

INTERIM AGREEMENT

THIS INTERIM AGREEMENT (this “**Agreement**”), dated as of ___ January, 2018, (the “**Effective Date**”), between the **CITY OF VIRGINIA BEACH**, a municipal corporation of the Commonwealth of Virginia (the “**City**”) and MEB General Contractors, Inc., a Virginia corporation, (“**Developer**”), recites and provides as follows:

RECITALS:

A. On September 26, 2017, the City received conceptual proposals, under the Virginia Public-Private Education Facilities and Infrastructure Act of 2002 (“**PPEA**”) and the City’s PPEA Guidelines (“**Guidelines**”), pursuant to a solicitation, RFP PWCN-18-0079, by the City for a Sports Center facility (the “**Project**”).

B. After a request for detailed proposals, the City received detailed proposals on November 14, 2017, for the Project pursuant to a request by the City for such proposals.

C. The Developer has submitted a conceptual and a detailed proposal (collectively, the “**Proposal**”) in response to the City’s requests for conceptual and detailed proposals.

D. As permitted by the PPEA, the City and Developer now desire to enter into this Agreement to facilitate and support the efficient and comprehensive evaluation of the Project, as hereinafter more particularly set forth.

AGREEMENT

In consideration of the premises set forth in the Recitals, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and the Developer (each, a “**Party**” and together, the “**Parties**”) hereby agree as follows:

1. **Interim Agreement: Purpose.**

a. **Interim Agreement.** This Agreement is an “interim agreement” (as that term is used under the PPEA and the Guidelines) between the City and Developer in respect of the Project. Major components of the Project are outlined on the attached **Exhibit A** (unless otherwise indicated, or the context requires, each reference in this Agreement to an “**Exhibit**” or to a “**Section**” refers to an exhibit or a section of this Agreement, as applicable).

b. **Purpose.** This Purpose of this Agreement is to engage Developer to produce for the City certain services, reports, plans, and recommendations (collectively, the “**Deliverables**”) regarding the design and construction of the Project. The Deliverables are more specifically described in **Exhibit B-2**. The Parties anticipate that the City will use all, or a portion of, the Deliverables to determine whether to approve the Project and whether to pursue a Comprehensive Agreement with the Developer pursuant to the PPEA and the Guidelines.

2. **Term.** The term of this Agreement (the “**Term**”) becomes effective as of the Effective Date and continues in effect until 5:00 PM local time in the City of Virginia Beach, Virginia (the “**City**”), on November 1, 2018, unless this Agreement expires or is terminated at an earlier date under a provision

of this Agreement. The Term may be extended by amendment of this Agreement, and such extensions shall be liberally granted so long as Developer and City are continuing negotiations and the work contemplated by this Agreement is in progress.

3. **Deliverables; Schedule; Reports; Meetings; Monitoring; Finder Activities.**

a. **Deliverables and Schedule.** Developer will provide to the City the Deliverables in substantial compliance with the schedule set forth in **Exhibit B-3** (the “Schedule”).

b. **Reports and Meetings.** Developer will deliver monthly written progress reports to the City’s designated project manager (the “City’s Project Manager”) beginning on the 30th day of the Term and on each 30-day anniversary of that initial reporting date occurring during the Term and a final such report on the last business day of the Term. In addition to any meetings or similar conferences specified in **Exhibit B**, Developer’s designees as its project managers for the Project (the “Developer’s Project Principals”), along with its other principal development team members, consultants and subcontractors (collectively, the “Developer’s Project Team”), as appropriate, will participate in monthly meetings with all or portions of the group the City designates as its management team for the Project (the “City’s Management Team”) and its selected consultants. The City’s Project Manager (or that manager’s designee), in consultation with the designee of Developer’s Project Principals, will specify the reasonable dates and times for these meetings. The City’s Project Manager is authorized to cancel, or waive, any of these monthly meetings, or opt to conduct any of these meetings via telephone, video conference, or other similar means. Among any other reasonable purpose that the City’s Project Manager may specify reasonably in advance, the participants in the monthly meetings will review (i) the then-current status of the Deliverables; (ii) new information related to the Deliverables or the Project; and (iii) Developer’s performance under this Agreement.

c. **Monitoring.** Members of the City’s Project Management Team are entitled to monitor any of the work undertaken by, or for, Developer under this Agreement, so long as that monitoring does not unreasonably interfere with that work, or with Contractor, or any applicable subcontractor’s business.

