



REQUEST FOR QUALIFICATIONS AND PROPOSALS

FOR CONSTRUCTION MANAGER AT RISK SERVICES

FOR THE CONSOLIDATED RENTAL CAR FACILITY

AT THE NORFOLK INTERNATIONAL AIRPORT

ADDENDUM NO. 2

ISSUED: 10/28/2024

RFQ-FY25-100-3

ADDENDUM NO. 2

Request for Qualifications and Proposals for Construction Manager at Risk (CMR) for Norfolk International Airport (ORF) Consolidated Rental Car Facility

October 28, 2024

The Norfolk Airport Authority (the "Owner") hereby issues this Addendum Number Two to its Request for Qualifications and Proposals as named above. The information contained in this Addendum shall become part of the Solicitation and, to the extent specified, shall amend and supersede the similar information in the original Solicitation document. All other terms, provisions and conditions of the Solicitation shall remain unchanged.

The Solicitation Documents shall be amended by the following:

REFER TO SUBMITTED RFIs AND RESPONSES DOCUMENTATION:

1. A total of 36 RFIs were submitted
 - a. Modifications to RFQP documentation as a result of the RFIs are included below

REFER TO RFQP DOCUMENTATION:

1. Remove and replace page 7 of RFQP with attached version
 - a. Revised date of Beneficial Occupancy
2. Remove and replace page 31 and 32 of Agreement with attached version
 - a. Two clauses not used per RFI Response document
 - b. See questions 9 and 10
3. Remove and replace page 82 of Agreement with attached version
 - a. CCIP requirement updated per RFI Response document
 - b. See question 19
4. Remove and replace pages 88-91 of Agreement with attached version
 - a. Insurance requirements updated per RFI Response document
 - b. See questions 21-23
5. Remove and replace page 97 of Agreement with attached version
 - a. Clause revised per RFI Response document
 - b. See question 26

LIST OF ATTACHMENTS:

1. Submitted RFIs and Responses, 11" x 8.5", 4 pages
2. RFQP Page 7, 8.5" x 11", 1 page
3. Agreement Page 31 and 32, 8.5" x 11", 2 pages
4. Agreement Page 82, 8.5" x 11", 1 page
5. Agreement Pages 88-91, 8.5" x 11", 4 pages
6. Agreement Page 97, 8.5" x 11", 1 page

NO FURTHER ADENDA WILL BE ISSUED.

END OF ADDENDUM NO. 2

Contractor must take note and be governed accordingly. This addendum must be acknowledged in your submittal response, or your submittal may not be considered.

Question Number	RFQ Section	Section Number	Page Number	Question	ORF Response
1	RFQP Exhibit A - Agreement	1.3.3 & 1.4.2	2 & 4	Section 1.3.3 indicates that the agreement is result of negotiation between the Owner and CMR stating that the language has been "chosen by the parties to express mutual intent" and "This agreement will be construed as drafted jointly by both parties". Section 1.4.2 states the both parties will be considered to have co-authored the Agreement and are fully informed of the contents. Recognizing the limited time the CMR had to review verses the time the Owner had to draft, will there be opportunity for the CMR to negotiate / review the contract with the Owner or authorized representative to fully understand the intent and be fully informed?	Shortlisted Offerors are able to submit proposed redlines of the contract per Step 2 of the procurement process described in the RFQP.
2	RFQP Exhibit A - Agreement	1.3.4	2 & 3	These sections, along with several other sections, use language or phrases such as "in the opinion of the Owner", "in the Owner's sole discretion", "may be fairly inferred", "may reasonably be anticipated", "may be reasonably foreseeable" or similar language. Will the CMR have opportunity to receive discuss these phrases which are ambiguous and open ended?	Shortlisted Offerors are able to submit proposed redlines of the contract per Step 2 of the procurement process described in the RFQP. Note that the Airport Authority disagrees with the premise of the question.
3	RFQP Exhibit A - Agreement	2.2.1.1	10	We use a SharePoint based PMIS, is a SharePoint system acceptable? Per the contract, we will provide Owner and the team access and training.	Yes.
4	RFQP Exhibit A - Agreement	2.2.3.5	13	Please confirm that the scheduling specifications is Exhibit F or provide the referenced specification.	Confirmed.
5	RFQP Exhibit A - Agreement	2.5	22	The list of administrative records in this section is quite extensive and many of these items will not be available on site in hard copy but can be accessed electronically. Is this acceptable? Also, typically, certified payrolls are provided by subcontractors monthly as part of the monthly pay application. Is this acceptable?	1.) Yes. 2.) Yes.
6	RFQP Exhibit A - Agreement	2.6.4, 2.6.5.3 & 2.3.5.6	26 & 27	2.6.4 lists a 21 day response and 2.6.5.3 calls out 14 days. Is 21 days acceptable? Also, can the number of days be extended to account for holidays in the period? Or can the days be stated in 15 business days? Similar question for other sections when calendar day periods are given.	1.) 21 calendar days will be acceptable in 2.6.5.3. 2.) No. 3.) No. 4.) Similar issues will need to be specifically identified and addressed when submitting contract redlines per Step 2 of the procurement process.
7	RFQP Exhibit A - Agreement	2.6.5.3	27	At what level of drawing development will the project specifications be completed and provided to CMR?	Preliminary design plans will be issued throughout the pre-construction phase. Each successive set will provide project specifications as the design advances toward final GMP and the Issued for Construction plan set.
8	RFQP Exhibit A - Agreement	2.6.7	29	Section 2.6.7 indicates that the owner will have a list of certain calendar dates on which no work can be performed. Is this list available or can you advise when it will be?	Dates will be finalized during GMP discussions. Based on site location it is expected that this restriction will be limited to less than five days per calendar year.
9	RFQP Exhibit A - Agreement	2.7.3.8	31	It is not customary to publicly open bids and announce bids in CMR process. It does not allow for evaluation of the bids for scope and completeness to level bids received to obtain best value. Can this clause be deleted?	Clause is deleted.

