

# **University of California, Riverside**

## **Request for Design Professional Qualifications**

**FOR**

## **OASIS HUB & CLEAN TECHNOLOGY PARK**

Master Planning, Programming, & Basis of Design Documents

Project Number: 958133

July 1, 2022

Advertisement Date: July 1, 2022 – July 22, 2022

Document Issue Date: July 1, 2022, 10:00 AM

Notice of Intent Requested by: July 13, 2022, 3:00 PM

Last day for Questions: July 13, 2022, 3:00 PM

RFQ Submittal Due by: July 25, 2022, 12:00 PM

## TABLE OF CONTENTS

### ADVERTISEMENT FOR REQUEST FOR DESIGN PROFESSIONAL QUALIFICATIONS

#### PROJECT INFORMATION AND REQUIREMENTS

- A. PROJECT BACKGROUND
- B. OASIS HUB & CLEAN TECHNOLOGY PARK PROJECT DESCRIPTION
- C. OASIS HUB & CLEAN TECHNOLOGY PARK PROJECT LOCATION
- D. SCOPE OF SERVICES
- E. PHASE 1 SERVICES SCHEDULE
- F. CONSULTANTS
- G. CONTRACT REQUIREMENTS
- H. SCHEDULE OF SCREENING AND SELECTION OF CONSULTANTS, INTERVIEWS
- I. NEGOTIATION AND AWARD OF CONTRACT

#### ATTACHMENTS

(Appropriate attachments may be recopied as necessary for submittal)

Attachment A: RFQ QUESTIONNAIRE & SUBMITTAL FORM

Attachment B: SAMPLE PSA AGREEMENT

Attachment C: SAMPLE CMAR EDPA AGREEMENT

Attachment D: OASIS HUB PRE-FEASIBILITY STUDY

## **ADVERTISEMENT FOR DETAILED PROJECT PLANNING SERVICES**

The University of California, Riverside (UCR, UC Riverside, or University), through its Planning, Design & Construction (PD&C) department, will select a Design Professional to perform pre-design services for the Opportunities to Advance Sustainability, Innovation and Social Inclusion (OASIS) Hub & Clean Technology (“Clean Tech”) Park.

### **OASIS Hub & Clean Technology Park Project 958133**

While the University has not confirmed the mode of project delivery yet, the University will initiate a multi-phase contract to complete Phase 1 Master Planning, Detailed Project Program (DPP) and Site Studies, with the option to enter into Phase 2 for preparation of the Basis of Design (BOD) (consisting of Design & Technical Performance Criteria (specifications), not a building design) for the proposed OASIS Hub & Clean Tech Park, so as to support a potential design-build project procurement delivery. If it is determined that the project delivery will be through a Construction Manager at Risk, the Phase 2 work would then be issued via an Executive Design Professional Agreement (EDPA), and the selected entity would then be the Architect of Record.

As a conclusion of the Phase 1 Planning effort, the University must have obtained the necessary data needs for preparing the California Environmental Quality Act (CEQA) documentation in order to proceed with demolition of the existing structure (University Extension [UNEX] Building) currently located on the proposed site.

Phases 1 & 2 Services will utilize a Professional Services Agreement (PSA). Should the University pursue design-build procurement delivery, the Design Professional selected under this Advertisement will not be the Executive Architect for the project; the Executive Architect will be the Design-Builder. The Design Professional selected under this Advertisement will not be eligible to participate on a team in the subsequent Design-Build selection (competition) phase or CMAR effort, if applicable.

The selected entity must be able to start work immediately and in alignment with the specific project schedule. Generally, Phase 1 Services are anticipated to last approximately 4-5 months.

\*Phase 2 services for either delivery mode will be implemented at the University’s discretion.

The complete Request for Qualifications (RFQ) packet will be available (in electronic format only) on July 1, 2022, at 10:00 AM. To receive a copy of the RFQ Documents, email the RFQ Administrator listed below.

**RFQ Qualification Submittals must be received on or before 12:00 PM, on July 25, 2022.**

RFQ Administrator:

**Betty Osuna**

UCR Contracts Administration

Email: [betty.osuna@ucr.edu](mailto:betty.osuna@ucr.edu)

Or download directly from: <https://pdc.ucr.edu/contracts/design-professionals-consultants>. Every effort will be made to ensure that all persons, regardless of race, religion, sex, color, ethnicity, national origin, gender, age, marital status, sexual orientation, gender identity, veteran status, disability, or any other

characteristics protected by law have equal access to contracts and other business opportunities with the University. Each candidate firm will be required to show evidence of its equal employment opportunity policy.

The University reserves the right to reject any or all responses to this RFQ and to waive non-material irregularities in any response received. The execution of an Agreement with any firm selected pursuant to this advertisement may be contingent upon University approvals, including but not necessarily limited to the approval of the University's Board of Regents to proceed with the Preliminary Plans Phase ("P-phase") of project implementation.

All information submitted for evaluation will be considered official information acquired in confidence, and the University will maintain its confidentiality to the extent permitted by law.

## PROJECT INFORMATION

### A. PROJECT BACKGROUND

UC Riverside is one of 10 universities within the prestigious University of California (“UC”) system, and the only UC campus, as well as the only public research university, located in Inland Southern California. For an overview of UC Riverside, please refer to the Campus homepage at: <http://www.ucr.edu>.

Widely recognized as one of the most ethnically diverse and innovative research universities in the nation, UCR currently hosts approximately 26,847 students (as of Fall 2021).

The approximately 1,108-acre UCR main campus is located three miles east of downtown Riverside and is bisected by the Interstate 215/State Route 60 (“I-215/SR 60”) freeway, resulting in two areas referred to as East Campus and West Campus. East Campus comprises approximately 604 acres and contains most of the University’s built space. West Campus comprises approximately 504 acres and is largely used as agricultural research fields and teaching; several University facilities are also on West Campus: surface parking, University Extension and International Village, the Solar Farm, and University Substation. The physical setting of UC Riverside, at the base of the Box Springs Mountains, is an integral part of the educational experience for all those who come to live, learn, and work on campus. This relationship is vital to its students, faculty, and staff, as the campus is a living laboratory for the exploration of issues critical to growing communities – air, water, energy, transportation, politics, the arts, history, culture and healthcare. Please refer to the UC Riverside Campus map at <https://campusmap.ucr.edu/>.

UC Riverside has benefitted from the region’s growth and continues to be an integral partner in the region. In 2019, UCR was named the number one institution for social mobility by U.S. News & World Report Best Colleges Rankings and has since remained in the top three each subsequent year. In addition, as a part of its bold vision for the future, a concerted effort has been made to enhance its research profile, be recognized as a model for social inclusion, and support local innovation.

The Bourns College of Engineering, Center for Environmental Research & Technology (CE-CERT), established in 1992, is operating as the largest research center at UCR and brings together multiple disciplines throughout campus to address society’s most pressing environmental challenges in air quality, climate change, energy, and transportation. The recent relocation of the California Air Resources Board (CARB) to the City of Riverside, combined with UCR’s research expertise, recognized as a leader in social mobility, air quality, energy, transportation, engineering, community health and health disparity, as well as agriculture innovation, has inspired local leaders to embrace sustainability, innovation, and social inclusion as key areas of economic development in the region. As shown through the success in attracting CARB to Riverside, strong alignment between the University, community, and the private sector are key to transforming the Inland Southern California into a region of growth based on innovation and social inclusion. Due to the range of existing capabilities in research and education, as well as recent economic development activities, UC Riverside is uniquely positioned to create a new framework for innovation in climate change and air quality research. The relocation of CARB to the City of Riverside, combined with UCR’s research excellence presents a unique opportunity for UCR to create

a new research hub that will focus on supporting CARB, industry innovation, and ongoing University research initiatives.

## **B. OASIS HUB AND CLEAN TECHNOLOGY PARK PROJECT DESCRIPTION**

The OASIS (Opportunities to Advance Sustainability, Innovation and Social Inclusion) Hub is envisioned as a combination of physical environments including research laboratories, technology incubator, training facilities, office, light industrial, community spaces, and other supporting uses that will catalyze research partnerships, technology transfer and the creation, attraction and growth of innovation-based companies to the region. The OASIS Hub will offer a welcoming and inclusive setting that inspires the next generation of diverse Science, Technology, Engineering, and Mathematics (STEM) and business leaders. The OASIS Hub will leverage the University and the region's industry and research strengths in agriculture, air quality, clean energy/clean tech, natural resource management and smart mobility.

OASIS aims to anchor a cluster of diverse stakeholders and strategic partners that leverage the University's strengths and the connections to the California Air Resources Board (CARB), City of Riverside, the Counties of Riverside and San Bernardino and other community partners.

Social mobility, inclusion, and equity are hallmark features of OASIS and its partners and should be fully reflected in all key elements of the OASIS Hub. Companies, non-profit organizations, and community groups that focus on corporate responsibility, sustainable development and social equity and inclusion are expected to be key members of the OASIS Hub.

In 2021, UCR completed a pre-feasibility study for the OASIS Hub. The purpose of the analysis was to define the project drivers and strategic objectives of the OASIS Hub as well as to identify potential appropriate sites for the project, and to develop a test-fit site plan demonstrating feasibility of the first phase of development, **the OASIS Hub; Clean Technology Park**.

**The deliverable; "OASIS Hub Pre-Feasibility Study" is included as Attachment "D".**

*The University wishes to proceed with Master Planning, Programming, and Site Studies, for the OASIS Hub Clean Technology Park so as to enable the University to implement preliminary site improvements including demolition of the existing structure (UNEX Building) on the proposed site. Note: the existing parking structure is to remain, and as such, shall be incorporated into all project related analysis and documentation.*

### **OASIS Clean Technology Park**

As the first manifestation of the OASIS Hub, UCR anticipates that the OASIS Clean Tech Park will provide approximately 250,000 square feet (SF) of phased new construction as a Live, Work, Explore, Learn, Create, and Play environment. As envisioned in the Pre-Feasibility Study, the Clean Tech Park consists of the following mixed-use programmatic components:

#### **Phase 1: approximately 149,000 SF**

- 70,000 SF for the Center for Environmental Research and Technology (CE-CERT) industrial space including research space for the New Generation Environmental Chamber & Health Core (GOLIATH)

- 22,000 SF for University Extension (UNEX) office space, workstations, classrooms, and administrative space
- 25,000 SF office space for industry partners and technology incubators
- 18,000 SF shared use and amenities, such as conference rooms, lecture hall, lounges
- 14,000 SF retail space

**Phase 2: approximately 105,000 SF**

- 38,000 SF for CE-CERT office and dry lab space
- 28,000 SF office space for community partners
- 26,000 SF office space for industry partners
- 2,000 SF shared use and amenities, such as conference rooms, lecture hall, lounges
- 11,000 SF retail space

**C. OASIS HUB & CLEAN TECHNOLOGY PARK PROJECT LOCATION**

The proposed location for the OASIS Clean Tech Park is on approximately 8.3 acres owned by the University at 1150 University Avenue Riverside, California and 1200 University Avenue Riverside, California. This site is in a prime location to act as a gateway for the campus and the City of Riverside's Innovation Corridor, and within proximity to the CARB facility. Presently, the UNEX Building occupies the western portion of the proposed site. The 196,641 gross square foot (GSF) building is currently vacant as the building is seismically deficient and has exceeded its useful life; thus, the building is proposed for demolition.



Project Site 

## **D. SCOPE OF SERVICES**

The OASIS Clean Tech Park will respond to, and further develop the goals and objectives articulated in the OASIS Hub Pre-Feasibility Study.

### **Phase 1 Services: Master Planning to support CEQA analysis, Programming, and Site Design**

As a conclusion of the Phase 1 Planning effort, the University must have obtained the necessary data needs for preparing the appropriate CEQA documentation in order to proceed with demolition of the existing University Extension (UNEX) Building.

*The consultant selected under this RFQ is not the Environmental Consultant completing the environmental analysis, but is the planning and design consultant who will, in this first phase, be collecting and providing data related to the proposed project to support the environmental analysis that will be completed by the University's Environmental Consultant.*

#### **1. CEQA Data Needs may include information such as the below:**

##### **Space Program:**

Build upon program information in the Pre-Feasibility Study so as to support CEQA analysis.

##### **Site Analysis & Site Plan:**

Build upon the information in the Pre-Feasibility Study so as to support CEQA analysis. Develop a site plan for phased implementation of the proposed project. Provide design graphics such as conceptual site plan, conceptual design graphics, etc. Identification of utility services capacity and points of connection will also be completed.

##### **Conceptual Demolition Cost Estimate and UNEX Demolition Schedule:**

Provide the estimated cost for demolition of the UNEX Building. Provide the demolition plan, demolition duration (in days) and the amount of demolition materials in cubic yards/tons. Assist in providing the scope of demolition and any sustainability measures, including any demolition waste management plan or goals.

##### **Conceptual Project Schedule and Implementation Plan:**

Develop a preliminary project schedule that shows the overall design and construction timeframes for the proposed project. The anticipated construction phasing and schedule will support the California Emissions Estimator Model (CalEEMod) air quality/greenhouse gas modeling for CEQA.

##### **Equipment types and load assumptions:**

Provide the anticipated number of construction equipment for each construction phase that will support the CalEEMod modeling for CEQA. Verify the assumptions for the CalEEMod modeling input prepared by the Environmental Consultant.

##### **Utility use modeling:**

Provide anticipated water use, wastewater, electrical requirements, and other utility information for the environmental analysis. Provide number and specs for HVAC units, laboratory equipment, etc.

**Construction assumptions:** Provide amount of import/export of soils, and assist in providing information in the air quality/greenhouse gas/energy modeling assumptions (CalEEMod).

## 2. Programming and Site Design

### **Space Program and Room Requirements:**

Build upon program information in the Pre-Feasibility Study and develop a functional program based on the University's goals and the application of contemporary technology, standards and best practices; develop room size standards and planning modules, and furnish a space inventory by room with total assignable square footage. Identify building gross square footage, and provide details of important criteria affecting design and use of each room.

### **Functional Concepts and Design Criteria:**

Evaluate space adjacencies and produce diagrams showing essential relationships between functional areas. Consideration will be given to public spaces, vertical circulation, main building entries, and adjacent open space.

### **Site Analysis & Site Plan(s):**

Develop a site plan for phased implementation of project. Identification of utility services capacity and points of connection will also be completed. Develop parameters to optimize building configurations and site relationships, and to foster a building framework that provides flexibility.

### **Conceptual Design Concepts:**

Develop conceptual design 'test-fit' options responsive to the programmatic, design, and technical goals. Concepts will show how overall program requirements can be implemented over time while optimizing or making best use of limited financial resources.

Development of these options is intended for identification of key parameters to be incorporated in the subsequent Basis of Design.

### **Conceptual Project Schedule and Implementation Plan:**

Develop a preliminary project schedule that shows the design and construction timeframes for the project. Review the proposed project phasing strategy and make recommendations that will improve project delivery. Illustrate in tabular and graphical formats the implementation strategy required to complete the OASIS Clean Tech Park Project Phases 1 & 2 by building and utility system.

### **Cost Plan:**

Determine preliminary construction cost utilizing all program variables, including all assumptions about massing, materials, systems, space efficiency, sustainability, etc. at current California Construction Cost Index (CCCI). All assumptions must be clearly documented, and finish cost in current dollars computed to the construction midpoint.

### **Sustainability:**

Consider the above items in the context of UCR's commitment to sustainable design principles and UC Sustainability Practices Policies. The Basis of Design concept should establish building performance criteria for the project to achieve, at a minimum, Leadership in Energy and Environmental Design (LEED) Gold certification or equivalence of same, with LEED Platinum being preferred.

### **Phase 2 Services: Basis of Design**

The University encourages innovative approaches to Project design, construction, speed of delivery, minimization of on-and-off-site impacts, and operations that will fulfill the University's functional requirements and objectives.

**Design & Technical Criteria & Requirements** (*under Phase 2 services at University's option*): Generate comprehensive design & technical performance criteria, responsive to the University's program and budget responsive to the University's program and budget for the project. Performance standards for each building system component, including basic structural elements, HVAC, lighting and electrical, telephone/data communications, fixed and/or moveable equipment, and finishes as appropriate. Sustainable design principles will be considered while developing building system criteria. Performance standards must be in accordance with UCR specifications and design criteria.

**Design & Performance Criteria Verification:** Develop and incorporate into the Basis of Design a structured system for verification of design & technical parameters throughout the Design-Build design documentation and construction phases.

**Design-Build Procurement Support:** Support throughout the Design-Build procurement (competition) process, including responding to Requests for Information (RFIs).

**Peer Review Services:** Peer review services throughout the Design-Build process, within a scope to be determined by the University.

**Or**

### **SCOPE OF SERVICES (Phase 2)**

Full Architectural and Engineering Services in accordance with the terms of the EDPA as required for Construction Documents Phase, Bidding Phase, and Construction Phase through and including the 11<sup>th</sup> month Warranty walk.

#### **E. PHASE 1 SERVICES SCHEDULE**

Work would proceed according to the following approximate schedule:

- Consultant Selection: 8 -10 weeks
- Phase 1 Services: Master Planning to support CEQA Analysis, Programming and Site Design: 16-20 weeks
- Phase 2 Basis of Design: 24-30 weeks

#### **F. CONSULTANTS**

Architectural firms submitting for this RFQ shall recommend sub-consultants that would form the proposed consulting team. Sub-consultant disciplines shall include: Laboratory and Specialty Space Planner(s), Structural, Mechanical, Electrical, Plumbing, Civil, Acoustic, Telecom/Data, Audio-Visual, and Landscape.

The University has or will engage the services of a cost consultant, traffic consultant, land surveyor, hazardous materials, environmental site assessment, and geotechnical engineer under separate

contracts. The deliverables for those services will include an Estimate of Probable Costs, Traffic Analysis, Topographical and U.G. Utility Survey, Geotechnical Study, and Off-site Utility Capacity Analysis. The cost consultant will provide independent cost analysis and reconciliation with the consultant’s estimator throughout the Programming and Basis of Design phases. The Consultant team remains responsible for development of program, design and technical performance criteria which are attainable within the University’s budget.

**G. CONTRACT REQUIREMENTS**

1. All consulting services to be provided by the consultant shall be in accordance with the issued University Contract Documents. University Standard Form of Professional Services Agreement (PSA) or Executive Design Professional Agreement (EDPA).
  - a. Note any exceptions to the attached Professional Services Agreement (“PSA”) or Executive Design Professional Agreement (EDPA) that would prevent your firm from executing the Agreement in your response. We cannot accept any request to include language to limit liability with regards to insurance and/or modify the indemnification clauses.
2. University requires evidence of insurance coverage: general liability, automobile liability, and worker’s compensation. If consultant does not currently have coverage in accordance with University requirements, listed below, documentation shall be submitted indicating that such coverage will be in place prior to execution of the Consultant Agreement.

<u>Commercial Form General Liability Insurance* - Limits of Liability</u>	<u>Minimum Requirement</u>
Each Occurrence - Combined Single Limit for Bodily Injury and Property Damage	\$1,000,000
Products - Completed Operations Aggregate	\$2,000,000
Personal and Advertising Injury	\$1,000,000
General Aggregate	\$2,000,000
 <u>Business Automobile Liability Insurance* - Limits of Liability</u>	 <u>Minimum Requirement</u>
Each Accident - Combined Single Limit for Bodily Injury and Property Damage	\$1,000,000
 <u>Workers’ Compensation and Employer’s Liability**</u>	 <u>Minimum Requirement</u>
Workers’ Compensation:	(as required by Federal and State of California law)
 Employer’s Liability:	
Each Employee	\$1,000,000
Each Accident	\$1,000,000
Each Policy	\$1,000,000

<u>Professional Liability Insurance* – Limits of Liability</u>	<u>Minimum Requirement</u>
Each Occurrence	\$1,000,000
General Aggregate	\$2,000,000

\*This insurance must be (i) issued by companies with a Best rating of A- or better, and a financial classification of VIII or better (or an equivalent rating by Standard & Poor or Moody's) or (ii) guaranteed, under terms consented to by the University (such consent to not be unreasonably withheld), by companies with a Best rating of A- or better, and a financial classification of VIII or better (or an equivalent rating by Standard & Poor or Moody's). Further, the deductible, or retained limit, for each coverage shall not be more than \$100,000.

\*\*This insurance must be issued by companies (i) that have a Best rating of B+ or better, and a financial classification of VIII or better (or an equivalent rating by Standard & Poor or Moody's); or (ii) that are acceptable to the University.

3. Selected firm shall provide evidence of an Equal Employment Opportunity policy, and its compliance with applicable federal law pertaining to Equal Employment Opportunity.

**H. SCHEDULE FOR SCREENING AND SELECTION OF CONSULTANTS, INTERVIEWS**

In accordance with established University procedures, UC Riverside will review all submittals in response to the RFQ and will select the most qualified firm for the listed project.

**RFQ Qualification Submittals must be received on or before 12:00 PM, on July 25, 2022.**

Submit three (3) original copies and one (1) electronic copy on transferable media to:

Attn: Contracts Administration, Betty Osuna  
 Planning, Design & Construction  
 UNIVERSITY OF CALIFORNIA, RIVERSIDE  
 1223 University Avenue, Suite 240  
 Riverside, CA 92507

*\*Include the Project Number and Name on the outside of your envelope*

A map of the Campus is available at: <https://campusmap.ucr.edu/>

The selection process will proceed as follows:

1. Entities are requested to submit a written Notice of Intent as required in the Request for Qualifications Advertisement. The Notice of Intent shall be in the form of an email to the RFQ Administrator announcing an entity's intent to submit Qualification Documents for this project. A list of parties eligible to participate in this RFQ will be posted on the department website.



2. Entities who are eligible to submit Qualification Documents for this project, must submit all required documents by the given deadlines, as required in the Request for Qualifications Advertisement.
3. The University Screening Committee will evaluate each RFQ Submittal and will rank the top three (3) prospective firms on their demonstrated competence and professional qualifications necessary for the satisfactory performance of the services required.
4. The Screening Committee shall develop a list ranking the top three firms, and shall submit the list to the Associate Vice Chancellor / Campus Architect for review and approval.
5. The Associate Vice Chancellor / Campus Architect shall review and approve the list. The Associate Vice Chancellor / Campus Architect shall notify all parties of the top three (3) ranking firms.
6. The University will notify the top three (3) ranking firms that they have been selected for a Presentation/Interview with the selection committee for each of the proposed teams. Notice shall be in writing, will include the time and date for the presentation/interview (currently *anticipated* for the month of August or September 2022) and description of further requirements related to interview and submittal of your fee proposal. Each firm shall have principal members of each discipline in attendance.
7. Submitting firms will be notified of the decision by the Selection Committee within 3 days of the Selection Committee's decision.
8. If the University receives submissions from fewer than three qualified firms, the University may select from among the available qualified firms.

#### **I. NEGOTIATION AND AWARD OF CONTRACT**

1. The University will negotiate a contract with the best ranked qualified firm for services at compensation that the University determines as fair and reasonable.
2. Negotiations shall begin no later than 14 days after the successful firm has been notified of its selection.
3. The University and firm shall work together to ensure the successful delivery of the requested services in a timely fashion.
4. In the event an impasse is reached in negotiations, the University may terminate negotiations and enter into negotiations with the next qualified firm, in the same manner as prescribed below.
  - a. Should the University be unable to negotiate a satisfactory contract with the firm considered to be the most qualified, at a price the University determines to be fair and reasonable, negotiations with that firm shall be formally terminated in writing by the University.
  - b. The University shall then undertake negotiations with the second most qualified firm. Failing accord with the second most qualified firm, the University shall terminate negotiations in writing. The University shall then undertake negotiations with the third most qualified firm.
  - c. Should the University be unable to negotiate a satisfactory contract with any of the selected firms, the University shall select additional firms in order of their competence and qualification and continue negotiations in accordance with these Instructions until an agreement is reached.
  - d. Upon the completion of negotiations, the University and the firm shall proceed to execute a contract. The University shall provide the firm the contract within 45



days after the conclusion of negotiations, unless the University notifies the firm that additional time is necessary to complete the contract.

- e. If the selected firm fails to execute the contract within 14 days of receipt, the University may formally terminate the negotiations with that firm in writing and undertake negotiations with the second most qualified firm and so on as previously described above.



ATTACHMENT A

QUALIFICATION SUBMITTAL FORM

For

Request for Design Professional Qualifications

FOR

OASIS HUB & CLEAN TECHNOLOGY PARK

Master Planning, Programming, & Basis of Design Documents

Project Number: 958133

July 1, 2022

SUBMITTED BY:

\_\_\_\_\_  
 (Company Name. If a Joint Venture, state name of JV Entity)

Type of Organization:  Sole Proprietor/Individual  Partnership  
 Joint Venture  
 Corporation

\_\_\_\_\_  
 (State of Incorporation)

\_\_\_\_\_  
 (Contact Name & Title)

\_\_\_\_\_  
 (Street Address)

\_\_\_\_\_  
 (City, State, Zip Code)

\_\_\_\_\_  
 (Telephone Number)

\_\_\_\_\_  
 (Facsimile Number)

\_\_\_\_\_  
 (E-mail)

Each prospective firm must answer all of the following questions and provide all requested information.

All information submitted for prequalification evaluation in response to Section 2, if applicable, and marked as "confidential" will be considered official information acquired in confidence, and the University of California will maintain its confidentiality unless (1) the University determines that it is required to release the information to a third party pursuant to the requirements of the California Public Records Act or (2) the University is required by court order to release the information to a third party pursuant to the requirements of the California Public Records Act. In the event that the University receives a request pursuant to the California Public Records Act and the University determines that it is required to disclose information marked "confidential" by the provisions of the California Public Records Act, the University will notify the prospective firm of the pending disclosure at least 72 hours prior to such disclosure so that the prospective firm may seek a restraining order in advance of such disclosure. The University shall err on the side of transparency and will generally treat information provided by the prospective firm that is not marked "confidential" as subject to disclosure pursuant to the California Public Records Act. Likewise, any decision by the University that any document is subject to disclosure pursuant to the California Public Records Act shall not prevent the University from making a subsequent determination that any document is not subject to disclosure pursuant to the California Public Records Act.

All other information submitted for evaluation will be considered official information acquired in confidence, and the University will maintain its confidentiality to the extent permitted by law.

WHERE NECESSARY, COPY THE FORMS IN THIS PACKAGE. USE ONLY THESE FORMS. Oral, telephonic, electronic mail (e-mail), facsimile, or telegraphic Prequalification Questionnaires are invalid and will not be accepted.

**SUBMIT ONE ELECTRONIC FILE ON TRANSFERABLE MEDIA NO LATER THAN THE RFQ DEADLINE.**

**1. SURVEY (Information Only)**

**How did you hear about this RFQ?**

Press Enterprise

UCR Website

Other: \_\_\_\_\_

**2. INSURER**

Prospective firm shall obtain and submit the Insurance Declaration in the form shown below, or submit a sample certificate of insurance form from its insurer, or submit a letter that declares the same as the Insurance Declaration, signed by an authorized representative of its insurer on the representative's or insurer's letterhead. (If more than one insurer or insurance representative, submit a completed form or sample certificate of insurance form or letter for each).

**2.1 Is the firm able to obtain insurance in the following limits for the required coverages?**

YES

NO

Commercial Form General Liability Insurance\* - Limits of Liability

Minimum Requirement

Each Occurrence - Combined Single Limit for Bodily Injury and Property Damage

\$1,000,000

Products - Completed Operations Aggregate

\$1,000,000

Personal and Advertising Injury

\$1,000,000

General Aggregate

\$2,000,000

Business Automobile Liability Insurance\* - Limits of Liability

Minimum Requirement

Each Accident - Combined Single Limit for Bodily Injury and Property Damage

\$1,000,000

Workers' Compensation and Employer's Liability\*\*

Minimum Requirement

Workers' Compensation:

(as required by Federal and State of California law)

Employer's Liability:

Each Employee	\$1,000,000
Each Accident	\$1,000,000
Each Policy	\$1,000,000

Professional Liability Insurance\* – Limits of Liability

Minimum Requirement

Each Occurrence	\$1,000,000
General Aggregate	\$2,000,000

\*This insurance must be (i) issued by companies with a Best rating of A- or better, and a financial classification of VIII or better (or an equivalent rating by Standard & Poor or Moody's) or (ii) guaranteed, under terms consented to by the University (such consent to not be unreasonably withheld), by companies with a Best rating of A- or better, and a financial classification of VIII or better (or an equivalent rating by Standard & Poor or Moody's). Further, the deductible, or retained limit, for each coverage shall not be more than \$100,000.

\*\*This insurance must be issued by companies (i) that have a Best rating of B+ or better, and a financial classification of VIII or better (or an equivalent rating by Standard & Poor or Moody's); or (ii) that are acceptable to the University.

**2.2 Insurance Declaration:**

**PROVIDE THIS DECLARATION TO YOUR INSURANCE CARRIER FOR COMPLETION AND HAVE YOUR CARRIER RETURN THE COMPLETED DECLARATION TO YOU. THE PROSPECTIVE FIRM MUST SUBMIT THIS DECLARATION TO UNIVERSITY. DO NOT HAVE YOUR CARRIER SUBMIT THIS DECLARATION DIRECTLY TO THE UNIVERSITY**

The undersigned declares under penalty of perjury that the below named insurer is currently willing to provide the insurance listed above in Section 2.1. of this RFQ Qualification

submittal

\_\_\_\_\_ (Name of Prospective Firm)

and that this Declaration was executed in

\_\_\_\_\_, in the State of \_\_\_\_\_,

\_\_\_\_\_ (Name of City if within a City, otherwise Name of County)

\_\_\_\_\_ (State)

on

\_\_\_\_\_ (Date)

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

\_\_\_\_\_ (Name & Title)

\_\_\_\_\_ (Insurer Name)

\_\_\_\_\_ (Street Address)

\_\_\_\_\_ (City, State & Zip Code)

\_\_\_\_\_ (Telephone Number)

\_\_\_\_\_ (Facsimile Number)

\_\_\_\_\_ (Mobile Number)

\_\_\_\_\_ (Email)



**4. DECLARATION**

I, \_\_\_\_\_, hereby declare that I am the

(Printed Name)

of

(Title)

(Name of Company)

submitting this Qualification Submittal; that I am duly authorized to sign this Qualification Submittal on behalf of the above named company; and that all information set forth in this Qualification Submittal and all attachments hereto are, to the best of my knowledge, true, accurate, and complete as of its submission date.

I declare, under penalty of perjury, that the foregoing is true and correct and that this Declaration was executed in:

\_\_\_\_\_, in the State of \_\_\_\_\_,

(Name of City if within a City, otherwise Name of County)

(State)

on

(Date)

(Signature)

END OF QUALIFICATION SUBMITTAL

**PROFESSIONAL SERVICES AGREEMENT**

between

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

and

**{CONSULTANT or LABORATORY NAME}**

This Agreement is made on \_\_\_\_\_ between The Regents of the University of California, a California corporation, hereinafter called "University," and \_\_\_\_\_

an individual/sole proprietor  a partnership  a joint venture  a \_\_\_\_\_ corporation, (State of Incorporation)

holder of all necessary and applicable licenses required for the performance of the services described in this Agreement, hereinafter called "Consultant," to furnish certain services upon the following terms and conditions:

**I. CONSULTANT SERVICES AND RESPONSIBILITIES**

A. The Consultant shall furnish the following services:

1. Act as a consultant to the University of California, Riverside, to perform **{BRIEF DESCRIPTION OF SERVICES}** as required and authorized by the University. Under this Agreement, the consultant may perform pre-design services but in no event does this Agreement authorize the preparation of any design documents, including Schematic Design.

The University will authorize the Consultant to perform specific services by the issuance of a Written Authorization(s) on the form contained in the Exhibits. Each Written Authorization will state the specific services to be performed, the schedule for their completion, and the method of compensation in accordance with paragraph IV.

2. Furnish drawings, documents, reports, surveys, renderings, exhibits, models, prints, and photographs, and other materials as required and as authorized by the University.

**{OPTIONAL: INSERT THE FOLLOWING LANGUAGE IN PSA IF CONSULTANT HAS BEEN SELECTED TO ACT AS DESIGN PROFESSIONAL INCLUDING, IF NECESSARY, ADVERTISEMENT AND INTERVIEWS/DISCUSSIONS}**

B. Consultant hereby represents to the University that:

1. Consultant acknowledges that it has been selected to perform services for the Project including services as Design Professional under the Executive Design Professional Agreement (EDPA) in the Exhibits;
2. Consultant acknowledges that University have deferred negotiations on a fee for Basic Services and rate schedule for Additional Services described in the EDPA; and
3. Consultant has read and understood the EDPA in Exhibits and agrees to all of its terms and provisions.