4. **Developer Compensation and Reimbursements; Payments; Limitations; Audit.**

a. **Compensation.** As full and complete compensation for its production and provision of the Deliverables and its performance of any other obligations under this Agreement, the City will pay to Developer the amount set forth in **Exhibit B-2** as the “Pre-Development Fee”. The Pre-Development Fee, and its components as listed in Exhibit B-2, are subject to adjustment by amendment to this Agreement if material changes in the Project Components, schedule, or other details of Project Design are required by the City.

b. **Payments.** Developer will present an invoice to the City monthly, and will invoice the City according to the percentage completion of each Task listed on Exhibit B-1. Payment to be made in full within ten (10) days of the City’s receipt of each monthly invoice so long as the Developer is in substantial compliance with all the terms of this Agreement.

c. **Limitations.** The City’s aggregate total liability to compensate and reimburse Developer in connection with this Agreement (whether as part of the Pre-Development Fee, as Compensable Cost, or otherwise) will not exceed \$2,336,971.00, unless this Agreement is amended in accordance with paragraph 4.a above. Moreover, no travel, lodging or meal expenses associated with the Deliverables, nor any fines or similar penalties, associated with Developer’s performance under this Agreement, and no costs or expenses associated with the negotiation or execution of this Agreement, nor any costs or expenses associated with the negotiation or execution of any Comprehensive Agreement, will be reimbursable as Compensable Costs. The Compensable Costs shall be limited to costs and expenses incurred in connection with the Deliverables and not costs and expenses previously incurred by Developer in connection with the Proposal or other actions taken prior to October 16, 2017.

d. **Audit.** During the Term, and for a period not less than five years after the last payment is made to Developer under this Agreement, or the last day of the Term, whichever is later, Developer will keep and maintain complete and accurate records, books of account, reports and other data (the ‘**Books and Records**’) pertaining to its performance, and the computation of compensation and reimbursements payable to Developer, under this Agreement. Upon reasonable notice from the City, Developer will make the Books and Records available during normal business hours for inspection and audit by the City and its designee, which may include the City and any other governmental entity providing funding in connection with the City’s possible participation in the Project. The City will be entitled to copy all or any part of the Books and Records.

5. **Project Approval; Possible Comprehensive Agreement.**

a. **Approval Status.** The City is still evaluating whether to approve the Project as part of its Capital Improvement Program. Accordingly, this Agreement is not, and is not intended to be, evidence of any such approval, or a promise or assurance that the City will approve the Project, or that the City will approve Developer; any Developer Principal; any Developer employee, manager, member, officer, owner, or principal; any entity in which Developer (or any Developer affiliate, manager, member, officer, owner, or principal) is a member or owner; any member of Developer’s Project Team; or any other person or party, will be approved as the Project developer. Moreover, the City is not obligated, and will not be obligated, to provide such approval, or to enter into a Comprehensive Agreement (as that term is used under the PPEA and the Guidelines), another interim agreement, a partnership or joint venture agreement, or any other form of contract, arrangement or relationship with Developer; any Developer Principal; any Developer employee, manager, member, officer, owner, or principal; any entity in which Developer (or any Developer affiliate, manager, member, officer, owner, or principal) is a member or owner; any member of Developer’s Project Team; or any other person or party with respect to the Project (or any other project), the Project developer, or for any other purpose. Developer has submitted the Proposal, has entered into the engagement evidenced by this Agreement, and will contribute to the evaluation process of the Project at its own risk and cost, except for its rights to compensation expressly set out in this Agreement. Moreover, should further negotiations in respect of the Project, or the Project developer (including any as to an amendment of this Agreement, or as to any possible Comprehensive Agreement for the Proposed Project) occur involving the City, or any representative of the City, or the government of the City and Developer; any Developer Principal; any Developer employee, manager, member, officer, owner, or principal; any entity

in which Developer (or any Developer affiliate, manager, member, officer, owner, or principal) is a member or owner; any member of Developer's Project Team; or any other person or party, the City is not, and will not be, obligated to complete or continue those negotiations, and the City may terminate any of those negotiations, as well as its evaluation of the Project, for any reason, or for no reason, in its sole discretion without liability, except for compensation expressly provided under this Agreement that may have been earned, and therefore due and payable, on or before such termination. The approval of the Project, any Project developer, and any further contract, arrangement or relationship as to the Project, requires passage of a binding resolution by the City Council of the City.

b. **Possible Comprehensive Agreement.** That approval status described in **Section 5(a)** notwithstanding, during the Term, the City (in its sole discretion) may determine that it is appropriate to attempt to negotiate the form of a Comprehensive Agreement with Developer (or a Developer-designated affiliate or other Developer-designated party) that is acceptable to the City and the applicable party. If the City so determines, the City and that applicable party (to the extent not anticipated by the then-existing Schedule) will formulate a negotiating and drafting schedule for this task and will endeavor to produce such a Comprehensive Agreement in accordance with the applicable timetable.