Question Number	RFQ Section	Section Number	Page Number	Question	ORF Response
10	RFQP Exhibit A - Agreement	2.7.3.13	32	It is not customary to have a public meeting with subcontractors in attendance in CMR process when discussions between the Owner and CMR is reviewing bids. It does not allow for evaluation of the bids received to obtain best value for the Owner. Can this clause be deleted or modified to allow for private discussions between the CMR, Owner and Owner consultants with a subsequent meeting, if needed, to identify the successful bidders?	Clause is deleted.
11	RFQP Exhibit A - Agreement	2.7.13.12	38	Permanent signage is normally shown in the contract drawing and included in cost of work. Is this the intent under this contract?	Yes.
12	RFQP Exhibit A - Agreement	2.7.13.21	21	Concerning as-builts, is the requirement to for "the exact routing of conduit runs" refer to underground conduit as required for "underground utilities"?	Yes. Additionally applies to conduit which were not installed exactly as shown on the Contract Documents.
13	RFQP Exhibit A - Agreement	4.7	45	Section 4.7.4.h of the RFQ/P states, " The subcontractor shall comply with all public records, audit and accounting obligations imposed on the CMR in the CMR Agreement, including Article 10.6. Would the Norfolk Airport Authority please confirm that there are no additional subcontractor public records, audit and accounting obligations, apart from those specified in this section.	Confirmed. Note that the requirement to maintain Administrative Records (Article 2) and Project Records (Article 16) as defined in the Agreement are public records for this purpose.
14	RFQP Exhibit A - Agreement	4.7.4.g	47	We are concerned that a major subcontract with a larger contract value may not be able to complete and submit and accurate SOV within the stated 5 business days. Can this submittal be considered a preliminary with final to submitted within 10 business of the effective date of the subcontract agreement?	Yes.
15	RFQP Exhibit A - Agreement	5.3	50	Will the amount of liquidated damages be included in the final /executed contract agreement?	See Instructions to Offerors Section 2.g. of RFQP.
16	RFQP Exhibit A - Agreement	6.7.2	58	We have concerns with the reductions noted in retainage unless it is by mutual consent of both parties.	This subsection relates to contingency reduction and any contingency reduction required by this clause shall be revised to be by mutual agreement of the parties.
17	RFQP Exhibit A - Agreement	6.8	59	Allowances are not identified or known at this point. Will allowances include Fee or consist of cost of work items only?	Allowances may be included in a GMP, but must be converted to cost of work before including in an application for payment. Fee will be applied to the cost of work billed.
18	RFQP Exhibit A - Agreement	8.1	61	Cost of the work items, particularly equipment rental, are not consistent with industry standards or normal rental company procedures. Will need further clarification.	Shortlisted Offerors may submit proposed redlines of the contract per Step 2 of the procurement process described in the RFQP.
19	RFQP Exhibit A - Agreement	12.3 - 1.1	82	Clarify if Contractor can use a CCIP for General liability only.	Yes. Article 12.3.1.1 is modified to allow for a CGL-only CCIP. See also Exhibit G - Price Proposal Form (CCIP Scenarios #1 and #2)
20	RFQP Exhibit A - Agreement	12.3.1.3g	85	Total Limits. Request that limits of \$20MM for CMR's General liability and Umbrella/Excess limits are adequate for this job based similar jobs in Region based on size and scope of project.	No change.
21	RFQP Exhibit A - Agreement	12.3.1.4f	88	Contractor's Pollution Liability – Request limits of \$5MM per claim and \$5MM annual aggregate based on similar jobs in Region based on size and scope of project. Request limit of \$10MM for project aggregate.	Section revised.