C. If University requires the Consultant's services as Design Professional for the Project, Consultant agrees to the following:

1. Consultant will not request any modifications to those terms and provisions to the EDPA and will execute the EDPA in the form in the Exhibits; and

2. Consultant will negotiate in good faith both a fee to perform the Basic Services and a rate schedule to perform Additional Services based on its then current rate structure consistent with its normal practice and consistent with University guidelines for fees and rates for similar projects.

## II. TERM

- A. *Order Period.* The period of time for issuance of written Authorizations to Perform Services (hereinafter "Order Period") shall be from \_\_\_\_\_ to \_\_\_\_\_.
- B. *Period of Performance.* The period of performance under the Agreement shall be as specified in any written Authorizations to Perform Services, or subsequent revisions thereto, issued during the Order Period. However, the period of performance shall not commence prior to the date of execution of any such written Authorization.
- C. ***University- initiated Termination***

1. If the University determines that the Consultant has failed to perform in accordance with the terms and conditions of this Agreement, the University may terminate all or part of the Agreement for cause. This termination shall become effective if the Consultant does not cure its failure to perform within 10 days (or more, if authorized in writing by the University) after receipt of a notice of intention to terminate from the University specifying the failure in performance. If a termination for cause does occur, the University shall have the right to withhold monies otherwise payable to the Consultant until the services under this Agreement are completed. If the University incurs additional costs, expenses, or other damages due to the failure of the Consultant to properly perform pursuant to the Agreement, these costs, expenses, or other damages shall be deducted from the amounts withheld. Should the amounts withheld exceed the amounts deducted, the balance will be paid to the Consultant upon completion of the services to be provided under this Agreement. If the costs, expenses, or other damages incurred by the University exceed the amounts withheld, the Consultant shall be liable to the University for the difference.

2. University may terminate this Agreement for convenience at any time upon written notice to Consultant, in which case University will pay Consultant for all services performed and all expenses incurred under this Agreement up to and including the effective date of termination less any costs, expenses or other damages due to the failure of the Consultant to properly perform pursuant to the Agreement. In ascertaining the services actually rendered up to the date of termination, consideration will be given to both completed Work and Work in progress, whether delivered to University or in the possession of Consultant, and to authorized Reimbursable Expenses. No other compensation will be payable for anticipated profit on unperformed services.

- D. ***Consultant - initiated Termination***

Consultant may terminate this Agreement for cause if the University fails to cure a material default in performance within a period of 30 days, or such longer period as the Consultant may allow, after receipt from the Consultant of a written termination notice specifying the default in performance. In the event of termination for cause by the Consultant, the University will pay the Consultant in accordance with paragraph II.C.2.

## III. GENERAL PROVISIONS

- A. *Independent Contractor.* The Consultant shall perform the services hereunder as an independent contractor and not as an agent or employee of the University.
- B. *Consultant Hiring.* The Consultant shall not hire any officer or employee of the University to perform any

service covered by this Agreement. If the service is to be performed in connection with a federal contract or grant, the Consultant shall not hire any employee of the United States government to perform any service covered by this Agreement.

- C. *Subconsultants.* The Consultant shall cooperate with other professionals employed by the University in the production of other work related to its services. Subject to approval by the University, the Consultant shall contract for or employ, at its expense, such professional subconsultants, as the Consultant deems necessary for the completion of the services. The Consultant may hire the services of subconsultants with University approval in place of or in addition to those employed or retained by the Consultant. The Consultant is as responsible for the performance of its subconsultants as it would be if it had rendered these services itself. Nothing in the foregoing procedure shall create any contractual relationship between the University and the professionals employed by the Consultant under the terms and conditions of this Agreement. The Consultant is solely responsible for payment of any subconsultants.
- D. *Legal and Regulatory Compliance.* The Consultant shall perform all services and prepare documents in compliance with the applicable requirements of laws, codes, rules, regulations, ordinances, and standards.
- E. *Copyright, Ownership and Use of Materials.* Consultant hereby assigns to the University all right, title, and interest, including, but not limited to, copyright and all copyright rights, in all Materials created by Consultant in its performance under this Agreement and/or delivered to the University hereunder and shall execute any documents necessary to effectuate such assignment, with the exception that Consultant hereby grants to the University an irrevocable, fully-paid up, royalty-free license to use any document provided to the University including without limitation any document known as a "detail." Consultant warrants that it has the lawful right to grant the foregoing license to the University. . In the event Consultant uses any individual who is not a full-time employee of Consultant or entity to perform any work required of it pursuant to this Agreement, Consultant shall require said individual or entity to sign an agreement containing identical wording as the foregoing with the exception that word "Consultant" is to be replaced with the individual's or entity's name. Materials constitute all written and other tangible expressions, including, but not limited to, drawings, documents, reports, surveys, renderings, exhibits, models, prints, photographs, etc. All Materials furnished by the Consultant hereunder shall be and shall remain the property of the University. In the event of Agreement termination by either party for any reason, as provided under this Agreement, the University will have the right to receive, and the Consultant shall promptly provide to the University, all drawings, documents, reports, surveys, renderings, exhibits, models, prints, photographs, and other materials prepared by the Consultant for the services under this Agreement. In the event of termination, and any dispute regarding the amount to be paid under this Agreement notwithstanding, the University retains the right to receive and use any such documents or materials any dispute regarding the amount to be paid under this Agreement notwithstanding. The foregoing provisions shall survive the term and termination of this Agreement.
- F. *Consultant's Accounting Records.* All books and records relating to this Agreement shall be maintained in accordance with Generally Accepted Accounting Principles (GAAP) or International Financial Reporting Standards (IFRS). University or University's authorized representative shall have access to and the right to audit and the right to copy all of Consultant's books and records. Consultant records shall include but not be limited to accounting records (hard copy, as well as computer readable data if it can be made available); contracts; payroll records; subconsultant agreements; vendor agreements; purchase orders; leases; original estimates; estimating work sheets; correspondence; receipts; memoranda; and any other supporting evidence deemed necessary to substantiate charges under this agreement. All such books and records shall be preserved for a period of at least 3 years from the date of Final Payment under this Agreement.
- G. *Conflict of Interest.* The Consultant affirms that to the best of its knowledge there exists no actual or potential conflict between the Consultant's family, business, or financial interests (including services provided to another client) and the services provided under this Agreement, and that in the event of a

change in either the private interests or services under this Agreement, any questions regarding a possible conflict of interest that may arise as a result of this change shall be disclosed in writing to the University. The Consultant shall not be in a reporting relationship to a University employee who is a near relative, nor shall the near relative be in a decision-making position with respect to the Consultant.

- H. *Successors and Assigns.* If the Consultant transacts business as an individual, upon the Consultant's death or incapacitation, the University will automatically terminate this Agreement as of the date of such event. If so terminated, neither the Consultant nor the Consultant's estate shall have any further right to perform hereunder, and University shall pay the Consultant, or the Consultant's estate, the prorated unpaid compensation due under Article IV for any services rendered prior to this termination.

If there is more than one Consultant, and any one of them dies or becomes incapacitated, and the others continue to render the consulting services covered herein, the University will make payments to those continuing as though there had been no death or incapacitation; the University will not be obliged to take any account of the person who died or became incapacitated or to make any payment to this person or this person's estate. These provisions shall apply in the event of progressive or simultaneous occasions of death or incapacitation among any group of persons named as Consultant herein; if death or incapacitation befalls the last member of this group before the services of this Agreement are fully performed, then the rights shall be as if there had been only one Consultant.

This Agreement shall be binding upon the University and the Consultant and their respective successors and assigns. Neither the performance of this Agreement nor any part thereof, nor any monies due or to become due hereunder, may be assigned by the Consultant without the prior written consent and approval of the University.

- I. *Information Furnished by University.* If required for the performance of the Consultant's services, the University will furnish information, surveys, reports, as-builts, and other materials at the University's expense.
- J. *Statistical Reporting.* At the commencement of performance, Consultant shall complete and submit, and require each Subconsultant who performs services under this Agreement to complete and submit, a Self-Certification on the form contained in the Exhibits. At the completion of work and prior to final payment, Consultant shall complete and submit a Final Distribution of Contract Dollars under this Agreement on the form contained in the Exhibits.
- K. *Confidentiality.* The Consultant shall use his or her best efforts to keep confidential a) any information produced or created by Consultant under this Agreement including but not limited to test results, sampling results, data, plans and reports; b) any information provided by the University and marked "Confidential Information"; or c) any oral information conveyed to the Consultant by the University and followed by a written communication within thirty (30) days that said information shall be considered Confidential Information. In the event that Consultant determines that it has a legal obligation to disclose such Confidential Information pursuant to a third party demand, Consultant shall notify the University in writing of its receipt of such demand and of Consultant's determination that it has a legal obligation to disclose Confidential Information. Consultant shall not disclose any such Confidential Information until at least ten (10) days from the date of receipt by University of Consultant's written notice. This nondisclosure provision shall not apply to any of the following:
1. Information which the Consultant can demonstrate by written records was known to him or her prior to the effective date of this Agreement;
  2. Information that is currently in, or in the future enters, the public domain other than through a breach of this Agreement or through other acts or omissions of Consultant; or
  3. Information that is obtained lawfully from a third party

- L. *Survival*. The provisions of this Agreement which by their nature survive expiration or termination of the Agreement or Final Completion of any related Project or the performance of services under this Agreement, including any and all warranties, confidentiality, indemnities, payment obligations, and University's right to audit Consultant's books and records, shall remain in full force and effect after any expiration or termination of the Agreement or Final Completion of any related Project or the performance of services under this Agreement.
- M. *UC Fair Wage*. Consultant/Design Professional shall pay all persons providing services and/or any labor on site, including any University location, no less than UC Fair Wage (defined as \$13 per hour as of 10/1/15, \$14 per hour as of 10/1/16, and \$15 per hour as of 10/1/17) and shall comply with all applicable federal, state and local working condition requirements.

#### IV. COMPENSATION

- A. Compensation payable by University under this Agreement shall not exceed \$\_\_\_\_\_.
- B. The University will have the right to withhold payment from Consultant for any unsatisfactory service until such time service is performed satisfactorily.
- C. The University will compensate the Consultant for the scope of services provided in accordance with this Agreement, computed as follows:
  - 1. For each written authorization, a maximum payment shall be established that shall not be exceeded without the prior written approval of the University.
  - 2. All fees shall be in accordance with the Consultant Rate Schedule contained in the Exhibits. Unless otherwise provided in the Consultant Rate Schedule, rates shall not be changed except in accordance with paragraph VIII.A. Alternatively, a lump-sum fee may be negotiated.
  - 3. Payments to the Consultant shall be made monthly, subsequent to the University's receipt of an invoice itemizing the fees and reimbursable expenses for each written authorization for the month invoiced.
    - a. *Invoicing for Services Performed on a Labor Hour / Time-and-Materials Basis*. Consultant must submit an itemized invoice for services rendered for each Work Authorization. The itemized invoice must include (i) fees and authorized reimbursable expenses for the month invoiced, (ii) the Contract Number of this Agreement, (iii) the Work Authorization number, (iv) the project name and number if applicable, (v) the date of services, (vi) a summary of the tasks performed with associated hours and billing rates and (vii) supporting timesheets. Payment will be subject to verification by University's Representative. *Overtime premiums* will not be allowed for exempt service professionals. Authorized overtime will be compensated at straight-time rates unless specifically provided otherwise in the Rate Schedule.
    - b. *Invoicing for Services Performed for an Established Lump-Sum Fee*. Consultant will invoice University for authorized services performed for an established Lump-Sum Fee. A lump-sum invoice may be submitted upon completion of the authorized work. If monthly billings are requested, Consultant shall submit a proposed monthly billing schedule for University's approval. Proposed monthly billings must relate to the percentage of work performed each month in proportion to the total Work Authorization amount. Payments will not be made that exceed the value of work performed during the billing period. Each invoice must include (1) the fee for the month invoiced, (ii) the Contract Number of this Agreement, (iii) the Work Authorization number, (iv) the project name and number if applicable, (v) the dates of services

or a copy of the approved billing schedule, and (vi) a summary of the tasks performed. The amount invoiced will be subject to verification by University's Authorized Representative. All overtime premiums, reimbursable expenses except as mutually agreed per IV.C.4., and project related overhead or administrative expenses are Consultant's responsibility and are considered included in the lump-sum fee.

- c. Invoices shall be sent to the following address:

UCR Planning, Design & Construction  
1223 University Avenue, Suite 240  
Riverside, CA 92507

or

[pdcinvoice@ucr.edu](mailto:pdcinvoice@ucr.edu)

4. When provided in a written Work Authorization as mutually agreed between Consultant and University, reimbursable expenses will be paid in addition to the fees for Services under this Agreement; otherwise, Consultant is responsible for all other operating expenses, overhead and administrative costs that are considered included in the rates in the Consultant's Rate Schedule contained in the Exhibits. Reimbursable expenses are actual expenditures made by the Consultant and the Consultant's employees and subconsultants in accordance with the "Reimbursement Schedule" contained in the Exhibits. All expenses must be itemized, justified, and supported with receipts to University's reasonable satisfaction. All expenses must fall within the established applicable not-to-exceed Work Authorization amount.
5. Payment Terms. Properly submitted invoices will be paid on a net-30 day basis. Invoices that do not conform to the requirements of this Agreement will be returned to Consultant for revision and/or supporting documents. Properly revised invoices will be paid net-30 days.
- a. Payments will not be made for services performed in advance of the Work Authorization effective date unless such advanced services are specifically authorized in the applicable Work Authorization. For each Work Authorization, the maximum payment shall not exceed the established Work Authorization amount without University's prior signed written approval.
- b. If University fails to pay undisputed amounts within 45 days of invoice receipt, Consultant may submit a written payment demand. If University fails to cure the requested payment demand within 7 calendar days from receipt, Consultant may suspend work under this Agreement until such undisputed payments are made. Any payment issues must be brought to the immediate attention of University's Director of Contracts Administration for resolution.
6. Consultant must complete and sign an IRS Form W-9, and send it to the above address for invoices.

## V. INDEMNIFICATION AND INSURANCE

### A. INDEMNIFICATION

1. Consultant shall indemnify, defend, and hold harmless University and its Regents, officers, employees, agents, and representatives (collectively, "Indemnitee"), against all liability, demands, claims, costs, damages, injury including death, settlements, and expenses (including without limitation, interest and penalties) incurred by Indemnitee ("Losses") arising out of the performance of services or Consultants other obligations under this Agreement, but only in proportion to and to the extent such Losses are caused by or result from (1) the negligent acts or omissions of Consultant, its officers, agents, employees, subcontractors, subconsultants, or any person or entity

for whom Consultant is responsible (collectively, "Indemnitor"); (2) the breach by Indemnitor of any of the provisions of this Agreement; or (3) willful misconduct by Indemnitor.

2. The indemnification obligations under this Article V shall not be limited by any assertion or finding that (1) the person or entity indemnified is liable by reason of non-delegable duty, or (2) the Losses were caused in part by the negligence of, breach of contract by, or violation of law by Indemnitee. The obligation to defend shall arise regardless of any claim or assertion that Indemnitee caused or contributed to the Losses. Indemnitor's reasonable defense costs (including attorney and expert fees) incurred in providing a defense for Indemnitees shall be reimbursed by University except to the extent such defense costs arise, under principles of comparative fault, from Indemnitor's (a) negligent acts or omissions; (b) breach of any of the provisions of this Agreement; or (c) willful misconduct.
3. Consultant shall indemnify, defend, and save harmless Indemnitee from and against all loss, cost, expense, royalties, claims for damages or liability, in law or in equity, including, without limitation, attorney fees, court costs, and other litigation expenses that may at any time arise or be set up for any infringement (or alleged infringement) of any patent, copyright, trade secret, trade name, trademark or any other proprietary right of any person or entity in consequence of the use by Indemnitee of any documents (including any method, process, product, concept specified or depicted) supplied by Indemnitor in the performance of this Agreement.
4. Nothing in this Agreement, including the provisions of this Article V, shall constitute a waiver or limitation of any rights which Indemnitee may have under applicable law, including without limitation, the right to implied indemnity.

## **B. INSURANCE**

1. Insurance Requirements. Consultant, at Consultant's sole cost and expense, shall insure its activities in connection with this Agreement, and shall obtain, keep in force, and maintain insurance as listed below. The coverages required under paragraph V.B. shall not in any way limit the liability of the Consultant.
  - a. Commercial Form General Liability Insurance with coverage and minimum limits as follows:

i.	Each occurrence	\$1,000,000
ii.	Products Completed; Operations Aggregate	\$1,000,000
iii.	Personal and Advertising Injury	\$1,000,000
iv.	General Aggregate	\$2,000,000
  - b. Business Automobile Liability Insurance for owned, scheduled, non-owned, and hired automobiles, with a combined single limit of no less than \$1,000,000 per accident.
  - c. Professional Liability Insurance, with minimum limits of \$1,000,000 per claim and \$2,000,000 in the aggregate.
  - d. If the above insurance (subparagraphs V.B.1.a – V.B.1.c) is written on a claims-made basis, it shall be maintained continuously for a period of no less than 3 years after the date of Final Completion of the services authorized pursuant to each Written Authorization executed. The insurance shall have a retroactive date of placement prior to, or coinciding with, the date services are first provided that are governed by the terms of this Agreement and shall include, without limitation, coverage for professional services as called for in this Agreement.

Insurance required by subparagraphs V.B.1.a-V.B.1.c shall be (i) issued by companies that have a Best rating of A- or better, and a financial classification of VIII or better (or an equivalent rating by Standard & Poor or Moody's) or (ii) guaranteed, under terms consented to by the University (such consent to not be unreasonably withheld), by companies with a Best rating of A- or better, and a financial classification of VIII or better (or an equivalent rating by Standard & Poor or Moody's).

- e. Workers' Compensation and Employer's Liability Insurance as follows:
  - i. Worker's Compensation: as required by Federal and State of California law.
  - ii. Employer's Liability:     Each Employee \$1,000,000  
                                      Each Accident \$1,000,000  
                                      Policy Limit     \$1,000,000
  - iii. Insurance required by this subparagraph V.B.1.e shall be issued by companies (i) that have a Best rating of B+ or better, and a financial classification of VIII or better (or an equivalent rating by Standard & Poor or Moody's) or (ii) that are acceptable to the University.
- f. Consultant, upon the execution of this Agreement, shall furnish University with Certificate of Insurance evidencing compliance with this Article V., including the following requirements:
  - i. Consultant shall have the insurance company complete University's Certificate of Insurance on the form contained in the Exhibits. If Consultant's insurance company refuses to use the University's Certificate of Insurance form, it must provide a Certificate of Insurance (and endorsements, if needed) evidencing compliance with Paragraph V.B. and Special Provisions 1 through 3 on the Certificate of Insurance Exhibit. It alone constitutes evidence of insurance.
  - ii. If insurance policies are canceled for non-payment, University reserves the right to maintain policies in effect by continuing to make the policy payments and assessing the cost of so maintaining the policies against Consultant.
  - iii. University, University's officers, agents, employees, consultants, University's Representative, and University's Representative's consultants, regardless of whether or not identified in the Contract Documents or to Consultant in writing, will be included as additional insureds on Consultant's general liability policy for and relating to the Work to be performed by Consultant and Subcontractors. Consultant's general liability insurance policy shall name University as an additional insured pursuant to additional insured endorsement CG2010 (11/85) or a combination of both CG 2010 (10/01 or 07/04) and CG 2037 (10/01 or 07/04). The General Liability coverage shall contain a Severability of Interest provision and shall be primary insurance as respects The Regents of the University of California, its officers, agents and employees. Any insurance or self-insurance maintained by The Regents of the University of California shall be excess of and non-contributory with this insurance. This requirement shall not apply to Worker's Compensation and Employer's Liability Insurance. The Professional Liability insurance policy shall include Contractual Liability Coverage or endorsements to the insurance policies for Contractual Liability Coverage for liability that would exist in the absence of the contract.

- iv. The General Liability and the Professional Liability insurance policies shall apply to the negligent acts, or omissions of Consultant, its officers, agents, employees, and for Consultant's legal responsibility for the negligent acts or omissions of its subconsultants and anyone directly or indirectly under the control, supervision, or employ of Consultant or Consultant's subconsultants.

## **VI. STATUTORY AND OTHER REQUIREMENTS**

### **A. NONDISCRIMINATION**

1. In connection with the performance of the Consultant pursuant to this Agreement, the Consultant shall provide equal treatment to, and shall not willfully discriminate against or allow harassment of any employee or applicant for employment on the basis of: race; color; religion; sex; age; ancestry; national origin; sexual orientation; physical or mental disability; veteran's status; medical condition (as defined in Section 12926 of the State of California Government Code and including cancer-related medical conditions and or genetic characteristics); genetic information (as defined in the Genetic Information Nondiscrimination Act of 2008 and including family medical history); marital status; gender identity, pregnancy, or citizenship (within the limits imposed by law or University's policy) or service in the uniformed services (as defined by the Uniformed Services Employment and Reemployment Rights Act of 1994). Contractor will also take affirmative action to ensure that any such employee or applicant for employment is not discriminated against on any of the bases identified above. Such equal treatment shall apply, but not be limited to the following: employment; upgrade; demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Consultant also agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause. The Consultant will, in all solicitations or advertisements for employees placed by or on behalf of the Consultant, state that qualified applicants will receive consideration for employment without regard to: race; color; religion; sex; age; ancestry; national origin; sexual orientation; physical or mental disability; veteran's status; medical condition (as defined in Section 12926 of the State of California Government Code and including cancer-related medical conditions and or genetic characteristics); genetic information (as defined in the Genetic Information Nondiscrimination Act of 2008 and including family medical history); marital status; gender identity, pregnancy, or citizenship (within the limits imposed by law or University's policy) or service in the uniformed services (as defined by the Uniformed Services Employment and Reemployment Rights Act of 1994). For purposes of this provision: (1) "Pregnancy" includes pregnancy, childbirth, and medical conditions related to pregnancy and childbirth; and (2) "Service in the uniformed services" includes membership, application for membership, performance of service, application for service, or obligation for service in the uniformed services.

### **B. PREVAILING WAGE RATES**

1. For purposes of this Article, the term subcontractor or subconsultant shall not include suppliers, manufacturers, or distributors.
2. Consultant shall comply and shall ensure that all Subcontractors comply with prevailing wage law pursuant to the State of California Labor Code, including but not limited to Sections 1770, 1771, 1771.1, 1772, 1773, 1773.1, 1774, 1775, 1776, 1777.5, and 1777.6 of the State of California Labor Code. Compliance with these sections is required by this Contract. The Work under this Contract is subject to compliance monitoring and enforcement by the State of California Department of Industrial Relations. References to Covered Services hereinafter shall mean services performed pursuant to this Agreement that are covered by the aforementioned provisions as implemented by the State of California Department of Industrial Relations.

3. The State of California Department of Industrial Relations has ascertained the general prevailing per diem wage rates in the locality, if any, listed in the written authorization for the performance of construction, alteration, demolition or repair work as defined in Section 1720 of the State of California Labor Code for each craft, classification, or type of worker required to perform the Covered Services hereunder. A schedule of the general prevailing per diem wage rates will be on file at University's principal facility office and will be made available to any interested party upon request. By this reference, such schedule is made part of this Agreement. Consultant shall pay not less than the prevailing wage rates, as specified in the schedule and any amendments thereto, to all workers employed by Consultant in the execution of the Covered Services hereunder. Consultant shall cause all subcontracts or subconsultant agreements to include the provision that all subcontractors or subconsultants shall pay not less than the prevailing wage rates to all workers employed by such subcontractor or subconsultants in the execution of the Covered Services hereunder. Consultant shall forfeit to University, as a penalty, not more than \$200 for each calendar day, or portion thereof, for each worker that is paid less than the prevailing wage rates as determined by the Director of Industrial Relations for the work or craft in which the worker is employed for any portion of the Covered Services hereunder performed by Consultant or any subcontractor or subconsultant. The amount of this penalty shall be determined by the Labor Commissioner pursuant to applicable law. Such forfeiture amounts may be deducted from the Consultant fee. Consultant shall also pay to any worker who was paid less than the prevailing wage rate for the work or craft for which the worker was employed for any portion of the Covered Services hereunder, for each day, or portion thereof, for which the worker was paid less than the specified prevailing per diem wage rate, an amount equal to the difference between the specified prevailing per diem wage rate and the amount which was paid to the worker.

### **C. PAYROLL RECORDS**

1. Consultant and all subcontractors or subconsultants shall keep an accurate payroll record, showing the name, address, social security number, job classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journey person, apprentice, or other employee employed in connection with the Covered Services hereunder. All payroll records shall be certified as being true and correct by Consultant or subcontractors or subconsultants keeping such records; and the payroll records shall be available for inspection at all reasonable hours at the principal office of Consultant on the following basis:
  - a. A certified copy of an employee's payroll record shall be made available for inspection or furnished to such employee or the employee's authorized representative on request.
  - b. A certified copy of all payroll records shall be made available for inspection upon request to University, the State of California Division of Labor Standards Enforcement, and the Division of Apprenticeship Standards of the State of California Division of Industrial Relations.
  - c. A certified copy of all payroll records shall be made available upon request by the public for inspection or copies thereof made; provided, however, that the request by the public shall be made to either University, the Division of Apprenticeship Standards, or the Division of Labor Standards Enforcement. The public shall not be given access to such records at the principal offices of Consultant or subcontractors or subconsultants. Any copy of the records made available for inspection as copies and furnished upon request to the public or any public agency by University shall be marked or obliterated in such a manner as to prevent disclosure of an individual's name, address, and social security number. The name and address of Consultant awarded the Agreement or performing the Agreement shall not be marked or obliterated.

2. Consultant shall file a certified copy of the payroll records with the entity that requested the records within 10 days after receipt of a written request. Consultant shall inform University of the location of such payroll records for the written authorization, including the street address, city, and county; and Consultant shall, within 5 working days, provide notice of change of location of such records. In the event of noncompliance with the requirements of this Paragraph or with the State of California Labor Code Section 1776, Consultant shall have 10 days in which to comply following receipt of notice specifying in what respects Consultant must comply. Should noncompliance still be evident after the 10-day period, Consultant shall forfeit to University, as a penalty, \$100 for each day, or portion thereof, for each worker, until strict compliance is accomplished. Such forfeiture amounts may be deducted from the Consultant fee.

#### **D. APPRENTICES**

1. Only apprentices, as defined in the State of California Labor Code Section 3077, who are in training under apprenticeship standards and written apprentice agreements under Chapter 4, Division 3, of the State of California Labor Code, are eligible to be employed by Consultant and subcontractors or subconsultants as apprentices for the Covered Services hereunder. The employment and training of each apprentice shall be in accordance with the provisions of the apprenticeship standards and written apprentice agreements under which the apprentice is training and in accordance with prevailing wage law pursuant to the Labor Code, including but not limited to Section 1777.5. The Consultant bears responsibility for compliance with this section for all apprenticeable occupations.
2. Every apprentice shall be paid the standard wage to apprentices, under the regulations of the craft or trade at which the apprentice is employed, and shall be employed only for the Covered Services hereunder in the craft or trade to which the apprentice is indentured.
3. When Consultant or subcontractors or subconsultants employ workers in any apprenticeship craft or trade for the Covered Services hereunder, Consultant or subcontractors or subconsultants shall apply to the joint apprenticeship committee, which administers the apprenticeship standards of the craft or trade in the locality, if any, listed in the written authorization for the performance of construction, alteration, demolition or repair work as defined in Section 1720 of the State of California Labor Code, for a certificate approving Consultant or subcontractors or subconsultants under the apprenticeship standards for the employment and training of apprentices in the locality so identified. The committee will issue a certificate fixing the number of apprentices or the ratio of apprentices to journeypersons who shall be employed in the craft or trade on the Covered Services hereunder. The ratio will not exceed that stipulated in the apprenticeship standards under which the joint apprenticeship committee operates; but in no case shall the ratio be less than 1 hour of apprentice work for every 5 hours of journeyperson work, except as permitted by law. Consultant or subcontractors or subconsultants shall, upon the issuance of the approval certificate in each such craft or trade, employ the number of apprentices or the ratio of apprentices to journeypersons fixed in the certificate issued by the joint apprenticeship committee or present an exemption certificate issued by the Division of Apprenticeship Standards.
4. "Apprenticeship craft or trade," as used in this Paragraph, shall mean a craft or trade determined as an apprenticeship occupation in accordance with rules and regulations prescribed by the Apprenticeship Council.
5. If Consultant or subcontractors or subconsultants employ journeypersons or apprentices in any apprenticeship craft or trade in the locality, if any, listed in the written authorization for the performance of construction, alteration, demolition or repair work as defined in Section 1720 of the State of California Labor Code, and there exists a fund for assisting to allay the cost of the apprenticeship

program in the trade or craft, to which fund or funds other contractors in the locality so identified are contributing, Consultant and subcontractors or subconsultants shall contribute to the fund or funds in each craft or trade in which they employ journeypersons or apprentices on the Covered Services hereunder in the same amount or upon the same basis and in the same manner done by the other contractors. Consultant may include the amount of such contributions in computing its compensation under the Agreement; but if Consultant fails to do so, it shall not be entitled to any additional compensation therefore from University.

6. In the event Consultant willfully fails to comply with this Paragraph VI.D, it will be considered in violation of the requirements of the Agreement.
7. Nothing contained herein shall be considered or interpreted as prohibiting or preventing the hiring by Consultant or subcontractors or subconsultants of journeyperson trainees who may receive on-the-job training to enable them to achieve journeyperson status in any craft or trade under standards other than those set forth for apprentices.

#### **E. WORK DAY**

1. Consultant shall not permit any worker providing Covered Services to labor more than 8 hours during any 1 day or more than 40 hours during any 1 calendar week, except as permitted by law and in such cases only upon such conditions as are provided by law. Consultant shall forfeit to University, as a penalty, \$25 for each worker employed in the execution of this Agreement by Consultant, or any subcontractors or subconsultant, for each day during which such worker is required or permitted to work providing Covered Services more than 8 hours in any 1 day and 40 hours in any 1 calendar week in violation of the terms of this Paragraph or in violation of the provisions of any law of the State of California. Such forfeiture amounts may be deducted from the compensation otherwise due under this Agreement. Consultant and each subcontractor or subconsultant shall keep, or cause to be kept, an accurate record showing the actual hours worked each day and each calendar week by each worker employed under this Agreement, which record shall be kept open at all reasonable hours to the inspection of University, its officers and agents, and to the inspection of the appropriate enforcement agency of the State of California.

#### **F. PATIENT HEALTH INFORMATION**

1. Consultant acknowledges that its employees, agents, subcontractors, consultants and others acting on its behalf may come into contact with Patient Health Information ("PHI") while performing work at the Project Site. This contact is most likely rare and brief (e.g. walking through a clinic where patient files may be visible, overhearing conversations between physicians while working or touring a hospital, noticing a relative or acquaintance receiving treatment in a University facility, etc.). Consultant shall immediately notify University Representative of any such contact. Any and all forms of PHI should not be examined closer, copied, photographed, recorded in any manner, distributed or shared. Consultant will adopt procedures to ensure that its employees, agents and subcontractors refrain from such activity. If Consultant, its employees, agents or subcontractors do further examine, copy, photograph, record in any manner, distribute or share this information, Consultant will report such actions immediately to the University Representative. Consultant will immediately take all steps necessary to stop any such actions and will ensure that no further violations of this contractual responsibility will occur. Consultant will report to University Representative within five (5) days after Consultant gives University Representative notice of the event/action of the steps taken to prevent future occurrences.

#### **VII. NOTICES**

- A. *University.* Any notice may be served upon the University by delivering it, in writing, to the University at the address set forth on the last page of this Agreement, by depositing it in a United States Postal Service deposit box with the postage fully prepaid and with the notice addressed to the University at the aforementioned address, or by sending a facsimile of it to the University facsimile number set forth on the last page of this Agreement.
- B. *Consultant.* Any notice may be served upon the Consultant by delivering it, in writing, to the Consultant at the address set forth on the last page of this Agreement, by depositing it in a United States Postal Service deposit box with the postage fully prepaid and with the notice addressed to the Consultant at this address, or by sending a facsimile of it to the Consultant facsimile number set forth on the last page of this Agreement.