6. **Expiration/Termination of Term.**

a. This Agreement will automatically end upon the earliest of: (i) execution of a Comprehensive Agreement, or another interim agreement, in respect of the Project; (ii) the 5th business day after the date that either Party receives notice from the other that the Party giving notice does not intend to approve, or proceed with development of, the Project, or that it does not intend to otherwise pursue the Project with the other Party and elects to end this Agreement; or (iii) the expiration of the Term. If a Party ends this Agreement under clause (ii), immediately above, or the Term expires, all Deliverables then made or in production, including any work product, plans, projections, design concepts and other items delivered or due to be delivered to the City on or before the date of termination, or expiration, will become the property of the City upon delivery, the date of the termination, or the date of expiration of the Term, whichever is earlier; provided that the City has paid to Developer all sums which are due and payable to Developer as required by the terms of this Agreement.

b. Upon expiration of this Agreement for any reason other than Developer's default declared in accordance with section 13 below, the City shall pay Developer for all completed or partially completed Tasks, according to the Fee for each Task in Exhibit B-1.

7. **Designated Project Personnel.**

a. **Developer.** Developer's Project Principals, and the members of Developer's Project Team are all listed on **Exhibit C.** While this Agreement is in effect, Developer will cause each of Developer's Project Principals to devote sufficient time and attention to directing and overseeing Developer's performance under this Agreement, participate in all meetings and conferences specified in the Schedule or required under this Agreement, and to interact with members of the City's Project Management Team and the City's consultants and representatives for purposes of this Agreement. Developer may change the composition of

Developer's Project Principals only upon receiving the prior consent of the City, which will not be unreasonably withheld.

b. **City**. The City's Project Manager and the members of the City's Project Management Team are all listed on **Exhibit C-1**. While this Agreement is in effect, the City will cause all the City's Project Management Team to devote sufficient time and attention to directing and overseeing the City's performance under this Agreement, and to interact with members of Developer's Project Principals for purposes of this Agreement.

c. **Operator**. The City has retained, under separate Agreement, Eastern Sports Management, LLC, as its proposed Operator for the Project. The Operator will provide input and comments to the City and Developer to be considered for incorporation into the Deliverables. The Operator's input and comments must be approved by the City prior to incorporation into the Deliverables.

8. **Accuracy of Proposal; Representation & Warranties**. Developer represents and warrants to the City that (i) to the best of Developer's knowledge and belief as of the date of this Agreement all factual statements made in Developer's submissions to the City evidencing the Project (including those pertaining to prior experience and expertise) are true, accurate, and not misleading in any material respects, (ii) Developer has the expertise and capacities to produce and provide the Deliverables and to perform its other obligations under this Agreement, (iii) the data and other information contained within the Deliverables will be accurate and complete and its use for the purposes of this Agreement will not violate any law, or infringe or violate any property right, and (iv) Developer has full power and authority to enter into this Agreement, and the person[s] signing this Agreement on behalf of Developer has full power and authority to bind Developer under this Agreement.

9. **Indemnification**. Developer will indemnify the City (and the members of its board and its officers, employees and authorized representatives) from and against any loss, damage, expense, liability and expense (including reasonable attorneys' fees) arising from (i) bodily injury or property damage to the extent caused by the negligent or wrongful act, error, or omission of Developer, any member of Developer's Project Team, or any of Developer's or any of Developer's Project Team's employees, officers, contractors, agents or others for which Developer is legally responsible or who were otherwise acting on Developer's behalf, or (ii) the claims of third parties to the extent caused by the Developer's failure to perform its obligations, or its breach of any representation or warranty made, under this Agreement, provided in each case that the applicable claim is presented within two (2) years after the expiration or earlier termination of the Term. This indemnification provision (y) will survive the expiration of the Term or its earlier termination, and (z) is not, and is not to be construed as, a limitation of liability.

10. **Independent Contractors**. Developer, each of Developer's Project Team, and Operator are each independent contractors for all purposes of this Agreement. Neither Developer, each of Developer's Project Team, Operator, nor any of their employees, agents, subsidiaries or subcontractors is an employee, servant, agent, partner, or joint venturer of, or with, the City by reason of this Agreement, or any other reason. Neither the City, nor any of its employees, agents, or subcontractors is an employee, servant, agent, partner or joint venturer of, or with, Developer by reason of this Agreement.

11. **No Liability of Officials, Employees or Agents.** No director, officer, official, employee, agent or representative of the City is, or will be, personally liable to Developer any of Developer's Project Team, or any successor in interest of any of them, as a consequence of any default or breach by the City for any sum that may become due to Developer, any of the Developer Project Team, or any successor in interest of any of them, or on any obligation incurred under this Agreement. No officer, official, employee, agent or representative of Developer or Developer's Project Team will be personally liable to the City, or any successor in interest, as a consequence of any default or breach by Developer or Developer's Project Team for any amount which may become due to the City or any successor in interest, or on any obligation incurred under this Agreement.