Question Number	RFQ Section	Section Number	Page Number	Question	ORF Response
22	RFQP Exhibit A - Agreement	12.3.1.6d	89	Professional Liability Insurance – Request limits of \$5MM per claim and \$5MM annual aggregate based on similar jobs in Region based on size and scope of project. Request limit of \$10MM for project aggregate.	Section revised.
23	RFQP Exhibit A - Agreement	12.3.1.8a	91	Cyber Liability Insurance - Request limits of \$2MM per claim based on similar jobs in Region based on size and scope of project.	Cyber Liability Insurance is revised to \$5MM per claim and annual aggregate.
24	RFQP Exhibit A - Agreement	12.4.1	96	Please confirm Owner is providing the Builders Risk policy for CMR and subcontractors.	Confirmed.
25	RFQP Exhibit A - Agreement	12.4.6	97	Confirm Owner's Property/Builder's Risk policy will cover CMR's loss of income, business interruption, extra expense and soft costs if a dollar amount is provided to Owner for the Owner/CMR's builder's risk policy.	Per RFQ Exhibit A 12.4.7- These items will not be covered.
26	RFQP Exhibit A - Agreement	12.4.9	97	Confirm if CMR is responsible for Builder's Risk deductible, up to \$100K, if due to weather or natural disaster.	The clause is revised to the following: Owner shall be responsible for all property insurance deductibles except to the extent the cause of loss arises from CMR negligence.
27	Agreement - Exhibit C	Part 3 - Execution [3.01 Security: A.2 - CONTRACTOR'S ACCESS TO SECURE AREAS AND THE AOA	SEC - 2	<i>The RFQ/P states: "The Federal Aviation Administration (FAA) has mandated that each individual engaged on the work within these areas must have a valid security identification badge, which will authorize their presence in the work area. In addition, they must escort un-badged personnel for temporary purposes such as delivering of material and other services authorized by the Project Manager. Escorting of un-badged personnel is intended for short-term duration only and shall be limited to a period of 2 weeks. To obtain such security identification badge, refer to the SIDA Badge Application Package within these documents."</i> Would the Norfolk Airport Authority please confirm that the prospective job site does NOT fall within the scope of the AOA and/or Secure Areas, and, therefore, that contractor and subcontractor personnel who work only on the prospective job site will NOT require SIDA badges, UNLESS they are required to perform work in the AOA and/or Secure Areas?	1.) See RFQ Exhibit I as issued in Addendum #1. The fence line south of the roadway work in yellow must be relocated into the AOA. Fence contractor will need to have SIDA badge for this work. Once the fence is relocated, the roadway work highlighted in yellow will not require a SIDA badge as it will then be outside of the AOA. 2). The ConRAC/QTA and bridge to Arrivals do not fall within the AOA or Secure Areas at any time. Therefore, contractor and subcontractor personnel, who work only on the ConRAC/QTA site, are not required to obtain SIDA badges. 3). Personnel who work on the TNC / Taxi facilities proposed in Addendum #1 are not required to obtain SIDA badges.
28	Agreement - Exhibit C	Part 3 - Execution [3.01 Security: A.2 - CONTRACTOR'S ACCESS TO SECURE AREAS AND THE AOA	SEC - 2	Apart from the badging requirements referenced above, are there any additional requirements for contractor and subcontractor staff to wear badges while working on the prospective job site? If so, what would those badging requirements be? Also, if so, would the Norfolk Airport Authority permit the use of contractor self-generated badges for onsite workers? (We understand that SIDA badges will be required for contractor and subcontractor staff who are required to work in the AOA and/or Secure Areas.	No.
29	RFQP Exhibit H - Concept Drawings	SERVICE YARD	A210	This drawing appears to indicate that some fencing may need to be moved. Would the Norfolk Airport Authority please confirm whether this is the case, either in this area, or in any other areas of the prospective job site?	See RFQ Exhibit I as issued in Addendum #1. The fence line south of the roadway work in yellow must be relocated into the AOA. Fence contractor will need to have SIDA badge for this work. Once the fence is relocated, the roadway work highlighted in yellow will not require a SIDA badge as it will then be outside of the AOA.

