

CONSTRUCTION MANAGEMENT CONTRACT

This contract (The Work) is made on this 30th day of March, 2021, between Big Horn at Lone Mountain Unit Owner's Association, Inc. Board of Directors ("Association"), and the Montana Construction Management, LLC (MCM or Construction Manager of record), for the purpose of the **Big Horn Condo Siding Replacement & Exterior Upgrades and Decks, Big Sky, Montana (Project)**, according to plans prepared by Hip and Humble Architects LLC, Bozeman, Montana and Redleaf Engineering, LLC of Big Sky, Montana.

ARTICLE 1 – DEFINITION OF PROJECT

The Work is shown on the Big Horn Condo Siding Replacement & Exterior Upgrades Phase 1 (Unit Types E & F), Big Sky, MT from Hip & Humble Architecture that are attached to this contract as Appendix 1, plus all Addenda to Appendix 1; Big Horn Deck Plans dated 2/17/2021 attached to this contract as Appendix 2 from Redleaf Engineering, LLC of Big Sky, MT and all Addenda to Appendix 2; and Clarifications and Assumptions attached to this contract as Appendix 3.

1. Siting of the building(s) as shown on the site plan.
2. Configurations, dimensions, elevations of the building(s) and rooms as shown on the floor plan sheets.
3. Additional interior and exterior Work required during construction.

It is understood that the drawings are to be construed as binding architectural and engineering plans and specs.

ARTICLE 2 – BASE PRICE

Project documents in this proposal, including attachments as Appendices 1, 2 and 3 (Clarifications and Assumptions), provide the relative specifications necessary for this Project. As such, based on these documents, the price of the Project is \$ 162,488.00 (one hundred and sixty-two and four hundred and eighty-eight dollars), plus whatever changes shall be agreed to by Association in writing.

ARTICLE 3 – MCM RESPONSIBILITY

It is believed that the approach to construction laid out in this contract and based on the fundamental assumptions and construction industry best practices; these in whole will secure for Association the highest quality Project possible within the available budget.

MCM encourages Association to participate (if desired) in the review process of all subcontracts, and if necessary, MCM will strive to propose alternative lower priced subcontractors if applicable. MCM will review the contract or subcontract proposal, evaluate, and suggest (to determine it is to the best interest of the Project), provided that these proposals are consistent with the overall construction plan, budget, and schedule.

MCM serves independently in a 3rd party capacity as Association's Representative and/or Construction Manager and/or Project Manager of the Association's Project.

MCM will keep full and detailed accounts as may be necessary for the construction of the Project on behalf of Association and will make those records available to Association at any time. MCM shall provide management services necessary to execute and complete construction of the Project. MCM will as applicable;

1. Provide Project Management services.
2. Provide oversight and manage the approved design changes consistent with Association's objective.
3. Provide recommendation of how to spend the available budget so as to most benefit the Project.
4. Administer construction Work so as to meet our understanding of applicable codes.
5. Independently verify stages of Work as described in Exhibit 3 including finished and completed Work of the Contractor(s) to ensure compliance with intent of drawings and specification (if applicable), and agreement between Association and the Contractor.
6. Obtain lien releases from the Contractors and subcontractors (if applicable) in exchange for final payment.
7. Keep full and maintain detailed accounts as may be necessary for the construction and duration of the Project on behalf of the Association and will make those records available to the Association at any time.
8. At completion, MCM shall provide to Association a copy of the marked-up job-site drawings, for Association's use and records.
9. Attend regularly scheduled or mutually agreed upon Project team, Unit owner's and Board meetings.