12. **Insurance.**

a. **Coverages.** Developer, at its expense and not as a Compensable Cost, must carry the following insurance coverages: Workers' compensation insurance, commercial general liability insurance (on an occurrence basis), automobile liability insurance for any automobile owned or hired, and umbrella/excess liability insurance. The commercial general liability policy must be for a combined single limit for personal injury and property damage of not less than \$1,000,000, and must provide coverage, at a minimum, for (i) broad form contractual liability specifically covering this Agreement, (ii) products liability and completed operations, and (iii) broad form property damage coverage. The automobile liability policy must a combined single limit policy for bodily injury and property damage of not less than \$1,000,000). The umbrella/excess liability policy must be for a maximum single limit of (\$25,000,000) for supplementing the commercial general liability policy, workers' compensation and automobile liability policy. Workers' compensation coverage must conform to statutory requirements.

b. **Insurers; Insureds; Certificates.** Developer's insurance policies required under this Agreement must be issued by companies authorized to do insurance business in the Commonwealth of Virginia and reasonably acceptable to the City. Those policies must be primary and non-contributory with any other insurance coverage or self insurance carried by the City with respect to any claims arising out of or in connection with this Agreement. The commercial general liability, automobile liability, and umbrella/excess liability insurance policies must name the City, its officers, employees and agents as additional insureds. Upon the Effective Date, and as may be reasonably required by the City during the Term, Developer must furnish certificates of insurance evidencing the required coverages. All insurance policies shall be in form, amounts and with such companies as are reasonably acceptable to the City, provided, however, each applicable insurer must have a Best's Insurance Rating of not less than "A-".

c. **Insurance Related Covenants.** Developer must (i) notify the City promptly after Developer learns of any loss, damage or injury related to or in connection with the Project or the performance or non-performance of under this Agreement; (ii) notify any applicable insurance carrier in compliance with the policy terms, (iii) take no action (such as admission of liability) that might bar the City from obtaining any protection afforded by any policy the City may hold, or that might prejudice the City in its defense to any claim, demand or suit within limits prescribed by the policy or policies of insurance; and (iv) aid and cooperate with the City in every reasonable respect with respect to such insurance and any covered loss.

d. **Minimum Requirements.** The required insurance coverages specified in this provision are minimum insurance coverages and coverage amounts, and those specifications are only for the purposes of this Agreement. The City has not assessed the risk to which Developer may be exposed, or the liability Developer may incur, in connection with this Agreement, nor has the City represented in any fashion that such coverages or coverage amounts are prudent or otherwise sufficient to protect Developer’s interests.

13. **Default; Remedies; Limitations.**

a. **Default.** If a Party fails to perform any of its obligations under this Agreement (a “**Default**”), the other Party is entitled to give notice to the defaulting Party, which must specify the Default and demand of performance. The defaulting Party must cure the specified Default within ten (10) calendar days after it receives the notice of Default.

b. **Remedies.** If the defaulting Party does not cure the Default within that 10-day period, the non-defaulting Party will be entitled to (i) terminate this Agreement immediately by giving notice of termination to the defaulting Party and (ii) pursue all other available remedies at law, or in equity, subject to the pre-conditions and limitations specified in this Agreement.

c. **Limitations.** Notwithstanding anything in this Agreement, neither the City nor Developer will be liable to the other Party for any punitive, indirect, or consequential damages arising in connection with this Agreement (including lost profits, opportunity costs, or any other damages).

14. **Notices.** To be effective, each notice, consent, approval, waiver, or similar communication or action required or permitted to be given under this Agreement (a “**Notice**”) must be in writing and must be delivered either by private messenger service (including a nationally **recognized** overnight courier), or by USPS mail, addressed as provided in this provision. Each Notice will be considered given on the date it is provided to the applicable messenger, or to the USPS, as the case may be, and will be considered received on the date actually received, unless delivery is evaded, in which case, the date delivery is attempted will be considered the date the Notice is received. Each address set forth in this provision will continue in effect for all purposes under this Agreement unless a Party replaces its address information by appropriate new information by a Notice to the other Parties in compliance with this provision:

To the **City**: Ronald H. Williams, Jr.
Deputy City Manager
City of Virginia Beach
Office of the City Manager
2401 Courthouse Drive, Bld 1, Rm 234
Virginia Beach, VA 23456

Tel: 757-385-4242
Email: RWilliams@vbgov.com

To the **Developer:** Mark Olmstead
Senior Vice President
MEB General Contractors, Inc.
4016 Holland Blvd.
Chesapeake, VA 23323

