

Operational Needs Assessment							Weeks 4-6
1	Discuss and confirm nationally recognized standards						Week 4
2	Conduct interviews with the Town stakeholders						Week 4
3	Conduct group sessions to review information obtained						Week 5
4	Develop performance and design criteria for proposed facility						Week 5
5	Preliminary determination of space requirements, space relationships etc....						Week 6
6	Forecast spatial needs for 5, 10, and 20 years increments						Week 6
7	Identify any major unresolved programming						Week 6
8	Resolve any unresolved issues						Week 6
Initial Report							Weeks 7-10
1	Prepare initial report and meet with the Town to review table of contents, key considerations						Weeks 7-10
2	Recommend project standards, identify building codes, sustainability goals, etc.						Week 7
3	Establish general quality standards, lighting, security, equipment performance, acoustics, and etc.						Week 7
4	Site analysis						Week 7-8
5	Prepare options analysis for short and long-term strategies						Week 7-8
5	Present initial report to participants and others						Week 9
6	Obtain the Town approval						Week 10
Final Report / Capital Planning & Realization							Weeks 11-12
1	Prepare final program document						Week 11-12
2	Executive summary						Week 11
3	Methodology of program						Week 11
4	Conclusions from data analysis						Week 11
5	Space program by functions and size						Week 11
6	Develop implementation schedule						Week 11
7	Provide preliminary opinion of the cost of the program						Week 11
8	Final Report and Presentations						Week 12

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PROPOSED FEE

Phase 1 Pricing

Need Assessment \$25,000.00

- Work to be billed monthly in 1/3rd increments.

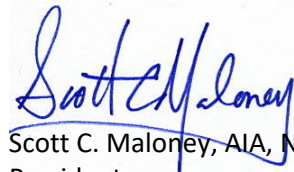
Reimbursables

Allowance \$ 1,000.00

- Reimbursable expenses are defined as the actual expenses increased by 10% incurred by Design Professional in connection with the Project, such as expenses for: travel, reproduction of reports; and similar Project-related items.

If the terms of this Proposal meet with your approval for Phase 1 only, please indicate by signing and returning one copy of this letter to us or issuing a standard purchase order with terms and conditions to govern this work. If you have any questions, please do not hesitate to call.

Very Truly Yours,



Scott C. Maloney, AIA, NCARB, LEED AP
President

Authorization:

Town of McCordsville

By: _____

Title: _____

Signature (signer represents that she or he is
legally authorized to sign on behalf of client)

Date

The Terms and Conditions that follow are part of this Agreement.

Billings/Payments Invoices for services and reimbursable expenses shall be submitted, at Design Professional's option, either upon completion of the services or on a monthly basis. Invoices shall be payable within 30 days after the invoice date. A service charge of 1.5% (or the maximum legal rate) per month will be applied to the unpaid balance after 30 days from the invoice date. Design Professional shall have the right to suspend/terminate services if payment is not received within 60 days after the invoice date and Design Professional shall have no liability for any resultant delays or damages incurred by Client as a result of such suspension/termination. Deposits shall be credited on the first invoice. Client agrees to pay all costs of collection, including reasonable attorney's fees.

Standard of Care In providing services under this Agreement, Design Professional will endeavor to perform in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances. Design Professional will perform its services as expeditiously as is consistent with professional skill and care and the orderly progress of Design Professional's part of the Project. Regardless of any other term or condition of this Agreement, Design Professional makes no express or implied warranty of any sort. All warranties, including warranty of merchantability or warranty of fitness for a particular purpose, are expressly disclaimed.

Estimates If Estimates are provided as part of this contract it is recognized that neither K2M Design nor Client has control over the cost of labor, materials or equipment, over the Contractor's methods of determining bid prices, or over competitive bidding, market or negotiating conditions. Accordingly, K2M Design cannot and does not warrant or represent that bids or negotiated prices will not vary from Client's budget for the Project or from any estimate of the Cost of the Work or evaluation prepared or agreed to by K2M Design. While efforts have been made to arrive at an accurate representation of the construction costs, there will likely be variances.