### **VIII. AUTHORITY OF AGREEMENT**

- A. This Agreement represents the entire and integrated agreement between the University and the Consultant and supersedes all prior negotiations, representations, or agreements, either written or oral. This Agreement may be modified only by a written instrument signed by both the University and the Consultant and the written instrument shall be an Amendment on the form contained in the Exhibits.
- B. This Agreement includes the following Exhibits attached herewith:

- Amendment
- Certificate of Insurance
- Final Distribution of Contract Dollars
- Rate Schedule
- Reimbursement Schedule
- Self-Certification
- Work Authorization
- Reference RFQ/RFP Documents
- Executive Design Professional Agreement

IN WITNESS WHEREOF, the UNIVERSITY and the CONSULTANT have executed this Agreement on the **{DAY}** day of **{MONTH}**, **{YEAR}**

**CONSULTANT:**

\_\_\_\_\_  
 (Name of Company)

By: \_\_\_\_\_  
 (Signature & Date)

\_\_\_\_\_  
 (License Number, if applicable)

\_\_\_\_\_  
 (Print Name & Title)

\_\_\_\_\_  
 (Employer ID Number)

Address: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Telephone Number(s): \_\_\_\_\_

Facsimile Number: \_\_\_\_\_

**Recommended:**

By: University's Representative

**Funds Sufficient:**

By: Financial Administrative Officer

\_\_\_\_\_  
 (Signature & Date)

\_\_\_\_\_  
 (Signature & Date)

Name  
 Title  
 Planning, Design & Construction  
 \_\_\_\_\_  
 (Print Name & Title)

Susan McFadden  
 Senior Financial Analyst  
 Planning, Design & Construction  
 \_\_\_\_\_  
 (Print Name & Title)

**UNIVERSITY:**

By: The Regents of the University of California  
 University of California, Riverside

\_\_\_\_\_  
 (Signature & Date)

Drew Hecht, Architect  
 Director of Project Management  
 Planning, Design & Construction  
 \_\_\_\_\_  
 (Print Name & Title)

Account No.: \_\_\_\_\_

Activity Code: \_\_\_\_\_

Fund: \_\_\_\_\_

Function: \_\_\_\_\_

Cost Center: \_\_\_\_\_

Project Code: \_\_\_\_\_

Address: University of California, Riverside  
Planning, Design & Construction  
Attn: Contracts  
1223 University Avenue, Suite 240  
Riverside, CA 92521

Telephone Number: 951.827.4724

Facsimile Number: 951.827.4556

EXECUTIVE DESIGN PROFESSIONAL AGREEMENT FOR CM AT-RISK DELIVERY  
TABLE OF CONTENTS

COVER PAGE

ARTICLE 1 GENERAL PROVISIONS

- 1.1 GENERAL REQUIREMENTS
- 1.2 DESIGN PROFESSIONAL STANDARD OF CARE
- 1.3 DEFINITIONS

ARTICLE 2 DESIGN PROFESSIONAL'S SERVICES AND RESPONSIBILITIES C BASIC SERVICES

- 2.1 GENERAL
- 2.2 SCHEMATIC DESIGN PHASE
- 2.3 DESIGN DEVELOPMENT PHASE
- 2.4 CONSTRUCTION DOCUMENTS PHASE
- 2.5 BIDDING PHASE
- 2.6 CONSTRUCTION PHASE
- 2.7 CONTRACT DOCUMENTS COMPLIANCE
- 2.8 INTERPRETATION OF THE CONTRACT DOCUMENTS
- 2.9 CHANGES TO THE CONTRACT DOCUMENTS
- 2.10 RECORD DOCUMENTS
- 2.11 GUARANTEE TO REPAIR PERIOD
- 2.12 INDEPENDENT REVIEWS
- 2.13 VALUE ENGINEERING
- 2.14 SCHEDULE

ARTICLE 3 DESIGN PROFESSIONAL'S SERVICES AND RESPONSIBILITIES C ADDITIONAL SERVICES

- 3.1 PRE-CONSTRUCTION PHASES
- 3.2 CONSTRUCTION PHASE
- 3.3 POST-CONSTRUCTION
- 3.4 GENERAL

ARTICLE 4 UNIVERSITY RIGHTS AND RESPONSIBILITIES

- 4.1 ADMINISTRATION
- 4.2 PROVISION OF INFORMATION, SURVEYS, AND REPORTS

ARTICLE 5 COMPENSATION

- 5.1 COMPENSATION FOR BASIC SERVICES
- 5.2 COMPENSATION FOR ADDITIONAL SERVICES
- 5.3 REIMBURSABLE EXPENSES

ARTICLE 6 PAYMENTS

- 6.1 PAYMENTS FOR BASIC SERVICE
- 6.2 PAYMENTS FOR ADDITIONAL SERVICES AND REIMBURSABLE EXPENSES
- 6.3 PROJECT SUSPENSION

ARTICLE 7 DESIGN PROFESSIONAL'S RECORDS AND FILES

- 7.1 MAINTAINING BOOKS AND RECORDS
- 7.2 AVAILABILITY OF BOOKS AND RECORDS

ARTICLE 8 OWNERSHIP AND USE OF DOCUMENTS

- 8.1 DRAWINGS, SPECIFICATIONS, AND PRESENTATION MATERIALS
- 8.2 CONSTRUCTION DOCUMENTS
- 8.3 INDEMNIFICATION

ARTICLE 9 DISPUTES

- 9.1 NEGOTIATION
- 9.2 MEDIATION
- 9.3 ARBITRATION OR LITIGATION

9.4 PERSONAL INJURY, WRONGFUL DEATH OR PROPERTY DAMAGE

ARTICLE 10 INDEMNIFICATION AND INSURANCE

10.1 INDEMNIFICATION

10.2 INSURANCE REQUIREMENTS

ARTICLE 11 STATUTORY REQUIREMENTS

11.1 NONDISCRIMINATION

11.2 PREVAILING WAGE RATES

11.3 PAYROLL RECORDS

11.4 APPRENTICES

11.5 WORK DAY

11.6 PATIENT HEALTH INFORMATION

ARTICLE 12 EXTENT OF AGREEMENT

12.1 AUTHORITY OF AGREEMENT

12.2 EXHIBITS

12.3 THIRD-PARTY BENEFICIARIES

12.4 SURVIVAL

ARTICLE 13 FEDERAL AND STATE GRANTS

ARTICLE 14 NOTICES

14.1 UNIVERSITY

14.2 DESIGN PROFESSIONAL

ARTICLE 15 SUCCESSORS AND ASSIGNS

15.1 DESIGN PROFESSIONAL'S DEATH OR INCAPACITATION

ARTICLE 16 TERMINATION OF AGREEMENT

16.1 UNIVERSITY - INITIATED TERMINATION

16.2 DESIGN PROFESSIONAL - INITIATED TERMINATION

16.3 DOCUMENTS AND MATERIALS

SIGNATURE PAGE

**EXECUTIVE DESIGN PROFESSIONAL AGREEMENT FOR CM AT-RISK DELIVERY**

between

**THE REGENTS OF THE UNIVERSITY OF CALIFORNIA**

and

**THE DESIGN PROFESSIONAL**

This AGREEMENT is made on the { } day of { } in the year { } between The Regents of the University of California, a California Corporation, hereinafter called "University" and {INSERT THE NAME OF THE EXECUTIVE ARCHITECT OR ENGINEER} hereinafter called "Design Professional".

The above named individual or firm shall be the Executive {Architect OR Engineer} and shall comply with the licensing laws of the State of California regarding the practice of {Architect OR Engineer} in performing the services set forth in this Agreement for the following project:

UNIVERSITY OF CALIFORNIA, RIVERSIDE

{PROJECT NUMBER}

{PROJECT NAME}

PROJECT DESCRIPTION (include approximate square footage): { }

CONSTRUCTION BUDGET: {DOLLAR AMOUNT}

ENR: {ENTER THE APPROPRIATE ENGINEERING NEWS RECORD CONSTRUCTION COST INDEX.}

## **ARTICLE 1 - GENERAL PROVISIONS**

### **1.1 GENERAL REQUIREMENTS**

**1.1.1** This Agreement shall be governed by the laws of the State of California.

**1.1.2** In the event of a conflict between the provisions of any exhibit to this Agreement and the Agreement, the provisions of this Agreement shall govern.

**1.1.3** University's exercise of any of its rights or remedies prescribed in this Agreement shall not relieve Design Professional from responsibility for damages or other losses incurred or to be incurred by University as a result of Design Professional's breach of its obligation under this Agreement.

**1.1.4** Each design phase (Schematic, Design Development, Bidding Documents and Construction Documents), portions of which design phases are anticipated to occur concurrently, shall be subject to a separate written authorization to proceed to be issued by University. Work on a design phase shall not commence until issuance of the appropriate written authorization to proceed. Work on a design phase shall be based on documents, if any, from the prior design phase approved by University in writing (to the extent that such work is complete), any written directives by University with respect thereto, and any adjustments authorized by University in the Project Program or Construction Budget.

**1.1.5** Time is of the essence for this Agreement.

**1.1.6** Design Professional shall cooperate with University, its designees, and CM/Contractor in furthering the interests of University.

**1.1.7** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same Agreement. The counterparts of this Agreement may be executed via a University approved digital signature process and shall have the same force and effect as the use of a manual signature. The University reserves the right to reject any digital signature that cannot be positively verified by the University system as an authentic digital signature.

### **1.2 DESIGN PROFESSIONAL STANDARD OF CARE; CONSTRUCTION MANAGER AT-RISK MODE OF CONTRACTING**

**1.2.1** Design Professional, its officers, agents, employees, subcontractors, consultants and any persons or entities for whom Design Professional is responsible, shall provide all services pursuant to this Agreement in a manner consistent with the standard of care under California law applicable to those who specialize in providing such services for projects of the type, scope, and complexity of the Project; such services shall be provided in a manner consistent with the Construction Manager At-Risk Mode of Contracting as defined herein, which will require Design Professional, at no additional cost to University, to prepare plans and specifications for discrete portions of the Work that can be incorporated into separate Bid Packages for

the various Subcontractors who will construct the Project. Such Subcontracts may be awarded concurrently with other subcontracts or individually, at different points in time, which may result in Design Professional completing portions of the design after commencement of construction of the Project and/or providing Construction Phase services before completion of all design phase services. The design work for each separate Bid Package shall separately be subject to all requirements applicable to the various phases set forth in this agreement (including the phases set forth in Article 3) and shall be performed in a manner consistent with the construction budget and Project Schedule.

### **1.3 DEFINITIONS**

Unless defined differently herein, terms used in this Agreement shall have the same meaning as those used in University's Bidding Documents General Conditions (Exhibit A).

**1.3.1 As-builts (As-built Drawings and Specifications).** The term "As-builts" shall mean the record copy of the Contract Documents prepared by the CM/Contractor to record as-built conditions, current changes, and selections made during construction.

**1.3.2 Construction Budget.** The term "Construction Budget" shall mean University's written statement of funds available to pay for the cost of construction.

**1.3.3 Construction Cost Index.** (ENR) The term "Construction Cost Index" shall mean the *Engineering News Record's* Construction Cost Index for the time period designated by University. The 20 cities average is used as a benchmark.

**1.3.4 Construction Documents.** The term "Construction Documents" shall mean the documents described in subparagraph 2.4.1 of this Agreement.

**1.3.4A Construction Manager At-Risk Mode of Contracting.** The term "Construction Manager At-Risk Mode of Contracting" shall mean the contracting mode used by the University to construct the Project. Under the Construction Manager At-Risk Mode of Contracting, the University will select a CM/Contractor through competitive bidding. The CM/Contractor will be responsible, within the limits prescribed in its contract, to provide both pre-construction and construction services (these services may overlap when portions of the design are being developed concurrently with ongoing construction). Pre-construction services will include using the Construction Documents prepared by Design Professional to solicit bids from Subcontractors; entering into Subcontracts with such Subcontractors consistent with competitive bidding laws applicable to the University; and utilizing the Subcontractors to whom such Subcontracts have been awarded to complete the Project within the Contract Time.

**1.3.5 Contract Documents.** The term "Contract Documents" shall mean the Advertisement for Bids, Instruction to Bidders, Supplementary Instructions to Bidders, Bid Form, Agreement, General Conditions, Supplementary Conditions, Exhibits to the Construction Documents, Specifications, List of Drawings,

Drawings, Addenda, Notice to Proceed, Change Orders, Notice of Completion and all other items identified as contract documents in the Construction Contract Agreement between the University and the CM/Contractor.

**1.3.6 Coordination.** The term "Coordination" shall mean that the documents shall be consistent and in conformance each part with all other parts.

**1.3.7 Estimated Project Construction Cost.** The term "Estimated Project Construction Cost" shall mean Design Professional's written estimate in the form specified by University (Exhibit C), of the total Construction Cost of the Project at the various stages of the design process.

**1.3.8 Project.** The term "Project" means the project described on page 1 of this Agreement.

**1.3.9 Project Architect (or Engineer).** The term "Project Architect" or "Project Engineer" shall mean the specific University-approved Design Professional named in this Agreement who is the Design Professional's designated principal or staff member in charge of providing all services required by this Agreement.

**1.3.10 Project Program.** The term "Project Program" (Exhibit H) is a written statement of University's design objectives, constraints, and criteria, including space requirements and relationships, flexibility and expendability, special equipment and systems, and Project site requirements.

**1.3.11 Project Schedule.** The term "Project Schedule" shall mean the schedule prepared by University showing project milestones, funding, design, design review, construction, and other deadlines applicable to the Project. The University may make reasonable changes to the Project Schedule, consistent with the Construction Manager At-Risk Mode of Contracting, which may include adding or adjusting timelines for preparing plans and specifications for discrete portions of the Work to be incorporated into separate Bid Packages that may be awarded concurrently with other subcontracts or individually, at different points in time, and which may result in Design Professional completing portions of the design after commencement of construction of the Project and/or providing Construction Phase services before completion of all design phase services.

**1.3.12 Record Documents.** The term "Record Documents" shall mean those documents as described in subparagraph 2.10.1.

**1.3.13 Bidding Documents.** The term "Bidding Documents" shall mean those documents prepared and furnished by University for the purpose of obtaining bids from contractors to construct the Project, including without limitation, the General Conditions and General Requirements attached as Exhibit A.

**1.3.14 University.** The term "University" shall mean the Regents of the University of California.

**1.3.15 University Representative.** The term "University Representative" shall mean the person or entity providing University Representative services as indicated in the contract documents including, but not limited to, issuance of written communications with the CM/Contractor.

**1.3.16 University's Designated Administrator.** The term "University's Designated Administrator" shall mean the individual acting as University's Designated Administrator pursuant to paragraph 4.1.1.

## **ARTICLE 2 - DESIGN PROFESSIONAL'S SERVICES AND RESPONSIBILITIES - BASIC SERVICES**

Basic Services to be provided by Design Professional consist of the services described in this Article 2.

### **2.1 GENERAL**

**2.1.1** Design Professional shall be responsible for Construction Phase services only as described hereafter.

**2.1.2** To the extent deemed necessary by Design Professional to perform its services in accord with the Project Schedule (and all revisions and updates thereto), and as may be applicable at each particular stage of the progress of the Project, Design Professional shall employ architects, mechanical, electrical, structural, and civil engineers licensed as such by the State of California, and such other consultants necessary for the provision of services under this Agreement. All consultants provided under basic services shall be paid by Design Professional. Design Professional shall submit, for approval by University, names of consultants for each professional element of service of the Project. University-approved consultants provided under basic service shall be as named below.

<u>Consultant Name</u>	<u>Discipline</u>
{LIST THE NAMES OF UNIVERSITY-APPROVED CONSULTANTS}	{LIST DISCIPLINE FOR EACH CONSULTANT}

Nothing in the foregoing shall create any contractual relationship between University and any consultants employed by Design Professional under the terms of this Agreement. Design Professional is as responsible for the performance of its consultants as it would be if it had rendered these services itself.

**2.1.3** Design Professional shall designate a principal or a staff member as the Project {Architect OR Engineer}. So long as the Project {Architect OR Engineer} performs in a manner acceptable to University, and remains in Design Professional's employ, the Project {Architect OR Engineer} shall remain in charge of all design and other services required under this Agreement, including attending design-related meetings for the Project, unless a substitution mutually acceptable to Design Professional and University is made. University-approved Project {Architect OR Engineer} shall be the person named below:

{LIST NAME OF UNIVERSITY-APPOINTED PROJECT ARCHITECT OR ENGINEER}  
**2.1.**

**2.1.5** Design Professional shall assist University in fulfilling the requirements of the authorities and funding agencies whose interests bear on the design, cost, and construction of the Project.

{LIST}

**2.1.6** Design Professional shall abide by all regulations imposed by authorities having jurisdiction over the Project.

**2.1.7** Design Professional shall cooperate with other professionals University may employ for related work.

**2.1.8** To the extent required by University, Design Professional shall consult with authorized employees, agents, and representatives of University relative to the design and construction of the Project.

**2.1.9** Design Professional shall review: site surveys; existing record documents; seismic data; mechanical, geotechnical, and other test reports; environmental documents; and any other documentation furnished by University. From an examination of the site and a review of available information, Design Professional shall determine whether such data are sufficient for purposes of design or whether additional data are needed and, if so, recommend the manner in which it be provided and needed services obtained. Design Professional may rely on the information provided by University but only to the extent such reliance is consistent with Design Professional's obligations under this Agreement.

**2.1.10** Review, approval or acceptance of Design Professional's work whether by University or others and whether during Schematic Design Phase, Design Development Phase, Construction Documents Phase, Bidding Phase, Construction Phase, Guarantee to Repair Period, or otherwise, shall not relieve Design Professional from responsibility for errors and omissions in Design Professional's work.

**2.1.11** Design Professional shall prepare Construction Documents in compliance with applicable laws, codes, rules, regulations, ordinances, and standards including, without limitation, those listed in Exhibit C.

**2.1.12** As a result of the use of the form of contracting applicable to the Project, it is anticipated that Design Professional will concurrently perform certain of its obligations as set forth in this Agreement with regard to Schematic Design, Design Development, preparation of Construction Documents, preparation of Bidding Documents and services to be performed during Construction, as determined by the University. The services of Design Professional shall be performed in accordance with the Supplemental Requirements (Exhibit C). The Design Professional must provide for resources sufficient to permit the Design Professional to render all services pursuant to this Agreement in strict accord with the requirements of the Project Schedule (and all revisions and updates thereto). The Design Professional shall have the obligation and opportunity to contribute to the development of the Project Schedule (and revisions and updates thereto) as provided in this Agreement.

The Design Professional shall strictly comply with the Project Schedule.

## **2.2 SCHEMATIC DESIGN PHASE**

**2.2.1** Upon written authorization to proceed, Design Professional shall evaluate the Project Program (Exhibit H) to ascertain the requirements of the Project and shall review and clarify Design Professional's understanding of these requirements with University and its CM/Contractor, if any.

**2.2.2** Design Professional shall provide a written preliminary evaluation of the Project program and the Construction Budget requirements each in terms of the other.

**2.2.3** Design Professional shall prepare and submit to University an outline of applicable provisions of building codes which apply to this Project. The outline shall include a written report and diagrammatic drawings which delineate the design criteria (e.g., exit paths, travel distances, required exits, rated walls, rated corridors, building occupancy, construction type, and fire zones). This graphic documentation of the design criteria shall be updated with each subsequent submittal.

### **2.2.4**

**2.2.5** Design Professional shall prepare Schematic Design studies consistent with and incorporating the Project Program requirements, including site plans, floor plans, elevations, sections, and other drawings, sketches, or graphic materials needed to describe the Project (and Design Packages, if required by University) in three dimensions. Design Professional shall also prepare descriptive outline specifications indicating proposed architectural, structural, mechanical, and electrical systems and materials and other systems as described in Supplemental Requirements (Exhibit C). Schematic studies shall be consistent with the construction budget, Project Schedule and Design Packages, if required by University and shall be revised until approved by University as acceptable. Schematic Design studies shall be required for separate portions of the Project (and Design Packages, if required by University) in advance of completion of Schematic Design studies for the Project as whole.

**2.2.6** Design Professional shall submit a tabulation comparing both gross and assignable floor areas to the initial Project Program area requirements, as required by Exhibit C.

**2.2.7** Design Professional shall submit a written Estimated Project Construction Cost based on the documents submitted in this phase. The estimate shall be in the form included in Exhibit C. Design Professional shall submit a written Estimated Phase Construction Cost for each separate portion of the Project for which Design Professional submits a Schematic Design Study.

### **2.2.8**

### **2.2.9**

### **2.2.10**

## **2.3 DESIGN DEVELOPMENT PHASE**

**2.3.1** Upon University's written authorization to proceed and based on Schematic Design documents approved in writing by University and any written adjustments in the scope or quality of the Project or in the Construction Budget, Design Professional shall prepare for approval by University Design Development documents. These documents shall consist of such drawings, outline specifications, and narratives as are needed to establish and describe the size and character of the entire Project or Design Package(s). Design Professional shall incorporate into the Design Development documents architectural, structural, mechanical, and electrical systems, materials, and such other elements and other systems as described in Supplemental Requirements (Exhibit C). The Design Development documents shall be consistent with the Project Program (including the gross and assignable floor areas), the Construction Budget and the Project Schedule. The University may direct the Design Professional to prepare Design Development documents for the Project as a whole or for separate portions of the Project. If Design Development documents are prepared for separate portions of the Project, then Design Development documents may be prepared for later portions of the Project concurrent with the development of Construction Documents or Bidding Documents for earlier portion(s) of the Project, and/or concurrently with construction based upon those previously prepared documents. The Design Professional shall consult with the CM/Contractor and provide the CM/Contractor an opportunity to review and comment upon materials developed by the Design Professional during the Design Development Phase. All obligations of the Design Professional set forth in Article 2.3 shall be undertaken for the entire Project and for each and every separate portion of the Project.

**2.3.2** Design Professional shall furnish a tabulation comparing both gross and assignable floor areas to the Schematic Design Phase Project Program area requirements as required by Exhibit C.

**2.3.3** Design Professional shall furnish an update of the Schematic Design Phase building code analysis (or for applicable Design Packages) as required by Exhibit C that delineates the design criteria (e.g., exit paths, travel distances, required exits, rated walls, and rated corridors, building occupancy, construction type, and fire zones).

**2.3.4** Design Professional shall submit documentation supporting the design criteria for the structural (including structural loading), HVAC, plumbing, electrical, lighting and communication systems; and other specialized building systems.

### **2.3.5**

**2.3.6** Upon completion of Design Development for each portion of the Project, Design Professional shall submit an Estimated Project Construction Cost based on the documents submitted to University for each such portion. At such time as Design Development is complete for all portions of the Project, Design Professional shall submit an Estimated Project Construction Cost based on the documents submitted to University for all portions of the project. All estimates submitted pursuant to this Article 2.3.6 shall be in the form indicated in Exhibit C.

## **2.4 CONSTRUCTION DOCUMENTS PHASE**

**2.4.1** Upon University's written authorization to proceed and based on Design Development documents approved in writing by University (or applicable Design Package(s)) and any written adjustments in the scope or quality of the Project or in the Construction Budget, Design Professional shall prepare for approval by University, Construction Documents consisting of Drawings and Specifications setting forth in detail the requirements for the construction of the Project (or applicable Design Package(s)). The Construction Documents shall describe the quality, configuration, size and relationships of all components to be incorporated into the Project. The Construction Documents shall be consistent with the Project Program (including the gross and assignable floor areas), the Construction Budget and the Project Schedule (and all revisions and updates thereto).

**2.4.2** Design Professional shall submit a tabulation comparing both gross and assignable floor areas to the Design Development Phase area requirements.

**2.4.3** The Drawings and Specifications shall be consistent with the University's General Conditions (Exhibit A) and the Division 1 tailored for the Project, as required by subparagraph 2.4.5.

**2.4.4** Design Professional shall submit construction documents for the Design Packages to University for review and approval upon 50% completion, and upon Design Professional's determination that the documents are 100% complete and coordinated. Design Professional shall resubmit the documents for back check by University after corrections are made to the 100% submittal.

**2.4.5** Prior to submission of the 50% completed Construction Documents for University review (or applicable Design Packages), Design Professional and Design Professional's consultants shall review University's Bidding Documents for requirements of the Project (or applicable Design Packages) and recommend any changes needed to make them applicable to the Project. Design Professional shall submit, with the review set of the 50% completed Construction Documents (for the applicable Design Package(s)), a single marked-up set of University Facility's Specifications, Division 1, General Requirements, showing the recommended changes.

**2.4.6** Upon 50% and 100% completion of the Construction Documents for Design Package(s), Design Professional shall submit for University review and comment { } copies each of the Construction Documents (for the applicable Design Package(s)), a summary of the calculations for the structural, HVAC electrical, plumbing, communications, (as applicable) and other specialized building system calculations.

**2.4.7** Upon 50%, 100% and final backcheck completion of the Construction Documents for the applicable Design Package(s), Design Professional shall prepare and submit for University approval { } copies of Design Professional's then current Estimated Project Construction Cost. The estimate shall be submitted in the form as required in Exhibit C.

### **2.4.8**

**2.4.9** The Construction Documents submittals shall either incorporate any changes or corrections required by University or review agencies as a result of their review of the 50% and 100% completed Construction Documents (for the applicable Design Package(s)), or be accompanied by a written statement as to why such changes were not incorporated. University may reject Design Professional's explanation and require Design Professional to make the changes or corrections to the Construction Documents (for the applicable Design Package(s)) as previously requested by University.

**2.4.10** Unless directed otherwise in writing by University the Construction Document Phase shall not be considered 100% complete until all required agency and University approvals have been received by Design Professional. Design Professional shall prepare and submit required agency applications as required by Exhibit D.

**2.4.11** Upon 100% completion of the Construction Documents, Design Professional shall provide a complete listing of all rooms and spaces, as required in Format for Listing Rooms and Spaces (Exhibit E).

**2.4.12** Final Construction Drawings and the Certification page of the specifications submitted to University for bidding purposes shall be signed and stamped by Design Professional or the appropriate Design Professional's consultant.

**2.4.13** Design Professional shall be responsible for the content of all Construction Documents. All Construction Documents prepared or signed by Design Professional or Design Professional's consultants shall be complete, coordinated (including without limitation coordinated with Construction Documents prepared for previous portions of the Project) and contain directions as will enable a competent contractor to carry them out.

**2.4.14** Design Professional shall submit for University review and comment { } copies of the final (100%-completed) Construction Documents for all Design Package(s)

**2.4.15** When all University and review agency required changes or corrections have been incorporated by Design Professional, the 100%-completed Construction Documents for the applicable Design Package(s) will be deemed to be final and ready for bid. Design Professional shall provide to University one (1) set of Mylar reproducible, {NUMBER}, {set OR sets} of prints, and the complete set of the Specifications, of the final (100% backchecked and corrected) set of Construction Documents for the applicable Design Package(s). The Specifications shall be submitted in both hard copy form and on computer disk. {FACILITY TO INSERT APPROPRIATE COMPUTER DISK FORMAT: i.e., computer disk format shall be WordPerfect 5.2.}

#### **2.4.16**

**2.4.17** If the Estimated Project Construction Cost at the Construction Documents Phase for any Bid Package exceeds the Construction Budget for the Bid Package, University may, at its discretion, (1) give written approval of an increase in the Construction Budget, (2) authorize the solicitation of bids

(reserving its rights under subparagraph 2.5.4), or (3) require Design Professional, at Design Professional's expense, to revise the design and corresponding Construction Documents for the Bid Package and/or the design and corresponding Construction Documents or Design Package(s) (if then existing) for other portions of the Project, in cooperation with University, so as to reduce the Estimated Project Construction Cost for the entire Project (including the Bid Package) to match the Construction Budget for the entire Project.

## **2.5 BIDDING PHASES OF THE WORK**

**2.5.1** If prequalification of CM/Contractors is required by University, Design Professional shall review and comment on the prequalification criteria prepared by the University.

**2.5.2** There will be multiple Bid Packages for the Project. Multiple Bid Packages may be assembled and bid concurrently as a portion of the Project. Portions of the Project will be bid separately from other portions. During bidding of each Bid Package, Design Professional shall assist University in document clarification and in the preparation of Addenda as required for issuance only by University in accordance with both the Instructions To Bidders and the Supplementary Instructions To Bidders of University's Bidding Documents. Design Professional's Project Architect or Engineer shall attend all scheduled pre-bid conferences and jobsite visits.

**2.5.3** Design Professional's Project Architect or Engineer shall assist University in the review and evaluation of bids if requested by University.

**2.5.4** If the lowest responsive bid for a Bid Package exceeds the Construction Budget for the Bid Package by more than 10%, University may, at its discretion, (1) authorize rebidding of the Bid Package within a reasonable period of time; or (2) require Design Professional, at Design Professional's expense, to modify the design and the corresponding Construction Documents or Design Package(s) for Bid Package, in order to reduce the Estimated Project Construction Cost for the Bid Package to a level that falls within the Construction Budget for the Bid Package; or (3) award the Bid Package; reduce the Construction Budget for Bid Packages to be bid at a later time by an amount commensurate with the amount by which the lowest responsive bid exceeds the Construction Budget for the Work of the Bid Package; and require Design Professional, at Design Professional's expense, to modify the design and corresponding Construction Documents to be included in Bid Packages to be bid later in time so that the Estimated Project Construction Cost for such Bid Packages is consistent with the reduced Construction Budget. Modifications proposed by Design Professional shall require University approval prior to incorporation into the revised documents.

## **2.6 CONSTRUCTION PHASE**

**2.6.1** The Construction Phase will commence on the date established by the Agreement between University and CM/Contractor, and will terminate one year after Notice of Completion or, in the absence of a Notice of Completion, one year after Final Completion, of the entire Work.

**2.6.2** Design Professional shall attend and participate in all pre-construction meetings called by the University's Representative. Pre-construction meetings may be held prior to commencement of separate portions of the Project. Attendees shall be Design Professional's consultants, CM/Contractor and major subcontractors, University's Designated Administrator and others as deemed necessary by the University.

**2.6.3** The Design Professional's responsibilities shall include, but not be limited to, interpretation of the Contract Documents; periodic site observations; review of submittals; review of the Project Schedule (and all proposed updates and revisions thereto); providing comments to the University's Representative regarding Design Professional's ability to undertake its responsibilities pursuant to this Agreement within the time provided in proposed revisions and updates to the Project Schedule; providing cost or schedule analysis for field or change orders; preparation of documents for proposed changes; review of and making recommendations regarding approval of CM/Contractor cost, schedule or application for payment data; and general consultation to the University on design matters. All responsibilities of the Design Professional pursuant to this Agreement, including but not limited to services provided during the Construction Phase, shall be undertaken in conformance with the Project Schedule (and all revisions and updates thereto). Design Professional shall employ and assign adequate professional staff and sub-consultants to ensure its ability to perform services in accordance with the Project Schedule (and all proposed revisions and updates thereto). The Design Professional shall be fully responsible for all matters related to the Design Professional's design and all of the Design Professional's recommendations to the University which are carried out by the University without substantive change. The Design Professional's duties shall not include administration of communications with CM/Contractor, chairing meetings with CM/Contractor; monitoring the compliance of other parties with the Project Schedule; negotiation of price changes; and coordination of closeout. Design Professional shall cooperate with the University's Representative in the University Representative's provision of contract administration services as those services are described in the Contract Documents.

Except as otherwise provided in the Contract Documents or as directed by University, all written communications with CM/Contractor shall be sent and received by University's Representative. The Design Professional shall advise and consult with University Representative and shall keep University Representative informed of the observed progress of the Work. The Design Professional shall render written or graphic interpretations and decisions that are consistent with the intent of, and reasonably inferable from, the Contract Documents; review and recommend any action to be taken regarding CM/Contractor's required submittals; and evaluate, with the University's Representative, the equivalence of proposed substitutions for materials, products, or services specified by brand or trade names in the Contract Documents and recommend either approval or rejection of substitutions as being equal in quality, utility, and appearance. Such services shall be performed in accordance with the requirements of the Project Schedule (and all proposed revisions and updates thereto).

The Design Professional shall perform all Construction Phase services in a timely manner, as required by the Project Schedule (and all revisions and updates thereto), this Agreement and the Contract Documents. Design Professional shall employ and assign adequate professional staff and sub-consultants to ensure that its interpretations, decisions, reviews, or other functions pursuant to this Agreement do not cause or contribute to a disruption of construction or a delay in completion of the Project.