Tel: 757-487-5858
Email: molmstead@mebgc.com

15. **Various Contract Matters.**

a. **Governing Law; Binding Contract; Waiver.** This Agreement is governed by the laws of the Commonwealth of Virginia without giving effect to its choice of law principles. This Agreement is binding upon, and inures to, the benefit of each of the Parties and their respective permitted legal successors and permitted assigns. The failure of a Party to demand strict performance of any provision, or to exercise any right conferred, under this Agreement is not, and is not to be construed as, a waiver or relinquishment of that Party's right to assert or rely on that provision or right in the future. Either Party, however, may elect to waive any right or benefit to which it is entitled under this Agreement.

b. **No Third Party Beneficiary or Other Similar Rights.** There are no third-party beneficiaries to this Agreement. Accordingly, no third-party is entitled to make any claim under this Agreement for failure to perform or other breach under this Agreement. Only the Parties (and their respective permitted successors and permitted assigns) are entitled to rely upon the provisions of this Agreement.

c. **Compliance with Laws.** Developer must comply, and must cause Developer Project Team, Developer's agents and subcontractors to comply, with all federal, state and local laws, rules, regulations and ordinances applicable to the performance of its obligations under this Agreement.

d. **Prior Agreements and Discussions.** Any agreements (whether in writing or oral) between the City and Developer existing before or contemporaneously with this Agreement relating to the Project (or any prior versions of the Project) are superseded by this Agreement. All prior discussions and negotiations as to the Project (or any prior versions of this project) are merged into this Agreement. The submission of any unexecuted copy of this Agreement does not constitute an offer to be legally bound by the provisions of the document submitted; and no Party will be bound by this Agreement until it is approved, executed and delivered on behalf of by both of the Parties.

e. **Assignment.** Developer is not entitled to assign its rights, nor delegate its duties, under this Agreement without the prior consent of the City, which consent the City may be withheld in its sole discretion.

f. **Entire Agreement; Amendment; Counterparts.** This Agreement constitutes the entire agreement of the Parties as to the Project. This Agreement may only be amended or modified by a writing signed on behalf of each of the Parties. This Agreement may be

signed in any number of counterparts, and, so long as each Party signs at least one counterpart, each signed counterpart evidences an original Agreement, but all signed counterparts together constitute but one Agreement.

g. **Rules of Usage and Interpretation.** The captions in this Agreement are for convenience only and are not to be used in its interpretation. This Agreement shall not be construed against one Party, or the other Party, on the basis that its counsel drafted it or participated in its drafting. The words “include,” “including,” or words to similar purport are not to be construed to be words of limitation. References to a Party means and includes that Party and its permitted successors and permitted assigns.

h. **Venue.** Any legal action, equitable cause, or other judicial proceeding with respect to this Agreement must be brought in the courts of the Commonwealth of Virginia in the City of Virginia Beach, or of the United States of America for the Eastern District of Virginia (Norfolk Division) and in no other courts. By signing this Agreement, each Party accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of those courts.

[Signatures on next page.]

WITNESS the following signatures and seals.

CITY OF VIRGINIA BEACH

By: _____

Name: _____

Title: City Manager

Date: _____

ATTEST:

City Clerk

MEB GENERAL CONTRACTORS, INC.

By: _____

Name: George Clarke

Title: President

Date:

Exhibit A – Major Components of Project

Virginia Beach Sports Center – Contract # PWCN-18-0079

Minimum Program Floor Space Elements:

- 12 high-school sized hardwood basketball courts that can be converted to 6 collegiate-sized courts and, utilizing the same floor space, 24 volleyball courts
- Sufficiently sized program floor space to accommodate other sports, in addition to the above, such as futsal and indoor field hockey programming
- Remotely operated floor-to-ceiling screens/nets to separate the court surfaces
- Physical structure of the programmed sports area must be clear-span without columns
- Program space flooring should be of a hardwood consistent with that used for high-quality flooring for basketball courts
- Ceiling heights need to be appropriate for basketball and volleyball activities.
- Ceiling mounted, remotely operated, basketball hoop/backboard assemblies including an automatic rim-height adjustment capability
- Ceiling mounted, remotely operated, volleyball stanchions/nets that can be raised/lowered into playing position.
- Current technology video/scoreboard package

Minimum Support Space Elements:

- Combination of built-in and portable bleacher systems to support viewing for at least 3,000 spectators including the ability to provide seating of 1,500 – 2,000 spectators around a “championship” court
- Lobby/Entrance reception area designed for high-visibility of facility space including programming space
- Elevated/Mezzanine and walkway space on at least one side for viewing of programming space and family/participant “camping” and optional consideration for dedicated coach/scouting observation area
- Separate team/participant entrance and check-in area
- Concessions/Vending food service area with kitchen/food prep space sufficiently sized to serve and seat spectators and participants on main floor as well as mezzanine level
- Catering area to support catering delivery and prep area with outside access
- Adequate storage space to support multi-sport equipment storage, maintenance material and equipment storage, administrative supply storage and vendor/concessionaire storage
- Load-in/out access door(s) to the program space and storage space
- Two designated official’s locker room/changing room facilities (male/female) with designated access door from outside
- Flexible meeting/team room space that can be divided into multiple rooms
- Sufficient space for family and team participant “camping” space to accommodate up to 5,000 people
- Sufficient office space for facility operations
- Sports trainer/medical room with appropriate FF&E
- Dedicated space for box office/ticketing
- High-quality, energy efficient HVAC system