Question Number	RFQ Section	Section Number	Page Number	Question	ORF Response
30	Addendum #1			The RFQ states a NTP on September 1, 2025. Addendum #1 has included several roadways and the taxi loop relocation that seem to be necessary predecessor work to the CONRAC/QTA. Can this work, shown in Addendum #1, begin earlier in 2025 before the September 1st NTP as it would be advantageous to the overall construction schedule?	No. See additional comments on phasing in response to question 32 below.
31	Addendum #1			Is the work shown in Addendum #1 included in the \$200 million projected budget? Does the Norfolk Airport Authority expect to add any large scope items to the project not already shown?	1.) Yes. Note - the referenced project budget appears to be from the Authority's publicly posted Board Meeting materials and this number in no way reflects the expected construction value of the project. Any "project budget" shown within Board Meeting materials includes, but is not limited to, cost of construction, design fees, construction administration fees, design contingency, escalation, owner soft costs and owner contingencies. 2.) No.
32	General			There are no phasing constraints identified in the RFQ; please advise if there are any phasing constraints that should be considered in the development of our response.	1.) TNC and Taxi Operations must be relocated prior to demolition of existing TNC and Taxi facilities. The Authority will discuss temporary accommodations with TNCs and Taxi operators which will allow for the demolition of existing facilities to occur concurrently with the construction of the proposed facilities reflected in Addendum #1. This prevents TNC and Taxi facilities proposed in Addendum #1 from causing a delay to construction of ConRAC/QTA. 2.) Access into and out of the Long Term East surface parking lot, located to the east of the ConRAC facility, must be maintained at all times.
33	General			Are there CAD / Revit files available that can be shared?	Files will not be shared at this time.
34	General			Can we get access to the Revit model for the project if available?	Files will not be shared at this time.
35	General			Is the CONRAC under design at this time?	Yes.
36	General			Is Gresham Smith the project's design consultant - if not, who is the design consultant?	Yes.

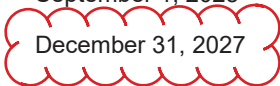
Step 2: Request for Proposals (RFP) Schedule

November 22, 2024	Notify Offerors of the Shortlisted Firms
December 20, 2024	Acknowledgement of Contract or Proposed Redline due by 9:00 am EDT; Submit electronically through Newforma
January 7, 2025	Price Proposal due by 2:00 pm EDT Submit electronically through Newforma
January 14, 2025	Interviews, Final Scoring, Ranking and determine whether competitive negotiations needed
January 15-22, 2025	Competitive Negotiations with top-ranked firms, if needed, and recommendation made to CEO
January 24, 2025	Selection by CEO, and Notice of Intent to Award
February 28, 2025	Execute Contract, Preconstruction Addendum, and NTP

f. **Construction Schedule**

September 1, 2025	Notice to Proceed
December 31, 2027	Beneficial Occupancy

Addendum No. 2



g. **Liquidated Damages**

Unless otherwise agreed to by the Owner, the Construction Manager shall pay the Owner liquidated damages of \$1,500 per day for each and every day that Substantial Completion has not been achieved after the Contract Time established in each Guaranteed Maximum Price Amendment. The Construction Manager acknowledges and agrees that liquidated damages are not a penalty, but are a fair and reasonable estimate of the delay damages the Owner is expected to suffer in the event of delay.