CONSTRUCTION MANAGEMENT CONTRACT

10. Review of the design documents for constructability, completeness, accuracy, and proper coordination of disciplines.
11. Continual review of design documents related to any changes or addendums as proposed by the Architect or Engineer.
12. Continual value analysis of the design and identification of opportunities to meet or reduce construction costs and/or improve facility performance.
13. Review of the construction schedule for the Project, include identification of long lead items and Owner supplied equipment and materials.
14. Analyze responses and provide a recommended response for approval by the Board (if applicable) to be accepted by the Contractor.
15. Review the bids by the successful bidders and perform a bid analysis recommending the best solution provided that meets the Project expectations and requirements of Association.
16. Monitor the performed Work of the Contractors and coordinate the Work with the activities and responsibilities of Association, and Architect to complete the Project in accordance with Association's objectives of cost, time, quality and safety all of which are enumerated in the contract documents for construction.
17. Maintain a competent Field Representative at the Project site daily 4 to 6 hours per day to coordinate and provide general direction of the Work and progress of the Trade Contractors on the Project.
18. Integrate with Langlas & Associates to ensure on-site organization and lines of authority in order to carry out the overall plans of the construction team.
19. Establish procedures as necessary for coordination among Association, Architect, Engineer and Trade Contractors with respect to all aspects of the Project and implement such procedures.
20. Attend progress meetings at with Contractors, Owner, Engineer and Architect to discuss jointly such matters as procedures, progress, problems and scheduling.
21. Provide regular monitoring of the schedule as construction progresses. Identify potential variances between scheduled and probable completion dates. Review the schedule for Work not started or incomplete and recommend to Association and Trade Contractors adjustments in the schedule to meet the scheduled completion dates. Provide summary reports for each adjustment and document all changes in the schedule.
22. Recommend courses of action to Association when requirements of a Trade Contract are not being met.
23. Review Contractor's overall Project Schedule for each building for Owner's acceptance
 - a. Provide a monthly updated Project Schedule and updated status for each building.
 - b. Association's acceptance is limited to Association's acknowledgment that based upon Association's review, the dates of Substantial Completion and milestone dates are acceptable and the latest dates of Association-provided information, materials, approvals and the like identified in the Project Schedule are reasonable.
24. Provide the monthly update including but not limited to the status of construction for each building and each unit (decks and elective items, impact on interior), delays, expenditures, RFI's, change orders, discovery, contingencies, cost escalation, and material inflation to Association. MCM will provide this update as part of their monthly progress payment application.
25. Review bids in a manner that does not disclose the contents of the bid during the selection process to a person not employed by MCM, Architect, or Association.
26. Develop and monitor an effective system of Project Cost Control. Identify variances between actual and budgeted or estimated costs proposed by the Contractor and advise Owner as necessary. Identify scope changes to Association prior to performing the Work.
27. Maintain cost accounting records on authorized Work performed. Provide Association access to these records upon request.
28. Develop and implement a system for the preparation, review and processing of Change Orders. Recommend necessary or desirable changes to Association and to the Contractor, Engineer and Architect (if applicable); review requests for changes; submit recommendations to Association and the Architect; and assist in negotiating Change Orders to the Contractor.
29. If required, MCM will assist Association in selecting and retaining professional services i.e., geotechnical evaluation, surveyor, testing laboratories and special consultants, and coordinate these services, without assuming any responsibility or liability, of or for these consultants.
30. Review for compliance, the Work and installation of the Trade Contractors for defects and deficiencies in the Work.
31. Review the safety programs of each of the Contractors. MCM will coordinate the overall responsibility for safety precautions and programs in the performance of the Work, including the Trade Contractors. This does not relieve

CONSTRUCTION MANAGEMENT CONTRACT

Trade Contractors of their responsibility for the safety of persons or property in the performance of their Work, nor for their compliance with the provisions of applicable federal, state and local law, regulations and orders applicable to the conduct of the Work.

32. MCM will monitor the quality of the construction to protect Association from defects and deficiency in the Work of the Trade Contractors. MCM will reject Work and transmit to the Contractor a written notice of "Nonconforming Work" with a copy to Association when it is the opinion of MCM that the Work does not conform to the requirements of the Contract Documents. Except for minor variations as stated herein, MCM is not authorized as part of this contract to relax, alter, or release any requirement of the Construction Documents or to approve or accept any portion of the Work not performed in accordance with the Construction Documents.
33. Record the progress of the Project. Submit monthly written progress reports to Association and the Architect including information on the Contractors' Work, and the percentage of completion. Furthermore, MCM will maintain a Daily Observation Report (with photographs) upon that day's visit, which shall be presented to Association and the Architect on a weekly basis and/or upon request.