Other Elements:

- 200 meter, hydraulically banked, indoor track and field system, built to professional and NCAA standards that can be utilized for most major sports by use of court/mat overlays

Interim Agreement – VB Sports Center

- Portable court and indoor turf component, consisting of either a roll-out turf system or portable court system
- Additional 30,000 SF of support amenity spaces as proposed by the Operator (under Separate Interim Agreement) and as Approved by the City of Virginia Beach

EXHIBIT B - 1

**Virginia Beach Sports Center
PPEA RFP for the City of Virginia Beach**

**MEB General Contractors, Inc.
CIP 9-041**

**Virginia Beach Sports Center
Contract # PWCN-18-0079
Cost Proposal Form**

02/01/18

Div/Item	Description	Total
Interim Agreement		
15% Design and Engineering		
	- Architecture and Engineering Planning and Development	\$ 693,248.00
	- Schematic Design Phase Architecture and Engineering	\$ 895,575.00
Project Planning Requirements		
	- Surveying	\$ 37,500.00
	- Review Fees and Permitting	\$ 2,000.00
	- Environmental Analysis	\$ 21,929.00
Preliminary Site Work		
	- Geotechnical Investigation	\$ 51,360.00
	- Site Plan Concept Designs and Analysis	\$ 274,059.00
	- Preconstruction Services	\$ 96,300.00
Deliverable for Comprehensive Agreement		
	- Offer of Guaranteed Maximum Price	\$ 65,000.00
Allowances		
	Allowances	\$ 200,000.00
TOTAL		\$ 2,336,971.00

Exhibit B - 2

**Virginia Beach Sports Center
Contract # PWCN-18-0079**

List of Deliverables

Preliminary Schematic Design

Final Schematic Design

Planning & Program Scope Requirements Summary report

Conceptual Site Plan Options & Building options with Cost evaluations

Initial 15% DD

Final 15% DD

Site Survey- selected site

Geotechnical Report- selected site

Offer of Guaranteed Maximum Price

Total Project Schedule

Exhibit B-2 Deliverables/Criteria Clarifications

Planning & Program Scope Requirements Summary Report

The Developer shall provide a copy of the planning study report containing the City approved program requirements upon completion of the study. The planning study will be conducted with the City of Virginia Beach representatives, Developer, Designers, and other essential stakeholders over the initial 2 months of the process. The planning study will evaluate 2 building programs/layouts detailed in the Schematic design and conceptual site plan sections below. The different building options will include 1) A Sports Center without a 200-meter hydraulically banked indoor track and field; 2) A Sports Center with a 200-meter hydraulically banked indoor track and field. These two layouts will be sited on 3 separate possible project sites (6 scenarios total). The sites are 1) The parking area south of the convention center and east / south east of the Veterans Memorial; 2) The parking area southwest of the convention center and west / southwest of the Veterans Memorial; 3) The parking area west of the convention center. Each different scenario presented will show building orientation and pros / cons with programmatic costs, potential impacts to utilities (water, sewer, stormwater, natural gas, electrical, etc.), and impacts to construction scheduling. The City will provide the appropriate building and planning code officials during design review meetings to assist with compliance issues. The Owner will use this deliverable to obtain a building program and site location approval from City Council. The schedule date for this deliverable is April 3, 2018.

Schematic Design:

The Developer shall review the program furnished by the City to ascertain the requirements of the Project and arrive at a mutual understanding of such requirements with the City.

The Developer shall provide a preliminary evaluation of the Program and the Project budget requirements, each in terms of the other. Floor plan shall be submitted with scope and initial budget at the end of the Preliminary schematic review. Floor plan and layout modifications required by the City will be incorporated in the Final schematic submission to establish building footprint to proceed with the Preliminary Site Plan and Preliminary Design.

The Developer shall review with the City alternative system approaches to design and construction of the Project. The Architect shall be prepared to discuss the probable cost ramifications with each alternative approach to determine approach for Preliminary design.

This schedule shall include allowances for periods of time required for the City's review and approval of submissions and for review and approval of authorities having jurisdiction over the Project. It is anticipated that the majority of City reviews will take place during the bi-monthly meetings, allowing the design-build to fast-track design in accordance with the provided Exhibit B-3 Schedule, and not have to stop work during a "review period."

