

**USC MASTER TASK ORDER AGREEMENT
BETWEEN OWNER AND CONTRACTOR
FOR CONSTRUCTION OF PROJECTS
WHERE THE BASIS FOR PAYMENT IS
A STIPULATED SUM**

Contract No. _____

CONTRACTOR

AND

UNIVERSITY OF SOUTHERN CALIFORNIA



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**USC Master Task Order Agreement
between Owner and Contractor
for Construction of Projects
where the Basis for Payment Is
a Stipulated Sum**

AGREEMENT made as of the **DATE** of **MONTH**, in the year **YEAR**

Between Owner: UNIVERSITY OF SOUTHERN CALIFORNIA
3434 South Grand Avenue
Campus Development & Facilities Building (“CDF”)
Los Angeles, California 90089

and Contractor: **CONTRACTOR NAME**
STREET ADDRESS
CITY, STATE ZIP CODE



AGREEMENT

This Agreement for Construction (“**Agreement**”) is made and entered into by and between The University of Southern California (“**Owner**”), a California non-profit corporation, and **CONTRACTOR** (“**Contractor**”), organized and existing under the laws of the State of **STATE**.

RECITALS

WHEREAS, Owner may, from time to time, desire to retain Contractor to furnish Work (as defined in the General Conditions) for one or more of Owner's construction projects (each, a "**Project**" and collectively, "**Projects**");

WHEREAS, Contractor desires to provide Work from time to time for Owner's Projects;

WHEREAS, in anticipation of possibly retaining Contractor for one or more Projects, Owner and Contractor now desire to enter into this Agreement in order to establish the general terms and conditions between Owner and Contractor with respect to all Projects for which Contractor performs Work;

WHEREAS, when a specific Project arises, Owner and Contractor desire to enter into an applicable "**Task Order**" that will establish the individual terms and conditions and details for the specific Project and will be deemed to incorporate all of the general terms and conditions already agreed upon in this Agreement; and

WHEREAS, in an effort to expedite the process of retaining Contractor to perform Work on particular Projects, Owner and Contractor desire to be bound by the general terms and conditions of this Agreement and the specific terms and conditions and details for each specific Project upon execution of the applicable Task Order.

NOW THEREFORE, Owner and Contractor (individually "**Party**", collectively "**Parties**") agree as follows:

ARTICLE 1 THE CONTRACT DOCUMENTS

1.1 GENERAL

Owner and Contractor hereby enter into this Agreement and establish the general terms and conditions between the Parties in order to expedite Owner's retention of Contractor to perform Work when and if one or more specific Projects arise. If a specific Project arises, Owner shall have the option, but not the duty, to retain Contractor to perform certain Work for such Project by issuing a mutually agreeable Task Order for such Project to be executed by the Parties. The form of Task Order to be utilized by the Parties is attached hereto in **Exhibit 1**. By executing this Agreement, the Parties acknowledge and agree that the terms and conditions of this Agreement shall be automatically incorporated into each Task Order, unless expressly written otherwise in an executed Task Order. Each Task Order shall set forth, without limitation, the location of the applicable Project, the nature and scope of the Work to be performed by Contractor for such



applicable Project ("**Scope of Work**"), an initial schedule of construction for performance of such Scope of Work ("**Construction Schedule**"), and the compensation for such Scope of Work, which shall, in all events, be a stipulated sum ("**Stipulated Sum**"). Notwithstanding anything to the contrary contained in this Agreement, the Scope of Work for each Task Order shall automatically incorporate (without the need for express reference in such Task Order), the terms and conditions set forth in this Agreement and the General Conditions, Supplementary Conditions, Exhibits and General Requirements attached hereto, unless otherwise expressly set forth in such Task Order. Notwithstanding anything to the contrary contained in this Agreement, Owner shall have the ability to update the General Requirements attached to this Agreement at any time and without notice to Contractor and Contractor agrees to abide by the same in performing its Work.

1.2 CONTRACT DOCUMENTS.

For each Project, Contractor shall perform all of the Work detailed in and reasonably inferable from the Scope of Work attached to the Task Order and all other Contract Documents (as defined below) for such Project. The "**Contract Documents**" for a Project shall mean the following documents, all of which are deemed incorporated herein by this reference:

- (1) "**Change Orders**," "**Amendments**" and other "**Modifications**" as defined herein, executed and issued after execution of the Task Order for such Project.
- (2) The Task Order for such Project.
- (3) The attachments to the Task Order for such Project, including, without limitation, the following:

Attachment 1, Scope of Work and Project Description

Attachment 2, Index of Drawings and Specifications

Attachment 3, Schedule of Values, Unit Prices and Hourly Labor Rate Sheets

Attachment 4, Addenda, Allowances, Alternates, Exclusions, Clarifications, and Assumptions

Attachment 5, Construction Schedule

Attachment 6, Insurance Certificates and Endorsements

Attachment 7, Contractor's Key Personnel and List of Subcontractors

- (4) The General Requirements attached to the Task Order for such Project, if any.
- (5) The "**Construction Documents**" for such Project consisting of the drawings ("**Drawings**") and the specifications ("**Specifications**") indicated on **Attachment 2** attached to the Task Order for such Project.
- (6) Amendments to this Agreement, executed by Owner and Contractor;
- (7) This Agreement as executed by Owner and Contractor.
- (8) "**Supplementary Conditions**," "**General Conditions**" and "**General Requirements**" attached to this Agreement.



(9) All exhibits attached to this Agreement (collectively, “**Exhibits**”), as follows:

Exhibit 1, Form of Task Order and its Attachments

Exhibit 2, Payment Forms

Exhibit 3, Bond Forms

Exhibit 4, University Policies and Certifications

Exhibit 5, University Labor Rate Breakdown Form

Exhibit 6, University List of Trustee Affiliated Firms

Exhibit 7, Contractor’s Standard Form of Subcontract Agreement

Exhibit 8, University Revit Linked Model Requirements

1.3 DEFINITIONS.

The terms not otherwise defined in this Agreement may be defined in the General Conditions or other Contract Documents.

1.4 ENTIRE AGREEMENT.

The Contract Documents for a Project form the “**Contract**” between Owner and Contractor for such Project. The Contract for a Project constitutes the entire and integrated agreement between the Parties hereto with respect to such Project and supersedes prior negotiations, understandings, representations or agreements, either written or oral. The terms and conditions of the Contract for a Project express the complete and exclusive agreement with respect to its subject matter, and may not be contradicted by evidence of any prior or contemporaneous oral or written agreement.

1.5 ORDER OF PRECEDENCE.

Except as agreed in writing by the Parties, in the event of conflicts, ambiguities or discrepancies between any of the Contract Documents for a Project, the following order of priority shall apply:

- (A) Executed Change Orders, Amendments and other Modifications for such Project;
- (B) The Task Order for such Project;
- (C) Supplementary Conditions attached to the Task Order for such Project, if any;
- (D) The General Requirements attached to the Task Order for such Project, if any;
- (E) The other attachments to the Task Order for such Project;
- (F) This Agreement;
- (G) Supplementary Conditions;
- (H) General Conditions;
- (I) General Requirements attached to this Agreement;
- (J) **Exhibits 1 through 8** attached to this Agreement; and
- (K) Construction Documents for such Project.

In the Construction Documents for a Project, in the event of a conflict between the Drawings and Specifications for such Project, the Specifications shall generally govern as to quality of materials,



workmanship and execution whereas the Drawings shall generally govern as to dimensions, elevations and layout of the Work. In case of a conflict between the Drawings and Specifications for a Project, it is the intent of the Contract Documents for such Project that the more stringent, higher quality of material and/or workmanship and/or greater quantities shall be provided by the Contractor for the Work for such Project.

In the event that the requirements of this Article 1.4 or the written clarifications or interpretations provided under the Request for Information process described in Article GC-7.5 do not resolve the conflict, the decisions and directives of the Owner as issued in a Construction Work Directive for the applicable Project in accordance with Article GC-7.4 shall be final for the purpose of proceeding with the Work for such applicable Project.

Notwithstanding the above, unless otherwise directed by Owner in writing, it is intended that the more stringent, higher level of quality, greater quantity and/or higher level of workmanlike manner shall prevail and control.

ARTICLE 2 CONTRACTOR'S RESPONSIBILITIES FOR THE WORK

Contractor shall furnish and provide all that is necessary to complete the Work for a Project including, but not limited to, all labor, equipment, materials and services as detailed in **Attachment 1** attached to the Task Order for such Project and all the other Contract Documents for such Project, and as reasonably inferable therefrom, except where specifically indicated in the Contract Documents for such Project to be the responsibility of others. Also, Contractor shall perform the Work for the applicable Project and provide the labor, materials, equipment and services consistent with all Allowances, Alternates, Exclusions, Clarifications, and Assumptions (such as working hours, specific Project Site restrictions, etc.) as detailed in **Attachment 4** attached to the Task Order for such applicable Project.

2.1 DESIGN-BUILD SERVICES.

Contractor, either by itself or through its Subcontractors and Sub-subcontractors, shall furnish design-build services for all systems delegated to Contractor as such in the Contract Documents for the applicable Project. Contractor shall submit updated Construction Documents, Shop Drawings, Product Data, Samples, and similar Submittals for design-build systems for Owner's permanent record ("**Record Documents/As-Built Drawings**") for the applicable Project in accordance with Articles GC-3.10 and GC-3.11 of the General Conditions.

ARTICLE 3 DATE OF COMMENCEMENT AND SUBSTANTIAL COMPLETION

3.1 COMMENCEMENT DATE.

The Work for a Project shall commence on the date expressly set forth in the Task Order for such Project or on the date set by Owner in the Notice to Proceed for such Project, as elected by Owner ("**Commencement Date**"). Owner may issue a Notice to Proceed for commencement of the physical construction Work for a Project at which time Owner shall grant Contractor access to the Project Site for such Project unless otherwise agreed to by the Parties.

3.2 MEASUREMENT OF CONTRACT TIME.

The "**Contract Time**" for a Project shall be in calendar days ("**Days**"), measured from the Commencement Date to Substantial Completion of such Project, and shall be as set forth in the Task Order for such Project.



3.3 SUBSTANTIAL COMPLETION.

Contractor shall achieve Substantial Completion of the entire Work for a Project within the Contract Time established in the Task Order for such Project, subject to Modification approved by Owner in writing.

3.4 ADJUSTMENTS TO TIME.

Contractor acknowledges that time is of the essence in the performance of the Work for a Project until the Work for such Project reaches actual and Final Completion. Any adjustments to the dates or time specified above may be made only as authorized in writing by Owner in accordance with Articles GC-7 and GC-8 of the General Conditions concerning Change Orders.

ARTICLE 4 CONTRACT PRICE

4.1 CONTRACT SUM.

Owner shall pay Contractor for Contractor's performance of the Contract for a Project the Stipulated Sum set forth in the Task Order for such Project, as detailed in the Schedule of Values for such Project attached as **Attachment 3** to the Task Order for such Project, subject to additions and deductions as provided in the Contract Documents for such Project. The Stipulated Sum for a Project shall be considered the "**Contract Sum**" for such Project.

4.2 OWNER'S RIGHT TO DO THE WORK.

Unless otherwise provided in the Contract Documents for a Project, Owner has the right, subject to prior written notice to Contractor, to separately contract with Separate Contractors for performance of any portion of the Work for such Project specified in the Contract Documents for such Project and to select and separately procure and furnish materials and equipment required for the Work for such Project. In such event, the Contract Sum for the applicable Project shall be adjusted according to the procedures for changes in the Work set forth in Articles GC-7 and GC-8 of the General Conditions.

4.3 ALLOWANCES.

The Contract Sum for a Project shall include the Allowances, if any, as described in **Attachment 4** attached to the Task Order for such Project.

4.4 ALTERNATES.

4.4.1 Accepted Alternates. The Contract Sum for a Project shall include the alternates, if any, as described in **Attachment 4** attached to the Task Order for such Project.

4.4.2 Open Alternates. The Contract Sum for a Project does not include those alternates listed in **Attachment 4** attached to the Task Order for such Project as "Not Accepted". Such "Not Accepted" alternates are "Open" and must be accepted by Owner by Change Order, if at all. Contractor shall furnish Owner with no less than **fourteen (14) Days** prior written notice of the date by which Owner must accept such "Open" alternates.

4.5 UNIT PRICES.

"Unit Prices" for a Project, if any, shall be as set forth in **Attachment 3** attached to the Task Order for such Project.

All Unit Prices for a Project are deemed to include all materials, equipment, labor, delivery, installation, insurance, overhead and profit and all other costs or expenses incidental to the performance of the Work to which such Unit Prices pertain. Contractor shall not be entitled to any further costs, mark-up or fee on such Work.



4.6 HOURLY LABOR RATES.

The Contract for each Project includes “**Hourly Labor Rates**” for each anticipated trade, for Work for such Project performed by Subcontractors, Sub-subcontractors and Contractor’s self-performed Work for such Project as described in **Attachment 3** attached to the Task Order for such Project. These rates shall be in accordance with standard rates paid at the location of the Work for the applicable Project, including the base rate plus all negotiated and statutory benefits, taxes, fees and medical and all insurances (exclusive of the cost of insurance included in Owner Controlled Insurance Program (“**OCIP**”) or Contractor Controlled Insurance Program (“**CCIP**”), if any); no cash attributable to employee contributions, benefits, taxes, bonuses or other burden items may be charged to Owner outside the Hourly Labor Rates. Separate journeyman and apprentice rates for all levels shall be provided and shall be subject to the written approval of Owner. These Owner-approved Hourly Labor Rates will be used in calculations for adjustment of the Contract Sum for the applicable Project by Change Order or Modification.

ARTICLE 5 SUBCONTRACTS AND OTHER AGREEMENTS

5.1 SUBCONTRACTORS, SUB-SUBCONTRACTORS AND SUPPLIERS.

Those portions of the Work for a Project that Contractor does not customarily perform with Contractor’s own personnel shall be performed by Subcontractors (as defined by GC-1.1.59) under direct subcontracts or by other appropriate written agreements between Contractor and such Subcontractors. Likewise, those portions of the Work for a Project that Subcontractor does not customarily perform with Subcontractor’s own personnel shall be performed or provided by Sub-subcontractors (as defined by GC-1.1.60) under sub-subcontracts or by other appropriate written agreements directly between Subcontractors and such Sub-subcontractors. A list of Subcontractors and Sub-subcontractors retained or proposed by Contractor and its Subcontractors for a Project (including those who are to furnish materials or equipment fabricated to a special design), together with Contractor’s key personnel, shall be attached as **Attachment 7** to the Task Order for such Project. Contractor shall select Subcontractors, suppliers and material providers to perform each trade for a Project based on qualified bids and Contractor shall assure that each bid complies with the “**University Policy on Board Conflicted Firms**” as further detailed in Article GC-5.1.4 of the General Conditions and **Exhibits 4** and **6** attached to this Agreement. Contractor hereby agrees that the University List of Trustee Affiliated Firms attached hereto as **Exhibit 6** may be updated by Owner from time to time without prior consent from Contractor.

5.1.1 Contractor’s Agreements with Subcontractors.

Except with the prior written approval of Owner, Contractor’s agreements with Subcontractors and Subcontractors agreements with Sub-subcontractors and other agreements relating to the Work for a Project shall conform to the applicable provisions of the Contract Documents for such Project. All Subcontracts and Sub-subcontracts shall be in writing and in form and substance substantially the same as Contractor’s standard form of Subcontract attached to this Agreement as **Exhibit 7** and shall include flow-down provisions and attach special conditions, riders or exhibits necessary to comply with the Contract Documents for the applicable Project. Notwithstanding anything to the contrary in **Exhibit 7** attached to this Agreement, each Subcontract or supplier agreement shall contain provisions that comply with the requirements set forth herein and in Article 5 of the General Conditions. Contractor assumes all risk and liability for any loss arising from any variances between the requirements of the Contract Documents for a Project and the provisions of any Subcontract, Sub-subcontract or supplier agreement pertaining to such Project.



5.1.2 MEP Subcontractor Fabrication Rate.

Contractor shall require subcontractors bidding on mechanical, electrical and plumbing work that may be fabricated in Subcontractors' off-site facilities to include a fixed shop overhead rate as a line item in the bid document. This shop overhead rate shall be applied as a percentage on the labor costs for the fabrication trade labor for off-site fabrication in any Change Order pricing in accordance with Article GC-8.6 and will be applied before the mark-up allowed in Article GC-8.6.3. It is the intention of the Owner that this rate be considered in the bid evaluation and be fixed (without adjustment) for each Subcontractor in its subcontract with Contractor. This shop overhead rate shall cover all of Subcontractor's facility costs, shop overhead and all other costs related to Subcontractor's fabrication facility. If Contractor fails to provide this fixed shop overhead rate in subcontractors' bids or fails to provide this information to Owner in its bid evaluations then subcontractors shall not be entitled to any compensation for overhead related to off-site facilities.

ARTICLE 6 PAYMENTS

6.1 PROGRESS PAYMENTS.

6.1.1 Applications for Payment. Progress payments for undisputed Construction Work for a Project shall be based upon the percentage of completion of each portion of the Work for such Project that has actually been completed by Contractor and its Subcontractors in compliance with Contractor's "**Approved Construction Schedule**" for such Project and verified by on-site inspections. Contractor shall submit itemized Applications for Payment for a Project on a monthly basis, using the forms required in **Exhibit 2** attached to this Agreement, for undisputed Work for such Project completed in accordance with Owner's satisfaction, Approved Construction Schedule for such Project and the approved Schedule of Values for such Project, attaching all information and supporting documentation as required in the Contract Documents for such Project.

6.1.2 Period Covered. The period covered by each Application for Payment for a Project shall be one calendar month ending on the **last day** of the month.

6.1.3 Pencil Copy and Time for Payment. To expedite the progress payment procedure and the production of a viable Application for Payment for a Project, Contractor shall submit for review to Owner, an itemized draft Application for Payment for such Project and supporting documentation ("**Pencil Copy**") by the **25th day** of a month. Contractor and Owner shall meet no later than the **28th** day of a month to determine that Contractor's Pencil Copy for a Project is complete, and the amounts to be requested by Contractor in the formal Application for Payment for such Project are acceptable to Owner. Contractor agrees to use its best efforts to resolve disputed items, and provide all else that may be necessary to make such revisions to the Pencil Copy and the Work for the applicable Project as agreed to at the Pencil Copy meeting to provide the formal Application for Payment for such applicable Project. Owner shall make payment to Contractor not later than **thirty (30) Days** after Owner receives the formal Application for Payment for the applicable Project that is undisputed, complete and acceptable to Owner.

6.1.4 Documentation. With each Application for Payment for a Project, Contractor shall submit the supporting documentation required by Article GC-10 of the General Conditions, including but not limited to payrolls, petty cash accounts, receipted invoices, invoices with check vouchers attached, and any other documentation and information reasonably required by Owner.



6.1.5 Schedule of Values. Each Application for Payment for a Project shall be based on the most recent Schedule of Values submitted by Contractor for such Project in accordance with the Contract Documents for such Project and accepted by Owner in writing. The Schedule of Values for a Project shall allocate the entire Contract Sum for such Project among the various portions of the Work for such Project. Allowances, Allowance Disbursement Authorizations, and Change Orders for a Project shall be shown as separate line items. The Schedule of Values for a Project shall be prepared in the form approved by Owner and supported by such data to substantiate its accuracy as Owner may require. Owner shall use the Schedule of Values for a Project accepted by Owner as a basis for reviewing Contractor's Applications for Payment for such Project.

6.1.6 Improper Applications. Any Application for Payment for a Project determined by Owner to be an improper Application for Payment, at Owner's sole and absolute discretion, shall be returned to Contractor as soon as practicable. Owner's reasons for rejecting an Application for Payment for a Project as improper may include, but shall not be limited to the following: (i) the supporting documentation is missing or inadequate; (ii) the applicable Work for such Project is unsatisfactory or disputed; (iii) the Approved Construction Schedule for such Project is not complied with to Owner's satisfaction; (iv) the Application for Payment does not reflect the approved Schedule of Values for such Project; (v) the amounts requested are disputed; and (vi) the documentation confirming that the Work for such Project was repaired or otherwise rectified to the satisfaction of Owner is missing or inadequate. Owner shall provide Contractor written documentation setting forth the reasons why the applicable Application for Payment for a Project is disputed, incomplete, improper or otherwise not suitable for payment and the payment shall be deemed in dispute and not due and owing until **thirty (30) Days** after Contractor resubmits an undisputed, proper Application for Payment for such Project accepted by Owner. Contractor shall endeavor to provide a revised Application for Payment for the applicable Project within **fourteen (14) Days** after Owner notification of the reasons for rejection.

6.1.7 Percentage of Completion. Applications for Payment for a Project shall show the percentage of completion of each portion of the Work for such Project that has actually been performed or completed as of the end of the period covered by the Application for Payment for such Project.

6.1.8 Computation. Subject to other provisions of the Contract Documents for the applicable Project, the amount of each progress payment for such applicable Project shall be computed as follows:

- (1) Take that portion of the Contract Sum for such applicable Project properly allocable to completed and undisputed Work for such applicable Project determined by multiplying the percentage of completion of each portion of the Work for such applicable Project by the share of the Contract Sum for such applicable Project allocated to that portion of the Work for such applicable Project in the Schedule of Values for such applicable Project including:
 - i) executed Change Orders, executed Modifications, unilateral Change Orders, Alternates and authorized Allowances for such applicable Project; ii) less retainage of ten percent (10%).
- (2) Add that portion of the Contract Sum for such applicable Project allocable to materials and equipment delivered and suitably stored at the Site of such applicable Project for subsequent incorporation in the Work for such applicable Project (or if approved in writing in advance by Owner and appropriately labeled and protected by bonds or insurance and a transfer of title, for material suitably stored off the Site of such applicable Project at a location approved in writing by Owner), less retainage of ten percent (10%);



- (3) Subtract the aggregate of previous payments made by Owner for such applicable Project; and
- (4) Subtract amounts, if any, for which Architect for such applicable Project or Owner has withheld or nullified a Certificate for Payment for such applicable Project as provided in Article GC-10.4 of the General Conditions.

6.1.9 Retainage.

- (1) Retainage on Contractor Payments by Owner. Owner shall retain from each progress payment for a Project ten percent (10%) of the amount requested in the applicable Application for Payment for such Project as part of the security for the fulfillment of the Contract for such Project and completion of the Work for such Project by the Contractor.
- (2) Subcontractor's Retainage. Except with Owner's prior-written approval, payments from Contractor to Subcontractors for each Project shall be subject to retainage of not less than ten percent (10%). Owner and Contractor shall agree upon a mutually acceptable procedure for review and approval of payments and retention for Subcontractors for each Project.
- (3) Release of Subcontractor's Retainage. When a Subcontractor has satisfactorily completed its Work for a Project, Contractor may request payment for up to one hundred percent (100%) of the Subcontract amount for such Project. If, upon such request and, in the sole and absolute discretion of Owner, the performance and quality of Contractor's and the designated Subcontractor's Work for a Project meets Owner's complete satisfaction, and Contractor is otherwise performing Work for such Project to the satisfaction of Owner, then Owner may authorize release of up to one hundred percent (100%) of the Subcontract amount of the applicable Subcontractor, provided, however, release of such retainage will be conditioned upon Owner's receipt of all Project closeout requirements applicable to the Subcontractor's Work for such Project including, but not limited to, Record Documents/As-Built Drawings and Specifications and approved Shop Drawings for such Project, and executed conditional waivers and releases of liens upon final payment, stop notice and contract rights with respect to final payment for such Project. Owner's approval of such request for an early release of retention may be withheld, delayed or conditioned at Owner's sole and absolute discretion. Furthermore, if retention is released for certain Subcontractors on a Project as detailed above and then Owner discovers errors, omissions or other disputed portions of the Subcontractor's Work for such Project, or if Contractor encounters or anticipates other errors, omissions or other disputed portions of Subcontractor's Work for a Project, then Owner, at its sole and absolute discretion and without waiving any other rights at law or in equity, may withhold any amounts necessary from Contractor's subsequent Applications for Payment for such Project to restore an overall ten percent retention amount for Subcontractor's Work for such Project.

6.2 INTEREST.

Payments that are disputed or subject to dispute resolution shall bear interest at zero percent (0%) and undisputed payments due and unpaid under the Contract Documents for the applicable Project shall bear interest at six percent (6%) interest per annum from the date payment is deemed due and owing until paid.



6.3 FINAL PAYMENT.

6.3.1 Final payment for a Project, constituting the entire unpaid balance of the Contract Sum for such Project, shall be made by Owner to Contractor within **forty-five (45) Days** after Owner's recordation of a Notice of Completion for such Project, if Owner, in its sole and absolute discretion, elects to record a Notice of Completion for such Project, or **forty-five (45) Days** after Owner's determination that the Work for such Project reached Final Completion by complying with the following:

- (1) Contractor has fully performed all the Contract terms and conditions and fully completed the Work for such Project to Owner's satisfaction, including all Punch List Work for such Project, except for Contractor's responsibility to correct Work for such Project as provided in Article GC-13.2.2 of the General Conditions, and to satisfy other requirements, if any, which extend beyond final payment for such Project;
- (2) Contractor submits a final Application for Payment for such Project approved by Owner in writing;
- (3) Contractor submits all items for such Project required by Article GC-10.9.2 of the General Conditions.

6.3.2 In the event of a dispute between Owner and Contractor concerning the amount of payment due for a Project, Owner may withhold from final payment for such Project an amount not to exceed one hundred fifty percent (150%) of the value of disputed amounts for incomplete Work, non-conforming Work, Record Documents/As-Built Drawings and all items necessary to obtain a final Certificate of Occupancy (or equivalent inspection sign-off issued by the applicable governing agency) for such Project.

ARTICLE 7 INSURANCE AND BONDS

7.1 INSURANCE.

7.1.1 Procuring Insurance. Prior to the beginning of any of the Work for a Project or at the time of execution of the Task Order for such Project, whichever occurs first, Contractor shall establish, maintain and keep in force policies for minimum insurance coverage as indicated in Article GC-12 of the General Conditions and the Supplementary Conditions, if any. Contractor shall submit evidence of insurance as required in Article GC-12.1.14 of the General Conditions.

7.1.2 Subcontractor's and Sub-Subcontractor's Insurance. Contractor shall cause all Subcontractors and Sub-subcontractors for a Project to procure, maintain and keep in full force and effect at all times, at a minimum, all insurance policies and endorsements required under Article GC-12 of the General Conditions and the Supplementary Conditions, if any. However, if any such Subcontractor or Sub-subcontractor is unable to obtain the specified insurance coverage ("**Under-Insured Subcontractor**"), Contractor shall immediately notify Owner and (a) provide details as to the best available insurance coverage that the Under-Insured Subcontractor is able to provide, (b) seek Owner's prior-written approval to retain the Under-Insured Subcontractor and (c) disclose the names and increased costs, if any, of replacement Subcontractors that can provide the required insurance. Owner shall provide timely written approval of the Under-Insured Subcontractor or the replacement Subcontractor and Sub-subcontractor. Owner's written approval shall not be unreasonably withheld.



7.2 BONDS

7.2.1 Contractor Bonds. Unless added by Change Order or other Modification or indicated in an individual Task Order, at the sole and absolute discretion of Owner, no bonds from Contractor will be required for a Project except Subcontractor bonds as described in Subparagraphs 7.2.2 and 7.2.3 herein.

7.2.2 Subcontractor Bonds. Contractor shall deliver to Owner evidence satisfactory to Owner that any Subcontractor, performing Work for a Project under one or more Subcontracts that total in aggregate in excess of \$100,000.00, has secured payment and performance bonds, each in an amount equal to 100 percent of the Subcontract value. Subcontractor Default Insurance is not an acceptable alternative to Subcontractor bonds.

7.2.3 Reaching Bond Threshold by Change Order. If a Subcontractor on a particular Project that was not previously required to provide payment and performance bonds reaches the \$100,000.00 threshold amount as a result of Change Orders or otherwise, Contractor shall make a written recommendation to Owner regarding whether (a) such Subcontractor should be required to secure the payment and performance bonds, or (b) Owner should waive the performance and payment bonds for that circumstance. Owner, at its sole and absolute discretion, will require or waive the Subcontractor's bond requirement in writing.

7.3 IMPROVEMENT BONDS.

If applicable, Contractor hereby agrees to cooperate with and assist Owner in taking such action as is necessary to exonerate and release Owner from its obligations under any and all street, gutter, sidewalk and similar improvement bonds related to the Work for a Project, if any, as quickly as possible.

ARTICLE 8 TERMINATION OR SUSPENSION

8.1 TERMINATION.

Owner may terminate Contractor's performance under the Task Order for a Project, or Contractor may terminate its performance under the Task Order a Project, as provided in Article GC-16 of the General Conditions. In addition and notwithstanding anything to the contrary in Article GC-16, Owner may terminate Contractor under the Task Order for a Project at any time for convenience or for cause based upon the terms and conditions provided in Article GC-16.

8.2 SUSPENSION.

The Work for a Project may be suspended as provided in the General Conditions, including Articles GC-2 and GC-16 of the General Conditions.

ARTICLE 9 NOTICE

9.1 NOTICES.

All notices to another Party under this Agreement and each Task Order shall be sent to such other Party via the Project Management Information System ("PMIS"). In addition, a hard copy of any notice of default and Notice of Intent to Claim shall be delivered either in-person; by US Postal Service, certified, return receipt requested; courier service; or package delivery service (such as UPS and FedEx) to the individuals identified for receipt of notice in the Agreement.



For Owner: Wendy Kaszycki
University of Southern California
3434 South Grand Avenue, CDF
Los Angeles, California 90089-3162
kaszycki@usc.edu

For Contractor: Contact NAME
Company Name
Address
City, State, ZIP
email

9.2 PRELIMINARY NOTICES

Twenty-day preliminary notices from Contractor, Subcontractors, Sub-subcontractors and suppliers shall be sent to Owner via the PMIS. In addition, a hard copy of any 20-day preliminary notice shall also be sent to the individual identified for receipt of notice for the Owner in Article 9.1.

ARTICLE 10 MISCELLANEOUS PROVISIONS

10.1 REFERENCES TO CONTRACT DOCUMENTS.

Where reference is made in this Agreement to a provision of the General Conditions or another Contract Document for a Project, the reference refers to that provision as amended or supplemented by other provisions of the Contract Documents for such Project. The General Conditions attached hereto contain the meaning of various terms used in the Contract Documents for each Project and not otherwise defined in this Agreement.

10.2 OWNER'S REPRESENTATIVE.

Owner shall designate in writing a representative authorized to act on Owner's behalf with respect to the applicable Project.

10.3 CONTRACTOR'S REPRESENTATIVE AND KEY PERSONNEL.

Contractor's Representatives and Key Personnel, as described in Article GC-3.9 of the General Conditions, shall be as listed in **Attachment 7** attached to the Task Order for the applicable Project.

10.4 EQUAL EMPLOYMENT OPPORTUNITY AND NON-DISCRIMINATION.

Contractor and each Subcontractor and Sub-Subcontractor shall comply with Applicable Laws and Owner's policies in performing the Work for each Project, including the policies listed in **Exhibit 4** attached to this Agreement which includes subcontracting with Disadvantaged Business Enterprises, Non-Discrimination in Hiring, Lobbying and Anti-Kickback, and Sexual Harassment requirements. In addition, Contractor shall execute the Certificates indicated in **Exhibit 4** attached to this Agreement, as required for each applicable Project.



10.5 CONTRACTOR'S LICENSE NOTICE.

Contractors and Subcontractor are required by law to be licensed and regulated by the California Contractors' State License Board ("CSLB") which has jurisdiction to investigate complaints against contractors if a complaint regarding a patent act or omission is filed within four (4) years of the date of the alleged violation. A complaint regarding a latent act or omission must be filed within ten (10) years of the date of the alleged latent act or omission. Any questions concerning a contractor may be referred to the Registrar, Contractors' State License Board, P.O. Box 26000, Sacramento, California 95826. Contractor represents and warrants that it is a duly licensed contractor under the laws of the State of California under its Contractor's license numbers shown on the signature page of the Agreement.

ARTICLE 11 ADDITIONAL PROVISIONS

11.1 The Parties agree that the Contract Documents for a Project constitute the complete and exclusive statement of their terms and that no extrinsic evidence whatsoever may be introduced in any proceeding involving the Contract Documents for such Project.

11.2 The Parties agree that: (i) each Party is of equal bargaining strength; (ii) each Party has actively participated in the preparation and negotiation of this Agreement and the Contract for the applicable Project; (iii) each Party has had the opportunity to consult with attorneys and advisors relative to entering into this Agreement and the Contract for the applicable Project; and (iv) any rule of construction to the effect that ambiguities are to be resolved against the drafting Party shall not apply in the interpretation of this Agreement or the Contract for the applicable Project.

11.3 If required by Owner or a construction lender, if any, all payments to Contractor shall be made through a construction escrow or disbursement agent and Contractor shall fully cooperate with such escrow or disbursement process.

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SIGNATURES

Each Party represents and warrants that it has full ability, power and authority to enter into and perform this Agreement and the Contract for each Project. Furthermore, each person executing this Agreement and any other Contract Documents for a Project on behalf of the respective Party has been properly authorized and empowered by the respective Party to enter into the same.

This Agreement may be executed in counterparts and when the signed counterparts are compiled together, they shall be deemed to constitute a fully executed conformed and binding contract. In the event the Parties hereto execute this Agreement by signing and delivering signature pages using facsimile transmission or electronic mail, such signing and delivery of facsimile or electronic mail signature pages shall be binding on the Parties and shall have the same effect as if original signatures were delivered. Each such Party signing and delivering signature pages by facsimile or electronic mail transmission shall immediately thereafter provide to the other Party, by U.S. First Class Mail, two original signed copies of this Agreement; provided, however, if this Agreement is executed electronically then the foregoing requirement regarding the delivery of two (2) originals shall not apply.

This Agreement is entered into as of the day and year first written on the first page of this Agreement and is executed by the Parties' duly authorized officers in at least two (2) original copies, of which one is to be delivered to Contractor, and the other to be delivered to Owner; provided, however, if this Agreement is executed electronically then the foregoing requirement regarding the delivery of two (2) originals shall not apply.

CONTRACTOR:

OWNER:

ORGANIZATION NAME
(a **STATE** Corporation)

UNIVERSITY OF SOUTHERN CALIFORNIA
(a California Non-Profit Corporation)

Signature

Signature

By: **SIGNATORY # 1**
Name

By: **Wendy Kaszycki**
Name

Its: **SIGNATORY TITLE**
Title

Its: **Associate Vice President**
Capital Construction & Facilities Management Services
Title and Department



Signature

By: SIGNATORY # 2
Name

Its: SIGNATORY TITLE
Title

California Contractor License No. LICENSE
NUMBER

Federal Tax I.D. No. FEDERAL TAX ID NUMBER



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EXHIBIT 1
TO USC MASTER TASK ORDER AGREEMENT
BETWEEN OWNER AND CONTRACTOR
FOR CONSTRUCTION OF PROJECTS
WHERE THE BASIS FOR PAYMENT IS
A STIPULATED SUM

Form of Task Order

Task Order No. _____
between
UNIVERSITY OF SOUTHERN CALIFORNIA
and

Project for this Task Order: PROJECT TITLE _____

Effective Date: _____, 20__

This **Task Order No. _____** is entered into as of the effective date shown above by and between

University of Southern California
(a California non-profit corporation) ("**Owner**")
3434 South Grand Avenue, CDF
Los Angeles, CA 90089-3162

and

CONTRACTOR NAME ("**Contractor**")
STREET ADDRESS
CITY, STATE ZIP CODE

AGREEMENT

NOW, THEREFORE, in consideration of the compensation hereinafter specified to be made, and in consideration of the Agreement (as defined below) and of the mutual covenants of the parties contained in this Task Order and the Agreement, the parties agree as follows:

Project. Contractor shall perform Work (as defined in Attachment 1 attached hereto) for that certain construction project commonly referred to as **PROJECT TITLE** located at the Site referred to below.

Site: PROJECT TITLE
BUILDING NAME (XXX Building code) or AREA
STREET ADDRESS
CAMPUS, CITY, STATE ZIP CODE

Architect: ORGANIZATION NAME
STREET ADDRESS
CITY, STATE ZIP CODE
Contact Name
Phone

Work. Contractor shall furnish and provide all labor, equipment, materials and services for the Project set forth, described and/or depicted in Attachment 1 attached hereto.

Construction Documents. The Drawings and Specifications for the Project are as listed in Attachment 2 attached hereto.

Date of Commencement and Substantial Completion.

Commencement Date. The Work for the Project shall commence on **MONTH DATE, YEAR** or on the date set by Owner in the Notice to Proceed for the Project, as elected by Owner. Owner may issue a Notice to Proceed for commencement of the physical construction Work for the Project at which time Owner shall grant Contractor access to the Site, unless otherwise agreed to by the Parties.

Contract Time. The Contract Time shall be **number (IN NUMBERS)** calendar days, measured from the Commencement Date to Substantial Completion.

Substantial Completion. Contractor shall achieve Substantial Completion of the entire Work for the Project within the Contract Time established above (no later than **MONTH DATE, YEAR**), subject to Modification approved by Owner in writing.

Contract Sum.

Contract Sum. Owner shall pay Contractor for Contractor's performance of the Contract for the Project the Stipulated Sum of **AMOUNT IN WORDS dollars (\$AMOUNT IN NUMBERS)**, as detailed in the Schedule of Values attached hereto as Attachment 3, subject to additions and deductions as provided in the Contract Documents for the Project.

Allowances.	The Contract Sum includes the Allowances, if any, which are described in <u>Attachment 4</u> attached hereto.
Alternates.	The Contract Sum includes those alternates which are listed on <u>Attachment 4</u> attached hereto as “Accepted”, which are hereby accepted by Owner. The Contract Sum does not include those alternates listed on <u>Attachment 4</u> attached hereto as “Not Accepted”. Such “Not Accepted” alternates are “Open” and must be accepted by Owner by Change Order, if at all. Contractor shall furnish Owner with no less than fourteen (14) calendar days prior written notice of the date by which Owner must accept such “Open” alternates.
Unit Prices.	Unit Prices, if any, for the Project are set forth in <u>Attachment 3</u> attached hereto.
Hourly Labor Rates.	Hourly Labor Rates for each anticipated trade, for Work performed by Subcontractors, Sub-subcontractors and Contractor’s self-performed Work shall be as set forth in <u>Attachment 3</u> attached hereto.

Construction Schedule. The initial Construction Schedule is attached hereto as Attachment 5.

Insurance. The parties represent that the insurance coverage and terms required under Article 12 of the General Conditions extend fully to this Task Order (subject to the modifications contained below, if any). True and correct copies of the Contractor’s and its Subcontractor’s endorsements and certificate of insurance submittals are attached hereto as Attachment 6. Additional insurance requirements are as follows:

- 1) Umbrella or Excess Liability insurance with limits of not less than \$x,000,000 per Occurrence and \$x,000,000 annual aggregate limit.
- 2) Contractor’s Pollution Liability coverage with limits not less than \$y,000,000 per claim or occurrence and \$y,000,000 aggregate limits or Contractor’s Pollution Liability coverage: **NOT REQUIRED**

Subcontractors and Key Personnel. A list of Subcontractors and Sub-subcontractors retained or proposed by Contractor and its Subcontractors for the Project (including those who are to furnish materials or equipment fabricated to a special design), together with Contractor’s key personnel, is set forth in Attachment 7 attached hereto.

Attachments. The following Attachments are incorporated herein and made part of this Task Order:

Attachment 1, Scope of Work and Project Description

Attachment 2, Index of Drawings and Specifications

Attachment 3, Schedule of Values, Unit Prices and Hourly Labor Rate Sheets

Attachment 4, Addenda, Allowances, Alternates, Exclusions, Clarifications, and Assumptions

Attachment 5, Construction Schedule

Attachment 6, Insurance Certificates and Endorsements

Attachment 7, Contractor's Key Personnel and List of Subcontractors

Other Terms (if any):

Additional General Requirements. This Task Order shall incorporate by reference those certain General Requirements dated _____ and attached hereto.

Revit Linked Models. _____ Required _____ Not Required

Miscellaneous Terms.

Any capitalized term that is not expressly defined in this Task Order shall have the same meaning as it has in that certain USC Master Task Order Agreement between Owner and Contractor for Construction Projects Where the Basis for Payment Is a Stipulated Sum dated as of _____, 20____ (the "**Agreement**"), between Owner and Contractor. The Agreement is hereby incorporated by reference in its entirety into this Task Order and, except as expressly modified in this Task Order, the terms and conditions of the Agreement shall remain in full force and effect and shall govern both Owner's and Contractor's rights and obligations with respect to the Work.

Each party represents and warrants that it has full ability, power and authority to enter into and fully perform this Task Order. Furthermore, each person executing this Task Order on behalf of their respective party has been properly authorized and empowered by their respective party to execute this Task Order.

This Task Order may be executed in counterparts by each party and when the signed counterparts are gathered together, they shall be deemed to constitute a fully executed conformed and binding contract ("Binding Task Order"). Each conformed copy of the Binding Task Order shall be deemed by the parties to be originals that are binding on the parties and in full force and effect. In the event the parties hereto execute this Task Order by signing and delivery signature pages using facsimile transmission or electronic mail transmission, such signing and delivery of facsimile or electronic mail signatures pages shall be binding on the parties and shall have the same effect as if original signature pages were delivered. Each such party signing and delivering signature pages by facsimile transmission or electronic mail transmission shall immediately thereafter provide to the other party, by U.S. First Class Mail, two (2) original signed copies of this entire Task Order; provided, however, if this Task Order is executed electronically then the foregoing requirement regarding the delivery of two (2) originals shall not apply.

This Task Order is entered into as of the day and year written on the first page of this Task Order and is executed by the parties' duly authorized officers on at least two (2) original copies, of which one is to be delivered to Contractor, and the other to be delivered to Owner; provided, however, if this Task Order is executed electronically then the foregoing requirement regarding the delivery of two (2) originals shall not apply.

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IN WITNESS WHEREOF, the parties hereto have duly executed this Task Order as of the Effective Date.

CONTRACTOR:



OWNER:

UNIVERSITY OF SOUTHERN CALIFORNIA
(a California Non-Profit Corporation)

Signature

By: _____
Name

Its: _____
Title

Signature

By: _____
Name

Its: _____

Signature

By: _____
Name

Its: _____
Title



ATTACHMENT 1 TO TASK ORDER

Scope of Work and Project Description

1.1 Description:

The project will

1.2 Scope of Work



ATTACHMENT 2 TO TASK ORDER

Index of Drawings and Specifications

2.1 Refer to the following:

a. Contract Drawings:

b. Specification Index:



ATTACHMENT 3 TO TASK ORDER

Schedule of Values, Unit Prices and Hourly Labor Rate Sheets

- 3.1 Refer to the following:
- a. Schedule of Values

 - b. Unit Pricing

 - c. Hourly Labor Rate Sheets



ATTACHMENT 4 TO TASK ORDER

Addenda, Allowances, Alternates, Clarifications, Assumptions and Exclusions

4.1 Refer to the following documents:

- a. Addenda
- b. Allowances
- c. Alternates
- d. Clarifications
- e. Assumptions and Exclusions



ATTACHMENT 5 TO TASK ORDER

Construction Schedule

5.1 Refer to the following document provided:



ATTACHMENT 6 TO TASK ORDER

Insurance Certificates and Endorsements

6.1 Refer to the following form provided:



ATTACHMENT 7 TO TASK ORDER

Contractor's Key Personnel and List of Subcontractors and Suppliers

7.1 In accordance with Article GC-3.9.1 of the Agreement, Contractor agrees that it shall assign to the Project the “**Key Personnel**” identified in Paragraph 7.2 below and as updated with the written approval of Owner throughout the Project.

7.2 Contractor shall provide the following Key Personnel from Notice to Proceed through Substantial Completion:

Name	Position	Phone
------	----------	-------

7.3 List of Subcontractors and Suppliers:



EXHIBIT 2
TO USC MASTER TASK ORDER AGREEMENT
BETWEEN OWNER AND CONTRACTOR
FOR CONSTRUCTION OF PROJECTS
WHERE THE BASIS FOR PAYMENT IS
A STIPULATED SUM

Payment Forms

2.1 Refer to the following documents:

- a. AIA Document G702 - Application and Certificate for Payment

[Not Provided, Proprietary AIA Document]

- b. AIA Document G703 - Schedule of Values, Application for Payment, Continuation Sheet

[Not Provided, Proprietary AIA Document]

- c. Conditional Waiver and Release Upon Progress Payment [Statutory Form]

http://www.cslb.ca.gov/Consumers/Legal_Issues_For_Consumers/Mechanics_Lien/Conditional_And_Unconditional_Waiver_Release_Form.aspx

- d. Unconditional Waiver and Release Upon Progress Payment [Statutory Form]

http://www.cslb.ca.gov/Consumers/Legal_Issues_For_Consumers/Mechanics_Lien/Conditional_And_Unconditional_Waiver_Release_Form.aspx

- e. Conditional Waiver and Release Upon Final Payment [Statutory Form]

http://www.cslb.ca.gov/Consumers/Legal_Issues_For_Consumers/Mechanics_Lien/Conditional_And_Unconditional_Waiver_Release_Form.aspx

- f. Unconditional Waiver and Release Upon Final Payment [Statutory Form]

http://www.cslb.ca.gov/Consumers/Legal_Issues_For_Consumers/Mechanics_Lien/Conditional_And_Unconditional_Waiver_Release_Form.aspx

- g. Final Statement of Contract Account [attached – to be provided with Contractor’s final invoice.]

- h. Contractor's Sworn Statements Regarding Final Payment [attached]

- i. Subcontractor's Sworn Statements Regarding Final Payment [attached]



FINAL STATEMENT OF CONTRACT ACCOUNT

TO: University of Southern California
 Capital Construction Development
 3434 S. Grand Ave, CDF
 Los Angeles, CA 90089

FROM: _____
 (Contractor)

DATE: _____

PROJECT: _____

STATEMENT OF CONTRACT ACCOUNT:

1.	Original Contract Amount	\$ _____
2.	Approved Change Orders	\$ _____
3.	Final Adjusted Contract Amount	\$ _____
4.	Total Payments Received to Date (Gross Amount)	\$ _____
5.	Balance of Payments Due (Gross Amount)	\$ _____
6.	Retainage Held to Date	\$ _____
7.	Backcharges	\$ _____
8.	Final Amount Due	\$ _____

FINAL RELEASE OF ALL CLAIMS:

Now-therefore, upon receipt of the final amount due (Item 8 above), the undersigned acknowledges and agrees that said payment constitutes an accord and satisfaction of all compensation to which Contractor/Subcontractor is entitled to for all Work furnished or performed on the above referenced Project. Upon receipt of said final amount due, Contractor waives and releases any and all claims, rights or interest it may have against Owner including but not limited to, those for delay, impact (cumulative or otherwise), acceleration, disruption, loss of efficiency, interference, hindrance or other extraordinary or consequential costs arising directly or indirectly out of the furnishing or performance of the Work on the Project.