3. PROJECT DESCRIPTION

The Project consists of constructing a new consolidated rental car facility (ConRAC) and all associated necessary ancillary work. The ConRAC is generally described as a 270,000 square foot parking structure consisting of three levels and a fourth level hard cap. Additionally, a Quick Turnaround facility used by the rental car companies to clean and fuel vehicles will be constructed adjacent to the parking structure. Refer to **Exhibit H** for concept drawings available at the time of posting this RFQ/RFP. Scope is subject to change however, Offerors should anticipate the final project scope to be similar to what is documented in the noted exhibit.

a. **Coordination and Phasing:**

The Airport operates 24-hour a day, 365 days a year, which requires construction to be performed in a manner to minimize impacts to daily operations. The Project will require the Offeror to be knowledgeable in minimizing downtime of operating utilities and planning/phasing/staging the work to limit impact to Airport Operations and maintain a safe passenger experience in and around the facility during the performance of all construction activities. The selected Offeror shall:

- i. Coordinate the work for this project with the Airport Authority's other on-going projects.

must contain an explanation of the reason that the firm is not sufficiently qualified to perform the Work and are subject to approval by the Owner;

3. Upon request from the Owner submit the master list of prequalified subcontractors, in the format requested by the Owner, which may include an alphabetical list, a list by geographic region and/or by trade package;
4. If less than three bids are received, the Owner may require rebidding the package;
5. Prepare the invitations for bids or requests for qualifications and assemble all bid documents and Contract Documents for each subcontract; All solicitations shall clearly state the basis for award (whether lowest responsive bid or best value), clearly state the small and minority business participation goals and requirements, if any, and shall include a statement that no contractual relationship will be created between the subcontractor and the Owner;
6. Conduct a pre-bid conference with prospective bidders, with notice to the OAR. In the event that questions are raised which require an interpretation of the bid documents or otherwise indicate a need for a clarification or correction of the invitation for bids, the CMR shall request clarification from the OAR and Consultant when necessary;
7. Prepare all bid addenda for review by the OAR and Consultant and if no objection is received within a reasonable time, issue to all of the prospective bidders. Bid addenda shall be the only medium for making any clarifications or corrections to the bid documents;
8. ~~Publicly open only those bids that were submitted by prequalified subcontractors, when prequalification is required, (and return unopened any bids that are received from subcontractors that have not been prequalified) and publicly announce the bidders names and bid amounts;~~ Not used.
9. Analyze the bids and their relationship to the budgeted and/or estimated amounts; Prepare a bid tabulation and such other support data as necessary to document the comparison of the various bids, their responsiveness to the Bid Documents, including small and minority business participation, and the basis for the CMR's proposed selection, including an explanation if the CMR proposes an award to any entity that is not the apparent lowest bidder; Clearly identify on the bid tabulation any adjustments to the submitted bid and document the reasonableness of all proposed adjustments to the satisfaction of the Owner; Recommendations for award may be based upon best value; however, the Owner may, at any time, require a bid package to be re-bid or require all future bid packages to be awarded to the lowest responsive bidder without allowing for any post-bid adjustments;

Addendum No. 2

Subcontracts for professional services, such as surveying, may be awarded based upon qualifications or best value;

10. Copy the OAR on all correspondence with bidders regarding the submitted bids and all post-bid interview correspondence and documents; Do not disqualify a bidder or reject a bid without OAR written approval;
11. Prepare a lease-purchase analysis for any personal property that is recommended for rental or leasing, documented to the satisfaction of the OAR and Owner;
12. Present the bid results and analysis, approved subcontractor labor and burden rates for standard work classifications, and any other documentation requested by the OAR and assist the OAR, upon request, with presentation of the recommended award to the Owner for approval;
13. ~~Notify bidders of the date, time and place of the Owner's meeting to review the recommendation for approval;~~ Not used.
14. Within fourteen (14) days of approval of a subcontract award, submit to the OAR a copy of executed subcontract, including all attachments, exhibits, agreed labor rates, subcontractor schedule of values and confirmation of enrollment in the Contractor's Controlled Insurance Program, if applicable. Payment will not be made for subcontractor work until a copy of the executed subcontract that is consistent with Owner approval is provided to the OAR.

Addendum No. 2

Subcontract Work shall not commence until the subcontract award is approved by the Owner.

For CMR self-performance of the Work and bids from CMR team members, refer to Article 4.

