At Diversified Project Management (DPM) we possess the requisite project experience and proven processes to properly and effectively provide the Owners Representation services necessary to support you and the Town of Newtown (TON).

This proposal is specifically defined to the first phase of this very important project and the scope of work associated to the first phase has been detailed in the following Scope of Services section. The fee is associated with Preconstruction Phase 1 only and does not include the IPD Design Team portion of the project.

As we discussed, my role will be your primary point of contact (as your Project Executive), I will assemble a project management team that will allow us to focus on the needs of the students, the staff, and the visitors to the Newtown School System. Furthermore, DPM will orchestrate the communications and input of all those involved to create a clear and concise project scope. Our team will then assist in the preliminary project programming, scheduling, and preliminary budgeting. We will write the Requests for Qualifications (RFQ) of Construction Management (CM) firms, and all other project related professionals and consultants. DPM will then lead the selection process, keeping objectivity a priority. We have the skillset to not only manage your design and construction process but to coordinate specialty consultants, as well as specify and manage the procurement of furnishings, fixtures and equipment required to fit out the project. Lastly we will manage commissioning, the physical move of the existing school, its punch list and project closeout.
Scope of Services

We will work closely with you to customize our services to meet your needs. The following scope outlines our understanding of your project requirements and you are free to modify this scope as necessary.

I. Pre-Construction Services **Phase 1**

A. Development of Project Team

1. Working collectively with Newtown officials, to identify appropriate, town and state personnel responsible for specific aspects of the project as well as become members of the partnership of an Integrated Project Delivery (IPD) method.
   a) These may include representatives from State of Connecticut School review board, Newtown IT/Data/Telephone, School Superintendent, principal, Facilities, Finance, and various department heads or educators.
2. Prepare and distribute Requests for Qualifications from:
   a) Architects and Engineers including:
      (1) Structural engineers
      (2) Civil engineers
      (3) Geotechnical:
          (a) Including Boring Specialist
      (4) Building Code Consultant
      (5) Traffic Consultant
      (6) Food Service
      (7) Hazardous Material Consultants (If required), including:
          (a) Survey and Testing
   b) Landscape Architects
   c) Security Consultants
   d) Voice and data (if required)
   e) Construction Managers
   f) Demographics Consultants
   g) And any others as needed
3. DPM will assist the Town of Newtown in developing a Non-Disclosure Agreement (NDA) for execution by all parties contacted as part of this project.
4. Collectively meet with Town of Newtown representatives to develop the “Short List” of potential partners.
5. Coordinate, plan, and execute interviews leading to the selection process for IPD partners
6. Facilitate contracts between the Town of Newtown and all selected partners and consultants.
7. Identify, qualify and recommend additional team members including the architect, engineer, general contractor, voice/data and security consultants, as specified in the Bidding Procedures section
II. IPD Preconstruction Services **Phase 2** (not included in this fee proposal) The fee for this phase will be negotiated with the Town of Newtown following notification of availability of funds.

A. Coordinate Architect’s Efforts in the generation of an accepted Space Program

1. Develop standards for space use such as:
   a) Classrooms
   b) Administrative office sizes including Maintenance
   c) Special use areas,
   d) Library
   e) Theater (including AV and presentation needs)
   f) Gymnasium and play areas
   g) Labs
   h) Storage for:
      (1) Computer
      (2) Gym Equipment
      (3) Theater Equipment rooms,
      (4) Filing areas
      (5) Maintenance Equipment Storage

2. Review and document overall project organization for planning, design, Construction and relocation.
3. Using programming questionnaires and other materials as necessary, review and analyze departmental organizations, personnel counts, growth projections and adjacency requirements
4. Develop and drive a pre-construction schedule.