Note: Execution of this form by Contractor does not relieve it of its contractual obligation to execute statutory Conditional and Unconditional Releases Upon Final Payment.

 Authorized Signature Date
 (type or print name and title)

UNIVERSITY OF SOUTHERN CALIFORNIA
 CONTRACTOR'S FINAL STATEMENT OF CONTRACT AMOUNT (STIPULATED SUM)

REV. 11/15/02
 [149669 v1]



CONTRACTOR'S SWORN STATEMENT REGARDING FINAL PAYMENTS TO SUBCONTRACTORS AND SUPPLIERS

FROM:

(Name and Title of Person Making Declaration)

(Name of Contractor)

(Street Address)

(City, State and Zip)

PROJECT:

(Name of Project)

(Address of Project)

(City, State and Zip)

TO:
University of Southern California
Capital Construction Development
3434 S. Grand Ave, CDF
Los Angeles, CA 90089

DECLARATION
(This is Not a Lien Release)

The following is a complete list of all persons and firms who have furnished sub-subcontract work, equipment or materials to the above-named firm for the Project described above as of the date of this statement. Full payment for all such work, equipment and materials supplied to date has been made except as otherwise stated below.

I declare under penalty of perjury under the laws of the State of California that the above statement is true and correct.

Signed on _____, 20____, at _____
(Date) (City, State)

(Signature of Individual Who is Making Declaration)

RELEASE ATTACHED

(Name of Sub-Subcontractor or Supplier)

(Type of Work or Materials)

\$ _____
Sub-Subcontract Amount

CONDITIONAL FOR FINAL PAYMENT

\$ _____
(Amount Unpaid – If Full Payment Has Been Made, Write "None")

UNCONDITIONAL FOR FINAL PAYMENT

RELEASE ATTACHED

(Name of Sub-Subcontractor or Supplier)

(Type of Work or Materials)

\$ _____
Sub-Subcontract Amount

CONDITIONAL FOR FINAL PAYMENT

\$ _____
(Amount Unpaid – If Full Payment Has Been Made, Write "None")

UNCONDITIONAL FOR FINAL PAYMENT



RELEASE ATTACHED

(Name of Sub-Subcontractor or Supplier) _____ (Type of Work or Materials) _____ \$ _____ Sub-Subcontract Amount **CONDITIONAL FOR FINAL PAYMENT**

\$ _____ (Amount Unpaid – If Full Payment Has Been Made, Write "None") **UNCONDITIONAL FOR FINAL PAYMENT**

RELEASE ATTACHED

(Name of Sub-Subcontractor or Supplier) _____ (Type of Work or Materials) _____ \$ _____ Sub-Subcontract Amount **CONDITIONAL FOR FINAL PAYMENT**

\$ _____ (Amount Unpaid – If Full Payment Has Been Made, Write "None") **UNCONDITIONAL FOR FINAL PAYMENT**

RELEASE ATTACHED

(Name of Sub-Subcontractor or Supplier) _____ (Type of Work or Materials) _____ \$ _____ Sub-Subcontract Amount **CONDITIONAL FOR FINAL PAYMENT**

\$ _____ (Amount Unpaid – If Full Payment Has Been Made, Write "None") **UNCONDITIONAL FOR FINAL PAYMENT**

RELEASE ATTACHED

(Name of Sub-Subcontractor or Supplier) _____ (Type of Work or Materials) _____ \$ _____ Sub-Subcontract Amount **CONDITIONAL FOR FINAL PAYMENT**

\$ _____ (Amount Unpaid – If Full Payment Has Been Made, Write "None") **UNCONDITIONAL FOR FINAL PAYMENT**

RELEASE ATTACHED

(Name of Sub-Subcontractor or Supplier) _____ (Type of Work or Materials) _____ \$ _____ Sub-Subcontract Amount **CONDITIONAL FOR FINAL PAYMENT**

\$ _____ (Amount Unpaid – If Full Payment Has Been Made, Write "None") **UNCONDITIONAL FOR FINAL PAYMENT**



SUBCONTRACTOR'S SWORN STATEMENT REGARDING FINAL PAYMENTS TO SUB-SUBCONTRACTORS AND SUPPLIERS

FROM:

(Name and Title of Person Making Declaration)

(Name of Subcontractor)

(Street Address)

(City, State and Zip)

PROJECT:

(Name of Project)

(Address of Project)

(City, State and Zip)

TO:

**University of Southern California
Campus Development & Facilities
3434 S. Grand Avenue
Los Angeles, CA 90089-3162**

**DECLARATION
(This is Not a Lien Release)**

The following is a complete list of all persons and firms who have furnished sub-subcontract work, equipment or materials to the above-named firm for the Project described above as of the date of this statement. Full payment for all such work, equipment and materials supplied to date has been made except as otherwise stated below.

I declare under penalty of perjury under the laws of the State of California that the above statement is true and correct.

Signed on _____, 20____, at _____
(Date) (City, State)

(Signature of Individual Who is Making Declaration)

RELEASE ATTACHED

(Name of Sub-Subcontractor or Supplier)

(Type of Work or Materials)

\$ _____
Sub-Subcontract Amount

CONDITIONAL FOR FINAL PAYMENT

\$ _____
(Amount Unpaid – If Full Payment Has Been Made, Write "None")

UNCONDITIONAL FOR FINAL PAYMENT

RELEASE ATTACHED

(Name of Sub-Subcontractor or Supplier)

(Type of Work or Materials)

\$ _____
Sub-Subcontract Amount

CONDITIONAL FOR FINAL PAYMENT

\$ _____
(Amount Unpaid – If Full Payment Has Been Made, Write "None")

UNCONDITIONAL FOR FINAL PAYMENT

UNIVERSITY OF SOUTHERN CALIFORNIA
SUBCONTRACTOR'S SWORN STATEMENT REGARDING FINAL PAYMENTS TO SUB-SUBCONTRACTORS & SUPPLIERS

Rev. 2011.01.28

Page 1 of 2



EXHIBIT 3
TO USC MASTER TASK ORDER AGREEMENT
BETWEEN OWNER AND CONTRACTOR
FOR CONSTRUCTION OF PROJECTS
WHERE THE BASIS FOR PAYMENT IS
A STIPULATED SUM

Bond Forms

3.1 Refer to the following forms provided:

a. Performance Bond

Unless added by Change Order or other Modification, at the sole and absolute discretion of Owner, no performance bonds from Contractor will be required for a Project except the Subcontractor bonds as described in Subparagraph 7.2.2 of the Agreement and Article GC-12.5 of the General Conditions in the form attached hereto.

b. Labor and Material Payment Bond

Unless added by Change Order or other Modification, at the sole and absolute discretion of Owner, no labor and material payment bonds from Contractor will be required for a Project except the Subcontractor bonds as described in Subparagraph 7.2.2 of the Agreement and Article GC-12.5 of the General Conditions in the form attached hereto.

c. Subcontractor Forms

Subcontractor performance and payment bonds are to be in a form similar to those for the Contractor in the attached forms. Additionally, Subcontractor shall use and execute the attached Dual Oblige Rider for Labor and Material Payment Bond and Dual Oblige Rider for Performance Bond.



PREMIUM AMOUNT
\$ _____

PAYMENT BOND
No. _____

LABOR AND MATERIAL PAYMENT BOND
(Stipulated Sum)

KNOW ALL PERSONS BY THESE PRESENTS:

That we, [Insert full name and address of Contractor], as Principal (“Principal”), and _____, a corporation organized and existing under the laws of the state of _____, as Surety (“Surety”), are held and firmly bound unto:

**University of Southern California, a
California Non-Profit Corporation (“Owner”)**
3434 Grand Avenue (CDF)
Los Angeles, CA 90089

As Obligee (hereinafter “Obligee”), for the benefit of the Claimants, as defined herein, in the penal sum of _____ Dollars (\$ _____), this amount being not less than the total Contract Sum of the Construction Contract defined below, in lawful money of the United States, for the payment of which sum, well and truly to be made, we bind ourselves, our respective heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

WHEREAS, Principal entered into an agreement with Owner for Preconstruction Services and Construction (“Construction Contract”) for the project commonly referred to as _____ located at _____ (“Project”), which Construction Contract and the Contract Documents identified therein (collectively “Contract”) are incorporated herein by this reference and made a part hereof as though set forth in full.

WHEREAS, Principal is required under the terms of the Contract to furnish a bond to secure the prompt, full and faithful payment of all persons furnishing services, equipment or materials reasonably required for use in the performance of the work of the Project (“Claimants”), concurrently with delivery to Obligee of the executed Contract.

WHEREAS, Principal and Surety hereby, jointly and severally, bind themselves, their respective heirs, executors, administrators, successors and assigns to the Obligee identified herein or Obligee’s successor, grantee, or for the prompt, full and faithful payment of all Claimants.



NOW, THEREFORE:

If the Principal shall pay or cause to be paid in full all Claimants, then this obligation shall be void; otherwise it shall be and will remain in full force and effect, subject, however, to the following conditions:

1. Surety for value received, hereby stipulates and agrees that it shall not be exonerated or released from the obligation of this Bond by, and waives notice of, any change, extension, amendment, alteration, or modification of the Contract, plans, specifications, or any agreement pertaining or relating to the work of the Contract or relating to the furnishing of labor, materials, or equipment therefore, nor by any change or modification of any terms of payment or extension of the time for any payment pertaining or relating to the work of the Contract, nor by any rescission or attempted rescission of the Contract. Surety further agrees that the amount of this Bond shall at all times increase and remain equal to the Contract Sum under the Contract.

2. No suit or action shall be commenced hereunder by any Claimant:

(a) Unless Claimant shall have given written notice to the Principal, the Obligee, and the Surety above named, in accordance with the requirements of the California Civil Code; and

(b) Other than in a state court of competent jurisdiction in and for the county or other political subdivision of the state in which the project, or any part thereof, is situated.



IN WITNESS WHEREOF, Principal and Surety named herein have executed this instrument, on the ____ day of _____, 200__, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative pursuant to authority of its governing body.

Surety Name

Principal Name

(Signature of Attorney-in-Fact for Surety)

(Signature)

(Type or Print Name of Signatory)

(Typed or Printed Name of Signatory)

(Address)

(Type or Print Title)

(Surety Telephone Number)

(Attach corporate seal and notary acknowledgement)

(Surety Fax Number)

(Attach Attorney-in-Fact Certificate, Corporate Seal and notary acknowledgements)

(Attach corporate seal)



PREMIUM AMOUNT
\$ _____

PERFORMANCE BOND
No. _____

PERFORMANCE BOND
(Stipulated Sum)

KNOW ALL PERSONS BY THESE PRESENTS:

That we, [Insert full name and address of Contractor], as Principal (“Principal”), and _____, a corporation organized and existing under the laws of the state of _____, as Surety (“Surety”), are held and firmly bound unto:

**University of Southern California, a California
Non-Profit Corporation (“Owner”)**
3434 Grand Avenue (CDF)
Los Angeles, CA 90089-0631

as Obligee (hereinafter “Obligee”), in the penal sum of _____ Dollars (\$_____), this amount being not less than the total Contract Sum of the Construction Contract, defined below, in lawful money of the United States, for the payment of which sum, well and truly to be made, we bind ourselves, our respective heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, Principal entered into an agreement with Owner for Preconstruction Services and Construction (“Construction Contract”) for the project commonly referred to as _____ located at _____ (“Project”), which Construction Contract and the Contract Document, identified therein (collectively, “Contract”) are incorporated herein by this reference and made a part hereto as though set forth in full.

WHEREAS, Principal is required under the terms of the Contract to furnish a bond guaranteeing the prompt, full and faithful performance of its obligations under the Contract, concurrently with delivery to Obligee of the executed Contract.

WHEREAS, Principal and Surety hereby, jointly and severally, bind themselves, their respective heirs, executors, administrators, successors and assigns to the Obligee identified herein or Obligee’s successor, grantee, or assignee for the prompt, full and faithful performance of the Contract.



NOW, THEREFORE:

If the Principal shall promptly, fully and faithfully perform each and all of the obligations and things to be done and performed by the Principal in strict accordance with the terms of the Contract, as such may be modified, extended, altered or amended from time to time; and if the Principal shall indemnify and save harmless the Obligee and all of its officers, agents and employees from any and all losses, liability and damages, claims, judgments, demands, liens, stop notices, costs, and fees of every description, whether in contract or in tort, whether imposed by law or equity, which may be incurred by the Obligee by reason of the failure or default on the part of the Principal in the performance of any or all of the terms or the obligations of the Contract, as they may be amended and supplemented including, but not limited to, its liability for indemnity, liquidated damages, if any, and any warranties, guarantees or correction obligations required thereunder; then this obligation shall be void; otherwise, it shall be, and will remain, in full force and effect, subject to the following conditions:

1. Surety for value received, hereby stipulates and agrees that it shall not be exonerated or released from the obligation of this Bond by, and waives notice of, any change, alteration, or modification of the Contract, plans, specifications, or any agreement pertaining or relating to the work of the Contract or relating to the furnishing of labor, materials, or equipment therefore, nor by any change or modification of any terms of payment or extension of the time for any payment pertaining or relating to the work of the Contract, nor by any rescission or attempted rescission of the Contract. Surety further agrees that the amount of this Bond shall at all times increase and remain equal to the Contract Sum under the Contract.

2. This Bond specifically guarantees the performance of each and every obligation of Principal under the Contract, as they may be amended and supplemented, including but not limited to, its liability for indemnity, liquidated damages, if any, and any warranties, guarantees or correction obligations required thereunder.

3. The obligations contained herein shall survive the final completion of the Project with respect to those obligations of Principal that survive such final completion.

4. In the event of a failure of performance of the Contract by the Principal, which shall include, without limitation, any breach or default of the Contract, within fifteen (15) calendar days after written notice from an Obligee to the Surety of Contractor's performance the Principal's breach or default of the Contract or Obligee's termination of the Contract, the Surety shall notify Obligee in writing of Surety's assumption of obligations hereunder by its election to either remedy the default or breach of the Principal or to take charge of the Work of the Contract Documents and complete the Work at its own expense ("Notice of Election") time being of the essence of this Bond; provided, however, that the procedure by which the Surety undertakes to discharge its obligations under this Bond shall be subject to the advance written approval of the Obligee, which approval shall not be unreasonably withheld, limited or



restricted. The insolvency of the Principal or the Principal's mere denial of a failure of performance or default under the Contract shall not by itself, without the Surety's prompt, diligent inquiry and investigation of such denial, be justification for Surety's failure to give the Notice of Election or for its failure to promptly remedy the failure of performance or default of the Principal or to complete the Work. The Surety's obligations for cure or remedy include but are not limited to: correction of defective work, completion of the Contract, additional legal, design professional and delay costs arising from the Principal's Surety's actions or failure to act; and liquidated damages, or if no liquidated damages are specified in the Contract, actual damages caused by delayed performance or non- performance by the Principal. The Surety shall give prompt written notice to the Obligee upon completion of the cure or remedy of the Principal's default(s) of its performance of the Contract.

In the event the Surety shall fail to issue its Notice of Election to Obligee within the time provided for herein, the Obligee may thereafter cause the cure or remedy of the Principal's failure of performance or default or to complete the Work. The Principal and the Surety shall be each jointly and severally liable to the Obligee and the Obligee shall be entitled to enforce any other available remedy for all damages and costs sustained by the Obligee as a result of the Principal's failure of performance under the Contract or default in its performance of obligations including, without limitation, correction of defective work, completion of the Contract, additional legal, design professional and delay costs arising from the Principal's Surety's actions or failure to act; and liquidated damages, or if no liquidated damages are specified in the Contract, actual damages caused by delayed performance or non- performance by the Principal.

5. No right of action shall accrue on this bond to or for the use of any entity other than Obligee or its successors and assigns.



IN WITNESS WHEREOF, Principal and Surety named herein have executed this instrument, on the ____ day of _____, 200 __, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative pursuant to authority of its governing body.

Surety Name

Principal Name

(Signature Of Attorney-In-Fact For Surety)

(Signature)

(Type Or Print Name Of Signatory)

(Typed Or Printed Name Of Signatory)

(Address)

(Type Or Print Title)

(Surety Telephone Number)

(Attach corporate seal and notary acknowledgement)

(Surety Fax Number)

(Attach Attorney-in-Fact Certificate, Corporate Seal and notary acknowledgements)

(Attach corporate seal)



Dual Obligee Rider

(To be executed concurrently with and attached to bond at time of issuance)

THIS DUAL OBLIGEE RIDER IS TO BE ATTACHED AND BECOME PART OF BOND

NO. _____, dated _____ issued by, _____, a corporation organized under the laws of the State of _____, as SURETY on behalf of [SUBCONTRACTOR NAME], as PRINCIPAL, and in favor of the UNIVERSITY OF SOUTHERN CALIFORNIA, a non-profit organization organized under the laws of the State of California, as co-obligee under the above-referenced Bond.

The Surety shall be liable under this bond to the Obligees, or either of them, unless the said Obligees, or either of them, shall make payments to the Principal or to the Surety, should it arrange for or undertake the completion of the contract upon default of the Principal, strictly in accordance with the terms of said contract; and shall otherwise satisfy all terms and conditions and perform all other obligations set forth in said contract at the time and in the manner provided therein.

In no event shall the aggregate liability of the Surety to either or both Obligees exceed the penal sum of this Labor and Material Payment Bond, nor shall the Surety be liable except for a single payment for each single breach or default. At the Surety's election, any payment due to either Obligee may be made by its check issued jointly to both.

IT IS FURTHER UNDERSTOOD AND AGREED that nothing herein contained shall be held to change, alter or vary the terms of the above described bond(s) except as hereinbefore set forth.

In witness to and in acknowledgement whereof the Principal, Surety and Obligees hereunto affixed their signatures and seals this _____ day of _____ A.D. 20_____.

University of Southern California _____

OBLIGEE

PRINCIPAL

By: _____

By: _____

SURETY

By _____

*DUAL OBLIGEE RIDER IS PART OF A BOND. IF NOT SIGNED BY ALL PARTIES NAME, THE BOND IS NULL AND VOID.



Dual Obligee Rider

(To be executed concurrently with and attached to bond at time of issuance)

THIS DUAL OBLIGEE RIDER IS TO BE ATTACHED AND BECOME PART OF BOND

NO. _____, dated _____ issued by, _____, a corporation organized under the laws of the State of _____, as SURETY on behalf of [SUBCONTRACTOR NAME], as PRINCIPAL, and in favor of the UNIVERSITY OF SOUTHERN CALIFORNIA, a non-profit organization organized under the laws of the State of California, as co-obligee under the above-referenced Bond.

The Surety shall be liable under this bond to the Obligees, or either of them, unless the said Obligees, or either of them, shall make payments to the Principal or to the Surety, should it arrange for or undertake the completion of the contract upon default of the Principal, strictly in accordance with the terms of said contract; and shall otherwise satisfy all terms and conditions and perform all other obligations set forth in said contract at the time and in the manner provided therein.

In no event shall the aggregate liability of the Surety to either or both Obligees exceed the penal sum of this Performance Bond, nor shall the Surety be liable except for a single payment for each single breach or default. At the Surety's election, any payment due to either Obligee may be made by its check issued jointly to both.

IT IS FURTHER UNDERSTOOD AND AGREED that nothing herein contained shall be held to change, alter or vary the terms of the above described bond(s) except as hereinbefore set forth.

In witness to and in acknowledgement whereof the Principal, Surety and Obligees hereunto affixed their signatures and seals this _____ day of _____ A.D. 20_____.

University of Southern California

OBLIGEE

PRINCIPAL

By: _____

By: _____

SURETY

By _____

*DUAL OBLIGEE RIDER IS PART OF A BOND. IF NOT SIGNED BY ALL PARTIES NAME, THE BOND IS NULL AND VOID.



EXHIBIT 4 TO USC MASTER TASK ORDER AGREEMENT BETWEEN OWNER AND CONTRACTOR FOR CONSTRUCTION OF PROJECTS WHERE THE BASIS FOR PAYMENT IS A STIPULATED SUM

University Policies and Certifications

Contractor shall understand and comply with all applicable University Policies. To assist Contractor in accessing the official versions of applicable University Policies, Contractor should use the following link which will open the USC policy website: <http://policies.usc.edu/>

University Policies are established to create a safe and productive work environment and to ensure compliance with regulatory requirements. Contractor's ongoing responsibility is to familiarize itself with and adhere to applicable University Policies. Because University Policies are modified from time to time, Contractor must check the "What's New" link at the USC policy website on a regular basis. Each policy includes contact information for specific policy-related questions.

A list of key University Policies related to construction and procurement are listed below. Contractor should use the specific links in this **Exhibit 4** to access specific policies.

1. University Diverse Supplier Goals
 - a) Supplier Diversity Services:
<http://businessservices.usc.edu/for-suppliers/supplier-diversity/>
2. University Policy on Non-Discrimination
 - a) Equal Opportunity, Affirmative Action and Non-Discrimination:
<https://policy.usc.edu/equal-opportunities/>
3. University Policy on Sexual Harassment
 - a) Discrimination, Harassment, Sexual Harassment and Sexual Assault:
<http://policy.usc.edu/discrimination/>
4. University Policy on Board Conflicted Contractors and Subcontractors
 - a) Conflict of Interest in Professional and Business Practices:
<http://policy.usc.edu/conflict-of-interest/>
 - b) Ethics Policy:
<http://policy.usc.edu/ethics/>
 - c) Requirements. Contractor will not employ any unlicensed Subcontractors or unqualified persons. Upon Owner's request, Contractor will promptly replace any Subcontractor or employee which Owner deems, in its sole and absolute discretion, to be unqualified, unfit or otherwise unacceptable to Owner. Contractor shall



include in all subcontracts a requirement for Subcontractors to obtain all insurance required in Article 11 of the Agreement, except that limits of liability and deductibles may be reduced by Contractor as approved in advance in writing by Owner. Each Subcontractor agreement, supply agreement or purchase order for any portion of the Work for a Project is hereby assigned by Contractor to Owner provided that the assignment is effective only after termination of the Contract for such Project by Owner in writing and after Owner's written election to exercise the assignment.

- d) **Trustee Affiliates.** Contractor shall comply with the bidding requirements and other provisions of **Exhibit 6, University List of Trustee Affiliate Firms / Use of Trustee Affiliated Companies / Bidding Requirements.** Without prior approval from Owner, Contractor will not employ, retain or use any Subcontractors identified by Owner in **Exhibit 6**, as modified from time to time by Owner upon written notice to Contractor (collectively "**Named Firms**"). Contractor shall, and Contractor shall cause Subcontractors to, provide advance written notice to Owner of any intent to employ a Named Firm or to permit a Named Firm to participate in the applicable Project with reasonably sufficient advance notice to Owner in order for Owner to review and approve the Subcontractor through its board of trustees' conflict of interest approval process. Contractor understands that, under Owner's conflict of interest policy for members of its board of trustees, Owner must seek the prior approval of its board, which meets on a calendar quarterly basis, for the use of such Named Firm.

5. Certificate Regarding Debarment:
Debarment Form (pdf) for purchases \$30,000 or more when project is government funded.
6. Certificate Regarding Lobbying:
Lobbying and Anti-Kickback Certification (pdf) for purchases \$100,000 or more when project is government funded.
7. Political Activity:
<http://policy.usc.edu/political-activity/>
8. Smoke Free:
<http://policy.usc.edu/smoke-free/>



**EXHIBIT 5
TO USC MASTER TASK ORDER AGREEMENT
BETWEEN OWNER AND CONTRACTOR
FOR CONSTRUCTION OF PROJECTS
WHERE THE BASIS FOR PAYMENT IS
A STIPULATED SUM**

University Labor Rate Breakdown Form

5.1 Refer to documents provided:

- a. University Labor Rate Breakdown Form - Contractor shall accurately complete and submit University Labor Rate Breakdown Forms prior to the start of construction for each trade and trade classification utilized by Contractor and each Subcontractor on a Project. These Labor Rate Breakdown Forms must be accurately completed and be backed up with full disclosure on each of the items listed. For example, Contractor shall provide full back up and disclosure as to how the Worker's Compensation rate was established.



UNIVERSITY LABOR RATE BREAKDOWN FORM

University of Southern California

Labor Rate Calculation Rate Form

NOTE: The contractor is required to complete one form for each craft/trade/classification. The Contractor/Subcontractor is required to provide and attach all supporting backup documents.

PERFORMING CONTRACTOR _____ DATE _____
 PROJECT _____ CONTRACT # _____
 PRIME CONTRACTOR _____ CONTRACTOR JOB # _____
 LOCAL UNION YES NO # _____ PHONE _____ OPEN SHOP YES NO
 CRAFT / TRADE _____ CLASSIFICATION _____ O.C.I.P. YES NO
 WORKERS COMP CODE _____ DATE WAGE EXPIRES _____

	STRAIGHT TIME DAILY	OVERTIME DAILY/SATURDAY	OVERTIME SUNDAY/HOLIDAY
(A) BASIC HOURLY RATE	\$0.00	\$0.00	\$0.00
Vacation, if included below or part of base rate this is (0)	\$0.00	\$0.00	\$0.00
(A) Total Taxable wage	\$0.00	\$0.00	\$0.00
(B) FRINGES (EMPLOYER PAYMENTS)			
Health & Welfare _____ \$0.00 /Hr.	\$0.00	\$0.00	\$0.00
Pension _____ \$0.00 /Hr.	\$0.00	\$0.00	\$0.00
Vacation / Holiday _____ \$0.00 /Hr.	\$0.00	\$0.00	\$0.00
Training _____ \$0.00 /Hr.	\$0.00	\$0.00	\$0.00
Other Payments _____ \$0.00 /Hr.	\$0.00	\$0.00	\$0.00
Other (specify): _____ \$0.00 /Hr.	\$0.00	\$0.00	\$0.00
Other (specify): _____ \$0.00 /Hr.	\$0.00	\$0.00	\$0.00
Other (specify): _____ \$0.00 /Hr.	\$0.00	\$0.00	\$0.00
(B) Total Fringes	\$0.00	\$0.00	\$0.00
(A & B) Total Fringes / Base Pay	\$0.00	\$0.00	\$0.00
(C) Payroll Taxes			
F.I.C.A and Medicare= 6.2 + 1.45 = 7.65%			
F.I.C.A./Medicare _____ 7.65%	\$0.00	\$0.00	\$0.00
F.U.T.A. _____ 0.60%	\$0.00	\$0.00	\$0.00
S.U.T.A. _____ 0.75%	\$0.00	\$0.00	\$0.00
E.T.T. _____ 0.02%	\$0.00	\$0.00	\$0.00
Other (specify) _____ 0.00%	\$0.00	\$0.00	\$0.00
(C) Sub Total 9.02 % X (A)	0.00	\$0.00	\$0.00
(D) PAYROLL TAXES & WORKERS' COMPENSATION			
* Workers' Comp. _____ 0%	\$0.00	\$0.00	\$0.00
(E) TOTAL X (A)	\$0.00	\$0.00	\$0.00
TOTAL - HOURLY LABOR RATE (C+E)	\$0.00	\$0.00	\$0.00

* This amount will be zero if an Owner-Controlled Insurance Program ("OCIP") is in effect
 Note: If the actual numbers for payroll taxes are greater than 9% please submit proper documents to justify the higher rate

Rev 04.30.16



EXHIBIT 6 TO USC MASTER TASK ORDER AGREEMENT BETWEEN OWNER AND CONTRACTOR FOR CONSTRUCTION OF PROJECTS WHERE THE BASIS FOR PAYMENT IS A STIPULATED SUM

University List of Trustee Affiliated Firms

USE OF TRUSTEE FOR AFFILIATED COMPANIES BIDDING REQUIREMENTS

The University of Southern California is a non-profit entity. Because of this non-profit status, the University is required to conduct business in specific ways, in certain situations, in order to avoid possible conflicts with both State and Federal requirements.

There are firms who regularly perform construction related work/services and have business affiliations with certain members of the Board of Trustees of the University of Southern California. In order to avoid a possible conflict of interest, or the appearance of a conflict of interest, the University will institute a number of bidding requirements which all General Contractors and Subcontractors will be required to follow and, if necessary, produce certain documentation to demonstrate compliance with these requirements. These requirements shall become contractual obligations of the General Contractor and Subcontractors.

Below is a current listing of firms (“**Named Firms**”) who have affiliations with certain members of the University of Southern California’s Board of Trustees:

- ACME Steel
- American Commercial Equities, LLC
- American Commercial Equities Two, LLC
- American Commercial Equities Three, LLC
- Anderson Companies
- AON Risk Solutions
- AON Risk Services
- Arnel Development
- Becho, Inc.
- Black Construction
- Caruso Affiliated
- Casden Property Management
- Cherry Hill Construction, Inc.
- Chung Shing Development Co., Ltd.



- Cosgrove Global Limited
- ConAm Management
- Desert Mechanical
- Desert Plumbing & Heating Company, Inc.
- Ferdin LLC
- Fisk Electric Company
- Five Star Electric
- Frontier-Kemper Constructors
- Fubon Construction Co., Ltd.
- Fubon Realtors Co., Ltd.
- GFM, LLC (The Grove, LLC)
- Hang Lung Group Limited
- Hang Lung Properties Limited
- HCP, Inc.
- HG American Commercial Properties One, LLC
- HG American Commercial Properties Two, LLC
- James A. Cummings, Inc.
- Jamison Realty, Inc.
- KDG Construction Consulting
- Keating Building Corporation
- Lunda Construction Company
- Majestic Realty Company
- Nagelbush Mechanical
- Perini Building Company, Inc.
- Perini Management Services, Inc.
- PowerCo Electric Corporation
- Primerose Development Group, Limited
- Prologis, Inc. (formerly, AMB Property Corporation)
- Quinn Group, Inc.
- Quinn Power Systems
- Rudolph and Sletten, Inc.
- Superior Gunitite Company
- Tata Steel Limited
- TCCI Investment & Development Co., Ltd.
- The Casden Company and Affiliates and Subsidiaries
- The Brickstone Companies
- The Herrick Corporation
- The Tata Power Company, Limited
- Tutor Perini Corporation



- Tutor Perini Corporation of New York
- Tutor-Saliba Corporation
- WDF

During the bidding process for a Project, Contractor shall have the responsibility to notify the University's Procurement Services (Mr. Peniel Park or his designated appointee), if one of the Named Firms is being considered as a possible Subcontractor. Contractor shall be required to have a minimum of three (3) Subcontractor bids for each Project submitted directly to University's Procurement Services in order to demonstrate to the sole satisfaction of University's Procurement Services that the Named Firm has provided the lowest qualified bid.

In addition, Contractor shall be obligated to provide the same list of Named Firms to all Subcontractors who intend to submit a bid to the General Contractor for a Project. Subcontractors shall have an obligation to inform Contractor of their intent to use one of the Named Firms as a sub-subcontractor. Contractor shall then have the obligation to notify the University's Facilities Purchasing Services of the Subcontractor's intent to use one of the Named Firms and the obligation to provide three (3) qualified bids to demonstrate the Named Firm is the low bidder.

Identification of Named Firms either as a Subcontractor or a sub-subcontractor must be done prior to award. Award of Subcontract and/or sub-subcontract to a Named Firm without approval of the University's Procurement Services shall not be permitted.



**EXHIBIT 7
TO USC MASTER TASK ORDER AGREEMENT
BETWEEN OWNER AND CONTRACTOR
FOR CONSTRUCTION OF PROJECTS
WHERE THE BASIS FOR PAYMENT IS
A STIPULATED SUM**

Contractor's Standard Form of Subcontract

7.1 Refer to the following:



EXHIBIT 8 TO USC MASTER TASK ORDER AGREEMENT BETWEEN OWNER AND CONTRACTOR FOR CONSTRUCTION OF PROJECTS WHERE THE BASIS FOR PAYMENT IS A STIPULATED SUM

University Revit Linked Model Requirements

8.1 University Revit Linked Model Requirements:

Owner shall designate in the Task Order for a Project if the Project will be designed and constructed utilizing Revit models with linked AutoCAD drawings (“**Revit Linked Models**”). If a Project will be designed using Revit Linked Models, then the Revit Linked Models shall be organized by discipline with the USC Shared Parameters, as follows:

The USC Shared Parameters are attributes assigned to specific Revit categories of elements to be populated with both the USC Shared Parameter Name and the Parameter Values. USC Shared Parameters allow proper organization of the project elements for managing the contract execution as well as organize the Record Revit Linked Model that is used after project completion for operations and maintenance.

These Revit Linked Models will contain the facilities data through parameter values which are identifiable by parameters whose name contain the prefix “Install”. Contractor and Subcontractors shall complete values in the linked spreadsheet and assist Architect, engineers and design consultants in uploading the linked spreadsheet data into the Revit Linked Models. The individual USC Shared Parameter field values for facilities “Install” data are identified in the USC provided Revit template spreadsheets. These spreadsheets are associated with the project Revit Linked Models. Owner and Owner’s Consultant(s) will provide oversight to both the Contractor and Design teams in their delivery and upload to e-Builder of models and linked files. Additionally, Contractor shall:

- (A) Actively participate, review, and comment on the development of the Design Revit Linked Models, especially regarding constructability issues.
- (B) Use USC’s template Project Record Revit Requirements Execution Plan (“**PRxP**”) in collaboration with Architect to provide Owner with a project specific signed PRxP.



**GENERAL CONDITIONS
FOR THE
USC MASTER TASK ORDER AGREEMENT BETWEEN OWNER AND
CONTRACTOR FOR CONSTRUCTION OF PROJECTS WHERE THE
BASIS FOR PAYMENT IS A STIPULATED SUM**

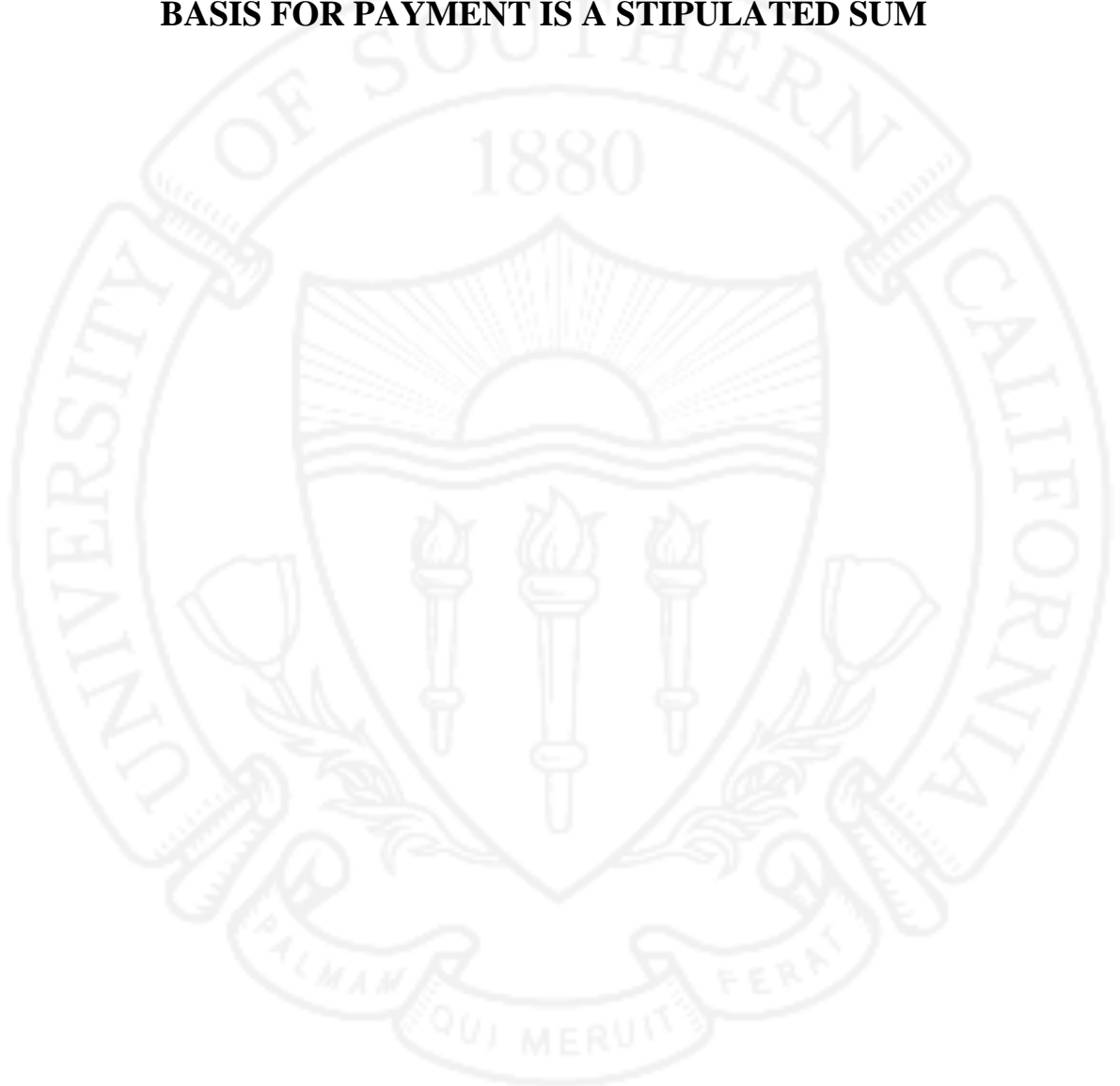




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ARTICLE GC-1 GENERAL PROVISIONS

1.1 BASIC DEFINITIONS.

1.1.1 **Addenda.** The Addenda (or Addendum in singular format) for a Project consist of the written clarifications or graphic instruments of the Bidding Requirements, Specifications, Drawings, or the Contract Documents issued by Owner for such Project prior to the bid date for such Project which modify or interpret the bidding documents for such Project, including the Drawings and Specifications for such Project, by additions, deletions, clarifications or corrections.

Not Used.

1.1.3 **Allowance.** A reasonably estimated amount carried within the Contract Sum for the applicable Project for a particular scope of Work for such applicable Project insufficiently defined as to allow Contractor to adequately determine its agreed upon stipulated fair value at the time the Task Order for such applicable Project is signed. The costs included in and excluded from each Allowance item for a Project shall be described in **Attachment 4** to the Task Order for such Project. Expenditure of Allowances must be in accordance with the provisions of Article GC-3.8.1.

1.1.4 **Allowance Disbursement Authorization (“ADA”).** The written approval issued by Owner to authorize Contractor’s use and Owner’s payment of an Allowance, or any portion thereof, for a Project. An ADA may be used to authorize expenditures against an Allowance for a Project in lieu of a Modification or Change Order that transfers funds to another category in the Schedule of Values for such Project.

1.1.5 **Alternates.** Options described in the Task Order for a Project, to be exercised at the sole and absolute discretion of Owner that adds or deducts items from the Work for such Project. The scope of work and the Alternate amount to be added or deducted from the Contract Sum for the applicable Project if Owner accepts an Alternate shall be defined in **Attachment 4** attached to the Task Order for such applicable Project.

1.1.6 **Applicable Law.** All federal, state and local statutes, laws, ordinances, provisions, rules, regulations, building codes, decrees, judgments and the interpretations of same by the applicable governmental authorities pertaining to, furnishing of, or performance of the Work for the applicable Project, including, without limitation, the Americans with Disabilities Act, the Occupational Safety and Health Administration and the California Administrative Code Title 24.

1.1.7 **Approved.** When the words “approved,” “satisfactory,” “proper” or “as directed” are used, the approval of Owner shall be understood unless the Architect for the applicable Project is specifically identified as the Party whose action is required.

1.1.8 **Approved Construction Schedule.** The construction schedule for the applicable Project that complies with the Contract Documents for such applicable Project, including General Requirements Section 01 3213, as accepted by Owner in writing and is attached to the Task Order for such applicable Project as **Attachment 5**.

1.1.9 **Architect.** The Architect for a Project is the person lawfully licensed to practice architecture in the jurisdiction where such Project is located or an entity lawfully practicing architecture in the jurisdiction where such Project is located, and is identified as the Architect in the Task Order for such



Project and is referred to throughout the Contract Documents for such Project as if singular in number. The term “Architect” means Architect, Architect of Record, Architect’s authorized representative, Architect’s consultants, and any other persons or entities for whom the above-listed are liable or responsible for concerning the applicable Project.

1.1.10 Architect Supplemental Instructions (“ASI”). Written or graphic instruments issued by Architect for a Project to specify additional instructions and interpretations relating to the Construction Documents for such Project. See also Bulletins.

1.1.11 Bidding Requirements. Bidding Requirements for a Project consist of the invitation to bid/request for proposals, instructions to bidders/proposers, the bid/proposal form, responses to questions raised by bidders and sample contract forms for such Project.

1.1.12 Bulletins. Written or graphic instruments issued by the Architect for a Project to specify additional instructions and interpretations relating to the Construction Documents for such Project. See also Architect Supplemental Instructions.

1.1.13 Change Order. As more specifically described in Article GC-7 below, a Change Order for a Project is a written document reflecting the agreement between Owner and Contractor for, among other things, the following: (a) a change in the terms or conditions of the Contract for such Project, if any; (b) a specific change in the scope of Work for such Project, if any; (c) an adjustment, if any, in the Contract Sum for such Project; (d) a reallocation of funds from one line item to another within the Schedule of Values for such Project; or (e) an adjustment, if any, in the Contract Time for such Project.

1.1.14 Change Order Proposal (“COP”). As more specifically described in Article GC-7.6 below, a COP for a Project is a written document originated by Contractor that describes any proposed change for or pertaining to such Project. The COP for the applicable Project shall describe the cause, action or event giving rise to such COP and include a proposal for any Impacts on the Contract Sum, Contract Documents, and Contract Time for such applicable Project.

1.1.15 Claim or Claims. Any dispute or separate demand by one of the Parties, submitted in accordance with Article GC-14.

1.1.16 Compensable Delay. An Excusable Delay for which Contractor is also entitled to an equitable adjustment in the Contract Sum for the applicable Project.

1.1.17 Compensable Event. An action or event for which Contractor is also entitled to an equitable adjustment in Contract Sum but not Contract Time for the applicable Project.

1.1.18 Completion Deadline(s). The date or dates established for Substantial Completion of the Work for a Project, or the achievement of other milestones as established in the Contract for such Project, as the case may be.

1.1.19 Construction Documents. The Drawings and Specifications for a Project, indicated on **Attachment 2** attached to the Task Order for such Project, setting forth the requirements for construction of the Work for such Project as issued by Architect or Engineer of Record for construction of such Project.

1.1.20 Construction Work Directive. A written instruction issued by Owner to Contractor to proceed regarding an issue of dispute or requiring Contractor to take a specific action regarding the applicable Work, Project and/or Contract. A Construction Work Directive may, but not always will, result in an



addition, deletion and/or revision in the Work for the applicable Project, and may contain a proposed basis for adjustments to, if any, the Contract Sum and/or Contract Time for such applicable Project.

1.1.21 **Contract.** The entire, integrated contract between Owner and Contractor in connection with the Work for the applicable Project, consisting of the Contract Documents for such applicable Project, collectively.

1.1.22 **Contract Documents.** The Contract Documents for a Project shall mean those documents described in Article 1.1 of the USC Master Task Order Agreement between Owner and Contractor For Construction of Projects Where The Basis For Payment Is A Stipulated Sum (hereinafter "**Agreement**"). Contractor acknowledges that additional supplemental information and written instructions from Owner or Architect and the incremental review and approvals by Owner or Architect and others are required to execute the Work for each Project. Contractor shall request, receive, process, and/or coordinate such additional information and obtain incremental approvals as necessary to perform the Work for the applicable Project in accordance with the Contract Documents for such applicable Project without adjustment of the Contract Sum or Contract Time for such applicable Project.

1.1.23 **Contract Time.** As provided in the Task Order for a Project, the number of calendar Days allowed for Substantial Completion of the Work for such Project, including any authorized extensions of time.

1.1.24 **Contractor.** Contractor is the entity listed in the Agreement who shall fully comply with the terms and conditions of the Contract for the applicable Project and perform all of the Work for such applicable Project required in the Contract Documents for such applicable Project and reasonably inferable therefrom either with Contractor's own forces or through its Subcontractors, Sub-subcontractors and suppliers, unless it is specifically indicated in the Contract Documents for such applicable Project that such Work is to be done by others.

1.1.25 **Critical Path.** The planned sequence of activities for a Project with a logical relationship for the elements of the Work for such Project that control the time of completion of the Work for such Project, as depicted on the Approved Construction Schedule for such Project. The Critical Path for a Project with respect to a specific Substantial Completion is the path with no Float or the least amount of Float.

1.1.26 **Damages.** Shall have the meaning provided in Article GC-3.16.

1.1.27 **Day or Days.** Calendar Days unless otherwise specifically designated in the Contract Documents for the applicable Project. When a required submittal or response due date falls on an Owner non-business day, the submittal or response shall be due on the next business day.

1.1.28 **Differing Site Condition.** The conditions for a Project described in Article GC-4.5.1, provided that in all cases the Contractor had no actual or constructive knowledge of such conditions as of the effective date of the Task Order for such Project. The term "Differing Site Condition" for a Project specifically excludes Hazardous Materials identified in the General Requirements or other Contract Documents for such Project and any difference in groundwater depth from the depths noted in the Contract Documents for such Project.

1.1.29 **Drawings.** The Drawings for a Project are the graphic and pictorial portions of the Contract Documents for such Project showing the design, location, and dimensions of the Work, generally including plans, elevations, sections, details, schedules, and diagrams.



1.1.31 **Excusable Delay.** A delay to the Approved Construction Schedule for a Project that satisfies the conditions and requirements set forth in the Contract for such Project for an increase in Contract Time for such Project and excuses Contractor from Damages or other sanctions under the Contract for such Project.

1.1.32 **Extraordinary Measures.** Measures implemented by Contractor at Owner's direction to expedite the progress of construction of all or a portion of the Work for a Project, including, without limitation, (i) expediting material shipping, (ii) working additional shifts or overtime, (iii) supplying additional labor, equipment, and facilities and (iv) submitting a recovery schedule for re-sequencing performance of the Work for such Project or other similar measures, as more specifically described in Article GC-2.8 below.