ARTICLE 4 – OWNER'S RESPONSIBILITIES

1. Association will provide all necessary information regarding the requirements for the Project.
2. MCM encourages a single point of contact to represent Association and to act on behalf.
 - a. The Board President has authority to issue and approve Project Construction Budgets, approve Change Orders, render decisions promptly and furnish information expeditiously.
 - b. Owner will designate a single point of contact to receive reports and communications from MCM.
3. The Architect and Engineer, employed by Association, have provided design services and prepared construction documents for the Project. MCM is not responsible for the accuracy or completeness of the construction documents prepared by the design professionals employed by Owner.
4. Association will furnish for the site of the Project all available surveys describing the physical characteristics, soil reports and subsurface investigations, legal limitations, utility locations, and a legal description.
5. Association authorizes MCM to obtain and will pay for necessary permits, approvals, easements, assessments and charges required for the construction, use or occupancy of permanent structures or for permanent changes in existing facilities.
6. Association will provide to MCM without charge all copies of Drawings and Specifications reasonably necessary for the execution of the Work.
7. The services, information, surveys and reports required by the above paragraphs or otherwise to be furnished by other consultants employed by Association, will be furnished with reasonable promptness at Association's expense and MCM will be entitled to rely upon the accuracy and completeness thereof.
8. If Association becomes aware of any fault or defect in the Project or nonconformance with the Drawings and Specifications, he will give prompt written notice thereof to MCM.
9. Owner agrees to manage most communications regarding The Project with the Contractor, Trade Contractors, Property Manager, Engineer, Architect and Unit owners through MCM, although Association reserves the right to communicate directly with any and all entities providing services of any type to the Association.

ARTICLE 5 – CONTINGENCY

To protect Association and the Project against unforeseeable fluctuations of price, unforeseen site conditions, and other changes, the budgeted amount (if applicable) should contain a reasonable contingency consistent with Bank Loan approvals for The Project. The contingency money shall be used as necessary for the benefit of the Project, including recommendations from MCM, but solely approved by Association. MCM's intention is to maintain as much of the recommended contingency as possible and use this money towards the Project and/or for the credit back to Owner of all unused Contingency dollars.

ARTICLE 6 – DESIGN DECISIONS AND CHANGES MADE BY MCM

Part of the philosophy of MCM is that there are no defined plans and specifications. MCM may suggest advancing design decisions and designing changes, however, MCM will confer with Association on such changes.

MCM initiated design changes may be advanced to keep the overall price of the Project in budget. As a result of some unforeseeable problem, or as a result of an overage due to a previous design change, it may become necessary to make changes in the Project to offset the overages.

CONSTRUCTION MANAGEMENT CONTRACT

MCM will confer with Association for all proposed design decisions. All design changes must be approved by Owner. Association will be consulted on and encouraged to participate in the design description of the Project.

ARTICLE 7 – CHANGES NOT COVERED BY ARTICLE 6

Changes not covered by Article 6, and resulting in an increase of cost, will be approved in writing by Association. In cases where an increase of cost is anticipated, Association must approve the change in writing before MCM can begin the Work. If Association does not approve it, the Work will not be done.

ARTICLE 8 – TIME AND TERM

The Work to be performed under this contract shall commence April 1, 2021 and shall conclude on or about Nov 22, 2021 (Phase 1) with the signing (execution) of this contract. The Work shall be completed in accordance with the schedule provided pursuant to the paragraph below. Both Owner and MCM desire to complete Phase 1 of The Project within 8 months or approved phases starting from the date of commencement. As such, the term of this contract shall be 8 months and will commence April 1, 2021. However, the term may be modified if both parties reach agreement in writing.

Association agrees that if the building process is slowed down for any other reason not caused by MCM negligence, MCM and Association will negotiate fair and reasonable compensation if any additional fee is required. Adherence to time conditions is of vital importance to the proper managing of the job site and is of vital importance to the successful completion of this contract.