4. Subcontractor Schedule and Project Manual Provisions. The CMR shall provide subcontractors with applicable portions of the Project Manual emphasizing their respective responsibilities for performance and the relationships of their Work with respect to other subcontractors and suppliers. The CMR shall also continue to provide current scheduling information, direction and coordination regarding milestones, and beginning and finishing dates, to enable them to perform their respective tasks so that the construction progresses in a smooth and efficient manner in conformance with the most current Project Schedule. The schedule shall include all phases of the construction Work, material supplies, long lease procurement, approval of shop drawings, contract modifications in progress, schedules for Contract Modifications, and performance testing requirements. The CMR shall review each subcontractor's construction schedule and conformance with applicable Contract Documents and ensure that established completion dates will comply with overall Project Schedule requirements. The CMR shall review the progress of construction of each subcontractor on a monthly basis, evaluate the

12.2.5 If the above indemnity provisions are deemed void in whole or in part under Virginia law, then the following indemnification obligations shall apply to the extent such provisions are deemed void: CMR shall indemnify and hold harmless the Owner, their officers, Commissioners, and employees, from liabilities, damages, losses and costs, including but not limited to, reasonable attorney's fees, to the extent caused by the negligence, recklessness, or intentional wrongful misconduct of the CMR and persons employed or utilized by the CMR in the performance of this Agreement.

12.3 CMR's Insurance.

12.3.1 Description of CMR Required Insurance. CMR shall procure, maintain and keep in force, the amounts and types of insurance conforming to the minimum requirements set forth in this Agreement. For the purposes of this insurance, the term "Owner Additional Insureds" shall mean "the Owner and the members of the Owner's Board, officers, agents and employees." Except as otherwise specified in this Agreement, the insurance shall commence prior to the commencement of Work by CMR, and shall be maintained in force through Final Completion and the applicable statutes of limitation and period of repose in Virginia law.

Addendum No. 2

1. Contractor Controlled Insurance Program. If a Contractor Controlled Insurance Program ("CCIP") is proposed by the CMR, it must include Commercial General Liability, and, if possible, include Workers' Compensation/Employers' Liability, Pollution Liability insurance, all of which must meet the requirements of this Article 12.3.1.

a. Except with respect to the subcontractors, or sub-subcontractors of any tier, described below as Excluded Insureds, all of CMR's subcontractors, and sub-subcontractors of any tier, shall be included as Named Insureds in the CCIP.

b. The following subcontractors, or sub-subcontractors of any tier, may be Excluded Insureds, and are not required to be included as Insureds or Named Insureds in the CCIP:

Contractors whose jobsite activities are limited to the delivery or pickup of equipment or supplies to or from the Jobsite such as materialmen, suppliers, haulers, drivers, etc.

If the Workers' Compensation/Employers' Liability, Commercial General Liability, and Pollution Liability insurance, required by this Article 12.3.1, is not provided by Contractor under a CCIP, the coverage for CMR's Subcontractors, and sub-subcontractors of any tier, shall conform to the requirements set forth in Article 12.3.8.

2. Workers' Compensation/Employers' Liability. The Workers' Compensation/Employers' Liability insurance shall conform to the requirements set forth herein and Virginia law.

- i. is limited: to the extent to which the insured is obligated, or permitted, to indemnify the additional insured; or to the additional insured's vicarious liability; or is limited to the extent that the liability was caused by the named insured, or others acting on the named insured's behalf; or
 - ii. does not include the additional insured's strict liability, or the liability of the additional insured for the breach of the additional insured's non-delegable duty; or
 - iii. does not include liability caused by the negligence or other culpability of the additional insured. shall not be acceptable.
- f. The minimum limits to be maintained by CMR (inclusive of any amounts provided by an umbrella or excess policy) shall be:

Addendum No. 2

\$ 5,000,000 Per Pollution Incident
 \$ 5,000,000 Annual Aggregate or, in lieu of the annual aggregate,
 \$ 10,000,000 Project Aggregate

Any aggregate limits of coverage shall not be subject to erosion or exhaustion from any liability or cleanup costs other than those connected to the Work under this Agreement.

- g. Except as otherwise specifically authorized in Article 12.3.5 of this Agreement, the coverage shall apply on a first dollar basis without application of any deductible or self-insured retention.
5. Business Auto Liability. The automobile liability insurance shall conform to the requirements hereinafter set forth:
- a. Business Auto Liability insurance shall be on a form no more restrictive than, and shall cover for those sources of liability which would be covered by Section II of, the latest occurrence edition of the Business Auto Coverage Form (ISO Form CA 00 01) as filed for use in the Commonwealth of Virginia by ISO, without any restrictive endorsements other than those which are required by the Commonwealth of Virginia, or those which, under an ISO filing, must be attached to the policy (i.e., mandatory endorsements). Coverage shall include all owned, non-owned and hired autos used in connection with this Agreement.
 - b. The policy must be endorsed to provide Owner with a minimum of 30 days' notice of cancellation, except for non-payment of premium for which a minimum of 10 days' notice shall be provided.
 - c. The minimum limits to be maintained by CMR (inclusive of any amounts provided by an umbrella or excess policy) shall be:

\$ 10,000,000 Each Accident

d. The automobile liability insurance coverage shall apply on a first dollar basis without application of any deductible or self-insured retention.

