the project.

We've estimated a 2-month planning phase, a 2-month demolition/construction phase, followed by a maintenance phase. The actual scope and cost of site-related construction services Kraus-Anderson provides will be reviewed and approved with the City of Duluth and DEDA before the project's start. If the duration of any phase varies, the cost of each phase will be adjusted proportionately.



**KRAUS-ANDERSON®**

**Pastoret Terrace & Paul Robeson Ballroom - Maintenance & Repair  
Construction Manager as Advisor Fee Breakdown**

<i>Description</i>	<i>Quantity</i>	<i>Unit</i>	<i>Rate</i>	<i>Total</i>
<b>Planning and Bidding Phase - duration: 2 months</b>				
Project Director	as needed	hrs.	\$ -	In fee
Preconstruction Services Manager	as needed	hrs.	-	In fee
Director of Safety	as needed	hrs.	-	In fee
Project Manager	80	hrs.	115	\$ 9,200
Project Superintendent	20	hrs.	105	2,100
Building Science Manager	10	hrs.	115	1,150
Project Coordinator	40	hrs.	55	2,200
Safety Coordinator	15	hrs.	110	1,650
<b>TOTAL</b>				<b>\$ 16,300</b>
<b>Demolition/Cleanup and Construction Phase - duration: 2 months</b>				
Principal in Charge	as needed	hrs.	\$ -	In fee
Project Manager	80	hrs.	115	\$ 9,200
General Superintendent	10	hrs.	115	1,150
Project Superintendent	320	hrs.	105	33,600
Building Science Manager	8	hrs.	115	920
Safety Coordinator	16	hrs.	110	1,760
Project Coordinator	16	hrs.	55	880
Accounting	16	hrs.	55	880
<b>TOTAL</b>				<b>\$ 48,390</b>
<b>Maintenance Phase - duration: 8 months</b>				
Principal in Charge	as needed	hrs.	\$ -	In fee
Project Manager	64	hrs.	115	\$ 7,360
Project Superintendent	128	hrs.	105	13,440
Safety Coordinator	16	hrs.	110	1,760
Project Coordinator	32	hrs.	55	1,760
Accounting	16	hrs.	55	880
<b>TOTAL</b>				<b>\$ 25,200</b>
<b>Total for Planning, Construction, and Maintenance Phases</b>				<b>\$ 89,890</b>
<b>Cost of the Work - General Conditions / Reimbursable Items</b>				
Blueprinting	Dumpsters			
Postage / Shipping	Site Fencing			
Progress Photos / Web Cam	Temporary Facilities			
General Liability Insurance	Office Trailer / Office Supplies / Phones			
Builders Risk Insurance	Temporary Enclosures			
Performance and Payment Bonds	Temporary Barricades			
Permits	Temporary Services			
Survey	Tools / Equipment			
Construction Cleaning	Mileage / Supt. Truck			
Final Cleaning	Testing			
Professional Design/Engineering Services				
<b>Construction Management Fee</b>				
<b>Fee for the first \$500,000 in Work Order managed volume</b>				<b>5.0%</b>
<b>Fee for the next \$500,000 in Work Order managed volume (\$501k - \$1M)</b>				<b>4.0%</b>
<b>Fee for total Work Order managed volume in excess of \$1,000,000</b>				<b>3.0%</b>



SAFETY AND SECURITY

At Kraus-Anderson, we strive for zero lost-time on every project through good management and utilization of our resources, a proactive approach to safety, a strong supervisory presence, and hazard assessment.

It is our policy to provide a safe workplace environment for all workers and subcontractors. With our senior management’s commitment, we regard the safety of our employees, subcontractors, and facilities as the most critical factor in the operation of our business. Each employee is made aware of their responsibility for working safely with equal concern for co-workers’ safety. All employees and subcontractors must accept and comply with the KA safety rules and regulations. Non-compliance cannot and will not be tolerated.

Our safety program includes:

- Orientation and training
- OSHA hazard assessments
- Use of OSHA approved personal protective equipment
- Properly maintained tools, equipment, and facilities
- Formal and informal inspections to find and eliminate any unsafe acts or conditions
- Investigation of all incidents and accidents in an effort to prevent recurrence.