ARTICLE 9 – SUBSTANTIAL COMPLETION

The date of substantial completion of the Project or a designated portion thereof is the date when construction is sufficiently complete in accordance with the drawings and specifications so that the Unit owner(s) can occupy and utilize or, in fact, does occupy and utilize without continuing construction or disturbance, the Project and all designated portions thereof for the use which it was intended.

The date of substantial completion shall be established in writing, signed by Association and MCM. At that time, a punch list of items to be completed or corrected (if any) shall be prepared by MCM, with Association's full cooperation, along with a time schedule for their completion or correction.

ARTICLE 10 – LIEN RELEASES

MCM will obtain partial waivers of lien for all payments to subcontractors and will forward these to Association electronically with originals to be mailed to Association.

ARTICLE 11 – FINAL PAYMENT

Following full completion of the Work as defined by the punch list (Article 9) and final inspection and acceptance of the Work in writing by Association, MCM shall have authority to suggest in writing the final payment by Association, to the Contractor. To protect the Association, MCM agrees that they will not suggest that the final payment until the subcontractor has completed all punch list items and provided the appropriate final lien releases and satisfied the requirements of the Contract with the Contractor including the conditions of Exhibit G, Clarifications and Assumptions.

ARTICLE 12 – UNKNOWN CONDITIONS

The Work may include modifications or connection to existing structures. It is not possible to anticipate all problems that may arise, in the Work of connecting to such existing structures. If unexpected conditions that affect the performance of the Work and vary from those indicated by the contract documents are encountered, MCM will participate in and provide advice to Owner in writing of equitable adjustment of the base price of Project and adjustment of schedule for such unexpected conditions.

ARTICLE 13 – INSURANCE

1. Association will carry all necessary general liability, fire, and earthquake insurance and any other insurance that may be required to protect the Association against claims that may arise from operations under this Project.
2. MCM will review all insurance documents and contracts between Owner and any other parties as pertains to The Project and shall advise Owner on insurance to ensure best coverage including liability insurance, Builder's Risk Insurance and Owner Insurance Certificates naming additional Insured.

CONSTRUCTION MANAGEMENT CONTRACT

3. MCM will purchase and maintain the following insurance to cover MCM's operations under this agreement:
 1. Commercial General Liability Insurance
 - a. Insuring against all liabilities, claims and demands for injuries, loss and/or damage which result from this Contract, including coverage for bodily injury (including death), property damage, personal and advertising injury and contractual liability. The minimum amount of this insurance shall be \$1,000,000.00 per occurrence for liability and at least \$2,000,000.00 aggregate.
 2. Workers' compensation insurance as required by law.
 3. Automobile Liability Insurance
 - a. Maintain Automobile Liability Insurance insuring against liability arising out of the ownership, maintenance or use of any owned, hired, borrowed and non- owned vehicles used by Contractor pursuant to this Contract, with limits of not less than \$1,000,000.00 per accident.

ARTICLE 14 – SAFETY

MCM shall take necessary precautions for the safety of MCM employees on the job, and shall comply with all applicable provisions of federal, state, and municipal safety laws. MCM shall have no responsibility for the abatement of lead, asbestos, or safety hazards resulting from the Work at the job site carried on by other persons, or by subcontractors. Subcontractors will be responsible for their own safety, but MCM will monitor and encourage safety on the site.

ARTICLE 15 – WARRANTIES

MCM will secure from the Contractor on behalf of Association, the need of possession of any required warranties for the project. Any warranty or guaranty obtained by MCM from any manufacturer shall be deemed to have been obtained shall be for the benefit of Association. MCM will collect all equipment or material manuals and deliver them to Association. MCM will collect any and all equipment manuals and deliver them to Association together with all written warranties from manufacturers, and MCM will have no further obligation with respect to them.

ARTICLE 16 – ATTACHMENTS

The signed documents attached hereto (if applicable) as appendices are expressly incorporated into this contract. To the extent the attachments are inconsistent with the main contract, the terms of the main contract shall govern.

ARTICLE 17 – ARBITRATION

Claims, disputes and other matters in question between the parties to this agreement arising out of or relating to the agreement shall be decided by arbitration in accordance with the construction industry arbitration rules of the American Arbitration Association then in effect, unless the parties agree otherwise. Any arbitration between the parties shall be held in Gallatin County, Montana. In the event legal proceedings are commenced with regard to any provision of this Agreement, venue shall be state or federal court of competent jurisdiction in Gallatin County, Montana.