1.1.33 **Final Completion.** The term Final Completion for a Project is the date, evidenced by Owner's acceptance of a final Certificate for Payment for such Project signed and certified by the Owner or Architect for such Project, when the Work for such Project has been completed and the requirements for Project closeout set forth in the Contract Documents for such Project including, but not limited to, those set forth in Article GC-10.9 below, have been satisfactorily completed.

1.1.34 **Float.** The difference between the early completion time and the late completion time for an activity on the Approved Construction Schedule for the applicable Project, including any float contained within an activity as well as any period containing an artificial activity (that is, an activity not encompassed within the meaning of the term "Work"). Float is jointly owned; it is not for the exclusive use or benefit of either Party hereto.

1.1.35 **Force Majeure.** Any of the following events (provided such events are beyond the control of Contractor and are not due to an act or omission of Contractor or any Subcontractor or other person for whom Contractor may be contractually or legally responsible) which materially and adversely affects Contractor's obligations under the Contract Documents for the applicable Project and which event (or the effects of which event) could not have been avoided by due diligence and use of reasonable efforts by Contractor:

- (1) An earthquake exceeding 3.5 on the Richter scale and epicentered within 25 miles from the specific location of damage on the Site of the applicable Project, an earthquake exceeding 5.0 on the Richter scale and epicentered 50 miles from the specific location of damage on the Site of such applicable Project, or an earthquake exceeding 6.5 on the Richter scale and epicentered 75 miles from the specific location of damage on the Site of such applicable Project; in all cases based on the final determination regarding the location and magnitude of the earthquake published by the National Earthquake Information Center in Golden, Colorado and any tidal wave that causes damage to the Work for such applicable Project.
- (2) Any epidemic, hurricane, fire, flood, blockage, rebellion, war, riot, act of sabotage, act of terrorism or civil unrest.
- (3) The discovery at, near or on the Site of the applicable Project of any archaeological, paleontological, biological or cultural resources, provided that the existence of such resources was not disclosed in the Contract Documents for such applicable Project or otherwise made known to Contractor prior to the effective date of the Task Order for such applicable Project, and would not have been made known to Contractor by



undertaking reasonable investigations prior to the effective date of the Task Order for such applicable Project.

- (4) Any change in Applicable Law, or change in the judicial or administrative interpretation of, or adoption of any new, Applicable Law which is materially inconsistent with Applicable Law in effect on the effective date of the Task Order for the applicable Project and which directly affects the cost or time of performing the Work for such applicable Project.
- (5) A decision of a court that enjoins or restrains the Work for such applicable Project.

The term "Force Majeure" does not include: (i) delays in utility relocation; (ii) Differing Site Conditions, except as provided in item (3) above; (iii) hazardous materials; (iv) strikes or labor disputes with a duration of less than **sixty (60) Days**; or (v) shortages of materials that are due to acts or events outside the United States.

1.1.36 **Impacts.** The conditions described in Article GC-7.7.10.

1.1.37 **Inexcusable Delay.** Any delay that does not meet the requirements for an Excusable Delay and thus does not serve as the basis for an increase in the Contract Time for the applicable Project.

1.1.38 **Key Personnel.** Contractor's Key Personnel for a Project as approved by Owner and designated in **Attachment 7** attached to the Task Order for such Project, or otherwise approved in writing.

1.1.39 **Knowledge.** The terms "knowledge," "recognize," and "discover," their respective derivatives and similar terms in the Contract Documents for a Project, as used in reference to Contractor, shall be interpreted to mean that which Contractor knows (or should know), recognizes (or should recognize) and discovers (or should discover) in exercising the care, skill, and diligence required by the Contract Documents for such Project.

1.1.40 **Letter of Intent.** A Letter of Intent is a document originated by Owner to inform Contractor that Owner fully intends to enter into a Contract with Contractor for a particular Project, pending final agreement on the terms of the Contract for such Project.

1.1.41 **Modifications.** A Modification is (i) a written amendment to the Agreement or the Task Order for a Project signed by both Parties, or (ii) Change Orders for such Project, whether such change orders are bilaterally or unilaterally executed.

1.1.42 **Notice of Completion.** Owner, at its sole and absolute discretion, may or may not choose to record a Notice of Completion when all Work for a Project, as defined below in Article GC-1.1.63 and as called for on the Drawings and Specifications for such Project, is fully and actually completed. The Notice of Completion for the applicable Project may be timely recorded within **fifteen (15) Days** of full and actual completion of the Work for such applicable Project for the purpose of shortening the period of time within which mechanics' liens may be recorded and stop payment notices may be filed in connection with such applicable Project and shall not relieve Contractor from its obligation to complete all requirements of the Contract Documents for such applicable Project.

1.1.43 **Notice of Start of Delay.** Shall have the meaning provided in Article GC-8.2.4.

1.1.44 **Notice of End of Delay.** Shall have the meaning provided in Article GC-8.2.4.

1.1.45 **Notice of Intent to Claim.** A written notice from Contractor to Owner regarding a Claim, as described in Article GC-14.1.1.



1.1.46 **Notice to Proceed.** The written notice issued by Owner to Contractor setting the date for commencement of the Work for a Project or phase of the Work for such Project.

1.1.47 **Owner.** Owner is the University of Southern California, its successor, or any successor in interest or, where appropriate, Owner's Representative.

1.1.48 **Owner's Representative.** A person, persons or firm specifically authorized and empowered to act for or on behalf of Owner for the applicable Project by a written document executed by Owner and detailing the extent of such authorization to act on behalf of Owner.

1.1.49 **Project.** A Project is the total construction project of Owner, of which the Work performed under the Contract Documents for such Project may be the whole or a part and which may include construction by Contractor, Subcontractors, Sub-subcontractors, Owner or Separate Contractors.

1.1.50 **Project Manual.** The Project Manual for a Project is an assembly of Contract Documents and other non-Contract Documents for such Project which may include, but is not limited to, the Bidding Requirements (which are not Contract Documents), General Conditions of the Contract, Supplementary Conditions (if any), General Requirements and detailed Specifications for such Project and the Task Order pertaining thereto.

1.1.51 **Project Site or Site.** Area within which the on-site portions of the Work for a Project will be performed, including immediately surrounding streets, easements, and other adjacent areas regularly used in the performance of the Work for such Project.

1.1.52 **Provide.** When the word "provide," including derivatives thereof, is used, it shall mean to properly fabricate, complete, transport, deliver, install, erect, construct, test and furnish all labor, materials, equipment, apparatus, appurtenances, and all items and expenses necessary to properly complete in place, ready for operation or use under the terms of the Contract Documents for the applicable Project and reasonably inferable therefrom.

1.1.53 **Punch List.** A list of minor, corrective items, which does not include uncompleted Work for the applicable Project, necessary to correct imperfections that have no adverse effect on the safety, use or operability of such applicable Project, but must be completed as a condition of the Contract requirements for such applicable Project.

1.1.54 **Reasonably Inferable.** This expression and similar terms in the Contract Documents for a Project means whatever is reasonably inferable from the Contract Documents for such Project as being necessary to complete the Work for such Project depicted or set forth therein as determined using the same level of skill and care as is customarily employed by contractors that regularly perform projects or work of similar complexity in Southern California as such Project.

1.1.55 **Record Documents.** Shall have the meaning provided in Article GC-3.10.

1.1.56 **Request for Information.** The term "Request for Information" or "RFI" shall have the meaning provided in Article GC-7.5.

1.1.57 **Scope Change.** Work that is not reasonably inferable from the Contract Documents for a Project upon which the Contract Sum for such Project is based, and is (i) materially inconsistent with, or (ii) a material change in the quantity, quality, performance, programming requirements, or other substantial deviation in, the Contract Documents for such Project upon which the Contract Sum for such Project is based.



1.1.58 **Separate Contractors.** Licensed contractors or consultants performing portions of the applicable Project under separate and direct contracts with Owner, including the subcontractors and sub-subcontractors of Separate Contractors.

1.1.59 **Specifications.** The Specifications for a Project are that portion of the Contract Documents for such Project consisting of the written technical and administrative requirements, or reasonably inferably therefrom, for materials, equipment, systems, standards, performance, quality, quantity and workmanship for the Work for such Project, warranties, and performance of related services.

1.1.60 **Subcontractor.** A Subcontractor is a person or entity who has a direct contract with Contractor to perform or provide a portion of the Work for a Project at the Site of such Project. The term "Subcontractor" is referred to throughout the Contract Documents for the applicable Project as if singular in number and means a Subcontractor or an authorized representative of the same. The term "Subcontractor" does not include a Separate Contractor or subcontractors of a Separate Contractor.

1.1.61 **Sub-subcontractor.** A Sub-subcontractor is a person or entity who has a direct or indirect contract with a Subcontractor to perform or provide a portion of the Work for a Project at the Site of such Project. The term "Sub-subcontractor" is referred to throughout the Contract Documents for the applicable Project as if singular in number and means a Sub-subcontractor of any tier or an authorized representative of the same.

1.1.62 **Substantial Completion.** Contractor shall be deemed to have achieved Substantial Completion of the Work for a Project when all of the requirements and conditions for such Project listed in Article GC-10.6.1 of these General Conditions have been satisfied, and Owner or the Architect (as applicable) for such Project has issued a Certificate of Substantial Completion for such Project.

1.1.63 **Supplementary Conditions.** Supplementary Conditions for a Project are the Contract Documents for such Project identified as such and amending and/or supplementing the Contract Documents for such Project.

1.1.64 **Task Order.** The written agreement between Owner and Contractor setting forth the individual terms and conditions and details for Contractor's Work for a particular Project.

1.1.65 **Work.** The Work for a Project includes the construction and services required by the Contract Documents for such Project, and reasonably inferable therefrom, whether completed or partially completed, and includes all other labor, materials, equipment, and services provided or to be provided by Contractor, its Subcontractors, Sub-subcontractors and suppliers to fulfill Contractor's obligations under the Contract Documents for such applicable Project. The Work for a Project may constitute the whole or a part of such Project.

1.2 CORRELATION AND INTENT OF THE CONTRACT DOCUMENTS.

1.2.1 **Complementary Documents.** The intent of the Contract Documents for each Project is to include all items necessary for the proper execution and completion of the Work for such Project. The Contract Documents for a Project are complementary, and what is required by any one shall be as binding as if required by all. All Work for a Project mentioned or indicated in the Contract Documents for such Project, and all work reasonably inferable from them, shall be performed by Contractor as part of the Contract for such Project, unless it is specifically indicated in the Contract Documents for such Project that such Work is to be done by others.



- (1) Dimensions shall be figured or calculated rather than determined by scale or rule. In case of differences between small and large-scale Drawings for a Project, there shall be a presumption that the large-scale Drawings for such Project shall govern. In the event of discrepancy between any Drawing for a Project and the figure or calculation written thereon, there shall be a presumption that the figure or calculation shall govern over scaled dimensions. These presumptions can be rebutted if the Architect for the applicable Project determines that the context so requires.
- (2) All Work for a Project shall conform to the Contract Documents for such Project. No change therefrom shall be made without review and prior-written acceptance by Owner.

1.2.2 Organization. Organization of the Contract Documents (including the Specifications) for a Project into divisions, sections, and articles, and sequential order of Drawings shall not control Contractor in dividing the Work for such Project among Subcontractors or in establishing the extent of Work for such Project to be performed by any trade.

1.2.3 Well-Known Terms. Unless otherwise stated in the Contract Documents for a Project, words which have well-known technical or construction industry meanings are used in the Contract Documents for such Project in accordance with such recognized meanings.

1.2.4 Contractor Deviations. No deviation by Contractor from the Contract Documents for a Project relating to any portion of the services, materials, labor, or equipment required for the Work for such Project shall be construed to constitute a waiver of the Contract Documents for such Project or set a precedent with respect to subsequent interpretation of the Contract Documents for such Project or performance of the Work for such Project unless such a deviation is memorialized in a Modification to the Contract Documents for such Project.

1.3 CAPITALIZATION.

Terms capitalized in these General Conditions include those which are (i) specifically defined, (ii) the titles of numbered articles, and identified references to paragraphs, subparagraphs and clauses in the document or (iii) the titles of other Contract Documents .

1.4 INTERPRETATION.

1.4.1 Omitted Articles. In the interest of brevity, the Contract Documents for each Project frequently omit articles such as "the" and "an", but the fact that an article is absent from one statement and appears in another is not intended to affect the interpretation of either statement.

1.4.2 References to Contract Documents. Where "as indicated", "as detailed", or words of similar import are used, it shall be understood that the reference is made to any one of the Contract Documents for the applicable Project.

1.4.3 Severability. If any article, section, sub-article, paragraph, subparagraph, sentence, clause, or phrase contained in the Contract Documents for a Project shall be determined, declared, or adjudged invalid, illegal, unconstitutional, or otherwise unenforceable, then such determination, declaration, or adjudication shall in no manner affect the other articles, sections, sub-articles, paragraphs, subparagraphs, sentences, clauses, or phrases of the Contract Documents for such Project, which shall remain in full force and effect as if the article, section, sub-article, paragraph, subparagraph, sentence, clause, or phrase declared, determined, or adjudged invalid, illegal, unconstitutional, or otherwise unenforceable was not originally contained in the Contract Documents for such Project.



1.4.4 Provisions Deemed Inserted. Each and every provision and clause required by law to be inserted in the Contract Documents for a Project shall be deemed to be inserted therein and the Contract Documents for such Project shall be read and enforced as though such provision or clause is included herein and, if through mistake or otherwise, any such provision is not inserted or not correctly inserted, then upon application of either Party, the Contract Documents for such Project shall forthwith be physically amended to make such insertion or correction.

1.4.5 Headings Not Controlling. The various headings contained in the Contract Documents for a Project are inserted for convenience only and shall not affect the meaning or interpretation of the Contract for such Project or any provision thereof.

1.5 EXECUTION OF CONTRACT DOCUMENTS.

1.5.1 Signatures. The Agreement and each Task Order shall be signed by Owner and Contractor.

1.5.2 Contractor Representations. By executing the Task Order for a Project, Contractor shall be deemed to have represented, warranted, and covenanted the following: (i) it has determined that the Contract Documents for such Project are full, complete and sufficient to enable Contractor to determine the Contract Sum and Contract Time for such Project; (ii) it has visited the " Site" of such Project, familiarized itself with the local conditions under which the Work for such Project is to be performed including, without limitation, the conditions contained in any test results and/or reports provided to or obtained by Contractor, and the conditions reflected on any Site surveys provided to or obtained by Contractor; (iii) it is fully experienced, qualified and competent to perform the Work for such Project set forth in the Contract Documents for such Project; (iv) it is properly equipped, organized and financed to perform the Work for such Project; (v) it is properly permitted and licensed by the State in which the Project Site is located and all other governmental entities to perform the Work for such Project required by the Contract Documents for such Project and that it will retain only properly licensed Subcontractors to perform the Work for such Project; (vi) it has familiarized itself with all conditions bearing upon transportation, disposal, handling, and storage of materials; (vii) it has familiarized itself with the availability of labor, water, electric power, and roads; (viii) it has familiarized itself with uncertainties of weather or similar observable physical conditions at the Site of such Project; (ix) it has familiarized itself with the character of equipment and facilities needed preliminary to and during performance of the Work for such Project; (x) it has familiarized itself with the staging and material storage constraints of the Site of such Project and surrounding buildings and will confine its staging and storage operations to approved areas; (xi) it will maintain the immediate surrounding areas of the Site of such Project in a clean and safe manner at all times; (xii) it will coordinate its construction activities with Separate Contractors performing work on the Site of such Project; (xiii) it will adhere to the assigned transit route identified by Owner and governmental entities; and (xiv) it will adhere to and be bound by conditions set forth in the Contract Documents for such Project (and reasonably inferable therefrom), Applicable Law, and those of any regulatory agency, utility, or governmental entity with jurisdiction over such Project. In addition, and without limiting the foregoing warranties, Contractor represents and warrants to Owner that prior to executing the Task Order for a Project:

- (1) Contractor shall have familiarized itself and will thereafter continuously familiarize itself throughout performance of the Work for such Project with the nature and extent of the Contract Documents for such Project, the Work for such Project, the Site of such Project, the identified as-built conditions of the Site of such Project and the Applicable



Law of all government authorities and utilities having jurisdiction over such Project that may affect costs, progress, quantity, quality, performance, or furnishing of the Work for such Project;

- (2) Contractor shall have obtained and carefully studied (or assumes responsibility for obtaining and carefully studying) all such examinations, investigations, explorations, tests, reports and studies which pertain to the physical conditions at or contiguous to the Site of such Project or conditions which otherwise may affect the cost, progress, quantity, quality, performance or furnishing of the Work for such Project, as Contractor considers necessary for the performance hereinafter defined, within the Applicable Law, Contract Sum, Contract Time and Construction Schedule for such Project and in accordance with the other terms and conditions of the Contract Documents for such Project, and no additional examinations, investigations, explorations, tests, reports, studies or similar information or data are or will be required by Contractor for such purposes. Contractor may reasonably rely upon the accuracy of the technical data contained in such documents but not upon nontechnical data, interpretations, opinions or conditional statements contained therein or for the completeness thereof for Contractor's purposes;
- (3) Contractor shall have reviewed and checked all information and data shown or indicated on the Contract Documents for such Project with respect to existing underground utilities or structures at or contiguous to the Site of such Project;
- (4) Contractor shall have coordinated the results of all due diligence information, observations, examinations, investigations, explorations, tests, reports, and studies provided to Contractor as part of the Contract Documents for such Project;
- (5) Contractor shall have no knowledge of any conflicts, errors, or discrepancies in the Contract Documents for such Project other than those which Contractor has notified Owner and the Architect for such Project of in writing prior to executing the Task Order for such Project;
- (6) Contractor shall be experienced and competent in the interpretation and use of specifications and design drawings, and in the use of materials, equipment and construction techniques as are required to successfully complete such Project. Contractor shall, at its own expense, employ any and all experts necessary to successfully complete the construction Work for such Project required by the Contract Documents for such Project; and
- (7) Owner assumes no responsibility for any conclusions or interpretations made by Contractor based on the information made available by Owner. In addition, Owner does not assume responsibility for any understanding reached or representation made by Contractor concerning conditions which can affect the Work for such Project by any of its representatives or agents before the execution of the Task Order for such Project, unless that understanding or representation is expressly stated in the Contract Documents for such Project, or any Addenda thereto.



1.6 OWNERSHIP AND USE OF DRAWINGS, SPECIFICATIONS AND OTHER INSTRUMENTS OF SERVICE.

1.6.1 Ownership of Contract Documents. The Contract Documents for each Project, including, but not limited to all Drawings, Specifications, instruments of service, sketches and other documents, and copies thereof furnished by the Architect are and shall remain the property of Owner.

1.6.2 Contractor's Assignment of Copyrights. The instruments of service created, prepared, or issued by Contractor or its Subcontractors, Sub-subcontractors, suppliers or consultants for or in connection with the Work for each Project, including, but not limited to certain shop drawings, design drawings, specifications, electronic data, design-build systems, documents, models, photographs, and other written expressions created by Contractor or its Subcontractors, Sub-subcontractors, suppliers or consultants (collectively, "**Contractor's Instruments of Service**") are "work for hire", and shall become the property of Owner when prepared and shall be delivered to Owner whenever requested. Contractor shall retain and maintain copies of Contractor's Instruments of Service for each Project on Contractor's software systems or in Contractor's files for access and use by Owner at Owner's request for **ten (10) years** after Final Completion of such Project. Contractor hereby assigns to Owner, and shall cause all of its Subcontractors, Sub-subcontractors, suppliers and consultants, to assign to Owner, without reservation, all copyrights and all intellectual property interests to all Contractor's Instruments of Service. Owner, in return, hereby grants Contractor and its Subcontractors, Sub-subcontractors, suppliers and consultants for each Project a non-exclusive license to reproduce Contractor's Instruments of Service for such Project for purposes relating to their performance of the Work for such Project. If a Task Order is terminated prior to completion of the Work of the Project to which such Task Order pertains, Owner may terminate the license and Owner is authorized to allow another contractor, subcontractor, architect, Separate Contractor or Owner's Representative to use Contractor's Instruments of Service for such Project prepared for Owner's benefit and all Contractor's Instruments of Service for such Project shall continue to be the property of Owner. Owner agrees to proceed at its own risk and be responsible, to the extent permitted by law, for all liabilities, damages and costs that may arise from the use of Contractor's Instruments of Service for any Project by another contractor, subcontractor, architect, Separate Contractor or Owner's Representative unless the liabilities, damages or costs were proximately caused by the acts, omissions or negligent performance of professional services performed or furnished by or on behalf of Contractor.

1.7 PUBLICITY.

Contractor, its agents, employees, Subcontractors, Sub-subcontractors, consultants and suppliers shall not engage in any communication or correspondence with persons not directly involved in the Work for a Project, concerning any aspect of the Work for such Project, without the express prior-written consent of Owner. All communications to the media, or in response to inquiries made by private citizens, shall be issued solely through Owner.

ARTICLE GC-2 OWNER

2.1 GENERAL.

Owner is the person or entity identified as such in the Task Order for the applicable Project and is referred to throughout the Contract Documents for such applicable Project as if singular in number. Owner shall designate an Owner's Representative for the applicable Project in writing. Whenever the Contract Documents for a Project require or permit Owner to take or request an action or approve or disapprove of



an action or request made by another party, the reference to “Owner” shall mean Owner’s Representative unless the Contract Documents for such Project or context make it clear that another person is authorized to act as Owner’s Representative for such Project. All communications to Owner for a particular Project shall be made through Owner’s Representative for such Project by use of the Project Management Information System (“PMIS”) as defined in the General Requirements (if any) or an Exhibit to the Agreement or an Attachment to the Task Order for such Project.

2.2 INFORMATION AND SERVICES REQUIRED OF OWNER.

2.2.1 Approvals for Permanent Structures. Except for the permits, fees, and other items set forth under Article GC-3.7.1, that are the responsibility of Contractor under the Contract Documents for a Project, Owner shall pay for necessary assessments and charges reasonably required for construction, use, or occupancy of permanent structures or for permanent changes in existing facilities for such Project.

2.2.2 Time for Furnishing. Information or services required of Owner by the Contract Documents for a Project shall be furnished to Contractor with reasonable promptness.

2.3 ACCESS TO THE SITE.

Contractor agrees and acknowledges that Owner will require access to the Site of each Project including, but not limited to, use of elevators (freight or otherwise) and access for Owner’s employees, agents, insurers, consultants and representatives, Separate Contractors and agencies providing inspections and certifications throughout the course of design services and construction Work for such Project.

Contractor shall take into account Owner’s periodic access requirements in scheduling the Work for each Project. Any requests for use of vertical transportation by Owner, Architect, Separate Contractors or any of the other persons or entities listed above during construction shall be provided with full cooperation by Contractor and coordinated with Contractor. Contractor shall coordinate and determine means, methods, sequence and timing of all construction such that the Work for the applicable Project will be conducted in a manner to allow for such access in a safe, undisturbed and unencumbered manner and to prevent delay, disruption or damage to the work of Owner’s Separate Contractors for such applicable Project.

2.4 OWNER’S RIGHT TO STOP THE WORK.

If Contractor fails to correct Work for a Project which is not in accordance with the requirements of the Contract Documents for such Project as required by Article GC-13.2 or fails to carry out Work for such Project in accordance with the Contract Documents for such Project, then Owner may issue a written order to Contractor to stop the Work for such Project, or any portion thereof, until the cause for such order has been eliminated; however, the right of Owner to stop the Work for a Project shall not give rise to a duty on the part of Owner to exercise this right for the benefit of Contractor or any other person or entity. Owner’s right to stop the Work for a Project is in addition to and without prejudice to any other rights or remedies of Owner against Contractor with respect to such Project.

2.5 OWNER’S RIGHT TO CARRY OUT THE WORK.

If Contractor defaults or neglects to carry out the Work for a Project in accordance with the Contract Documents for such Project, and fails within a **forty-eight (48) hour** period after receipt of written notice from Owner to commence and continue correction of such default or neglect with diligence and promptness, Owner may correct such deficiencies. The right of Owner to correct deficiencies shall not give rise to a duty on the part of Owner to exercise this right for the benefit of Contractor or any other person or entity. Owner’s right to correct deficiencies in the Contractor’s Work for a Project is in addition to and without prejudice to any other rights or remedies of Owner against Contractor with respect



to such Project. In such case an appropriate Change Order shall be issued with respect to the applicable Project deducting from payments then or thereafter due Contractor for such applicable Project the cost of correcting such deficiencies, including compensation for any additional design services and expenses made necessary by such default, neglect, or failure. If payments then or thereafter due Contractor are not sufficient to cover such amounts, Contractor shall pay the difference to Owner. Owner's right to carry out the Work for a Project is in addition to and without prejudice to any other rights or remedies of Owner against Contractor with respect to such Project.

2.6 SUSPENSION OF OPERATIONS.

In addition to Owner's right to stop the Work for a Project pursuant to these General Conditions, Contractor shall, upon receipt of Owner's written notice and within the time stated therein, suspend shipment and delivery of material and stop any part or all of the Work and operations for such Project under the Contract for such Project for such period or periods of time as Owner may deem advisable and designate in the notice to suspend. Upon receipt of the notice to suspend operations with respect to a Project, Contractor shall immediately confer with Owner concerning the probable duration of such suspension and stoppage, delays, and extensions of time resulting therefrom as well as the reduction and possible elimination of Contractor's field cost, general conditions costs and such other costs and expenses as may result directly from the stoppage of Work for such Project. Upon written notice from Owner to resume operations, Contractor shall promptly resume all or any part of the Work and operations for the applicable Project including securing of materials required by said resumption notice. Contractor shall be compensated for suspension in accordance with Article GC-16 herein.

2.7 OWNER'S RIGHT TO COMMENCE OR CONTINUE OPERATIONS.

Owner may, at its option, commence or continue operations on the Site of a Project prior to Contractor's final completion of the Work for such Project. Owner's commencement or continuation of operations the Site of a Project, including, without limitation, installation of furniture, voice-data systems, communications systems or equipment or opening such Project to the general public, shall in no way diminish Contractor's obligations under the Contract Documents for such Project. Contractor shall cooperate with Owner with respect to performance of the Work for each Project. In order to avoid interference with Owner's operation of a Project, Contractor's Work for such Project shall be done at hours to suit Owner's convenience, without increase in the Contract Sum for such \Project.

2.8 OWNER'S RIGHT TO ORDER EXTRAORDINARY MEASURES.

2.8.1 Non-Compensable Extraordinary Measures. If Owner determines, in its sole and absolute discretion, that the performance of the Work for a Project (or any portion of such Work) has not progressed or reached the level of completion required by the Contract Documents for such Project, Owner shall have the right to order Contractor to take Extraordinary Measures necessary to expedite the progress of the Work for such Project. If such Extraordinary Measures are ordered to expedite the progress of the Work for such Project, then such Extraordinary Measures shall continue until the progress of the Work for the applicable Project complies with the stage of completion as required by the Contract Documents for such applicable Project. The right of Owner to order Extraordinary Measures shall not give rise to a duty on the part of Owner to exercise this right for the benefit of Contractor or any other person or entity. Owner's right to Extraordinary Measures with respect to a Project is in addition to and without prejudice to any other rights or remedies of Owner against Contractor with respect to such Project. Contractor shall not be entitled to an adjustment in the Contract Sum for a Project in connection with the Extraordinary Measures for such Project required by Owner under or pursuant to this section.



Owner may exercise the rights furnished Owner under or pursuant to this section as frequently as Owner deems necessary to ensure that Contractor's performance of the Work for the applicable Project will comply with the Contract Time or interim completion dates for such applicable Project set forth in the Contract Documents for such applicable Project. If Contractor or its Subcontractors, Sub-subcontractors or suppliers fail to implement or commence Extraordinary Measures for a Project within **ten (10) Days** of Owner's written demand, Owner may, without prejudice to other remedies, take corrective action and reduce the Contract for such Project in the amount of the cost of such corrective action.

2.8.2 Compensable Extraordinary Measures. Owner, in its discretion, may issue a written request to Contractor requesting Contractor to submit an itemized proposal for Extraordinary Measures with respect to a Project in order to achieve early completion of all or a portion of the Work for such Project, due to no fault of Contractor, in a form acceptable to Owner, within **ten (10) Days** after Owner's issuance of such request.

ARTICLE GC-3 CONTRACTOR

3.1 GENERAL.

Contractor shall perform the Work for a Project in accordance with the requirements of the Contract Documents for such Project and reasonably inferable therefrom. Contractor shall not be relieved of obligations to perform the Work for a Project in accordance with the Contract Documents for such Project either by activities or duties of Owner or Architect in their administration of the Contract for such Project, or by tests, inspections, or approvals required or performed by persons other than Contractor. Contractor and all Subcontractors, Sub-subcontractors, consultants, suppliers and any other person or entity for which Contractor is responsible or liable with respect to a Project shall be properly licensed to perform all Work they are contracted to perform for such Project.

3.2 REVIEW OF CONTRACT DOCUMENTS AND FIELD CONDITIONS BY CONTRACTOR AND ITS SUBCONTRACTORS.

3.2.1 Comparison of Contract Documents and Field Conditions. Since the Contract Documents for each Project are complementary, before submitting a price proposal to Owner for the Work for a Project or any Change Order Proposal for a change in the Work for a Project, and before starting each portion of the Work for a Project, Contractor and its Subcontractors, Sub-subcontractors and suppliers shall carefully study and compare the various Drawings, Specifications, and other Contract Documents for such Project relative to that portion of the Work for such Project, as well as the information furnished by Owner pursuant to Article GC-2.2 above, shall verify all figures and dimensions on the Contract Documents for such Project before laying out the Work for such Project, shall take field measurements of any existing conditions related to that portion of the Work for such Project, and shall observe any conditions at the Site of such Project affecting any of the above items. In addition, prior to commencement of each portion of the Work for a Project, and at intervals appropriate to the progress of the Work for such Project, Contractor and its Subcontractors shall meet with Owner and its Separate Contractors, Architect and Architect's Consultants for such Project to coordinate the Contract Documents for such Project, including the design of building systems delegated to Contractor, for the purpose of a construction feasibility, constructability reviews and coordination analysis, identifying conflicts, missing information, or gaps in the planned scope of Work for such Project and to take appropriate corrective action to ensure the full scope of intended Work for such Project is performed efficiently, timely and



economically. In addition, before starting each portion of the Work for a Project, Contractor shall examine all construction and improvements adjoining the Site of such Project. Any errors, inconsistencies, or omissions in a Project, or any portion thereof, discovered by Contractor shall be reported promptly to the Architect for such Project and Owner as a written request for information (“RFI”) in such form as may be required by the General Requirements.

3.2.2 No Relief for Apparent Errors or Omissions. Contractor shall not take unfair advantage of any apparent error or omission which may be found in the Contract Documents for a Project, and Owner and the Architect for such Project shall be entitled to make such corrections therein and interpretations thereof as may be necessary for fulfillment of the intent of the Contract Documents for such Project. Omissions from the Drawings or Specifications for a Project, or missing description of details of Work for a Project which are manifestly necessary to carry out the intent of the Contract Documents for such Project shall not relieve Contractor from performing such omitted or missing described Work and shall be performed as fully as if set forth in full in the Contract Documents for such Project without adjustment of the Contract Sum for such Project.

3.2.3 Surveys. Contractor shall be responsible for locating, and shall locate prior to performing any Work for a Project, all above and below ground utilities and services including, but not limited to, utility lines, telephone company lines, cables, sewer lines, drainage pipes, water pipes, gas lines, electrical lines and all other pipelines, and shall perform the Work for the applicable Project in such a manner so as to avoid damaging any such lines, cables, pipes and pipelines.

3.2.4 Notice and Cost. If Contractor believes that additional cost or time is involved with respect to a Project because of clarifications or instructions issued by Owner or the Architect for such Project in response to Contractor's notices or RFI's for such Project, Contractor shall submit a Change Order Proposal for such Project, as provided in Article GC-7.6. If Contractor fails to perform the obligations of Article GC- 3.2.1 through 3.2.3 with respect to a Project, then Contractor shall pay such costs and damages to Owner with respect to such Project as would have been avoided if Contractor had performed such obligations.

3.3 SUPERVISION AND CONSTRUCTION PROCEDURES.

3.3.1 Contractor's Means and Methods. Contractor shall supervise and direct all aspects of the Work for a Project, using Contractor's best skill, attention and efforts. Contractor shall be solely responsible for and exercise full control over construction means, methods, techniques, sequences, procedures, quality control, quantity and coordinating all portions of the Work for a Project under the Contract, unless the Contract Documents for such Project give other specific instructions concerning these matters.

3.3.2 Contractor's Vicarious Liability. Contractor shall be responsible and liable to Owner for the negligence, acts, errors and omissions of Contractor, Subcontractors, Sub-subcontractors, suppliers and each of their respective agents and employees, and any other persons or entities for whom they are responsible or liable in performing any of the Work for any Project under a direct or indirect contract (or other arrangement) with Contractor.

3.3.3 Property Lines and Encroachments. Prior to the commencement of the Work for a Project on the Site of such Project, Contractor shall have all property corners and benchmarks verified and established by a state licensed land surveyor, shall locate such Project, together with all grades, lines, and



levels necessary for the Work for such Project, on the Site of such Project, establishing necessary reference marks from which the Work for such Project can progress accurately and shall furnish Owner and the Architect for such Project with reasonable evidence of such verification, noting any errors, inconsistencies, or omissions discovered during such verification. After all lines are staked out and before foundation work is commenced for the applicable Project, Contractor shall review with Owner and the Architect for such applicable Project the placement of all buildings and other permanent facilities to be constructed on the Site of such applicable Project. Any encroachments resulting from Contractor's locating or constructing the Work for a Project on properties adjacent to the Site of such Project, except for encroachments arising from errors or omissions not reasonably discoverable by Contractor in the Contract Documents for such Project, shall be the sole responsibility of Contractor, and Contractor shall commence the remedy of such encroachments within **thirty (30) Days** after discovery thereof (unless circumstances require a more rapid response), at Contractor's sole cost and expense, either, at Owner's election, by the removal of the encroaching improvements (and the subsequent reconstruction of such improvements on the Site of such Project) or by agreement with the owners of the adjacent property, in a form and substance approved by Owner in its sole and absolute discretion, to purchase the real estate underlying the encroaching improvements or to grant Owner a permanent easement for such encroaching permits.

3.3.4 Inspection of Work in Place. Contractor shall be responsible for the inspection of portions of Work already performed with respect to a Project to determine that such portions are in proper condition to receive subsequent Work for such Project.

3.3.5 Conservation. Contractor shall coordinate all construction activities to ensure that operations are carried out with consideration given to the conservation of energy, water and materials, and shall coordinate use of temporary utilities to minimize waste.

3.4 LABOR AND MATERIALS.

3.4.1 Coordination. Contractor shall coordinate the Work it performs for a Project with that of all others on such Project including, but not limited to, coordination of access, deliveries, routes, storage, installations, labor, parking, construction equipment, staging, hoist, and construction utilities. Contractor shall be responsible with respect to each Project for the space requirements, locations, and staging of its equipment in areas and locations approved by Owner. Where the proper and most effective space requirements, locations, and routing for a Project cannot be made as indicated in the Contract Documents for such Project, Contractor shall meet with all others involved before installation to plan the most effective and efficient method of overall installation and coordination of the Work for such Project.

3.4.2 Temporary or Permanent Work. Unless otherwise provided in the Contract Documents for a Project, Contractor shall provide and pay for all labor, materials, equipment, tools, construction equipment, machinery, water, electricity, heat, utilities, transportation, and other facilities and services necessary for proper execution and completion of the Work for such Project, whether temporary or permanent and whether or not incorporated or to be incorporated in the Work for such Project.

3.4.3 Labor Discipline. Contractor shall enforce strict discipline and good order among Contractor's employees, Subcontractors, sub-subcontractors, suppliers and other persons carrying out the Work for a Project. Contractor shall not permit employment of unfit persons or persons on a Project not skilled in tasks assigned to them on such Project.



3.4.4 Skilled Labor. None but qualified and skilled labor shall be employed on any portion of the Work for a Project. When required in writing by Owner, Contractor or any Subcontractor or Sub-subcontractor shall discharge from the applicable Project (and, if required by Owner, all other Projects) any person who is, in the reasonable opinion of Owner, incompetent, unfaithful, disorderly or otherwise unsatisfactory, and shall not again employ such discharged person on the Work for such applicable Project (or, if required by Owner, any other Project), except with the prior-written consent of Owner. Such discharge shall not be the basis of any claim for compensation or damages against Owner or any of its officers or agents.

3.4.5 Procurement and Installation of Materials and Equipment. Contractor shall: (i) place orders for all materials and equipment, taking into account current market and delivery conditions necessary to meet the Approved Construction Schedule for the applicable Project; (ii) purchase and expedite the procurement of long lead time items to obtain their delivery by the dates necessary to comply with the Approved Construction Schedule for such applicable Project; and (iii) arrange for alternate sources for the supply of critical materials and equipment to maintain the Critical Path of the Approved Construction Schedule for such applicable Project. Should Contractor fail in this duty, Owner reserves the right to order such materials and equipment as Owner may deem advisable to maintain the Critical Path of the Approved Construction Schedule for the applicable Project and all expenses (including, without limit, any increase in materials and equipment resulting from Owner having ordered the same) shall be charged to and paid for by Contractor within the Contract Sum for such applicable Project. Contractor shall keep Owner and the Architect for the applicable Project informed of the status of procurement and shall promptly notify Owner and Architect in writing of any materials or equipment which may not be available within the Critical Path of the Approved Construction Schedule for such applicable Project. Contractor shall be responsible for the space requirements, locations, and routing of its equipment and materials. In areas and locations where the proper and most effective space requirements, locations and routing for a Project cannot be made as indicated, Contractor shall meet with all others involved in such Project, including, but not limited to, Owner and the Architect, Subcontractors and Sub-subcontractors for such Project, before installation, to plan the most effective and efficient alternative method of installation.

3.4.6 Substitution of Materials, Process or Equipment and Value Engineering Proposals.

- (1) Proposals for substitutions and value engineering recommendations (collectively, "**Proposed Substitution**") for a Project shall be submitted by Contractor to Owner and Architect using a format approved by Owner.
- (2) If any Proposed Substitution offered by Contractor for a Project is not found to be equivalent or cannot be delivered to the Site of such Project in compliance with the Critical Path of the Approved Construction Schedule for such Project, Contractor shall timely furnish and install the material specified in the Contract Documents for such Project. Contractor waives all Claims for additional costs related to the Proposed Substitution for a Project which subsequently become apparent, and Contractor accepts all responsibility for direct or indirect costs and/or time Impacts with respect to such Project as a result of the Proposed Substitution, including, but not limited to, Impacts to Work not identified in the substitution proposal.
- (3) Contractor shall proceed with performance of the Work for a Project as required by the Contract Documents for such Project and shall not modify such requirements in accordance with any Proposed Substitution for such Project unless Owner approves such request in a written order.



- (4) Owner contemplates that any Proposed Substitution of a product with a lower cost will result in a credit to Owner. If Owner approves a Proposed Substitution and Contractor furnishes a material, process or article more expensive than that specified, the difference in cost shall be borne entirely by Contractor. Any engineering, design fees or agency fees required to make adjustments in material or work of all trades directly or indirectly affected by the approved substituted item shall be borne entirely by Contractor.

3.4.7 Reference Standards. Any material specified by reference to the number, symbol, or title of a standard such as that of the American Society for Testing Materials ("ASTM"), Underwriters Laboratories, Factory Mutual, a product or commercial standard, or similar standards, shall comply with the requirements of the latest revisions thereof and any supplement or amendment thereto in effect on the date of the Task Order for the applicable Project. The standards referred to, except as specifically modified in the specifications, shall have the same force as if they were printed in full within the Contract Documents for the applicable Project. Whenever a product is specified in accordance with such a reference standard, Contractor shall present a certification from the manufacturer and test data to substantiate compliance, when requested by Owner or the Architect for the applicable Project, or required in the Specifications for such applicable Project, certifying that the product complies with the particular reference standard.

3.4.8 Manufacturers' Instructions. Where it is required in the Contract Documents for a Project that materials, products, processes, equipment or the like for such Project be installed or applied in accordance with manufacturers' instructions, directions or specifications or words to this effect, it shall be construed to mean that said application or installation shall be in strict accord with current printed instructions furnished by the manufacturer of the material concerned for use under conditions similar to those at the Site of such Project. Unless otherwise stated, Contractor shall furnish one copy of said instructions to Owner and one copy to the Architect for the applicable Project. If there is a conflict between manufacturers' instructions, Applicable Law or the Contract Documents for a Project, Contractor shall notify Owner and the Architect for such Project in writing to request clarification.

3.5 WARRANTY AND CORRECTION.

3.5.1 Warranty. Contractor warrants to Owner and the Architect for the applicable Project the following: (i) materials and equipment furnished under the Contract for such applicable Project will be of good quality and new unless otherwise required or permitted by the Contract Documents for such applicable Project; (ii) the Work for such applicable Project will be of good quality and free from defects; (iii) the Work for such applicable Project will conform to the requirements of the Contract Documents for such applicable Project and Applicable Law; and (iv) Contractor will deliver such applicable Project free of mechanics' liens and stop payment notice claims, subject to Contractor's receipt of undisputed payments due under the Contract for such applicable Project. Work not conforming to these requirements, including substitutions not properly approved, shall be deemed defective. Contractor's warranty excludes improper or insufficient maintenance, improper operation, or normal wear and tear and normal usage. If required by Owner or Architect, Contractor shall furnish satisfactory evidence as to the kind and quality of materials and equipment furnished to the applicable Project. This warranty is not limited by the provisions of Article GC-13.2 herein. The cost of providing all warranties specified in the Contract Documents for a Project and performing all corrective work relating to such warranties shall be included in the Contract Sum for such Project; provided, however, for any warranty upgrades or extensions beyond those specified in the Contract Documents for the applicable Project offered to Owner,



which involve additional cost, Contractor may submit a COP to request an increase to the Contract Sum for such applicable Project.

3.5.2 Commencement of Correction Periods. In accordance with Article GC-13.2 herein, in addition to warranties required elsewhere in the Contract Documents for a Project and other special extended warranties identified in the Contract Documents for such Project, Contractor shall, and hereby does, warrant all Work for such Project for a period of one (1) year commencing from the date of Substantial Completion of the Work for such Project and shall repair or replace in "like new" condition any and all such Work, together with any other Work for such Project which may be displaced in so doing, that may prove defective in workmanship and/or materials, without expense whatsoever to Owner. This **one (1) year** warranty shall not limit or waive any extended warranties detailed in the Contract Documents for the applicable Project such as may be provided for specific materials, equipment, systems or portions of the Work for such applicable Project. All warranties shall commence on the date of Substantial Completion of the Work for the applicable Project, unless a later date of warranty commencement is indicated in writing for specific items of the Work for such applicable Project as indicated in the Contract Documents for such applicable Project or as approved by Owner in writing. For example, a later date of warranty commencement may occur for an independent HVAC system for a retail space in a Project that is not operational or commissioned until after the applicable retail tenant improvements are completed.

3.5.3 No Limitation. Nothing contained herein shall be construed to establish, shorten or limit any applicable statute of limitations or statutes of repose with respect to other obligations that Contractor might have under the Contract Documents for a Project. Establishment of the one-year warranty period for correction of Work for a Project relates only to the specific warranty obligation of Contractor to correct the Work for such Project, and has no relationship to the time within which the obligation to comply with the Contract Documents for such Project may be sought to be enforced, nor to the time within which proceedings may be commenced to establish Contractor's liability with respect to Contractor's obligations for such Project other than specifically to correct the Work for such Project. Neither the making of final payment nor the use or occupancy of the Work for a Project, in whole or in part, by Owner, shall constitute a waiver of any rights or an acceptance of any Work for such Project not in accordance with the Contract Documents for such Project, nor shall it relieve Contractor from any liability for faulty or defective Work for such Project.

3.5.4 Overlap. Where any warranties provided under the Contract Documents for a Project overlap, conflict, or are duplicative, Contractor shall be bound by the more stringent requirements and warranties.

3.5.5 Owner's Right to Correct. If Contractor fails to commence corrections to the Work for a Project within forty-eight (48) hours after receipt of written notice, Owner, under the provisions of Article GC-2.5 herein, may proceed to have the applicable defects to the Work for such Project repaired and made good at the sole expense of Contractor. If, in the opinion of Owner, defective work on a Project creates a dangerous condition or requires immediate correction or attention to prevent further loss or damage to Owner or to prevent interruption of operations of Owner, Owner may take immediate action, give subsequent notice, make such correction or provide such attention with respect to such Project, and the cost of such correction or attention shall reduce Contractor's Contract Sum for such Project. Such action by Owner will not relieve Contractor of the warranties and obligations provided in this Article GC-3 or elsewhere in the Contract Documents for the applicable Project.



3.5.6 Procurement and Assignment of Warranties. Contractor shall obtain in the name of Owner, or transfer or assign to Owner or Owner's designee prior to the time of Substantial Completion of the Work for a Project, any and all warranties or guarantees which Contractor is required to obtain pursuant to the Contract Documents for such Project and which Contractor obtained from any other person or entity with respect to such Project other than Contractor including, but not limited to, Subcontractors, Sub-subcontractors, consultants, suppliers and manufacturers, and further agrees to perform the Work such Project in such a manner so as to preserve any and all such warranties and guarantees. Contractor shall secure written warranties or guarantees from all Subcontractors, Sub-subcontractors, consultants, suppliers and manufacturers in the form approved by Owner. Contractor and its Subcontractors shall offer any warranty upgrades or extensions that are offered by manufacturers of any equipment or system in a Project to Owner for Owner's consideration and potential approval in writing.

3.5.7 Survival of Warranties. The provisions of this Article GC-3.5 shall survive Contractor's completion of the Work or termination of Contractor's performance of the Work for the applicable Project.

3.6 TAXES.

3.6.1 Payment. Contractor and its Subcontractors, Sub-subcontractors and suppliers shall pay all applicable sales, consumer, use, and similar taxes for the Work for a Project.