B. Establish Preliminary Budget Parameters for the following

1. Site development and permitting
2. Design and Engineering
3. Other Professional fees
4. Construction
5. Furniture and equipment purchase and/or liquidation
6. Voice and data cabling
7. Specialty areas such as laboratories, computer rooms, and cafeterias
8. Signage, artwork and similar miscellaneous trades
9. Overall relocation cost
C. Scheduling and Reporting
   1. Create master project schedule, to include such milestone events as property acquisition, schematic design approval, permitting, construction commencement and completion, as well as long lead items in the areas of construction, furniture, technology, etc.
   2. Update the schedule, adding new tasks as required
   3. Advise TON of scheduling conflicts and how to address them
   4. Conduct weekly project meetings, take minutes and distribute to the project team, establishing accountability and tracking the schedule

D. Design and Engineering Coordination
   1. Coordinate the efforts of the design team in the schematic design, design development process and the development and review of test fits
   2. Coordinate the activities of selected AE firm and other consultants as required
   3. Review all space plans and layouts for conformance with TON’s program of requirements
   4. Provide value engineering for design documents
   5. Work with CM on the IPD team to develop overall project budget, based on estimates generated at Schematic, Design Development and Construction Documents phase of the design.
   6. Report and or present on preconstruction project status regarding design, planning, and budget as required to Town State and Federal authorities as required.
   7. Attend seminars as required by TON.

E. Voice & Data Coordination
   1. Coordinate the selection and hiring of communications consultant
   2. Manage the efforts of TON’s IT department/ consultant to coordinate the following:
      a) Specification and design of the new network system and equipment
      b) Determining computer room power and mechanical loads and requirements
      c) Phasing of network relocation
      d) Integration of IT schedule with overall project schedule
      e) Schedule the ordering and installing of new equipment
      f) Selection of cabling installer
      g) Selection and management of vendor to provide move day disconnection and reconnection services for individual computer terminals
      h) Relocation/purchase of phone system and computer network

“Hiring DPM to help us manage our construction project was a good decision. In one of my first meetings with DPM, it was stated that your firm would earn its fee in construction savings. I was skeptical then, but today I believe you did just that. We would have spent considerable more dollars and Phonon resources if DPM had not been on the job. We now have a building that we can afford, meets our needs, and allows us to grow for years to come. Thank you for your hard work.”

-James K. Smith
Vice President & CEO
Phonon Corporation
Assumptions

1. DPM’s project involvement will run from 4/29/13 to 07/01/13
2. TON will provide Diversified with internet access and access to telephone, voice mail, email, computer network, copier and other office support services as necessary.
3. The following services will be provided by others, however, we will be happy to provide them if requested.
   - Space Programming
   - Site due diligence and lease negotiation
   - Construction Administration
   - IT equipment inventory
   - Inventory of file contents for reallocation
   - File systems conversion and reuse plan
   - Furniture selection and management
   - Bidding and selection of vendors not listed in Sections A & B
   - Move Coordination
   - Furniture Liquidation
   - Move Supervision
**Fee, Terms & Conditions**

**TIMELINE:** 4/29/13 to 7/01/13

**FEES:** Based on the scope and schedule listed above for **Phase 1**, fees will be $49,800.00 plus reimbursable expenses. This fixed fee proposal is based on the assumption that the selection of all IPD team members can be completed within the time frame given. If the project extends past the time listed above additional fees may accrue as listed below. Additional services outside of the defined scope herein will be based on the rates listed below. No work outside the scope listed herein will be completed without a written and signed document from the Town of Newtown.

**2013 Hourly Personnel Rates**

<table>
<thead>
<tr>
<th>Position</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Principal / Vice President</td>
<td>$190/hr</td>
</tr>
<tr>
<td>Project Executive</td>
<td>$175/hr</td>
</tr>
<tr>
<td>Senior Project Manager</td>
<td>$143/hr</td>
</tr>
<tr>
<td>Senior Project Planner</td>
<td>$121/hr</td>
</tr>
<tr>
<td>Project Manager</td>
<td>$106/hr</td>
</tr>
<tr>
<td>Assistant Project Manager</td>
<td>$79/hr</td>
</tr>
<tr>
<td>Administrative/Clerical</td>
<td>$60/hr</td>
</tr>
</tbody>
</table>

Miscellaneous out-of-pocket expenses will be billed, in separate invoice, at cost plus 10%. These may include photographs, travel, parking, mailings, drawing reproductions, etc. Other items will be billed as follows: photocopies $0.10/pp., faxes $0.25/pp., mileage at the current IRS rate, color prints at $0.20, plots at $2.00 for 11x17, $8.00 for 17x22, $20.00 for 22x34 and $40.00 for 34x44. This invoice will include appropriate back-up and receipts as requested by the Town of Newtown.