**2.6.4** Design Professional shall, at no cost to University, satisfactorily correct any and all errors, omissions, deficiencies, or conflicts in the Construction Documents prepared by Design Professional or Design Professional's consultants promptly upon discovery or notice. The obligations of Design Professional to correct defective or nonconforming Work shall not in any way limit any other obligations of Design Professional.

## **2.7 CONTRACT DOCUMENTS COMPLIANCE**

**2.7.1** Design Professional shall make (1) periodic on-site observations of construction as it progresses except for periods of construction downtime as approved by University in writing, and upon completion of construction and (2) off-site observations of fabricated materials and equipment when such off-site checks are specified in the Contract Documents. Observations shall be conducted deliberately and thoroughly. The frequency, duration, and extent of such observations shall be appropriate to and for: the progress, character, and complexity of the Work; design issues or questions of concern to Design Professional, its consultants, University's Representative or as noted in any inspection reports furnished to Design Professional; the observed quality of CM/Contractor's performance during previous visits; the review of construction of crucial components of the Work; and the observation of the performance of specified or University's Representative's directed tests significant to the acceptability of crucial components of the Work. Such observations shall also be performed when reasonably requested by University.

Observations shall be for the purpose of ascertaining: the progress of the Work; that the character, scope, quality and detail of construction (including workmanship and materials) comply with the design expressed in the Contract Documents, University's Representative's directives, approved product data and samples and clarification drawings. Observations shall be separate from any inspections which may be provided by University. University's provision of inspection services, if any, shall not relieve Design Professional of its responsibilities under this Agreement.

**2.7.2** Design Professional shall have the authority to recommend rejection of Work that does not conform to any of the following: the Contract Documents; Design Professional's directives; applicable code requirements; approved Shop Drawings, Product Data, and Samples; Clarification Drawings; or defective Work. Such recommendation for rejection will be transmitted to the University's Representative in writing for communication to CM/Contractor.

The Design Professional shall recommend special inspection or testing of the Work in accordance with the provisions of the Contract Documents if, in Design Professional's reasonable opinion, such inspection or testing is necessary or advisable for the implementation of the Contract Documents, regardless of the state of completion of the Work subject to such inspection or testing.

**2.7.3** The Design Professional shall review inspection reports, laboratory reports, and test data to determine conformity of such data with the design requirements expressed, implied, or depicted in the Contract Documents; approved Shop Drawings, Product Data, and Samples; and Clarification Drawings.

The Design Professional shall also recommend to the University's Representative, in writing, actions that need to be taken by University's Representative, as determined from Design Professional Project site visits, inspection reports, laboratory reports, and test data or from CM/Contractor proposals, or other relevant documents.

**2.7.4** Design Professional shall attend regular construction meetings scheduled to occur **{INSERT MEETING FREQUENCY}**, plus special meetings as they are deemed necessary. If, through no fault of Design Professional, the total number of regular construction meetings attended exceeds **{ }** meetings, Design Professional shall be compensated for additional meetings in accordance with paragraph 5.2. Construction meeting notes shall be prepared and distributed by University's Representative.

**2.7.5** Design Professional shall accompany and assist University Representative and University with punch list inspections to determine Beneficial Occupancy, Substantial Completion, and Final Completion. Design Professional shall advise on the issuance of the Certificate of Beneficial Occupancy and the Certificate of Substantial Completion in accordance with the Construction Contract Documents.

## **2.8 INTERPRETATION OF THE CONTRACT DOCUMENTS**

**2.8.1** The Design Professional shall be, in the first instance, the interpreter of the design requirements of the Contract Documents and the judge of the performance thereunder.

Design Professional shall render design interpretations of, and design decisions regarding, the Construction Contract Documents that are necessary for the proper execution or progress of the Work including provision of clarifications and interpretations of the Construction Contract Documents that are consistent with the intent of the documents but which do not involve a change in the scope of the Work. Such clarifications and interpretations shall not involve an adjustment of the Contract Sum or an extension of the Contract Time.

**2.8.2** Design Professional shall not be responsible for construction means, methods, techniques, sequences, procedures, or safety precautions and programs in connection with the Work, unless Design Professional specifies, directs, recommends or approves such means, methods, techniques, sequences, procedures, or safety precautions/programs.

## **2.9 CHANGES TO THE CONTRACT DOCUMENTS**

**2.9.1** Design Professional shall prepare drawings and specifications needed by University Representative to issue Field Orders and Change Orders for University's approval and execution.

## **2.10 RECORD DOCUMENTS**

**2.10.1** Record Documents shall consist of Record Drawings and final Specifications.

**2.10.2** Within 60 days after Final Completion, Design Professional shall, at no additional cost, furnish University with one (1) **{Mylar or CAD}** copy of the Record Drawings and one (1) annotated hard copy of the Specifications and one (1) computer disk compatible with **{SPECIFY, e.g. WordPerfect 5.2}**. The Record Drawings shall be made from the As-built Drawings, including revisions and changes made via Addenda and, during the course of construction, via marked-up prints, As-built Drawings and other data furnished by CM/Contractor to Design Professional. These revisions and changes shall be accurately annotated and cross-referenced. Each page of the Drawings shall prominently note the words "Record Documents." The cover page of the annotated Specifications shall also note the words "Record Documents."

## **2.11 GUARANTEE TO REPAIR PERIOD**

**2.11.1** Design Professional shall review the Work at 11 months after Substantial Completion or Final Completion, as applicable, and shall make written recommendations to University for the correction of any deficiencies within **{ }** days after the inspection date. Design Professional shall be accompanied by University during these inspections. Dates for inspections shall be as mutually agreed by the parties within the 11th month time frame. The number of work hours associated with the on-site review and preparation of written recommendations shall not exceed **{ }** hours excluding review and preparation necessitated in whole or in part by Design Professional's errors and omissions.

## **2.12 INDEPENDENT REVIEWS**

**2.12.1**  
**2.12.2**

**2.12.3** This Project is subject to an independent seismic/structure review conducted by University and at University expense. Design Professional shall attend meetings as necessary to resolve all seismic issues. Design Professional shall present Drawings and other items as necessary to describe the Project design.

## **2.13 VALUE ENGINEERING**

2.13.1 }  
2.13.2 }  
2.13.3 }

## 2.14 SCHEDULE

**2.14.1** Design Professional acknowledges that all time limits and scheduling requirements stated in this Agreement are of the utmost importance to University. Design Professional shall comply with all time requirements of the Project Schedule, (and all revisions and updates thereto). The Project Schedule shall be revised and updated from time to time by the University and then provided in revised or updated form to the Design Professional by the University. The Project Schedule shall include time requirements for completion of Design Professional's services. Design Professional shall be obligated to participate in the development of the Project Schedule in the manner set forth in this Agreement, shall be provided an opportunity to comment upon and propose revisions to the Project Schedule prior to release and/or publication of the Project Schedule, and shall be provided an opportunity to comment upon and propose changes to all revisions of and updates to the Project Schedule prior to release and/or publication thereof. Design Professional's failure to comply with the Project Schedule (and all revisions and updates thereto) may cause economic damages to the University including but not limited to claims by the CM/Contractor to be compensated for delays in construction of the Project, claims by the CM/Contractor for acceleration of construction to compensate for delays caused by the Design Professional, and damages incurred by the University as a result of its inability to use the Project in the manner and within the time anticipated by the University.

**2.14.2** Design Professional shall submit its proposed work plan for the performance of Design Professional's services within { } calendar days following the later of (1) the execution date of this Agreement, or (2) the date on which University authorizes Design Professional to begin performing Schematic Design Phase services. Design Professional's work plan shall include without limitation, a schedule for how Design Professional will comply with Project Schedule. The University will consider Design Professional's proposed work plan in preparing revisions and updates to the Project Schedule. Design Professional shall regularly provide information to the University regarding Design concerning its ability to comply with the Project Schedule (and any proposed revisions or updates thereto), and shall revise its work plan to conform to each revision of and/or update to the Project Schedule.

Design Professional's work plan shall include allowances for the periods of time required for University's review and approval of submissions and for approvals by authorities having jurisdiction over the Project.

## ARTICLE 3 - DESIGN PROFESSIONAL'S SERVICES AND RESPONSIBILITIES-ADDITIONAL SERVICES

Unless required to be performed as part of basic services, the services described in this Article 3 are additional services. These Additional Services shall be paid for by University, as provided in this Agreement, in addition to the compensation for Basic Services. Design Professional shall provide Additional Services only when and as authorized in a written Agreement Change Authorization signed by University. No Additional Services shall be compensable unless so authorized.

### 3.1 PRE-CONSTRUCTION PHASES

**3.1.1** Provide analyses of University's need and formal programming documentation of the requirements of the Project.

**3.1.2** Provide planning surveys, site evaluations, environmental studies, or comparative studies of prospective Project sites.

**3.1.3** Provide services to investigate existing conditions or facilities, to make measured drawings thereof, or to verify the accuracy of drawings or other information furnished by University beyond those reasonably and customarily provided in Basic Services except that additional information recommended by the Design Professional in accordance with subparagraph 2.1.9 shall not entitle Design Professional to additional compensation.

**3.1.4** Provide planning services for tenant or rental spaces.

**3.1.5** Provide financial feasibility studies or other special studies.

**3.1.6** Prepare special surveys, environmental studies, and submissions required for review or approval by governmental authorities or others having jurisdiction over the Project except submittals required for approval of the Construction Documents and as required to prepare Change Orders under basic services as stipulated in subparagraph 2.9.1, if applicable.

**3.1.7** Prepare revisions to the documents during the Schematic Design, Design Development, Construction Documents, Bidding, and Construction Phases when these revisions are inconsistent with data or written approvals previously given by University, excluding (1) corrections of design errors or omissions, and (2) modifications of the Construction Documents in accordance with paragraphs 2.4, 2.5, 2.12 and 2.13 herein.

**3.1.8** Provide services related to future facilities, systems and equipment that are not intended to be constructed during the construction period or that are not anticipated in the Project Program.

**3.1.9** Provide interior design and similar services required for or in connection with the selection, procurement, or installation of furniture, furnishings and related equipment that are not included in the Construction Documents.

**3.1.10** Provide detailed quantity surveys or inventories of material, equipment, and labor.

**3.1.11** Make investigations or take inventories of materials or equipment, or make valuations and detailed appraisals of existing facilities.

**3.1.12** Provide analyses of owning and operating costs, except as needed to prepare the energy analysis required by subparagraph 2.4.4 herein or to participate in Value Engineering sessions as required by paragraph 2.13.

**3.1.13** Provide perspective drawings, models, and mock-ups, including slides thereof except as indicated in subparagraph 2.2.9 for Regents presentation.

## **3.2 CONSTRUCTION PHASE**

### **3.2.1**

## **3.3 POST-CONSTRUCTION**

**3.3.1** Provide services as necessary to correct major defects or deficiencies in the Work of CM/Contractor when such defects or deficiencies require services in excess of those reasonably expected on a project of this type, size and complexity, excluding warranty items, provided that such defects or deficiencies are not caused in whole or in part by errors or omissions on the part of the Design Professional.

**3.3.2** Provide extensive assistance in the utilization of any equipment or system; prepare operation and maintenance manuals; train personnel for operation and maintenance; and consult during operation.

**3.3.3** Provide services after the issuance of the final Certificate For Payment provided that these services do not relate to the guarantee or warranty services described in paragraph 2.11 or to corrections of design errors or omissions.

**3.3.4** Provide services regarding replacement of any Work damaged by fire or other cause (excluding any cause resulting from the negligent acts, errors, or omissions by Design Professional).

## **3.4 GENERAL**

**3.4.1** Provide services in connection with a public hearing, mediation, arbitration proceeding, or legal proceeding, except where Design Professional is party thereto.

**3.4.2** Provide services made necessary by the termination of CM/Contractor but only to the extent such services exceed the level of service that would have been provided in the absence of a termination of CM/Contractor.

## **ARTICLE 4 - UNIVERSITY RIGHTS AND RESPONSIBILITIES**

### **4.1 ADMINISTRATION**

**4.1.1** University shall designate, in writing, an Administrator who will act on behalf of University with respect to this Agreement. Design Professional shall accept directives only from University's Designated Administrator and not from other

University employees or consultants. University may replace University's Designated Administrator at its sole option; if this replacement is made, University shall notify Design Professional in writing.

**4.1.2** University shall designate, in writing, prior to bidding, a University Representative.

### **4.2 PROVISION OF INFORMATION, SURVEYS, AND REPORTS**

**4.2.1** University has furnished the exhibits set forth in paragraph 12.2.1, which are hereby incorporated and made a part of this Agreement.

**4.2.2** University shall have the right to make changes to the Project Program (Exhibit H). When such changes increase the duties of Design Professional beyond those reasonably and customarily provided in Basic Services, Design Professional shall be compensated in accordance with this Agreement.

**4.2.3** University shall have the right to make reasonable changes to its Bidding Documents and Design Professional shall be bound by such changes. When such changes increase the duties of Design Professional, beyond those reasonably and customarily provided in Basic Services, Design Professional shall be compensated in accordance with this Agreement.

**4.2.4** University shall furnish structural, mechanical, electrical, chemical, soils, and other tests, inspections, and reports as required by law or by the Contract Documents, which are not required to be furnished by CM/Contractor under the Contract Documents.

**4.2.5** University shall revise and update the Project Schedule as dates and durations applicable to the Project such as funding deadlines, review periods, anticipated periods of Project suspension, and construction deadlines become known. Design Professional shall comply with all time requirements for work of the Design Professional that are set forth in the Project Schedule (and revisions and updates thereto).

**4.2.6** If required for the performance of Design Professional's services, University shall furnish an accurate land survey of the Project site, giving, as applicable, grades and lines of streets, alleys, pavements, and adjoining property; rights-of-way, restrictions, easements, encroachments, zoning, deed restrictions, boundaries, and contours of the site; locations, dimensions, and floor elevations pertaining to existing buildings, other improvements, and trees; and information in University's possession concerning available service and utility lines, both public and private.

**4.2.7** University shall furnish geotechnical data when these data are reasonably deemed necessary by Design Professional, including test logs, soil classifications, soil bearing values, and other data necessary to define subsoil conditions.

**4.2.8** The format to be used by Design Professional in its preparation of the Specifications shall be as stipulated in Supplemental Requirements (Exhibit C).

4.2.9 The services, information, surveys, and reports required by this Article 4 shall be furnished at University's expense.

**ARTICLE 5- COMPENSATION**

University will compensate Design Professional for the scope of services provided, in accordance with this Article 5 and with the other terms and conditions of this Agreement, as follows:

**5.1 COMPENSATION FOR BASIC SERVICES**

5.1.1 The fee for Basic Services shall be computed as follows:

For services rendered in accordance with this Agreement, the basis for compensation shall be a lump-sum fee in the amount of \$[REDACTED], payable upon completion of each Project phase, after the review and approval by University, in accordance with the following rate schedule. Services required by the Design Development Phase and the Construction Documents Phase shall only be performed, and University will only be obligated to compensate the Design Professional therefore, if University has issued a notice to proceed under paragraphs 2.3.1 and 2.3.2:

<u>Phase or Stage Completed</u>	<u>Rates of Portions of Total Fees to be Paid at Completion</u>
Schematic Design Phase	{ %}
Design Development Phase	Increase to { %}
Construction Documents Phase	Increase to { %}
Bidding Phase (Award of Bid Packages)	Increase to { %} (or a proportional percentage when a portion of the Project is awarded)
Construction Phase	(Proportional monthly payments of { %} the fee, prorated to the proportion of the Project construction that is certified as complete)
Construction Completed	Increase to { %}
Receipt of Design Professional's Record Documents	Increase to { %}
Guarantee to Repair Period Services Completed	Increase to 100%

**5.2 COMPENSATION FOR ADDITIONAL SERVICES**

5.2.1 For the Additional Services of Design Professional, as described in Article 3, including the Additional Services of consultants, compensation shall be in accordance with the attached Rate Schedule, Exhibit B.

5.2.2 If the Contract Time initially established in the Contract Documents is exceeded or extended by [REDACTED] calendar days through the fault of University or CM/Contractor and through no fault of Design Professional, compensation for any Basic Services provided during this extended period of the construction period of the construction contract shall be adjusted

to compensate Design Professional for any additional costs reasonably incurred by Design Professional as the result of such delay, provided University has approved such adjustments in advance. These extended Basic Services shall be approved, in writing, by University and shall not include Basic Services that would have been performed under this Agreement had the initial Contract Time not been substantially exceeded or extended.

### **5.3 REIMBURSABLE EXPENSES**

5.3.1 For Reimbursable Expenses, as described in this paragraph 5.3, only actual costs will be reimbursed in accordance with the Reimbursement Schedule in the Exhibits. Paid invoices or other proof of payment shall be submitted when requesting reimbursement.

5.3.2 Reimbursable Expenses are paid in addition to the compensation for Basic and Additional Services and are actual expenditures made by Design Professional and Design Professional's consultants in the interest of the Project.

## **ARTICLE 6 - PAYMENTS**

### **6.1 PAYMENTS FOR BASIC SERVICES**

6.1.1 Payments for Basic Services, as defined in Article 2, shall be made as stipulated in subparagraph 5.1.1.

### **6.2 PAYMENTS FOR ADDITIONAL SERVICES AND REIMBURSABLE EXPENSES**

6.2.1 Payments for Design Professional's Additional Services, as defined in Article 3, and for Reimbursable Expenses, as defined in paragraph 5.3, shall be made monthly after presentation of Design Professional's statement of services rendered, or expenses incurred, with invoices, receipts and other justification thereof.

6.2.2 Payments related to paragraph 5.2.2 shall be made monthly after presentation of Design Professional's statement of services rendered, or expenses incurred, with invoices, receipts and other justification thereof unless otherwise agreed by the parties thereto.

### **6.3 PROJECT SUSPENSION**

6.3.1 If the Project is suspended or abandoned for more than { } consecutive months, and such suspension was not scheduled at the beginning of the Project, as provided under subparagraph 4.2.5, Design Professional shall be compensated for all authorized services performed prior to the receipt of written notice from University of such suspension or abandonment, together with Reimbursable Expenses then due. If the Project is resumed after being suspended for more than { } consecutive months, Design Professional's compensation shall be adjusted as mutually agreed to compensate Design Professional for any additional costs reasonably incurred as the result of the suspension.

## **ARTICLE 7 - DESIGN PROFESSIONAL'S RECORDS AND FILES**

### **7.1 MAINTAINING BOOKS AND RECORDS**

Books and records relating to this Agreement shall be maintained in accordance with Generally Accepted Accounting Principles (**GAAP**) or **International Financial Reporting Standards (IFRS)**. University or University's authorized representative shall have access to, the right to audit and the right to copy pertinent parts of Consultants' books and records. Consultants records shall include but not be limited to accounting records (hard copy, as well as computer readable data); contracts; payroll records; subconsultant agreements; vendor agreements; purchase orders; leases; original estimates; estimating work sheets; correspondence; receipts; memoranda; and any other supporting evidence deemed necessary to substantiate charges under this agreement. All such books and records shall be preserved for a period of at least 3 years from the date of Final Payment under this Agreement.

### **7.2 AVAILABILITY OF BOOKS AND RECORDS**

Design Professional and Design Professional's consultants shall make their files available for inspection and copying by University upon reasonable notice. Such files shall be maintained for a period of at least 3 years from the date of Final Payment under this Agreement. Design Professional shall include appropriate language in consultant's agreements to enforce the provision of this paragraph 7.2.

## **ARTICLE 8 - OWNERSHIP AND USE OF DOCUMENTS**

### **8.1 DRAWINGS, SPECIFICATIONS, AND PRESENTATION MATERIALS**

8.1.1 Drawings and Specifications shall become the property of University, whether or not the Project for which they are made is executed. Design Professional shall be permitted to retain copies, including reproducible copies, of the Drawings and Specifications for information and reference except as provided in paragraph 8.2. Neither University nor Design Professional shall use the Drawings and Specifications as a whole or in substantial part on other projects, but either may reuse details of the Drawings for other projects.

8.1.2 All presentation drawings, slides, and models shall become and remain the property of University.

### **8.2 CONSTRUCTION DOCUMENTS**

8.2.1 Design Professional, upon request, shall provide copies of the Construction Documents in the number required by University for bidding and construction purposes; the reproduction expense shall be borne by University. University reserves the right to select the type of document reproduction and to establish where the reproduction will be accomplished.

8.2.2 University may use the Construction Documents, without Design Professional's consent, on in connection with the Project, including without limitation, future additions, alterations, connections, repairs, information, reference, use, or occupancy.

8.2.3 Except as provided in subparagraphs 8.2.1 and 8.2.2 University will not use the Construction Documents for another project without Design Professional's written consent.

## **ARTICLE 9 - DISPUTES**

### **9.1 NEGOTIATION**

**9.1.1** The parties will attempt in good faith to resolve any controversy or Claim arising out of or relating to this Agreement by negotiation.

### **9.2 MEDIATION**

**9.2.1** Within 60 days, but no earlier than 30 days, following the earlier of (1) receipt of notice by the other party from the American Arbitration Association (AAA) of the disputing party's demand for arbitration or (2) receipt by the other party of the disputing party's notice of election to litigate, the parties shall submit the matter to non-binding mediation administered by the AAA under its construction industry mediation rules, unless waived by mutual stipulation of both parties.

### **9.3 ARBITRATION OR LITIGATION**

Disputes arising from this Agreement between Design Professional and University which cannot be settled through negotiation or mediation shall be subject to arbitration or litigation as follows

**9.3.1 Arbitration with CM/Contractor.** If any claim arises under the Construction Contract Documents for the Project and is submitted to arbitration, and either CM/Contractor or University claims that the acts or omissions of Design Professional are involved, in whole or in part, any claim by University against Design Professional arising out of or in connection therewith may be asserted, at the option of University, against Design Professional in the same arbitration proceeding which shall be conducted under the procedures specified in the General Conditions of the construction contract.

**9.3.2 Litigation with CM/Contractor.** If any claim arises under the Construction Contract Documents for the Project and is submitted to litigation, and either CM/Contractor or University claims that the acts or omissions of Design Professional are involved, in whole or in part, any claim by University against Design Professional arising out of or in connection therewith may be asserted, at the option of University, against Design Professional in the same litigation.

**9.3.3 Arbitration without CM/Contractor.** Disputes arising from this Agreement between Design Professional and University which cannot be settled through negotiation or mediation, and which are not resolved by arbitration or litigation pursuant to subparagraphs 9.3.1. and 9.3.2 shall be subject to arbitration without CM/Contractor conducted in accordance with the Construction Industry Arbitration Rules of the AAA then in effect (except as otherwise provided in this Agreement). The following additional modifications shall be made to the aforesaid Rules of the AAA:

- .1 Civil discovery shall be permitted for the production of documents and taking of depositions. Other discovery may be permitted in the discretion of the

arbitrator. All disputes regarding discovery shall be decided by the arbitrator.

- .2 University's Representative and/or University's consultants, shall if required by agreement with University, upon demand by University, join in and be bound by the arbitration.
- .3 Concurrent disputes subject to this subparagraph 9.3.3 shall be consolidated into a single arbitration unless the parties otherwise agree in writing.
- .4 No hearing shall be held prior to final completion of the Project unless University and Design Professional otherwise agree in writing.
- .5 The exclusive forum for determining arbitrability shall be the Superior Court of the State of California.
- .6 If total claims are less than \$50,000, AAA expedited procedures as modified by this Article 9 shall apply. If total claims are between \$50,000 and \$100,000 they shall be heard by a single arbitrator who shall be an attorney. If total claims are in excess of \$100,000 and are submitted to arbitration, the controversy shall be heard by a panel of 3 arbitrators, one of whom shall be an attorney.
- .7 The AAA shall submit simultaneously to each party to the dispute an identical list of at least 10 names of persons chosen from the National Panel of Commercial Arbitrators, and each party to the dispute shall have 10 days from the date of receipt in which to cross off any names objected to, number the remaining names in order of preference and return the list to AAA. If the expedited procedures of the AAA are applicable, the AAA shall submit simultaneously to each party an identical list of 5 proposed arbitrators drawn from the National Panel of Commercial Arbitrators, and each party may strike 3 names from the list on a peremptory basis and return the list to AAA within 10 days from the date of receipt.

Unless University and Design Professional otherwise agree in writing, the arbitration decision shall be made under and in accordance with the laws of the State of California, supported by substantial evidence. If the total of all claims or cross claims submitted to arbitration is in excess of \$50,000, the award shall contain the basis for the decision, findings of fact, and conclusions of law.

Any arbitration award shall be subject to confirmation, vacation or correction under the procedures and on the grounds specified in the California Code of Civil Procedure including without limitation Section 1296.

The expenses and fees of the arbitrators and the administrative fees of the AAA shall be divided among the parties equally. Each party shall pay its own counsel fees, witness fees, and other expenses incurred for its own benefit.

The University may offset against the outstanding contract balance the amount of the University's own affirmative claims against the Design Professional provided such claims are based upon alleged breaches of this Agreement or alleged failure to conform to the professional standard care set forth in Article 1.2 of this Agreement. The University shall inform the Design Professional in writing of its intention to offset on or before exercising its right to offset under this Agreement. Within three days following receipt of such written notice, the Design Professional may elect to submit the issue of the University's intention to offset to non-binding mediation administered by the AAA. Such mediation shall take place not less than 15 days and not more than 45 days following the date that the University receives notice of Design Professional's election to mediate regarding the University's intention to offset. The University's obligation to pay any outstanding contract balance shall be stayed and tolled until the first business day following the date of the mediation concerning the University's intention to offset. If the University decides to exercise its right to offset following mediation regarding the University's intention to offset, notice of such offset shall be given to Design Professional by University in writing. If Design Professional does not demand mediation concerning the University's intention to offset, then the University's notice of its intention to offset shall be deemed notice of the decision to offset by the University. Irrespective of whether Design Professional elects to mediate the issue of the University intention to offset, Design Professional may dispute the University's decision to offset by demanding arbitration or commencing litigation pursuant to the terms of Article 9.

**9.4 PERSONAL INJURY, WRONGFUL DEATH OR PROPERTY DAMAGE**

**9.4.1** Claims for personal injury, wrongful death, or property damage (other than property damage to University) shall not be subject to arbitration under Paragraph 9.3.3.

**ARTICLE 10 - INDEMNIFICATION AND INSURANCE**

**10.1 INDEMNIFICATION**

**10.1.1** Design Professional shall indemnify, defend, and hold harmless University and its Regents, officers, employees, agents, and representatives (collectively, "Indemnitee"), against all liability, demands, claims, costs, damages, injury including death, settlements, and expenses (including without limitation, interest and penalties) incurred by Indemnitee ("Losses") arising out of the performance of services or Design Professional's other obligations under this Agreement, but only in proportion to and to the extent such Losses are caused by or result from (1) the negligent acts or omissions of Design Professional, its officers, agents, employees, subcontractors, consultants, or any person or entity for whom Design Professional is responsible (collectively, "Indemnitor"); (2) the breach by Indemnitor of any of the provisions of this Agreement; or (3) willful misconduct by Indemnitor.

**10.1.2** The indemnification obligations under this Article 10 shall not be limited by any assertion or finding that (1) the person or entity indemnified is liable by reason of non-delegable duty, or (2) the Losses were caused in part by the negligence of, breach of contract by, or violation of law by Indemnitee. The

obligation to defend shall arise regardless of any claim or assertion that Indemnitee caused or contributed to the Losses. Indemnitor's reasonable defense costs (including attorney and expert fees) incurred in providing a defense for Indemnitees shall be reimbursed by University except to the extent such defense costs arise, under principles of comparative fault, from Indemnitor's (a) negligent acts or omissions; (b) breach of any of the provisions of this Agreement; or (c) willful misconduct.

**10.1.3** Design Professional shall indemnify, defend, and save harmless Indemnitee from and against all loss, cost, expense, royalties, claims for damages or liability, in law or in equity, including, without limitation, attorney's fees, court costs, and other litigation expenses that may at any time arise or be set up for any infringement (or alleged infringement) of any patent, copyright, trade secret, trade name, trademark or any other proprietary right of any person or entity in consequence of the use on the Project by Indemnitee of the design or construction documents (including any method, process, product, concept specified or depicted) supplied by Indemnitor in the performance of this Agreement.

**10.1.4** Nothing in this Agreement, including the provisions of this Article 10, shall constitute a waiver or limitation of any rights which Indemnitee may have under applicable law, including without limitation, the right to implied indemnity.

**10.2 INSURANCE REQUIREMENTS**

Design Professional, at Design Professional's sole cost and expense, shall insure its activities in connection with this Agreement and shall obtain, keep in force, and maintain insurance as listed below. The coverages required under Paragraph 10.2 shall not in any way limit the liability of Design Professional.

**10.2.1** Either Comprehensive Form General Liability Insurance (Contractual, products, and completed operations coverages included) with a combined single limit of no less than {\$ } per occurrence, or Commercial-Form General Liability Insurance with coverage and minimum limits as follows:

- .1 Each Occurrence {\$ }
- .2 Products Completed, Operations Aggregate {\$ }
- .3 Personal and Advertising Injury {\$ }
- .4 General Aggregate {\$ }

**10.2.2** Business Automobile Liability Insurance for owned, scheduled, non-owned, or hired automobiles, with a combined single limit of no less than {\$ } per accident.

**10.2.3** Professional Liability Insurance, with limits of {\$ } per claim and {\$ } in the aggregate.

**10.2.4** If the above insurance (subparagraphs 10.2.1-10.2.3) is written on a claims-made basis, it shall be maintained continuously for a period of no less than 3 years after the date of Final Completion. The insurance shall have a retroactive date of placement prior to or coinciding with the date services are first provided that are governed by the terms of this Agreement and

shall include, without limitation coverage for professional services as called for in this Agreement. Insurance required by subparagraphs 10.2.1-10.2.3 shall be (i) issued by companies that have a Best rating of A- or better, and a financial classification of VIII or better (or an equivalent rating by Standard & Poor or Moody's) or (ii) guaranteed, under terms consented to by the University (such consent to not be unreasonably withheld), by companies with a Best rating of A- or better, and a financial classification of VIII or better (or an equivalent rating by Standard & Poor or Moody's).

**10.2.5** Workers' Compensation as required and under the Workers' Compensation Insurance and Safety Act of the State of California, as amended from time to time. Insurance required by this subparagraph 10.2.5 shall be issued by companies (i) that have a Best rating of B+ or better, and a financial classification of VIII or better (or an equivalent rating by Standard & Poor or Moody's) or (ii) that are acceptable to the University.

**10.2.6** Design Professional, upon the execution of this Agreement, shall furnish University with Certificate Of Insurance evidencing compliance with this Article 10, including the following requirements:

.1 Design Professional shall have the insurance company complete University's form, Certificate Of Insurance (Exhibit I). If Design Professional's insurance company refuses to use the University's Certificate of Insurance form, it must provide a Certificate of Insurance (and endorsements, if needed) evidencing compliance with Paragraph 10.2 and Special Provisions 1 through 3 on the Certificate of Insurance Exhibit. It alone constitutes evidence of insurance.

.2 Provide that coverage cannot be canceled without advance written notice to University, in accordance with policy provisions.

.3 If insurance policies are canceled for non-payment, University reserves the right to maintain policies in effect by continuing to make the policy payments and assessing the cost of so maintaining the policies against Design Professional.

.4 University, University's officers, agents, employees, consultants, University's Representative, and University's Representative's consultants, regardless of whether or not identified in the Contract Documents or to Design Professional in writing, will be included as additional insureds on Design Professional's general liability policy for and relating to the Work to be performed by Design Professional and its consultants. Design Professional's general liability insurance policy shall name University as an additional insured pursuant to additional insured endorsement CG2010 (11/85) or a combination of both CG 2010 (10/01 or 07/04) and CG 2037 (10/01 or 07/04). The General Liability coverage shall contain a Severability of Interest provision and shall be primary insurance as respects The Regents of the University of California, its officers, agents and employees. Any insurance or self-insurance maintained by The Regents of the University of

California shall be excess of and non-contributory with this insurance. This requirement shall not apply to Worker's Compensation and Employer's Liability Insurance. The Professional Liability insurance policy shall include Contractual Liability Coverage or endorsements to the insurance policies for Contractual Liability Coverage for liability that would exist in the absence of the contract.

