

**HECO-3.1**

**TERM CONTRACT BETWEEN THE UNIVERSITY AND S/I**

**FOR CONSTRUCTION-RELATED NON-PROFESSIONAL SERVICES**

This Contract dated this 2nd day of October, 2024 is between the Commonwealth of Virginia and The Rector and Visitors of the University of Virginia (“University”) and **ECS MID ATLANTIC, LLC** (“Special Inspector” or “S/I”), whose Identification Number (FEIN) is 20-1067637, and is binding among and between these parties as of the date of the University’s signature.

**RECITALS**

1. The legal address for the University and for the S/I and the addresses for delivery of Notices and other contract documents are as follows:

University: The Rector and Visitors of the University of Virginia

Attn: Donald E. Sundgren, Associate VP & Chief Facilities Officer

Address: 1450 Leake Drive, P.O. Box 400726 (22904-4726) (U.S. Mail)

1571 Pratt Drive, Facilities Management Shop #2 (Physical Address)

City, State: Charlottesville, VA (22904)

Telephone: (434) 924-6387 Fax: (434) 982-5049

S/I: **ECS Mid Atlantic, LLC**

Attn: Michael J. Galli, Vice President

Address: 4004 Hunterstand Court, Suite 102

City, State, Zip: Charlottesville, VA 22911

Telephone: (434) 973-3232 Email: [Mgalli@ecslimited.com](mailto:Mgalli@ecslimited.com)

SCC ID # S1208216

1. After competitive negotiation pursuant to the “Restructuring Act” the University has selected the above-named S/I to perform the duties of S/I for this Term Contract.
2. The University often needs construction-related non-professional engineering services for discrete, small projects such as materials testing, inspections. investigations, studies, reports, design of small projects, and related services on an “as needed” basis. The purposes, functions, criteria, and general requirements for the scope of work on the task or particular project will be set forth in a Service Order issued to the S/I.
3. The rights and duties of the University and SI applicable to University projects are set forth in the University of Virginia HECOM revised 6/28/2023 (hereinafter called “the Manual”). The Sections of the Manual detailed in “Construction-related Nonprofessional Services" under Section 1.5.2 of the Manual shall apply to this Project as further detailed and modified in this Contract. Any references to “A/E” (or to words or abbreviations of similar import) or to other contractors of the University in these Sections of the Manual shall be deemed to apply to the SI, and any reference to “Professional Services” shall be deemed a reference to “Construction-related Nonprofessional Services” under the Manual and to the “Services” under this Contract.
4. During competitive negotiations, the University selected the above named S/I to perform services under this Term Contract. The S/I agreed to perform such services under the terms and conditions set forth herein and in the MOU.
5. One or more Service Orders may be issued to the S/I during the Contract Term. Although the potential exists for multiple Service Orders with a maximum aggregate total of $2,000,000.00 during the Contract Term, the University does not represent or guarantee that the S/I will receive more than one Service Order during the Term Contract.
6. The University reserves the right, at its sole discretion, to issue RFP’s for similar work and other projects as the need may occur. The University also reserves the right to issue Service Orders to other S/I’s under Term Contracts at its sole discretion, based on its evaluation of each S/I’s qualifications, expertise, current workload, capabilities, performance record, location, and other factors as may be pertinent.

**THEREFORE**, in consideration of the Recitals set forth above, and good and valuable consideration as set forth below, the parties agree as follows:

1. Scope of Services

The S/I agrees that it is willing and able during the Contract Term to provide construction-related non-professional services on an “as needed” basis. The Work may include, but is not limited to, materials testing, inspections, investigations, studies, reports, small project designs, and similar services. The purposes, functions, criteria and general requirements for the scope of work on the task or particular project will be set forth in a Service Order issued to the S/I. All Work under the Service Order(s) shall conform to the applicable portions of the Manual and the MOU.

1. Service Orders

At the time of execution of this Term Contract, Service Order # 1, attached to this Contract, will be issued to the S/I authorizing the work to be performed for a lump sum amount or at the marked up hourly rates set forth in the MOU.

It is understood that additional Service Orders may, at the University’s sole discretion, be offered to the S/I during the period of one year from the date of this Contract.

1. Design-not-to-exceed Construction Budget

Where applicable, the S/I agrees to design the Work on the Service Order(s) so that costs can be expected to fall within the “Design-not-to-exceed” construction budget. If the cost estimates indicate a potential problem in securing a bid/price within the "Design-not-to-exceed" construction budget, the S/I shall notify the University and shall work with the University, at no additional fee, unless otherwise directed by the University, to redefine the design concepts of space utilization, building efficiencies, materials of construction, etc., so that the estimated cost of construction does not exceed the "Design-not-to-exceed" construction budget.

