

Interiors by Roxanne

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Gaithersburg, MD 20879

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**Agreement for Construction Management Services**

1. **IDENTITY OF THE PARTIES: made as of the\_\_\_\_\_\_\_\_\_\_day of \_\_\_\_\_\_\_\_\_\_\_, 2016**

BETWEEN the CLIENT: Mr. & Mrs. Paul & Leslie Maysak

3267 P Street NW

Washington, DC 20007

And MANAGER: MDC Services LLC t/a Interiors by Roxanne (IBR)

Ted N. Smart

PO Box 7278

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1. **THE AREAS INVOLVED IN THE PROJECT:**

Client areas covered under this contract are the following:

Complete renovation of an approximately 480 square foot pool house plus wood deck and stone/brick patio walkway at 3267 P Street NW Washington, DC 20007. Maysak Pool House Plans dated 2/10/16 by Mateusz Dzierzanowski, revised 08/29/16, District of Columbia permit No. B1604567

1. **SPECIFIC SERVICES TO BE RENDERED BY THE MANAGER:**
2. **Interior Design Services**

* By separate agreement dated July 26, 2016, Client engaged IBR for interior design services (the “Interior Design Agreement”). That agreement is incorporated herein by reference and attached hereto as Exhibit A.
* IBR is to fully execute and complete its obligation under the Interior Design Agreement.
* The deposit and compensation paid IBR by Client to date for design phase I, II or III under the Interior Design Agreement are to be credited to the fees hereafter promised to be paid to IBR as Construction Manager.
* Additional charges due to purchasing arrangements and additional services by the Designer under the Interior Design Agreement shall be paid by Client in addition to the fees hereafter promised to be paid to IBR as Construction Manager.

1. **General**

* Client has engaged an architect and has obtained the necessary plans & permits to start work
* IBR to insure all work complies with the codes and regulations of the District of Columbia.
* IBR to assist Client in obtaining any additional permits and will obtain all necessary inspections at Client Cost.
* IBR, all suppliers, contractors and consultants *ar*e insured and certificates of insurance are to be supplied to Client.
* IBR to obtain release of liens from all suppliers, contractors and consultants as directed by Client
* IBR to have all necessary site safety, protection and dust protection implemented at Client Cost.
* IBR to have all work-related debris and trash hauled and disposed of offsite at Client Cost.
* Jobsite area to be broom swept each work day.
* IBR assumes all Client personal items to be removed from work area before start of work and stored out of the way of IBR and sub-contractors.
* Work areas to be free and clear during work periods.
* Work area to be professionally final cleaned at Client Cost.

1. **Contracts**

* In accordance with the approved plans, specifications and selections of Client, IBR shall assume responsibility for bidding and negotiating contracts (a “Contract”) with all professionals, consultants, engineers, contractors, sub-contractors, material suppliers and laborers (jointly “Contractors”) on behalf of Client.
* IBR shall have no authority to bind Client to any obligation or Contract without review, acknowledgement, acceptance and execution or authorization by Client.
* IBR to procure a minimum number of bids or proposals in consultation with and as directed by the Client for each part of the work.
* The Client shall generally approve and execute Contracts for all services, other than the management required to be performed by IBR pursuant to this Agreement, directly with Contractors.
* IBR may Contract for services or purchase material on behalf of Client to timely complete a phase of the work or for best pricing. Provided the Client has authorized IBR to do so, the Client shall be responsible for payment directly to such Contractors or to IBR as reimbursement, with no mark up, in the event IBR has already made payment.

1. **Construction Management**

* IBR shall have the responsibility for administrating, managing and directing all the work to achieve the Clients goals pursuant to their plans, specifications, selections and schedule.
* IBR will schedule and supervise all contractors to complete the project
* IBR will order, schedule and coordinate all material deliveries
* IBR will insure all work is completed in a professional, timely and workmanlike manner.
* Although the primary burden to secure Contracts and manage the work is IBR’s, IBR shall at all times keep Client advised of the status of work, schedule and expenditures to budgeted allocations.
* IBR will regularly consult with Client and Client shall be afforded the opportunity to review, revise or comment on any scope of the work.