.5 The General Liability and the Professional Liability insurance policies shall apply to the negligent acts, or omissions of Design Professional, its officers, agents, employees, and for Design Professional's legal responsibility for the negligent acts or omissions of its consultants and anyone directly or indirectly under the control, supervision, or employ of Design Professional or Design Professional's consultants.

## **ARTICLE 11 - STATUTORY REQUIREMENTS**

### **11.1 NONDISCRIMINATION**

**11.1.1** In connection with the performance of the Design Professional pursuant to this Agreement, Design Professional shall provide equal treatment to, and shall not willfully discriminate against or allow harassment of any employee or applicant for employment on the basis of: race; color; religion; sex; age; ancestry; national origin; sexual orientation; physical or mental disability; veteran's status; medical condition (as defined in Section 12926 of the State of California Government Code and including cancer-related medical conditions and or genetic characteristics); genetic information (as defined in the Genetic Information Nondiscrimination Act of 2008 and including family medical history); marital status; gender identity, pregnancy, or citizenship (within the limits imposed by law or University's policy) or service in the uniformed services (as defined by the Uniformed Services Employment and Reemployment Rights Act of 1994). Design Professional will also take affirmative action to ensure that any such employee or applicant for employment is not discriminated against on any of the bases identified above. Such equal treatment shall apply, but not be limited to the following: employment; upgrade; demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Design Professional also agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause. The Design Professional will, in all solicitations or advertisements for employees placed by or on behalf of the Design Professional, state that qualified applicants will receive consideration for employment without regard to: race; color; religion; sex; age; ancestry; national origin; sexual orientation; physical or mental disability; veteran's status; medical condition (as defined in Section 12926 of the State of California Government Code and including cancer-related medical conditions and or genetic characteristics); genetic information (as defined in the Genetic Information Nondiscrimination Act of 2008 and including family medical history); marital status; gender identity, pregnancy, or citizenship (within the limits imposed by law or University's policy) or service in the uniformed services (as defined by the

Uniformed Services Employment and Reemployment Rights Act of 1994). For purposes of this provision: (1) "Pregnancy" includes pregnancy, childbirth, and medical conditions related to pregnancy and childbirth; and (2) "Service in the uniformed services" includes membership, application for membership, performance of service, application for service, or obligation for service in the uniformed services.

## 11.2 PREVAILING WAGE RATES

**11.2.1** For purposes of the Article, the term subcontractor or consultant shall not include suppliers, manufacturers, or distributors.

**11.2.2** Design Professional shall comply and shall ensure that all subcontractors or consultants comply with prevailing wage law pursuant to the State of California Labor Code, including but not limited to Sections 1770, 1771, 1771.1, 1772, 1773, 1773.1, 1774, and 1775, 1776, 1777.5, and 1777.6 of the State of California Labor Code. Compliance with these sections is required by this Contract. The Work under this Contract is subject to compliance monitoring and enforcement by the State of California Department of Industrial Relations. References to "Covered Services" hereinafter shall mean services performed pursuant to this Agreement that are covered by the aforementioned provisions as implemented by the State of California Department of Industrial Relations.

**11.2.3** The State of California Department of Industrial Relations has ascertained the general prevailing per diem wage rates in the locality in which the Project is to be performed for each craft, classification, or type of worker required to perform the Covered Services hereunder. A schedule of the general prevailing per diem wage rates will be on file at University's principal facility office and will be made available to any interested party upon request. By this reference, such schedule is made part of the Agreement. Design Professional shall pay not less than the prevailing wage rates, as specified in the schedule and any amendments thereto, to all workers employed by Design Professional in the execution of the Covered Services hereunder. Design Professional shall cause all subcontracts or consultant agreements to include the provision that all subcontractors or consultants shall pay not less than the prevailing rates to all workers employed by such subcontractor or consultants in the execution of the Covered Services hereunder. Design Professional shall forfeit to University, as a penalty, not more than \$200 for each calendar day or portion thereof for each worker that is paid less than the prevailing rates as determined by the Director of Industrial Relations for the work or craft in which the worker is employed for any portion of the Covered Services hereunder performed by Design Professional or any subcontractor or consultant. The amount of this penalty shall be determined by the Labor Commissioner pursuant to applicable law. Such forfeiture amounts may be deducted from the Design Professional's fee. Design Professional shall also pay to any worker who was paid less than the prevailing wage rate for the work or craft for which the worker was employed for any portion of the Covered Services hereunder, for each day, or portion thereof, for which the worker was paid less than the specified prevailing per diem wage rate, an amount equal to the difference between the specified prevailing per diem wage rate and the amount which was paid to the worker.

## 11.3 PAYROLL RECORDS

**11.3.1** Design Professional and all subcontractors or consultants shall keep an accurate payroll record, showing the name, address, social security number, job classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journey worker, apprentice, or other employee employed in connection with the Covered Services hereunder. All payroll records shall be certified as being true and correct by Design Professional or subcontractors or consultants keeping such records; and the payroll records shall be available for inspection at all reasonable hours at the principal office of Design Professional on the following basis:

- .1 A certified copy of an employee's payroll record shall be made available for inspection or furnished to such employee or the employee's authorized representative on request.
- .2 A certified copy of all payroll record shall be made available for inspection upon request to University, the State of California Division of Labor Standards Enforcement, and the Division of Apprenticeship Standards of the State of California Division of Industrial Relations.
- .3 A certified copy of all payroll records shall be made available upon request by the public for inspection or copies thereof made; provided, however, that the request by the public shall be made to either University, the Division of Apprenticeship Standards, or the Division of Labor Standards Enforcement. The public shall not be given access to such records at the principal offices of Design Professional or subcontractors or consultants. Any copy of the records made available for inspection as copies and furnished upon request to the public or any public agency by University shall be marked or obliterated in such a manner as to prevent disclosure of an individual's name, address, and social security number. The name and address of Design Professional awarded the Agreement or performing the Agreement shall not be marked or obliterated.

**11.3.2** Design Professional shall file a certified copy of the payroll records with the entity that requested the records within 10 days after receipt of a written request. Design Professional shall inform University of the location of such payroll records for the Project, including the street address, city, and county; and Design Professional shall, within 5 working days, provide notice of change of location of such records. In the event of noncompliance with the requirements of the Paragraph or with the State of California Labor Code Section 1776, Design Professional shall have 10 days in which to comply following receipt of notice specifying in what respects Design Professional must comply. Should noncompliance still be evident after the 10-day period, Design Professional shall forfeit to University, as a penalty, \$100 for each day, or portion thereof, for each worker, until strict compliance is accomplished. Such forfeiture amounts may be deducted from the Design Professional's fee.

## 11.4 APPRENTICES

**11.4.1** Only apprentices, as defined in the State of California Labor Code Section 3077, who are in training under apprenticeship standards and written apprentice agreements under Chapter 4, Division 3, of the State of California Labor Code, are eligible to be employed by Design Professional and subcontractors or consultants as apprentices for the Covered Services hereunder. The employment and training of each apprentice shall be in accordance with the provisions of the apprenticeship standards and written apprentice agreements under which the apprentice is training and in accordance with prevailing wage law pursuant to the Labor Code, including but not limited to Section 1777.5. The Design Professional bears responsibility for compliance with this section for all apprenticeable occupations.

**11.4.2** Every apprentice shall be paid the standard wage to apprentices, under the regulations of the craft or trade at which the apprentice is employed, and shall be employed only for the Covered Services hereunder in the craft or trade to which the apprentice is indentured.

**11.4.3** When Design Professional or subcontractors or consultants employ workers in any apprenticeship craft or trade for the Covered Services hereunder, Design Professional or subcontractors or consultants shall apply to the joint apprenticeship committee, which administers the apprenticeship standards of the craft or trade in the area of the Project site, for a certificate approving Design Professional or subcontractors or consultants under the apprenticeship standards for the employment and training of apprentices in the area of the Project site. The committee will issue a certificate fixing the number of apprentices or the ratio of apprentices to journey workers who shall be employed in the craft or trade on the Covered Services hereunder. The ratio will not exceed that stipulated in the apprenticeship standards under which the joint apprenticeship committee operates; but in no case shall the ratio be less than 1 apprentice for each 5 journey workers, except as permitted by law. Design Professional or subcontractors or consultants shall, upon the issuance of the approval certificate in each such craft or trade, employ the number of apprentices or the ratio of apprentices to journey workers fixed in the certificate issued by the joint apprenticeship committee or present an exemption certificate issued by the Division of Apprenticeship Standards.

**11.4.4** "Apprenticeship craft or trade", as used in this Paragraph, shall mean a craft or trade determined as an apprenticeship occupation in accordance with rules and regulations prescribed by the Apprenticeship Council.

**11.4.5** If Design Professional or subcontractors or consultants employ journey workers or apprentices in any apprenticeship craft or trade in the area of the Project site, and there exists a fund for assisting to allay the cost of the apprenticeship program in the trade or craft, to which fund or funds other contractors in the area of the Project site are contributing, Design Professional and subcontractors or consultants shall contribute to the fund or funds in each craft or trade in which they employ journey workers or apprentices on the Covered Services hereunder in the same amount or upon the same basis and in the same

manner done by the other contractors. Design Professional may include the amount of such contributions in computing its compensation under the Agreement; but if Design Professional fails to do so, it shall not be entitled to any additional compensation therefore from University.

**11.4.6** In the event Design Professional willfully fails to comply with this Paragraph 11.4, it will be considered in violation of the requirements of the Agreement.

**11.4.7** Nothing contained herein shall be considered or interpreted as prohibiting or preventing the hiring by Design Professional or subcontractors or consultants of journey worker trainees who may receive on-the-job training to enable them to achieve journey worker status in any craft or trade under standards other than those set forth for apprentices.

## 11.5 WORK DAY

**11.5.1** Design Professional shall not permit any worker providing Covered Services to labor more than 8 hours during any 1 day or more than 40 hours during any 1 calendar week, except as permitted by law and in such cases only upon such conditions as are provided by law. Design Professional shall forfeit to University, as a penalty, \$25 for each worker employed in the execution of the Agreement by Design Professional, or any subcontractors or consultant, for each day during which such worker is required or permitted to work providing Covered Services more than 8 hours in day 1 day and 40 hours in any 1 calendar week in violation of the terms of this Paragraph or in violation of the provisions of any law of the State of California. Such forfeiture amounts may be deducted from the compensation otherwise due under this Agreement. Design Professional and each subcontractor or consultant shall keep, or cause to be kept, an accurate record showing the actual hours worked each day and each calendar week by each worker employed under this Agreement, which record shall be kept open at all reasonable hours to the inspection of University, its officers and agents, and to the inspection of the appropriate enforcement agency of the State of California.

## 11.6 PATIENT HEALTH INFORMATION

**11.6.1** Design Professional acknowledges that its employees, agents, subcontractors, consultants and others acting on its behalf may come into contact with Patient Health Information ("PHI") while performing work at the Project Site. This contact is most likely rare and brief (e.g. walking through a clinic where patient files may be visible, overhearing conversations between physicians while working or touring a hospital, noticing a relative or acquaintance receiving treatment in a University facility, etc.). Design Professional shall immediately notify University Representative of any such contact. Any and all forms of PHI should not be examined closer, copied, photographed, recorded in any manner, distributed or shared. Design Professional will adopt procedures to ensure that its employees, agents and subcontractors refrain from such activity. If Design Professional, its employees, agents or subcontractors do further examine, copy, photograph, record in any manner, distribute or share this information, Design Professional will report such actions immediately to the University Representative. Design Professional will immediately take all steps necessary to stop any such actions and will ensure that no further violations of this

contractual responsibility will occur. Design Professional will report to University Representative within five (5) days after Design Professional gives University Representative notice of the event/action of the steps taken to prevent future occurrences.

## **ARTICLE 12 - EXTENT OF AGREEMENT**

### **12.1 AUTHORITY OF AGREEMENT**

**12.1.1** This Agreement represents the entire and integrated agreement between University and Design Professional and supersedes all prior negotiations, representations, or agreements, either written or oral. This Agreement may be amended only by a written instrument signed by both University and Design Professional.

### **12.2 EXHIBITS**

**12.2.1** This Agreement includes the following exhibits attached hereto:

- .1 Campus Design Guidelines, Campus Signage, Facilities Management System CAD Standards, Facilities Management System Room Numbering Standards, & GIS Data Standards Documentation
- .2 Certificate of Insurance
- .3 Constructability Analysis / Quality Assurance
- .4 Project Program
- .5 Project Schedule
- .6 Rate Schedule
- .7 Regulatory Agencies & Approval Requirements
- .8 Reimbursement Schedule
- .9 Supplemental Requirements
- .10 University's Bidding Documents, General Conditions & Specifications Division 1, General Requirements
- .11 Value Engineering Program

### **12.3 THIRD-PARTY BENEFICIARIES**

**12.3.1** Nothing contained in this Agreement is intended to make the CM/Contractor or any construction Subcontractor (regardless of tier), any employee or agent of the construction Contractor or any Subcontractor or any person, including any consultant of Design Professional (regardless of tier), a third-party beneficiary of any obligations between University and Design Professional.

### **12.4 SURVIVAL**

**12.4.1** The provisions of this Agreement which by their nature survive expiration or termination of the Agreement or Final Completion of the Project or the performance of services under this Agreement, including any and all warranties, indemnities, payment obligations, and University's right to audit Design Professional's and Design Professional's consultants' books and records, shall remain in full force and effect after any expiration or termination of the Agreement or Final Completion of the Project or the performance of services under this Agreement.

## **ARTICLE 13 - FEDERAL AND STATE GRANTS**

In the event that a federal or state grant or other federal or state financing is used in the funding of this Project, Design Professional shall permit the funding agency or its designee access to, and grant the funding agency the right to examine, documents covering the services performed under this Agreement. Design Professional shall comply with applicable federal or state agency requirements including, but not limited to, the requirements regarding hours, overtime compensation, nondiscrimination, and contingent fees.

## **ARTICLE 14 - NOTICES**

### **14.1 UNIVERSITY**

Any notice may be served upon University by delivering it, in writing, to University at the address set forth on the last page of this Agreement, or by depositing it in a United States Postal Service deposit box with the postage fully prepaid and with the notice addressed to University at the aforementioned or by sending a facsimile of the notice to University's facsimile number set forth on the last page of this Agreement. Notice is effective only if and when it is actually received.

### **14.2 DESIGN PROFESSIONAL**

Any notice may be served upon Design Professional by delivering it, in writing, to Design Professional at the address set forth on the last page of this Agreement, by depositing it in a United States Postal Service deposit box with the postage fully prepaid and with the notice addressed to Design Professional at the aforementioned address, or by sending a facsimile of the notice to Design Professional's facsimile number set forth on the last page of this Agreement. Notice is effective only if and when it is actually received.

## **ARTICLE 15 - SUCCESSORS AND ASSIGNS**

This Agreement shall be binding upon University and Design Professional and their respective successors and assigns. Neither the performance of this Agreement, nor any part thereof, nor any monies due or to become due hereunder, may be assigned by Design Professional without the prior written consent and approval of University.

### **15.1 DESIGN PROFESSIONAL'S DEATH OR INCAPACITATION**

**15.1.1** If Design Professional transacts business as an individual, upon Design Professional's death or incapacitation, University may, at its option, terminate this Agreement as of the date of such event. If so terminated, neither Design Professional, nor Design Professional's estate shall have any further right to perform hereunder, and University shall pay Design Professional or the estate the compensation payable under Article 5 for any services rendered prior to this termination not theretofore paid. This compensation shall be reduced by the amount of additional costs that will be incurred by University by reason of this termination.

**15.1.2** If there is more than one Design Professional, and any one of them dies or becomes incapacitated, and the others continue to render the services covered herein, University will make payments to those continuing as though there had been no such death or incapacitation; University will not be obliged to take any account of the person who died or became incapacitated, or to make any payment to this person or this person's estate. These provisions shall apply in the event of progressive or simultaneous occasions of death or incapacitation among any group of persons named as Design Professional herein if death or incapacitation befalls the last member of this group before the services under this Agreement are fully performed, then the rights set forth under subparagraph 15.1.1 shall apply.

performance. In the event of termination for cause by Design Professional, University will pay Design Professional in accordance with subparagraph 16.1.2.

### **16.3 DOCUMENTS AND MATERIALS**

**16.3.1** In the event of Agreement termination by either party for any reason, University reserves the right to receive, and Design Professional shall promptly provide to University, all Drawings, Specifications, models, and other documents and materials prepared by Design Professional for the Project. In the event of termination, any dispute regarding the amount to be paid under Article 16 shall not derogate from the right of University to receive and use any such documents or materials.

## **ARTICLE 16 - TERMINATION OF AGREEMENT**

### **16.1 UNIVERSITY - INITIATED TERMINATION**

**16.1.1** If University determines that Design Professional has failed to perform in accordance with the terms and conditions of this Agreement, University may terminate all or part of the Agreement for cause. This termination shall be effective if Design Professional does not cure its failure to perform within 10 days (or more, if authorized in writing by University) after receipt of a notice of intention to terminate from University specifying the failure in performance. If a termination for cause does occur, University will have the right to withhold monies otherwise payable to Design Professional until the Project is completed. If University incurs additional costs, expenses, or other damages due to the failure of Design Professional to properly perform pursuant to the Agreement, these costs, expenses, or other damages shall be deducted from the amounts withheld. Should the amounts withheld exceed the amounts deducted, the balance will be paid to Design Professional upon completion of the Project. If the costs, expenses, or other damages incurred by University exceed the amounts withheld, Design Professional shall be liable to University for the difference.

**16.1.2** University may terminate this Agreement for convenience at any time upon written notice to Design Professional, in which case University will pay Design Professional in full for all services performed and all expenses incurred under this Agreement up to and including the effective date of termination. In ascertaining the services actually rendered to the date of termination, consideration will be given to both completed Work and Work in progress, whether delivered to University or in the possession of Design Professional, and to authorized Reimbursable Expenses. No other compensation will be payable for anticipated profit on unperformed services.

### **16.2 DESIGN PROFESSIONAL - INITIATED TERMINATION**

**16.2.1** Design Professional may terminate this Agreement for cause if University fails to cure a material default in performance within a period of 30 days, or such longer period as Design Professional may allow, after receipt from Design Professional of a written termination notice specifying the default in

IN WITNESS WHEREOF, UNIVERSITY and DESIGN PROFESSIONAL have executed this Agreement as of the date first written above (see Cover Page).

**DESIGN PROFESSIONAL:**

\_\_\_\_\_  
(Name of Company)

By: \_\_\_\_\_  
(Signature & Date)

\_\_\_\_\_  
(Print Name & Title)

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
(License Number)

\_\_\_\_\_  
(Employer ID Number)

Telephone Number(s): \_\_\_\_\_  
\_\_\_\_\_

Facsimile Number: \_\_\_\_\_

**Recommended:**

By: University's Representative

\_\_\_\_\_  
(Signature & Date)

Name  
Title  
\_\_\_\_\_  
Planning, Design & Construction  
(Print Name & Title)

**Funds Sufficient:**

By: Financial Administrative Officer

\_\_\_\_\_  
(Signature & Date)

Susan McFadden  
Senior Financial Analyst  
\_\_\_\_\_  
Planning, Design & Construction  
(Print Name & Title)

**UNIVERSITY:**

By: The Regents of the University of California  
University of California, Riverside

\_\_\_\_\_  
(Signature & Date)

Blythe R. Wilson, Architect  
Director of Project Management  
\_\_\_\_\_  
Planning, Design & Construction  
(Print Name & Title)

Address: University of California, Riverside  
\_\_\_\_\_  
Planning, Design & Construction  
\_\_\_\_\_  
1223 University Avenue, Suite 240  
\_\_\_\_\_  
Riverside, CA 92521

Telephone Number: 951.827.4724

Facsimile Number: 951.827.3890



OASIS Hub Pre-Feasibility Study

FINAL DRAFT / NOVEMBER 2021



*(Page is intentionally left blank)*

## Table of Contents

<b>BACKGROUND</b> .....	<b>3</b>
<b>Preface</b> .....	<b>3</b>
<b>Clean Technology Park</b> .....	<b>6</b>
<b>Regional Context</b> .....	<b>8</b>
<b>Stakeholder Engagement</b> .....	<b>9</b>
<b>CONCEPT DEVELOPMENT</b> .....	<b>11</b>
<b>Site Analysis</b> .....	<b>11</b>
<b>Parcel Analysis</b> .....	<b>12</b>
<b>Clean Tech Park Concept</b> .....	<b>15</b>
<b>Phasing Strategy</b> .....	<b>19</b>
<b>MARKET ANALYSIS</b> .....	<b>21</b>
<b>Overview</b> .....	<b>21</b>
<b>Programmatic Opportunities</b> .....	<b>23</b>
<b>FINANCIAL ANALYSIS</b> .....	<b>26</b>
<b>Overview</b> .....	<b>26</b>
<b>Development Economics</b> .....	<b>27</b>
<b>Project Delivery</b> .....	<b>29</b>
<b>Market Sounding</b> .....	<b>33</b>
<b>CONCLUSION &amp; NEXT STEPS</b> .....	<b>33</b>

# Background

## PREFACE

In May 2021, the University of California, Riverside (“UCR” or “UC Riverside”) engaged Brailsford & Dunlavey, Inc. (“B&D”) and Perkins & Will (“P&W”), jointly “the Project Team,” to provide consulting services to complete a Pre-Feasibility Study (the “Analysis”) for the Opportunities in Agriculture, Social Inclusion, and Sustainability (“OASIS”) Hub project. The purpose of the Analysis was to define the project drivers and strategic objectives of the OASIS Hub to establish decision-making criteria for implementation of the project concept and the first phase of development to be called the Clean Technology Park (“Clean Tech Park”). This deliverable documents the purpose, outcomes, and decisions made during the Pre-Feasibility Study initiative.

The purpose and scope of the Pre-Feasibility Study was to accomplish the following:

- ❖ Define project drivers and strategic objectives for the OASIS Hub and Clean Tech Park project;
- ❖ Establish decision-making criteria by which market opportunities and programmatic considerations could be evaluated;
- ❖ Assess area market conditions to identify potential opportunities for the Clean Tech Park project;
- ❖ Identify viable market opportunities in alignment with UC Riverside’s strategic objectives for the Clean Tech Park project;
- ❖ Develop a site plan and development approach that maximized the site’s utility and minimizes financial risk to the University;
- ❖ Establish UC Riverside’s risk profile and financial objectives of implementing the proposed development strategy for the Clean Tech Park;
- ❖ Engage the private development market in order to test the proposed Clean Tech Park development strategy;
- ❖ Determine the most effective delivery and partnership structure for the OASIS Hub.

The next steps within the development process are summarized in the Project Delivery and Conclusion sections of this deliverable, which include pursuing additional marketing and socialization efforts to promote OASIS and the first phase of the Clean Tech Park. This Analysis recommends seeking ongoing funding opportunities to support the project and UCR tenants while also considering immediate activities to begin preparing the site. A high-level timeline is provided, which establishes the anticipated duration of each process to reach an opening of 2025 for the first phase and 2029 for the second phase.

## STRATEGIC CRITERIA

The Project Team initiated the Analysis by conducting a **Strategic Asset Value (“SAV”)** Session with UC Riverside leadership to identify and prioritize the strategic objectives that the OASIS Hub must address in order to advance the institution’s broader mission and vision. The SAV guided all subsequent research and recommendations provided by the Project Team within the following categories:

### Location and Scale of Development:

- ❖ The OASIS Hub development will physically reinforce UCR’s position as a prominent anchor in the local community and the Inland Empire by seeking appropriate adjacencies with industry and regional partners.

### Priority Order of Market Segments:

- ❖ Through an open and permeable system, the OASIS Hub fundamentally serves not only Riverside but also the larger Inland Empire region. OASIS specifically responds to the needs and demands of the local workforce and residents, industry partners, and UCR research efforts.

### Outcome Drivers & Programmatic Components:

- ❖ In order to drive transformative outcomes in the Inland Empire, the OASIS Hub must deliver an economic diversification platform that catalyzes successful partnerships between industry, research, and the regional community.

### Institutional Will & Financial Participation:

- ❖ The OASIS Hub development must be financially viable in order to provide meaningful change to the Inland Empire and to drive the necessary ecosystem and platform for economic vitality in the region. UCR must participate in development that carries calculated risk while relying on the strength of its relationships with industry and regional partners.

## OASIS HUB CONCEPT

Due to the range of existing capabilities in research and education, as well as recent economic development activities, UC Riverside is uniquely positioned to create a new framework for innovation in climate change and air quality research. The relocation of the California Air Resources Board (CARB) will bring over 400 knowledge-based jobs to the Inland Empire and a \$419 million facility directly aligning with UCR’s research initiatives. The relocation of CARB to the City of Riverside, combined with UCR’s research excellence presents a unique opportunity to create a Clean Tech Park at UCR that will focus on supporting CARB, industry innovation, and ongoing University research initiatives.

The economic growth opportunity of locating clean technologies near CARB and the UCR campus is a main component of the campus' larger initiative in economic development called the Opportunities to Advance Sustainability, Innovation and Social Inclusion (OASIS). OASIS is intended to be a framework that will initially be established as a Clean Technology Park and engine for the region. OASIS will build upon the momentum of regional partnerships and UCR's strength in clean technology and social mobility. The proposed framework and investment will leverage the University's existing strengths, the University of California's Carbon Neutrality Initiative, the City of Riverside's Innovation District, and the State of California's investment in relocating the CARB facility on the UCR campus. The OASIS Hub concept must fundamentally act as an open system that not only allows for the Clean Tech Park to be the primary catalyst for re-development along University Avenue but also provide a system for implementing the OASIS Hub concept in other parts of the Inland Empire. The OASIS project will take advantage of the already existing synergies among the participants and partners to promote innovation, economic prosperity and the wellbeing of the Inland Empire region. As such, OASIS will achieve this vision by adhering to its primary principles of Sustainability, Innovation, and Social Inclusion (Figure 1).



Figure 1 – OASIS Concept Triangle – Sustainability, Innovation, & Social Inclusion

## CLEAN TECHNOLOGY PARK

### Overview

UCR is recognized for its longstanding leadership in basic and applied research on air quality and climate science, air pollution characterization and control, intelligent transportation systems, smart grids, renewable fuel and power production, agricultural operations, material science, and energy storage. UC Riverside and its partners seek to utilize the Clean Technology Park to provide the first phase of shared facilities for bringing together opportunities in research and incubator space. The facilities will allow researchers from academia, industry, and regulatory agencies to interact in a synergistic way to address today's critical environmental topics focusing on five pillars:



Figure 2 – Five (5) Pillars of the OASIS concept

### Clean Tech Park Objectives

As part of the OASIS concept, objectives for the Clean Tech Park will be to:

- ❖ Create an ecosystem of strategic partners that leverage University's strengths and connections to industry, government and community partners;
- ❖ Establish itself as the first Inland Empire innovation park that provides a Live, Work, Learn, & Play environment;
- ❖ House state-of-the-art facilities and living laboratories to support research, entrepreneurs, and industries in the cleantech and sustainability space;
- ❖ Catalyze the creation of innovative startups addressing sustainability challenges;

- ❖ Create a skilled workforce to fulfill the needs caused by technological changes, prioritizing underserved populations;
- ❖ Expand research, education, transfer and commercialization on technologies that improve air quality and reduce greenhouse gases and other toxic air contaminants;
- ❖ Gain a greater understanding of the health and environmental impacts of climate change and air quality; and
- ❖ Provide internship and job opportunities for our students and alumni.

OASIS should provide a framework for deploying resources, University research, local innovation, workforce, and physical infrastructure across the Inland Empire to mirror similar initiatives being accomplished through the Clean Tech Park as demonstrated by Figure 3. The regional coalition developed around the OASIS Hub concept will be critical in continuing to drive transformative outcomes within the city of Riverside, as well as its continued influence and growth throughout the Inland Empire.

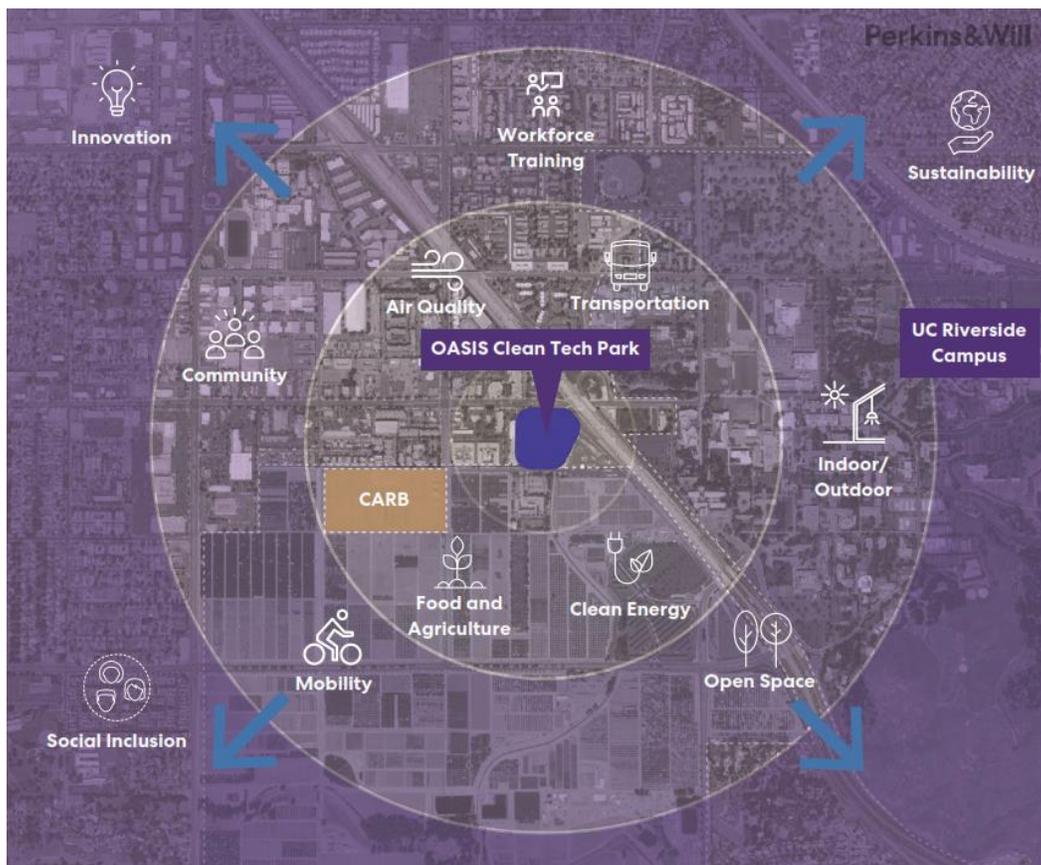


Figure 3 – Innovation Impact at Campus, Community, and Regional Scale (credit: Perkins & Will)

## REGIONAL CONTEXT

Comprised of over 27,000 square miles of territory with deep roots in agriculture and farming, the Inland Empire is one of the fastest growing regions in the United States. One hundred years ago, the City of Riverside was considered to be one of the most prosperous cities in the state of California due to the birth and success of the citrus industry. However, although the impact of the citrus industry in the region has declined significantly over the years, the Inland Empire has exploded from the eastward migration of families residing in Los Angeles and Orange Counties in search of affordable housing. The region is now estimated to have approximately 4.7 million residents with the city of Riverside having 335,000. This migration has expedited the development of residential, industrial, and commercial sectors. The logistics industry has experienced the greatest growth with over 200,000 employees making it an important industry in the region. Further, the shift in land use from these industries throughout Riverside has had a mixed impact on the livelihood of many workers, and in particular, communities of color. For instance, the warehouse and logistics industry has created significant environmental issues for the region and having adverse effects to residents' wellbeing from air pollution.

UC Riverside has benefitted from the region's growth and continues to be an integral partner in the region. In 2019, UCR was named the number one institution for social mobility by U.S. News World & Report Best Colleges rankings and has since remained in the top three each subsequent year. As part of its bold vision for the future, a concerted effort has been made to enhance its research profile, be recognized as a model for social inclusion, and support local innovation. The relocation of CARB to the City of Riverside, combined with UCR's research expertise, recognized as a leader in social mobility, air quality, energy, transportation, engineering, community health and health disparity, as well as agriculture innovation, has inspired local leaders to embrace sustainability, innovation, and social inclusion as one of the key areas of economic development in the region.