Notice of demand for arbitration shall be filed in writing with the other party to this agreement and with the American Arbitration Association. The demand shall be made within a reasonable time after the claim, dispute or other matter in question has arisen. In no event shall the demand for arbitration be made after the date when the applicable statute of limitations would bar institution of a legal or equitable proceeding based on such claim, dispute or other matter in question.

Unless otherwise agreed in writing, MCM shall carry on the Work and maintain its progress during any arbitration proceedings, and Association shall continue to make payments to MCM in accordance with the contract documents.

ARTICLE 18 – ATTORNEY FEE'S

In the event that either party files suit to enforce the provisions of this contract, each party shall be responsible for their own attorney's fee.

ARTICLE 19 – TERMINATION OF THE AGREEMENT AND OWNER'S RIGHT TO PERFORM CONSTRUCTION MANAGER'S OBLIGATIONS

1. Termination by the Construction Manager
 - a. If the Project, in whole or substantial part, is stopped for a period of thirty days under an order of any court or other public authority having jurisdiction, or as a result of an act of government, such as a declaration of a national emergency making materials unavailable, through no act or fault of MCM, or if the Project should

CONSTRUCTION MANAGEMENT CONTRACT

- be stopped for a period of thirty days by MCM for Association's failure to make payment thereon, then MCM may, upon seven days' written notice to Association and the Architect, terminate this Agreement and recover from Association payment for all Work executed, MCM's Fee earned to date, and for any proven loss sustained upon any materials, equipment, tools, cancellation charges on existing obligations of MCM.
2. Association's Right to Perform MCM's Obligations and Termination by Association for Cause.
 - a. If MCM fails to perform any of his obligations under this Agreement including any obligation he assumes to perform Work with his own forces, Association may, after fifteen days written notice during which period MCM fails to perform such obligation, make good such deficiencies. The Fee, if any, will be reduced by the cost to Association of making good such deficiencies.
 3. This Agreement may be terminated by Association for cause should MCM fail to perform any provision of this Agreement, including without limitation, for any of the following reasons:
 - a. MCM abandons the Work;
 - b. MCM assigns or attempts to assign its rights or obligations under this Agreement or any part thereof to any third-party without the prior written consent of Association;
 - c. MCM is adjudged bankrupt or insolvent, makes a general assignment for the benefit of creditors, has a trustee or receiver appointed for its property, or files a petition to take advantage of any debtor's acts;
 - d. MCM fails or refuses to perform any material obligation under the Agreement, or fails to remedy such nonperformance within fifteen (15) days after its occurrence;
 - e. MCM fails to comply with any applicable laws and fails to remedy such nonperformance within seven (7) days after its occurrence; and
 4. Association's right of termination as set forth herein will be in addition to, and not a limitation of, any and all other remedies available to Association at law, in equity, or under the terms and provisions of this Agreement.
 5. In the event of termination of the Agreement for cause, Association may use MCM's material and leased equipment (if applicable) to complete the Work and may complete the Work in any reasonable manner. MCM will receive no further payment, if any is due, until the Work is complete. If the completion costs incurred by Association exceed the balance of the applicable Fee, MCM will pay the difference to Association within ten (10) days of Association's demand for payment. If the completion costs incurred by Association are less than the balance of the applicable Fee, Association will pay any unpaid balance due to MCM for Work performed prior to the termination, up to an amount equal to the unpaid balance of the Fee.
 6. If, after a termination for cause, it is determined that MCM was not in default, the rights or obligations of the parties will be the same as if the termination had been issued for the convenience of Association. Association will then be liable to MCM for any payments required by the termination for convenience clause.
 7. Termination by Association Without Cause
 - a. Notwithstanding anything else contained in the Contract Documents, Association will have the right at its sole and absolute discretion to terminate the Agreement without cause and solely for Association's convenience by giving the MCM written notice that the Agreement is or is to be terminated within fifteen (15) days.
 - b. MCM will, within thirty (30) days of receiving notice of termination under this Section, submit to Association its statement of costs incurred by MCM for performance of the Work prior to termination plus the costs incurred by MCM in the performance of the Work terminated, less prior payments received. Association will, within forty-five (45) days after receipt of such statement, pay to MCM all amounts it determines are properly included thereon. The phrase "costs incurred by MCM in the performance of the Work terminated" as used herein means the following (and only the following) costs:
 - i. Cancellation fees in regard to equipment and materials ordered;
 - ii. Cost of all equipment ordered which cannot be cancelled, less actual proceeds received upon the disposition thereof;
 - iii. Construction Manager demobilization costs.