The parties agree that the attached terms and conditions shall apply to this contract.

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**DPM Signature / Date**

Roger N. Saleeby III, V.P. Operations

**First Selectmen / Date**

Patricia Llodra/ First Selectmen
Newtown, Ct

**Director of Finance / Date**

Robert Tait / Dir. Of Finance
Newtown, CT

**Chair - Public Buildings and Site Commission / Date**

Robert Mitchell, RA, PBSC

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"Having the DPM team as our advocates and advisors was critical to the success of our construction project and multi-site consolidation. Trying to pull this off without their help would have been foolish if not impossible. The team from DPM was responsive and experienced, and vigorously represented our interests with vendors, landlords, and contractors at all times. I am certain that if we had attempted this project without the help of DPM, the cost in terms of time and money would have been many times what we paid them."

-Richard Silton
Chief Operating Officer
Carlin Charron & Rosen
TERMS & CONDITIONS

1. **Diversified's Services:** Diversified Project Management, Inc. ("Diversified") has agreed to provide certain project management and advisory services to Client ("Project Management Services"). In rendering its Project Management Services, Diversified shall make every reasonable effort to perform them in a well-organized, efficient and timely manner consistent with the requisite skill care indicated to accomplish its work. Client understands and acknowledges that although Diversified may employ and manage its own personnel and independent contractors who may have various licenses and professional or industry qualifications, Diversified does not provide professional or any other licensed services, real estate or insurance brokerage services, architectural, engineering or construction services ("Professional Services"). Although Diversified may perform Project Management Services at Client's site, it is understood and agreed that Diversified shall have no control over, or be considered in charge of, construction means, methods, techniques, sequencing or procedures, nor shall Diversified be responsible for suggesting, implementing or monitoring safety precautions or programs. Responsibility for the acts and omissions of others on the project site, such as architects, engineers, contractors, vendors, Client's own personnel and the employees, agents of any of the foregoing shall be that of the respective parties. Diversified shall act as Client's agent with full authority on Client's behalf for all matters incidental to the Project Management Services to which this instrument relates. Diversified may engage the services of other persons or entities on behalf of Client, but such persons and entities shall be deemed engaged and managed by Client.

2. **Cooperation:** Diversified shall at all times have access to the project site, and may visit the project site as it deems necessary. Client shall furnish Diversified, at no cost, with such plans, surveys, studies, tests and any other documents as will assist Diversified in accomplishing its work. Client understands and agrees that it must obtain all permits, licenses, landlord consents, union approvals and all other permissions necessary for Diversified's performance of Project Management Services, it being agreed that Client and/or its architects, engineers, other consultants, contractors, and subcontractors are responsible for applying for obtaining, keeping in force and assuring compliance with all such permits as well as for the necessary final inspections, occupancy permits and the like to satisfy the requirements of such permits and all laws, regulations, codes and ordinances and or bylaws relating thereto. Further, Client acknowledges that Diversified does not render legal or code compliance advice and all such matters are entirely the responsibility of the Client and/or its other consultants. Client agrees and warrants that it will not ask or require Diversified to do anything that would be contrary to the requirement of any permit, law, regulation, ordinance, bylaw, code or judicial or administrative order applicable to Diversified's performance of Project Management Services.

3. **Fees and Payment:** The Client shall pay Diversified for its services and reimbursable costs in accordance with the fees and cost provisions stipulated in other provisions of this Agreement. Billing shall be bi-weekly and payment shall be due upon receipt. Interest will accrue daily, after 30 days at an annual rate of eighteen percent (18%) or, if less, the highest rate of interest allowable by law. Diversified reserves the right to increase its hourly billing rates in January of each year.

4. **Default and Termination:** This agreement may be terminated by either party upon 7 days written notice in the event of substantial failure by the other party to perform in accordance with the terms thereof. In the event of termination, (a) Diversified will be entitled to immediate payment for all services it has rendered to Client and for all reimbursable expenses, and (b), Diversified shall not be liable for delays or damages that result to the Client by virtue of the termination or suspension of Diversified's services prior to completion of its work. In no event shall either party be liable for indirect, consequential, multiple, punitive or magnified damages, any right to which each party hereby waives to the maximum extent permitted by law. Client agrees that its damages for a breach by Diversified shall be in all cases limited to the lesser of (a) its actual damages, or (b) a refund of all sums paid to Diversified hereunder, for the specific portion of the project in question.