6. Professional Liability Insurance. The professional liability insurance provided by CMR shall conform to the requirements hereinafter set forth:

a. Such insurance shall be on a form acceptable to Owner, and shall cover CMR for those sources of liability arising out of the rendering of, or failure to render, professional services under this Agreement, including but not limited to, all required preconstruction phase services.

b. The Professional Liability insurance maintained by the CMR shall also include coverage for liability resulting from professional services subcontracted by CMR to others. Provided, however, if the CMR's Professional Liability insurance does not include such additional coverage, the CMR may satisfy this requirement by requiring any such subcontractors to maintain, and provide evidence to Owner of, Professional Liability insurance in the same manner as required of the CMR.

c. The policy must be endorsed to provide Owner with a minimum of 30 days' notice of cancellation, except for non-payment of premium for which a minimum of 10 days' notice shall be provided.

d. The minimum limits to be maintained by CMR (inclusive of any amounts provided by an umbrella or excess policy) shall be:

\$ 5,000,000	Per Claim
\$ 5,000,000	Annual Aggregate or, in lieu of the Annual Aggregate,
\$ 10,000,000	Project Aggregate

Addendum No. 2

Any aggregate limits of coverage shall not be subject to erosion or exhaustion from any liability other than to the Work under this Agreement.

e. Except as otherwise specifically authorized in Article 12.3.5 of this Agreement, the coverage shall apply on a first dollar basis without application of any deductible or self-insured retention.

f. The coverage must either be on an occurrence basis, or a claims-made basis. If coverage is on an occurrence basis, the coverage must be maintained, for the period of repose under Virginia law, for liability resulting from the rendering of, or failure to render,

professional services in the performance of the Work. If coverage is on a claims-made basis, the following provisions shall apply:

- i. Subject to the following Paragraph ii, CMR shall maintain a retroactive date throughout the duration of this Agreement which is not later than the earlier of (a) the commencement of Work by CMR, or (b) if the coverage was previously on an occurrence basis, the original coverage retroactive date for CMR's first claims-made policy.
 - ii. For the duration of this Agreement, if the retroactive date is advanced, or if a policy is materially changed, cancelled or not renewed, CMR shall purchase, at its own expense, an extended reporting period endorsement. This endorsement must provide an extended reporting period ("tail" coverage) for the full period of repose under Virginia law.
 - iii. Upon termination of this Agreement, CMR shall, at its own expense, by continuing claims-made coverage, the purchase of an extended reporting period, or a combination thereof, maintain coverage for claims made within five years after termination for liability arising out of the rendering of, or failure to render, professional services under this Agreement.
 - iv. The claims-made policy or policies shall include a notice of circumstances or similar provision which provides that, if the insurer is notified during a particular policy period about circumstances which are likely to result in a claim, any subsequent claim will be deemed to have been made during the policy period in which the notice of circumstances was given to the insurer.
 - v. A claims-made policy that requires both the claim being made and reported to the insurer during same policy period will not be acceptable. To be an acceptable policy, subject to the claim being made during the policy (or any extending reporting period thereof), the policy must provide a minimum of sixty days to report the claim to the insurer.
7. Crane and Riggers Legal Liability Insurance provided by CMR shall conform to the requirements hereinafter set forth:
- a. If CMR (or its subcontractors of any tier) utilizes a crane in connection with the work, CMR shall provide crane and riggers liability insurance, insuring against physical loss of, or damage to, the property and/or equipment in the care, custody, or control of the rigger, with limits

sufficient for replacement of such property and/or equipment, and/or with limits that comply with any applicable federal, state, or local law or regulation.