**Total Safety Environment**

Starting with KA’s Safety Program and in collaboration with the City and DEDA, KA will develop a comprehensive Site Specific Safety Plan including fire prevention guidelines and Jobsite Emergency Contingency Plan. We will also incorporate any of your safety programs and all applicable federal, state, and local regulations. Our goal is to provide KA employees, subcontractors, vendors, and visitors with a safe experience that meets environmental expectations and guidelines.

***All KA employees, subcontractors, vendors, and visitors will receive site-specific orientation and safety training before working on or visiting the job site.***

We will keep you advised of all construction operations through daily and weekly coordination and progress meetings, ensuring all are informed of current/upcoming construction activities in and around the area.

**Site Specific Safety Plan**

Based on KA’s Safety Program, we have developed a Site Specific Safety Plan. KA would review this with the City of Duluth and DEDA and ensure we incorporate all safety procedures and applicable federal, state, and local regulations. Our Site Specific Safety Plan will also include fire prevention guidelines and a Jobsite Emergency Contingency Plan. Our primary goal is to provide anyone working on, visiting, or adjacent/nearby the job site with a safe environment.

**Building Safety Measures**

To safeguard the public, onsite workers, and adjacent properties from falling object exposure during the project, we will assess the need to provide a barrier system. This system provides temporary falling-object protection as construction progresses and before permanent exterior enclosures are in place.

KA EMR	
2020	0.48
2019	0.47
2018	0.50
2017	0.43
2016	0.52



COVID-19 JOBSITE PROTOCOL

As the world continues to deal with and adapt to the unprecedented challenges of the COVID-19 pandemic, Kraus-Anderson's top priority remains safety. The CDC and the Department of Health have recommended implementing social distancing (keeping a safe distance of at least 6 feet) and reduced close contact with others to help stop the spread of infection. As a result of these concerns and the CDC and Department of Health guidance, KA has assembled and put in place protocols to maintain safety for construction workers. Examples of KA's Best Management Practices for KA Jobsites are below.

Additionally, KA clients and business partners have been providing positive feedback on the social distancing and other elevated safety measures we have implemented on our job sites in response to the ongoing COVID-19 pandemic.

"At today's OAC meeting Karen Huiett, a Program Manager for MinnState, gave KA compliments regarding the plans and procedures that have been put in place for COVID-19" reported Tyler Kaczmarek, project manager. "She mentioned that Kraus-Anderson is ahead of most of the contractors she has on her other projects and that we are giving this issue the attention it deserves," said Tyler.

Hunt Electric Corporation's Safety Director Tom Andrzejewski recently shared, "I just got off the phone with Rick Swanstrom discussing our current situation and how things are being carried out at this project (Vikings Omni Hotel). Rick had high praise for the leadership KA has shown in modeling social distancing, modifying skip use, and jobsite cleaning and sanitation.

"I just wanted your company to know that this isn't the case everywhere, and we really appreciate your efforts. The current pandemic is the safety and health challenge of our lifetimes, and it's gratifying to be in partnership with you at this time," Andrzejewski stated.

**COVID-19 (CORONAVIRUS) Best Management Practices for KA Jobsites**

COVID-19 (Coronavirus) continues to have a major impact on our daily operation of running a successful Kraus-Anderson Construction Company jobsite. The last number of weeks we have learned ways to best protect ourselves, co-workers, public and our jobsites from the spread of this respiratory disease. To reduce the impact of COVID-19 outbreaks we have put forth our KA COVID-19 Overview (toolbox talk), KA COVID-19 Jobsite Protocol, KA COVID-19 Screening Questionnaire, KA COVID-19 Response Plan and our KA COVID-19 Return to Work Form.

This document will show some of the best management practices utilized on our jobsites today.

**SOCIAL DISTANCING**  
Practice 6' social distancing in meetings by spreading out or utilize other ways to communicate, such as using Microsoft Outlook conference calling, Webex or FaceTime from your iPhone or iPad. Detailed instructions for each can be found by clicking on the links below:  
- Microsoft Outlook Conference call  
- Webex  
- FaceTime

**POSTINGS**  
Postings of the KA COVID-19 (Coronavirus) Overview and the KA COVID-19 (Coronavirus) Jobsite Protocol and other information at the KA office, main entries to your jobsite and in common areas to ensure jobsite communication. Laminated copies for durability.