Upon payment by Association of the sums owed under this Section, title to all materials, equipment and other property included or ordered for the terminated Work will pass to Association. Payment by Association to MCM of the amounts specified in this Section will constitute a waiver by MCM of any other claims of any type arising out of the performance or termination of the Work, including any claims for consequential or indirect damages of any type, kind, or description.

CONSTRUCTION MANAGEMENT CONTRACT

ARTICLE 20 – INDEMNITY

TO THE EXTENT CLAIMS, DAMAGES, LOSSES OR EXPENSES ARE NOT COVERED BY INSURANCE PURCHASED BY MCM UNDER ARTICLE 17, MCM WILL INDEMNIFY AND HOLD HARMLESS THE ASSOCIATION FROM AND AGAINST CLAIMS, DAMAGES, LOSSES AND EXPENSES, INCLUDING BUT NOT LIMITED TO ATTORNEYS' FEES, ARISING OUT OF OR RESULTING FROM PERFORMANCE OF THE WORK, PROVIDED THAT SUCH CLAIM, DAMAGE, LOSS OR EXPENSE IS ATTRIBUTABLE TO BODILY INJURY, SICKNESS, DISEASE OR DEATH, OR TO INJURY TO OR DESTRUCTION OF TANGIBLE PROPERTY, (except damage to the Work itself which is insured under the Property Insurance for the Project pursuant to ARTICLE 17) BUT ONLY TO THE EXTENT CAUSED BY THE NEGLIGENT ACTS OR OMISSIONS OF MCM.

MCM, A TRADE CONTRACTOR, ANYONE DIRECTLY OR INDIRECTLY EMPLOYED BY THEM OR ANYONE FOR WHOSE ACTS THEY MAY BE LIABLE, REGARDLESS OF WHETHER OR NOT SUCH CLAIM, DAMAGE, LOSS OR EXPENSE IS CAUSED IN PART BY A PARTY INDEMNIFIED HEREUNDER. SUCH OBLIGATION WILL NOT BE CONSTRUED TO NEGATE, ABRIDGE, OR REDUCE OTHER RIGHTS OR OBLIGATIONS OF INDEMNITY WHICH WOULD OTHERWISE EXIST AS TO A PARTY OR PERSON DESCRIBED IN THIS PARAGRAPH.

IN CLAIMS AGAINST ANY PERSON OR ENTITY INDEMNIFIED UNDER THIS PARAGRAPH BY AN EMPLOYEE OF MCM, A TRADE CONTRACTOR, ANYONE DIRECTLY OR INDIRECTLY EMPLOYED BY THEM OR ANYONE FOR WHOSE ACTS THEY MAY BE LIABLE, THE INDEMNIFICATION OBLIGATION UNDER THIS PARAGRAPH WILL NOT BE LIMITED BY A LIMITATION ON AMOUNT OR TYPE OF DAMAGES, COMPENSATION OR BENEFITS PAYABLE BY OR FOR MCM OR A TRADE CONTRACTOR UNDER WORKERS' COMPENSATION ACTS, DISABILITY BENEFIT ACTS OR OTHER EMPLOYEE BENEFIT ACTS.

Additional Services & Hourly Rates:

Additional services shall be approved in writing (email or similar) prior to performing work. Additional services exceed the scope and deliverables detailed above, and will be billed hourly at the rates defined below:

Principal (P) \$125/hour

Field Representative (FR) \$80/hour

Specialty Engineering (A/E disciplines i.e., Architectural, Civil, Structural, Mechanical, Electrical, Plumbing, Geotechnical, and other Engineers as required):

1. If contract is with MCM, then at 1.2 x Cost.
2. If contract is with Association, then at cost.

Other Expenses not included below (for example major printing and scanning, advertisements, plan review fees): at cost.

