



# Town of Shallotte

## ACTION AGENDA ITEM

2026

TO: Board of Alderman

ACTION ITEM #:

FROM: Mimi Gaither, Town Manager

MEETING DATE: 5.5.26

EXT. #

DATE SUBMITTED:

**ISSUE/ACTION REQUESTED:** Approval of Samet Contract

**PUBLIC HEARING:**  YES  NO

**BACKGROUND/PURPOSE OF REQUEST:** The contract for Samet has been worked out between attorneys, which include the USDA language. The preconstruction portion of the contract is \$131,962.00 of which we have paid \$30,000. The remainder of the contract will come back to the BOA when the final price is determined.

**FISCAL IMPACT:**

BUDGET AMENDMENT REQUIRED:

YES  NO

CAPITAL PROJECT ORDINANCE REQUIRED:

YES  NO

PRE-AUDIT CERTIFICATION REQUIRED:

YES  NO

REVIEWED BY DIRECTOR OF FISCAL OPERATIONS

YES  NO

**CONTRACTS/AGREEMENTS:**

REVIEWED BY TOWN ATTORNEY:

YES  NO  N/A

**ADVISORY BOARD RECOMMENDATION:** N/A

**TOWN MANAGER'S RECOMMENDATION:** Approval - MOG

**FINANCE RECOMMENDATION:** N/A

**ATTACHMENTS:**

1. Contract pages indicating price. Natalie will have full Contract for anyone who would like to review or have a copy.

**ACTION OF THE BOARD OF ALDERMEN**

**APPROVED:**

**ATTEST:**

**CLERK TO THE BOARD**

**DENIED:**

**DEFERRED  
UNTIL:**

\_\_\_\_\_

\_\_\_\_\_

**SIGNATURE**

**OTHER:**

with reasonable promptness after receiving the Construction Manager's written request for such information or services. The Construction Manager shall be entitled to rely on the accuracy of information and services furnished by the Owner but shall exercise proper precautions relating to the safe performance of the Work.

§ 4.1.4.1 The Owner shall furnish tests, inspections, and reports, required by law and as otherwise agreed to by the parties, such as structural, mechanical, and chemical tests, tests for air and water pollution, and tests for hazardous materials.

§ 4.1.4.2 The Owner shall furnish surveys describing physical characteristics, legal limitations and utility locations for the site of the Project, and a written legal description of the site. The surveys and legal information shall include, as applicable, grades and lines of streets, alleys, pavements and adjoining property and structures; designated wetlands; adjacent drainage; rights-of-way, restrictions, easements, encroachments, zoning, deed restrictions, boundaries and contours of the site; locations, dimensions and other necessary data with respect to existing buildings, other improvements and trees; and information concerning available utility services and lines, both public and private, above and below grade, including inverts and depths. All the information on the survey shall be referenced to a Project benchmark.

§ 4.1.4.3 The Owner, when such services are requested, shall furnish services of geotechnical engineers, which may include test borings, test pits, determinations of soil bearing values, percolation tests, evaluations of hazardous materials, seismic evaluation, ground corrosion tests and resistivity tests, including necessary operations for anticipating subsoil conditions, with written reports and appropriate recommendations. Pursuant to Section 1.1.10.1, the geotechnical engineer will be engaged by and through the Architect.

§ 4.1.5 During the Construction Phase, the Owner shall furnish information or services required of the Owner by the Contract Documents with reasonable promptness. The Owner shall also furnish any other information or services under the Owner's control and relevant to the Construction Manager's performance of the Work with reasonable promptness after receiving the Construction Manager's written request for such information or services.

#### § 4.2 Owner's Designated Representative

The Owner shall identify a representative authorized to act on behalf of the Owner with respect to the Project. The Owner's representative shall render decisions promptly and furnish information expeditiously, so as to avoid unreasonable delay in the services or Work of the Construction Manager. Except as otherwise provided in Section 4.2.1 of A201-2017, the Architect does not have such authority. The term "Owner" means the Owner or the Owner's authorized representative.

§ 4.2.1 **Legal Requirements.** The Owner shall furnish all legal, insurance and accounting services, including auditing services, that may be reasonably necessary at any time for the Project to meet the Owner's needs and interests.

#### § 4.3 Architect

The Owner shall retain an Architect to provide services, duties and responsibilities as described in an agreement between the Owner and the Architect. The Owner may authorize the Architect to perform additional services requested by the Construction Manager that are necessary for the Preconstruction and Construction Phase services under this Agreement. Such services shall be provided in accordance with time schedules agreed to by the Owner, the Architect, and the Construction Manager. Upon request of the Construction Manager, the Owner shall furnish to the Construction Manager a copy of the Owner's agreement with the Architect, from which compensation provisions may be deleted.