8. Cyber Liability Insurance provided by CMR shall conform to the requirements hereinafter set forth:

Addendum No. 2

- a. CMR shall procure cyber liability insurance with limits of at least \$5,000,000 per claim and \$5,000,000 aggregate. Cyber liability insurance shall include coverage for security and privacy liability (including, but not limited to, legal liability and attorneys' fees associated with privacy violations, information theft, intentional and/or unintentional release of private information, and alteration of electronic information), damage to or loss of use of data and equipment (including, but not limited to, media liability), cyber extortion, social engineering, phishing, data breach expenses (including, but not limited to, attorneys' fees, expenses to notify affected individuals and entities, call center expenses, and credit monitoring expenses), and business interruption and extra expense.

12.3.2 Qualification of CMR's Insurers

1. Insurers providing the insurance required to be provided by CMR by Article 12.3.1 of this Agreement must either be: (1) authorized by a subsisting certificate of authority issued by the Commonwealth of Virginia to transact insurance in the Commonwealth of Virginia, or (2) except with respect to coverage for the liability imposed by the Workers' Compensation Act, an eligible surplus lines insurer under Virginia Code.
2. In addition to meeting the respective requirements of Article 12.3.2.1, each such insurer shall have and maintain throughout the period for which coverage is required, a Best's Rating of "A-" or better, and a Financial Size Category of "VII" or better according to A. M. Best Company.
3. If, during the period when an insurer is providing the insurance required by this Agreement, an insurer shall fail to comply with the foregoing minimum requirements, as soon as CMR has knowledge of any such failure, CMR shall immediately notify Owner, and shall promptly replace the insurance provided by the insurer with insurance provided by an insurer meeting the requirements.

12.3.3 Evidence of CMR's Insurance. Unless, and to the extent, Owner has in writing agreed otherwise, CMR shall not commence the Work until CMR has procured the insurance required to be provided by CMR under this Article 12.3, and such insurance has been approved by Owner. Unless, and to the extent, Owner has in writing agreed otherwise, CMR shall provide evidence of such insurance in the following manner:

- 12.4.5 Subject to any sublimits applicable to flood, windstorm and earth movement, the amount of coverage will be equal to the lesser of the total compensation due CMR under the Agreement or the insurable value of the covered property at the Jobsite as described in this Agreement. The limits will apply on an occurrence basis regardless of the number of persons or organizations (including CMR and Subcontractors) insured. The coverage for flood and earth movement, respectively, may be subject to sublimits of no less than \$10,000,000 aggregate. The coverage for windstorm may be subject to sublimits of no less than \$50,000,000 per occurrence.
- 12.4.6 Property insurance provided by the Owner will not provide coverage for equipment, or tools, or any other property of the CMR and Subcontractors which will not become a part of the completed project. The CMR and Subcontractors shall be responsible for insuring the full value of its own interests in any portion of the Work which is located off the Jobsite, or which is in transit.
- 12.4.7 Notwithstanding any provision(s) to the contrary in the Owner's Property Insurance Program, the coverage for CMR and its Subcontractors under the Owner's Property Insurance Program will not include coverage for any loss of income, business interruption, extra expense, soft costs, or any other time element type losses.
- 12.4.8 The Owner shall notify the CMR in writing prior to commencement of the Work if the Owner does not intend to provide such property insurance. In that event, the CMR shall then procure such insurance as will protect the interests of the Owner, CMR and subcontractors, and by appropriate Contract Modification, shall be reimbursed for the actual cost of such insurance.

Addendum No. 2

- 12.4.9 Owner shall be responsible for all property insurance deductibles except to the extent the cause of loss arises from CMR negligence.
- 12.4.10 Waivers of Subrogation. The Owner and CMR waive all rights against (1) each other and any of their Subcontractors, agents and employees, each of the other; and (2) the OAR, Consultant, their sub-consultants, separate contractors, if any, and any of their subcontractors, agents and employees, for loss to the Work itself to the extent covered and paid by property insurance obtained pursuant to this Article 12.4 or other property insurance applicable to the Work, except such rights as they have to proceeds of such insurance held by the Owner as fiduciary. There shall be no waiver of subrogation or any claims pertaining to losses or damages to property other than to the Work itself. The foregoing waiver afforded the OAR, Consultant, their subconsultants, agents and employees or any of them shall not extend to the liability imposed by the indemnification provisions of this Agreement. The CMR shall require from its subcontractors, agents and employees of any of them similar waivers for each in favor of other parties enumerated herein. The policies shall provide such waivers. A waiver of subrogation shall be effective as to a person or entity even though that person or entity would otherwise have a duty of indemnification, contractual or otherwise, did not pay the insurance premium