Notes:

Please note that we can only guarantee the terms and conditions described in this proposal for 30 days after receipt. All additional services to be explicitly communicated and approved via email prior to the commencement of applicable work. All notices and reports to be communicated electronically.

Payment terms:

Association agrees to pay 20% of total payments required within 10 days of signed Agreement. Future payments are due upon monthly statements. The full down payment amount will be credited towards the final invoice, any remaining overpayment will be returned at that time. By signing the agreement, Client: **Big Horn at Lone Mountain Unit Owner's Association, Inc., Board of Directors** has retained **Montana Construction Management** to proceed with the requested services and agrees to the terms and condition as set forth in this agreement.

Signed/date:

Adrienne M Fleckman / 03/30/2021

Adrienne M. Fleckman, President, for Association
Big Horn at Lone Mountain HOA
2055 North 22nd Ave 2B
Bozeman, MT 59718

David Saenz / Mar 30, 21
David Saenz, Owner, for
Montana Construction Management

APPENDIX 3 PROJECT MANAGER CLARIFICATIONS & ASSUMPTIONS

Montana Construction Management (“MCM”) and
Big Horn at Lone Mountain Unit Owner’s Association Board of Directors (“Association”)

GENERAL & COMMUNICATION

1. Coordinate with Hammond Property Management (HPM):
 - a. Schedule review, coordination and notification to HPM of schedule and schedule changes for HPM notification of Board & owners
 - b. Ensure that HPM monitors non-owner cars & use of property
 - c. Receive 10-day notification of start time on building and communicate with HPM for letter to owners
 - d. Verify availability of access to units under construction on-demand by Contractor
 - e. Notification of Completion of work on each building and communicate to HPM
2. Logistical planning
3. Perform walk through each Phase 1 (40) units to identify potential damage to custom interiors with window and door removals and installation and communicate findings in writing to Contractor & to Owner
4. Evaluate, specify and oversee Satellite Dish Placement
5. Radon mitigation apparatus: Work with radon mitigation company(ies) to find a new standard with internal equipment installation in crawl spaces and venting to the outside.
6. Communicate and manage owner questions and concerns:
 - a. Safety concerns,
 - b. Rules for construction,
 - c. parking spaces reserved,
 - d. where to report concerns,
 - e. removal of personal items, window hangings, wall hangings and art, fragile or breakable items on counters or valuables to avoid damage with installation of windows & doors.
7. Worker Housing
 - a. Develop & provide Lease Agreement to include garbage pickup, no smoking, no pets,
 - b. Security is final 5% retainage,
 - c. Inspect units prior to occupancy by workers & document evident damage, inspect at the end of the first week and then monthly review conditions,
 - d. Review and validate damage report after workers move out.
8. Tabulate, review and proof owner elective choices immediately prior to installation
 - a. Ensure that H&H electives correspond to Langlas spreadsheet
 - b. Ensure that items are correct prior to installation for each unit
9. Project Status Reports to the Board: a) Daily on request; b) Weekly with field observations, weather interference with work, RFI’s; c) Monthly Progress by Building and Task; d) Progress on Decks by Unit; e) Final Report
10. Promptly report to the Board Representative any errors, inconsistencies, or defects in the Work, materials, or equipment furnished by subcontractors, vendors, or other tradespeople, upon which the proper workmanlike or accurate performance of the Work relies.
11. Review & report all accidents to HPM & Association which result in death or injury to persons or in damage to property and ensure proper documentation of such accidents.
12. Attendance at Association Board & Unit Owner’s meetings
13. 48-hour Notification to Engineer for inspections of demolition, weather barrier, insulation, window/door installation, start to side, completion
14. Notify Engineer of any structural deficiencies identified in a timely manner as soon as possible

APPENDIX 3
PROJECT MANAGER CLARIFICATIONS & ASSUMPTIONS
Montana Construction Management (“MCM”) and
Big Horn at Lone Mountain Unit Owner’s Association Board of Directors (“Association”)

FIELD WORK/CONSTRUCTION ADMINISTRATION

Note: MCM is not required to accompany engineer for evaluation of Phase 2 decks – only to schedule and obtain documents for Association and Contractor.