Consequential Damages Notwithstanding any other provision to the contrary, and to the fullest extent permitted by law, neither Client nor Design Professional shall be liable to the other for any incidental, indirect or consequential damages arising out of or connected in any way to the Project or this Agreement. This mutual waiver of consequential damages shall include, but not be limited to, loss of use, loss of profit, loss of business or income or any other consequential damages that either party may have incurred from any cause of action whatsoever.

Hazardous Materials/Mold Design Professional shall have no responsibility for the discovery, presence, handling, removal, disposal or exposure of persons to hazardous materials of any form including mold. The existing or constructed building may, as a result of post-construction, use, maintenance, operation or occupation, contain or be caused to contain mold substances which can present health hazards and result in bodily injury, property damage and/or necessary remedial measures and costs for which Design Professional shall have no responsibility.

Risk Allocation Notwithstanding anything to the contrary herein in recognition of the relative risks and benefits of the project to both Client and Design Professional, Client agrees, to the fullest extent permitted by law, to limit Design Professional's total liability to Client or anyone making claims through Client, for any and all damages or claim expenses (including attorney's fees) arising out of this Agreement, from any and all causes, to the total amount of Design Professional's fee. It is stated that the liability limit applies to any and all liability or cause of action however alleged or arising, unless otherwise prohibited by law.

Indemnifications Client agrees, to the fullest extent permitted by law, to indemnify and hold Design Professional and its sub consultants harmless from and against any and all damage, losses or cost (including reasonable attorneys' fees and defense costs) caused in whole or in part by its acts, errors or omissions and those of anyone for whom they are legally liable. Subject to Risk Allocation above, Design Professional further agrees to indemnify Client for damages to the extent arising from its own negligent errors acts or omissions.

Termination of Services This Agreement may be terminated upon 10 days written notice by either party should the other fail to perform their obligations hereunder. In the event of termination, Client shall pay Design Professional for all services rendered to the date of termination, all reimbursable expenses, and reasonable termination expenses.

Ownership of Documents All documents produced by Design Professional under this Agreement, including electronic files, shall remain the property of Design Professional and may not be used by this Client for any other purpose without the written consent of Design Professional. Any such use or reuse shall be at the sole risk of Client who shall defend, indemnify and hold DESIGN PROFESSIONAL and its sub consultants harmless from any and all claims and/or damages arising therefrom. Electronic files are not contract documents and cannot be relied upon as identical to contract documents because of changes or errors induced by translation, transmission, or alterations while under the control of others. Use of information contained in the electronic files is at the user's sole risk and without liability to Design Professional and its consultants.

Defects in Service Client shall promptly report to Design Professional any defects or suspected defects in Design Professional's services. Client further agrees to impose a similar notification requirement on all contractors in its Client/Contractor contract and shall require all subcontracts at any level to contain a like Agreement. Failure by Client and Client's contractors or subcontractors to notify Design Professional shall relieve Design Professional of the costs of remedying the defects above the sum such remedy would have cost had prompt notification been given when such defects were first discovered.

Dispute Resolution Any claim or dispute between Client and Design Professional shall be submitted to non-binding mediation, subject to the parties agreeing to a mediator(s). If the Parties cannot agree upon a mediator the claim or dispute shall be submitted to the American Arbitration Association (AAA) for mediation in accordance with the Construction Arbitration and Mediation Rules of the AAA then in effect. Unless otherwise specified, the laws of the State where the work is performed shall govern this Agreement.

Relationship of the Parties All services provided by Design Professional are for the sole use and benefit of Client. Nothing in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against either Client or Design Professional. All items have been fairly negotiated and that Client had the option of altering or foregoing the terms and conditions in exchange for an equitable adjustment in Design Professional's fee.