3.6.2 Liability for Employee Payments. Contractor accepts full liability for the payment of any and all contributions, deductions, payroll taxes for Social Security and other employment-related taxes, unemployment insurance, old age and survivor's benefits, medical and health benefits, union benefits, prevailing wage requirements, living wage requirements (if any), or for any other purpose now or hereafter imposed under any Applicable Law measured by the wages, salary or other remuneration paid to persons employed by or on behalf of Contractor and its Subcontractors, Sub-subcontractors and suppliers with respect to a Project. Contractor covenants and agrees to observe and fully comply with all Applicable Law pertaining to a Project, including procurement of any necessary occupational licenses, permits and inspection certificates. Contractor covenants and agrees to defend, indemnify and save harmless Owner against all loss, damage or liability which may arise out of or relate to the failure of Contractor or its Subcontractors, Sub-subcontractors or suppliers to observe and fully comply with all Applicable Law and other requirements even if Owner is partly at fault, except to the extent of Owner's active negligence, sole negligence or willful misconduct.

3.7 PERMITS, FEES AND NOTICES.

3.7.1 Responsibility for Permits and Fees. Owner shall be responsible for applying for, obtaining and paying the fees for the primary building permits for a Project. Prior to execution of the Task Order for a Project, Contractor shall identify all necessary trade permits, certificates, licenses, inspections and fees required to complete the Work for such Project. Contractor or its Subcontractors, Sub-subcontractors or suppliers for a Project shall obtain and directly pay for all trade building permits certificates, licenses, inspections and fees required to complete the Work for such Project. Contractor shall pay for all other permits, certificates, fees, licenses, and inspections which are necessary for the proper and complete execution of the Work for a Project, or which are customarily secured after execution of the Task Order for a Project, including, but not limited to, all permanent utility connections. Contractor shall submit immediately upon receipt to Owner copies of all permits and items required herein along with all related paid receipts with each Application for Payment. Contractor shall submit to Owner a final record copy of



all permits and items required herein for the applicable Project, including, but not limited to, licenses, inspection results, fee receipts, proof of utility connections and certificates as a condition precedent for Substantial Completion of the Work for such applicable Project.

3.7.2 Notices. Contractor shall comply with and give all notices with respect to a Project required by Applicable Law, including, but not limited to, all ordinances, codes, rules, regulations, interpretations and lawful orders of public authorities applicable to performance of the Work for such Project.

3.7.3 Permits. Contractor shall obtain and pay all charges for all approvals for street closings, traffic regulation, parking meter removal, and other similar matters as may be necessary or appropriate from time to time for the performance of the Work for a Project.

3.7.4 Compliance with Applicable Law.

- (1) With respect to the systems specified in the Contract Documents for a Project that require design-build services by Contractor or its Subcontractors or Sub-subcontractors performing the Work for such Project, Contractor is responsible to ascertain that Contractor's and Subcontractors' or Sub-subcontractors' design, submittals, deliverables for such Project, including Construction Documents therefor, are in CAD or Revit with linked AutoCAD format, and Work for such Project is in accordance with all Applicable Law, including life safety codes, ADA, CALGreen, and disabled access requirements. Contractor is responsible to perform all Work for a Project in accordance with the requirements of local agencies and inspectors having jurisdiction over the Work for such Project. If Contractor observes that any portions of the Contract Documents for a Project are at variance with Applicable Law, Contractor shall promptly notify the Architect for such Project and Owner in writing.
- (2) If Contractor or its Subcontractors or Sub-subcontractors perform any Work for a Project when Contractor or its Subcontractors or Sub-subcontractors for such Project know or should have reasonably known it would be contrary to Applicable Law, Contractor shall assume full responsibility therefore and shall bear all costs (within the Contract Sum for such Project) directly or indirectly attributable to the correction of the Work for such Project. If Contractor fails to comply with any such Applicable Law, Owner may, without prejudice to any of its other rights or remedies, issue an order suspending all or any part of the Work for the applicable Project. Further, if Contractor fails to comply with any such Applicable Law, Owner may, but shall not have a duty to, and without prejudice to any of its other rights or remedies, correct the failure and reduce the Contract Sum for the applicable Project by the cost of such correction.

3.8 ALLOWANCES.

3.8.1 Allowances. Allowances for a Project, if any, will be established for Work for such Project that will be part of the Contract for such Project but quantification was impossible to determine prior to award due to various circumstances. Items covered by Allowances for a Project, as defined in Article GC-1.1 above, shall be established in the Contract Sum for such Project only to the extent approved in advance by Owner in writing.

Allowances (or any portion thereof) for a Project can only be expended by Contractor after either transferring the agreed upon amount from the applicable Allowance to another category of the Schedule of Values for such Project through a zero dollar Change Order or receiving an executed Allowance



Disbursement Authorization (ADA) for such applicable Allowance signed by Contractor and Owner, and Work for a Project to be compensated by Allowances can only be commenced after receiving written authorization from Owner. All Work for a Project contemplated by Allowances shall be performed within the Contract Time for such Project.

All expenditures for Allowances for a Project shall be separately itemized in each Application for Payment for such Project and are subject to approval by the Architect for such Project and Owner. Contractor shall submit a Change Order Proposal as a request for an Allowance Disbursement Authorization. The Allowance shall include all applicable direct and indirect costs and Contractor's mark-up. Compensation for Allowance items shall be calculated in accordance with the provisions of Article GC-8. Owner shall not reimburse Contractor for Allowance costs exceeding the Allowance amount unless approved through a Change Order prior to commitment of the expenditure.

At Substantial Completion of the Work for a Project, or at any time designated by Owner, a Change Order may be executed to credit the unused amounts remaining in the Allowances for such Project to Owner.

3.8.2 Selection. If applicable, the Approved Construction Schedule for a Project shall include deadlines for Owner's selection of Allowance items to avoid delay in the Work for such Project.

3.9 CONTRACTOR'S PERSONNEL AND SUBCONTRACTORS.

3.9.1 Contractor's Key Personnel. Contractor's Key Personnel for a Project, as shall be listed and designated in **Attachment 7** to the Task Order for such Project, or as otherwise approved in writing by Owner, shall be: (i) present at the Site of such Project at all times that any Work for such Project is in progress and at any time that any Subcontractor, Sub-subcontractor, supplier or employee of Contractor is present at the Site of such Project; (ii) present at all job meetings for such Project; (iii) actively involved throughout all phases of the Work for such Project; (iv) actively involved to maintain oversight of the Work for such Project at all times; (v) fully authorized to represent and act on behalf of Contractor for all purposes under the Contract Documents for such Project; (vi) actively involved to supervise and direct the Work for such Project, using the best skill and attention; (vii) responsible for the means, methods, techniques, sequences, and procedures used for the Work for such Project; (viii) actively involved to coordinate all portions of the Work for such Project; and (ix) actively involved to act as the principal contact with Owner and all Subcontractors, Sub-subcontractors, suppliers and inspectors on such Project.

3.9.2 Changes in Key Personnel and Subcontractors. Contractor understands and acknowledges that its selection by Owner to perform the Work for a Project shall be, in part, based on Contractor's Key Personnel listed in **Attachment 7** attached to the Task Order for such Project, which shall include Contractor's Project Representative, listed Subcontractors and Sub-subcontractors, and key personnel for such Project. Contractor shall not make changes to its Project Representative, key personnel, Subcontractors or Sub-subcontractors for a Project, or reduce their responsibilities for such Project without the prior-written approval of Owner. Prior to making any changes to the Project Representative, key personnel, Subcontractors or Sub-subcontractors for a Project, Contractor shall submit the qualifications and experience of Contractor's proposed replacements for Owner's written approval. If Owner determines, in its sole and absolute discretion, that the performance of any person or entity employed by Contractor is unsatisfactory, then upon the written request of Owner, Contractor shall remove such individual or entity from the applicable Project (and, at Owner's election, all other Projects) without increase in the Contract Sum for such applicable Project, and such individual or entity shall not



be reemployed on such applicable Project (or, at Owner's election, any other Project) without the prior-written approval of Owner.

3.9.3 Qualifications and Licenses. Work for a Project furnished by or on behalf of Contractor shall be performed by persons: (i) qualified to perform the Work for such Project and highly experienced in the Work for such Project assigned to them; (ii) licensed to practice their respective trades or professions where required by law in the State of California; and (iii) qualified and financially able to assume professional responsibility for any design documents furnished by or through them. Contractor's Project Representative, key personnel, Subcontractors, Sub-subcontractors and consultants for a Project shall be experienced in projects of similar nature and complexity to the Work for such Project and must provide Owner with resumes of education, training, and relevant experience whenever requested and shall be approved by Owner in writing prior to their assignment to the Work for such Project.

3.9.4 Professional Services.

- (1) With the exception of design-build systems delegated to Contractor with respect to a Project, Contractor shall not be required to provide professional services for any Project which constitute the practice of architecture or engineering, unless such services are specifically required by the Contract Documents for such Project for a portion of the Work for such Project, or unless Contractor needs to provide such services in order to carry out Contractor's responsibilities for construction means, methods, techniques, sequences, and procedures for such Project. Contractor shall not be required to provide professional services for any Project in violation of Applicable Law. If professional design services or certifications by a design professional related to systems, materials, or equipment for a Project are specifically delegated to Contractor by the Contract Documents for such Project, then Contractor shall cause such services or certifications to be provided by a properly licensed design professional, who shall comply with the requirements of Owner regarding qualifications and insurance and whose signature and seal shall appear on all drawings, calculations, specifications, certifications, Shop Drawings, and other Submittals prepared by such professional for such Project.
- (2) Contractor's design professionals shall certify that design-build Work for a Project invoiced in an Application for Payment for such Project is installed in accordance with the design and engineering prepared by such professional. Shop Drawings and other submittals related to the Work for a Project designed or certified by such professional, if prepared by others, shall bear such professional's written approval when submitted to Owner and Architect. Owner and the Architect for a Project shall be entitled to rely upon the adequacy, accuracy and completeness of the services, certifications or approvals performed by or on behalf of such design professionals for such Project. Owner and the Architect for a Project will review, approve, or take other appropriate action on submittals for design-build systems only for the limited purpose of checking for conformance with information given and the design concept expressed in the Contract Documents for such Project.

3.10 DOCUMENTS AND SAMPLES AT THE SITE.

3.10.1 As-Built and Record Documents. Contractor shall maintain in good order at the Site of a Project (as applicable), and shall make available to Owner or the Architect or Owner's Representative for such Project, one (1) copy of each of the following with respect to such Project: (a) Drawings; (b)



Specifications (c) Revit Linked Models, if required by the Task Order for such Project, and then in accordance with the provisions of **Exhibit 8** attached to the Agreement; (d) "As-Built" Drawings and Specifications; (e) close-out documents such as warranties, operating and maintenance manuals, (f) Addenda; (g) RFI's; (h) bulletins; (i) Change Orders; (j) Modifications to the Contract Documents for such Project; (k) Shop Drawings; (l) Product Data; (m) Samples; (n) mock-ups; (o) permits; (p) inspection reports; (q) test results; (r) daily logs; (s) Construction Schedules; (t) subcontracts; (u) purchase orders; (v) monthly reports; and (w) any other documents requested by Owner (collectively, "**Record Documents**"). The Record Documents for a Project shall be continuously updated during the prosecution of the Work for such Project. The prints for As-Built Drawings and Specifications for a Project (except for design-build systems, as addressed below) will be a set of black-line prints provided by the Architect for such Project to Contractor at the start of the construction Work for such Project. As-Built Record Revit Model documents (except for design-build systems, as addressed below), if required by the Task Order for the applicable Project, will be provided by the Architect for such applicable Project pursuant to **Exhibit 8** attached to the Agreement. Contractor shall maintain the As-Built Drawings, Specifications and Revit Linked Model (if required) documents for the applicable Project in good condition and shall use colored pencils or lines to mark up the As-Built Drawings, Specifications and Revit Linked Model documents for such applicable Project with "record information" in a legible manner to show, for such applicable Project, without limit, the following: (i) deviations from the Drawings made during construction; (ii) details in the Work not previously shown; (iii) changes to existing conditions or existing conditions found to differ from those shown on any existing drawings; (iv) actual installed position of equipment, piping, conduits, light switches, electric fixtures, circuiting, ducts, dampers, access panels, control valves, drains, openings, and stub-outs; and (v) such other information as either Owner or Architect may reasonably request. For design-build systems delegated to Contractor by the Contract Documents for the applicable Project, Contractor shall continuously update its Construction Documents for such applicable Project in CAD or Revit with linked AutoCAD format.

3.11 SHOP DRAWINGS, PRODUCT DATA AND SAMPLES.

Shop Drawings, Product Data, Samples, and similar submittals (collectively, "**Submittals**") for a Project are not Contract Documents for such Project. The purpose of these Submittals is to demonstrate for those portions of the Work for a Project for which Submittals are required by the Contract Documents for such Project, the way by which Contractor proposes to conform to the information given and the design concept expressed in the Contract Documents for such Project. Contractor shall comply with the requirements, time frames and all other provisions regarding submittals in the General Requirements. No adjustment to the Contract Time or the Contract Sum for a Project shall be granted to Contractor on account of its failure to make timely submission of any Submittals for such Project.

3.12 USE OF SITE.

3.12.1 Site Constraints.

Prior to mobilization on the Site of a Project, Contractor shall submit to Owner for review and acceptance a Site Constraint Plan for such Project, as defined in and in accordance with the requirements of the Supplementary Conditions.

3.12.2 Coordination. Contractor shall not have exclusive access to or use of the Site of a Project. Owner may also require that certain facilities and areas of the Site of a Project be used concurrently by Contractor and others. Contractor expressly acknowledges that Owner, its own forces, and Separate Contractors working on a Project may be working simultaneously with Contractor on such Project during



certain periods of time in certain portions of the Site of such Project. Contractor and Owner will take all steps necessary in connection with the construction Work for a Project not to interfere with the use and occupancy of the Site of such Project by Owner's Separate Contractors and personnel working on such Project and to minimize any interruption of services to such persons, including, without limitation, utilities, ingress and egress, and parking. Contractor further agrees to coordinate the Contractor's Work for a Project with all others performing work on the Site of such Project, including deliveries, storage, and installation. Contractor shall meet and consult with Owner from time to time at Owner's request to insure that Contractor and Owner are fully advised of all Work for a Project and other construction activities on the Site of such Project, and Contractor shall take such steps as are reasonably necessary at Owner's request to coordinate its work with that of Separate Contractors on the Site of such Project. At Owner's sole and absolute discretion, Owner may intervene to resolve coordination and access problems.

3.12.3 Security. Contractor shall meet all safety and security requirements for a Project as required by Applicable Law and/or established by Owner, and address safety concerns raised by Owner for such Project, including the requirements contained in the Supplementary Conditions and General Requirements.

3.12.4 Occupied Facility. When the Work for a Project involves modification of an existing and/or occupied facility, Contractor shall provide all equipment, materials, and services required to protect ongoing occupancy and use of the Site of such Project from property damage, bodily damage, dirt, dust, weather, etc. Further, Contractor shall provide barricades and caution signs around the operations at the Site of a Project which are satisfactory to Owner. All concrete and masonry at the Site of a Project shall be wetted while breaking and handling. Openings in floors within the working areas at the Site of a Project shall be temporarily covered. Paint, paint thinner, gasoline, oil, roofing materials, or other flammable materials shall be stored outside of all buildings at the Site of a Project and properly protected.

3.12.5 Owner Operation. In performing its Work on a Project, Contractor shall not interfere or interrupt the function and continuation of Owner's operations as a university and shall comply with the requirements of the Supplementary Conditions, if any.

3.12.6 Utility Interruption. When, in connection with the Work of a Project, it is necessary to interrupt any utility service, such interruption shall be for the shortest possible duration and must be approved in advance by Owner in writing. Contractor shall comply with the requirements of the Supplementary Conditions, if any, related to this matter.

3.12.7 Parking. In accordance with the provisions of the Supplementary Conditions, if any, Contractor shall arrange, maintain and coordinate all construction related on-site and off-site parking for the Work for a Project, including parking for Owner if requested. The cost of all Contractor parking shall be included in the Contract Sum for a Project.

3.12.8 Access to Work. Contractor shall provide Owner and the Architect for a Project, and their respective representatives, access to the Work for such Project at all times during the Contract Time for such Project, without prior notice to Contractor.

3.13 CUTTING AND PATCHING.

3.13.1 Responsibility. Contractor shall be responsible for all cutting, fitting, drilling, integrating or patching required to complete the Work for a Project, to make its parts fit together properly and to fit the



Work for such Project to the rest of the Site of such Project and adjacent areas, including, but not limited to, all grades, streets, walkways, curbs, gutters, utilities, infrastructure and landscaping.

3.13.2 Separate Contractors. Contractor shall not damage or endanger any portion of the Work for a Project, the Site of a Project, or adjacent areas or fully or partially completed construction of Owner or Separate Contractors for such Project, by cutting, fitting, patching, drilling, integrating or otherwise altering such construction, or by excavation. Contractor shall not cut or otherwise alter such construction by Owner or a Separate Contractor except with written consent of Owner.

3.13.3 Finish Surfaces. Cutting, fitting, patching, integrating, drilling or other mechanical changes to surfaces constituting final finishes, including, but not limited to, glass, marble, tile mosaic, finish wood, finish metals, etc., necessary for the fastening, installation, securing, or insertion of any devices, equipment, or materials shall be accomplished with special care and attention to detail. If requested by the Architect for a Project or Owner, Contractor shall submit procedures for finish changes for such Architect's or Owner's review and prior-written approval. Specific prior-written approval must be obtained from the Architect for a Project or Owner for such finish changes to be done by any trades other than the one installing the specific finish material. Failure to obtain the prior written approval of Owner or the Architect for a Project shall place full responsibility upon Contractor for any extra costs or damages with respect to such Project occasioned by unacceptable finishes or surfaces.

3.14 CLEANING UP.

3.14.1 Continuous Obligations. Contractor shall keep the Site of a Project and surrounding area free from the accumulation of waste materials and rubbish. As construction is completed each day, paved surfaces adjoining the applicable Project shall be broom clean and other surfaces of the Site of such applicable Project raked clean. If Contractor defaults or neglects to maintain a Project free from accumulation of waste and rubbish as set forth above, and fails within a **twenty-four (24) hour** period after receipt of notice (which may be oral), to commence and continue correction of such default or neglect with diligence and promptness, Owner may after such **twenty-four (24) hour** period, immediately, without prejudice to other remedies Owner may have, correct such deficiencies. In such case, an appropriate Change Order for the applicable Project shall be issued deducting from payments for such applicable Project then or thereafter due Contractor the cost of correcting such deficiencies. If payments for such applicable Project then or thereafter due Contractor are not sufficient to cover such amounts, Contractor shall pay the difference to Owner on demand.

3.15 ROYALTIES, PATENTS AND COPYRIGHTS.

3.15.1 Contractor Shall Pay All Royalties and License Fees. Contractor shall pay all royalties and license fees for a Project. Contractor shall defend all suits or claims for infringement of copyrights and patent rights and shall defend, indemnify and hold Owner and the Architect and Owner's Representative for a Project (collectively, "**Owner's Team**") harmless from loss on account thereof, even if Owner is partly at fault, but not to the extent of Owner's Team's active negligence, sole negligence or willful misconduct. Further, Contractor shall not be responsible for such defense or loss (i) when a particular design, process, or product of a particular manufacturer or manufacturers ("**IP Item**") is required by the Contract Documents for the applicable Project and Contractor did not know and could not reasonably have been expected to know that such IP Item required the payment of royalties, license fees or similar payment or (ii) where the copyright violations are contained in Drawings, Specifications, or other documents for the applicable Project prepared by Owner or the Architect for such applicable Project and



Contractor did not know and could not reasonably have been expected to know of the copyright violations and, therefore, did not know and could not reasonably have been expected to know that royalties, license fees or similar payments were required.

3.15.2 Potential Infringement of Any Intellectual Property Right. Should Contractor become aware of or receive notice of potential infringement of any intellectual property right related to the Project, regardless of the source of that awareness or notice, Contractor shall (1) immediately cease the copying and any other activity which is the potential source of infringement; and (2) within **seven (7) Days** (a) investigate the potential infringement; (b) submit to Owner copies of all documents relating to that awareness, the notice, or the object thereof; and (c) issue to Owner a complete written response and analysis of the potential infringement and the course of action recommended by Contractor. Contractor shall submit to Owner a supplement of the initial report within **seven (7) Days** of Contractor's receipt of, or awareness of, additional related information. Nothing in this Agreement shall be deemed to relieve Contractor of its obligations under this Paragraph, nor shall Owner's receipt of the information indicated in this Paragraph give rise to any duty or obligation on the part of Owner.

Contractor and its performance bond surety shall defend suits or claims for infringement of copyrights and patent rights related to, arising from, or on account of the Project and shall indemnify and hold Owner harmless from loss on account thereof.

Should Owner become aware of, or receive notice of, potential, accused, or actual infringement of intellectual property rights, Owner shall, in its sole option, have the right to engage independent legal counsel to advise Owner as to the infringement. The costs and fees for such counsel shall be borne by Contractor and shall be immediately recoverable by Owner against amounts due or soon to be due to Contractor or amounts already paid to Contractor.

3.16 INDEMNIFICATION.

3.16.1 General.

This Article GC-3.16 and any other indemnity provisions contained herein shall not be construed to require indemnification or defense by Contractor in excess of the indemnification and defense obligations permitted under California law including, without limitation, California Civil Code Sections 2782 and 2782.05, et seq. To the fullest extent permitted by law, Contractor shall appear and fully defend, indemnify, protect, and hold harmless Owner, Owner's Representatives, Lender, Separate Contractors, and consultants, and any of their respective members, officers, trustees, employees, and agents ("**Indemnitees**") from and against any and all first and third-party claims, actions, causes of action, demands, costs, judgments, mechanics' liens, stop payment notices, bond claims, penalties, fines, damages, breaches, liabilities, anticipated losses of revenues, and expenses, including any fees and costs of accountants, attorneys, experts or other professionals, or investigation expenses, losses, or liabilities in law or in equity, of every kind and nature whatsoever ("**Damage**"), arising out of or in connection with, resulting from or related to, or claimed to be arising out of, the Work for a Project performed by Contractor or any of its officers, agents, employees, Subcontractors, Sub-Subcontractors, suppliers or any person for whose acts Contractor may be liable, regardless of whether such Damage is caused, in whole or in part, by an Indemnitee, except to the extent such Damage is caused by the Indemnitees' active negligence, sole negligence or willful misconduct including, but not limited to, the following:



- (1) Personal injury, including, but not limited to, bodily injury, emotional injury, sickness or disease, or death to any persons;
- (2) Infringement of any intellectual property including patent rights or copyrights arising out of Contractor's Work for such Project or design/build services for such Project, if any, for which Contractor is responsible;
- (3) Mechanics' liens, stop payment notices, bond claims, encumbrances and claims for subcontractor payments, labor performed, materials used or furnished to be used in the Work for such Project, including all incidental or consequential damages resulting from such mechanics' liens, stop payment notices, bond claims and claims;
- (4) Failure of Contractor or its Subcontractors to comply with the provisions for Insurance;
- (5) Failure to comply with any Applicable Law, including any statute, code, ordinance, regulation, permit, decree or order;
- (6) Any misrepresentation, misstatement, or omission with respect to any statement made in or any document furnished by Contractor in connection therewith;
- (7) Any breach of any duty, obligation, or requirement under the Contract Documents for such Project, including breach of contract, breach of warranty, breach of habitability, and construction defects;
- (8) Any failure to coordinate the Work for such Project with Separate Contractors, design/builders or design professionals;
- (9) Any failure to provide notice to any party as required under the Contract Documents for such Project;
- (10) Any failure to protect the property, of any utility company or adjacent property owner;
or
- (11) Any failure to maintain harmonious labor relations including, but not limited to, avoiding strikes, insurrections, labor unrest, labor slowdowns, picket lines and similar actions.

3.16.2 Enforcement. This indemnity shall remain in full force at all times and shall extend to claims and Damages occurring after termination of Contractor or final payment to Contractor under the Task Order for a Project. This indemnity is in addition to any other rights or remedies which Owner and Architect may have under the law or under the Contract Documents for a Project. In the event of any claim or demand with respect to a Project made against any party which is entitled to be indemnified hereunder, Owner may, in its sole and absolute discretion, reserve, retain, set off, or apply any monies due to Contractor under the Contract for such Project for the purpose of resolving such claims or Damages; provided, however, that Owner may release such funds if Contractor provides Owner with surety bonds, guarantees or assurances of protection of Owner's interests. Owner may, in its sole and absolute discretion, approve or reject such bonds, guarantees or assurances.

3.16.3 No Limitations. In claims against any Indemnitee by an employee of Contractor, Subcontractor, Sub-subcontractor, anyone directly or indirectly employed by them, or anyone for whose acts they may be liable, the indemnification obligation shall not be limited by a limitation on amount or type of damages, compensation, or benefits payable by or for Contractor, Subcontractor, Sub-subcontractor, anyone directly or indirectly employed by them, or anyone for whose acts they may be liable, under workers' compensation acts, disability benefit acts, or other employee benefit acts.

3.16.4 Mechanics' Lien and Stop Payment Notice Claims. Should any Subcontractor, Sub-subcontractor, supplier, or other person claiming by or through Contractor or any such Subcontractor,



Sub-subcontractor, or supplier, or any of them, make, record, file, or maintain any action on or respecting a claim of mechanics' lien, stop payment notice, bond claim, or other encumbrance relating to the Work for a Project, Contractor shall immediately and as part of the Contract Sum for such Project, procure, furnish, and record appropriate statutory release bonds which will extinguish or expunge such liens or encumbrances from title or otherwise.

3.17 SIGNS AND ADVERTISING.

Contractor shall not place or maintain any advertising signs, bills, or posters, nor shall it allow the same to be placed in or about the Site of a Project, or on any structure, fence, or barricade located on the Site of a Project, except as may be specified herein or approved in advance in writing by Owner, which approval shall be at Owner's sole and absolute discretion. If approval is granted, Owner shall have the right to approve the size, style, text, and location of any Contractor sign placed on the Site of the applicable Project, or on any structure, fence, or barricade located at the Site of such applicable Project.

Notwithstanding any other provision of the Contract Documents for a Project, Owner shall have complete discretion with respect to use and placement of Contractor, Subcontractor and Sub-subcontractor signs on the Site for such Project.

3.18 COORDINATION WITH NEIGHBORING PROPERTY.

With respect to each Project, Contractor shall coordinate with adjoining property owners and businesses, tenants, and their customers and contractors to provide access to neighboring property and shall implement measures to minimize disruption to operations and occupancy of neighboring property owners, businesses, tenants, and their customers and contractors.

3.19 NON-DISCRIMINATION.

In connection with the performance of Work for a Project, Contractor agrees not to discriminate against any employee or applicant for employment because of race, color, religion, sexual orientation, age, national origin, or handicap, except to the extent such discrimination is permitted by pertinent state or federal law or Executive Order. Contractor further agrees to comply with the terms of Owner's Non-Discrimination Policy and Owner's Sexual Harassment Policy, which are included in the Contract Documents for such Project as **Exhibit 4** to the Agreement.

ARTICLE GC-4 ADMINISTRATION OF THE CONTRACT

4.1 OWNER'S REPRESENTATIVE.

4.1.1 General. The designated Owner's Representative for a Project shall interpret and define Owner's policies, render decisions with respect to Contractor's performance of the Work for such Project and approve Contractor's Applications for Payment for such Project. Owner's Representative for a Project will oversee and coordinate the following (without limit): (i) approval, acceptance or rejection of Contractor's schedules, Submittals, Change Order Proposals and Change Orders for such Project, including changes in the Contract Time for such Project; (ii) issuance of Change Orders and Construction Work Directives for such Project; (ii) issuance of any defective Work notification for such Project; and (iv) determination of Substantial Completion of the Work for such Project. Notwithstanding any of the above, any actions of the Owner's Representative with respect to a Project shall be made as a representative of Owner only, and not as a design professional, engineer, consultant, expert, accountant, insurance specialist, or any other entity with special skill, training or expertise (collectively, "**Specialist**").



Accordingly, if Contractor requires the review of a Specialist with respect to a Project, Contractor shall retain a Specialist paid for out of the Contract Sum for such Project.

4.1.2 **Authority.** Owner's Representative for a Project has the authority to recommend or deny approval of all commercial matters (time, money, and interpretation of the contract) pertaining to the Contract for such Project, unless otherwise indicated in the Contract Documents for such Project.

4.2 ARCHITECT.

4.2.1 **Authority.** The duties, responsibilities and limitations of authority of the Architect for a Project during construction of such Project as set forth in the Contract Documents for such Project may be modified or extended with the written consent of Owner.

4.2.2 **Limitations of Architect Duty and Authority.** The Architect for a Project will not supervise, direct, control, have authority over or in any way be responsible for the means, methods, techniques, sequences and/or procedures of Contractor with respect to such Project, or the safety precautions and programs of Contractor with respect to such Project, or for any failure by Contractor to comply with laws and regulations applicable to the furnishing or performance of the Work for such Project. The Architect for a Project shall not be responsible for failure of Contractor to furnish and/or perform the Work for such Project in accordance with the Contract Documents for such Project.

4.2.3 **No Contractual Relationship with Contractor.** The Architect for a Project has no contractual relationship of any kind with Contractor.

4.3 ADMINISTRATION OF THE CONTRACT.

4.3.1 **Cooperation.** Contractor shall cooperate with Owner and Owner's Representatives and Owner's agents, employees, Separate Contractors, utility owners, its subcontractors, and third-parties on a Project in all aspects of its performance of the Work for such Project, including inspections. Contractor accepts the relationship of trust and confidence established by the Contract for the applicable Project, and, with respect to such applicable Project, covenants with Owner to: (i) exercise skill and judgment in furthering the interests of Owner; (ii) furnish efficient business, preconstruction and construction administration, management and supervision; (iii) furnish at all times an adequate supply of workers, equipment, tools, supplies and materials; and (iv) perform the Work for such applicable Project in an expeditious and economical manner consistent with Owner's interests and the Contract Documents for such applicable Project. Owner and Contractor shall endeavor to promote harmony and cooperation among Owner and Contractor and the Architect, Separate Contractors, and other persons or entities employed by Owner for the applicable Project.

4.3.2 **Site Visits.** Owner and/or the Architect for a Project will visit the Site of such Project at intervals appropriate to the stage of Contractor's operations and Work for such Project for the following purposes: (i) to become familiar with and to keep Owner informed about the progress and quality of the portion of the Work for such Project thus far completed; (ii) to guard Owner against defects and deficiencies in the Work for such Project; and (iii) to determine if the Work for such Project is being performed in a manner indicating that the Work for such Project, when fully completed, will be in accordance with both the Contract Documents for such Project and Applicable Law. Based on these visits to the Site of the applicable Project, the Architect for such applicable Project will keep Owner informed of the progress and quality of the Work for such applicable Project and will advise Owner and



Contractor of any observed defects and deficiencies in the Work for such applicable Project for correction by Contractor.

4.3.3 No Estoppel. Neither Owner nor the Architect for a Project will be responsible for Contractor's failure to perform the Work for such Project in accordance with the requirements of the Contract Documents for such Project or Applicable Law. In addition, neither Owner nor the Architect for a Project will be responsible for negligence, acts or omissions of Contractor, Subcontractors, Sub-subcontractors or their agents or employees, or any other persons or entities performing portions of the Work for such Project. Approval and/or acceptance of all or any portion of the Work for a Project shall in no way relieve Contractor from its obligation to construct each portion of the Work for such Project in accordance with the Contract Documents for such Project, and Owner shall not be estopped or otherwise prevented from asserting any claim it might have against Contractor as a result of any such acceptance or approval.

4.3.4 Applications for Payment. Based on their evaluations of Contractor's Applications for Payment for a Project, the Architect for such Project and Owner will review and accept the Application for Payment amounts submitted by Contractor and recommend such amounts for payment. However, even if an amount has been approved for payment and/or paid to Contractor, a payment may be disputed, offset or withheld pursuant to Owner's independent review of the Work for a Project, disputes between the parties or other rights to dispute, offset or withhold under the Contract Documents for such Project.

4.3.5 Rejection of Work Testing and Inspection. Owner and the Architect for a Project will have authority to reject Work for such Project that does not conform to the Contract Documents for such Project. Whenever Owner or the Architect for a Project considers it necessary or advisable, they will have authority to require inspection or testing of the Work for such Project in accordance with Article GC-4.4 below, whether or not such Work is fabricated, installed or completed. However, neither this authority nor a reasonable decision to exercise or not to exercise such authority shall give rise to a duty or responsibility of Owner or the Architect for a Project to Contractor, Subcontractors, Sub-subcontractors, material and equipment suppliers, their agents or employees, or other persons or entities performing portions of the Work for such Project.

4.3.6 Submittal Review. Owner and the Architect for a Project will review and approve or take other appropriate action upon Contractor's Submittals for such Project, such as Shop Drawings, Product Data, and Samples, but only for the limited purpose of checking for conformance with information given and the design concept expressed in the Contract Documents for such Project, as further described in the General Requirements.

4.3.7 Contract Modifications. Owner will prepare and sign all Modifications, Change Orders and Construction Work Directives for a Project and provide them to Contractor.

4.3.8 Substantial Completion and Project Closeout. The Architect for a Project and Owner will conduct inspections and review required documentation to determine the date or dates of Substantial Completion and the date of Final Completion of the Work for such Project, will receive and review records, written warranties and related documents required by the Contract for a Project and assembled by Contractor, and will approve Contractor's final Application for Payment for a Project upon Contractor's satisfaction of the requirements of the Contract Documents for such Project.

4.3.9 Performance. The Architect for a Project and/or Owner will interpret and decide matters concerning performance under, and requirements of, the Contract Documents for such Project on written



request of Contractor. The Architect for a Project and/or Owner's response to such requests will be made in writing within any time limits agreed upon or otherwise with reasonable promptness. If no agreement is made concerning the time within which interpretations require such a response, then delay shall not be recognized on account of failure by the Architect for the applicable Project and/or Owner to furnish such interpretations until **fifteen (15) Days** after written request is made for them.

4.3.10 **Interpretations.** Interpretations and decisions of Owner will be consistent with the intent of, and reasonably inferable from the Contract Documents for the applicable Project, and will be in writing or in the form of drawings or other documents.

4.3.11 **Aesthetics.** Owner, in its sole and absolute discretion, but in consultation with the Architect for the applicable Project, shall timely render decisions on matters relating to aesthetic effect of the Work for such applicable Project.

4.4 TESTS AND INSPECTIONS.

4.4.1 **Required Tests, Inspections, and Costs.** If the Contract Documents or Owner instructions for a Project, or the Applicable Law pertaining to or any governmental authority with jurisdiction over such Project, require any Work for such Project to be specially tested or approved, Contractor shall give notice, in accordance with such authority, of its readiness for observation or inspection, **at least two (2) working days** prior to such Work being tested or covered up. Contractor shall inform Owner of the date fixed for such inspection. All required certificates of inspection shall be secured and maintained by Contractor. If any Work for a Project required to be tested should be covered up without approval or consent of Owner, Contractor must, if required by Owner or the applicable governmental authority, uncover the Work for such Project for examination and satisfactorily reconstruct the same, all at Contractor's expense within the Contract Sum for such Project and in compliance with the Contract Documents for such Project. Cost of testing and any materials found not to be in compliance with the Contract Documents for a Project shall be paid by Contractor within the Contract Sum for such Project. Other costs for tests and inspection of materials shall be paid by Owner. Where such inspection and testing are to be conducted by an independent laboratory or agency, such materials or samples of materials to be tested shall be selected by such laboratory or agency or Owner, and not by Contractor. Contractor shall notify Owner a sufficient time in advance of manufacture of materials to be supplied by it under the Contract Documents for a Project, which must, by terms of the Contract Documents for such Project, be tested, in order that Owner may arrange for testing of same at source of supply. Prior to having satisfactorily passed such testing and inspection for the applicable Project, or prior to receipt of notice from Owner or applicable governmental authority that such testing and inspection will not be required, the materials shall not be incorporated into the Work for such applicable Project without the prior-written approval of Owner and subsequent testing and inspection. Re-examination of questioned work may be ordered by Owner and, if so ordered, such questioned Work for the applicable Project must be uncovered by Contractor. If such uncovered Work is found to be in accordance with the Contract Documents for the applicable Project, Owner shall pay costs of re-examination and replacement. If such uncovered Work is found not to be in accordance with the Contract Documents for the applicable Project, Contractor shall correct such non-conforming Work at Contractor's expense within the Contract Sum for such applicable Project.

4.4.2 **Additional Tests and Inspections.** If Owner, the Architect for a Project or public authorities having jurisdiction over such Project determine that portions of the Work for such Project require additional testing, inspection, or approval not included under Article GC-4.4, Owner will instruct



Contractor to make arrangements for such additional testing, inspection or approval by an entity acceptable to Owner, and Contractor shall give timely notice to the Architect and Owner's Representative for such Project of when and where tests and inspections are to be made so that the Architect and Owner's Representative for such Project may be present for such procedures. Such costs shall be at Owner's expense, if applicable. If such procedures for testing, inspection, or approval under Articles GC-4.4.1 and GC-4.4.2 reveal failure of the portions of the Work for the applicable Project to comply with requirements established by the Contract Documents for such applicable Project, all costs made necessary by such failure, including those of repeated procedures and compensation for the Architect's, Owner's Representative's services and expenses, shall be at Contractor's expense, within the Contract Sum for such applicable Project. Cost of retesting, reinspection, and reapprovals as described herein, including compensation for the Architect and Owner's Representative services and expenses, shall be paid for by Owner and deducted from the Contract Sum for the applicable Project by a Change Order.

4.4.3 Documentation. Required certificates of testing, inspection, or approval shall, unless otherwise required by the Contract Documents for the applicable Project, be secured and maintained by Contractor and copies of certificates shall be promptly delivered to Owner and the Architect for such applicable Project. Delivery of such documentation is a condition precedent to Owner's obligation to make payment to Contractor for a Project.

4.4.4 Observation of Tests. If Owner or the Architect for a Project is to observe tests, inspections, or approvals required by the Contract Documents for such Project, Owner or the Architect for such Project will do so promptly and, where practicable, at the normal place of testing.

4.4.5 Time. Tests or inspections conducted pursuant to the Contract Documents for a Project shall be made promptly to avoid unreasonable delay in the Work for such Project.

4.5 CONCEALED OR UNKNOWN CONDITIONS.

4.5.1 Contractor Responsibilities. Contractor shall notify Owner and the Architect for the applicable Project of the following Project Site conditions in writing within **twenty-four (24) hours** after their discovery and before they are disturbed:

- (1) Subsurface or latent physical conditions differing materially from those indicated in the Contract Documents for such applicable Project;
- (2) Unknown physical conditions of an unusual nature differing materially from those ordinarily encountered and generally recognized as inherent in the Work of the character being performed; and
- (3) Material differing from that represented in the Contract Documents for such applicable Project which Contractor believes may be hazardous materials or hazardous waste, as defined in the California Health and Safety Code that is required to be removed to a Class I, Class II, or Class III disposal site in accordance with the provisions of Applicable Law.

4.5.2 Owner Responsibilities. Owner will promptly investigate unknown conditions or conditions at a Project which appear to be concealed. If Owner determines that such conditions fall within one of the three categories set forth above then (i) the same shall constitute a "**Differing Site Condition**", and (ii) if such Differing Site Condition will materially affect the cost or time to complete the Work for the applicable Project, a Change Order or Construction Work Directive may be issued in accordance with the requirements of the Contract Documents for such applicable Project. If Owner determines that such conditions do not constitute a Differing Site Condition and/or do not justify an adjustment in the Contract



Sum or the Contract Time for the applicable Project, Contractor will be notified in writing. Should Contractor disagree with the decision, it may submit a Change Order Proposal to Owner before commencing the Work that is disputed for the applicable Project. In the event of such a dispute, Contractor shall not be excused from any scheduled Completion Deadlines provided by the Contract Documents for the applicable Project, and shall proceed with all Work for such applicable Project to be performed under the Contract Documents for such applicable Project. Contractor's failure to give notice of any alleged Differing Site Conditions within **five (5) Days** of their discovery and before they are disturbed shall constitute a waiver of all Claims in connection therewith.

ARTICLE GC-5 SUBCONTRACTORS

5.1 AWARD OF SUBCONTRACTS AND OTHER CONTRACTS FOR PORTIONS OF THE WORK.

5.1.1 Subcontractor and Supplier Information. Unless otherwise stated in the Contract Documents for a Project, Contractor shall furnish in writing to Owner, the name of each Subcontractor, Sub-subcontractor, supplier, person and entity (including those who are to manufacture or furnish materials or equipment fabricated to a special design), trade, and subcontract amount, proposed for each portion of the Work for such Project identified as a division of the Specifications for such Project or as a line item in the Schedule of Values for such Project prior to execution of the Task Order for such Project. Contractor shall continuously update Owner as new Subcontractors, Sub-subcontractors, suppliers, persons and entities are proposed for the Work for a Project. Owner will promptly reply to Contractor in writing stating whether or not Owner, after due investigation, has reasonable objection to any such proposed Subcontractor, Sub-subcontractor, supplier, person or entity.

5.1.2 Owner's Approved Mechanical, Electrical and Plumbing (MEP) Subcontractors. Unless an exception is approved in writing by Owner, Contractor shall use only mechanical, electrical and plumbing Subcontractors on a Project from the list of approved MEP Subcontractors provided by Owner for such Project.

5.1.3 Objection to Subcontractors and Suppliers.

- (1) Contractor shall not contract with a proposed Subcontractor, Sub-subcontractor, supplier, person or entity to whom Owner has made reasonable and timely objection. Contractor shall not be required to contract with any Subcontractor, Sub-subcontractor, supplier, person or entity to whom Contractor has made reasonable objection.
- (2) If Owner has reasonable objection to a Subcontractor, Sub-subcontractor, supplier, person or entity proposed by Contractor with respect to a Project, Contractor shall propose another to whom Owner has no reasonable objection. If the proposed but rejected Subcontractor, Sub-subcontractor, supplier, person or entity was reasonably capable of performing the applicable portion of the Work for the applicable Project and submitted a timely, comprehensive responsive bid to Owner for such applicable portion of the Work, then the Contract Sum and Contract Time for such applicable Project shall be adjusted by the difference, if any, occasioned by such change, and an appropriate Change Order shall be issued before commencement of the substitute party's applicable portion of the Work for such applicable Project. No increase in the Contract Sum or Contract Time for the applicable Project shall be allowed for such change unless Contractor has acted promptly and responsively in submitting names as required.



- (3) Contractor shall not change a Subcontractor, Sub-subcontractor, supplier, or other person or entity previously selected and accepted by Owner unless approved in advance by Owner in writing.

5.1.4 Owner's Policy on Board-Conflicted Contractors and Subcontractors. Contractor will not employ, retain or use any Subcontractors, Sub-subcontractors or suppliers on any Project who have affiliations with certain members of Owner's Board of Trustees without prior notification and approval from Owner as required in **Exhibits 4 and 6** attached to the Agreement. The Board of Trustees meets quarterly and any delays associated with approval of Board-Conflicted Subcontractors, Sub-subcontractors or suppliers shall be considered a non-excusable delay.

5.1.5 Bonds. The cost of payment and performance bonds for all or selected Subcontractors and Sub-subcontractors (provided such bonds are required by the terms of the Contract) shall be included within the Contract Sum for the applicable Project. These bonds shall conform to the requirements of Article GC-12.5 below.

5.2 SUBCONTRACTUAL RELATIONS.

5.2.1 Agreements. By subcontracts and other written agreements, Contractor shall require each Subcontractor on a Project, to the extent of the portion of the Work to be performed by such Subcontractor, to be bound to Contractor by terms of the Contract Documents for such Project and all Applicable Law, and to assume toward Contractor all the obligations and responsibilities, including the responsibility for safety of such Subcontractor's Work for such Project, which Contractor, by the Contract Documents for such Project, assumes toward Owner. Each subcontract agreement for a Project shall preserve and protect the rights of Owner under the Contract Documents for such Project with respect to the Work for such Project to be performed by the applicable Subcontractor so that subcontracting thereof will not prejudice such rights, and shall allow to such applicable Subcontractor, unless specifically provided otherwise in the subcontract agreement, the benefit of all rights, remedies and redress against Contractor that Contractor, by the Contract Documents for such Project, has against Owner. Contractor shall require each Subcontractor to enter into agreements with their Sub-subcontractors that meet the terms of this Article GC-5.2. Each Subcontractor shall require the same of each Sub-subcontractor of every tier. Contractor shall make available to each proposed Subcontractor, prior to the execution of the subcontract agreement for a Project, copies of the Contract Documents for such Project to which such Subcontractor will be bound by this Article GC-5.2.1, and identify to such Subcontractor any terms and conditions of the proposed subcontract which may be at variance with the Contract Documents for such Project, which variances shall be modified to be consistent with the Contract Documents for such Project. At a minimum, each subcontract agreement for a Project shall provide the following:

- (1) Require that the portion of the Work for such Project being performed pursuant to such subcontract, as the case may be, be performed in accordance with the requirements and intent of the Contract Documents for such Project, and provide no less than ten percent (10%) retainage unless otherwise indicated in the Task Order for such Project;
- (2) Require submission of Applications for Payment for such Project in the form required by the Contract Documents for such Project, together with invoices and billings supporting such applications and conditional and unconditional lien releases in the form required by the Contract Documents for such Project, for Work for such Project completed by the applicable Subcontractor and by its Sub-subcontractors for such Project as a condition to the disbursement of any progress payment next due and owing to it;



- (3) Require the applicable Subcontractor to maintain insurance coverage as provided in the Contract Documents for such Project, and to file required certificates of such coverage and additional insured endorsements with Contractor for delivery to Owner by Contractor, and upon Owner's request, to provide copies of such insurance policies to Contractor for delivery to Owner by Contractor;
- (4) Require the applicable Subcontractor to furnish to Contractor in a timely fashion all information necessary for transmittal of Submittals for such Project and the reports required herein and in the Task Order for such Project;
- (5) Require that the applicable Subcontractor continue to perform under its subcontract if the Contract for such Project is terminated for any reason, if Owner takes an assignment of the subcontract or supply agreement and requests the Subcontractor to continue such performance;
- (6) Require the applicable Subcontractor to provide protection and remove all debris created by its activities; and
- (7) Provide that if Owner accepts the conditional assignment of the subcontract, then Owner shall only be responsible to the applicable Subcontractor for those obligations that accrue subsequent to Owner's acceptance of the assignment.