First Priority for deck evaluation, RFI’s and submittals is the Phase 1 decks (E and F building)

1. DECKS: Schedule and accompany engineer on evaluation of decks as early as possible in the following order with immediate report to Association:
 - a. Construction requirement to certify deck 52
 - b. Construction requirements or necessity to replace decks 49, 50 & 51 to meet code
 - c. Final review of deck requirements for Units 16, 17, 18, 19
 - d. Final review, RFI and, if necessary, geotechnical engineer for deck Unit 44 to enable re-use of in-ground piers with log support
 - e. Evaluation of piers and necessity for helical piers for All decks
 - f. Evaluation of railing requirements by code for Phase 1 and Phase 2 (“All”) decks beginning with Phase 1 (E decks)
 - g. Design and location of openings and stairs for All decks
 - h. Requirement for construction of patios vs. decks for very low decks of B building (Units 3-7) and RFI if excavation or other modifications required
 - i. Excavation design if required for construction of C building low decks (Units 59,60 65,66,67,68)
2. Unit Access:
 - a. MCM will make sure that HPM has keys or codes on hand for the 40 units in Phase 1 prior to the start of construction on April 19, 2021
 - b. MCM will schedule for HPM to provide timely access to prevent construction delays and for installation of doors, windows and garage doors and other work involving unit interiors.
3. Use all reasonable means necessary to discover any errors, inconsistencies, or defects in the Work, materials, or equipment furnished by subcontractors, vendors, or other tradespeople, upon which the proper workmanlike or accurate performance of the Work relies.
4. Review and Test Stages of Construction
 - a. Review of existing conditions, documentation, authorization to proceed and oversight of non-planned repairs/replacement
 - b. Document Destructive Testing
 - c. Coordinate with Engineer to review all wood substrates following the removal of the cladding to establish any remedial work required.
 - d. Engineer and MCM to jointly approve corrective process of structural deficiencies
5. Coordinate with Redleaf Engineering, LLC (“Redleaf”) to inspect each major stage of construction for each building to verify installation materials, quality and correction of deficiencies:
 - a. Demolition and evaluation of substructure
 - b. Proper installation of weather barrier
 - c. Proper installation of insulation
 - d. Proper installation of window & door installations
 - e. Beginning of siding process
 - f. Building Completion

APPENDIX 3 PROJECT MANAGER CLARIFICATIONS & ASSUMPTIONS

Montana Construction Management (“MCM”) and
Big Horn at Lone Mountain Unit Owner’s Association Board of Directors (“Association”)

6. Inspect with Redleaf at stages of deck construction to ensure proper construction as well as compliance with codes
 - a. demolition of deck,
 - b. installation of blocking,
 - c. examination & installation of helical piers,
 - d. decking,
 - e. railing
7. Develop, communicate and ensure satisfactory completion of Punch List
8. Final inspection and readiness for occupancy jointly with Engineer of Each Unit and corresponding Deck

SUBMITTALS

1. Review Hip and Humble Architecture (“Architect”) and Redleaf submittals to ensure that Langlas product matches the design intent
2. Inform Supervisor of apparent departures from initial design intent
3. Association authorizes MCM to request a pause in construction to resolve inconsistencies
4. Association authorizes MCM to involve Langlas Project Management, Redleaf and Architect as required in resolution
5. Association authorizes MCM to Request Submittals from Redleaf and submit those for final review and approval
6. Ensure that product on site matches the Design Intent
7. Prompt Review & Payment approvals consistent with Association contracts
8. Change Order reviews & approvals
9. Written notice of denied payments
10. Coordinate with Accountant for payments, billing, follow up

CONTRACTS

1. Langlas, Bank, Unit Owner, Housing, Insurance Contract Revisions
2. Management of RFI’s and effects on schedule