If the low bid/price exceeds the "Design-not-to-exceed" construction budget identified in the S/I Proposal by more than 10%, any S/I revisions to the plans and specifications required to bring the cost of the Work within the "Design-not-to-exceed" construction budget shall be executed by the S/I at no additional fee to the University, unless otherwise directed by the University.

1. Contract Amount

The aggregate total of all fees for all Service Orders issued during the Contract Term shall not exceed **TWO MILLION AND 00/100** dollars ($**2,000,000.00)** The University shall determine the lump sum amount of each Service Order based on the estimated time required, the marked up hourly rates set forth in the MOU, and the Scope of Services required.

In emergency situations, investigations, or similar work where an estimate of time required cannot reasonably be determined to establish a lump sum fee, the Service Order shall be issued to be paid on an hourly basis per the marked up hourly rates set forth in the MOU. Such Service Orders shall usually include a “maximum” or “not-to-exceed” fee amount. The actual Service Order cost shall be based on the S/I’s accounting of its man hours expended on the Service Order, submitted by classification, multiplied by the MOU scheduled classification hourly rates.

1. Payment Schedule

**eVA Business-to-Government Vendor Registration:** The S/I must be registered in eVA prior to making the first Application for Payment. S/I must include the cost of the eVA transaction fee in its proposal. The eVA transaction fee will be assessed approximately 30 days after each purchase order is issued. Any adjustments (increases/decreases) will be handled through eVA change orders.

**Payment Works Registration:** The University requires the SI to register with Payment Works. Provide the name and email address of the person who will complete the registration to Bruce Jackson at [brj2n@virginia.edu](mailto:brj2n@virginia.edu) and he will send an invitation email with instructions.

Payments to the S/I shall conform to the provisions of the Manual, Chapter 3, unless otherwise stipulated in the individual Service Order. The S/I agrees to make payments to its Subcontractors and Consultants in conformance with the provisions of the Manual, Chapter 3.

1. Contract Documents

The following documents are incorporated by reference into this Contract and are listed in order of precedence following the Contract which has precedence over all:

* 1. The Manual, 6/28/2023 Edition
  2. Service Order #1 (attached)
  3. MOU dated September 27, 2024, (attached)
  4. RFP # 24-05 dated June 18, 2024,
  5. S/I Proposal Letter dated September 16, 2024, (attached)

1. Contract Term

Service Orders may be issued during the one year period following the date of execution of this Contract. This period shall be referred to as the “Contract Term.” No further Service Orders may be issued during the Contract Term once the aggregate dollar limit has been reached. It is understood that the S/I’s Work under the Service Orders issued may not be completed during the Contact Term; however, all terms and conditions of this Contract, including all rights and obligations, shall survive until the Work is completed, except the Owner’s right to issue, and the S/I’s right to accept, additional Service Orders.

The University may, at its sole discretion, renew this Contract for four additional one year Contract Terms, provided the option to renew was indicated in the RFP. If the University exercises its option to renew, the next Contract Term shall begin one year from the date of the execution of this Contract, or the date that the University notifies the S/I that the option to renew is being exercised, whichever occurs first. A new aggregate dollar limit of the same amount shall apply to the next Contract Term. Any unused amount from a Contract Term shall carry forward to the next renewal Contract Term, provided there is one.

1. Termination

The University or the S/I may terminate this Contract as set forth in the Manual, Chapter 3, General Terms and Conditions for Professional Services Contracts.

1. Disputes / Claims

Any contractual claims shall be submitted in accordance with the Procedure for Resolution of Contractual Claims of the University of Virginia, included by reference herein.

In witness whereof the undersigned have executed this Contract on the dates set forth beside their respective signatures.

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| **ECS Mid Atlantic, LLC**  by:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Michael J. Galli (Date)  Vice President  ATTEST:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  (signature) (date) | **University of Virginia**  by: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Donald E. Sundgren (date)  Associate VP and Chief Facilities Officer  ATTEST: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  (signature) (date) |

Attachments:

Service Order #1

MOU

S/I Proposal Letter

Request for Proposal

Contract Administrator for Professional Services \_\_\_\_\_

Office of Contract Administration Services Associate Director \_\_\_\_\_

Director, CC&R \_\_\_\_\_\_