5.2.2 Subcontract Form. Contractor shall use its proposed standard form of Subcontract to Owner, which form is attached to the Agreement as **Exhibit 7**. Owner shall have the right, but not the duty, to review the form of Subcontract from time to time and to require modifications to conform to the requirements of the Contract Documents for the applicable Project. If not already set forth in the Contractor's Standard Form of Subcontract, Contractor shall add to its standard form of Subcontract and to each Subcontract entered into for each Project the following "flow down" provision:

"Unless otherwise indicated in writing by Owner, Contractor shall provide to Subcontractor a redacted copy of the Agreement and General Conditions entered into between Owner and Contractor. The applicable terms and conditions of the Agreement and General Conditions that are more favorable to Owner shall apply to the Subcontractor and take precedence over any conflicting less-Owner favorable provisions in the Subcontract including, but not limited to, indemnity, insurance, waiver of subrogation, additional insured and other provisions."

Before or after entering into the Task Order for a Project, Contractor shall revise all items required by Owner to be corrected in the exhibits to each Subcontract pertaining to such Project, including, but not limited to, the following: (1) naming "University of Southern California" as Owner, as an additional insured and as an entity released by the lien release forms, and (2) adding other entities as additional insureds as required by Owner.

5.2.3 Precedence. Contractor shall cause each Subcontractor on a Project to agree that if any provision of the subcontract or supply agreement for such Subcontractor is inconsistent with any provision of the Contract Documents for such Project, or the intent of the Contract Documents for such Project, then the Contract Documents for such Project shall control.

5.2.4 Payments. Owner hereby reserves the right, upon written notice to Contractor, to make, at any time, and from time-to-time, payments by joint check to Contractor and each Subcontractor on a Project, or to make payments directly to each Subcontractor on a Project, and, if such rights shall be exercised by Owner, then such amount shall be credited against the Contract Sum due to Contractor for such Project,



and Owner shall be relieved and released from the obligation to make such payment to Contractor and Contractor shall be relieved and released as to Owner from the obligation to make such payments to each Subcontractor paid by Owner for such Project. However, notwithstanding any of the above, in the event of payment by joint check or payment directly to a Subcontractor on a Project, Contractor shall not be relieved or released from any of the other obligations and responsibilities of Contractor to Owner under the Contract Documents for such Project.

5.2.5 Subcontractor Acts and Omissions. Contractor shall be responsible for the acts and omissions of its Subcontractors, Sub-subcontractors and suppliers on a Project.

5.3 CONTINGENT ASSIGNMENT OF SUBCONTRACTS AND MATERIAL SUPPLY AGREEMENTS. Each subcontract agreement for a portion of the Work for a Project is assigned by Contractor to Owner provided that:

- (1) Assignment is effective only after termination of the Contract for such Project by Owner for any reason and only for those subcontract agreements that Owner accepts by notifying the Subcontractor or supplier, and Contractor in writing;
- (2) Assignment is subject to the prior rights of the surety, if any, obligated under bond relating to the Contract; and
- (3) Upon exercise of this right of assignment, Owner has the right to reassign the subcontract agreement.

5.4 WORK PERFORMED BY CONTRACTOR OR AFFILIATE.

Notwithstanding any other provisions contained herein, Contractor, or an Affiliate, as defined below, may be permitted by Owner (in its sole and absolute discretion) to self-perform a portion of the Work for a Project for which it has prior experience and expertise. Except for portions of the Work for a Project that Contractor elects to self-perform, the Work for such Project shall be performed under subcontracts or by other appropriate agreements between Contractor and Subcontractors on such Project. Contractor, or an Affiliate, shall be permitted to perform Work for a Project with Contractor's or Affiliate's own forces only if Owner consents thereto, in Owner's sole and absolute discretion, in writing, after full disclosure in writing by Contractor to Owner of the affiliation or relationship of Affiliate to Contractor. For the purposes of mark-up provided in Article GC-8.6.3, Affiliate shall be considered the same as the Contractor and costs shall not be eligible for the lower tier mark-up provided in GC-8.6.3.2. The term "**Affiliate**" as used herein means any person or entity related to or affiliated with Contractor or in which Contractor has direct or indirect ownership or control, including, without limitation: (i) any entity owned in whole or in part by Contractor; (ii) any party or entity with more than **ten percent (10%)** interest in Contractor; and (iii) any entity in which any officer, director, employee, partner or shareholder (or member of the family of any of the foregoing persons) of Contractor or any entity owned by Contractor has a direct or indirect interest.

ARTICLE GC-6 CONSTRUCTION BY OWNER OR BY SEPARATE CONTRACTORS

6.1 OWNER'S RIGHT TO PERFORM CONSTRUCTION AND TO AWARD SEPARATE CONTRACTS.

6.1.1 Owner's Right to Perform. Owner reserves the right to perform construction or operations related to a Project with Owner's own forces, and to award separate contracts in connection with other portions of a Project or other construction or operations on the Site of a Project. If Contractor claims that



delay or additional cost is involved because of such action by Owner, Contractor shall follow the provisions of Article GC-7 and submit a Change Order Proposal to Owner with respect thereto.

6.1.2 Interpretation of Contract Documents. When separate contracts are awarded for different portions of a Project or other construction or operations on the Site of a Project, the term "contractor" in those contract documents in each case shall mean Owner's Separate Contractor who executes each Separate Contractor agreement.

6.1.3 Coordination. Owner shall provide for coordination of the activities of Owner's own forces and of each Separate Contractor with the Contractor's Work for a Project, who shall cooperate with them. Contractor shall participate with other Separate Contractors and Owner in reviewing their construction schedules when directed to do so by Owner. Contractor shall make any revisions to Contractor's Approved Construction Schedule for a Project deemed necessary after a joint review and mutual agreement and subject to Owner's review and prior-written approval. Upon Owner's approval, the revised Construction Schedule for a Project shall then constitute the Approved Construction Schedule for such Project to be used by Contractor, Separate Contractors, and Owner until subsequently revised and approved by Owner.

6.2 MUTUAL RESPONSIBILITY.

6.2.1 Access. Contractor shall afford Owner and Separate Contractors with respect to a Project reasonable opportunity for storage of their materials and equipment and performance of their activities on such Project, and shall connect and coordinate Contractor's construction and operations with theirs as required by the Contract Documents for such Project.

6.2.2 Notice of Discrepancies. If any part of Contractor's Work for a Project depends upon proper execution or results of work of Owner or any Separate Contractor, Contractor shall, prior to proceeding with the Work for such Project, promptly report in writing to Owner any discrepancies or defects in such other work that render it unsuitable for the proper execution and results of Contractor's Work for such Project. Failure of Contractor to report such discrepancies or defects with respect to a Project constitutes an acceptance of Owner's or Separate Contractor's work as fit and proper to receive Contractor's Work for such Project.

6.2.3 Responsibility for Damage. Contractor agrees that it will be responsible to Owner and any Separate Contractor performing work related to a Project for any loss, injury, damage, or delay caused by Contractor with respect to such Project. As detailed in Article GC-3.16 above, Contractor, its insurance carriers and its performance bond surety (if any) shall defend, indemnify, and hold harmless the Indemnitees for the applicable Project, from and against any claim brought against any of them by any Separate Contractor as a result of the Work for such Project, but not to the extent of Owner's active negligence, sole negligence or willful misconduct.

- (1) Contractor shall promptly remedy Damages negligently or wrongfully caused by Contractor to completed or partially completed Work for a Project, or to property of Owner or Separate Contractors at Contractor's sole cost and expense with no increase to the Contract Sum for such Project.
- (2) Contractor agrees that it shall not commit or permit any act which will interfere with the performance of work by Owner or any Separate Contractor. Contractor agrees that if it unnecessarily delays Owner or any Separate Contractor's work for a Project, Owner may



withhold funds due or to become due Contractor with respect to such Project to cover any costs and expenses arising from the delay including compensation for design services and administrative services made necessary thereby. If Owner or a Separate Contractor causes a delay to Contractor's Work for a Project, Contractor may submit a Notice of Start of Delay and a Change Order Proposal as provided in Article GC-7 herein.

6.3 OWNER'S RIGHT TO CLEAN UP.

If a dispute arises among Contractor, Separate Contractors, and Owner as to the responsibility under their respective contracts for maintaining the Site of a Project, and the area surrounding such Project, free from waste materials and rubbish, Owner may clean up and allocate the cost among those responsible.

6.4 INDEPENDENT TESTING

6.4.1 Owner Testing. Owner will employ and pay for services of an independent testing laboratory to perform services specifically required by Applicable Law or the governmental authorities, and as additionally required by Owner.

6.4.2 Contractor Duties.

Contractor shall provide the following with respect to each Project:

- (1) Notify Owner, Architect and the testing laboratory no less than **five (5) Days** in advance of a required test for such Project to allow for their assignment of personnel and scheduling for the test;
- (2) Cooperate with testing and inspection personnel, provide access to the Work for such Project and to off-site fabrication facilities;
- (3) Furnish copies and records of mill test reports;
- (4) Employ and pay for services of the same independent testing laboratory to perform additional inspections, sampling, and testing required when initial tests indicate Work for such Project does not comply with the Contract Documents for such Project;
- (5) Be responsible for all scheduling of inspections and tests; and
- (6) Not proceed with Work for such Project requiring inspections or tests if the appropriate inspector or testing laboratory is absent.

ARTICLE GC-7 CHANGES AND CHANGE ORDER PROCESS

7.1 PURPOSES FOR WHICH CHANGE ORDERS MAY BE ISSUED.

Change Orders and other Modifications may be issued by Owner for the following purposes (or combination thereof) with respect to a Project: (1) to modify the scope of the Work for such Project; (2) to revise a Completion Deadline and/or extend the Contract Time for such Project; (3) to revise the Contract Sum for such Project; (4) to amend, modify or transfer an Allowance for such Project; (5) to reallocate funds from one line item to another within the Schedule of Values for such Project; (6) to revise other terms and conditions of Contract Documents for such Project; or (7) to revise terms and conditions of the Agreement or the other Contract Documents. All Change Orders and Modifications must be issued in writing and executed by Owner. Change Orders shall be subject to the following provisions of Articles GC-7 and GC-8.



7.2 ISSUANCE OF CHANGE ORDERS

7.2.1 **Rights of Owner.** Owner may, at any time and from time to time, without notice to any surety, authorize and/or direct changes in the Work for a Project by issuance of a Change Order. As described in this Article GC-7.2, a Change Order may be bilateral or unilateral. Upon receipt of a Change Order for a Project, Contractor shall promptly proceed with the Work for such Project in accordance with the direction in such Change Order and with the applicable conditions in these General Conditions and other Contract Documents for such Project. All additions, deductions or changes to the Work for a Project as directed by a Change Order shall be carried out under the applicable provisions of these General Conditions and other Contract Documents for such Project. No direction, order, statement or conduct of Owner with respect to a Project, other than written Change Orders and other written Modifications for such Project issued in accordance with this Articles GC-7 and GC-8 hereof, shall be the basis for an increase in the Contract Sum for such Project or an extension in the Contract Time for such Project or any other amendment to the terms of the Contract Documents for such Project.

7.2.2 **Authority of Owner's Representative regarding Changes.** Owner's Representative for a Project must authorize any changes in the Work for such Project in writing and then cause it to be signed by Owner. Such changes shall be effected by written Change Order and, if signed by both Owner and Contractor, shall be binding on both Parties. If the Parties do not agree upon the terms of a change (such as the time or compensation to be provided), Owner may nonetheless issue a unilateral Change Order, and Contractor shall promptly and diligently comply with that Change Order notwithstanding such disagreement.

7.3 OWNER-ORIGINATED PROPOSAL REQUEST

7.3.1 **General.** Owner may issue a request, in writing, to Contractor, describing a proposed change to the Work for a Project and requesting Contractor to submit an itemized Change Order Proposal (sometimes also referred to herein as a "COP") with respect to the change in such Work as described in Article GC-7.6, to Owner within **ten (10) Days** after Owner issues the request (such request, a "**Proposal Request**"). A Proposal Request does not authorize Contractor to commence performance of the proposed changed Work for the applicable Project. If Owner desires that the proposed change be performed, the Work for the applicable Project shall be authorized according to the Change Order or Construction Work Directive procedures set forth below.

7.3.2 **Value Engineering.** Upon request by Owner for a particular Project, Contractor shall provide the following: (a) value engineering recommendations for such Project; (b) alternatives to construction means and methods of performing the Work for such Project; or (c) substitutions for materials or equipment for such Project. The purpose of value engineering alternatives and substitutions requested by Owner with respect to a Project is to assist Owner in achieving all of Owner's design objectives for such Project including, without limitation, the Contract Time, Contract Sum, functional performance and aesthetic goals for such Project. Factors that Contractor shall consider in making such recommendations include, without limitation, Project Site use, newly-developed/state-of-the-art building materials, equipment and systems, green and sustainable construction, availability of labor, methods of construction and other similar items benefiting from evaluation prior to the completion of the Drawings and Specifications for the applicable Project. Particular attention shall be given to alternate design proposals, possible cost savings and time savings, and identification of options that will maximize the benefits that Owner will derive from the completion of the Work for the applicable Project. If requested by Owner, Contractor shall prepare a specific analysis of the cost-effectiveness and performance capabilities of any building



system or component specified for the Work for the applicable Project. Also, Contractor shall make recommendations regarding site logistics and any other studies that are required to successfully complete the Work for the applicable Project. Contractor shall submit each value engineering proposal request to Owner in accordance with Article GC-7.6 and the General Requirements.

7.4 CONSTRUCTION WORK DIRECTIVES, CLARIFICATIONS AND INTERPRETATIONS.

Owner may issue a Construction Work Directive with respect to any Work or provision of the Contract for a Project, without issuing a Change Order. The Construction Work Directive may provide direction to Contractor or may clarify, amplify, or interpret any of the Contract Documents for the applicable Project, but shall not adjust the Contract Sum, Completion Deadlines, or Contract Time for such applicable Project. Upon receipt of a Construction Work Directive, Contractor shall immediately comply with the direction or interpretation therein. If Contractor believes the Construction Work Directive establishes a basis for an adjustment in the Contract Sum, Completion Deadlines and/or Contract Time for the applicable Project, then Contractor shall submit a COP therefor within **ten (10) Days** of the date of issuance of such Construction Work Directive, unless otherwise indicated in such Construction Work Directive.

7.5 REQUEST FOR INFORMATION (“RFI”).

Contractor may submit an RFI on any portion of the Work for a Project. Except under extraordinary circumstances, Contractor shall submit the RFI a minimum of **twenty (20) Days** prior to the date information is needed. Owner will provide a timely response, and if a change is required to the applicable Project, initiate a Proposal Request, Construction Work Directive, Change Order or other Modification with respect thereto. Owner will use reasonable efforts to respond within **fifteen (15) Days** of submittal of the RFI. Owner will return all incomplete RFI(s) within **five (5) Days** of receipt from Contractor. If Contractor performs any Work for a Project that is the subject of an RFI prior to Owner’s written response to the RFI, it shall be at Contractor’s sole risk and expense.

7.6 CHANGE ORDER PROPOSAL (“COP”).

7.6.1 General. Contractor’s COP for a Project shall represent an all-inclusive proposal of all changes in the Work, Contract Sum, Contract Time and related Impacts for such Project. Accordingly, Contractor shall not request additional changes in the Contract Time, Contract Sum or other amounts with respect to a Project related to Impacts for such Project, through another COP for the same proposed change in the Work for such Project. Contractor may submit a COP to Owner with respect to a Project:

- (1) In response to an Owner’s Proposal Request for such Project;
- (2) In response to a Construction Work Directive for such Project, or if Contractor believes the Construction Work Directive for such Project establishes a basis for an adjustment in the Contract Sum, Completion Deadlines or Contract Time for such Project;
- (3) If Contractor alleges that instructions issued by Owner or the Owner’s Representative or Architect for such Project after the effective date of the Task Order for such Project establishes a basis for changes to the Contract Sum, Completion Deadlines or Contract Time for such Project;
- (4) To describe any proposed change in such Project or if Contractor otherwise becomes aware of the need for or desirability of a change in the Work for such Project;
- (5) To request an extension to a Completion Deadline or Contract Time for such Project, but only for the specific Excusable Delays described in Article GC-9;



- (6) To request an increase to the Contract Sum for such Project, but only for the specific Compensable Events described in Article GC-9; or
- (7) To request a revision to other terms and conditions of the Contract Documents for such Project.

7.6.2 COP Submittal Requirements. Contractor shall assign a unique tracking number to each COP for a Project. COP's for a Project shall be subject to the following requirements and conditions:

- (1) Prepare and submit a detailed cost proposal, including Subcontractor Change Proposals, using forms provided or approved by Owner to identify all costs of the change to such Project, including overhead and profit;
- (2) The COP shall include all changes in the Work, Contract Time, Contract Sum and related Impacts for such Project, including all known and anticipated Impacts or amounts, direct, indirect and consequential that may be incurred as a result of the change;
- (3) Identify any prices or other elements of the COP that are conditional, such as time-sensitive orders or events;
- (4) If the change to such Project includes both added and deleted work, provide separate cost breakdowns for the added work and the deleted work for such Project. The cost, or credit, amount for the change to such Project shall be the agreed upon difference between the cost of the added work and the cost of the deleted work for such Project. If the change results in a net change of zero, there will be no change in the Contract Sum for such Project;
- (5) For changes affecting the Approved Construction Schedule for such Project, provide a fragnet or similar analysis showing how the Critical Path for such Project will be affected by the change to such Project; and
- (6) Provide such other supporting information as Owner may reasonably require.

7.6.3 Subcontractor Change Proposal. Prior to submission by Contractor of a COP for a Project which is based in whole or in part on a request by a Subcontractor for a price increase or time extension under its Subcontract ("**Subcontractor Change Proposal**"), Contractor shall review all claims by Subcontractor that constitute the basis for the Subcontractor Change Proposal and determine in good faith that each such claim is justified hereunder, and that Contractor is justified in requesting an increase in the Contract Sum and/or Contract Time for such Project in the amounts specified in the Subcontractor Change Proposal.

7.6.4 Additional Requirements for Contractor-Initiated Change Order Proposals. For Contractor-initiated Change Order Proposals with respect to a Project, Contractor shall describe the cause, action, or event giving rise to the COP (the "**Event**"), along with the following information, in sufficient detail to support the COP:

- (1) A detailed description of the facts underlying the COP, the reasons why Contractor believes additional compensation or time for such Project will or may be due, and the date of the event;
- (2) The name, title and activity of each Owner Representative for such Project knowledgeable of the facts underlying the COP;



- (3) The recommended Change Order language, including specific reference to the Articles, Sections and paragraphs of the Contract Documents for such Project affected, or other basis of entitlement to the change; and
- (4) Such other information as Owner may deem necessary to evaluate the COP, or as Contractor may deem relevant to Owner's evaluation.

7.6.5 **Timing Requirements.**

- (1) If Contractor intends to assert that an Event establishes a basis for a change in the Contract Sum or Contract Time for a Project, or has caused any other change with respect to such Project, Contractor shall submit a COP within **ten (10) Days** after such Event.
- (2) If a COP concerns an event related to a discovery of hazardous materials, historical, archeological, paleontological and scientific discoveries, or Differing Site Condition, Contractor shall immediately provide notice of the event to Owner, and shall afford Owner the opportunity to inspect such discovery before it is disturbed, otherwise the COP will be considered untimely and will be rejected by Owner. In addition, if both a timely notice and timely COP were not submitted, Contractor shall not have, and will be deemed to have waived, any claim to any increase in Contract Sum or Contract Time for the applicable Project, or to other relief with respect to the applicable Project arising out of the event.

7.6.6 Failure to Meet Timing Requirements. If Contractor fails to deliver a COP within the time limits in Article GC-7.6.5, or as otherwise indicated in Article GC-7.3 or 7.4 or elsewhere in the Contract Documents for the applicable Project, or within such extensions of time Owner has granted with respect to such applicable Project, the COP will be considered untimely and will be rejected by Owner. In addition, if a timely COP was not submitted, Owner may, in its sole and absolute discretion, issue a Change Order for the applicable Project at a value Owner determines is fair and reasonable, and Contractor shall not have, and will be deemed to have waived, any Claim to any adjustment to the Change Order value or Schedule Impact for such applicable Project, or to provide any other relief for such applicable Project arising out of the events. Notwithstanding any relief Owner provides, if Contractor fails to submit a timely COP, Contractor shall not have, and will be deemed to have waived, any Claim to any increase in Contract Sum or Contract Time, or other relief, for the applicable Project arising out of the Event.

7.6.7 Actions by Owner. If Owner approves the COP, it will issue a Construction Work Directive, Change Order, or other Modification incorporating the same. If Owner rejects a COP for any reason other than its un-timeliness, such rejection shall constitute an Owner decision that shall commence the period of time in which Contractor has to file a Claim under Article GC-14. If Owner does not either accept or reject a COP within **thirty (30) Days** after Contractor's submittal thereof, the COP shall be deemed rejected on the **thirtieth (30th) Day** and the period of time to file a Claim shall begin on that **Day**.

7.6.8 Contractor Risk. Notwithstanding anything to the contrary in this Article GC-7.6, a COP shall be at Contractor's risk. Contractor shall not be relieved from performing the Work for a Project during the time Owner considers the COP pertaining to such Project, and will not receive any adjustment in Contract Sum or Contract Time for such Project if Owner determines the subject matter of the COP is not an appropriate change.



7.6.9 **Alternative COPs.** At Owner’s request, Contractor shall prepare alternative COPs: one that provides for an adjustment in Contract Sum, Contract Time for the applicable Project, and one that provides for an adjustment in Contract Sum for such applicable Project but maintains the Completion Time and other applicable Deadlines for such applicable Project.

7.7 BILATERAL AND UNILATERAL CHANGE ORDERS.

7.7.1 **Issuance of Change Order.** If a change to a Project is agreed upon by the Parties, whether it originated as a Proposal Request, COP, Construction Work Directive, resolution of Claim, or under any other term of the Contract for such Project allowing for a change, the Parties shall execute a bilateral Change Order. If the Parties do not agree upon the terms of a change to a Project (such as the time or compensation to be provided), Owner may nonetheless issue a unilateral Change Order, and Contractor shall promptly and diligently comply with that Change Order notwithstanding such disagreement.

7.7.2 **Contents of Change Order.** The Change Order shall contain a Change Order value and a schedule Impact, if any, with respect to the applicable Project. A Change Order value may be either a lump sum amount or a not-to-exceed amount on a time and material basis and shall be the maximum limit of Owner’s obligation under the Change Order. Owner may unilaterally, or by agreement with Contractor, issue a revised Change Order to adjust the value and/or the Contract Time for a Project, based upon a Contractor’s COP, other additional information, or other forward-pricing subsequent to the initial determination.

7.7.3 **Notice of Intent to Claim (“NOIC”) and Claim.** If Contractor disputes either the Change Order value or the schedule Impact with respect to a Project, and has not theretofore waived its rights or failed to meet the conditions to submit a Claim, it shall submit its Claim to Owner in accordance Article GC-14, within the time limits set forth therein.

7.7.4 **Restriction on Work.** Contractor shall not commence performance of the portion of the Work for a Project described in a Change Order until Owner executes such Change Order and transmits it to Contractor or Owner provides written direction as described above. Any portion of the Work for a Project performed by Contractor without the aforementioned Change Order or direction will be at Contractor’s risk and expense.

7.7.5 **Maintenance of Records.** Until such time as the Parties agree to any changes arising out of a Change Order and execute a bilateral Change Order, or they resolve any Dispute as provided in Article GC-14, Contractor shall maintain its records in accordance with Article GC-8.6.9.

7.7.6 **Payments.** Pending a bilateral Change Order resolution of any Dispute, payment for the portion of the Work for a Project described in a Change Order with a not-to-exceed dollar amount shall be pursuant to Article GC-8 below. Contractor shall submit reports of such Work, on forms prescribed or accepted by Owner, within **one (1) Day** after performance of such Work. For Change Orders priced on a time and material basis, all back-up records and reports (i.e. time sheets) shall be certified with the signature of Contractor’s representative and submitted to Owner through the PMIS. All submittals shall be subject to audit and determinations of the accuracy of the submitted information.

7.7.7 **NTE Amounts.** If a Change Order or Construction Work Directive includes a not-to-exceed (NTE) amount, Contractor shall notify Owner when seventy-five percent (75%) of that NTE amount has been expended, and shall provide Owner with an estimate of the cost to complete the changed work.



7.7.8 **No Owner Liability.** Unless (i) the Parties subsequently execute a bilateral Change Order or (ii) otherwise determined in response to a Claim, Owner shall not be liable for or pay any amount in excess of the applicable unilateral Change Order value or any increase in Contract Time for the applicable Project in excess of the days included in the unilateral Change Order.

7.7.9 **Elements of Bilateral Change Orders.** Any Change Order executed by both Parties with respect to a Project shall:

- (1) Expressly state that the portion of the Work for such Project described therein is changed Work;
- (2) Include all changes to the Contract Time, Completion Deadlines, Contract Sum, and all costs of any nature for such Project arising out of the changed portion of the Work for such Project; and
- (3) Contain a statement that the adjustment to the Contract Time and Contract Sum for such Project, if any, includes all time and amounts to which Contractor is entitled as a result of such changes.

7.7.10 **Effect of Execution.** Agreement by the Parties on any Change Order with respect to a Project shall be a full compromise and settlement of all adjustments to the Contract Time, Completion Deadlines and Contract Sum for such Project, and complete compensation for any and all delay, extended or additional field and home office overhead, disruption, acceleration, inefficiencies, lost labor or equipment productivity, Differing Site Condition, construction interferences and other extraordinary or consequential damages (hereinafter called "**Impacts**") with respect to such Project, including any ripple or cumulative effect of said Impacts on the overall Work for such Project under the Contract for such Project, arising directly or indirectly from the performance of the portion of the Work for such Project described in such Change Order. The execution of a bilateral Change Order by Owner and Contractor shall be deemed to be an unconditional agreement to all portions of the Work for the applicable Project described in such Change Order, and all adjustments to the Contract Sum, Contract Time, and Completion Deadlines for such applicable Project related to the change that is the subject of such Change Order. There will be no reservation of rights by either Party on a bilateral Change Order. The execution of a bilateral Modification by Owner and Contractor shall constitute a full accord and satisfaction of all amounts payable, all time extensions allowable, and all other claims arising out of the event or Work that is the subject matter of the bilateral Change Order.

7.7.11 **Owner Determination.** If the Parties are unable to agree on all adjustments to the Contract Sum or Contract Time for a Project, or to any other issue for a Project related to a Change Order, Owner may, at any time, make a unilateral determination and issue a unilateral Change Order based on this determination. The issuance of a unilateral Change Order shall commence the period of time in which Contractor has to file a claim under Article GC-14.

7.8 DELAY IN PROCEEDING WITH CHANGED WORK.

If Contractor fails to promptly proceed with work under a Change Order or Construction Work Directive with respect to a Project, any resulting delay in such Project shall be the responsibility of Contractor and shall not constitute an Excusable Delay or a Compensable Delay with respect to such Project.



7.9 UNAUTHORIZED WORK.

7.9.1 Unauthorized Work. Any unauthorized work performed by Contractor on a Project that is beyond the Work for such Project required pursuant to the Contract Documents for such Project, or any changes in the Work for a Project performed or provided by Contractor with respect to such Project without prior-written approval of Owner, shall be considered unauthorized and at the sole expense of Contractor. Work for a Project so done will not be measured or paid for and no extension of the Contract Time (or other Completion Deadlines) or increase in Contract Sum for such Project will be granted on account thereof. Any such unauthorized work on a Project may be ordered removed at Contractor's sole cost and expense. The failure of Owner to direct or order removal of such unauthorized work shall not constitute acceptance or approval of such unauthorized work nor relieve Contractor from any responsibility or liability on account thereof.

7.9.2 No Change Based on Unauthorized Person. Nothing in this Article GC-7 shall be construed to bind Owner for acts of any person with respect to a particular Project, including the Owner Representative or Architect for such Project, who exceeds his or her authority as expressly set forth in the Contract Documents for such Project. Contractor shall undertake at its own risk work included in any request, order, or other authorization issued by a person in excess of that person's authority, as provided herein. In addition, Owner may require Contractor to remove or otherwise undo any such unauthorized work, at its sole expense.

7.10 DELETED WORK.

When a Change Order deletes Work for a Project from Contractor's scope, the amount of the reduction in the Contract Sum for such Project shall be based upon an estimate including a bill of materials, a breakdown of labor and equipment costs, and a credit for overhead and profit associated with the deleted work. When a deduction is involved, documented cancellation and restocking charges may be included in costs and subtracted from the price deduction.

7.11 AUDITS.

Contractor's records pertaining to changes pursuant to this Article are subject to audit as set forth in Article GC-15.4.3.

ARTICLE GC-8 CHANGES TO CONTRACT TIME OR CONTRACT SUM

8.1 CATEGORIES OF CHANGES.

Change Orders affecting Contract Time (or any other Completion Deadlines) or Contract Sum (as applicable) for a Project shall be issued for the following, only, with respect to such Project:

(1) Excusable Delays; (2) Compensable Events; and (3) Compensable Delays. Each of these categories is described in more detail in the following provisions of this Article.

8.2 EXCUSABLE DELAY.

8.2.1 Effect of Excusable Delay. An Excusable Delay with respect to a Project may be the basis for an extension of the Contract Time (or other Completion Deadlines) for such Project. An Excusable Delay with respect to a Project is the only basis for an extension of the Contract Time (and any other Completion Deadlines) for such Project; any type of delay with respect to a Project not described in this subsection will be considered an Inexcusable Delay and will not be the basis for an extension of the Contract Time (or in any other Completion Deadlines) for a Project.



8.2.2 **Acts or Events Constituting Excusable Delays.** A delay to the Critical Path for a Project shall be an Excusable Delay with respect to such Project to the extent that:

- (1) The act or event has caused, or will result in, an identifiable and measurable disruption of the Work for such Project which has consumed all available Float on the Critical Path for such Project and extended the Work for such Project required for Substantial Completion of the Work for such Project or applicable Completion Deadline for such Project;
- (2) The act or event: (i) was a Force Majeure event as defined in these General Conditions; (ii) constituted Severe Weather as described in Article GC-8.2.6 below; (iii) constituted a Shortage of Goods as described in Article GC-8.2.5; or (iv) was otherwise beyond the control of Contractor; and
- (3) The act or event: (i) was not due to the fault, negligence, or failure to act on the part of Contractor or any Subcontractor, Sub-subcontractor, supplier or any other person or entity for which Contractor is responsible with respect to such Project; (ii) did not arise out of Contractor's failure to perform or meet the requirements of the Contract Document for such Project; and (iii) was unforeseeable and could not reasonably have been avoided by Contractor by using all reasonable and appropriate means and efforts, including re-sequencing the Work for such Project or re-allocating or re-deploying its forces to other portions of the Work for such Project.

8.2.3 **Burden of Proof.** With respect to each delay to a Project, in order to prove an Excusable Delay occurred, Contractor shall have the burden of proving that: (a) such delay occurred; (b) such delay satisfies each of the required elements of an Excusable Delay as described in Article GC-8.2.2 above; (c) such delay could not be fully mitigated; and (d) Contractor has taken reasonable precautions to prevent further delays arising out of the event that caused such delay. Contractor shall also have the burden of establishing the length of time of the Excusable Delay with respect to a Project. Upon adequate proof of an Excusable Delay with respect to a Project, Contractor will be granted an extension of the Contract Time for such Project, by execution of a Change Order, and will not be assessed Damages for any Days of delay within the excused period. Contractor will not receive compensation for an Excusable Delay with respect to a Project unless it is also a Compensable Delay, as provided in this Article.

8.2.4 **Notice Required.** In order to be eligible for an Excusable Delay with respect to a Project, Contractor must provide notice to Owner describing the act or event that Contractor asserts was the cause of the delay not more than **five (5) Days** after the day the act or event occurs. This initial notice shall be referred to herein as a "**Notice of Start of Delay.**" Contractor shall also, not more than **three (3) Days** after the end or conclusion of such event, submit to Owner a "**Notice of End of Delay.**" Both notices shall be submitted on forms provided by Owner.

8.2.5 **Shortage of Goods.** Contractor may be entitled to an Excusable Delay with respect to a Project due to a shortage of goods or materials ("**Shortage of Goods**") if, in addition to meeting all other requirements for an Excusable Delay the following occur:

- (1) Contractor supplies Owner with documented proof that it made every effort to obtain such goods or materials from every known source within reasonable distance of the Work for such Project and in a timely manner;
- (2) The inability to obtain such goods or materials when originally planned, as bid, did in fact cause a delay in Substantial Completion of the Work for such Project (or in reaching



other Completion Deadlines for such Project) that could not be fully mitigated by revising the sequence of its operations; and

- (3) The shortage was an actual physical shortage of goods or materials. No consideration will be given to any claim that goods or materials could not be obtained at a reasonable, practical or economical cost, unless it is shown to the satisfaction of Owner that:
 - (A) The goods or materials could have been obtained only at exorbitant prices (significantly in excess of lowest current wholesale price); or
 - (B) The prices were entirely inconsistent with current rates, taking into account the quantities involved and the usual practices employed in obtaining such quantities; and
 - (C) The facts could not have been known or anticipated at the time the Contract for such Project was bid.

8.2.6 **Severe Weather.** Weather can be a basis for an Excusable Delay with respect to a Project but not for a Compensable Delay, as provided in this Article GC-8.2.6. For purposes of granting time extensions pursuant to this Section on the basis of rain more severe than normal which was not foreseeable (“**Severe Weather**”), the anticipated normal rain days for which the Contractor is not entitled to a time extension (“**Rain Day Impact Allowance**”) is defined by the number of expected work days of delay as specified in the General Requirements.

- (1) “**Rain**” is defined as precipitation greater than 0.10” inch over a 24-hour period as measured at the NOAA USC Downtown Weather Station rain gauge and occurring during a scheduled work day. Rain occurring during a day not scheduled as a work day on the Approved Construction Schedule for a Project will not constitute an actual rain day for purposes of determining entitlement to a time extension for weather delays for such Project, except as follows: (i) if Contractor asks to work a specific weekend or holiday and gives Owner advanced written notification of Critical Path work for such Project to be performed and then rain occurs that prevents the work from being performed on that day, then that non-scheduled work day can be claimed as a weather delay for such Project; or (ii) if the effect of a weather delay from a non-scheduled work day carries forward to a scheduled work day and impacts the Critical Path for such Project as noted above, then the scheduled work day can be claimed as a weather delay for such Project.
- (2) In scheduling the Work for a Project, Contractor shall account for the above number of Days in its Project Schedule for such Project by adding a Rain Day Impact Allowance activity for such Project as specified in the General Requirements.
- (3) When inclement weather at the Site of a Project impacts Critical Path activities for such Project, Contractor may provide a written request for a rain impact day for such Project describing the inclement weather delay to the Critical Path activities for such Project. Upon Owner’s independent confirmation of the amount of rain fall and the delay to the Critical Path activities for the applicable Project, Contractor will be authorized to reduce the duration of the Rain Day Impact Allowance for such applicable Project so that slippage to the Substantial Completion Deadline for such applicable Project due to rain is recovered.



- (4) Excusable, non-compensable time extensions for a Project will be granted for Severe Weather only after the cumulative weather delays affecting the Critical Path work for such Project during the Contract Time for such Project have exhausted the allotted cumulative Rain Day Impact Allowance for the Contract Time for such Project.

8.2.7 Multiple Causes of Delay. If a delay with respect to a Project arises out of more than one cause, to the extent that the delay is Excusable or Compensable under all the requirements of this Article GC-8.2.7, Contractor will be entitled to only one extension of the Contract Time (or other applicable Completion Deadlines) for such Project for the cumulative change to the Approved Construction Schedule for such Project.

8.2.8 Submittal of Information Regarding Delay. In addition to any other time impact analysis that may be required under the Contract Documents for a Project, Contractor shall submit the following information to Owner at the earliest possible date after Contractor provides notice of the asserted Excusable Delay with respect to such Project:

- (1) A detailed description of the events causing the delay with respect to such Project;
- (2) An analysis of the Impact of the claimed act or event causing the delay with respect to such Project upon the Approved Construction Schedule for such Project, identifying the activities affected for such Project, and the actual Impacts and the number of Days delayed with respect to such Project; and
- (3) Measures taken and/or proposed to mitigate the claimed delay with respect to such Project, and the effects thereof.

8.2.9 Damages. In the event of an extension to the Contract Time (or other applicable Completion Deadlines) for a Project due to an Excusable Delay with respect to such Project, such revised Substantial Completion Deadline (or other applicable Completion Deadlines, as the case may be) for such Project shall be used to determine whether Contractor is obligated to pay Damages.

8.2.10 No Owner Waiver. Owner's granting of an extension of time or the acceptance of any part of the Work for a Project after the Contract Time or other applicable Completion Deadlines for such Project shall not constitute a waiver of any of Owner's rights under the Contract for such Project other than those specifically provided for in the extension or acceptance.

8.2.11 Agency Delays. Contractor is aware that governmental agencies, gas companies, electrical utility companies, water districts and other agencies may be required to approve Contractor-prepared drawings or approve a proposed installation. Contractor has endeavored and will continue to use its best efforts to include the cost of such anticipated delays and related costs which may be caused by such agencies in the Contract Sum for a Project. Thus, Contractor is not entitled to make claim upon the Owner for damages or delays arising from the delays caused by such agencies. Furthermore, the Contractor has included time periods for such governmental approval in the Construction Schedule for the applicable Project and is not entitled to an extension of time with respect to such applicable Project for delays caused by governmental agencies from which Contractor must obtain approvals.

8.2.12 Force Majeure. A Force Majeure event can be a basis for an Excusable Delay but not for a Compensable Delay. By way of example, if the City or County of Los Angeles, State of California, or other applicable governmental authority, issues a "stay at home" or similar order requiring the suspension of construction activities at the Site for a certain period of time in an effort to stop the spread of COVID-



19 (a “COVID-19 Suspension Order”), then such circumstances may constitute a Force Majeure event and, if so, Contractor may be entitled to an extension of the Contract Time for the period of such suspension of construction activities at the Site, but Contractor shall not be entitled to an increase in the Contract Sum or any additional compensation for such Force Majeure event.

8.3 COMPENSABLE DELAY.

8.3.1 Effect of Compensable Delay. A Compensable Delay with respect to a Project may be the basis for both an extension in the Contract Time (or other applicable Completion Deadlines) for such Project and an increase in the Contract Sum for such Project.

8.3.2 Acts of Events Constituting Compensable Delays. An Excusable Delay with respect to a Project shall be a Compensable Delay with respect to such Project if and to the extent that the performance of the Work on the Critical Path for such Project is delayed or interrupted by one or more of the following events (but for no other event):

- (1) Changes to such Project directed by Owner;
- (2) Failure or inability of Owner to make the Site of such Project available as provided in the Contract Documents for such Project, including any such failure due to Owner’s inability to obtain Governmental Approvals for such Project that are its responsibility hereunder. Owner’s suspension of construction activities at the Site as required by a COVID-19 Suspension Order to protect the health and welfare of workers or other invitees at the Site as a result of the COVID-19 pandemic shall not constitute a “failure or inability of Owner to make the Site available as provided in the Contract Documents”; or
- (3) Failure or inability of Owner to provide responses within the time periods specified in the Contract Documents for such Project, to Submittals and matters for and/or pertaining to such Project which a response is required. Failure of a third-party to provide timely responses may be the basis for an Excusable Delay with respect to a Project but not the basis for a Compensable Delay with respect to such Project.

8.3.3 Notice Required. A change or Claim for a Compensable Delay with respect to a Project shall not be allowed for any costs incurred more than **five (5) Days** before Contractor has notified Owner of the act or event causing the delay.

8.3.4 Burden of Proof. Contractor shall have the burden of providing that the delay with respect to a Project satisfies each of the required elements of an Excusable Delay with respect to such Project under Article GC-8.2 and is an act or event constituting a Compensable Delay with respect to such Project under Article GC-8.3.2 above. If an Excusable Delay is found to be a Compensable Delay with respect to a Project, then Owner will, by Change Order, extend the Contract Time (or other applicable Completion Deadlines) for such Project to increase the time of performance, and will make an equitable adjustment to the Contract Sum for such Project. The Change Order will be Contractor’s sole remedy arising out of the Compensable Delay for the applicable Project.

8.4 CONCURRENT DELAY.

8.4.1 Description. When an act or event that would otherwise be a Compensable Delay with respect to a Project overlaps or runs concurrently with an Excusable (but not Compensable) Delay with respect to such Project or with an Inexcusable Delay with respect to such Project, Contractor will be eligible for an



Excusable Delay with respect to such Project for the time period of the overlapping or currently running delay with respect to such Project, but shall be eligible for a Compensable Delay with respect to such Project only for that portion of the delay that extends beyond the period of concurrent delay with respect to such Project. To the extent that the number of Days of delay with respect to a Project can be allocated between those that are caused by an Excusable Delay and those that are caused by an Inexcusable Delay with respect to such Project, the Contract Time (or other applicable Completion Deadlines) for such Project shall only be extended by the amount of the Excusable Delay.

Example: If a forty (40) Day Contractor caused Inexcusable Delay overlaps a fifty (50) Day Owner caused Compensable Delay, Contractor would be eligible for forty (40) Days of Excusable Delay and ten (10) Days of Compensable Delay.

8.4.2 Critical Path Delays. Delays with respect to a Project will not be treated as concurrent to the extent that one delay affects the Critical Path of the Approved Construction Schedule for such Project and the other delay does not. In that event, the sole delay with respect to such Project will be the one that affects the Critical Path of the Approved Construction Schedule for such Project.

8.4.3 Sole Remedy. The Change Order extending Contract Time (or other applicable Completion Deadlines) for a Project for a Concurrent Delay with respect to such Project will be Contractor's sole remedy arising out of such Concurrent Delay.

8.5 COMPENSABLE EVENTS.

8.5.1 Effect of Compensable Events. A Compensable Event with respect to a Project may be the basis for an increase in the Contract Sum for such Project.

8.5.2 Acts or Events Constituting Compensable Events. An increase in the Contract Sum for a Project shall be allowed hereunder only for changes to such Project directed by Owner and for changes in the Work for such Project that are directly attributable to the following Compensable Events with respect to such Project and otherwise meet the requirements set forth in this Article:

- (1) Differing Site Condition with respect to such Project;
- (2) Any change in Applicable Law or adoption of any new Applicable Law resulting in requirements applicable to such Project which are materially different from the requirements applicable as of the date of the Task Order for such Project, but excluding any such change or new law which was passed or adopted but not yet effective as of the receipt of such date; and
- (3) Compensable Delays with respect to such Project.

8.5.3 Burden of Proof. Contractor shall have the burden of proving that an act or event constitutes a Compensable Event with respect to the applicable Project that satisfies all the requirements of this Article GC-8.5.

8.5.4 Acceleration Costs. Acceleration Costs with respect to a Project shall be compensable hereunder only if Contractor establishes all of the following: (a) such costs result from a Change Order for such Project issued by Owner as an alternative to allowing an extension of the Contract Time (or other applicable Completion Deadlines) for such Project; (b) the delay with respect to such Project which causes such Change Order to be issued was an Excusable Delay with respect to such Project; and (c) Contractor in fact accelerated its performance and incurred additional costs with respect to such Project.



Costs of rearranging Contractor's work plan for a Project to accommodate changes directed by Owner not associated with an extension of the Contract Time for such Project shall not be compensable hereunder.

8.5.5 Limitation on Contract Sum Increases. Any increase in the Contract Sum for a Project allowed under this Article GC-8.5 shall exclude:

- (1) Costs caused by the fault or negligence, the failure to perform or meet the requirements of the Contract for such Project, or the breach of Contract for such Project, by Contractor or any Subcontractor, Sub-subcontractor, supplier or any other person or entity for which Contractor is responsible;
- (2) Costs which could reasonably have been avoided by Contractor by use of all reasonable and appropriate means and efforts, including re-sequencing the Work for such Project or reallocating or redeploying its forces to other portions of the Work for such Project or to other activities unrelated to the Work (including any additional costs reasonably incurred in connection with such reallocation or redeployment) for such Project; and
- (3) Costs for any rejected Work for such Project that failed to meet the requirements of the Contract Documents for such Project and for any necessary remedial Work for such Project.

8.6 COMPUTATION OF COST OR CREDIT FOR CHANGE ORDERS.

8.6.1 Adjustments to Contract Sum. Adjustments to the Contract Sum for a Project for changes in the Work for such Project may be determined by any of the methods listed in this Article GC-8.6.

8.6.2 Cost of the Work. For changes in the Work for a Project, the Contract Sum for such Project shall be adjusted by any increases or decreases in cost of the Work (plus or minus Contractor's mark-up as described in Article GC-8.6.3 below) for such Project arising from such change. In calculating adjustments to subcontracts, the term "cost" shall have the meaning assigned to it in Article 8.6.6 below and the term "overhead and profit" shall have the meanings assigned to them in Article GC-8.6.5 below.

8.6.3 Mark-up for Changes. Subject to the limitations on compensation set forth in Article GC-8.5.5 above and GC-8.6.5 below, for changes in the Work for a Project that result in an increase or decrease to the Contract Sum for such Project, the adjustment in compensation for mark-up allowed in Article GC-8.6.6(3)(f) for reasonable overhead, profit and all other expenses including all gross receipts taxes, shall be calculated as follows:

- (1) Fifteen percent (15%) for that portion of the cost of the Work for such Project incurred by Contractor or any of its Affiliates, Subcontractor or Sub-subcontractor for Work for such Project performed by each of their own forces; and
- (2) Five percent (5%) paid to any higher Subcontractor or Contractor for Work for such Project performed by the next lower tier Subcontractor or Sub-subcontractor; subject, however, to the limitation on mark-up for changes in Article GC-8.6.4 below.

8.6.4 Limitation on Mark-up for Changes. Where multiple tiers of Subcontractors and Sub-subcontractors are involved in a change in the Work for a Project, the maximum total amount of adjustment to the Contract Sum for such Project for Contractor's mark-up and for mark-up for all tiers of Subcontractors and Sub-subcontractors and Contractor self-performed Work shall not exceed three levels. For example, the three-level maximum could be achieved from the following: a Sub-subcontractor may apply a fifteen percent (15%) mark-up to labor and to materials in accordance with Articles GC-8.6.3(1);



then a Subcontractor may apply a five percent (5%) mark-up to the total Sub-subcontractor costs in accordance with Article GC-8.6.3(2), then Contractor may apply Contractor's mark-up of five percent (5%) to the total Subcontractor cost in accordance with Article GC-8.6.3(2).