The City will provide the appropriate building and planning code officials during design review meetings to assist with compliance issues.

The Developer shall submit to the City a preliminary cost estimate (based on current area,

volume or other unit costs) and six sets of progress prints (shall include site plan, floor plans, and main elevations) at each submission as indicated on Exhibit B-3.

Cost Estimates will be provided at the following stages:

- Completion of the Preliminary Schematic Design
- Completion of the Final Schematic Design
- Completion of the Initial 15% DD Design
- Completion of the Final 15% DD Design
- Preparation of GMP

The Developer shall a schedule and present his proposed design in a review meeting with the City's Team.

15% Design Development:

Based on the approved City's Schematic Design Documents the Developer shall prepare, for approval by the City, 15% Design Development Documents consisting of drawings and other documents to fix and describe the size and character of the entire Project as to architectural, landscape architectural, exterior renderings/elevations, civil, structural, mechanical, and electrical systems, materials, furniture and equipment, and such other elements as may be appropriate. Level of detail shall meet or exceed the level of detail provided by the MEB Design-Build team in the Phase II submission of the RFP.

The Developer shall research pertinent and applicable regulations and code requirements which affect this Project. The Developer's design shall meet the Building Code requirements established by the Authority Having Jurisdiction. The City will provide the appropriate building and planning code officials during design review meetings to assist with compliance issues.

The Developer shall submit to the City a preliminary cost estimate based on (based on current area, volume or other unit costs) and two sets of progress prints and specifications for each scenario. The Developer's design shall include the requirements established in the City of Virginia Beach Public Works Facility Design Guidelines and the City of Virginia Beach Public Works Building Maintenance Construction Standards as applicable to the level of design set in this agreement.

The Developer shall schedule and present his proposed design in a review meeting with the City's Team.

Site Survey

The Developer shall provide a copy of the site survey for the project site.

Geotechnical Report

The Developer shall provide the City with 2 printed copies of the copy of the completed geotechnical report and one electronic copy in .pdf format. The report shall include any geotechnical borings or subsurface investigation required for the Project.

Conceptual Project Site Plan:

The Developer shall prepare six different conceptual site plans for the Project. Each site plan shall show building orientation for that particular site as well as impacts to existing utilities (water, sewer, stormwater, natural gas, electrical, etc.).

The design shall allow for functional outdoor space for additional “camping” and event space for tournament ancillary activities

Parking does not need to be considered at this phase of the design process but will need to be added to the scope of work prior to submission of site plan.

Guaranteed Maximum Price for the Design Build Agreement

The Developer shall submit to the City a detailed Guaranteed Maximum Price for the approved building program and location of the Project necessary to complete the Project. Design, all divisions of construction, schedule, and contingencies (both City and Developer) necessary to provide a complete Project shall be included in the Guaranteed Maximum Price. The Guaranteed Maximum Price for the Project shall be submitted to the City by June 6, 2018.