As shown through the success in attracting CARB to Riverside, strong alignment between the University, community and the private sector are key to transforming the Inland Empire into a region of growth based on innovation and social inclusion. In 2017, the Riverside City Council also approved the concept of establishing innovation districts throughout the city as a means of promoting economic growth through jobs creation and new investments. The Clean Tech Park will be a critical asset to achieving the city's goals for an innovation corridor along University Avenue and a larger innovation district linking the UCR campus to Downtown Riverside.

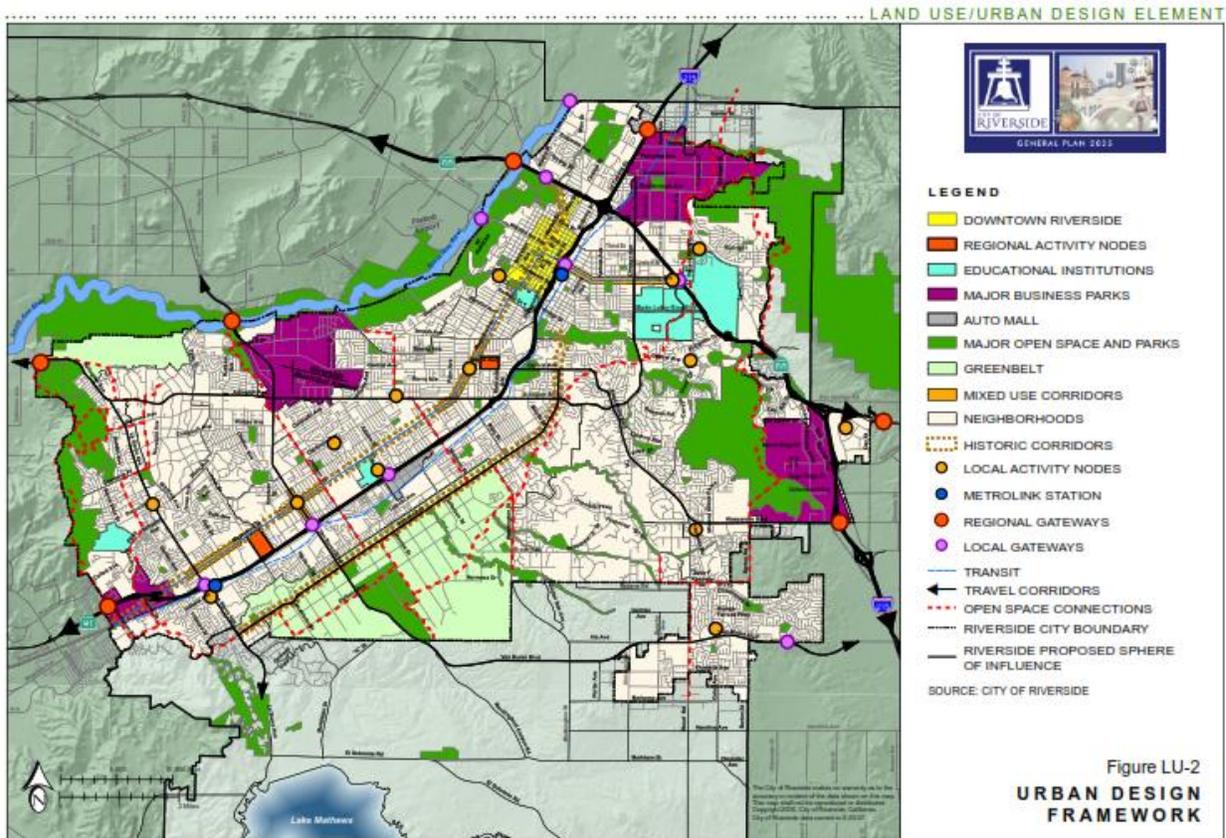


Figure 4 – City of Riverside Innovation District Map of Overlays

## STAKEHOLDER ENGAGEMENT

The Project Team engaged stakeholders about the OASIS concept and Clean Tech Park to determine how the project can be a benefit to the larger region and align with various initiatives being spearheaded by stakeholders. In total, approximately 200 individuals from the Inland Empire participated in either a separate meeting with the Project Team or attended an open forum to provide their feedback.

## Stakeholder Engagement

- **Regional Civic/Government Partners: City of Riverside, City of Norco, Riverside County, San Bernardino County, Office of Senator Richard Roth, Office of Senator Connie Leyva, Office of Assemblywoman Eloise Gomez Reye, Riverside Chamber of Commerce, Western Riverside Council of Governments (WRCOG)**
- **Higher Education Institutions: Riverside Unified School District, Riverside Community College District, California State University, San Bernardino, San Diego State University**
- **UC Riverside: Chancellor’s Executive Cabinet, Schools/Colleges Deans, University Extension, Center for Environmental Research & Technology (CE-CERT), Research and Economic Development, Winston Chung Global Energy Center, and Center for Social Innovation**
- California Air Resources Board (CARB)
- Inland Empire Growth & Opportunity (IEGO)
- Inland Empire / Desert Regional Consortium (IEDRC)
- California Workforce Development Board
- Manufacturers Council of the Inland Empire
- Eastern Municipal Water District
- Inland SoCal United Way / 211
- Inland Empire Tech Bridge
- Diverse America Network
- Zocalo Local
- JFF
- AVL
- Amazon, Inc.
- James Irvine Foundation

Figure 5 – List of Stakeholders Engaged and Represented in the Pre-Feasibility Study

### *Stakeholder Engagement Summary*

The Pre-Feasibility Study is the first step in identifying ways for the University to move the OASIS concept forward with significant influence and collaboration from regional partners. The Project Team engaged a variety of stakeholders from the local community, including civic and industry partners, as part of a broad effort to gain valuable insight from supporters of the Clean Tech Park. A summary of those important discussions is included in the Stakeholder Engagement section of this report. In addition, the leadership of Research & Economic Development (RED) presented progress and feedback from the Project Team with numerous stakeholders and jointly with the UCR Provost conducted an open forum with the campus community.

- ❖ As an economic benefit to the region, OASIS should include other cities and institutions from the Inland Empire for collaborative initiatives in the Clean Tech Park.
- ❖ Due to significant confusion from stakeholders on how to integrate the community into the OASIS physical space program, partners expressed the recommendation to create guiding principles

around community engagement and activities for OASIS spaces and programs. Additionally, engagement must include underrepresented and at-need groups, including local tribes.

- ❖ Must highlight the social inclusion of innovation in the Clean Tech Park. One of the reasons for bringing CARB to the area was to improve the social justice of air quality.
- ❖ Be mindful of gentrification in the surrounding Eastside neighborhood by ensuring thoughtful land use and planning includes the local residents. Eastside residents desire places to walk, outdoor spaces that are inviting, and access to fresh produce or an urban garden
- ❖ Create space(s) that promote the local heritage to agriculture and history of the region. Incorporating the arts into some of the shared spaces or gathering areas of the Clean Tech Park's facilities. Allowing the Clean Tech Park to draw people of color from the community to co-create and feel invited to collaborate on innovation that directly serves their communities
- ❖ Align OASIS goals with the redevelopment initiatives of the Innovation Corridor and Innovation District plans defined by the City of Riverside.
- ❖ Utilize OASIS to develop a comprehensive workforce pipeline with RCCD in new trade opportunities and industries centered on climate science. Provide opportunities for youth development, internships, and apprenticeships for local K-14 students in the sciences.
- ❖ University should reinforce the strategic partnerships with IEGO, the City, and County to seek funding opportunities from the state legislature and federal agencies.
- ❖ The Clean Tech Park should maximize the street frontage of the University Extension site with retail and community spaces. The site should feel porous and welcoming to the local residents.
- ❖ In addition to physical spaces, OASIS would benefit from a robust virtual space can open opportunities for community involvement and marketing the success of the concept

## Concept Development

### SITE ANALYSIS

The Project Team evaluated thirty-four (34) site options available during the time of the Analysis within a 5-mile radius in the City of Riverside for the OASIS Hub and Clean Tech Park. The primary objective of the site and parcel analysis was to evaluate a variety of options through the lens of specific criteria. The following criteria was utilized to assess all of the sites within the 5-mile radius:

1. Proximate to CARB;
2. Proximate to the UCR campus;
3. Proximate to University Ave. as part of the Innovation Corridor plans with the City;
4. Access to existing transit and/or future light rail considerations along University Ave.;
5. Must not occupy any existing UCR agriculture land;
6. At least four (4) acres in size to accommodate a first and/or second phase of development; and

7. Adjacent to sites that can be utilized for expansion as part of a larger precinct strategy.

The criteria were then utilized to further reduce the options down to seven (7) sites primarily filtering them by how proximate they are to CARB and UC Riverside and being located along University Avenue. In the figure below, all seven sites (labeled A – G) proximate to CARB and UCR can be seen.



Figure 6 – Seven (7) Sites Near CARB and UCR Labeled A-G

## PARCEL ANALYSIS

Relying primarily on the size of the sites as the final filter (at least four acres) for narrowing down three primary site options. The three primary site options that were analyzed further (figure 7) included the following:

- ❖ **Site A.** – Site owned and utilized by CalTrans
- ❖ **Site B.** – Location owned by UCR and used by University Extension (UNEX)
- ❖ **Site D.** – Privately owned site along University Ave.

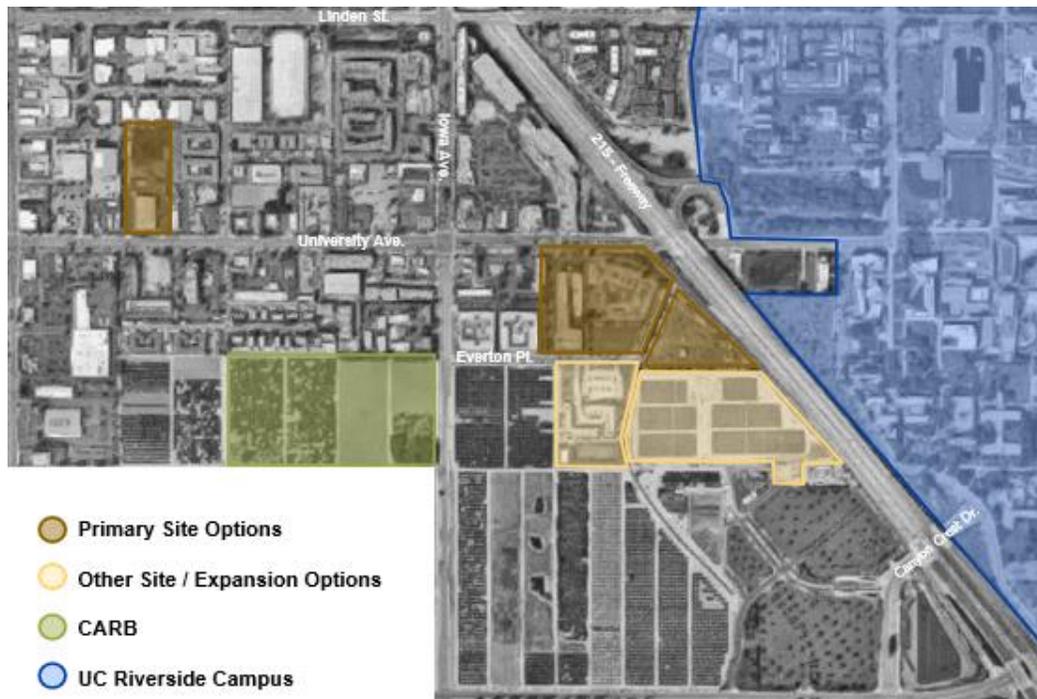


Figure 7 – Three (3) Primary Sites Selected for Detailed Parcel Analysis

### *University Extension Site*

Each of the three sites were evaluated at a parcel level to determine which would be the preferred site. Ultimately, the University Extension site (Site B or Site 3) in Figure 8 was recommended to be the preferred option because of its size (8 acres), proximity to CARB and UCR, frontage along University Avenue, adjacency to sites with expansion opportunities, and ownership of the land by UC Riverside. Figure 8 provides an overview of the site's area and street frontage opportunities. Additional site information can be found in the Appendix.

The following is a list of elements related to the UNEX site:

- ❖ Site area: 8.30 acres
- ❖ Frontage along University Avenue: 493 feet
- ❖ Frontage along Everton Place: 485 feet
- ❖ Total Frontage: 44% site perimeter
- ❖ Area of Largest Rectangle: 6 acres
- ❖ Capacity: 300,000 – 400,000 Sq. ft. (3-5 levels)

The site is in a prime location to act as a gateway for the campus and the City of Riverside's innovation corridor. The site of the Clean Tech Park will also provide the environment to spur Live, Work, Learn, Play elements near the UCR campus and CARB while also generating significant momentum for ongoing private

development along the City of Riverside’s innovation corridor. As previously mentioned, the goal of connecting the UCR campus to Downtown Riverside requires a catalyst to propel revitalization along University Avenue. The site will position the Clean Tech Park to generate economic impacts in the local area that will initiate a transformation to the region. The site itself has a capacity of 300,000 to 400,000 sq. ft. with additional opportunities to expand to the south into other parcels owned by the University.

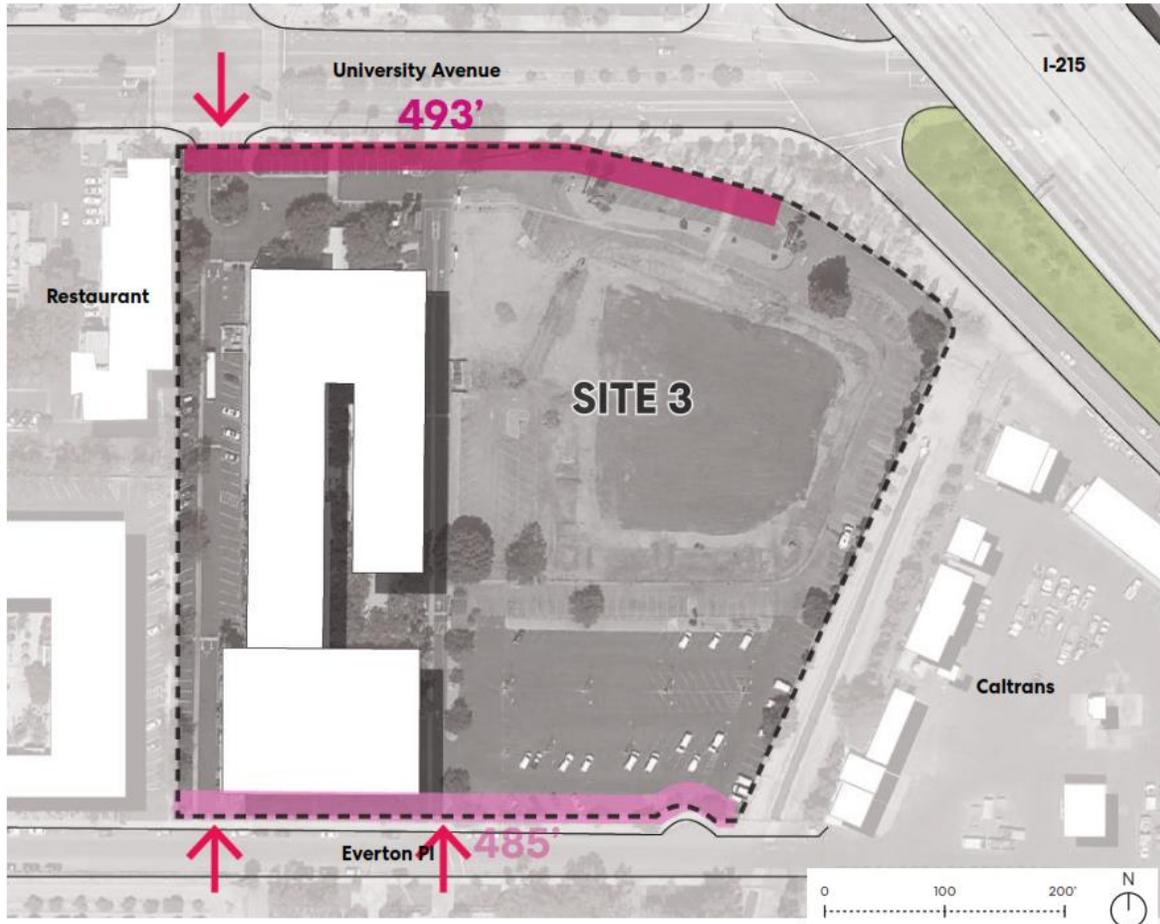


Figure 8 – University Extension site – Site Frontage (Site B or Site 3; credit: Perkins & Will)

The map (Figure 9) below conceptualizes the transformational connection that will occur between the UCR campus, the Clean Tech Park, CARB, and Downtown Riverside. Additionally, the momentum from redevelopment opportunities along University Avenue can drive new commercial uses and transform the Innovation Corridor long term.



Figure 9 – City of Riverside and UC Riverside Context (credit: Perkins & Will)

## CLEAN TECH PARK CONCEPT

### *Development Concept*

To ensure the OASIS Clean Tech Park is able to catalyze development along the City of Riverside's innovation corridor, B&D recommends UCR and its regional partners pursue a development strategy that focuses on a Live, Work, Learn, Play environment on the 8-acre UNEX site. Given the limited financial capacity of UCR and its regional partners to fund a project of this magnitude, it is recommended that a development partner be utilized through a public-private partnership (P3). The P3 transaction will outline the roles and responsibilities, as well as the level of risk transfer between all parties for construction, financing, and ongoing operations of the Clean Tech Park. Additional information about project delivery and the P3 agreement is included in the Financial Analysis section. To fulfill the vision of the OASIS Clean Tech Park, the project should prioritize uses that strengthen the socioeconomic well-being of the area, provides amenities that support the broader community, and creates research spaces that encourage connections between faculty, staff, students, industry, and the community.

The site provides an opportunity to deploy uses that cater initially to research elements, retail, shared uses, and green outdoor areas while also leveraging nearby sites for future expansion. The development will be anchored by UCR research-focused tenants while blending market-responsive commercial uses to create a vibrant and active community.

- ❖ **Innovation Zone:** Office and light industrial spaces dedicated to facilitating innovation, commercialization of new technologies, and broadening academic certifications through UNEX, CE-CERT, industry, and local community partners.
- ❖ **Shared Space:** A combination of conferencing spaces for events and academic uses to be shared by all tenants for the promotion of innovation, social inclusion, and sustainability initiatives occurring within OASIS. Shared spaces will also be open and welcoming to outside visitors to promote local communities to interact, collaborate, and learn.
- ❖ **Retail:** A mixture of small- and large-scale retail development preliminarily targeted towards food and beverage establishments. Dining experiences will vary from grab-and-go to casual sit-down with indoor and outdoor seating environments.
- ❖ **Green Zone:** Flexibly programmed greenspace that allows for a variety of broader tenant and community uses, including outdoor shaded seating, open green areas, drought tolerant vegetation, and amenities.
- ❖ **Residential:** Multi-family market rate and affordable housing development targeted towards the local workforce, as well as UC Riverside faculty and staff. Residential will be considered for later phases as part of a land acquisition strategy to create a larger innovation precinct.
- ❖ **Hotel:** The market conditions indicate there is an opportunity to include an upper midscale or upscale hotel to serve visitors of CARB, Clean Tech Park, and UC Riverside. Similar to residential, hospitality services are anticipated as part of a later phase or as land becomes available.

To maximize this concept of a connected and activated corridor leading from UCR to Downtown Riverside, the OASIS Clean Tech Park must implement a mixed-use development plan on the 8-acre site where the current University Extension building is located. Most importantly, no additional agriculture land will be utilize and the focus will be to activate the University Avenue corridor for more commercial uses and redevelopment opportunities as diagrammed in Figure 10.

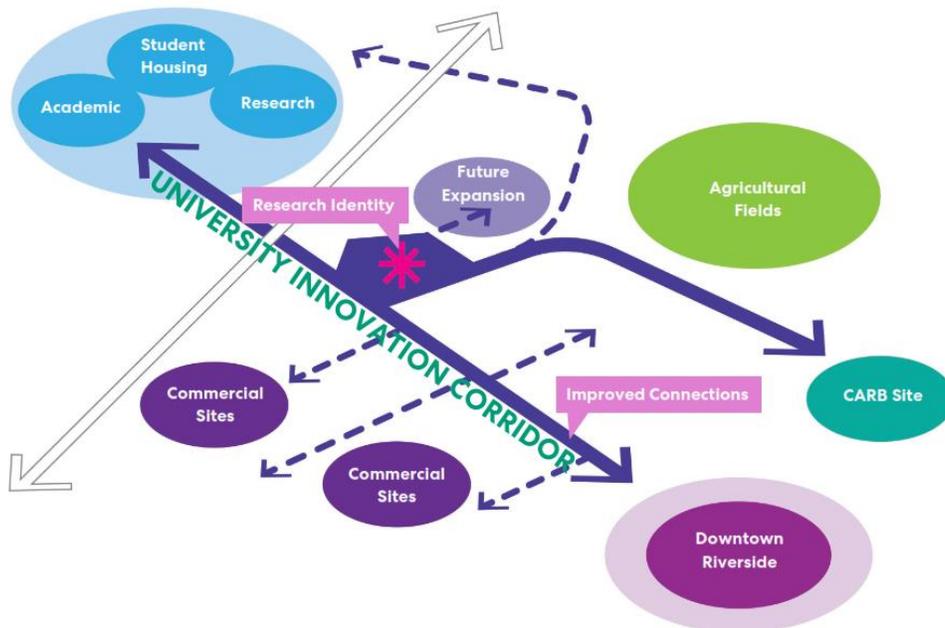


Figure 10 – University Innovation Corridor – Connected Corridor Design Principle (credit: Perkins & Will)

**Space Program Overview**

The Clean Tech Park is envisioned to showcase the development and commercialization of new technologies, elevate the academic and research standing of the University, and support economic development along University Avenue. A needs assessment was developed with stakeholders from UC Riverside to determine how much space would be required to support existing and ongoing research

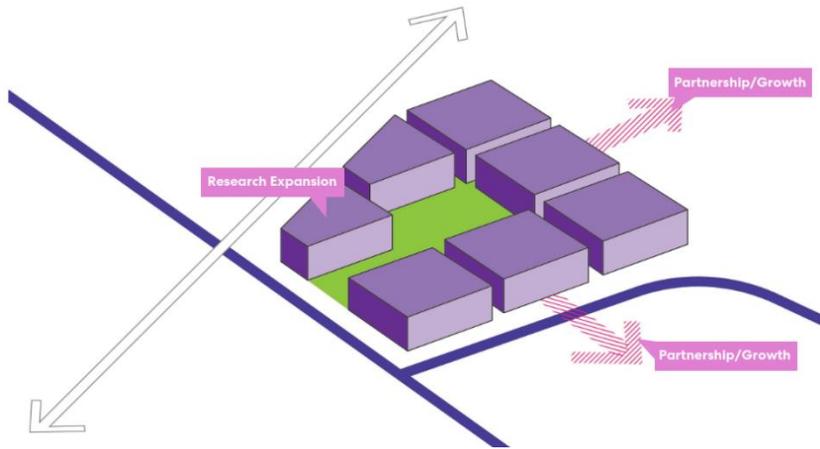


Figure 11 – Research & Industry Growth Design Principle (credit: Perkins & Will)

initiatives from CE-CERT and other campus partners. Additionally, information from regional stakeholder interviews was utilized to determine the space needs for community users and potential industry partners. The outcomes of the site analysis and various discussions determined a preliminary outline program (i.e., list of spaces and respective sizes) for the Clean Tech Park on the 8-acre site. Additional development opportunities for growth of the Clean Tech Park into a larger precinct is demonstrated in Figure 11. The diagram demonstrates how growth can be initiated to the south, such as the solar farm, and west along

University Avenue, to provide a unique opportunity for partnership growth based on key adjacencies to CARB and nearby site options.

The 8-acre UNEX site is estimated to have a capacity for 300,000 to 400,000 sq. feet of development. The following outlines the approximate square footage of various space types determined to be needed, and confirmed by the Market Analysis, for a successful initial phase of development:

- ❖ Anchored by CE-CERT, 70,000 sq. ft. of double height light industrial space will be dedicated to research for the New Generation Environmental Chamber & Health Core (GOLIATH), immersive mobility, and sustainable fuels.
- ❖ An additional 38,000 sq. ft. of office and dry lab space for CE-CERT programs such as Dynamic Mobility Management Systems, Community Air Monitoring, Smart City Infrastructure, Environmental Materials Laboratory, Computational Earth Systems Modeling, and the Winston Chung Global Energy Center.
- ❖ University Extension will be supported in office spaces up to 22,000 sq. ft. to include offices, workstations, classrooms, and administrative support areas.
- ❖ Additional speculative office space is planned for up to sixteen (16) industry partners across 51,000 sq. ft.
- ❖ Other office spaces (28,000 sq. ft.) will also be dedicated to community partners, such as EXCITE in order to accommodate entrepreneurial initiatives and programs through co-working space, training rooms, business incubators, conference rooms, and a variety of office sizes for EXCITE tenants.
- ❖ General shared uses and amenities, such as conference rooms, lecture hall, ground floor lounge spaces, and food retail comprise over an additional 45,000 sq. ft. in the Clean Tech Park.
- ❖ Flexibly programmed community greenspace is intended to bring a diverse mix of various patrons and visitors to promote frequent activity and traffic into the Clean Tech Park.

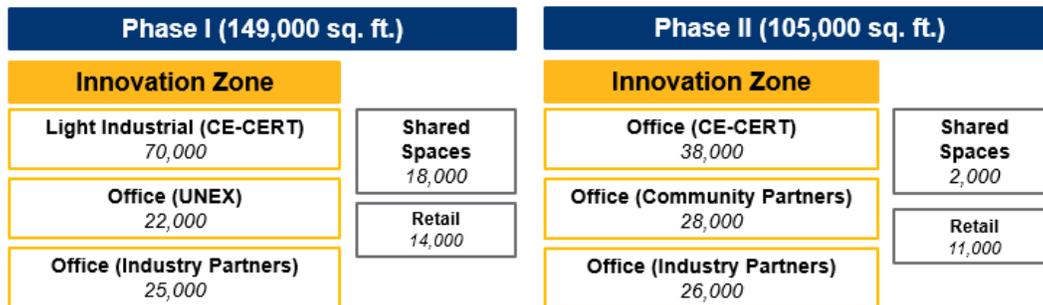


Figure 12 – Preliminary Phased Program Opportunity (Phases I & II)

The full development of a larger precinct concept is integral to creating a Live, Work, Learn, Play environment originally envisioned as part of this Pre-Feasibility phase. As innovation and collaboration occurs between the University, industry partners, and local entrepreneurs on the 8-acre site, the need for expansion is expected. As part of the larger precinct concept, future uses may include a multi-family residential development, hotel, additional retail, and more office / dry lab space for new industry partners. As indicated in the Market Analysis, significant unmet demand exists within the current residential and hotel markets to support these asset types. This unmet demand is anticipated to grow after the initial phases of the OASIS Clean Tech Park are developed and significant interest in participating within the OASIS Clean Tech Park emerges.

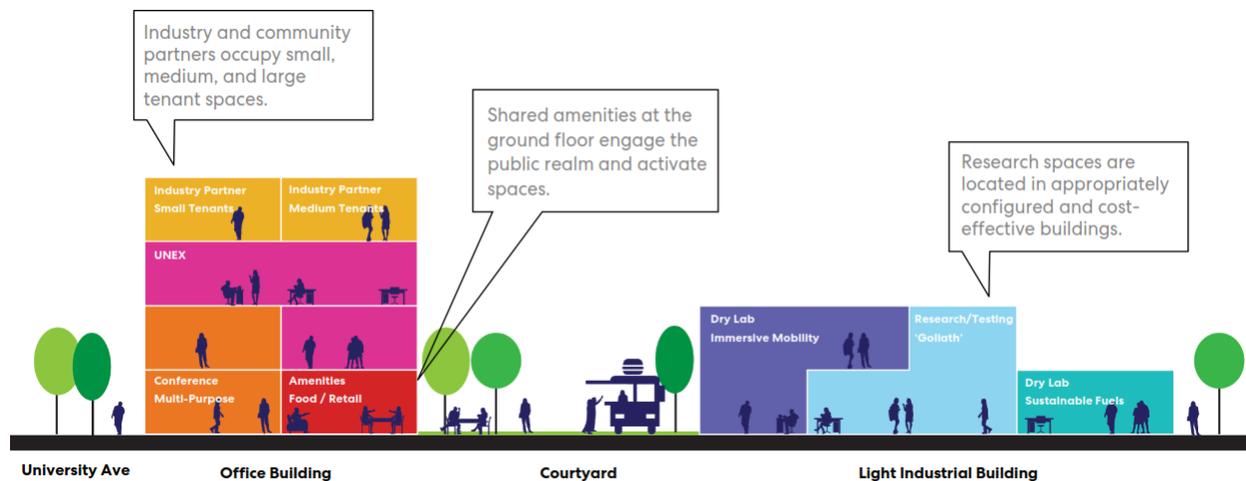


Figure 13 – Preliminary Overview of Potential Program Uses within the Innovation Ecosystem (credit: Perkins & Will)

## PHASING STRATEGY

### *Phasing Objectives*

Through the process of assessing the University's risk profile and financial capabilities, B&D believes utilizing a multi-phase approach to developing the Clean Tech Park will effectively leverage all available resources from UCR and its partners while achieving a speed to market needed to catalyze the region's larger Innovation District goals. In particular, UCR can maximize recent state grant funding of \$15 M toward pre-development activities to prepare the site for Phase I while the institution continues to seek additional funding. The University is actively investigating other sources of funding, including a federal grant through the Economic Development Agency (EDA) for \$25 M with the potential for matching funds from regional partners.

A phased approach will also capitalize on the pre-qualified tenancy of CE-CERT and University Extension in Phase I and EXCITE in Phase II. UCR-affiliated tenants are critical for attracting industry tenants interested in being located near CARB, as well as UCR's research capabilities and human talent. During the market sounding phase of this Analysis, the private development community expressed an interest in the project because of the pre-qualified tenancy associated with UCR's use of the Clean Tech Park, which is estimated to be over 50% of the leased space.

As part of the phased development approach, B&D recommends the following first steps to prepare the site prior to design and construction:

- ❖ Demolition of the existing University Extension building. The existing facility contains significant deferred maintenance issues and is past its useful life.
- ❖ The demolition of the current building will also allow for development of infrastructure to begin early by utilizing the existing parking lot on the site.
- ❖ Additional assessments including technical studies and environmental impacts of site.

The demolition strategy will provide a speed to market of phase 1 (FY 2025) and allow for a partner to prepare horizontal development for Phase II (FY 2029).

There is potential to complete the entire development into one phase but would require additional grant funding of approximately \$10 – 15M (in addition to the \$15 M of state funding received in 2021) to support the entire Phase I & II program, as well as full build out of the UNEX site. In order to achieve the speed to market of a combined phase, the funding would need to be delivered to UCR in 2022 to keep with a schedule of opening in 2025-2026 for the full program.

### *Phasing Scenario*

A variety of scenarios were modeled as part of this Analysis based on the desire to achieve a speed to market of research and collaborative functions for the site. The following is a proposed scenario in two phases with additional considerations for future phases as part of a larger precinct concept. Additional program refinement will occur during the collaborative solicitation process for a private development partner, which will bring additional design ideas, site uses, and long-term planning perspectives.

**Phase I & II:** The first phase is imagined to include CE-CERT spaces within light industrial, as well as office spaces for industry tenants and University Extension. Ample shared uses and amenities, such as conferencing, lounge seating, community interaction spaces, green space, and retail outlets are also planned. In order to maximize the footprint of the site for construction of Clean Tech Park facilities, off-site parking at the solar farm to the south should be evaluated as a strategy whereby solar panels are raised to be above the newly-developed surface parking lot.

**Future Phases:** Based on local market conditions and the anticipated momentum generated from the initial phases of the Clean Tech Park, additional commercial uses, such as market rate and affordable residential housing facilities should be considered by the private development partner. Similarly, local market conditions demonstrate the need for a hotel near the campus to support visitors to CARB, UCR, and OASIS. Details on the potential composition of a two-phase approach can be found below.

## Market Analysis

### OVERVIEW

B&D performed a Market Analysis utilizing quantitative data and qualitative information from stakeholder engagement to inform the overall Analysis. This quantitative assessment evaluated recent external economic conditions using online real estate market analysis tools, such as CoStar and ESRI. B&D defined the external market as a 3-mile trade area radius from the University Extension site which is also less than a quarter of a mile from the edge of the UC Riverside campus. The 3-mile radius translates to an average 10-minute drive trade area and encapsulates most of the northern portion of the city of Riverside including the neighborhoods of Eastside, Downtown, Hunter Industrial Park, University, and portions of Victoria and Canyon Crest. The 3-mile radius was also utilized to gain a general understanding of the regional population demographics.