### ARTICLE 5 COMPENSATION AND PAYMENTS FOR PRECONSTRUCTION PHASE SERVICES

#### § 5.1 Compensation

§ 5.1.1 For the Construction Manager's Preconstruction Phase services described in Sections 3.1 and 3.2, the Owner shall compensate the Construction Manager as follows:

*(Insert amount of, or basis for, compensation and include a list of reimbursable cost items, as applicable.)*

«The lump sum of \$131,962.00, which amount shall be included as part of the Guaranteed Maximum Price to be established by Exhibit A – Guaranteed Maximum Price Amendment to allow for the accounting of the Project to be completed under one accounting budget. Until the initial Exhibit A – Guaranteed Maximum Price Amendment is executed, the Construction Manager's Preconstruction Services costs will be invoiced monthly based on a schedule of values and the percentage of work completed against that schedule of values through the applicable pay period. Should the Owner and Construction Manager not execute an Exhibit A - Guaranteed Maximum Price Amendment, the

Construction Manager will be entitled to be paid its Preconstruction Services costs actually incurred, plus ten percent (10.0%) total overhead and profit on such costs.»

§ 5.1.2 The hourly billing rates for Preconstruction Phase services of the Construction Manager and the Construction Manager's Consultants and Subcontractors, if any, are set forth below.  
(If applicable, attach an exhibit of hourly billing rates or insert them below.)

« See Exhibit C – Personnel Rate Summary »

§ 5.1.2.1 Hourly billing rates for Preconstruction Phase services include all costs to be paid or incurred by the Construction Manager, as required by law or collective bargaining agreements, for taxes, insurance, contributions, assessments and benefits and, for personnel not covered by collective bargaining agreements, customary benefits such as sick leave, medical and health benefits, holidays, vacations and pensions, and shall remain unchanged unless the parties execute a Modification.

§ 5.1.3 If the Preconstruction Phase services covered by this Agreement have not been completed within «Ten» ( « ( 10 ) » ) months of the date of this Agreement, through no fault of the Construction Manager, the Construction Manager's compensation for Preconstruction Phase services shall be equitably adjusted.

## § 5.2 Payments

§ 5.2.1 Unless otherwise agreed, payments for services shall be made monthly in proportion to services performed.

§ 5.2.2 Payments are due and payable upon presentation of the Construction Manager's invoice. Amounts unpaid « forty-five » ( « 45 » ) days after the invoice date shall bear interest at the rate entered below, or in the absence thereof at the legal rate prevailing from time to time at the principal place of business of the Construction Manager.  
(Insert rate of monthly or annual interest agreed upon.)

« One percent (1%) per month pursuant to N.C.G.S. § 143-134.1. »

## ARTICLE 6 COMPENSATION FOR CONSTRUCTION PHASE SERVICES

### § 6.1 Contract Sum

§ 6.1.1 The Owner shall pay the Construction Manager the Contract Sum in current funds for the Construction Manager's performance of the Contract after execution of the Guaranteed Maximum Price Amendment. The Contract Sum is the Cost of the Work as defined in Article 7 plus the Construction Manager's Fee.

§ 6.1.2 The Construction Manager's Fee:

(State a lump sum, percentage of Cost of the Work or other provision for determining the Construction Manager's Fee.)

«Five percent (5.0%) of the Cost of the Work »

§ 6.1.3 The method of adjustment of the Construction Manager's Fee for changes in the Work:

«Per Section 7.2.3 of the A201–2017 General Conditions, as modified by the parties.»

§ 6.1.4 Limitations, if any, on a Subcontractor's overhead and profit for increases in the cost of its portion of the Work:

«Per Section 7.2.3 of the A201–2017 General Conditions, as modified by the parties.»

§ 6.1.5 Rental rates for Construction Manager-owned equipment shall not exceed « one hundred » percent ( « 100 » %) of the standard rental rate paid at the place of the Project.

§ 6.1.6 Liquidated damages, if any:

(Insert terms and conditions for liquidated damages, if any.)

«Time is of the essence of this Agreement with respect to all dates or times specified in this Agreement, including, without limitation, the date(s) for achieving Substantial Completion. The Construction Manager acknowledges and agrees that if the Construction Manager fails to timely complete the Work within the Substantial Completion Date(s) set forth in Exhibit A to this Agreement, as such may be amended by Change Order pursuant to this Agreement, the Owner