**KEEPING RECORDKEEPING**  
Screening with three ring electronic Storage

**RESTROOMS/ HAND WASHING STATIONS**  
- Have portable toilet service provide hand sanitizer in portable restrooms.  
- Rent additional hand wash stations from your portable toilet service provider.  
- Have portable restrooms serviced more frequently.  
- Coordinate with existing building to utilize restroom facilities for construction.

**HOUSE KEEPING**  
- Provide cleaners and wipes for cleaning office and jobsite common areas.  
- Minimize exposures in elevators to material and tool deliveries only. Disinfect buttons multiple times a day.  
- Identify jobsite surfaces that receive frequent contact and disinfect multiple times a day.

**MINIMIZE SHARING**  
Provide multiple pens for use – Clean and Used.

**KA COVID-19 Symptoms:**

Symptom	Onset	Duration
Fatigue	1/22/20	1/22/20 - 1/23/20
Loss of Taste	1/22/20	1/22/20 - 1/23/20
Loss of Smell	1/22/20	1/22/20 - 1/23/20
Headaches	1/22/20	1/22/20 - 1/23/20
Shortness of Breath	1/22/20	1/22/20 - 1/23/20
Cough	1/22/20	1/22/20 - 1/23/20
Fever	1/22/20	1/22/20 - 1/23/20
Sore Throat	1/22/20	1/22/20 - 1/23/20
Diarrhea	1/22/20	1/22/20 - 1/23/20
Nausea	1/22/20	1/22/20 - 1/23/20
Stomach Pain	1/22/20	1/22/20 - 1/23/20
Joint Pain	1/22/20	1/22/20 - 1/23/20
Muscle Pain	1/22/20	1/22/20 - 1/23/20
Chills	1/22/20	1/22/20 - 1/23/20
Sweats	1/22/20	1/22/20 - 1/23/20
Reddened Eyes	1/22/20	1/22/20 - 1/23/20
Runny Nose	1/22/20	1/22/20 - 1/23/20
Sneezing	1/22/20	1/22/20 - 1/23/20
Sore Throat	1/22/20	1/22/20 - 1/23/20
Loss of Taste	1/22/20	1/22/20 - 1/23/20
Loss of Smell	1/22/20	1/22/20 - 1/23/20
Headaches	1/22/20	1/22/20 - 1/23/20
Shortness of Breath	1/22/20	1/22/20 - 1/23/20
Cough	1/22/20	1/22/20 - 1/23/20
Fever	1/22/20	1/22/20 - 1/23/20
Sore Throat	1/22/20	1/22/20 - 1/23/20
Diarrhea	1/22/20	1/22/20 - 1/23/20
Nausea	1/22/20	1/22/20 - 1/23/20
Stomach Pain	1/22/20	1/22/20 - 1/23/20
Joint Pain	1/22/20	1/22/20 - 1/23/20
Muscle Pain	1/22/20	1/22/20 - 1/23/20
Chills	1/22/20	1/22/20 - 1/23/20
Sweats	1/22/20	1/22/20 - 1/23/20
Reddened Eyes	1/22/20	1/22/20 - 1/23/20
Runny Nose	1/22/20	1/22/20 - 1/23/20
Sneezing	1/22/20	1/22/20 - 1/23/20

**Clean Pens** vs **Used Pens**



# KRAUS-ANDERSON®

## **NORTH DAKOTA**

### **BISMARCK**

1815 Schafer Street  
Suite 200  
Bismarck, ND 58501  
701-989-7150

## **MINNESOTA**

### **MINNEAPOLIS**

501 South Eighth Street  
Minneapolis, MN 55404  
612-332-7281

### **BEMIDJI**

206 Beltrami Avenue  
Bemidji, MN 56601  
218-759-0596

### **DULUTH**

3716 Oneota Street  
Duluth, MN 55807  
218-722-3775

### **ROCHESTER**

502 2nd Avenue SW  
Rochester, MN 55902  
507-226-8690

## **WISCONSIN**

### **MADISON**

151 East Wilson Street  
Suite 100  
Madison, WI 53703  
608-838-5444