1. **PRICE AND PAYMENT SCHEDULE**
   1. **Construction Management Fee**

* For performance of services, Client shall pay to IBR a fee equal to twenty percent (20%) of the cost of the work
* Cost of the work, (the “Cost”) includes but is not limited to all labor, material, delivery charges, dump fees, plans, copies and site conditions, such as temporary utilities, to complete the project.
* Items specifically not included in the Cost are;
  + architect fees
  + permit fees & inspection fees
  + furnishings or equipment selected, supplied and installed by Client
  + Client’s existing Contractors that IBR does not direct
  + Interior Design Agreement purchasing arrangements and additional services charges.
  + IBR labor, travel, phones or computer costs.
* By example, a conceptual budget based on projected Costs is attached as Exhibit B, resulting in a fee to IBR of $21,521.78 net of credit for fees paid to date for Interior Design Services.
  1. **Requisition for Payment**
* All Costs for the period approved by IBR including Contractor invoices, any IBR reimbursable items and IBR fee will be submitted to Client from time to time but no later than the 4th Friday of each month (the “Requisition for Payment”) and not more often than twice per month.
* All responsibility for payment of Contractors invoices shall be the Clients after IBR has inspected the work and material set forth in the invoice, certified it complete, satisfactory and agreed that payment is due.
* The Requisition for Payment cover page will recap current Costs and current IBR fee for payment. It will also include line items for the conceptual budget, current budget, amount paid to date and the current requisition amount in substantially the same form as Exhibit B, or as approved by the Client.
* The Client shall pay the current Cost items and current IBR fee on the Requisition for Payment within fourteen (14) days.
* If Client fails to make any payment, the outstanding balance shall bear interest at a rate of one and one half percent (1.5%) per month pro-rated from the date due or whatever penalty is in the associated Contract, whichever is less
* If Client believes IBR is being arbitrary or unreasonable in approving or refusing to approve a Cost for payment, Client shall provide IBR written notice of explanation and may then withhold payment or pay such Cost.
* In the event of a dispute between the parties the decision of the Client’s architect shall be conclusive.

1. **SCHEDULE**

* Under the current schedule
  + work and demolition is to start on or before December 5th
  + the roof is to be sheathed and covered with paper by new years day
  + the cabinets are to be set by February 14th
  + the project is to be complete by April 1st
* At such time as IBR determines that, notwithstanding its due diligence and best efforts, the current schedule is no longer accurate, IBR will advise Owner of the new anticipated date for completion and the reason.
* In the event IBR is unable to complete any part of the work according to schedule because of delays due to acts of God, inclement weather, labor disputes, material shortages or Clients failure to make timely decisions and payments hereunder, the schedule shall be altered for a reasonable period of time equal to such delay.

1. **MISCELLANEOUS**

* Client to maintain their own insurance. IBR is not responsible for loss due to fire, theft, vandalism or acts of God.
* All Contractors are expected to provide a minimum one (1) year warranty to Client on material and labor. IBR will manage service warranty issues on Clients behalf for a period of one (1) year from substantial completion of the project for no additional fee and at no additional cost to IBR.
* Substantial Completion is the date upon which the work is sufficiently complete in accordance with this Agreement so that the Client can occupy or utilize the work area for the use for which it was intended.
* IBR agrees to indemnify and save Client harmless from any claim that may arise against Client by virtue of the gross negligence or willful misconduct of IBR.
* This Agreement may be terminated with cause at any time by either party by providing written notice to the other.

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

CLIENT: CLIENT:

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(Signature) (Signature)

CONTRACTOR:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(Signature)

*This agreement is invalid if not executed by the parties within 30 days.*