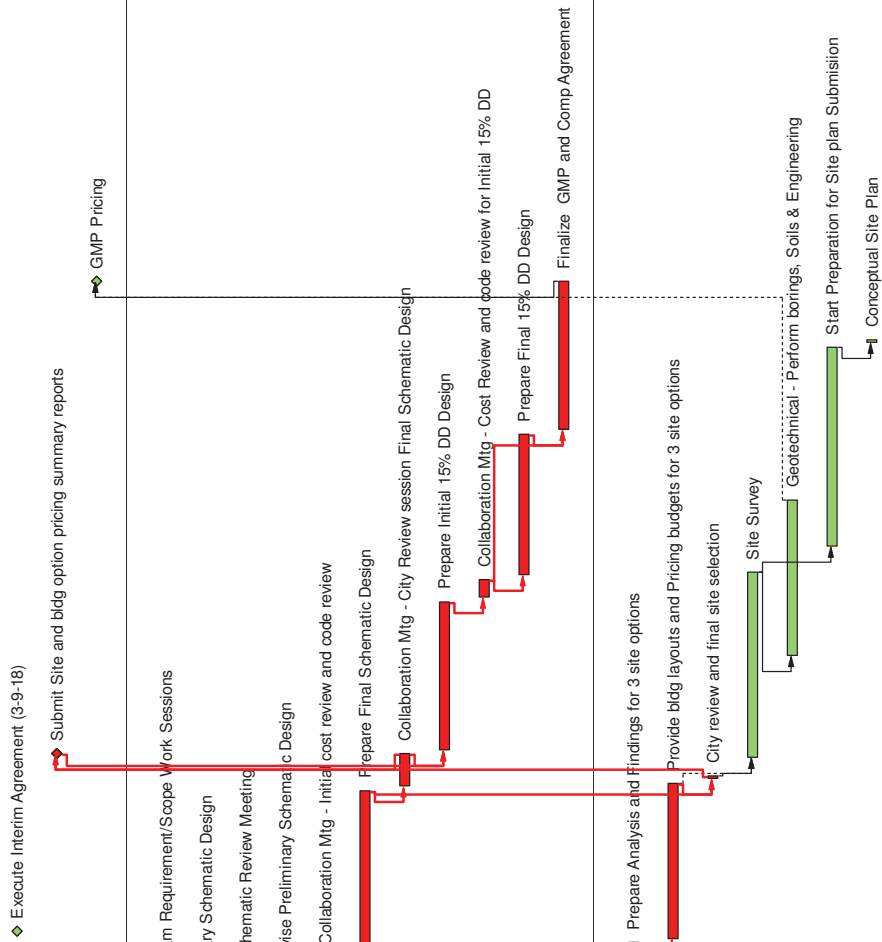
Total Project Schedule

The Developer shall provide an accurate detailed schedule for the approved project (in MS Project or Primavera) to include for Construction Document Development, Bidding and Award, and the Construction Phases. Schedule shall include design milestones, construction milestones, major equipment installation, long lead items, substantial completion, final completion, turnover /occupancy, and start of operations by the Operator. The Total Project Schedule shall be submitted to the City by June 6, 2018.

Allowances

Allowances are contingent services to be Authorized by the City should additional effort be required during the Interim Agreement.

Activity Name		Dur	Start	Finish	Feb	Mar	Apr	May	Jun	Jul
Virginia Beach Sports Center										
Schematic Design, Site Plan & Interim Agreement										
Milestones										
Execute Interim Agreement (3-9-18)	0	3-9-18*								
Submit Site and bldg option pricing summary reports	0	4-2-18*								
GMP Pricing	0	6-6-18*								
Schematic Design										
Planning Charette- Program Requirement/Scope Work Sessions	1	2-8-18	2-8-18	2-8-18						
Prepare Preliminary Schematic Design	6	2-9-18	2-16-18	2-16-18						
Preliminary Schematic Review Meeting	1	2-19-18	2-19-18	2-19-18						
Revise Preliminary Schematic Design	9	2-20-18	3-2-18	3-2-18						
Collaboration Mtg - Initial cost review and code review	1	3-5-18	3-5-18	3-5-18						
Prepare Final Schematic Design	17	3-6-18	3-28-18	3-28-18						
Collaboration Mtg - City Review session Final Schematic Design	3	3-29-18	4-2-18	4-2-18						
Prepare Initial 15% DD Design	15	4-3-18	4-23-18	4-23-18						
Collaboration Mtg - Cost Review and code review for Initial 15% DD	3	4-24-18	4-26-18	4-26-18						
Prepare Final 15% DD Design	13	4-27-18	5-16-18	5-16-18						
Finalize GMP and Comp Agreement	15	5-17-18	6-6-18	6-6-18						
Site Plan										
Prepare Analysis and Findings for 3 site options	20	2-8-18	3-7-18	3-7-18						
Provide bldg layouts and Pricing budgets for 3 site options	16	3-8-18	3-29-18	3-29-18						
City review and final site selection	1	3-30-18	3-30-18	3-30-18						
Site Survey	20	4-2-18	4-27-18	4-27-18						
Geotechnical - Perform borings, Soils & Engineering	15	4-16-18	5-7-18	5-7-18						
Start Preparation for Site plan Submission	20	5-1-18	5-28-18	5-28-18						
Conceptual Site Plan	1	5-29-18	5-29-18	5-29-18						



CLARK NEXSEN
 HANBURY EVANS WRIGHT VIATTAS + COMPANY
 ARCHITECTURE + PLANNING

Virginia Beach Sports Center
 Interim Agreement Schedule



Data Date: 2-8-18
 Durations are represented in workdays.

Exhibit C- Project Principals; Project Team

PROJECT PRINCIPALS

Developer - MEB General Contractors, Inc.

PROJECT TEAM

Construction Contractor	MEB General Contractors, Inc.
Architects	Clark Nexsen Hanbury Integrated Consulting Group
Mechanical/Electrical/Plumbing Consultant	Clark Nexsen
Structural Consultant	Clark Nexsen
Civil Engineer	Clark Nexsen
Geotechnical Consultant	GET Solutions
Hydraulic Track Consultant	Beynon Sports Surfaces
Legal	Vandeventer Black LLP

Exhibit C-1 – City’s Management Team

Deputy City Manager	Ronald H. Williams Jr.
CVB Director	Brad Van Dommelen
CVB Project Manager	Nancy Helman
FPW Facilities	Thomas Nicholas
DPW Facilities	Kevin Jensen
DPW Facilities Project Manager	Richard Martinec
City Attorney’s Office	Dayna Harmeyer