



FACILITIES & OPERATIONS

ARCHITECTURE, ENGINEERING AND CONSTRUCTION

UNIVERSITY OF MICHIGAN

JULY 2026 REVISIONS TO AGREEMENT

FOR PROFESSIONAL CONSTRUCTION MANAGEMENT SERVICES

Applies to

Oct 2016; Rev. 12/1, 08/21, 10/25 Edition of the Agreement - CM Services

JULY 2026 REVISIONS
TO AGREEMENT - CM SERVICES

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**July 2026 REVISIONS TO
AGREEMENT
FOR PROFESSIONAL CONSTRUCTION MANAGEMENT SERVICES**

REVISED: Sections 2.10.4.1 and 2.10.4.7 as shown with **additions** highlighted below:

2.10 CONSTRUCTION COSTS

2.10.4.1 "Construction Manager's Fee"

(1) The deductibles and self-retained limits on the Construction Manager's insurance **policies as required of the Construction Manager in the Contract Documents**, and losses and expenses not covered by insurance if the Construction Manager fails to obtain and/or maintain in effect the insurance required by the Contract Documents.

2.10.7 "Fixed Limit of Construction Cost"

Prior to the establishment of the Guaranteed Maximum Price, a **"Fixed Limit of Construction Cost"**, as identified in the Schedule of Project Details, will identify the maximum Construction Cost the Owner is willing to pay, except in the case of Changes in the Work pursuant to Article 7 of the Standard General Conditions. The Fixed Limit of Construction Cost consists of the Construction Base (Trade and Supply Contracts), General Conditions Items, the Construction Manager's Fee (includes **premiums on insurance policies as required of the Construction Manager in the Contract Documents**), the Construction Manager's Personnel and the Construction Manager's Contingency. Neither the estimated nor the final Construction Cost may exceed the Fixed Limit of Construction Cost without prior written approval of the Owner. The Construction Manager will collaborate with the Design Professional during the design and bidding of the Project to achieve the objective of complete construction of the Project for a Construction Cost that does not exceed the Fixed Limit of Construction Cost. If, during the collaboration process, there is any indication the Construction Cost may exceed the Fixed Limit of Construction Cost, the Construction Manager will consult and cooperate with the Design Professional in making recommendations to the Owner for corrective action toward meeting the Owner's requirement of having the construction Cost be no greater than the Fixed Limit of Construction Cost.

REVISED: Section 5.2 as shown with **additions** highlighted below::

5.2 FINAL COMPLETION CERTIFICATE

The Construction Manager will review the Trade Contractors' Contract Documents, secure and transmit to the Owner all required guarantees, warranties, affidavits, releases, bonds, waivers, insurance certificates **for policies required in the Contract Documents**, consents of sureties,

etc., and will sign off on a Final Completion Certificate ("**Final Completion Certificate**") in a form acceptable to the Owner. The Trade Contractors' Final Payment applications will also be included with the close-out documents to the Owner, after the Design Professional's review.