8.6.5 Costs Included in Mark-up. All costs included in this Article GC-8.6.5 are deemed to be a part of Contractor's or Subcontractor's overhead and profit included by the mark-up provided in Article GC-8.6.4:

- (1) Wages and other compensation of project manager, superintendents, project engineers, officers, executives, principals, owners, general managers, engineers, architects, estimators, attorneys, auditors, accountants, purchasing and contracting agents, expeditors, timekeepers, clerks and other personnel employed, whether at the Site of the applicable Project or in a principal or branch office for general administration of the Work for such applicable Project;
- (2) Costs and expenses of Contractor's or Subcontractor's principle office, branch offices and office located at the Site of the applicable Project;
- (3) Contractor or Subcontractor capital expenses, including interest on capital employed for the changed Work for such applicable Project;
- (4) Consumable materials such as drill bits, abrasive discs, gloves, rags, rope, welding tips, etc.;
- (5) Cost of "Small Tools" including construction equipment and tools having a replacement value of five hundred U.S. Dollars (\$500) or less, whether or not consumed or used; and
- (6) Gross receipts taxes.

8.6.6 Cost or Credit. The cost or credit to the Contract Sum for a Project resulting from a change in the Work for such Project that may result in a Change Order for such Project shall be determined by Owner by one or more of the following methods:

- (1) Mutual acceptance of a lump sum properly itemized and supported by sufficient substantiating data similar to the format required by Article GC-8.6.7(3) to permit evaluation;
- (2) Unit prices stated in the Contract Documents for such Project or subsequently agreed upon by the Parties in writing. Owner will not pay a mark-up for Work with unit prices;
- (3) By cost, as defined in (a), (b), (c), (d) and (e) below, properly itemized and supported by sufficient substantiating data to permit evaluation, plus the markup for overhead and profit as defined in (f) below. Such costs shall be itemized by trade directly allocable to the change in the Work for such Project and submitted in accordance with Article GC-7.6:
 - (a) Quantities and cost of materials, including cost of transportation and delivery;
 - (b) All cost of labor, including, but not limited to, Social Security, Medicare, unemployment insurance, fringe benefits required by agreement, Workers' Compensation and Liability insurance. Prior to execution of the Task Order for such Project, Contractor shall submit labor rate breakdowns for the labor forces of Contractor, Subcontractors and Sub-subcontractors for such Project, including all their trades and classifications, for review and approval by Owner; such labor rate breakdowns shall be attached in Attachment 3 to the Task Order for such Project.



Labor information shall be provided on the University Labor Rate Breakdown form included as part of **Exhibit 5** attached to the Agreement. Rates shall be adjusted annually as approved in writing by Owner.

- a. For Subcontractors providing mechanical, electrical or plumbing work that is fabricated in Subcontractor's off-site facilities, the established shop overhead rate shall be applied to the labor costs for the fabrication trade labor before applying the mark-up allowed by Article GC-8.6.3.
- (c) Rental value of equipment and machinery, exclusive of hand tools, using the current Rental Blue Book for Construction Equipment or Equipment Rental Rates published by Caltrans. The amount will be based on actual use of the equipment and machinery;
- (d) Sales tax and permit costs;
- (e) Bond and insurance premiums due to additional bonds or insurance required due to changes in the Work for such Project; and
- (f) Mark-up to Contractor, Subcontractors and Sub-subcontractor for overhead (including warranty and correction obligations), profit and all other expenses which are not specifically included in (a) through (e) above, which mark-up shall not exceed the amounts set forth in Articles GC-8.6.3 through GC-8.6.4 (as applicable).

8.6.7 General Conditions Costs. Notwithstanding any of the above, General Conditions Costs for a Project shall only be permitted on Change Orders for such Project by mutual agreement by both Parties.

8.6.8 Credits. The amount of a credit to be allowed by Contractor to Owner for a deletion or change in the Work for a Project, which results in a net decrease in the Contract Sum for such Project, shall be the actual net cost as determined in Article GC-8.6.6 herein, including the credits for mark-up. When both additions and credits covering related Work or substitutions for a Project are involved in a change, the calculation for overhead and profit shall be figured on the basis of net increase/decrease (including mark-ups), if any, with respect to that change.

8.6.9 Contractor Maintenance of Records. If Contractor is directed to perform any changes to the Work for a Project, or should Contractor encounter conditions which Contractor believes would obligate Owner to adjust the Contract Sum or the Contract Time for a Project, then Contractor shall maintain detailed records of the costs of such changes on a daily basis. Such records shall include, without limitation, hourly records for labor and construction equipment and itemized records of materials and equipment used each day, all in connection with the performance of any change to the Work for the applicable Project. If more than one change to the Work for a Project is performed by Contractor in a calendar day, then Contractor shall maintain separate records of labor, construction equipment, materials and other costs for each such change.

If any Subcontractor or Sub-subcontractor, of any tier, on a Project shall provide or perform any portion of any change to the Work for such Project, then Contractor shall require that each such Subcontractor and Sub-subcontractor maintain records in accordance with this Article. Each daily record maintained hereunder shall be signed by Contractor's Superintendent or Contractor's authorized representative for the applicable Project; such signature shall be deemed Contractor's representation and warranty that all information contained therein is true, accurate, complete and relates only to the change to the Work for such applicable Project referenced therein. All records maintained by a Subcontractor and Sub-



subcontractor, of any tier, on a Project relating to the costs of a change in the Work for such Project shall be signed by such Subcontractor's authorized representative or Superintendent for such Project.

Such records shall be forwarded to Owner within **twenty-four (24) hours** of when the Work for the applicable Project is commenced for Owner's independent verification. If Contractor shall fail or refuse, for any reason, to maintain or make available for inspection, review or reproduction, such records, then adjustments to the Contract Sum or Contract Time for the applicable Project, if any, on account of any change to the Work for such applicable Project shall be determined by Owner which shall be binding upon Contractor. Contractor's obligation to maintain records hereunder is in addition to, and not in lieu of, any other Contractor obligation under the Contract Documents for a Project with respect to changes to the Work for such Project.

8.6.10 Payment of Undisputed Amounts. At the sole and absolute discretion of Owner, Owner may issue a unilateral Change Order for amounts not in dispute pending final negotiation of a bilateral Change Order. Contractor may include the items covered by the executed unilateral Change Order in Applications for Payment.

8.7 COMPUTATION OF COST OR CREDIT FOR ALLOWANCES.

Except where otherwise indicated in the Contract Documents for a Project, the calculation for costs that will be authorized for payment from Allowances for such Project, or to be transferred from an Allowance to another category in the Schedule of Values for such Project, shall be the sum of all eligible costs the Owner determines are allowable, allocable and reasonable to perform the Work to which such Allowance pertains plus Subcontractor mark-up and Contractor's Mark-up (as applicable), as set forth in Article GC-8.6.

ARTICLE GC-9 TIME

9.1 DEFINITIONS.

9.1.1 Contract Time. The Contract Time for a Project is the period of time allocated in the Contract Documents for such Project from the Commencement Date as provided in the Task Order for such Project through Substantial Completion of the Work for such Project.

9.1.2 Completion Deadlines and Completion Dates. The completion dates established in the Contract or Owner's written Notice to Proceed for a Project for Substantial Completion of the Work for such Project and other Completion Deadlines for such Project, if any, shall "occur on the dates" (or "within the durations") established for such Project.

9.2 PROGRESS AND COMPLETION.

9.2.1 Time Is of the Essence. Time limits stated in the Contract Documents for Project are of the essence of the Contract for such Project. By executing the Agreement and the Task Order for a Project, and any Modifications relating to the Substantial Completion of the Work for such Project or the Contract Time for such Project, Contractor confirms that the Contract Time for such Project is a reasonable period for performing the Work for such Project.

9.2.2 Commencement. Contractor shall not knowingly, except by agreement or instruction of Owner in writing, prematurely commence operations on the Site of a Project or elsewhere prior to the effective date of insurance required by Owner to be furnished by Contractor. The Commencement Date of the



Work for a Project shall not be changed by the effective date of such insurance. Unless the date of commencement for a Project is established by the Contract Documents for such Project or a Notice to Proceed given by Owner, Contractor shall notify Owner in writing not less than **five (5) Days** or other agreed period of time before commencing the Work for such Project to permit the timely recording, perfecting or filing of Owner's title, security interests and bonds, if any.

9.2.3 **Completion.** Contractor shall proceed expeditiously with adequate forces and shall achieve Substantial Completion of the Work for a Project within the Contract Time for such Project.

ARTICLE GC-10 PAYMENTS AND COMPLETION

10.1 CONTRACT SUM.

The Contract Sum for a Project, including authorized adjustments, is the total maximum amount payable by Owner to Contractor for performance of the Work for such Project under the Contract Documents for such Project.

10.2 SCHEDULE OF VALUES.

Prior to execution of the Task Order for a Project, Contractor shall submit to Owner a Schedule of Values for such Project allocated to various portions of the Work for such Project; such Schedule of Values shall be approved by Owner. The Schedule of Values for a Project shall be prepared on AIA Document G702 and G703 form (or other form as required by Owner) and in such a manner that each major item of the Work for such Project assigned to Contractor and to each Subcontractor shall be shown as a single line item on AIA Document G703 (or other form as required by Owner) and supported by such data to substantiate its accuracy as Owner may require. The approved Schedule of Values for a Project shall be used as a basis for reviewing Contractor's Applications for Payment for such Project. Revisions to the Schedule of Values for a Project to reallocate funds from one line item to another within the Schedule of Values are not permitted unless approved by Owner through the issuance of a zero dollar Change Order with respect to such Project.

The approved Schedule of Values for a Project shall include a line item for Record Documents for such Project. Owner and Contractor shall agree on a line item amount for the Record Documents for a Project, and such amount shall be included within the agreed-upon Contract Sum for such Project. During performance of the Work for a Project, Contractor shall be required to demonstrate to Owner, in Owner's sole and absolute discretion, that Contractor and its Subcontractors on such Project are diligently keeping accurate and up-to-date Record Documents for such Project, including As-Built Drawings, Specifications, Revit Linked Model documents, and other required documents. If (a) Contractor and its Subcontractors adequately demonstrate to Owner, in Owner's sole and absolute discretion, that they are diligently keeping accurate and up-to-date Record Documents for a Project, including As-Built Drawings, Specifications, Revit Linked Model documents, and other required documents, and (b) Contractor and its Subcontractors provide the Architect and Owner's Representative for such Project with accurate Record Documents for such Project as a condition precedent for attaining Substantial Completion of the Work for such Project, then Owner shall allow Contractor and its Subcontractors to invoice Owner for maintaining accurate and up-to-date Record Documents for such Project pursuant to the Record Documents line item in the Schedule of Values for such Project; otherwise, notwithstanding the Record Drawings line item in the Schedule of Values, Contractor and its Subcontractor shall not be entitled to any compensation for Record Documents.



10.3 APPLICATIONS FOR PAYMENT.

10.3.1 **Applications for Payment.** On or about the **25th day of each month** Contractor shall submit to Owner and the Architect for the applicable Project an itemized Application for Payment for such applicable Project, utilizing AIA Document G702 and G703 (or other form as required by Owner) in accordance with the payment provisions of the Contract Documents for such applicable Project. Applications for Payment for the applicable Project shall be certified and supported by such data substantiating Contractor's right to payment as the Architect for such applicable Project and Owner may require.

- (1) Applications for Payment for a Project may include requests for payment of executed Change Orders, including bilateral Change Orders, unilateral Change Orders and executed ADAs for such Project.
- (2) Applications for Payment for a Project shall not include requests for payment of amounts for such Project that Owner will hold or deny payment for or that Contractor does not intend to pay to a Subcontractor or Sub-subcontractor for such Project because of any of the following reasons: (a) a dispute; (b) a Claim; (c) another reason to deny payment pursuant to the Contract Documents for such Project; (d) a missing or incomplete statutory conditional or unconditional waiver and release of lien rights upon progress or final payment for such Project as required for each Subcontractor or Sub-subcontractor on such Project under the Contract Documents for such Project, or any other missing documentation as listed below in Article GC-10.3.2.
- (3) The Application for Payment for a Project shall include an invoice date (which may be equal to the application thru date) and a unique Application number ("Invoice Number"). The Invoice Number shall be in the format "YRxxx-TOx-0xx", where "YRxxx" represents the 5 digit USC Contract number,"TOx" represents the Task Order number and 0xx represents the serialized application number (for example, Contractor's submittal of its first Application for Payment is payment number 001, its second Application for Payment is 002, et seq). Any Contractor re-submittal/revision to a submitted Application for Payment for a Project shall have a lower-case letter suffix (e.g., a, b, c) added to the Invoice Number identifying the revision (for example, Contractor's first re-submittal of its first Application for Payment shall be designated as payment number "001a", and the full Invoice Number would be "YRxxx-TOx-001a").

10.3.2 **Documentation Required with Application for Payment.** As a condition precedent to Owner's monthly progress payment to Contractor for a Project, Contractor shall submit with each Application for Payment for such Project the following documentation for such Project:

- (1) Completed and executed form of conditional waiver and release of lien rights upon progress payment in accordance with California Civil Code §8132, from Contractor, each Subcontractor, Sub-subcontractor, supplier, manufacturer, and all other persons or entities eligible to record mechanics' liens or assert stop payment notices with respect to such Project within the responsibility of Contractor for the amount applied for in the **current** Application for Payment for such Project;
- (2) Completed and executed forms of unconditional waiver and release of lien rights upon progress payment in accordance with California Civil Code §8134, from Contractor, each Subcontractor, Sub-subcontractor, supplier, manufacturer, and all other persons or entities eligible to record mechanics' liens or assert stop payment notices with respect to



- such Project within the responsibility of Contractor; such unconditional waivers shall cover all amounts previously paid by Owner to Contractor for such Project;
- (3) Copies of all new Change Orders and Allowance Disbursement Authorizations (ADAs) for such Project executed since the last progress payment for such Project;
 - (4) Copies of all licenses, leases, permits, approvals and agreements relating to such Project (including the construction of Work therefor), and not previously delivered to Owner; and
 - (5) Certification from Contractor-retained design subconsultants, if any, that, based upon their on-site observations, the design-build Work for such Project has progressed as indicated in Contractor's Application for Payment for such Project, and has been installed in accordance with the design documents prepared by such design subconsultant.

10.3.3 Documentation Required for Owner Approval for Payment. In addition to the documentation required in Article GC-10.3.2 above, Owner, at its sole and absolute discretion, may withhold payment for a Project pending satisfaction of any of the applicable requirements of the Contract Documents for such Project, including, but not limited to, the receipt of the following documents for such Project:

- (1) Executed subcontracts for such Project, including bonds, and all other exhibits and attachments for each item of material, labor and service for such Project for which a disbursement has been requested;
- (2) Contractor's daily logs, in accordance with the General Requirements, for the current pay period; (Daily reports should be submitted daily and not monthly);
- (3) Copies of all necessary permits for such Project;
- (4) Certification from Contractor that Record Documents for such Project, including As-Built Drawings, Specifications and Revit Linked Model documents, have been updated with current Project information as described in the General Requirements;
- (5) Updated Construction Schedule for such Project including written narrative report;
- (6) Recovery Schedules for such Project, when required;
- (7) Monthly Progress Report for such Project;
- (8) Change Order Log for such Project, including a list of any Change Orders contemplated or under negotiation at the date of such payment request;
- (9) Certifications from each Subcontractor and Sub-subcontractor of any tier for such Project, that each is current in the payment of any supplemental fringe benefits required pursuant to any collective bargaining agreement or business practices to which any such Subcontractor or Sub-subcontractor for such Project is a party or is otherwise bound; and
- (10) Such other documentation required under the Contract Documents for such Project or as Owner may reasonably request.

Any payment for a Project made by Owner to Contractor in the absence of any of the preceding documents in no way waives or relieves Contractor from providing all of these documents with Contractor's current or future Application for Payment for such Project for any current or future payment thereon.

10.3.4 Initial Payment Application. Prior to submittal of the initial Application for Payment for a Project, Contractor shall submit to Owner the following to ensure that all administrative actions,



submittals, payment procedures and requirements set forth in the Contract Documents for such Project are met:

- (1) If requested by Owner, an expanded description of the information provided in the Schedule of Values for such Project, such as the types of Work and the amounts thereof to be provided by Contractor (as opposed to the Subcontractors);
- (2) A list of Subcontractors, Sub-subcontractors, principal suppliers, manufacturers, and fabricators for such Project;
- (3) A "Master List of Submittals" for such Project in accordance with the General Requirements;
- (4) Copies of all necessary permits for such Project;
- (5) Supplemental Insurance certificates, endorsements, and bonds for Contractor and all Subcontractors for such Project not attached to the Task Order for such Project to evidence the same are in place;
- (6) Payment and performance bonds for Contractor and the Subcontractors and Sub-subcontractors for such Project, as applicable;
- (7) Written report for such Project listing all the installed Owner-approved job signs for such Project and confirming that no other unapproved Site or Project signs have been installed; and
- (8) Any other items that need to be included with the initial Application for Payment for such Project pursuant to the Contract Documents for such Project.

10.3.5 Payment for Stored Materials. Contractor understands and acknowledges that Owner shall not make disbursements to pay for materials which are stored on or off the Site of a Project unless all of the following are demonstrated by Contractor:

- (1) Such materials or equipment are in accordance with the Contract Documents for such Project, including the Drawings and Specifications for such Project;
- (2) Such materials or equipment are securely stored on the Site of such Project or off-site, properly inventoried, physically separated from the materials or equipment for other projects, and clearly stenciled or otherwise marked to indicate that they are the property of Owner (Contractor shall provide photographic evidence of stored materials);
- (3) The bills of sale and contracts under which such materials or equipment are being provided are in a form and substance satisfactory to Owner;
- (4) Such materials or equipment are insured against casualty, loss, vandalism, malicious mischief and theft in a manner satisfactory to Owner;
- (5) Contractor agrees to secure such materials or equipment, free and clear of all liens and encumbrances of any nature whatsoever, upon receipt of payment from Owner;
- (6) The aggregate amount of such disbursements for such materials or equipment shall in no event at any time exceed the actual cost incurred by Contractor for such materials or equipment, as verified by Owner.
- (7) If Contractor is requesting payment for materials or equipment stored off-site, at a location agreed to by Owner, payment for such materials or equipment shall be contingent upon Contractor providing Owner with at least **thirty (30) Days** advance written notice of Contractor's intent to request such payment together with appropriate information and documentation satisfactory to Owner.



10.3.6 Payment to Subcontractors. Within **ten (10) Days** of Contractor's receipt of payment from Owner for Work for a Project performed and materials and equipment provided by Subcontractors, Sub-subcontractors, and suppliers for such Project, Contractor shall pay all such Subcontractors and suppliers (and ensure the payment of all such Sub-subcontractors and suppliers with which Contractor does not have a direct contract) for and on account of Work for such Project performed by and materials and equipment for such Project provided by such Subcontractors, Sub-subcontractors and suppliers. Contractor shall, by appropriate agreement with each Subcontractor for a Project, require each Subcontractor for such Project to make payments to the applicable Sub-subcontractor and supplier for such Project within **ten (10) Days** of Subcontractor's receipt of payment. Owner will, at its discretion, on request, furnish to a Subcontractor, Sub-subcontractor, or supplier for a Project, if practicable, information regarding percentages of completion or amounts applied for by Contractor and action taken thereon by the Architect and Owner's Representative for such Project, and Owner, on account of portions of the Work for such Project performed by such Subcontractor, Sub-subcontractor, or supplier.

10.3.7 Warranty of Title and No Liens. Contractor represents and warrants that title to all Work for a Project covered by an Application for Payment for such Project will pass to Owner no later than the time of payment thereon. Contractor further represents and warrants that upon submittal of an Application for Payment for a Project, all Work for such Project for which payments are requested from Owner shall be free and clear of all liens, stop payment notices, bond claims, Claims, security interests, and encumbrances (collectively, "**Liens**") in favor of Contractor or any Subcontractors, Sub-subcontractors, material suppliers, or any other persons or entities making any Claim by reason of having provided labor, materials or equipment relating to said Work for such Project. This provision shall not relieve Contractor from the responsibility for materials and Work for a Project upon which payments have been made or the obligation to restore damaged Work for a Project; in addition, this provision shall not serve to waive the right of Owner to require the fulfillment of any other terms of the Contract Documents for a Project. Contractor further expressly agrees to defend, indemnify, and hold harmless the Indemnitees, at Contractor's sole cost and expense, against any actions, lawsuits, demands or proceedings brought against the Indemnitees as a result of Liens recorded or filed in connection with the Work for each Project, except for Liens recorded or filed due to Owner's active negligence, sole negligence or willful misconduct. Accordingly, except for Liens recorded or filed due to Owner's active negligence, sole negligence or willful misconduct, Contractor agrees to defend, indemnify and hold the Indemnitees harmless against any such Liens and agrees to pay or satisfy any judgment or Lien resulting from such Lien actions, lawsuit, or proceedings.

10.4 APPROVAL OF PAYMENT.

10.4.1 Owner's Review. Owner will, within a reasonable period of time after receipt of Contractor's Application for Payment for a Project, either approve invoice for payment for such amount as Owner determines is properly due for such Project, or notify Contractor in writing of the reasons for withholding certain payment for such Project.

10.4.2 Basis for Decision to Withhold. Owner may withhold payment on an Application for Payment for a Project, in whole or in part, to the extent reasonably necessary to protect Owner, for Work for such Project that has not progressed to the point indicated and for Work for a Project that, to Owner's belief, is less than the quality of the work required by the Contract Documents for such Project. If Owner so rejects a charge or disputes a charge or amount, Contractor shall issue a revised Application for Payment for the applicable Project, including only the amounts approved by Owner and shall include the disputed



amounts in a future Application for Payment for such applicable Project; Owner's policies do not allow for partial payments of invoiced amounts for any Project. Also, Owner may refuse to make payment on an Application for Payment for a Project or, because of subsequently discovered evidence, Owner may nullify the whole or a part of an approval for payment previously issued on an Application for Payment a Project, to such extent as may be necessary in the Owner's opinion to protect Owner from loss for which Contractor is responsible (including losses under Article GC-3.3.2), because of:

- (1) Defective Work for such Project not remedied;
- (2) Third-party claims pertaining to such Project filed or reasonable evidence indicating probable filing of such claims unless security acceptable to Owner is provided by Contractor;
- (3) Failure of Contractor to make payments properly to Subcontractors for labor, materials, or equipment for such Project;
- (4) Reasonable evidence that the Work for such Project cannot be completed for the unpaid balance of the Contract Sum for such Project;
- (5) Damage to Owner or a Separate Contractor;
- (6) Reasonable evidence that the Work for such Project will not be completed within the Contract Time for such Project;
- (7) Failure to carry out the Work for such Project in accordance with the Contract Documents for such Project;
- (8) Actual or liquidated damages, if any, which accrued as of the date of the Application for Payment for such Project; and
- (9) Such other sums as Owner is entitled to recover from Contractor.

10.4.3 Withhold for Disputes. In the event of a disputed amount with respect to a Project, Owner may withhold from payments with respect to such Project an amount not to exceed one hundred fifty percent (150%) of the disputed amount. When the above reasons for withholding the payment are removed, Contractor must submit an Application for Payment for amounts previously withheld.

10.4.4 Mechanics' Lien or Stop Payment Notice Claims.

- (1) If at any time there shall be evidence of the existence, whether or not same has been asserted, of any stop payment notice, mechanics' lien, bond claim, or Claim pertaining to a Project arising out of or in connection with the performance or default in performance of any provisions in the Contract Documents for such Project or any subcontract or supply contract entered into by Contractor to perform the Work for such Project, and if Owner might become liable for the discharge of or satisfaction of such stop payment notice, mechanics lien, bond claim, or Claim for such Project, then Owner shall have the right to retain out of any payment then due or thereafter to become due with respect to such Project, in addition to the amounts set forth above, an amount sufficient to discharge such stop payment notice, mechanics' lien, bond claim, or satisfy such Claim pertaining to such Project and to reimburse Owner and the representatives of Owner for all costs and expenses in connection therewith, including attorneys' fees and costs. Further, Owner, in its sole and absolute discretion, shall have the right to discharge or satisfy such stop payment notice, mechanics' lien, bond claim or Claim and pay all costs and expenses in connection therewith if Contractor does not have such stop payment notice, mechanics' lien, bond claim or Claim discharged or satisfied within **ten**



(10) **Days** after receiving notice to remove the lien, stop payment notice, bond claim or Claim from the applicable Project or Owner, unless some other procedure for discharge or satisfaction of such lien, stop payment notice, bond claim or Claim is expressly agreed upon in writing between Owner and Contractor. If the amounts retained are insufficient for the aforesaid purposes, or if such stop payment notice, mechanics' lien, bond claim or Claim remains un-discharged or unsatisfied after all payments have been made to Contractor, then Contractor shall pay to Owner sufficient monies to discharge such lien, stop payment notice, bond claim or satisfy such Claims, including the costs, expenses, and attorney's fees in connection therewith.

- (2) Owner shall release any payments withheld due to a mechanics' lien, stop payment notice, bond claim or Claim if Contractor obtains a release bond that is: (i) issued by a corporate surety acceptable to Owner admitted to issue surety bonds by the Department of Insurance in the state of California; (ii) in form and substance satisfactory to Owner; and (iii) in an amount of not less than one hundred fifty percent (150%) of a mechanics' lien claim and one hundred twenty five percent (125%) of the amount of any stop payment notice claim, bond claim or other Claim.

10.5 PROGRESS PAYMENTS.

10.5.1 Joint Checks or Direct Payments. Neither Owner nor the Architect for a Project shall have an obligation to pay or to see to the payment of money to a Subcontractor, Sub-subcontractor or supplier for such Project, except as may otherwise be required by law. Owner, however, reserves the right, in its sole and absolute discretion, to make payments to Contractor and Subcontractors, Sub-subcontractors or suppliers for a Project in the form of checks payable jointly to Contractor and to any of Contractor's Subcontractors, Sub-subcontractors or suppliers for such Project in satisfaction of Owner's obligation to make payments to Contractor.

10.5.2 Payment Not Acceptance of Work. The approval of Owner or the Architect for a Project of a progress payment or final payment for such Project, or partial or entire use or occupancy of a Project by Owner, shall not constitute acceptance of the Work for such Project not in accordance with the Contract Documents for such Project or Applicable Law.

10.6 SUBSTANTIAL COMPLETION.

10.6.1 Requirements for Substantial Completion. Contractor shall submit a request for Owner to issue a Certificate of Substantial Completion for a Project when all the following have occurred with respect to the Work for such Project:

- (1) Contractor has completed the Work for such Project (except for Punch List items and final clean-up);
- (2) Contractor has ensured that all Work for such Project has been performed and substantially completed in accordance with the Construction Documents and the other Contract Documents for such Project;
- (3) All deficiencies in the Work for such Project have been corrected other than Punch List items;
- (4) Owner has received all As-Builts, Warranties, Operation & Maintenance Manuals, training and other Record Documents for such Project required by the General Requirements;



- (5) Contractor has submitted all documentation necessary to enable Owner's full and unrestricted use of the Work for such Project, and access to services and utilities, and has supplied any services and utilities change-over information necessary for Owner's occupancy, use, operation and maintenance of the Work for such Project;
- (6) Contractor has discontinued and removed any temporary facilities and services from the Site of such Project, along with construction tools and facilities, forms and similar items except for Contractor's field office and Owner's field office for such Project;
- (7) Contractor has obtained all temporary occupancy permits and similar approvals from governmental authorities for the use of the Work for such Project;
- (8) Contractor has ensured that the Work for such Project is ready for operation and may be operated without damage to any other Work for such Project or other property; and
- (9) The Work for such Project is ready for use for the purpose intended.

10.6.2 Substantial Completion and Payment Application. Following issuance of the Certificate of Substantial Completion for the Work for a Project, and after receipt of an approved Application for Payment from Contractor, Owner shall make a payment to Contractor for the cost of undisputed Work in place for such Project, including the retainage. Notwithstanding the foregoing, Owner shall be entitled to withhold up to one hundred fifty percent (150%) of the estimated cost of the following items until Final Completion of the Work for a Project:

- (1) Remaining Punch List items for such Project;
- (2) Value to repair or replace defective items of Work for such Project;
- (3) All items necessary to obtain the final Certificate of Occupancy (see GC-10.9.2 below) for such Project;
- (4) Project Record Documents for such Project, including As-Builts;
- (5) Potential lien, stop payment notice and bond claims and Claims of individuals or entities who have not provided conditional waivers and releases of liens for such Project; and
- (6) Any claims Owner may have against Contractor with respect to such Project.

If Contractor has not completed all items enumerated above, within **thirty (30) Days** after the issuance of the Certificate of Substantial Completion for the applicable Project, Owner shall have the right to demand completion or correction of the items 1 through 4 within a 48-hour period. If Contractor does not commence and complete the requested Work within the 48-hour period or provide Owner with written notice of a legitimate reason why Contractor cannot complete the Work within the 48-hour period, Owner shall have the unilateral right to complete the Work with its forces and deduct the cost of said Work from any monies held by Owner.

10.7 OWNER ACCEPTANCE.

Owner may either: (1) reject Contractor's request for Substantial Completion of the Work for a Project because the Work for such Project does not meet the requirements for Substantial Completion of the Work for such Project, providing a written description of the deficiencies or other deviations from the Contract requirements; or (2) issue a Certificate of Substantial Completion of the Work for such Project and issue the agreed Punch List, if any, for such Project containing minor Work items or minor corrections remaining.

10.7.1 Punch List Inspection. Contractor shall develop its proposed punch list for a Project containing only minor Work items or minor corrections required for such Project. Within **five (5) Days** after receipt



of Contractor's punch list for a Project, Owner will conduct an inspection to determine if the Work for such Project is Substantially Complete. If the inspection discloses any item, whether or not included on Contractor's proposed punch list for the applicable Project, which is not sufficiently complete in accordance with the Contract Documents for such applicable Project or needs to be repaired or replaced before Owner can occupy or utilize the Work for such applicable Project for its intended purpose, then Contractor shall, before issuance of the Certificate of Substantial Completion for such applicable Project, complete or correct such item upon notification by Owner. In such case, Contractor shall submit a request for another inspection by Owner to determine Substantial Completion of the Work for the applicable Project.

10.7.2 Certificate and Punch List. When the Work for a Project is Substantially Complete, Owner will (i) either approve Contractor's previously proposed punch list (which shall then be the Punch List for such Project) or issue its own punch list (which shall then be the Punch List for such Project), and (ii) prepare a Certificate of Substantial Completion for such Project which shall establish the date of Substantial Completion of the Work for such Project and responsibilities of Owner and Contractor for security, maintenance, heat, utilities, damage to the Work, and insurance for such Project, and shall fix the time within which Contractor shall finish on the Punch List for such Project. Warranties required by the Contract Documents for a Project shall commence on the date of Substantial Completion of all Work for such Project.

10.8 PARTIAL OCCUPANCY OR USE.

10.8.1 Owner's Rights and Allocation of Responsibility. Owner may occupy or use any completed or partially completed portion of the Work for a Project at any stage provided such occupancy or use is consented to by the insurer providing builder's risk property insurance to such Project and is not prohibited by the Applicable Law; such occupancy or use of a completed or partially completed portion of the Work (as opposed to the entire Work) shall be referred to herein as "**partial occupancy or use**". Such partial occupancy or use may commence whether or not the portion of the Work for the applicable Project is substantially complete, provided Owner and Contractor have agreed in writing as to the responsibilities assigned to each of them for payments, retainage, if any, security, maintenance, heat, utilities, damage, and insurance for such portion of the Work, and have agreed in writing concerning the period for correction of such portion of the Work and commencement of warranties for such portion of the Work required by the Contract Documents for such applicable Project. When Contractor considers a portion of the Work for a Project substantially complete, Contractor shall prepare and submit a proposed punch list to Owner with respect thereto as provided under Article GC-10.7.1. Consent of Contractor to partial occupancy or use by Owner shall not be unreasonably withheld.

10.8.2 Joint Inspection. Immediately prior to the partial occupancy or use with respect to a Project, Owner, Contractor and the Architect for such Project shall jointly inspect the area to be occupied or portion of the Work for such Project to be used to determine and record the condition of such Work. The stage of the progress of the Work for the applicable Project shall be documented by written agreement between Owner and Contractor.

10.8.3 No Acceptance. Unless otherwise agreed upon, partial occupancy or use shall not constitute acceptance of Work for a Project not complying with the requirements of the Contract Documents for such Project or Applicable Law.



10.8.4 **Conditions.** Contractor agrees to Owner's partial occupancy or use of a portion or unit of a Project before formal acceptance by Owner under the following conditions:

- (1) Occupancy by Owner shall not be construed by Contractor as being an acceptance by Owner of that part of such Project to be occupied;
- (2) Contractor shall not be held responsible for any damage to the occupied part of such Project resulting solely from Owner's occupancy;
- (3) Occupancy by Owner shall not be deemed to constitute a waiver of Claims on behalf of either Owner or Contractor against the other;
- (4) If the Work of such Project consists of more than one building, and one of the buildings is to be occupied, Owner, prior to occupancy of the building, shall secure permanent property insurance on the building to be occupied and any necessary partial occupancy permits from the applicable governmental agencies. Final approval and occupancy permits from applicable governmental agencies are still the responsibility of Contractor, which may be required for use and occupancy;
- (5) Contractor shall make available in the areas occupied, on a 24-hour day and seven-day week basis if required, any utility services, heating, and cooling as are in condition to be put in operation at the time of early occupancy. All responsibility for the operation and maintenance of utility services, heating, and cooling equipment shall remain with Contractor while it is so operated. However, an itemized list of each piece of equipment so operated with the date operation commences shall be made and certified by the Architect and Owner's Representative for such Project. This list shall be the basis for the commencement of warranty periods on the utility services, heating, and cooling equipment being operated for the benefit of Owner's early occupancy. Owner shall pay for all utility costs and operational expenses which arise out of the occupancy by Owner during construction;
- (6) Owner's partial occupancy or use with respect to a Project prior to acceptance of such Project does not relieve Contractor of its liability and responsibility to maintain all insurance and bonds required of Contractor under the Contract for such Project until such Project reaches Final Completion; and
- (7) If the Contract Time or Contract Sum for such Project are affected by Owner's occupancy or use of any completed or partially completed portion of the Work for such Project, then Contractor may submit a COP for such Impacts to such Project in accordance with Article GC-7.6, unless such partial occupancy or use is the result of Contractor's failure to meet the Completion Deadlines for such Project, in which case, Contractor shall be entitled to no adjustments to the Contract Time or Contract Sum for Impacts.

10.9 FINAL COMPLETION AND FINAL PAYMENT.

10.9.1 **Inspection.** Upon receipt of written notice that the Punch List for a Project is completed and the Work for such Project is ready for final inspection and acceptance, and upon receipt of a final Application for Payment for such Project, Owner and the Architect for such Project will promptly make the final inspection and, when they find the Work for such Project completely finished and acceptable under the Contract Documents for such Project and all other duties, obligations and Deliverables under the Contract Documents for such Project fully performed, Owner and the Architect for such Project will promptly issue a Certificate of Final Completion stating that to the best of their knowledge, information and belief,



and on the basis of their Site visits and inspections, the Work for such Project has been fully and satisfactorily completed in a good and workmanlike manner, and in accordance with terms and conditions of the Contract Documents for such Project and Applicable Law, and that the entire balance found to be due the Contractor under the Task Order for such Project and noted in the final Certificate is due and payable, except for any amounts that remain as Claims in dispute under Article GC-14, herein.

10.9.2 Documentation. In addition to the requirements for final payment for a Project as set forth in the Agreement, final payment for a Project shall not become due until a Certificate of Final Completion for such Project has been issued by Owner and a final Certificate of Occupancy (or equivalent inspection sign-off) for such Project has been issued (unless failure to issue is due to circumstances beyond the control of Contractor) and Contractor has submitted to Owner the following:

- (1) A current Sworn Statement for such Project as provided in **Exhibit 2** attached to the Agreement from Contractor setting forth all Subcontractors and material suppliers with whom Contractor has subcontracted for such Project, or that are under Contractor's control for such Project, the amount of each subcontract of such Subcontractor and material supplier, the amount requested for each such Subcontractor and supplier in the Application for Payment, and the balance remaining on the subcontract that payrolls, bills for materials and equipment, and other indebtedness connected with the Work for such Project for which Owner or Owner's property might be responsible or encumbered (less amounts withheld by Owner or that remain as Claims in dispute under Article GC-14, herein) have been paid or otherwise satisfied;
- (2) A current Sworn Statement for such Project as provided in **Exhibit 2** attached to the Agreement from each Subcontractor on such Project setting forth all Sub-subcontractors and material suppliers on such Project with whom such Subcontractor (or any Sub-subcontractors have) subcontracted, the amount of each sub-subcontract of such Sub-subcontractors and material suppliers, the amount requested for each such Sub-subcontractor and supplier in the Application for Payment, and the balance remaining on the subcontract that payrolls, bills for materials and equipment, and other indebtedness connected with the Work for such Project for which Owner or Owner's property might be responsible or encumbered (less amounts withheld by Owner or that remain as Claims in dispute under Article GC-14, herein) have been paid or otherwise satisfied;
- (3) Completed and executed forms of final conditional waiver and release of lien rights upon final payment in accordance with California Civil Code § 8136, et seq., from Contractor, Subcontractors, Sub-subcontractors and all other persons and entities eligible to record mechanics' liens, file stop payment notices or make claims on bonds in connection with the Work for such Project, covering the **final** payment period;
- (4) Completed and executed forms of unconditional waiver and release of lien rights upon progress payment in accordance with California Civil Code § 8134 from Contractor, Subcontractors, Sub-subcontractors and all other persons and entities eligible to record mechanics' liens, file stop payment notices, or make claims on bonds in connection with the Work for such Project, covering all the **previous** payment periods;
- (5) Completed and executed Final Statement of Account and release of contract rights upon final payment from Contractor and all Subcontractors and Sub-subcontractors for such Project;



- (6) Completed and executed affidavits from Contractor and all Subcontractors and Sub-subcontractors on such Project, attaching certificates and endorsements evidencing that insurance required by the Contract Documents for such applicable Project shall remain in force after final payment and will not be cancelled or allowed to expire until **at least thirty (30) Days prior** written notice has been given to Owner;
- (7) A written statement that Contractor knows of no substantial reason that the insurance will not be renewable to cover the period required by the Contract Documents for such Project;
- (8) Consent of surety(ies) to final payment;
- (9) The required Record Documents for such Project, including As-Built Drawings and Specifications, shop drawings and other Submittals;
- (10) The As-Built Schedule for such Project (required for Projects over \$1 million);
- (11) Proof that all taxes, fees and similar obligations of Contractor arising out of or related to the Work for such Project have been paid;
- (12) A certificate in form and substance acceptable to Owner and signed by the Architect for such Project certifying that, to the best of its knowledge, the Work for such Project has been completed in accordance with the Contract Documents for such Project, all Applicable Law and restrictions pertaining to such Project; that the Work for such Project, as completed, complies in all material respects with all applicable zoning, environmental, building and land use laws which apply to such Project; that to the knowledge of the Architect for such Project, no governmental entity has issued any notice of violation or nonconformity in connection with the improvements; that direct connection has been made to all abutting gas, sewer, telephone, and electrical facilities necessary for occupancy and use of such Project; and that such Project is ready for occupancy. Notwithstanding the foregoing, payment to Contractor shall not be withheld because of a failure of the Architect for such Project to sign the certificate unless such failure is due to Contractor's non-compliance with the Contract Documents for such Project;
- (13) A certificate in form and substance acceptable to Owner signed by Contractor's designers for design-build systems, if any, that are part of the Work for such Project and certifying that, to the best of their knowledge, that such Work has been completed in accordance with the Contract Documents for such Project and all Applicable Law.
- (14) Completion of all of the requirements of the close-out procedures and all other requirements in the Contract Documents for such Project; and
- (15) Proof of touch up and other repairs and restoration of all marred and exposed finishes on such Project.

10.9.3 Release of Mechanics' Liens and Stop Payment Notices. Except for mechanics' liens or stop payment notices recorded or filed against Owner or the applicable Project due to Owner's active negligence, sole negligence or willful misconduct, if a Subcontractor, Sub-subcontractor or supplier for such applicable Project files a stop payment notice or records a mechanics' lien on Owner or such applicable Project, then Contractor shall furnish a bond satisfactory to Owner to release the stop payment notice or mechanics' lien, indemnify, defend and hold Owner harmless against such stop payment notice or mechanics' lien, and Owner shall enforce its right under Article GC-10.4.4 herein.



10.9.4 Delay Not Caused by Contractor. If, after Substantial Completion of the Work for a Project, Final Completion of the Work for such Project is materially delayed through no fault of Contractor or by issuance of a Change Order affecting Final Completion, Owner shall, upon application by Contractor and certification by Owner, and without terminating the Contract for such Project, make payment of the balance due for that portion of the Work for such Project fully completed and accepted; provided, however, that the retainage amount held following such payment shall be equal to one hundred fifty percent (150%) of the estimated cost of completing the Work for such Project, as determined by Owner in its sole and absolute discretion. If the remaining balance for Work for the applicable Project not fully completed or corrected is less than retainage stipulated in the Contract Documents for such applicable Project, and if bonds have been furnished, the written consent of surety to payment of the balance due for that portion of the Work for such applicable Project fully completed and accepted shall be submitted by Contractor to Owner prior to certification of such payment. Such payment shall be made under the terms and conditions governing final payment for the applicable Project.

10.9.5 Contractor's Acceptance of Final Payment. Acceptance of final payment by Contractor, a Subcontractor, a Sub-subcontractor or material supplier for a Project shall constitute a waiver of Claims by that payee with respect to such Project, except those previously made in writing and identified by that payee as unsettled Claims at the time of final Application for Payment for such Project.

10.9.6 Owner's Final Payment. The making of final payment for a Project shall not constitute a waiver of any Claims by Owner for such Project.

10.9.7 Liens After Final Payment. Except for mechanics' liens or stop payment notices recorded or filed against Owner or a Project due to Owner's active negligence, sole negligence or willful misconduct, any mechanics' lien, stop payment notice, bond claim or other Claim, recorded, filed or asserted against Owner or such Project after Contractor's acceptance of the final payment for such Project, by any Subcontractor, Sub-subcontractor, laborer, material supplier, or others, in connection with or for Work for such Project performed under the Contract Documents for such Project shall be the sole and exclusive responsibility of Contractor who further agrees to indemnify, defend and hold harmless Owner and its officers, agents and employees from and against any claims, demands or judgment arising out of or associated therewith, including, without limitation, attorneys' fees incurred by Owner in connection therewith.

ARTICLE GC-11 PROTECTION OF PERSONS AND PROPERTY

11.1 SAFETY PRECAUTIONS AND PROGRAMS.

Contractor is responsible for establishing, maintaining, and supervising the necessary safety precautions needed to permit the performance of the Work for a Project without endangering public safety and property. A Site Specific Safety Program and Contractor's Safety Policy for a Project must be prepared and submitted for Owner's review and comments. Contractor shall comply with the review comments of Owner. The Site Specific Safety Program for a Project shall include the following:

- (1) The identity of outside safety consultant or Contractor's safety officer and on-site safety officer for such Project;
- (2) The schedule of Contractor's safety inspections for such Project;
- (3) The type and frequency of training conducted for Contractor's personnel working on such Project, including tailgate meetings, lifting training, emergency procedure, etc;



- (4) Information on the types of heavy equipment to be used on such Project, and the necessary precautions to be taken if there is an accident;
- (5) A copy of Contractor's Hazardous Communications Program for such Project;
- (6) A list of any possible fire hazards and the firefighting equipment for the Site of such Project;
- (7) A detailed description of hazardous or unusual procedures necessary for the Site of such Project;
- (8) Information on any material impact of the construction on the area surrounding the Site of such Project, including traffic flow, parking, street closure, utility shutoffs, and pedestrian crossing;
- (9) Placement, quantity and type of safety warning lights, signs or other devices during construction of such Project;
- (10) Written procedures in the event of an injury, fire, or other emergency during construction of such Project; and
- (11) Description of the location and enclosure of the approved staging area for such Project.

Also, Contractor shall comply with any safety requirements required by insurers providing coverage for a Project. Notwithstanding the foregoing, Contractor specifically assumes all risk of damages or injury to any persons or property, wherever located, resulting from any action or operation of Contractor or Contractor's Subcontractors, Sub-subcontractors or suppliers under the Contract Documents for a Project, or in connection with the Work for such Project. Contractor must also comply with USC Environmental Health and Safety Office's requirements for campus work including "Hot Permits."

11.2 SAFETY OF PERSONS AND PROPERTY.

11.2.1 Precautions and Protection. Contractor shall take necessary precautions for safety of, and shall provide necessary protection to prevent damage, injury or loss to any of the following with respect to a Project:

- (1) Employees on the Site of such Project and other persons who may be affected thereby;
- (2) The Work, materials and equipment to be incorporated therein, whether in storage on or off the Site of such Project, under care, custody or control of Contractor or Contractor's Subcontractors or Sub-subcontractors for such Project; and
- (3) Other property at the Site of such Project, or adjacent thereto, such as trees, shrubs, lawns, walks, pavements, roadways, structures, and utilities not designated for removal, relocation, or replacement in the course of the Work for such Project.

11.2.2 Notice and Compliance with Applicable Law. With respect to each Project, Contractor shall comply with all Applicable Law bearing on safety of persons or property or their protection from damage, injury or loss, which obligation shall include posting and delivering all notices required under such Applicable Law. With respect to each Project, Contractor shall comply with all Applicable Law and regulations, including the California Labor Code and with all California Occupational Safety and Health Act ("OSHA"), Environmental Protection Agency, and South Coast Air Quality Management District regulations, concerning safety requirements and protection of workers including, but not limited to, those regulations concerning scaffolding, bracing, shoring, trench excavating and removal, and handling and disposal of hazardous waste.



Except for citations or memoranda due to Owner's active negligence, sole negligence or willful misconduct, Contractor shall fully defend, indemnify, and hold harmless Owner, the Owner's Representative and the Architect for a Project, and all of their respective members, officers, employees, and agents, from and against any and all citations or memoranda assessed against Owner due to regulatory violations of Contractor, Contractor's Subcontractors, or Sub-subcontractors on such Project.

11.2.3 Safeguards. Contractor shall erect and maintain, as required by existing conditions and performance of the Contract for a Project, reasonable safeguards for safety and protection as to such Project, including posting danger signs and other warnings against hazards, promulgate safety regulations, and notify owners and users of adjacent sites and utilities. Contractor shall also be responsible for all measures necessary to protect any property adjacent to the Site of a Project and improvements thereon. Any damage to adjacent property or improvements shall be promptly repaired or replaced by Contractor at its sole cost and expense and without additional compensation for the applicable Project.