5. **Diversified's Status:**
   5.1. **Independent Contractor:** In providing Services hereunder, Diversified shall act as an independent contractor and not as a partner or joint venturer with Client. With regard to the provision of Project Management Services, Diversified shall have control over the means used to provide Project Management Services. With regards to the provision of Professional Services, Client shall have control over the party providing such services.
5.2. **Employees, Contractors, Agents and Subcontractors:** Diversified and Client shall each (i) be solely responsible for the direction and control of their own employees, contractors, agents and subcontractors, (ii) be solely responsible for wages, salary, payroll taxes, workers compensation, withholding taxes and other forms of compensation payable to their employees, contractors, agents and subcontractors, and (iii) indemnify the other and hold the other harmless against any and all claims or liabilities, including reasonable attorneys’ fees, that may arise from the acts or omissions of their own employees, contractors, agents and subcontractors, except to the extent the same is caused by the negligence or willful misconduct of the indemnified party or persons for whom the indemnified party is legally responsible.

5.3. **Additional Services:** With regard to the contracts for Professional Services or other services to be provided to the Client by anyone other than Diversified in furtherance of this Agreement ("Additional Services"), Diversified may engage persons or entities on behalf of the Client to provide Additional Services, but if Diversified does so or negotiates or signs contracts for Additional Services, Diversified shall do so as agent for the Client. Such agency shall be disclosed in writing, Client shall assume full responsibility under such contracts, and Diversified shall assume no responsibility under such contracts or for the Additional Services or for the supervision of Additional Services or for the acts or omissions of anyone providing Additional Services.

6. **No Raiding of Diversified’s Employees:** Client agrees that during the term of this Agreement and for a period of one (1) year following the last day Diversified performs any services for the Client, neither it nor any of its officers, employees, agents or any firm owned or controlled by the Client, or which is under common control by the Client, or any of their officers, directors, employees or agents will directly or indirectly, without Diversified’s written consent, solicit or hire any person who is a current employee of Diversified or who has been its employee within one (1) year preceding the last day of Diversified’s work, nor will they encourage any such person to leave Diversified’s service. If Client violates the terms of this paragraph then client will pay Diversified a fee of 1,000 times that individual’s hourly billing rate.

7. **Patents and Innovations:** If Diversified shall make or discover any invention or innovation in the course of its work hereunder, Diversified shall have and retain all common law and statutory rights of ownership.

8. **Miscellaneous:**

8.1. **Notices:** Any notice or other communication which may or must be given under this Agreement shall be in writing and shall be considered given when delivered to a party personally or when delivered by registered or certified U.S. Mail, return receipt requested, or by any private commercial or U.S. Postal overnight mail service providing a receipt for delivery, or by facsimile transmission if it is electronically acknowledged and confirmed and if another copy is sent to the addressee thereof within forty-eight (48) hours of the facsimile transmission by registered or certified U.S. mail.

8.2. **Publicity:** Client authorizes Diversified to use Client’s name, logo, photographs or other information for Diversified’s marketing and public relations related matters.

8.3. **Force Majeure:** Diversified shall not be deemed in violation of the provisions of this Agreement if their performance is delayed or prevented by war, civil unrest, weather conditions and other Acts of God, strikes or labor unrest. For each day of delay wherein a party’s performance is prevented by any one of the foregoing causes, a day, and any related fees, shall be added to the time and fees stipulated herein for such performance.

8.4. **Governing Law:** This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts.

8.5. **Complete Agreement; Supersedes Prior Agreements:** This Agreement, including the attached terms and conditions, hereto constitutes a complete statement of all the arrangements among parties with respect to the Diversified’s engagement by the Client for the work specified and supersedes all prior or contemporaneous proposals, contracts, agreements and binding commitments of every nature and description whatsoever between the parties on the same subject matter.

8.6. **Amendments:** Any amendment, modification, cancellation, change order or waiver of this Agreement must be in writing and signed by or on behalf of both parties.