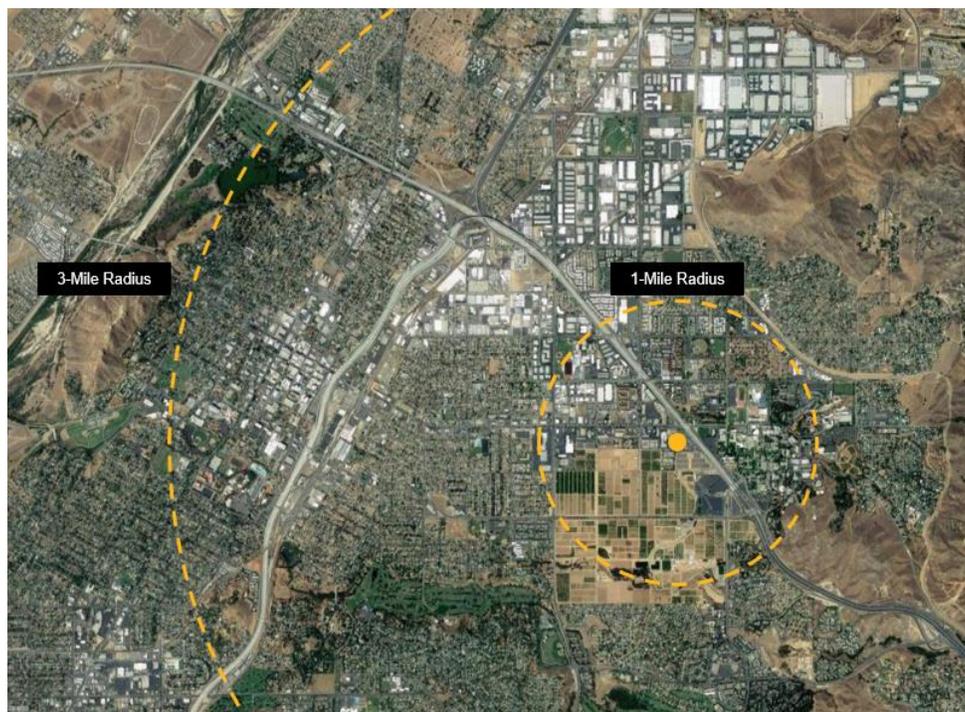


Figure 14 – Map of Trade Areas Assessed within Market Analysis

### ***Demographics Analysis***

The following is an overview of the Project Team's demographic analysis that was completed to determine how existing market conditions may be influenced by current and future population trends. Given the OASIS Clean Tech Park concept is located close to UCR and CARB, the Analysis focused on evaluating the primary demographic profile of the local area most impacted by the proposed development, which includes the residents living in the neighborhoods of Eastside, Hunter Industrial Park, Canyon Crest, and University. The following is a summary of key 2020 demographic data in the 1-mile radius from the proposed site of the Clean Tech Park:

- ❖ Total population: 20,999
- ❖ Total number of households: 6,223
- ❖ Average household size: 3.3
- ❖ Estimated average household income (2020): \$44,853
- ❖ Projected average household income (2025): \$48,923
- ❖ Percent of housing units renter-occupied: 81.5%
- ❖ Median age: 24.7 years old
- ❖ Average minutes travel to work: 19.3
- ❖ The most represented race/ethnic groups in the 1-mile radius is White (36.1%), followed by Hispanic/Latino at 32.6% and Asian at 29.2%.

All demographic data was incorporated into the Multi-Asset Market Analysis to understand the potential market capture from the primary study area near the site along with secondary and tertiary markets. In addition, given the larger aspirational impact of the Clean Tech Park, the Market Analysis used local area demographics to understand how the site can support a more complete customer base. Lastly, housing affordability continues to be an important issue in California and lately a growing concern in the region. While there are existing plans and construction projects related to housing in the city of Riverside, the OASIS partners should consider how they can further contribute to alleviating these needs in the community surrounding the Clean Tech Park.

### ***Market Overview***

The synthesis of the Market Analysis is summarized below, which demonstrates how the current market components analyzed in this Analysis, such as office, retail, residential, and hotel have performed in the past and what level of unmet demand exists. The Market Analysis was used to help inform the conceptual development and financial analysis portions of the Pre-Feasibility Study for the OASIS Clean Tech Park, which revealed opportunities to provide value and meet unmet demand on the site. The market

conditions also demonstrated potential for ongoing commercial uses along University Avenue to support the City’s Innovation Corridor concept to connect UCR with Downtown Riverside.

In general, UCR’s faculty, staff, and students along with approximately 52,858 residents (within 2 miles) comprise the direct customer base. These customers can arrive to the site within a 15-20 walk or short drive. Other likely customers include those between 2-5 miles from the site or over 229,000 residents. Additionally, a separate target market includes customers who fall within the middle-to-high income bracket and who may be employed by or visiting CARB, OASIS, and UC Riverside. While minimal new development has occurred within the trade area in recent years, latent demand exists within the University’s population creating an opportunity for developers to capture demand with products not currently existing within the market. Additional data and information from the Multi-Asset Market Analysis can be found in the Appendix (Exhibit B).

**PROGRAMMATIC OPPORTUNITIES**

The following is an overview of the market conditions within a 3-mile radius of the Clean Tech Park site and programmatic considerations utilized in the concept development section of this Plan:

- ❖ **Office:** While the local office market continues to recover from the pandemic, the lack of Class A office buildings in the area and no research / lab spaces available presents an opportunity for the Clean Tech Park to be the premier destination for research and innovation in the City of Riverside. The nearest Class A buildings are located 1 to 2 miles away in the Hunter Industrial Park or Downtown submarkets and charge an average of \$37.50 / SF / year. The Clean Tech Park would be the first lab-related leased space available in the local market, which can be charged at a premium based on the lack of supply in the area. **Providing new office types to start, such as research, lab, co-working and flexible office spaces up to 200,000 sq. ft. can be supported and has the potential to drive higher rental rates.**

**Riverside, CA - Office Market - 3-mile Trade Area**

	<b>Class A</b>	<b>Class B</b>	<b>Class C</b>
<b>No. of Properties</b>	<b>6</b>	<b>31</b>	<b>10</b>
Avg. Age	26	39	45
Avg. Rent / SF / Year	\$37.5	\$27.6	\$14.3
% of Market (SF)	37%	52%	11%
Avg. Vacancy (%)	22%	30%	48%
Avg. Number of Stories	6	2	2
Avg. Parking Ratio / 1,000 SF	3.8	3.6	3.2

Figure 15 – Riverside, CA Office Market Data (3-mile trade area)

- ❖ **Retail:** Most notably, University Village (Class B) sits across the street from the site and contains a variety of uses from a movie theater, shops, casual food options, and office spaces (some of which are leased by UCR's University Extension). The market lacks upscale retail amenities within the food and beverage category, such as full-service restaurants, bars, and quick-service restaurants. Given the proximity of University Village, the Clean Tech Park must provide unique and convenient dining options for tenants that offer alcohol and late-night hours to support tenants and the local customer base. **The recommended retail program for the first two phases is up to 25,000 sq. ft. with additional retail considerations in subsequent phases to meet the anticipated growth in demand from visitors to CARB, OASIS, and UCR.**
  
- ❖ **Residential:** During Q4 of 2020, vacancy rates were at 4.2% followed by a Q2 2021 vacancy rate dropping nearly in half to 2.6%. This decline in vacancy is primarily due to significant population migration eastward from Los Angeles and Orange County residents during the pandemic. The low vacancy rate demonstrates the market has become tighter, making it difficult for renters to find affordable housing options in the 3-mile trade area. With no significant housing pipeline expected near the site, **an additional 350 – 400 units can be supported in future phases of the Clean Tech Park. Additionally, the strategic purchase of International Village by UCR should be considered given its adjacency to CARB and opportunity to meet housing demand near the UNEX site.**
  
- ❖ **Hotel:** As with other market segments in Riverside, the pandemic took a toll on the hospitality industry during 2020 with an average monthly revenue among the 14 properties in a 3-mile radius at \$2.8 M compared to \$3.9 M in 2019. However, the market is saturated with economy hotels and lacks middle scale and upper scale hotel offerings. **A recommended program of 200 rooms within a middle-to-upper scale hotel chain can be utilized to accommodate visitors coming to CARB, UCR, and the Clean Tech Park.**

As seen in Figure 16, vacancy rates within the larger 5-mile radius for residential remains tight (4%) while office and retail trend slightly higher at 9% and 10%, respectively. However, the retail market individual market assessments show a much different picture as you get closer to the University-owned site, which was evaluated on a 3-mile basis. Lease rates averaged \$25.00 (NNN) per year for office space and approximately \$21.00 for retail (Figure 17). Those figures were higher closer to the UNEX site with University Village tenants, for instance, seeing approximately \$28.00 and \$27.00 for retail and office spaces, respectively.

*More detailed information for each market segment can be found in the subsequent pages of the Multi-Asset Market Analysis section.*

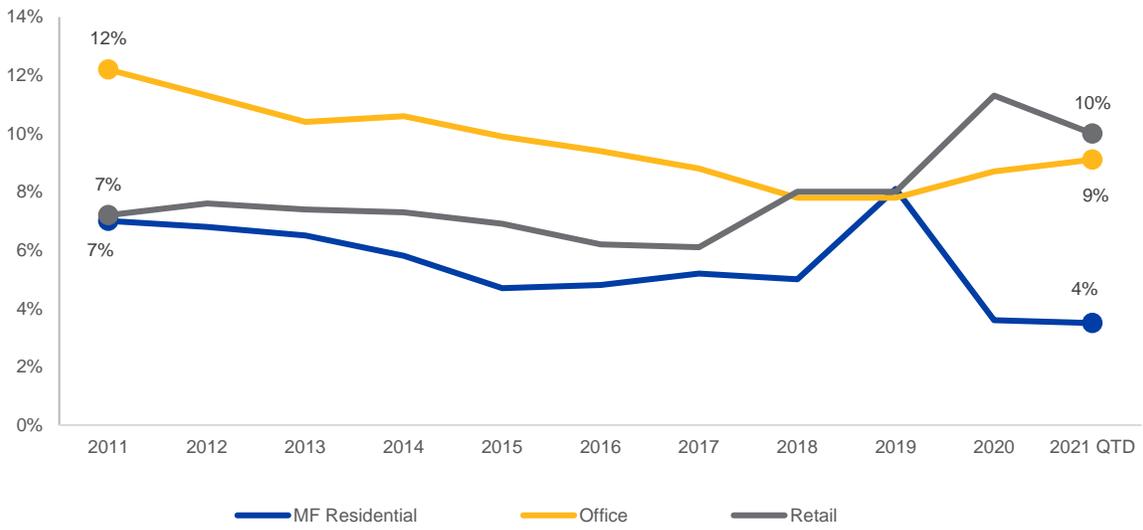


Figure 16 – City of Riverside Market Overview – Historical Vacancy Rates (5-mile radius)

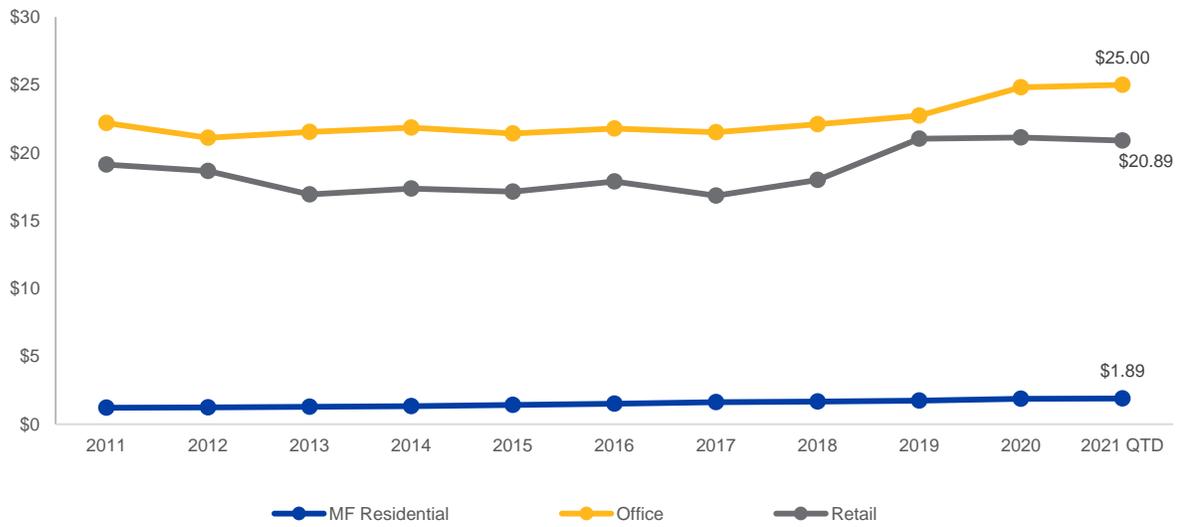


Figure 17 – City of Riverside Market Overview – Historical Triple NNN Rents (5-mile radius)

# Financial Analysis

## OVERVIEW

### *General Project Assumptions*

In order to achieve the Live, Work, Learn, Play environment of a thriving innovation district, B&D recommends UC Riverside pursue a development strategy that prioritizes an innovation zone with office and light industrial spaces in the first and second phases. Additionally, to accommodate the tenants and visitors of the Clean Tech Park, some food retail, outdoor green spaces, and general gathering / conferencing spaces should be included. The first two phases will ultimately achieve the greatest concentration of research, innovation, and community activities to begin successfully meeting OASIS strategic objectives while catalyzing development along University Avenue. As part of the development approach, B&D recommends the demolition of the existing University Extension building on the UNEX site. The existing facility contains significant deferred maintenance issues and is past its useful life. Additional debt on the UNEX facility exists and should be paid off using grant and funding sources by the University as part of the overall real estate strategy.

It is important to note that the assumptions for the phased scenarios are based on the best available information as well as key metrics and standards within the private market. Specific deal terms, cost of capital, as well as debt and equity contributions, are expected to change as a development partner is selected and the project is realized during the solicitation process for a private partner. However, the analysis does demonstrate a potential path for development and what level of contribution may be necessary from the University to support the initial phases of the Clean Tech Park.

Given the scale of the project and long-term partnership, it is anticipated that a ground lease of up to 99 years is likely but alternate lease structures may be negotiated with a master developer during the solicitation process. Additionally, this Analysis assessed the level of funding and contribution needed to ensure pre-qualified UCR tenants can maintain similar below-market lease rates being paid today with adjusted yearly for inflation. The following Financial Analysis evaluates the high-level project economics of Phase I & II using development costs, revenue and expense assumptions, University contributions, and common return metrics expected by a private development partner.

### *Development Costs*

Preliminary development cost assumptions for all potential product types were evaluated in the Financial Analysis to determine the total cost of construction of the Clean Tech Park. Construction costs may vary based on the development partner's ability to negotiate costs with local contractors and trades, so a

detailed cost estimate is recommended. The program for the two-phased innovation district project assumes light industrial, office / dry lab, conferencing, and retail as the primary uses. Cost of construction for other asset types, such as residential, hotel, and dry lab office space are also included in the chart below for consideration in future phases. Preliminary costs per sq. ft assumptions for all product types utilized in this Analysis can be found in the chart below:

Construction Costs / Square Foot by Product Type		
Retail	\$250.00	/ sf
Office	\$375.00	/ sf
Dry Lab	\$500.00	/ sf
Hotel	\$400.00	/ sf
Residential	\$350.00	/ sf
Light Industrial	\$200.00	/ sf

Source: Cumming Corp Insights

Figure 18 – Construction Costs per Sq. Ft. by Product Type – Riverside, CA

Construction cost per sq. ft. figures were then calculated to estimate total construction costs for each product type. An additional factor of 25% was used as a baseline industry assumption for soft costs, which includes design and project management fees, development fees, contingency, financing costs, FF&E, and other miscellaneous construction-related expenses. Softs costs will also vary and should be estimated by the University’s Planning, Design & Construction department.

***In today’s dollars (2021), it is estimated the total project cost for the initial phases of development will be approximately \$110-\$120 M.***

**DEVELOPMENT ECONOMICS**

***Revenue and Operating Assumptions***

Lease rate assumptions for office and light industrial were based on local market metrics derived from the Market Analysis. The Analysis assumed UCR-affiliated tenants will commit to lower lease rates for Class A office spaces than what industry / speculative office tenants will pay to align with current lease agreements by CE-CERT and UNEX. For instance, CE-CERT and UNEX are anticipated to pay a range of \$1.0 – 1.2 M and \$350,000 - \$400,000, respectively, in Year 1 rents for the first phase of development while industry partners are anticipated to pay \$700,000 – \$800,000. All rents are assumed to be triple net, which designates the tenant as the responsible party for covering all expenses under the lease such as, utilities, insurance and maintenance. Lease rates are expected to escalate on a yearly basis by 3.0%.

Lease Rate Assumptions (NNN)		
Retail	\$35.00	/ Sf / year
UCR (Office)	\$25.00	/ Sf / year
UCR (Light Industrial)	\$20.00	/ Sf / year
Community (Office)	\$40.00	/ Sf / year
Industry / Spec (Office)	\$45.00	/ Sf / year

Figure 19 – Lease Rate Assumptions by Tenant Type – Riverside, CA

Assumptions for operating expenses included property management fees, real estate taxes and other expenses associated with ownership by the private partner. All expenses are expected to also increase on a yearly basis at 3.0%. The above assumptions are generally what the market will bear and is expected to be in alignment with expectations for a development partner. Given the pre-feasibility nature of this Analysis, it is recommended that additional detailed analyses are completed by potential private partners during the solicitation process to verify all operating assumptions, developer returns, and ground lease payments to the University.

#### ***University Contribution & Potential Development Returns***

In addition to qualitative benefits from a developer's perspective for participating in the development of the Clean Tech Park, B&D developed a preliminary model to understand the potential developer returns for a project of this magnitude. The financial model was used to determine if return metrics would be favorable to a private partner and what level of contribution by the University would make the project more attractive during a solicitation and negotiation process. In a variety of modeling scenarios, the private partner internal rate of return (IRR) ranged from 18-25%. Specific cashflows modeled during the Pre-Feasibility phase cannot be guaranteed and should be vetted further during the Request for Proposal (RFP) stage by requesting operating pro forma and sources and uses information from the interested developers.

In 2021, the University received an approval from the state legislature for a \$15 M grant to be allocated towards pre-development and planning costs for the Clean Tech Park. The Financial Analysis took these funds into consideration as part of a contribution toward the demolition of the existing building on the UNEX site, as well as other pre-development costs. However, other opportunities are being investigated, such as additional state funding, federal grants from the Economic Development Agency (EDA), and matching grants from regional partners. Various contribution amounts were tested to determine what level was most beneficial to the project and the achieving UCR's goals for the Clean Tech Park. As mentioned, the Analysis attempted to identify how this contribution could help achieve affordable lease rates to UCR tenants. Significant cashflow and favorable preferred returns to the private partner were seen with an additional \$10 – 15 M contribution poured into the project. Revenues from Phase I in addition to ongoing revenues of a second phase would support the project economics and would help

sustain the initial phases of development. The potential development cash flows in Figure 20, are a representation of the positive net profit to the developer from NNN leases and after debt service, ground payment to the University, and other expenses. In a variety of modeling scenarios, the private partner internal rate of return ranged from 18-25% based on the projected cashflows of the project.

<b>Potential Development Cash Flows by Use</b>			
	<b>Year 1</b>	<b>Year 5</b>	<b>Year 10</b>
Light Industrial	\$250,000	\$348,000	\$486,000
Retail	\$156,000	\$216,000	\$299,000
Office + Shared Spaces	\$321,000	\$296,000	\$671,000
<b>Total Remaining Cashflow</b>	<b>\$727,000</b>	<b>\$860,000</b>	<b>\$1,456,000</b>

Figure 20 – Potential Cashflows by Project Use

## PROJECT DELIVERY

### *Risk Profile Assessment*

B&D conducted a risk profile assessment for the University to ascertain the development structure that provides UCR and its regional partners with the best value for delivery and risk transfer to a private partner. This exercise yielded the following framework for UCR to apply to the eventual regional partnership for the purposes of solicitation and partnership strategy with a private development partner. UCR, along with its regional partners, is willing to make a financial contribution towards the innovation portion of the site, including seeking federal funding through grants and matching contributions from regional partners, however, the University will look to a private partner to coordinate financing for the remainder of the development.

- ❖ The partnership must ensure that the programming for the Clean Tech Park is reflective of a site and facility that is porous to the community, local industry, and the University in order to reach its desired outcomes of innovation, social inclusion, and sustainability.
- ❖ UCR will be the primary tenant of the Clean Tech Park as a pre-qualified lease holder, but the development partner will be responsible for securing additional non-University tenants.
- ❖ A private development partner must assume occupancy risk for speculative office spaces, retail, as well as residential and hotel in later phases. Residential components should be mindful of offering rental rates that cater to the local workforce along with Affordable Housing options in accordance with state guidelines for new developments.
- ❖ The private developer will be responsible for all asset management within the Clean Technology Park, including maintenance, custodial, and other operating needs.

- ❖ The private partner agrees to a yearly ground lease; alternate lease structure including, a pre-paid ground lease payment; or base rent with a share of revenue streams and participation in capital market activities (i.e., sales, refinancings, recapitalizations, etc.).

### ***Regional Partnership Organization***

The results of the Risk Profile Assessment in this Pre-Feasibility phase yielded two partnership opportunities for the OASIS Clean Tech Park that should be further evaluated and discussed by UCR and its regional partners. The first approach would position a regional partnership organization to act as the governing body that oversees all real estate activities with respect to the project. The regional partnership organization could be comprised of representatives appointed by UC Riverside and other representatives from each regional partner to ensure the vision of the OASIS Clean Tech Park is implemented. The regional organization would have decision-making authority and would receive the land through a ground lease from the University. Given the entity's lack of real-estate expertise, the foundation should seek a third-party firm with subject-matter expertise to oversee real estate activities on the project site(s), which is illustrated in Figure 21. Specific activities of the third-party firm may include managing the solicitation and sub-ground lease to a development partner, monitoring the master developer's construction progress and its ongoing operations of the facility(ies), as well as any other sub-ground leases on the project site(s).

B&D reviewed the existing bylaws of the Riverside County Education Foundation (RCEF) and do not believe, as currently organized, it can properly serve the purposes of managing the envisioned real estate activities on the UNEX site or other future project sites. It is recommended that UCR and its regional partners create a new regional foundation or significantly revise the bylaws of the RCEF to allow for shared governance and expanded capabilities as outlined above. Figure 21 demonstrates the potential relationship between the regional non-profit entity (RCEF or another entity) with the University's primary purpose to maintain ties and control through ex-officio majority voting members and non-voting members within the Regional Foundation to provide guidance on real estate activities to the third-party firm to ensure vision alignment of the project(s). Lastly, in addition to a project limited liability company (LLC) for the Clean Tech Park, it is envisioned there may be multiple LLCs in the future in order to support the open framework concept of OASIS throughout the region.

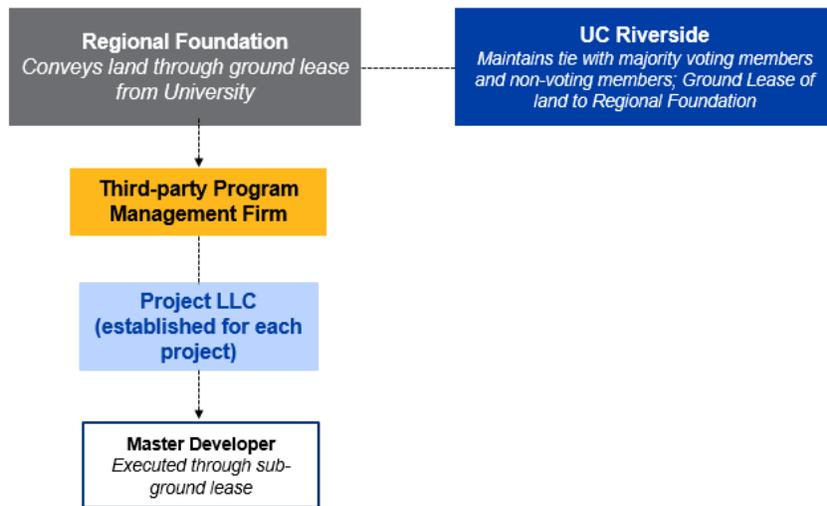


Figure 21 – Regional Foundation Governance Structure

**UCR Affiliated Foundation**

The second approach positions UCR to act as the primary beneficiary of a non-profit entity/foundation via formal affiliation with the university. The University Affiliated Foundation (UAF) would perform a variety of duties with the primary purpose of acting on behalf of UCR to ensure the vision and mission of the OASIS Clean Tech Park is realized. In this model, the University may lease the land (i.e., UNEX site or other university property) directly to the UAF and then subsequently sub-ground lease the land to a private partner for the development of physical improvements.

Additional activities performed by the UAF could also include receiving grant funding, managing the solicitation of a private development partner, monitoring the master developer’s construction progress and their ongoing operations of the facility(ies), as well as any other sub-ground leases on the project site. Depending on the available capacity within the university, it is common for internal campus resources to be deployed through an augmentation of staff with expertise in real estate, design, planning, and construction. Additionally, university expertise and staff can be used to provide support for administrative functions, procurement, legal counsel, and asset management should the UAF desire more control of the project. Any regional foundation, such as RCEF, in this structure would be connected to the project on a programmatic and collaborative nature with UCR. The regional foundation’s ability to inform the creation of programs and initiatives or to provide advice to the UAF would be through a Project Advisory Committee as illustrated in Figure 22. RCEF could serve this function as advisor, however, based on its existing bylaws, a thorough review is recommended to ensure it can adequately inform and execute the collaborative functions originally intended and established for CE-CERT. Similar to the regional foundation model, it is anticipated the UCR affiliated foundation would create multiple LLCs for each

project including the Clean Tech Park. The master developer would then be contracted via a sub-ground lease under the project LLC.

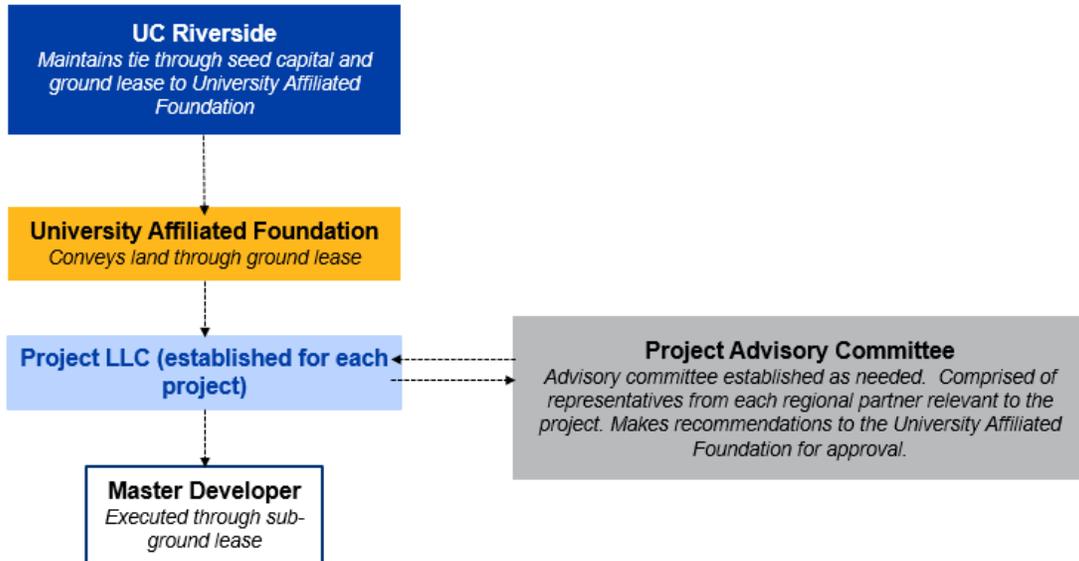


Figure 22 – University Affiliated Foundation Governance Structure

Overall, the results of the Risk Profile Assessment revealed a benefit to the University to pursue a governance structure that allows the institution to maintain the greatest control of the Clean Tech Park through ground lease terms and conditions. This control will allow for flexibility in decision making while protecting the University from risks related to the project development. The UAF structure also ensures ownership of the improvements on the land is reverted to the university after the ground lease expires. In contrast, a reversion right in a regional foundation model must be clearly indicated in the ground lease terms and conditions. Thus, after evaluating potential governance structures, B&D recommends UC Riverside pursue the establishment of a University Affiliated Foundation for future public-private partnerships associated with OASIS. Additionally, the UAF would continue to serve as the primary non-profit entity that accepts private gifts and grant funding, as well as oversees future real estate transactions related to OASIS. Finally, in order to maintain project support from non-University stakeholders in the region, an advisory committee comprised of UCR and representatives from each regional partner relevant to the Clean Tech Park can be created to make recommendations to the UAF.

## MARKET SOUNDING

B&D engaged with several national developers to socialize and assess market interest in the development opportunity. This critical step in the development process enabled UC Riverside to receive direct feedback from the development community on the project strategy and site composition, as well as gauge the extent to which the development market would be interested in participating in a solicitation process. B&D reached out to five national developers during the market sounding process. Four developers accepted B&D's request to connect for an informal discussion around the development project. Ongoing market sounding efforts are anticipated to continue garnering interest for the project prior to a formal solicitation process. A brief summary of the development market's feedback can be found below.

- ❖ The scale of the first phase program was initially perceived to be small and recommendations were given to make the first phase larger to create more space for “collisions” between innovation, social inclusion, and sustainability;
- ❖ Developers observe the larger regional and economic impact benefits of OASIS on the property site especially as it relates to providing a porous and welcoming site to local residents;
- ❖ There is interest from the market in participating in the innovation zone and eventually supporting the hotel and residential portions of the development as the precinct grows;
- ❖ The market was supportive of the pre-qualified tenancy commitments from UC Riverside, which will be a measure of maintaining or mitigating occupancy risk for early portions of the development;
- ❖ The market provided feedback on the site layout and uses, including utilizing surrounding sites for parking solutions in order to maximize the 8-acre site for the innovation zone development.

## CONCLUSION & NEXT STEPS

The Pre-Feasibility phase resulted in a real estate and development strategy for the University Extension property that aligns the strategic goals of the University for OASIS with local market realities. B&D engaged the development market to confirm project feasibility, determine market interest, and identify and evaluate associated risks with the project. The market confirmed its interest in participating in the innovation, small-scale retail, as well as the potential for a hotel and residential components as a long-term strategy. Given the market's recent engagement and interest, as well as the current favorable financing conditions, B&D recommends that UC Riverside pursue the following next steps:

1. *Determine best opportunities for preparation of the site and horizontal development:* Utilizing the recent approval of one-time funding from the state of \$15 M, B&D recommends the University pursue the demolition of the current building, additional planning, and site surveys. Demolition will allow for development of infrastructure to begin early by utilizing the existing parking lot on the

site. This strategy will provide a speed to market of Phase I (FY 2025) for the Clean Tech Park while also concurrently preparing the site for Phase II. Increase University funding towards horizontal development will create higher opportunities for university return. The private partner could then prepare horizontal development for Phase II upon demolition of the existing building for completion in FY 2029.

2. *Engage in a competitive solicitation process to identify a master developer for the Clean Tech Park:* B&D recommends the University pursue a two-step request for information (RFI) and request for proposals (RFP) process that ensures the University will receive high quality responses while allowing developers enough time to team with asset specific partners. Figure 29 illustrates a proposed solicitation timeline if UC Riverside were to engage the market in a competitive solicitation for a master developer and other anticipated steps leading to a completion of the first phase in 2025.