11.2.4 Notice of Hazards. When use or storage of explosives or other hazardous materials or equipment or unusual methods are necessary for execution of the Work for a Project, Contractor shall exercise utmost care, carry on such activities under supervision of properly qualified personnel, and shall provide Owner and the Architect for such Project with reasonable advance notice of such activity.

11.2.5 Damage or Loss. Contractor shall promptly remedy all Damage or loss to any property referred to in this Article caused in whole or in part by Contractor or by any Subcontractor, any Sub-subcontractor, any supplier, or anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable, and for which Contractor is responsible, even if any Indemnitees are partly at fault, except to the extent that such Damage or loss is attributable to the active negligence, sole negligence or willful misconduct of the Indemnitees. The foregoing obligations of Contractor are in addition to Contractor's obligations under Article GC-3.16 herein.

11.2.6 Loading. Contractor shall not load or permit any part of the Work for a Project or Site of such Project to be loaded so as to create an unsafe condition for any workers at or invitees to the Site of such Project. Contractor shall be responsible for the protection of all existing structures and improvements, both above and underground, including both the exterior and interior finishes within the adjoining working areas, and shall provide adequate temporary removal as necessary. Any existing structures or improvements damaged during construction of a Project shall be repaired or replaced with materials, workmanship, fixtures, or equipment of the same kind, quality and size as the original, prior to damage. Any materials or equipment temporarily removed and damaged shall be re-erected or installed in a manner approved by Owner.

- (1) Contractor shall review the structural capability of the Work of a Project and Site of such Project prior to allowing installation of temporary lifting devices or staging equipment or the temporary off-loading of materials. Contractor shall not exceed design loads without making modifications to the Work of the applicable Project or Site of such applicable Project to support such loads.
- (2) All modifications to the Work for a Project or Site of a Project to support temporary lifting devices, staging equipment, or loading shall be submitted to Owner and the Architect for such Project, for review and acceptance.

11.2.7 Accident Prevention. Contractor shall designate a responsible member of Contractor's organization at the Site of a Project whose duty shall be the prevention of accidents. This person shall be



Contractor's Superintendent for such Project unless otherwise designated by Contractor in writing to Owner.

11.2.8 Accident Reporting. Contractor shall immediately report all accidents and injuries to Owner and shall submit on a form approved by Owner **within 24 hours** of such accident or injury setting forth essential information for investigation of the accident or injury including, but not limited to, name, address, and phone number of all injured workers and witnesses, location on the Site of a Project, nature of injury, medical treatment, identity of ambulance company, and hospital.

11.2.9 Adjoining Property. Contractor shall employ all necessary measures to protect adjoining adjacent property and shall provide barricades, temporary fences, and covered walkways required to protect the safety of passersby, as required by prudent construction practices, local building codes, ordinances, or other laws and the Contract Documents for the applicable Project.

11.3 HAZARDOUS MATERIALS.

11.3.1 Notice to Owner. If Contractor encounters on the Site of a Project materials which it reasonably believes to be "hazardous materials" as that term is defined by federal and state law, which have not been rendered harmless, then Contractor shall immediately stop Work for such Project in the area affected and report the condition to Owner and the Architect and Owner's Representative for such Project in writing **within 24 hours**. The Work for the applicable Project in the affected area on the Site of such applicable Project shall not thereafter be resumed until a suitable testing agency certifies the material as non-hazardous or the material is removed or rendered harmless as certified by a suitable testing agency.

11.3.2 Safety Data Sheets and Compliance with Proposition 65.

- (1) Contractor is required to ensure that safety data sheets are available in a readily accessible place at the Site of a Project, for any material requiring a safety data sheet per the federal "hazard communication" standard or employees' right-to-know law. Also, Contractor is required to insure proper labeling on any substance brought into the Site of a Project, and that any person working with the material, or within the general area of the material, is informed of the hazards of the substance and follows proper handling and protection procedures.
- (2) Contractor is required to comply with the provisions of California Health and Safety Code § 25249, et seq., which requires the posting and giving of notice to persons who may be exposed to any chemical known to the State of California to cause cancer. Contractor agrees to familiarize itself with the provisions of this section, and to comply fully with its requirements.

11.4 CONTRACTOR MATERIALS.

Owner shall not be responsible for materials and substances brought to the Site of a Project by Contractor.

11.5 EMERGENCIES.

In an emergency affecting safety of persons or property, Contractor shall act, at Contractor's reasonable discretion, to prevent threatened damage, injury or loss. Additional compensation or extension of time claimed by Contractor on account of an emergency shall be determined as provided in Articles GC-7 and GC-8.



11.6 PROTECTION OF THE WORK.

Contractor shall protect all materials, equipment, supplies and Work for a Project from injury or damage due to any cause including, without limit, heat, storms, rain or wind. If unusually severe weather makes it impossible to continue operations on a Project safely despite necessary weather precautions, Contractor shall cease Work for such Project and immediately notify Owner and the Architect for such Project of such cessation. Contractor shall not permit open fires at the Site of a Project. If Contractor or any Subcontractor or Sub-subcontractor on a Project fails to adequately protect the Work for such Project, then Contractor shall be responsible for all Damage incurred by Owner as a result of such failure and shall be responsible for payment of the deductible on Owner's Builder's Risk or property policy with respect to such Damage.

11.7 PROTECTION OF EXISTING PROPERTY.

Contractor shall be responsible for all measures necessary to protect existing property at and adjacent to the Site of a Project. This shall include, but is not limited to, protecting, padding and draping elevators used in the Work for a Project; draping of openings and other measures to isolate areas remaining in use; relocation of furniture, fixtures, and equipment; protective covering/draping of furniture, fixtures, and equipment; protection of landscape materials, and planting; and protecting, padding and draping of interior and exterior finishes at and adjacent to the Work for such Project. Property damaged by Contractor shall be repaired or replaced by Contractor to the satisfaction of Owner without any increase in the Contract Sum for the applicable Project. Such measures shall be taken at a frequency required to provide such protection and to keep all adjacent areas operational as indicated elsewhere in the Agreement and in the other Contract Documents for the applicable Project.

ARTICLE GC-12 INSURANCE AND BONDS

12.1 CONTRACTOR'S INSURANCE.

12.1.1 Required Insurance. Contractor shall, at its sole expense, procure and maintain from a company or companies with a Best Guide rating of "A-:VIII" or better, lawfully authorized to do business in the State of California, such insurance as will protect Contractor from those claims set forth below which may arise out of or result from Contractor's Work on a Project and for which Contractor may be legally liable, whether such operations be by Contractor, Subcontractors, Sub-subcontractors, or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable. Contractor shall maintain all such insurance during the entire period of Contractor's performance of the Work for the applicable Project, and through the statute of repose. In addition, Contractor shall cause Subcontractors and Sub-subcontractors on a Project to maintain, at a minimum, the types of coverages indicated in this Article GC-12.1 with respect to such Project. The following insurance shall be provided with respect to each Project:

12.1.2 Workers' Compensation and Employers' Liability Insurance. Contractor, Subcontractors, and Sub-subcontractors shall provide the following with respect to each Project:

Covering claims for workers' compensation, occupational sickness, disease or death, disability benefit and other similar employee benefit acts applicable to the Work to be performed for such Project. The Workers' Compensation Insurance shall cover all employees and all persons performing Work for such Project. The policy should be in the form and amount required by the laws of each of: (i) the State of



California and (ii) any state from which Contractor, Subcontractors or Sub-subcontractors hire or retain employees or others providing labor. The policy shall apply to voluntary workers.

- (1) Covering claims for damages because of bodily injury, occupational sickness or disease, or death of Contractor, or any Subcontractor or Sub-subcontractor employees or persons. The Employers' Liability minimum limits required are: (i) \$1,000,000 each accident, (ii) \$1,000,000 disease - policy limit, and (iii) \$1,000,000 disease - each employee.

12.1.3 Commercial General Liability ("CGL") Occurrence Policy. Contractor, Subcontractors and Sub-subcontractors shall provide the following with respect to each Project:

- (1) Coverage at least as broad as the coverage provided under the Insurance Services Office form CG 00 01. The CGL policy shall have limits of liability for injuries, including accidental death or property damage, of at least \$1,000,000 for any one occurrence; \$1,000,000 personal and advertising injury; \$2,000,000 general aggregate; \$2,000,000 products-completed operations aggregate.

12.1.4 Business Auto Liability Insurance. Contractor, Subcontractors and Sub-subcontractors shall provide the following with respect to each Project:

- (1) Claims for damages because of bodily injury, death of a person or property damage arising out of ownership, maintenance or use of a motor vehicle with limits not less than \$1,000,000 each occurrence combined single limit for bodily injury and/or property damage liability, including coverage for owned automobiles, hired or borrowed automobiles and non-owned automobiles.
- (2) Where hazardous or regulated substances or hazardous or regulated waste are being transported by Contractor, Subcontractor or Sub-subcontractor, the limits of liability shall be not less than \$5,000,000 each occurrence combined single limit and the policy shall contain endorsement MCS-90.

12.1.6 Umbrella or Excess Liability Insurance. Contractor shall provide the following with respect to each Project:

- (1) Unless otherwise indicated in an individual Task Order, Umbrella or Excess Liability insurance with limits of not less than \$1,000,000 per occurrence and \$1,000,000 annual aggregate limit.
- (2) Umbrella or excess liability insurance shall provide "follow form" bodily injury, personal injury and property damage liability at least as broad as the primary coverage set forth above, including Employers' Liability, commercial general liability and commercial automobile liability. Total required limits may be arranged through any combination of primary and excess policies.

12.1.8 Equipment Insurance. Owner shall not provide any coverage for property used by Contractor with respect to a Project. Contractor and each Subcontractor and Sub-subcontractor on a Project shall provide insurance necessary to protect Contractor or such Subcontractor's or Sub-subcontractor's (as the case may be) materials, equipment and tools.

12.1.9 Contractor's Pollution Liability. Contractor shall provide Contractor's Pollution Liability coverage for a Project, including bodily injury, personal injury, and property damage from a pollution event as defined within the policy form resulting from the Work for such Project, operations or completed



operations of such Project with limits not less than the amount indicated in the individual Task Order, if any, per project including claim expenses and defense, written on a claims made or occurrence basis for such Project inclusive of the term of construction and a ten (10) year completed operations extended reporting period, including coverage for mold.

12.1.10 Environmental and Asbestos Abatement Coverage. If the Work for a Project involves the removal of asbestos, the removal/replacement of underground tanks or the removal of toxic chemicals and substances, Contractor or each Subcontractor or Sub-subcontractor performing such Work for such Project shall provide pollution legal or environmental impairment liability coverage as appropriate, including coverage for transit and non-owned disposal sites, with limits of no less than \$1,000,000 per claim or incident.

12.1.11 Professional Liability Insurance. Required of Contractor or each Subcontractor and Sub-subcontractor or of their designers or engineers, if such party's Work for a Project involves a design or a design-build component where professional services are provided or contracted for by such party. Professional Liability insurance with no exclusions for the type of Work required by a Project shall be maintained by its architect, engineers and all design subconsultants for the period of three (3) years after Substantial Completion of the Work for such Project with the following limits:

- \$1,000,000 each occurrence or claim
- \$2,000,000 annual general aggregate

12.1.12 Watercraft or Aviation Liability (Owned and Non-owned).

(1) Required when watercraft or aircraft are used, operated or hired in the performance of the Work for a Project. Contractor or such Subcontractor or Sub-subcontractor on the applicable Project shall provide a combined single limit for bodily injury and property damage any one occurrence, each watercraft or aircraft in form and from an insuring entity reasonably satisfactory to Owner. Contractor must seek Owner approval before using watercraft or aircraft in the work for a Project.

(2) All aircraft (used in conjunction with the Work), its crew, flight path and altitude, including the landing of any aircraft on Owner's property and/or Site of a Project shall be subject to review and acceptance by Owner prior to commencement. Operator and/or aircraft owner shall be required at all times while performing the services to maintain with insurers acceptable to Owner at Operator's and/or aircraft owner's sole expense. Aircraft Liability Insurance coverage shall include but not be limited liability insurance for bodily injury (including death), including passenger and property damage at limits acceptable to Owner.

12.1.13 Riggers Liability. Required when Contractor's, Subcontractor's or Sub-subcontractor's Work for a Project involves the rigging of property. Contractor or such Subcontractor or Sub-subcontractor shall procure riggers liability insurance to cover physical loss or damage to the property being lifted.

12.1.14 Additional Insureds. Commercial General Liability, umbrella liability, automobile, watercraft and aviation policies (if applicable) maintained by Contractor for a Project shall be endorsed naming Owner, its employees, agents and any other party specified by Owner at any time and from time to time as additional insureds, for claims caused in whole or in part by Contractor's, Subcontractors' or Sub-subcontractors' negligent acts or omissions and shall contain no non-standard exclusions. The coverage provided for the additional insured(s) shall be as broad as the coverage provided for the named insured



Contractor, Subcontractor, Sub-subcontractor and, under the CGL, at least as broad as coverage as provided in ISO Form CG 20 10 and ISO form CG 20 37 , or their equivalent as approved by Owner in writing; provided that the additional insured endorsements for both ongoing and completed operations must, in any case, be without limitation or restrictions to available limits or length of coverage.

12.1.15 Certificates of Insurance. All certificates of insurance shall be in a form acceptable to Owner demonstrating compliance with the insurance requirements in this Article 12.1, and at Owner's request, certified copies of Contractor, Subcontractor's or Sub-subcontractor's actual insurance policies shall be delivered to Owner. If any of the foregoing insurance coverages are required to remain in force after final payment for a Project, all additional certificates of insurance evidencing continuation of such coverage shall be submitted with the final Application for Payment for such Project as required by Article GC-10.9 of the General Conditions. Information concerning reduction of coverage shall be furnished in writing by Contractor to Owner with reasonable promptness in accordance with Contractor's information and belief.

12.1.16 Notice of Cancellation, Non-Renewal or Material Reduction. Contractor shall not allow any insurance required under the Contract Documents for a Project to be cancelled or lapse. Contractor shall provide and shall require Subcontractors and Sub-subcontractors on a Project to provide written notice to Owner in the event of cancellation, non-renewal or a material reduction in any of the coverage required by the Contract Documents for such Project, within **thirty (30) Days** of any such change, except that notice of cancellation or nonrenewal must be provided within 24 hours of notice to Contractor, Subcontractor or Sub-subcontractor of such cancellation or nonrenewal. In addition to the foregoing notification requirement, Contractor shall also provide Owner with updated certificates of insurance, or, if requested, certified copies of Contractor's actual policies, demonstrating that all required coverage is in full force and effect as and when requested by Owner, the timing and frequency of such requests to be determined in Owner's sole and absolute discretion.

12.1.17 Certificates Required Prior to Start of Work. Prior to or within **ten (10) Days** after the execution of the Task Order for a Project, and, without exception, prior to Contractor entering the Site of such Project to begin any Work under the Contract for such Project, Contractor shall furnish copies of all certificates of insurance for itself and shall collect certificates of insurance for each new Subcontractor and Sub-subcontractor on such Project before it commences Work on such Project. Copies of insurance policies, including all endorsements and exclusions shall be provided upon request by Owner.

12.1.18 Contractor's Failure to Provide Insurance. If Contractor fails to purchase or maintain the insurance specified in this Article GC-12.1 with respect to a Project, then such failure shall constitute a material breach under the Contract Documents for such Project and Owner shall have the right to, among other things (notwithstanding anything to the contrary contained in the Contract Documents for such Project), in addition to any other rights or remedies of Owner under the Contract Documents for such Project, at law and/or in equity: 1) withhold any payments otherwise due Contractor with respect to such Project; 2) suspend the Work for such Project for cause pursuant to Article GC-16.3.2(b) of the General Conditions; and/or 3) purchase such insurance on Contractor's behalf and at Contractor's cost. Contractor shall deliver all information required in connection with the purchase of such insurance by Owner.

12.1.19 Self-Insured Retentions or Deductibles. The use of self-insured retentions over \$25,000 is not allowed on any insurance policy unless specifically approved by Owner in advance and in writing.



Contractor and Subcontractor are fully responsible for payment of any self-insured retentions or deductible(s), regardless of the amount.

12.1.20 Statutory Insurance Coverage Requirements. To the extent that the laws of the State of California impose greater limits of insurance coverage than those specified above, the burden shall be on Contractor to ascertain all such statutory coverage requirements, and if such applicable statute requires insurance coverage greater than that specified in this Article GC-12.1 to any extent, then Contractor shall be required to satisfy the more stringent coverage requirements.

12.1.21 Property Insurance. Contractor, Subcontractors, and Sub-subcontractors are advised to arrange their own insurance for owned and leased equipment, whether such equipment or materials is located at the Site of a Project or “in transit”. (Notwithstanding anything to the contrary contained in the Contract for a Project, Owner shall, as part of and subject to the terms, conditions and limitations contained in Owner’s property insurance, as described in Article GC-12.2.1 below, maintain insurance over materials and equipment that are to be permanently installed in such Project while such materials and equipment are in an Owner approved, off-site storage facility located within the United States, or are “in-transit” to the Site of a Project from locations within the United States.) Contractor, Subcontractors, and Sub-subcontractors are solely responsible for any loss or damage to their personal property, contractor tools and equipment, whether owned, used, leased, or rented by Contractor, Subcontractor or Sub-subcontractor. Owner’s property insurance will not cover Contractor, Subcontractor, or Sub-subcontractor’s property.

12.2 OWNER'S INSURANCE

Owner will procure and maintain the following coverages with respect to each Project:

12.2.1 Property Insurance. Owner shall furnish property, fire and extended coverage insurance that shall include coverage for vandalism and may include other builder’s risk provisions for the applicable Project. The property insurance provided by Owner will not cover the personal or rented property of Contractor or its Subcontractors or Sub-subcontractors. Accordingly, Contractor shall purchase and maintain its own property policies to provide coverage for its personal and rented properties if it so desires to have this protection (subject to the terms of Article GC-12.1.21 above).

- (1) Property insurance shall be on an all-risk policy form.
- (2) At Owner’s sole option, it may elect to self-insure for the property coverages detailed above.
- (3) If Owner’s property insurance requires minimum deductibles or self-insured retentions (“**SIRs**”) then Owner shall pay such minimum deductibles or SIRs; provided, however, if a loss under the property insurance occurs in whole or in part because of the fault of Contractor, its Subcontractors, Sub-subcontractors or anyone for whom they are liable with respect to a Project, then Contractor shall pay to Owner such deductible or SIR including claim costs, court costs, attorneys’ fees, and costs of defense (up to a sum of \$25,000 for each occurrence for a Project) (“**Contractor’s Property Liability Obligation**”). Owner may, but shall not be obligated to, charge Contractor’s Property Liability Obligation for a Project through an offset from Contractor’s progress payments for such Project. At the option of Owner, Contractor’s Property Liability Obligation for a Project may also be processed by direct billing, Change Order, or any other method deemed appropriate by Owner with respect to such Project.



12.2.2 Contractor-Requested Insurance. If Contractor requests in writing that insurance for risks other than those described herein or for other special hazards be included in the property insurance policy, Owner shall, if possible and if reasonably available, include such insurance, and the cost thereof shall be charged to Contractor by appropriate credit Change Order with respect to the applicable Project.

12.2.3 Owner Certificate of Insurance. With respect to each Project, if requested by Contractor, Owner will provide to Contractor a certificate of insurance evidencing insurance covered by Article GC-12.2. Such certificate shall contain a provision that the insurance policy will not be cancelled or allowed to expire until at least 30 days prior written notice has been given to Contractor.

12.3 WAIVER OF SUBROGATION.

Contractor hereby waives all rights of recovery against Owner and its Separate Contractors and consultants and the employees, agents and contractors of each of them (collectively "**Owner Parties**") with respect to a Project, and agrees to have its insurance companies waive any rights of subrogation that it may have against Owner Parties with respect to any loss or damage insured against or required to be insured against by Contractor under the Contract Documents for such Project. In addition, Owner hereby waives all rights of recovery against Contractor, its Subcontractors, Sub-subcontractors and suppliers, and the employees, agents and contractors of each of them (collectively "**Contractor Parties**") with respect to a Project, and agrees to have its property insurance company, if any, waive any rights of subrogation that it may have against the Contractor Parties with respect to any property loss pertaining to a Project, but only to the extent that (a) the property loss is covered and paid by Owner's property insurance, (b) the property loss is sustained prior to Final Completion of the Work for such Project and (c) the property loss relates to the Work for such Project, but Owner does not waive its subrogation rights and damages as to any of Owner's other properties that are not part of the Work for such Project. Contractor shall require all the Contractor Parties to include similar waivers of recovery and of subrogation in favor of both the Owner Parties and the other Contractor Parties in their respective contracts and with their insurance companies.

12.3.1 Adjustments for Insured Losses.

- (1) A loss insured under Owner's property insurance shall be reasonably adjusted by Owner as fiduciary and made payable to Owner as fiduciary for the insureds, as their interests may appear, subject to requirements of any applicable mortgagee clause and of this Subparagraph GC-12.3.1. Contractor, as part of the restoration or repair effort, shall pay Subcontractors their just shares of insurance proceeds received by Contractor, and by appropriate agreements, written where legally required for validity, shall require Subcontractors to make payments to their Sub-subcontractors in similar manner.
- (2) Owner shall, upon the occurrence of an insured loss, distribute any money so received as detailed above or in accordance with such other agreement as the parties in interest may reach. If, after such loss, no other special agreement is made, replacement or repair of damaged work shall be covered by an appropriate Change Order.
- (3) Owner shall have power to adjust and settle a loss with insurers unless one of the parties in interest shall object in writing within five days after occurrence of loss to Owner's exercise of this power; if such objection be made, the Alternative Dispute Resolution process provided in Article GC-14.2 of the General Conditions shall be used. Owner shall, in that case, make settlement with insurers in accordance with directions of such



arbitrators. If distribution of insurance proceeds by arbitration is required, the arbitrators will direct such distribution.

12.4 PARTIAL OCCUPANCY OR USE. Partial occupancy or use in accordance with Article GC-10.8 shall not commence until the insurance company or companies providing property insurance have consented to such partial occupancy or use by endorsement or otherwise. Owner and Contractor shall take reasonable steps to obtain consent of the insurance company or companies and shall, without mutual written consent, take no action with respect to partial occupancy or use that would cause cancellation, lapse or reduction of insurance.

12.5 PERFORMANCE BOND AND PAYMENT BOND.

12.5.1 Bond Requirements.

- (1) If required by Owner, Contractor shall furnish a labor and material payment bond and a performance bond with respect to a Project concurrently with the execution of the Task Order for such Project on the form(s) approved by Owner and attached to the Agreement as **Exhibit 3**. Contractor shall deliver to Owner no later than **five (5) Days** after issuance of a Notice to Proceed for a Project that requires Contractor bonds, evidence satisfactory to Owner that Contractor is capable of furnishing the bonds. The performance bond shall be furnished as a guarantee of the faithful performance of the requirements of the Contract Documents for the applicable Project in an amount equal to one hundred percent (100%) of the Contract Sum for such applicable Project unless otherwise agreed upon in advance by Owner and Contractor. The payment bond with respect to a Project shall secure payment of all claims, demands, stop payment notices, mechanics' liens, or charges of material suppliers, mechanics, or laborers employed by Contractor or by any Subcontractor, Sub-subcontractor or any person, firm, or entity eligible to file a stop payment notice or record a mechanics' lien with respect to the Work for such Project in an amount equal to one hundred percent (100%) of the Contract Sum for such Project, unless otherwise agreed upon in advance by Owner and Contractor. As detailed below, bonds shall be obtained through a Treasury listed, California admitted, corporate surety acceptable to Owner, and the cost thereof shall be included in the Contract Sum for the applicable Project. In the event of changes in the Work for a Project that increase the Contract Sum for such Project, the amount of each bond shall increase and at all times remain equal to the Contract Sum for such Project.
- (2) The bonds shall be executed by a surety with an A.M. Best's Company rating of A:X or better. If an A.M. Best's rating is not available, the proposed surety must meet comparable standards of another rating service satisfactorily to Owner. Bonds issued by a California admitted surety listed in the latest versions of the U.S. Department of Treasury Circular 570 shall be deemed to be accepted unless specifically rejected by Owner. Bonds from a California admitted surety not listed in Treasury Circular 570 must be accompanied by all of the documents enumerated in California Code of Civil Procedure § 995.660(a).
- (3) Every bond must display the surety's bond number and incorporate the Task Order for construction of the Work for the applicable Project by reference. The terms of the bonds shall provide that the Surety agrees that no change, extension of time, alteration, or modification of the Contract Documents for the applicable Project or the Work for such



applicable Project to be performed thereunder shall in any way affect its obligations and shall waive notice of any such change, extension of time, alteration, or modification of the Contract Documents for such applicable Project.

- (4) Contractor shall require the attorney-in-fact to execute the required bonds on behalf of the surety and to affix to the bond a certified and current copy of the power of attorney. Owner shall be named as an obligee on the bond riders.
- (5) The terms of the bonds shall further provide that the surety agrees that it is obligated under the bonds to any successor, grantee, or assignee of Owner.
- (6) There must be on file with the Los Angeles County Clerk a copy of the transcript or Record of Appointment, duly certified by the proper authority and attested by the seal of the corporation, authorizing execution of the bond for and on behalf of the corporation by the person purporting to do so.

12.5.2 Beneficiaries. Upon the request of any person or entity appearing to be a potential beneficiary of the bonds covering payment of obligations arising under the Contract for the applicable Project, Contractor shall promptly furnish a copy of the bonds or shall permit a copy to be made.

12.5.3 Subcontractor Bonds. In accordance with the provisions of Article 7.2 of the Agreement, for all Subcontractors providing Work for a Project in excess of \$100,000, Contractor shall require such Subcontractors to secure payment and performance bonds, each in an amount equal to one hundred percent (100%) of the subcontract value of the Work to be performed by such Subcontractor for such Project. Such Payment and Performance Bonds shall comply with all the requirements of this Article GC-12.5 and shall be in the form attached hereto as **Exhibit 3**.

12.6 OBLIGATIONS SURVIVE CONTRACT TERMINATION.

The obligations described in this Article GC-12 shall survive the termination of the Task Order for the applicable Project and the Agreement.

ARTICLE GC-13 UNCOVERING AND CORRECTION OF WORK

13.1 UNCOVERING OF WORK.

13.1.1 Specific Request. If a portion of the Work for a Project is covered contrary to Owner's or the Architect for such Work's request or to requirements specifically expressed in the Contract Documents for such Project, it must be uncovered for Owner's and/or such Architect's examination and be replaced at Contractor's expense within the Contract Sum and without change in the Contract Time for such Project.

13.1.2 No Specific Request. If a portion of the Work for a Project has been covered, which Owner or the Architect for such Project has not specifically requested to examine prior to its being covered, Owner or such Architect may request to see such Work and it shall be uncovered by Contractor. If such Work is in accordance with the Contract Documents for the applicable Project, costs of uncovering and replacement shall, by appropriate Change Order, be at Owner's expense. If such Work is not in accordance with the Contract Documents for the applicable Project, correction shall be at Contractor's expense within the Contract Sum for such applicable Project unless the condition was caused by Owner or a Separate Contractor in which event Owner shall be responsible for payment of such costs.



13.2 CORRECTION OF WORK.

13.2.1 Before Or After Final Completion.

- (1) Contractor shall promptly correct Work for a Project rejected by Owner as failing to conform to the requirements of the Contract Documents for such Project, whether discovered before or after Final Completion of the Work for such Project and whether or not fabricated, installed or completed. Costs of correcting such rejected Work, including additional testing, inspections, and compensation for the applicable Architect or Separate Contractor services and expenses made necessary thereby, shall be at Contractor's expense within the Contract Sum for the applicable Project.

13.2.2 After Substantial Completion.

- (1) In addition to Contractor's warranty obligations under Article CG-3.5, if, within **one (1) year** after the date of Substantial Completion of the Work for a Project or designated portion thereof or after the date for commencement of warranties established under Article GC-10.8, or by terms of an applicable special warranty required by the Contract Documents for such Project, any of the applicable Work for such Project is found to be not in accordance with the requirements of the Contract Documents for such Project, Contractor shall correct it promptly after receipt of written notice from Owner to do so, unless Owner has previously given Contractor a written acceptance of such condition. Such corrective work shall be performed without charge or cost to Owner after Final Completion of the Work for the applicable Project. Owner shall give such notice promptly after discovery of the condition. If Contractor fails to correct nonconforming Work for a Project within a reasonable time after receipt of notice from Owner or Architect, Owner may correct the nonconforming work for such Project in accordance with Article GC-2.5.
- (2) Contractor's Warranty for a Project shall continue, as to each corrected deficiency, until the later of: (i) the remainder of the Warranty period; or (ii) One (1) year after acceptance by Owner of any corrected Work for such Project.

13.2.3 **Removal.** Contractor shall remove from the Site of a Project the portions of the Work for such Project which are not in accordance with the requirements of the Contract Documents for such Project and are neither corrected by Contractor nor accepted by Owner.

13.2.4 **Destruction or Damage.** Contractor shall bear the cost within the Contract Sum for the applicable Project of correcting destroyed or damaged Work for such applicable Project, whether or not completed or partially completed, including Work for such applicable Project provided by Owner or Separate Contractors on such applicable Project, caused by Contractor's correction or removal of Work for such applicable Project which is not in accordance with the requirements of the Contract Documents for such applicable Project.

13.2.5 **No Limitation.** Nothing contained in this Article GC-13.2 shall be construed to establish a period of limitation with respect to other obligations which Contractor might have under the Contract Documents for a Project. Establishment of the one-year warranty period for correction of Work for a Project as described in Subparagraph 13.2.2 relates only to the specific obligation of Contractor to correct the Work for such Project, and has no relationship to the time within which the obligation to comply with the Contract Documents for such Project may be sought to be enforced, nor to the time within which



proceedings may be commenced to establish Contractor's liability with respect to Contractor's obligations other than specifically to correct the Work for such Project.

13.3 ACCEPTANCE OF NONCONFORMING WORK.

If Owner prefers to accept Work for a Project which is not in accordance with the requirements of the Contract Documents for such Project, Owner may do so instead of requiring its removal and correction. In such case, the Contract Sum for the applicable Project will be reduced by an amount equal to the cost of replacing the Work for such applicable Project to make it as originally specified. Such adjustment shall be effected whether or not final payment for such applicable Project has been made.

ARTICLE GC-14 CLAIMS AND DISPUTES.

14.1 CLAIMS

14.1.1 Notice of Intent to Claim. Contractor shall, as a condition precedent to filing a Claim, submit a written Notice of Intent to Claim ("NOIC") to Owner within **ten (10) Days** after Contractor first becomes aware of the decision, action, order, occurrence or position giving rise to the potential Claim, in accordance with the provisions of this Article. Failure to comply with these requirements shall constitute a waiver by Contractor of any right, equitable or otherwise, to bring any such Claim against Owner. The NOIC shall set forth the reasons Contractor believes an increase in the Contract Sum or Contract Time for the applicable Project is or will be due, the nature of the costs or Delay involved, and insofar as possible, the amount of the Claim.

14.1.2 Submittal and Review. Subject to having filed a timely NOIC, Contractor shall file its Claim in writing within **sixty (60) Days** after the decision, action, order, occurrence or position giving rise to the Claim. Each Claim shall be in sufficient detail for Owner to ascertain its basis and amount. Contractor shall furnish, when requested by Owner, such further information and details as Owner may require to evaluate the Claim. Contractor shall give Owner access to its records and other materials relating to the Work for the applicable Project, and shall cause its Subcontractors on such applicable Project to do the same, so that Owner can fully investigate the Claim.

14.1.3 Delay Claims. Contractor shall submit to Owner with each Claim for an adjustment on account of Excusable Delay for any cause a proposed revision to the Approved Construction Schedule for the applicable Project incorporating the effects of the Excusable Delay claimed. The Claim shall also contain reasonable proposals to minimize the delay and its effects. If the Approved Construction Schedule for a Project submitted to Owner prior to the Excusable Delay for which relief is sought did not describe prior conditions affected by such Excusable Delay, then Contractor shall prepare a portion of the Approved Contract Schedule for such Project reflecting these conditions as a baseline and submit it with the Claim. Contractor shall also submit an impacted schedule for the applicable Project showing the proposed revision and all other pending Modifications, Change Orders, Excusable Delays or Delay Claims for such applicable Project that are not included in the current Approved Construction Schedule for such applicable Project.

14.1.4 Resolution. A Change Order with respect to a Project will be issued to Contractor within a reasonable time after Owner's written approval of any Claim specifying the additional Cost and/or Contract Time, if any, with respect to such Project.



14.1.5 Continuing Contract Performance. No Work for a Project shall be terminated, suspended, delayed or postponed pending resolution of any disputes or disagreements except as the Parties may otherwise agree in writing. Pending final resolution of a Claim, Contractor shall proceed diligently with performance of the Contract and Work for a Project, and Owner shall continue to make payments for undisputed Work for such Project in accordance with the Contract Documents for such Project. In the event of disputed Work for a Project, Owner shall have the right to unilaterally issue a Change Order or Construction Work Directive with respect to such Project and Contractor shall continue performance pending resolution of the dispute and shall maintain the accounting and cost data described in Article GC-8.6.9 herein.

14.2 ALTERNATIVE DISPUTE RESOLUTION ("ADR").

14.2.1 Executive Negotiations. Unless indicated otherwise in writing, (a) in Disputes involving Owner and Contractor or (b) in Disputes involving Owner and an Architect, for the purposes of this Article GC-14.2, these entities shall be referred to individually as a "Party" and collectively as the "Parties" to the ADR proceedings detailed herein. Also, (i) the applicable Architect or others, such as consultants, subcontractors, sub-subcontractors, and suppliers, shall participate in the ADR proceedings between Owner and Contractor or (ii) Contractor or others, such as consultants, subcontractors, sub-subcontractors, and suppliers, shall participate in the ADR proceedings between Owner and Architect to the extent that they are considered individually as a "necessary party" or collectively as the "necessary parties" to the ADR proceedings detailed herein.

If there is any Dispute(s) unresolved through informal negotiations, the Parties and necessary parties, through their designated executives shall attempt to resolve such Dispute(s) through direct negotiations before or in lieu of engaging a Project Neutral as detailed below.

These direct negotiations shall be between or among executives with authority to resolve the Dispute(s). To this effect, the executives shall reasonably consult and negotiate with each other and, recognizing their mutual interests, attempt to reach a just and equitable resolution satisfactory to the Parties. These discussions are intended to be informal and must be conducted face-to-face.

If negotiations between the executives do not result in the resolution of the Dispute(s) between or involving the Parties and any necessary parties, then the Parties may initiate Project Neutral proceedings with respect to the remaining Dispute(s).

14.2.2 Project Neutral

If the Parties subsequently agree, the Parties shall select one or more Project Neutral(s) for the applicable Project for the then pending Dispute(s). The Project Neutral(s) shall be experienced both in the design and construction of major real estate developments as well as the mediation of design and construction disputes. The parties shall select the Project Neutral(s) from among the members of the Construction Industry Mediation Panel of the American Arbitration Association who reside in the State of California or from other mutually agreeable panels.

The Project Neutral(s), in close consultation with the involved parties, shall assist in resolving any Dispute that might arise from the commencement of design through Final Completion of the Work for the applicable Project. The Project Neutral(s) shall have no adjudicatory or binding authority and, therefore, shall act solely as a mediator in working with the Parties and necessary parties.



The services of the Project Neutral(s) shall be provided on an hourly basis and the cost will be borne in equal parts by the Parties, except as agreed to in writing between any other entity and Contractor or Architect with prior written notice to and approval of Owner.

The confidentiality of any discussion involving the Project Neutral(s), the Parties and necessary parties shall be protected by all applicable statutes and case law with respect to mediation.

The term of service by the Project Neutral(s) shall end upon the date when either Party notifies the other Party in writing that the notifying Party has determined in good faith that further proceedings with the Project Neutral will not likely result in a resolution of the claims submitted to the Project Neutral. The Project Neutral(s) may be involved in subsequent dispute resolution negotiations or proceedings under the terms and conditions set forth herein upon the mutual agreement of the Parties.

14.2.3 **Mediation**

If negotiations between the Parties' executives and the participation, if at all, of the Project Neutral(s) do not result in the resolution of all the remaining Disputes between or involving the Parties and any necessary parties, then either Party may initiate mediation proceedings with respect to the then pending Disputes not resolved through negotiations. Such mediation proceedings shall be conducted under the Construction Industry Mediation Rules of the American Arbitration Association. The cost of the mediation proceedings and the mediator shall be allocated under the rules and policies of the American Arbitration Association.

During mediation, the Parties and necessary parties shall reasonably endeavor to resolve any and all remaining Disputes which they have with respect to the Project. Unless required by statute, no arbitration or court proceeding shall be initiated prior to **ninety (90) Days** after any party serves a written demand for mediation with the American Arbitration Association.

The confidentiality of the mediation shall be protected by all applicable statutes and case law with respect to mediated settlement negotiations.

If, after the passage of **ninety (90) Days** from service of any written demand for mediation on the American Arbitration Association the mediation does not result in settlement of all Disputes, then any unresolved Dispute arising from or relating to this contract shall be settled by judicial reference or by arbitrator, as the case may be, as described in the following Subsections. The Parties may agree to extend this **ninety (90) Day** period.

14.2.4 **Dispute Resolution by Arbitration or Judicial Reference**

As further detailed below, the intent of this Subparagraph is that the parties settle any remaining Dispute(s) (a) valued together at **below \$1 million** by way of binding arbitration utilizing the then current version of the American Arbitration Association Construction Industry Arbitration Rules, and (b) valued together at **\$1 million or more** by way of litigation that is referred by the court to a private referee pursuant to the judicial reference rules of the court as detailed below. The Parties agree to take such actions as to enable a judicial reference whereby (1) the Dispute is heard and determined under the rules of court, (2) the statement of decision by the referee is provided to the court so the court may enter the statement of decision as a judgment as if the case had been tried by the court, and (3) the normal rules with respect to appeals then apply as to the judgment entered by the court.



If the Dispute(s) are to be settled by judicial reference, the parties stipulate that trial by jury and judge is waived as to all unresolved Dispute(s). The Party or Parties seeking affirmative relief will file a court action (and/or cross-complaint in an existing court action). The Parties, however, expressly stipulate that all such court-filed Dispute(s) equaling or **exceeding \$1 million** in value, shall be referred by the court to a retired judge, justice or referee ("**Referee**") pursuant to Section 638(1) of the California Code of Civil Procedure ("**CCP**"), or any successor provision. The Referee, who is agreed to by all Parties pursuant to the LCCP Rules, as defined below, will hear and determine all issues with respect to such Disputes, both as to the facts and the law, in accordance with Chapter 6 (References and Trials by Referees) of Title 8 of Part 2 of the CCP, in a proceeding before the American Arbitration Association in accordance with its Construction Industry Arbitration Rules, the Rules of its Large, Complex Case Dispute Resolution Program (i.e., the "**LCCP Rules**"), and its Judicial Reference Procedures, as applicable. The Parties agree that the only proper venue for the submission of claims is the county where the Project is located.

The Referee selected shall be named in an order of the court as such in accordance with the applicable law as to judicial references.

Within **thirty (30) Days** of when the hearings in a judicial reference case are closed under the LCCP Rules, the Referee shall report its statement of decision to the court. Such statement of decision by the Referee shall include a detailed, written opinion explaining the decision, including the Referee's findings of fact and conclusions of laws. Judgment on the Referee's decision may be entered by the court as if the action had been tried in court. The Parties reserve the right to contest the Referee's decision and to appeal from any award or order of any court.

The cost of the Referee or the American Arbitration Association binding arbitration proceedings shall be borne by the participating Parties and necessary parties as determined by the arbitrator in binding arbitration, when applicable, or by the court after the Referee's decision is provided to the court, when applicable. An order so providing can be entered by the court without further notice.

14.2.5 Incorporation by Reference. The parties agree to incorporate this ADR provision into any contracts, subcontracts and any other agreements with Subcontractors, Sub-subcontractors, suppliers, consultants or subconsultants which they may enter with respect to a Project. The expectation of the Parties is that any entity or individual working on a Project, other than individual trades people and employees of entities, will be bound to resolve their Dispute(s) which involve Owner, Contractor and/or any of their Subcontractors, Sub-subcontractors, suppliers, consultants or subconsultants on such Project in one proceeding in which all Parties will participate and be bound.

14.2.6 Claims and Timely Assertion of Claims. The party filing a notice of demand for arbitration must assert in the demand all dispute(s) then known to that Party on which arbitration is permitted to be demanded.

14.2.7 Arbitration Prehearing. If there is an arbitration proceeding, there shall be a prehearing among the arbitrator and the Parties and necessary parties at which each Party shall present a memorandum disclosing the factual basis of its claim and defenses and disclosing legal issues raised. The memorandum shall also disclose the names of any expert a Party intends to present as a witness during the proceedings. At the prehearing, the arbitrator shall make rulings and set schedules for hearings consistent with the powers as set forth in this paragraph and in the Construction Industry Arbitration Rules. All hearings shall be held on consecutive weekdays until five (5) hearings have been held and shall be recommenced



within **seven (7) Days** of the last prior day of hearings. If requested by either Party to the Task Order for the applicable Project, any individual or number of sessions shall take place at the Site of such applicable Project.

14.2.8 Joinder in Arbitration or Judicial Reference. Notwithstanding any other provision of the Contract for a Project, the American Arbitration Association may join to any binding arbitration or judicial reference under the Contract for such Project an entity not a Party to such Contract or other arbitrations involving such Project if such joinder is necessary to a complete resolution of any common issues of law or fact.

14.2.9 Discovery in Arbitration. Notwithstanding any other provision herein, the Parties in binding arbitration shall be entitled to discover all documents and information reasonably necessary for a full understanding of any legitimate issue raised in the arbitration. The Parties may use all methods of discovery available under the State of California discovery statutes and shall be governed thereby. Prior to the deposition of any expert witness, the Party proposing to call such a witness shall provide a full and complete report by the expert, together with the expert's calculations and other data by which the expert reached any opinions concerning the subject matter of the arbitration. The report shall be provided no less than **ten (10) days** prior to the date set for the expert witness' deposition. The Federal Rules of Evidence shall be applied in the arbitration but liberally construed to allow for the admission of evidence that is helpful in resolving the controversy.

14.2.10 Attorneys' Fees. If Contractor and Owner encounter a claim, controversy or dispute (collectively "**Dispute**"), and the Dispute is not settled and proceeds to binding arbitration pursuant to this Article GC-14, or other procedures agreed to by the Parties, the arbitrator or other trier of fact shall have authority to award costs of the proceeding, including reasonable attorneys' fees and costs, to the Party determined to have substantially prevailed in the following types of cases: if the Dispute involves design defects, construction defects, breach of warranty or breach of the standard of care, the prevailing Party shall be entitled to recover its reasonable attorneys' fees and costs, including expert witness fees. In all other Disputes, the Parties shall bear their own attorneys' fees and costs, including expert witness fees.

ARTICLE GC-15 MISCELLANEOUS PROVISIONS

15.1 GOVERNING LAW.

Each Contract for a Project shall be governed by the laws of the State of California without regard to choice of law principles thereof. The exclusive venue of any legal action brought by Owner, Contractor, or any subcontractor, with regard to this Agreement or the location of the applicable Project, shall be in the County of Los Angeles, State of California. Contractor agrees to incorporate this provision into all subcontracts.

15.2 SUCCESSORS AND ASSIGNS.

Owner and Contractor respectively bind themselves, their partners, successors, assigns, and legal representatives to the other party hereto and to partners, successors, assigns, and legal representatives of such other party in respect to covenants, agreements, and obligations contained in the Contract Documents for the applicable Project. Contractor shall not sublet or assign the Work of the Contract for a Project, or any portion thereof, or any monies due thereunder, without the express prior-written consent and approval of Owner. Owner may freely assign its rights under the Contract for a Project, without



limitation, to a separate entity and Contractor agrees, upon such entity's request, to continue and complete performance of the Work for the Project to which such Contract pertains upon payment of any undisputed outstanding amounts due Contractor for services performed up to and including the effective date of the assignment, provided adequate proof of funding to completion is offered by assignee. Any entity which shall succeed to the rights of Owner under the Contract for a Project shall be entitled to enforce the rights of Owner thereunder. If requested by such entity, Contractor will execute a separate letter or other agreement with such entity further evidencing Contractor's commitment to continue performance of such Contract.

15.3 WRITTEN NOTICE

15.3.1 Notices. All notices to another Party under the Contract for a Project shall be sent to such other Party via the PMIS for such Project. In addition, a hard copy of any notice of default, Notice of Intent to Claim, and 20-day preliminary notices for a Project shall be given by the methods indicated and to the individuals identified in Article 9 of the Agreement.

15.3.2 Receipt of Notices. Notices shall be deemed received when uploaded into the PMIS (or, with respect to any hard copy, when received in the office of the addressee, or when delivery is refused, as shown on the receipt of the U.S. Postal Service, private carrier or other person making the delivery). Notwithstanding the foregoing, notices received after 4:00 p.m. Pacific Standard or Daylight Time (as applicable) (including those submitted through the PMIS) shall be deemed received on the first business day following such receipt (or submission, as the case may be).

15.4 RIGHTS AND REMEDIES.

15.4.1 Cumulative Rights. Duties and obligations imposed by the Contract Documents for each Project, and rights and remedies available thereunder, shall be in addition to and not a limitation of duties, obligations, rights and remedies otherwise imposed or available by law.

15.4.2 No Waiver. No action or failure to act by Owner, the Architect for the applicable Project, or Contractor shall constitute a waiver of any right or duty afforded any of them under the Contract Documents for such applicable Project, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach by the other Party thereunder, except as may be specifically provided in the Contract Documents for such applicable Project or as may be otherwise agreed in writing by the Parties.

15.4.3 Maintenance, Inspection, and Audit of Records. All project records, books, account, reports, files, correspondence, data, and other records relating to the Contract for a Project, the Work for such Project or the Project itself shall be organized and maintained by Contractor and shall be subject at all reasonable times to review, inspection, and audit by Owner or its designated representatives for a period of **ten (10) years** after Final Completion of the Work for such Project. Such records shall be produced by Contractor within a reasonable time at a place designated by Owner, upon written notice to Contractor.