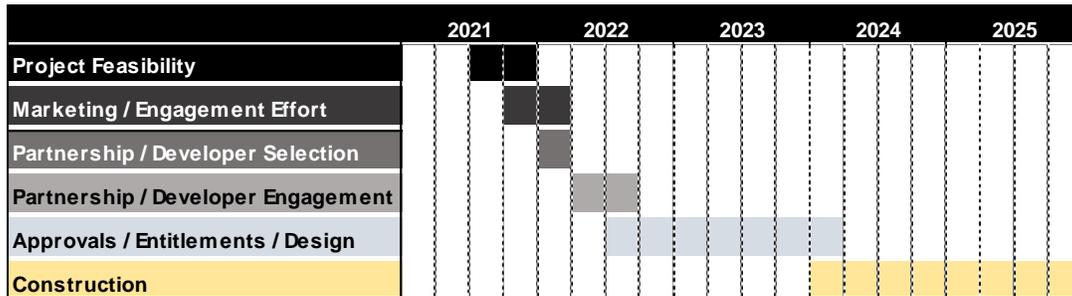


Figure 23 – Anticipated Project Schedule for Phase I of Clean Tech Park

3. *Investigate EDA federal funding opportunities and other regional funding commitments:* The University is actively pursuing EDA grant funding with the Inland Empire Growth Initiative (IEGO) for the opportunity to leverage an initial round of funding of \$500,000 (Phase I grant) followed by a Phase II grant of up to \$75 - 100 M. The EDA funding source can ultimately be used for a variety of initiatives. B&D recommends EDA funding be utilized to assist with subsidizing UCR tenant lease rates and initial infrastructure costs for the first phase of the Clean Tech Park. Finally, B&D recommends that UCR leverage these resources to acquire additional land along University Avenue for long range development opportunities.
4. *Continue to expand upon engagement with OASIS partners in the region:* Significant efforts have been undertaken to engage regional partners prior to this Analysis. As part of the next phase of engagement, it is recommended UCR re-engage industry partners, community and civic leaders, and the campus community with the findings of this Analysis. Marketing and socialization of the OASIS Hub concept and the Clean Tech Park is likely to create considerable momentum and support from partners. Consideration should also be given to presenting the OASIS Hub concept to new partners who may provide funding or would like to commit to being a tenant of the facility.



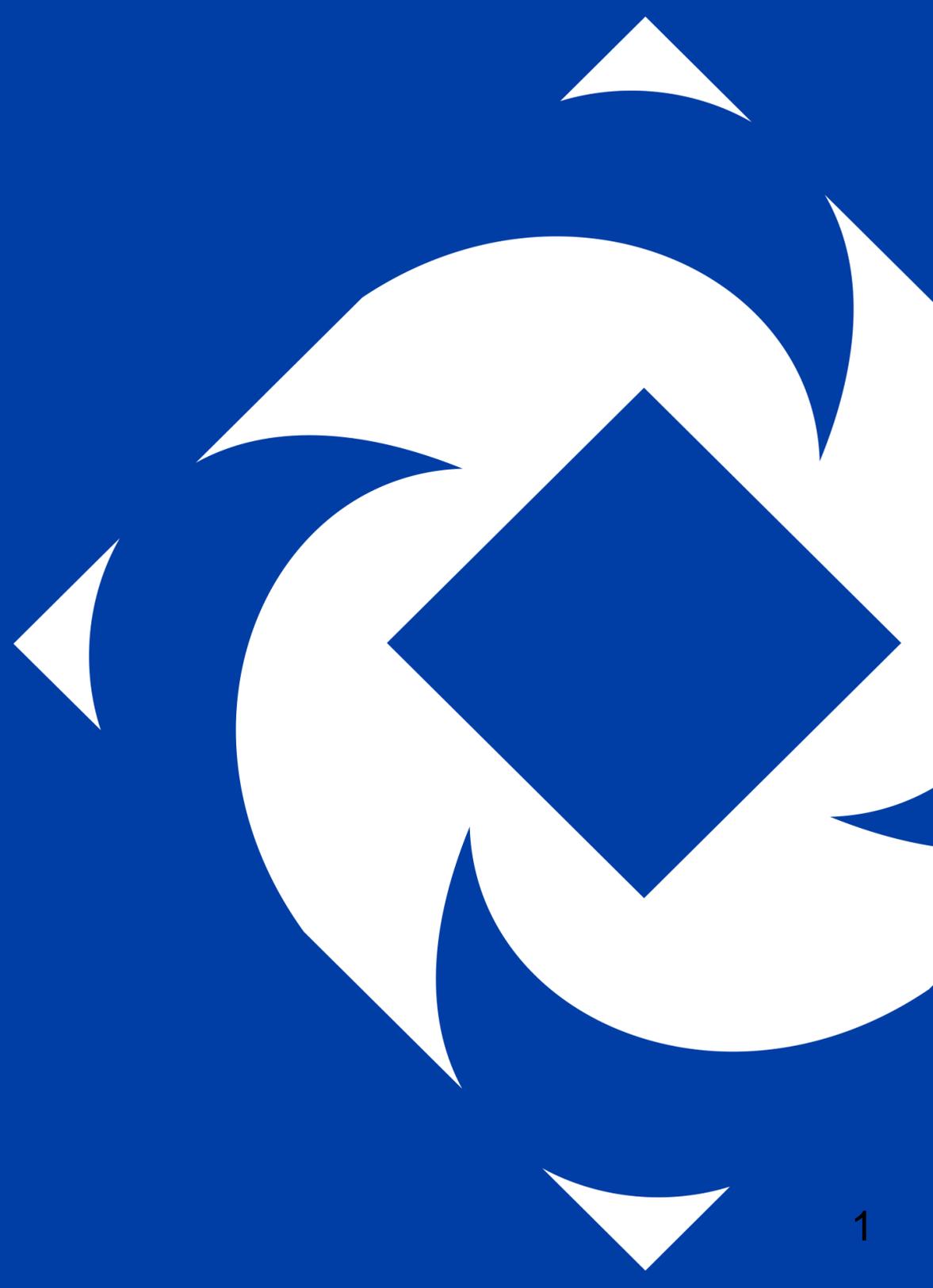
**BRAILSFORD & DUNLAVEY**

**INSPIRE. EMPOWER. ADVANCE.**

[info@bdconnect.com](mailto:info@bdconnect.com)  
**BDCONNECT.COM**

@BD\_PM   

# APPENDIX



## EXHIBIT A - SITE ANALYSIS

Figure A.1 – Aerial View of All Thirty-Four (34) Sites Analyzed



Figure A.2 – Aerial View of Seven (7) Primary Sites Analyzed



## EXHIBIT A - SITE ANALYSIS

Figure A.3 – Evaluation Criteria Results of Sites Nearest to CARB and UC Riverside

	Proximity to CARB	Proximity to UCR	Proximity to Univ. Ave	Access to Transit	More than 4 Acres	Expansion Opportunities
<b>A. Cal Trans Site (4.8 AC)</b>	●	●	●	●	●	●
<b>B. University Extension Site (8.3 AC)</b>	●	●	●	●	●	●
<b>C. Schools First Credit Union (0.37 AC)</b>	●	●	●	●	●	●
<b>D. 1575 University Ave. (4.28 AC)</b>	●	●	●	●	●	●
<b>E. 3595 Presley Ave. (0.91 AC)</b>	●	●	●	●	●	●
<b>F. 3750 Chicago Ave. (0.57 AC)</b>	●	●	●	●	●	●
<b>G. 1775-1795 University Ave. (0.63 AC)</b>	●	●	●	●	●	●

Criteria Not Met
  Criteria Partially Met
  Criteria Met

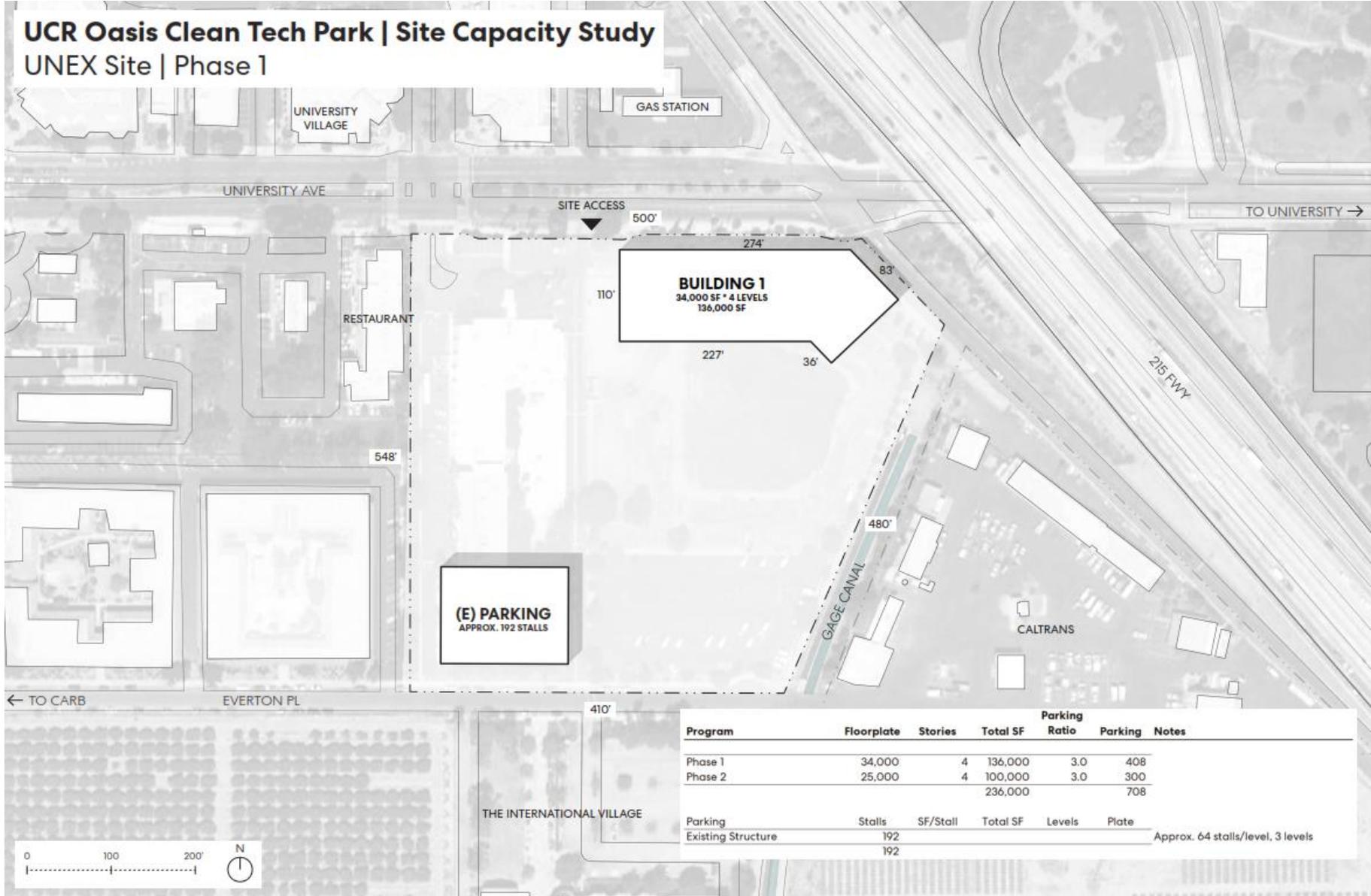
Figure A.4 – Evaluation Criteria Results of Sites Over 4 Acres (Sites A, B, & D)

	Proximity to CARB	Proximity to UCR	Proximity to Univ. Ave	Access to Transit	More than 4 Acres	Expansion Opportunities	Complexity of Community Integration
<b>A. Cal Trans Site (4.8 AC)</b>	●	●	●	●	●	●	●
<b>B. University Extension Site (8.3 AC)</b>	●	●	●	●	●	●	●
<b>D. 1575 University Ave. (4.28 AC)</b>	●	●	●	●	●	●	●

Criteria Not Met
  Criteria Partially Met
  Criteria Met

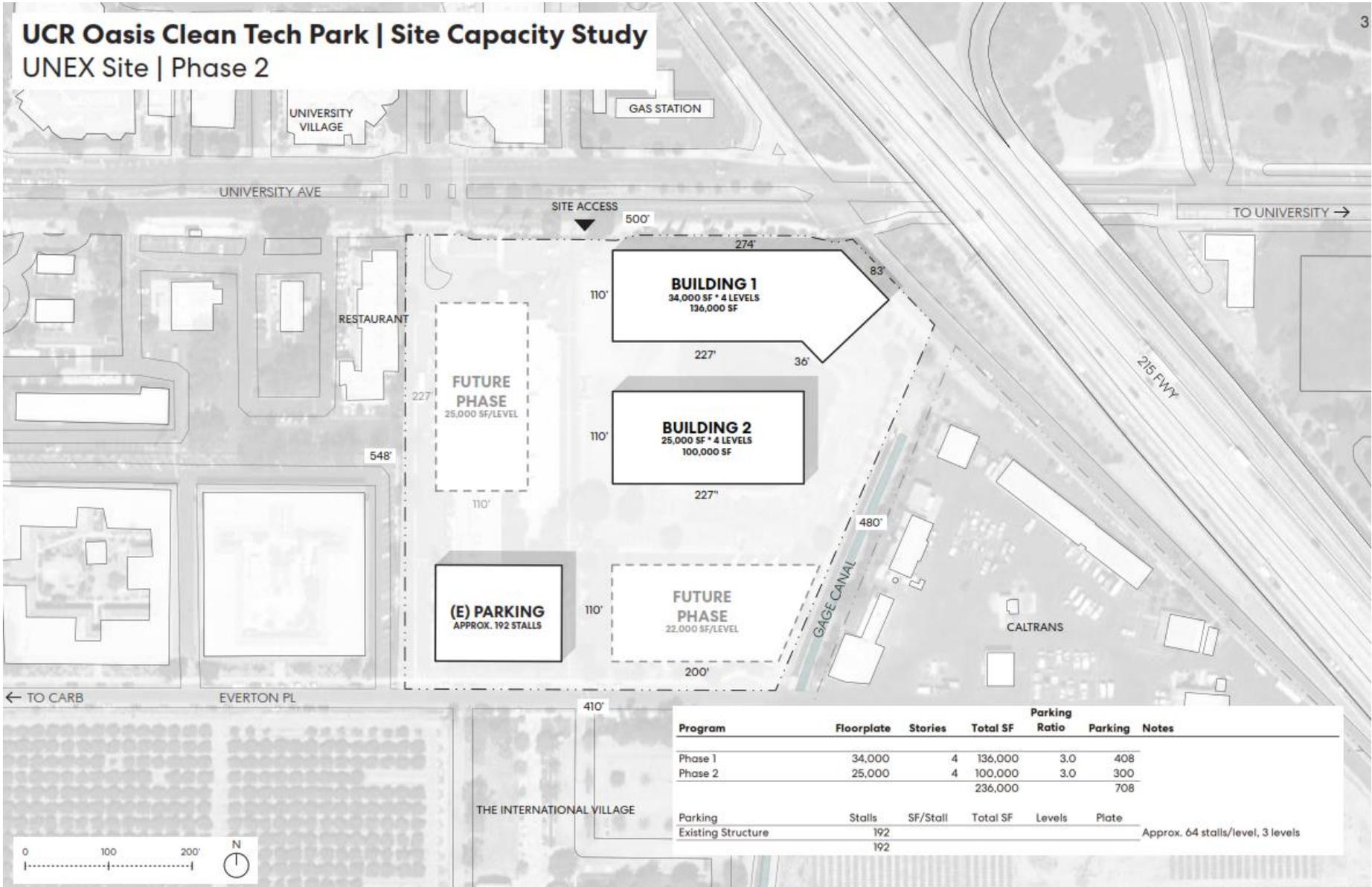
# EXHIBIT A - SITE ANALYSIS

Figure A.5 – Site Capacity Study (Phase I)



# EXHIBIT A - SITE ANALYSIS

Figure A.6 – Site Capacity Study (Phases I & II)



## EXHIBIT B - MARKET ANALYSIS

### MULTI-ASSET MARKET ANALYSIS

#### Office

Office inventory within a 3-mile radius was comprised of approximately 47 properties and over 1.7 million sq. ft. of rentable building area. The bulk of existing offices in the trade area are clustered in Downtown Riverside and are comprised of mostly Class B buildings at 52% of the total rentable sq. ft. Class B offices are an average of \$27.60 / SF / year and sit at two stories. The next largest representation of market share by sq. ft. is Class A office spaces (37%). The nearest Class A buildings to the proposed site of the Clean Tech Park are located 1 to 2 miles away in the Hunter Industrial Park or Downtown neighborhoods. Class A office spaces are also charging tenants an average of \$37.50 / SF / year and has increased 2.1% per year since 2011. No laboratory space was found in the local market and therefore could not be compared with the conceptual program developed in this Analysis. The Clean Tech Park would be the first lab-related leased space available to the local market.

Class A vacancy is an average of 22% due to the pandemic but continues to improve toward pre-pandemic levels. An example of Class A offices spaces for two local properties located in Downtown and the Hunter Industrial Park neighborhoods can be seen in the figures below. At an average height of six stories, the median age of Class A office buildings is 26 years old with only one undergoing a renovation in the past 5 years. No new Class A office inventory has been added to the local 3-mile trade area since 2012. Class A office is most comparable to the proposed new office development planned for the Clean Tech Park.

Class B and C office spaces were approximately 39 and 45 years old, respectively, and generally comprised of light industrial space in the local market. However, what it is currently in the market in terms of light industrial does not reflect the types of new spaces that can be developed and used by CE-CERT for research purposes. No comparable properties were available in the market for comparison with light industrial being proposed in this Analysis.

#### Riverside, CA - Office Market - 3-mile Trade Area

	Class A	Class B	Class C
<b>No. of Properties</b>	<b>6</b>	<b>31</b>	<b>10</b>
Avg. Age	26	39	45
Avg. Rent / SF / Year	\$37.5	\$27.6	\$14.3
% of Market (SF)	37%	52%	11%
Avg. Vacancy (%)	22%	30%	48%
Avg. Number of Stories	6	2	2
Avg. Parking Ratio / 1,000 SF	3.8	3.6	3.2

Figure 17 – Riverside, CA Office Market Data (3-mile trade area)



Figure 18 & 19 – Riverside, CA – Example Class A Office (3-mile trade area)

## MARKET ANALYSIS

### Retail

Within the trade area there is approximately 705,000 sq. ft. of rentable building area with an average size of 32,000 sq. ft. per property. The overall area has not seen an inventory increase since 2017 with one additional property coming online adding an additional 10,400 sq. ft. to the retail market. The local market is comprised of multi-tenant shopping centers and plazas common in suburban areas withing Class B and C properties. Most notably, University Village (Class B) sits across the street from the site and contains a variety of uses from a movie theater, shops, casual food options, and office spaces some of which are leased by UCR, such as University Extension. Data from ESRI identifies the following as retail market opportunities based on high demand and low supply: specialty food services and establishments that serve alcohol. Based on the local market, supply is generally serving faculty, staff, students, and local residents.



Figure 20 & 21 – Example Retail Property – University Village

Given the current nature of the market, B&D anticipates an unmet demand exists for retail options that are upscale, such as full-service restaurants, bars, and quick-service restaurants. The unmet demand is primarily generated by the primary market of UCR-affiliated customers including visitors commuting into the area from a 20-mile radius. Additionally, it is anticipated that additional demand will comprise of middle-to-high income earners who are working at or visiting CARB and the OASIS Clean Tech Park.

Local vacancies in the trade area from 2011 to 2021 has fluctuated due to the pandemic. However, the vacancy has maintained a 10-year average of 9.5%. Year-to-date vacancy for retail among the 22 properties close to the UNEX site is 15.4% or a total available space of 136,900 sq. ft. Similarly, triple net (NNN) direct rents have fluctuated and were impacted by the pandemic. For the past 10 years, rents have ranged between \$19.00 - \$28.00 / SF / Year. Current NNN rent is an average of \$24.39 in the trade area but estimated to be as high as \$30.00 - \$40.00 / SF / Year among leases closest to the UNEX site.

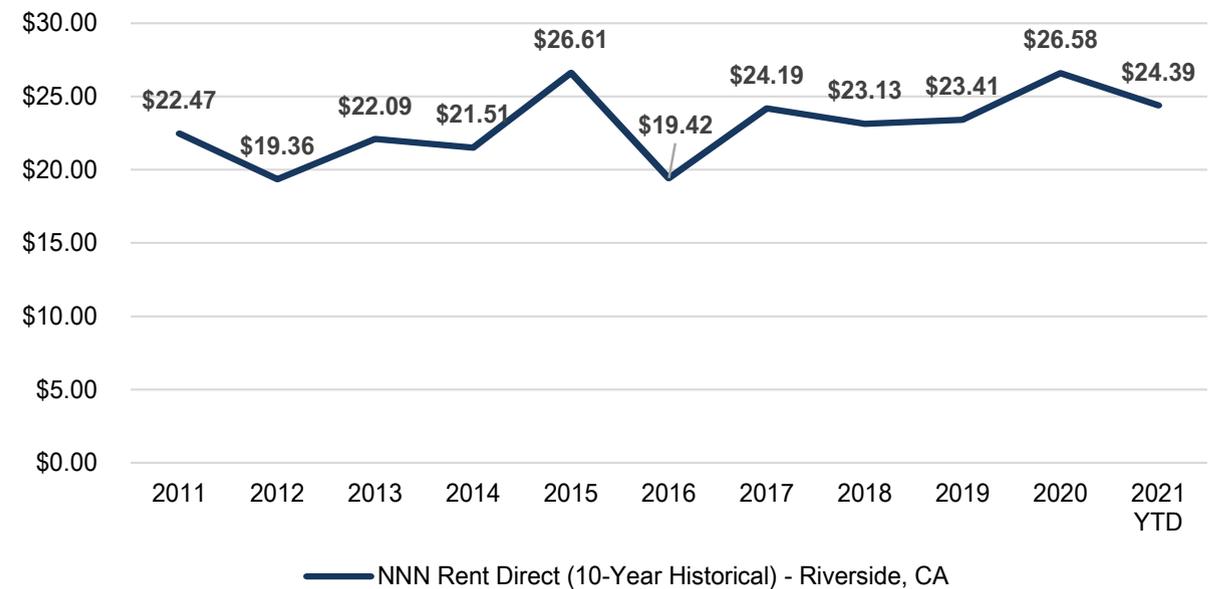


Figure 22 – NNN Rent Direct (10-year Historical) – Riverside, CA

## MARKET ANALYSIS

### Residential

Inventory for multi-family residential properties within the trade area (3-mile radius) was comprised of approximately 55 buildings and 5,326 units. The overall area has seen its multi-family inventory increase by 11.5% (4 additional properties and 553 units) from 2018 to 2021. Vacancy rates saw a significant spike during the 4<sup>th</sup> quarter (Q4) of 2019 at 10.1% due to the pandemic but has gradually come down each quarter. During 2020, vacancy rates dipped down to 4.2% in Q4 with Q2 2021 vacancy rate at 2.6%. The low vacancy rate demonstrates the market has become tighter, making it difficult for renters to find housing options. The most recent vacancy rate (2.6%) equates to 141 units available in the market, which is down from 171 in Q1 of 2021.

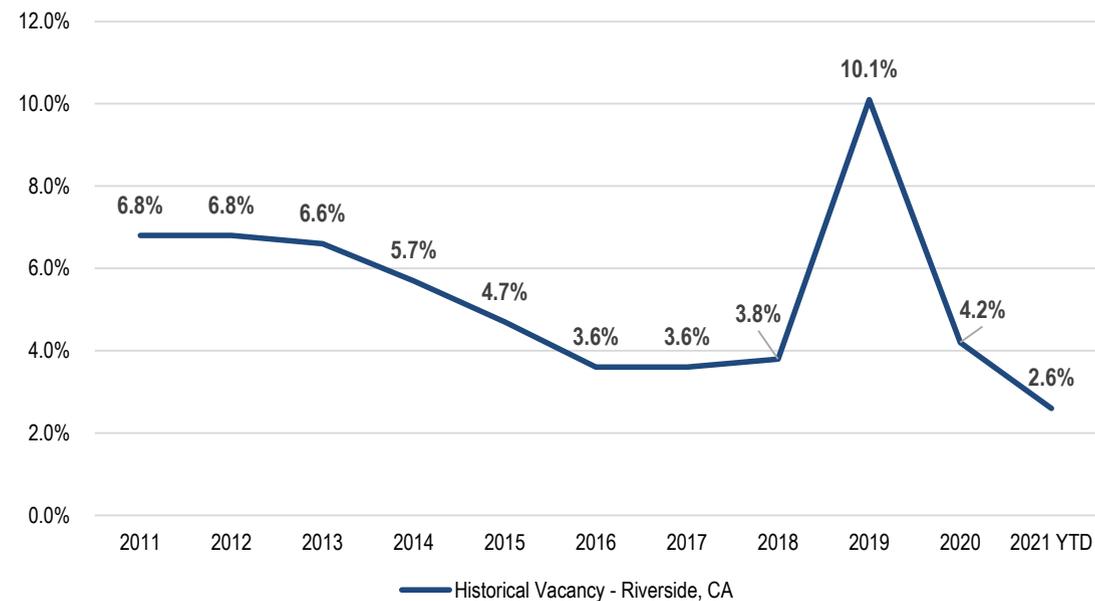


Figure 23 – Multi-family Historical 10-year Vacancy – Riverside, CA

The majority of existing units within the trade area are comprised of 1 bedroom and 2 bedrooms at 42% and 49% of the overall market, respectively. Studio (5%) and 3-bedroom (5%) options are also available but no 4-bedroom options are offered within the trade area. The average size of a 1-bedroom unit in the market is 699 sq. ft. while 2-bedroom spaces average 970 sq. ft. Unit sizes among recent properties (2019) built in the Downtown, Eastside, and Canyon Crest neighborhoods were slightly larger at an average of 714 sq. ft. and 1,095 sq. ft. for 1-bedroom and 2-bedroom units, respectively.

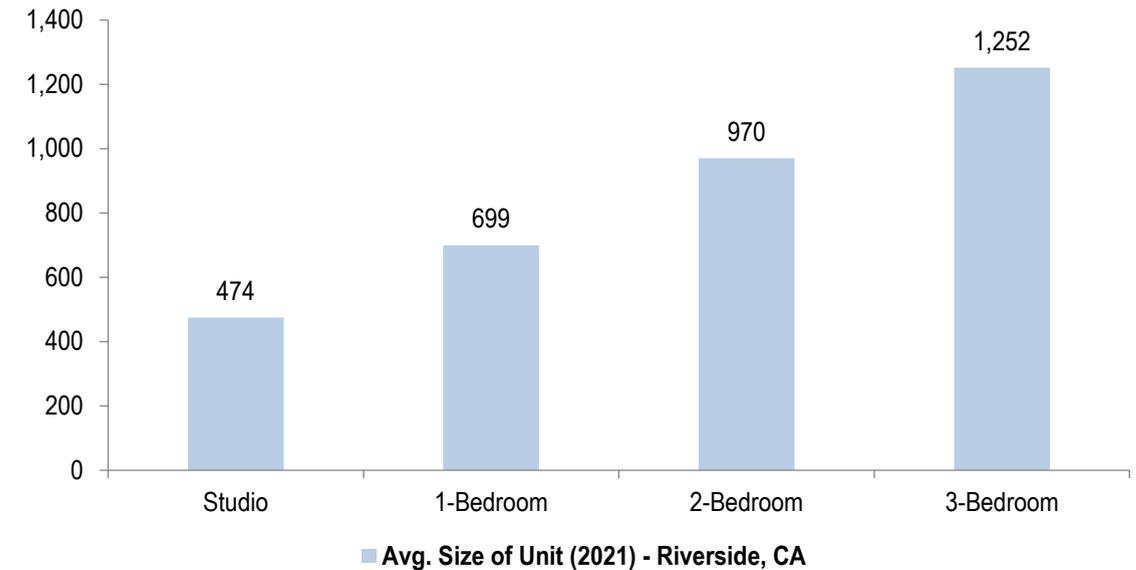


Figure 24 – Multi-family Avg. Unit Size – Riverside, CA

## MARKET ANALYSIS

As the region rebounds from the pandemic and sees an influx of residents from L.A. and Orange Counties, tight vacancy rates have pushed asking rents up by 6.6% in Q1 of 2021 and an additional 16.3% in Q2 of 2021. Rental rates among the newest properties built in 2019 were an average 35% more expensive than the average rental rates for all properties. For example, a 2-bedroom unit within a newer property (2019) was 37% more expensive than the average (\$1,786) at \$2,847 per month. Overall average rates for studio and 1-bedroom units are \$1,195 and \$1,474 per month, respectively. The greatest value on a rental rate per sq. foot basis is the studio unit (\$2.5 / SF) and the 1-bedroom (\$2.1 / SF). In contrast, the 2-bedroom unit is an average of \$1.8 / SF.

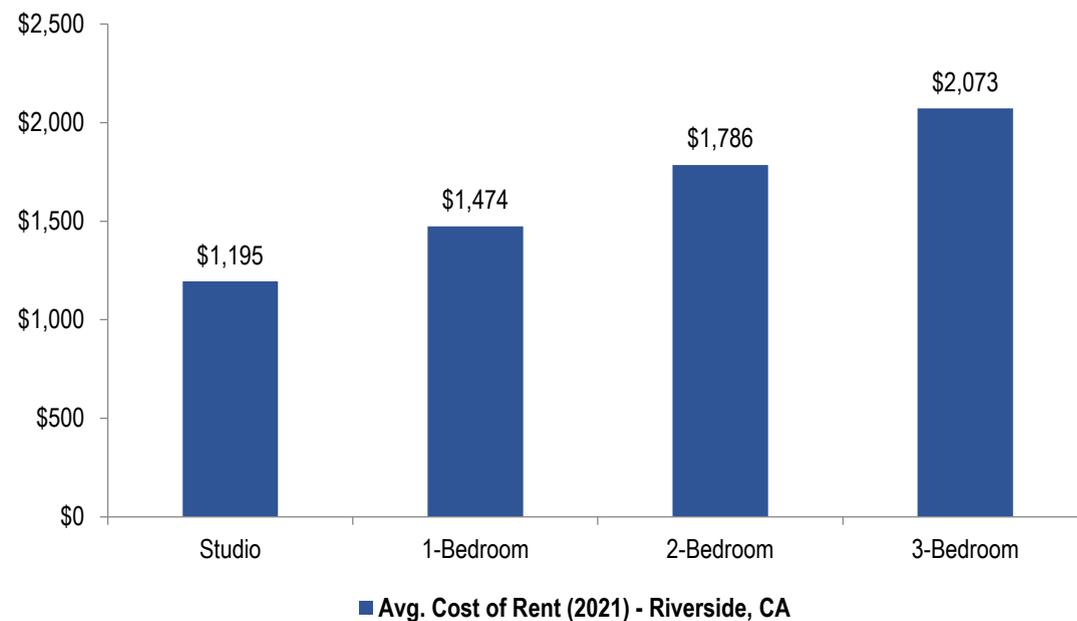


Figure 25 – Multi-family Avg. Rental Rate by Unit Type – Riverside, CA

### Hotel

The hotel market within the trade area (3 miles) varies in terms of classification from luxury and upscale in Downtown Riverside to economy and upper midscale near UC Riverside. In total, there are 1,366 rooms and 14 hotel properties in the 3-mile radius of the UNEX site that were analyzed in this report. The average property in this market has 98 rooms and are 40 years old. The most well known and oldest (built in 1900) is the Mission Inn Hotel & Spa located along Mission Inn Avenue in Downtown Riverside.

- > No. of Properties by Hotel Classification:
  - Luxury – 1
  - Upscale / Upper Upscale – 3
  - Midscale / Upper Midscale – 3
  - Economy – 7

As with other market segments in Riverside, the pandemic took a toll on the hospitality industry during 2020 with an average monthly revenue among the 14 properties at \$2.8 M compared to \$3.9 M in 2019. However, the market has continued to see an increase in activity this year with average monthly revenues now at 2019 levels (\$3.9 M). Revenues have increased 20.6% year over year from July 2020 to July 2021.

- > Avg. Daily Rate Year-to-Date (2021): \$127.61
- > Avg. Daily Rate 12-month (2020): \$138.01
- > Avg. Daily Rate 12-month (2019): \$151.23
- > Avg. Monthly Revenue Year-to-Date (2021): \$3.9 M
- > Avg. Monthly Revenue 12-month (2020): \$2.8 M
- > Avg. Monthly Revenue 12-month (2019): \$3.9 M



Figure 26 & 27 – Example Hotel Properties – Dynasty Suites and Courtyard Riverside

## EXHIBIT C - FINANCIAL ANALYSIS

*Intentionally Left Blank*