15.5 INDEPENDENT CONTRACTOR.

Contractor is employed hereunder to render the Work for each Project within the scope of its training, expertise and experience, and Contractor shall be an independent contractor and not an employee of Owner. As such, Owner shall not be called upon to assume any liability for the direct payment of any salary to any employee, Subcontractor, or Sub-subcontractor of Contractor, nor to pay any benefit to any employee, Subcontractor, or Sub-subcontractor or vendor under the Workers' Compensation laws. None of Contractor's officers, agents, employees, Subcontractors, or Sub-subcontractors, nor any of their



agents, officers, or employees, shall be deemed officers, agents, employees, Subcontractors, or Sub-subcontractors of Owner, and Owner shall not be liable or responsible to them for anything whatsoever other than liability to Contractor set forth in the Contract for the applicable Project. Contractor shall maintain complete control of all its personnel, Subcontractors, Sub-subcontractors, suppliers, operations, means and methods for the Work of each Project.

15.6 KEYS AND ACCESS.

If Owner furnishes keys or access cards to Contractor to provide access to Owner's property, Contractor shall assure that such access instruments are not duplicated and shall return all such instruments in good condition upon request of Owner or prior to receipt of final payment, whichever is earlier. If Contractor fails to return all access instruments furnished to it, Contractor shall be responsible, within the Contract Sum for the applicable Project, for all Work, materials, and costs for such applicable Project associated with reestablishing secured access.

15.7 SURVIVAL OF TERMS.

Any terms, conditions, indemnities, warranties or guarantees given by Contractor to Owner under the Contract Documents for a Project shall survive the expiration or termination of the Contract Documents for such Project and shall be binding upon Contractor until any action thereunder is barred according to terms in the Contract Documents for such Project or by the applicable statute of limitations or statute of repose of the State of California.

15.8 COOPERATION WITH LABOR.

15.8.1 General. If the Supplementary Conditions contain a Continuity of Work Agreement for a Project, then Contractor shall comply with its requirements for such Project and the provisions of the Continuity of Work Agreement shall take precedence over the provisions of this Article GC-15.8 with respect to such Project. The parties agree and declare that Contractor and Owner are separate and independent entities and that Contractor has full responsibility for performance of the Work of each Project and direction of the work force for each Project, subject to and under the duty of Contractor to cooperate with Owner and its Separate Contractors for such Project. Contractor recognizes that in the performance of its Work for a Project it may be required to work with and near Separate Contractors and representatives of Owner on the Site of such Project. Contractor shall only employ or use labor in connection with the Work of a Project capable of working harmoniously with all trades, crafts, and any other individuals associated with such Project. Also, Contractor shall use best efforts to completely avoid or minimize the likelihood of any strike, work stoppage, slowdowns, disputes, or other labor disturbance on each Project. If the Work of a Project is to be performed by trade unions, Contractor shall make all necessary arrangements to reconcile, without delay, damage, or cost to Owner and without recourse to Owner or the Architect for such Project, any conflict between the Contract Documents for such Project and any agreements or regulations of any kind at any time in force among members or councils that regulate or distinguish the activities that shall not be included in the Work for such Project of any particular trade. Except as specifically provided in Article GC-8 herein, Contractor shall be liable to Owner for all damages suffered by Owner as a result of work stoppage, slowdowns, or strikes related to labor disputes for any Project.

15.8.2 Picketing.

- (1) Contractor agrees that should there be picketing or a threat of picketing by any labor organization at or near the Site of a Project, Contractor, in cooperation with Owner, shall



establish a reserve gate system and require employees of Contractor, Subcontractors, Sub-subcontractors and suppliers for such Project to use one or more designated gates. In that event, it shall be the affirmative obligation of Contractor, as a material consideration of this Agreement and the Task Order for the applicable Project, to ensure that employees of Contractor, Subcontractors, Sub-subcontractors and suppliers for such applicable Project use only the gates or other entryways designated by Owner from time to time on such applicable Project.

- (2) Notwithstanding the establishment or non-establishment of a reserve gate, if employees of Contractor, Subcontractors, Sub-subcontractors or suppliers for a Project refuse to work because of any labor disputes or grievances (including any "secondary" or "sympathy" strike or boycott directed against the Project) not caused by Owner or its Separate Contractors, and not the result of an industry-wide strike and that actually prevent performance of the Work for such Project, Contractor shall not be relieved of its obligation to supply enough properly skilled workers to perform the Work for such Project without interruption or delay.

15.8.3 Labor Disputes. Contractor and Owner agree to cooperate fully with each other and their representative and attorneys with respect to any labor dispute that should arise on the Site of a Project, including, but not limited to the giving of testimony and evidence to the agent or judge of the National Labor Relations Board or testimony in connection with proceedings in state or federal court. Contractor hereby represents and warrants that it is not now nor will Contractor be delinquent in the payment or reporting to any labor management benefit trust.

15.9 NO PERSONAL LIABILITY.

Notwithstanding any contrary provision in this Agreement or the Contract Documents for the applicable Project, no member, board member, principal, officer, employee, agent, representative, or subsidiary of Owner (each a "**direct affiliate of Owner**"), or member, board member, general partner, limited partner, principal, officer, employee, agent, or representative of any direct affiliate of Owner (together with direct affiliates of Owner, the "**affiliates of Owner**") shall have any personal liability for the performance of any contractual obligations, or in respect of any liability of Owner under the Contract Documents for such applicable Project, and no monetary or other judgment shall be sought or enforced against any such individuals or their assets, all such personal contractual liability being expressly waived by Contractor. Further, the covenants and obligations contained in this Contract for each Project on the part of Owner shall be covenants and obligations of Owner only, and not of any direct affiliate of Owner or any affiliates of Owner. No direct affiliate of Owner or affiliates of Owner shall be individually liable for breach of any covenant or obligation of Owner, and no recourse shall be had against the assets of any affiliate of Owner (except to the extent of Owners' assets but excluding therefrom any negative capital account of any such affiliate of Owner) for payment of any sums due or enforcement of any other relief, based upon any claim made by Contractor for breach of any of Owner's covenants or obligations.

15.10 COMPLIANCE WITH RESTRICTIONS.

Contractor shall comply with all conditions, restrictions and reservations of record, statutes, regulations, and ordinances, including, without limitation, all pollution control, environmental protection, zoning, planning, land use requirements, all restrictions and requirements affecting the Project and adjoining properties, and disabled access imposed by any governmental agencies including, without limitation, the



requirements of any general plan and environmental requirements in connection with use, occupancy and building permits, and requirements of public utilities which affect construction of the Work for a Project in effect at the time of execution of the Task Order for such Project.

ARTICLE GC-16 TERMINATION OR SUSPENSION OF THE CONTRACT

16.1 TERMINATION BY CONTRACTOR.

16.1.1 Work Stoppage Not Caused by Owner. If the Work for a Project is stopped for a period of **ninety (90) consecutive Days** through no act or fault of Contractor, Subcontractor, Sub-subcontractor, supplier, or their agents or employees or any other persons or entities performing portions of the Work for such Project under direct or indirect contract with Contractor, for either: (i) issuance of an order of a court or other public authority having jurisdiction which requires all Work for such Project to be stopped, or (ii) an act of government, such as a declaration of national emergency which requires all Work for such Project to be stopped, and Contractor has given Owner written notice within **ten (10) Days of the occurrence** of such ground for termination, then Contractor may, upon **thirty (30) additional Days** written notice to Owner and, unless the reason has theretofore been cured, terminate its performance of the Work for such Project and recover from Owner payment for Work for such Project executed to date and reasonable demobilization costs.

16.1.2 Work Stoppage Caused by Owner. If the Work for a Project is stopped for a period of **one hundred and twenty (120) consecutive Days** through no act or fault of Contractor, Subcontractor, Sub-subcontractor or their agents or employees or any other persons performing portions of the Work for such Project under contract with Contractor because Owner has persistently failed to fulfill Owner's obligations under the Contract Documents for such Project with respect to matters important to the progress of the Work for such Project, Contractor may give Owner **ten (10) Days** written notice to cure. If Owner fails to cure, Contractor may, upon **thirty (30) additional Days'** written notice to Owner and Architect, terminate the Contract for such Project and recover from Owner as provided in Article GC-16.1.1 above.

16.2 TERMINATION BY OWNER FOR CAUSE.

16.2.1 Grounds. Owner may terminate Contractor's performance of the Contract for a Project if any of the following occur:

- (1) Contractor fails promptly to begin the Work for such Project under the Contract Documents for such Project; or
- (2) Contractor refuses or fails to supply enough properly skilled workers or proper materials for such Project; or
- (3) Contractor fails to perform the Work for such Project in accordance with the Contract Documents for such Project, including conforming to applicable standards set forth therein in constructing such Project, or refuses to remove and replace rejected materials or unacceptable Work for such Project; or
- (4) Contractor discontinues the prosecution of the Work for such Project (exclusive of work stoppage due to termination by Owner; or due to and during the continuance of a Force Majeure event or suspension by Owner); or



- (5) Contractor fails to resume performance of Work for such Project which has been suspended or stopped, within a reasonable time after receipt of notice from Owner to do so or (if applicable) after cessation of the event preventing performance; or
- (6) Any representation or warranty made by Contractor in the Contract Documents for such Project, or any certificate, schedule, instrument, or other document delivered by Contractor pursuant to the Contract Documents for such Project were false or materially misleading when made; or
- (7) Contractor fails to make payment to Subcontractors or suppliers for such Project, or Subcontractor fails to make payment to Sub-subcontractors or suppliers for such Project, for materials or labor in accordance with the respective Contract Documents for such Project and Applicable Law; or
- (8) Contractor disregards Applicable Law, including, but not limited to, ordinances, rules, regulations, or orders of a public authority having jurisdiction; or
- (9) Contractor otherwise is guilty of breach of a provision of the Contract Documents for such Project; or
- (10) Contractor becomes insolvent, is adjudicated bankrupt, or makes a general assignment for the benefit of creditors and fails to provide Owner with adequate assurances of Contractor's ability to satisfy its contractual obligations.

16.2.2 Owner's Rights. When any of the reasons specified in Article GC-16.2.1 exist, Owner may, in addition to and without prejudice to any other rights or remedies of Owner, and after giving Contractor **five (5) Days** written notice, terminate employment of Contractor and Owner may proceed with any or all of the following:

- (1) Take possession of the Site of the applicable Project and of all materials, equipment, tools and construction equipment, and machinery thereon owned by Contractor;
- (2) Suspend any further payments to Contractor for such applicable Project;
- (3) Accept assignment of subcontracts for such applicable Project pursuant to Article GC-5.3; and
- (4) Finish the Work for such applicable Project by whatever reasonable method Owner may deem expedient. Upon request of Contractor, Owner shall furnish to Contractor a detailed accounting of the costs incurred by Owner in finishing the Work for the applicable Project.

16.2.3 Costs. If Owner's costs to complete the Work for a Project and for damages incurred due to Contractor's default exceed the unpaid Contract Sum for such Project, Contractor shall pay the difference to Owner.

16.2.4 Erroneous Termination. If it has been adjudicated or otherwise determined that Owner has erroneously or negligently terminated Contractor for cause, then said termination shall automatically convert to a termination by Owner for convenience as set forth in Article GC-16.4.

16.3 SUSPENSION BY OWNER.

16.3.1 Suspension for Convenience.

- (1) Owner may, without cause, order Contractor in writing to suspend, delay, or interrupt the Work for a Project in whole or in part for such period of time as Owner may determine.



- (2) Contractor shall promptly recommence the Work for the applicable Project upon written notice from Owner directing Contractor to resume the Work for such applicable Project. The Contract Sum and Contract Time for the applicable Project may be reasonably adjusted for any increases in the cost and time caused by suspension, delay, or interruption provided Contractor complies with the Change Order proceedings set forth in Article GC-7 and GC-14 of these General Conditions. No adjustment shall be made to the following extent:
 - (A) That performance of such applicable Project is, was, or would have been so suspended, delayed, or interrupted by another cause for which Contractor is responsible; or
 - (B) That an equitable adjustment is made or denied under another provision of the Contract Documents for such applicable Project.

16.3.2 Suspensions for Cause. Owner has the authority by written order to suspend the Work for a Project without liability to Owner wholly or in part for Contractor's failure to perform any of the following:

- (1) Correct conditions unsafe for Project personnel or general public; or
- (2) Carry out the Work for such Project pursuant to the Contract Documents for such Project; or
- (3) Carry out orders of Owner for such Project.

16.3.3 Responsibilities of Contractor during Suspension Periods. During periods that Work for a Project is suspended, Contractor shall continue to be responsible for the Work for such Project and shall prevent damage or injury to such Project, provide for drainage, and shall erect necessary temporary structures, signs or other facilities required to maintain such Project and continue to perform according to Article GC-11 of these General Conditions.

16.4 TERMINATION BY OWNER FOR CONVENIENCE.

16.4.1 Grounds. Without limiting any rights or remedies which Owner may have by reason of any default by Contractor hereunder, Owner may terminate Contractor's performance of the Contract for a Project in whole or in part, at any time, for convenience or any other reason upon written notice to Contractor. Such termination shall be effective as of the date stated in the written notice, which shall be no less than **fifteen (15) Days** from the date of the notice.

16.4.2 Contractor Actions. Immediately upon receipt of such notice, Contractor shall: (i) cease performance of the Work for the applicable Project to the extent specified in the notice; (ii) take actions necessary or that Owner may direct, for the protection and preservation of the Work for such applicable Project; (iii) settle outstanding liabilities, as directed by Owner; (iv) transfer title and deliver to Owner of Work in progress, specialized equipment necessary to perform the Work for such applicable Project, and Record Documents for such applicable Project; and, (v) except for Work for such applicable Project directed by Owner to be performed, incur no further costs or expenses. At the option of Owner, all or any of the subcontracts entered into by Contractor for the applicable Project prior to the date of termination of the Contract for such applicable Project shall be terminated or shall be assigned to Owner.

16.4.3 Compensation. If the parties are unable to agree on the amount of a termination settlement, Owner shall pay Contractor the following amounts:



- (1) For Work for the applicable Project performed before the effective date of termination, the total (without duplication of any items) of the following:
 - (A) A percentage portion of the Contract Sum for such applicable Project that equals the percentage of completion of the Work for such applicable Project as determined by Owner or Owner's consultant; and
 - (B) Reasonable demobilization costs;
- (2) The reasonable costs of settlement of the Work for such applicable Project terminated, including the following:
 - (A) Accounting, clerical, and other expenses reasonably necessary for the preparation of termination settlement proposals and supporting data; and
 - (B) Storage, transportation, and other costs incurred, reasonably necessary for the preservation, protection, or disposition of the termination inventory.

In no event shall Contractor nor Subcontractors at any tier be entitled to recover any overhead or profit on Work for any Project not performed nor be entitled to recover fees or penalties for early termination.

END OF GENERAL CONDITIONS



ARTICLE SC-1 PROJECT SITE REQUIREMENTS

In addition to the provisions in the General Conditions regarding these matters, in performing the Work for a Project, Contractor shall comply with the provisions of **Exhibit SC-1** Project Site Requirements, attached hereto and hereby incorporated into the Contract for such Project, that delineates the following, without limitation: Site constraints; campus events; academic non-work days; late start days; security requirements; utility interruptions; parking and other Project-specific Site requirements.

In addition, the provisions of **Exhibit SC-2** USC Norris Cancer Hospital, USC University Hospital Operating Policies shall apply when indicated in the Task Order for a project. In this **Exhibit SC-2**, the terms “General Contractor” and “Contractor” shall have the same meaning as Contractor.

ARTICLE SC-2 COVID-19 SAFETY GUIDANCE

Contractor acknowledges that the Project is subject to the requirements in **Exhibit SC-3** COVID-19 Safety Guidance for Construction Sites attached hereto and hereby incorporated into this Contract.



EXHIBIT SC-1 PROJECT SITE REQUIREMENTS

1. Site Constraints.

Prior to mobilization and starting Work for a Project on the Site of such Project, if any, Contractor shall submit to Owner for review and acceptance a “**Site Constraint Plan**” including layout drawings to scale as required to fully describe the proposed locations of all temporary facilities and controls. The Site Constraint Plan for a Project shall show the proposed activities in each portion of the Work area for such Project and identify the areas of limited use or nonuse for such applicable Project. Also, the Site Constraint Plan for a Project shall show proposed vehicle access routes, emergency vehicle access and traffic control for such Project. Contractor shall confine operations at the Site of each Project to the areas designated in the Contract Documents for such Project and the approved Site Constraint Plan for such Project and within the hours permitted by all codes, laws, ordinances, permits and Owner, and shall not unreasonably encumber the Site of such Project or the adjoining sidewalks, streets, and alleyways with any material, equipment or debris. In that regard, Contractor shall keep the Site for each Project and surrounding areas broom clean. Contractor shall use only those locations designated on the approved Site Constraint Plan for a Project for locating Contractor's trailers, staging areas, lay-down areas, and operations for such Project. Contractor shall not unreasonably encumber the Site of a Project with any materials or equipment, nor permit any persons on the Site of a Project, or any activity at the Site of a Project, except as the presence of those persons, or that activity, is directly related to the Work for such Project. Contractor shall be liable for any and all damage caused by it to others, including, but not limited to, Owner's other buildings and campus. Contractor shall provide Owner access to the Site of each Project at all times using Owner locks.

2. Campus Events, Academic Non-Work Days and Late Start Days.

As part of the Contract Sum for a Project, prior to commencing the Work for such Project and again prior to mobilization for such Project, Contractor shall make itself fully aware of all campus events and plan all its Work for such Project, including, but not limited to, all its activities, access, materials delivery, labor access and all other preconstruction activities necessary for such Project, so as not to interfere with such campus events; Contractor shall not be entitled to, and shall not request, additional compensation, extensions of time or Change Orders from Owner in connection with any campus events. Further, there are five (5) non-working days during the academic year on which no Work for a Project is allowed anywhere on Owner's campus: (a) Commencement Day; (b) day prior to Commencement Day (both in May); (c) Student Move-In Day (in the Fall); and (d) the weekend of the annual Los Angeles Times Festival of Books (hosted by USC). The specific dates of the Festival of Books (mid-April) are available at the following website: <https://events.latimes.com/festivalofbooks>. There are several days and weeks during which no Work for a Project may commence prior to 8:00 am, including (i) the week of final exams (during Fall and Spring semesters) and (ii) one week preceding each



exam week. The dates for Commencement Day, Student Move-In Day, and final exam weeks are published by Owner as the Academic Calendar which is available on Owner's website. In addition, during football season, no Work for a Project is allowed on Owner's University Park Campus at any time on the day of each home Saturday football game. The USC Football Schedule is posted on the USC Athletics website. Two additional non-working days on the Owner's Health Sciences Campus are the day of the White Coat Ceremony (mid-August) and the day of the Festival of Life (early June).

Starting Time, Academic Non-Work Days and Late Start Days. All start and stop times for Work for a Project shall comply with Applicable Laws. Further, in addition to complying with Applicable Laws, in general, Work on a Project may start on Monday through Friday no earlier than 7:00 am and end no later than 6:00 pm. Start times for weekends and national, state, local and University holidays shall be as agreed to by Owner and as approved by governmental authorities. Contractor may start Work for a Project earlier or extend work later if granted prior-written permission by Owner and the applicable governmental authorities.

Contractor may perform Work for a Project later in the day to make up for the late starts on late start days. Contractor shall account for the non-work days when preparing and updating the Construction Schedule for the applicable Project. Therefore, Contractor waives all rights for additional payments, premiums or overtime costs as compensation for the non-work days for a Project. Contractor will exercise its best efforts to mitigate or minimize the impact of the non-work days to the Approved Construction Schedule for a Project. No additional time extensions for a Project will be granted for these non-work days and late start days. Contractor is hereby advised that other events occur during the calendar year that impact access on and around the University Park Campus on surrounding streets, including (but not limited to) sporting events, award ceremonies, performances, fund raisers, City sponsored events, etc. Contractor shall provide its Work for a Project and cooperation with Owner to accommodate access limitations that may arise without any added cost to Owner.

3. Security.

Contractor shall be responsible for providing security at the Site of a Project and all costs for providing security shall be included in the Contract Sum for such Project. A temporary fence shall surround the Site of a Project, unless otherwise requested by Owner in writing. All security provided by Contractor shall be coordinated with Owner's existing security personnel. In addition, Contractor shall take all necessary precautions and provide enclosures, barricades, security guards, signs, notices, shoring, bracing, passageways, lights, and such other materials, equipment and services as may be required for Work for a Project (including, without limitation, such protections as may be required by Applicable Laws) for the protection of the following: (i) all persons who may be on the Site of such Project, proximate to the Site of such Project or in other areas affected by Contractor's operations with respect to such Project; and (ii) all Owner's personal and any third party's personal, personal property and real property. Contractor shall execute all repairs to land, structures, sidewalks and alleys damaged by the Work for a Project and operations under the Contract for such Project.



4. Owner Operation.

During Work for a Project, Contractor shall not interfere or interrupt the continuation of Owner's operation as a university. Owner acknowledges that certain minor inconveniences may be encountered; however, the Work for a Project shall be so planned and executed that these are held to a minimum and shall be approved in advance by Owner in writing.

5. Utility Interruption.

During Work for a Project, when it is necessary to interrupt any existing utility service, a minimum of twenty- one (21) calendar days' advance written request for interruption of services shall be given by Contractor to Owner. Interruption of these services shall be for the shortest possible duration and must be approved in writing by Owner in advance of such interruption. If such notices and approvals are not secured prior to interruption in utility services, then Contractor shall be fully liable for any and all damages suffered by Owner due to such unauthorized interruption and shall provide the indemnifications pursuant to Article GC-3.16. Utility disruptions and tie-ins shall be shown on the Project Schedule for a Project.

6. Parking.

During the Work for a Project, Contractor shall coordinate and obtain all construction related parking, including parking for Owner, if requested. The cost of all Contractor's parking shall be included in the Contract Sum for a Project. Contractor shall comply with Owner's parking policies and procedures. Contractor shall obtain all parking permits and pay associated fees as required by Owner or governmental authorities. Contractor must obey and follow Owner's policies if using Owner's parking facilities. Owner shall not be responsible for fines or citations issued.

7. Smoke Free.

The University is committed to promoting a healthy, safe and comfortable environment for all students, faculty, staff and visitors. Smoking is prohibited in all indoor and outdoor facilities on University owned and leased property with no exception, including within vehicles parked on those properties. For purposes of this policy, smoking is defined as inhaling, exhaling, burning, carrying or possessing any lighted cigarette, cigar, pipe, electronic cigarette, hookah or other lit product and including the use of any substance , including but not limited to tobacco, cloves or marijuana. Contractor shall comply with the University's Smoke Free Policy as described at the following website link: <http://policy.usc.edu/smoke-free/> .



EXHIBIT SC-2
USC NORRIS CANCER HOSPITAL,
USC UNIVERSITY HOSPITAL OPERATING POLICIES

1. In order to comply with Infection Prevention standards and protocols, Contractor is required to subscribe to the **Intellicentrics** (formerly RepTrax) online service. This online service will document the required TB questionnaire, annual TB testing, and annual Flu Vaccination for all contractors and vendors who perform work and services within the Hospital and Clinics. This will replace the requirement in the Draft USC Norris Cancer Hospital, Keck Hospital of USC, Operating Policies Amendment, Item #14, for Flu Shot Verification paperwork to be submitted to the Hospital's Infectious Control Department via a hospital assigned facilities PM or Director.

The Intellicentrics system maintains the required documentation and provides notices of expired testing and vaccinations to enable ongoing compliance of our standards. Contractor and its Subcontractors and vendors must subscribe to Intellicentrics with the compliant documentation recorded for its employees. Work will not be permitted until all required documentation is on file. Paper temp ID badges will be issued daily at campus kiosks.

Link for Intellicentrics: www.intellicentrics.com

Contact Phone: 817-732-3873

Website: <http://www.intellicentrics.com>

All costs associated with use of the Intellicentrics system shall be included in the Contract Sum of the Task Order for a Project where USC University Hospital Operating Policies apply.

2. Refer to the attached:
 - (a) DRAFT USC Norris Cancer Hospital, Keck Hospital of USC, Operating Policies Amendment, Policy # 1-136, Effective date 11/16/2004; Revised Date xx/xx/13.
 - (b) Contractor's Handbook updated May 2019

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USC NORRIS CANCER HOSPITAL
KECK HOSPITAL OF USC
OPERATING POLICIES AMENDMENT

MANUAL:	Administration	POLICY #:	1-136		
SUBJECT:	Construction and Remodeling Amendments	EFFECTIVE DATE:	11/16/2004		
		REVISED DATE:	XX/XX/2013		
		AUTHORIZED APPROVAL:			
PERSONNEL COVERED:	All	PAGE:	1	OF	2

PURPOSE OF ADDENDA

This addenda is to clarify items that are being adopted for all new construction in the hospital or corresponding buildings. In addition, it ensures that General Contractors and all subcontractors are fully in-serviced on all related safety protocols and procedure required while working at Keck Hospital of USC (UNH & NIT Tower) and USC Norris Cancer Center (NCH). To prevent the acquisition or transmission of nosocomial infection to patients/visitors/healthcare workers during hospital construction and renovation.

SCOPE

Applies to all renovation/construction activities involving general and prime contractors, subcontractors, material suppliers, vendors, working on site, and/or All Facilities Plant Operations and Maintenance (POM) staff, Infection Control Practitioners, Hospital Administration and other critical staff members.

POLICY

1. The Facility is a 24-hour a day, seven-day a week operation engaged in continuously operating critical healthcare delivery activities of a highly sensitive nature.
2. The Contractor shall make each subcontractor engaged in work on the project aware that the Project is a critical component of the facility and that operation of the existing facilities must continue without interruption during the construction period, except as the Architect and Owner may otherwise direct.
3. Plumbing, heating, ventilating, electrical and telephone systems shall continue to function with no unscheduled interruptions in service. Supplemental temporary mechanical and electrical utilities shall be provided by the Contractor, as required, to offset lost utilities. The Contractor shall maintain an acceptable functional environment at all times throughout the entire facility.

PROCEDURE

1. The Project Manager will be responsible for reviewing the Contractors Handbook with the General Contractor and subcontractor prior to the start of any construction or set-up.
2. The Contractor shall submit, for review, a detailed schedule of any proposed interruptions of utilities and environmental services prior to commencing construction. Proposed supplemental temporary sources of utilities shall be included.

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3. The Owner shall approve scheduled interruptions of service in writing. Scheduled interruptions of service shall be made after advance notice is given and approved.
4. ILSM will be reviewed and implemented when it is required to block any existing fire exits.
5. Construct Work in stages to accommodate Owner use of premises during construction. Coordinate Progress Schedule.

ADDENDA

1. ULTRA-WALL WITH ANTI-ROOM AND HEPA FILTER:

Ultra walls must be placed around the work area in order to prevent the transmission of nosocomial infection to patient/visitors/healthcare workers during hospital construction and renovation.



Example of anti-room



Example of Ultrawall



example of Hepa filtration

2. INFECTION CONTROL NOTICE:

A notice of infection control must be displayed at the entrance and exits.



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3. ZIP BARRIER:

Zip barriers can serve as alternatives to ultra walls with project manager's approval on minor projects. Sticky mats must be placed on both sides of the openings.

NEGATIVE AIR GAUGE:

Air pressure within the wall boundaries of work space must be less than the exterior air pressure. There must be an air gauge that displays the negative pressure in the work space.



4. CIRCUIT SURGE PROTECTOR:

A hospital grade circuit surge protector must be used for all power tools.



5. ACCEPTABLE PALLETS (NO WOOD PALLETS):

Wooden pallets are not allowed inside the facilities. Plastic pallets can serve as an alternative.



6. LOADING DOCK DELIVERY HOURS:

The project manager is to be notified in writing prior to the delivery of any materials or supplies that will impact the on-site vehicular/pedestrian circulation or parking, or of any off-hours deliveries, to insure proper coordination. **Minimum notification shall be 72 hours in advance.**

DRAFT

7. **Secure renovation area and EQUIPMENT:**

All construction sites must be outfitted with a pin code door locking devise. Code must be provided to project management team including the safety office, in case emergency access is required.

Tools and equipment are not to be left unattended in a public corridor, patient area or electrical rooms.

8. **MEETING AREA:**

Architects, contractors, and consultants must avoid meeting in the lobby area of facilities. The designated meeting area is located in the Keck hospital of USC parking structure near the DPS Office.

9. **SMOKING AREA:**

Smoking and other uses of tobacco products are prohibited at all times, under all circumstances, by all persons, on all construction sites, in the interior and on the roofs of all facilities.

10. **EATING AREA:**

Workers must use the back parking lot of UNH as their designated eating area.



11. **PARKING:**

Parking on-site at any facility is at a premium and must be reserved for patients, hospital visitors and staff. Contractors/Subcontractors may only use those parking areas designated for contractor parking. At no time shall a vendor or contractor obstruct a handicapped parking space or park in a fire lane. Under no circumstances is there to be any impedance of the emergency vehicle access roadway to the Emergency Department, or the emergency vehicle parking area, no matter how temporary, without specific prior coordination with the project manager and the Security Coordinator. Failure to comply with this parking policy could result in parking privileges being revoked.

12. **I.D. BADGES:**

ID badges are required for all Contractors/Subcontractors while on property and must be signed in and out through DPS security on a daily basis.

DRAFT

13. RESTROOMS:

Restroom facilities are restricted to hospital staff, patients and visitors only. It is the responsibility of the CM/GC to provide hand washing and restroom facilities for the construction project. On a case by case evaluation may allow use of a facilities restroom on the campus.

14. Flu Shot verification

Seasonal flu shot are required and paperwork submitted to the hospitals Infectious control department, via a hospital assigned facilities Project Manager or Director.

CONTRACTOR'S HANDBOOK

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CONTRACTOR'S CHECKLIST

Name of Contractor: _____ Phone # _____

Pager/Cell phone #: _____

Project Manager: _____ Pager: _____

Project Name and Location: _____

Project Commencement Date: _____

Estimated Project Completion Date: _____

TO BE COMPLETED PRIOR TO PROJECT START DATE

WRITE YES, NO or NA

1. Proof of Liability Insurance? _____
2. Proof of Licensure? _____
3. Proof of Worker's Comp. Insurance? _____
4. Contractor's Safety Manual current and in effect? _____
5. Federal/State Local required training completed by contractor? _____
6. Hazardous Chemicals are identified (on attached page) _____
7. Chemical Inventory List and MSDSs provided for all products used? _____
8. Are chemical spills procedures provided? _____
9. Hazardous Waste anticipated? If yes, contact Project Manager. _____
10. Personal protective equipment ("PPE") required? _____
11. If PPE needed, available? _____
12. Parking/staging info received? _____
13. Facility Safety Manual reviewed. _____
14. Permits on file? _____
15. Interim Life Safety Measures assessed and documented? _____
16. Fire impairments assessed and procedures followed? _____
17. Sub-contractor's safety manual current? _____
18. Cal/OSHA Safety Requirements established? _____
19. Proof of all Cal/OSHA required training provided to Safety Team? _____
20. Hot work permit requirements reviewed? _____
21. Hospital Infection Control guidelines reviewed? _____
22. Fire Watch Log requirements reviewed? _____
23. Contractor In-Service Training requirements reviewed? _____
24. Evacuation Plans reviewed? _____
25. Smoke Compartments in areas of construction reviewed? _____
26. Confined Spaces Policy and Procedures reviewed? _____
27. Wall and Floor Penetrations? _____
28. Radio Frequency Devices discussed and understood? _____
29. Construction Reporting Matrix Reviewed? _____
30. Proof of TB Screening on all workers? _____

GENERAL INFORMATION AND TELEPHONE NUMBERS

Project Manager: _____

Director of Facilities : _____

Infection Control: _____

Safety Officer: _____

Environmental Services Director: _____

Security: _____

Administrator: _____

Emergency Reporting: _____

NOTE: SAFETY DATA SHEETS (SDS) MUST BE BROUGHT TO THE PROJECT OFFICE AND APPROVED BY PROJECT MANAGER PRIOR TO CHEMICAL USE IN THE FACILITY.

MATERIALS

1. All materials/equipment installed must be U/L approved. Independent testing lab sheets will be required.
2. Components are required to be Hospital Grade. See Engineering for specific requirements and approval.
3. Hospital certification may be required.
4. All finish material will be approved by the architect or the Project Management and meet State requirements.
5. All furniture will meet State bulletin requirements for sprinklered and nonsprinkelered areas.
6. All construction will meet Federal/State/Local and hospital requirements.
7. Only Non Asbestos containing materials may be used.
8. MSDSs are required for all chemicals used.

IF IT IS FOUND THAT ANY ASBESTOS CONTAINING CONSTRUCTION MATERIALS ARE USED DURING THE CONSTRUCTION THE CONTRACTOR OR SUBCONTRACTOR USING THEM WILL PAY FOR ALL ABATEMENT AND REINSTALLATION OF NON ASBESTOS CONTAINING MATERIALS.

PROJECT START-UP

A meeting will be held with the Project Manager prior to start of construction. Items to be discussed include, but are not limited to the following:

1. Parking and Staging.
2. Procedures:
 - a. Project Start-up
 - b. Inspector of Record/Area Construction Advisor
 - c. Submittals of changes to drawings/specifications and work
 - d. Verified Reports/Closeout Documentation
3. Schedules and impact on hospital departments: Care should be taken in a hospital environment for cleaning, noise, shutdowns of systems, etc. *Appropriate Facilities Services personnel shall be involved in any system changes and/or shutdowns.*
4. License and Insurance.
5. Coordination for hazardous materials, abatement or safety procedures.
6. Plans for Interim Life Safety Measures & ICRA shall include Assessment, Documentation, and Monitoring as required by the Safety or Infection Control Teams.
7. Plan for containment of all dust, aerosol, fume, and vapor producing construction procedures.
8. Written documentation of all HVAC changes to include documentation of balancing, air exchanges, and pressure differential will be submitted to Infection Control upon completion of the project.
9. Appropriate training, if required, will be provided and documented for construction personnel.

CONTRACTOR'S RESPONSIBILITY

Whenever the term "personnel" is used it shall mean employees, agents, contractees, subcontractors, and any other person providing services on behalf of the contractor or any subcontractor.

The general contractor assumes total responsibility for personnel on property.

The contractor is responsible for any specific job training with respect to work procedures in accordance with any State, Federal and Local laws (e.g., as may be required for confined spaces, or hazards specific to a job, not covered by regulatory activity, as in work to be performed above any ceiling). Documentation of required certification or training in accordance with California Department of Occupational Safety and Health is required prior to work. Documentation of California Department of Occupational Safety and Health blood borne pathogens and infection control procedures is also required.

Damages caused by the contract workers must be immediately brought to the attention of the Project Manager and the Director of Facilities. The contractor assumes full responsibility for the repairs and/or effective measures.

BUILDING ROOF

Any construction work done involving the building roof shall be completely water tight. A warranty shall be given as required to the Project Manager. Precautions must be taken to maintain your workers safety while working on the roof.

Debris and leftover material must be removed from the respective work area as deemed by the Project Manager or at the completion of the project

MEDICAL EMERGENCY

If an accident occurs on property, guidelines should be followed that have been established by the contracting company.

FIRE SAFETY

Prior to each construction project the Construction Committee (Director of Facilities Services, Project Manager, Safety Officer, and Manager of affected area(s)) will determine the frequency of fire drills to be conducted throughout the duration of the project. The Contractor and his staff are expected to actively participate in the fire drill process. A series of questions will be asked each contractor regarding any vulnerability that the facility may be placed in due to the nature of the construction work. The Project Manager or the Facility Director will answer any questions regarding the fire-safe systems within the facility. The Contractor is expected to train and keep records for all employees regarding their responsibility during fire situations or alarms.

(See appendix **A** - CONTRACTORS RESPONSIBILITIES DURING FIRE SITUATIONS OR ALARMS)

In the event of any other emergency, dial 77 and state the emergency and the location.

INTERIM LIFE SAFETY MEASURES

The area under construction must be assessed for possible compromise to the building Life Safety System. Interim Life Safety Measures will be developed with the Contractor and Project Manager for all such items and a plan will be maintained by the Contractor and Project Manager, including specific issues, plans during impairment, responsible individuals and schedule/times. A specific form will be used for documentation purposes and identifying which measures will be implemented.

(See appendix **B & C** – ILSM CHECK LISTS)

CONDUITS

Appropriate conduit construction must be in place where electrical, computer or telecommunications wiring are involved. Strict adherence to the Wall & Penetration guidelines must be followed.

WALL AND FLOOR PENETRATIONS

Penetrations to fire or smoke barrier walls, ceilings or floors must be repaired and filled with a UL approved fire barrier material installed in accordance with applicable Building Codes, NFPA and facility requirements.

To comply with NFPA, LSC 101, fire walls and smoke barriers have been constructed throughout the hospital to provide safe areas of refuge for patients, visitors, and staff in the event of a fire. Fire walls and smoke barriers are placed from the floor to the adjacent floor and from the exterior wall to exterior wall. Penetrations to fire or smoke barrier walls or floors must comply with all applicable codes.

All other openings made through walls and floors must be reviewed by the Project Manager and the Director of Facilities Services.

Penetrations made by the contractor and/or subcontractor personnel and not addressed according to the aforementioned specifications will be charged back to the contractor and/or subcontractor performing the work on a time and materials basis according to market conditions at the time of discovery.

The contractor will review the Statement of Condition's fire drawings for inclusion of wall patching in the contract prior to final bid, which can be obtained from the Project Manager or Director of Facility Services.

The contractor will report all existing wall or floor penetrations found to the Project Manager before work commences. A photographic record of the existing penetrations shall be submitted to the Project Manager prior to work.

The Contractor will notify the Project Manager when the project is complete and request an inspection.

The Contractor's final application for payment shall not be processed until all wall and floor penetrations have been filled in accordance with the aforementioned listed above and approved by the Project Manager.

HOT WORK PERMITS (CUTTING AND WELDING)

The Project Manager shall provide authorization, and permitting for any cutting, welding or hot work prior to the onset of work. If a permit is required, the permit must be applied for 48 hours in advance, approved and will be kept on file in the Project Manager's office. A cutting, welding, or hot work permit shall be affixed to the area under construction, with all applicable rules followed as stated on the permit. Extreme caution is to be used at all times during this type of work. Workers shall be licensed for all intended work, and proof submitted to the Project Manager.

Any deviation from permit requirements may be cause for immediate cessation of work at the contractor's expense.

Fire suppression equipment must be provided by the contractor where cutting/welding/hot work is conducted. Adjacent areas potentially affected by any cutting/welding/hot work must be protected by the contractor. Contractors shall provide their own fire suppression equipment.

A fire watch for one hour shall be in effect after completion of the hot work, or as stated on the permit.

(See appendix D – WELDING OR CUTTING PERMIT)

FIRE AND SMOKE BARRIERS SHALL BE MAINTAINED AT ALL TIMES.

NOTE: ANY IMPAIRMENTS TO THE FIRE DETECTION OR FIRE PROTECTION SYSTEMS MUST BE APPROVED AND COORDINATED PRIOR TO THE ONSET OF WORK WITH THE PROJECT MANAGER

EVACUATION

In the event of a natural disaster that impacts the facility (e.g., earthquake, explosion, aircraft disaster, flood; it is the contractor's responsibility to identify the location where their personnel will go in the event of a natural disaster.

The contractor shall follow all exit signs, evacuation plans and procedures to properly exit the facility.

SECURITY ISSUES

Facility keys will be issued at the discretion of the Project Manager. Documentation will be kept on file for each key issued. Contractors who have been assigned keys must ensure that these keys are kept in their possession only at all times.

USE OF SITE

Housekeeping: Each Contractor/Subcontractor is required to ensure that all debris and combustible materials are removed from the job site on a daily basis. Plaster, cement, paint, oil, etc. is not allowed to be dumped in sanitary or storm drains while mixing or cleaning up. It is the responsibility of each Contractor to ensure that all exit corridors remain clear AT ALL TIMES. In addition, construction debris may not be placed in any facilities trash receptacle, compactor or dumpster. The placement of contractor supplied dumpsters must be approved by prior to delivery.

I.D. Badge: ID badges are required for all Contractors/Subcontractor while on property and must be signed in and out through security on a daily basis.

Parking: Parking on-site at any facility is at a premium and must be reserved for patients, hospital visitors and staff. Contractor/Subcontractors may only use those parking areas designated for contractor parking, which is subject to change anytime at Facility discretion. At no time shall a vendor or contractor obstruct a handicapped parking space or park in a fire lane. Under no circumstances is there to be any impedance of the emergency vehicle access roadway to the Emergency Department, or the emergency vehicle parking area, no matter how temporary, without specific prior coordination with the Project Manager and the Security Coordinator. Failure to comply with this parking policy could result in parking privileges being revoked.

Materials Delivery: The Project Manager is to be notified in writing prior to the delivery of any materials or supplies that will impact the on-site vehicular/pedestrian circulation or parking, or of any off-hours deliveries, to insure proper coordination. Prior notification is also required for use of the hospital's loading dock.

Equipment and Material: Tools and equipment are not to be left unattended in a public corridor or patient area.

Working Hours: This will be determined on a case-by-case basis by the Project Manager.

Smoking: Smoking and other uses of tobacco products are prohibited at all times

Grounds Protection: The Contractor/Subcontractor will provide and maintain protection for all existing lawns, trees, curbs, gutters, hydrants, light standards, drive, walks, street signs and buildings not noted for removal. Damage will be repaired or the items replaced at Contractor's cost.

Elevators: The Project Manager and the Director of Facilities Services will inform the contractors as to which elevators will be used to transport materials and personnel during the project/work.

Wireless Devices: The Hospital restricts the use of radio frequency transmitting devices in all hospital facilities. These restricted devices include cellular phones, walkie-talkies, ham and CB radios. Radio frequency devices can cause interference when operated near certain electronic medical equipment. Infusion pumps, monitors, ventilators and defibrillators are known to be especially susceptible to radio frequency interference. Signs have been posted in conspicuous locations requesting that all cellular phone and other devices set to the "OFF" position. In standby, they are still active units. (Beepers and pagers are "receive only" type instruments and are thus exempt from the provision). Contractors will have to submit specifications on hand-held radio devices to ensure that the devices do not cause interference with electronic medical equipment and compromise the safety of patients.

AM/FM radio cassette players are not permitted at any time.

Restroom Facilities: Restroom facilities are restricted to hospital staff, patients and visitors only. It is the responsibility of the CM/GC to provide hand washing and restroom facilities for the construction project. On a case by case evaluation may allow use of a facilities restroom.

DRESS CODE/CONDUCT

The facility expects all companies, company employees, contract employees, and vendors who are working in any facility, building or property to present a professional image at all times.

DRESS CODE/CONDUCT GUIDLINES must be followed at all times.
(See appendix E – DRESS CODE/CONDUCT GUIDLINES)

NON-COMPLIANCE WILL REQUIRE IMMEDIATE REMOVAL FROM THE SITE.

ASBESTOS

Any work involving asbestos abatement shall be done in accordance with all Federal, State, and Local requirements, and under the direction of the Project Manager or Environmental Compliance Officer.

NEW BUILDING MATERIALS SHALL BE FREE FROM ASBESTOS.

LOCK-OUT/TAG-OUT

Any work involving "lockout tag out" procedures, shall be in accordance with ADOSH Standards.

NOTE: Electrical wiring must never be left uncovered or unprotected any time

IDENTIFICATION: All new or remodeled electrical circuits must be properly identified according to project specifications.

PLUMBING

Abandoned pipes should be removed and capped at the main feed.

AIR CONDITIONING

When installing new duct work, old ducting should be removed. When eliminating thermostats, lines should be removed and permanently capped at the main air line and air conditioning unit.

All new and existing duct work should be cleaned prior to turning on heating and cooling.

MEDICAL GASES

All construction employees working on the medical gas system shall be certified to do so. The certification shall be given to the Project Manager.

HAZARD COMMUNICATION STANDARD

The facility's policy is to comply with local, state and federal agency requirements. We require contractors who work at our facilities to comply as well. All chemicals used by contractors must be labeled with the appropriate warning signs in accordance with ADOSH standards. If the product is transferred to another container, the new container must also be appropriately labeled.

MATERIAL SAFETY DATA SHEETS

All chemicals used by contract workers must be on the approved chemical list and have an accompanying MSDS. All MSDS information shall be reviewed by Project Manager prior to commencement of a project. MSDS information will remain at the site and accessible for use. Employees who may be assisting/overseeing the project shall have access to the MSDS. Contract workers must also be trained in the proper usage of all chemicals used on the project. Their training must include but not limited to and be in accordance with ADOSH Standards.

- A. Where the hazardous chemical is to be used in the facility,
- B. Where the MSDS book is kept,
- C. Methods used to detect the presence or release of the hazardous substance,
- D. Physical health hazards associated with each hazardous chemical
- E. Use and location of personal protective wear,
- F. Written spill and clean-up procedures, and;
- G. Proper storage and location of Hazardous Materials.

A COPY OF THESE TRAINING PROCEDURES MUST BE GIVEN TO THE SAFETY OFFICE PRIOR TO THE COMMENCEMENT OF ANY PROJECT WHERE HAZARDOUS CHEMICALS ARE USED.

HAZARDOUS WASTE DISPOSAL

All hazardous waste must be disposed of in accordance with Federal, State, and Local laws. Under no circumstances should hazardous waste be left on property. If it is known that there will be hazardous waste during the course of the project, the Safety Officer or the Environmental Compliance Officer must be notified prior to the commencement of the project. The cost of hazardous waste removal will be borne by the contractor with arrangements made in advance with the Project Manager. The haulers used by the contractor must be pre-approved by the Safety Office.

HEALTH SCREENING FOR CONSTRUCTION STAFF

Before any contract worker is permitted to work on any project, the General Contractor must furnish proof of evidence that the worker has completed a TB questionnaire on an annual basis. All documentation must be kept on file in construction office for review at any time by Infection Control Director.

(See appendix F)

SAFETY AND HEALTH INSPECTIONS

The facility is involved in ongoing safety surveillance. The construction project may be monitored by the Project Manager, Safety Officer, Director of Facilities and Infection Control Director.

If any asbestos is observed by contract workers, the Project Manager and Safety Officer must be notified immediately.

INFECTION CONTROL

Hospital and clinics construction, demolition and remodeling can be a risk factor for certain hospital acquired infections in patients, especially those who are immunosuppressed. Activities that disturb dust may be associated with transmission of aspergilli, a fungus found in ceiling and wall spaces where dust has accumulated. When dispersed fungal spores which can be inhaled by a susceptible patient and cause disease.

An Infection Control Construction Risk Assessment (ICRA) will assist in identifying and reducing patient exposure to airborne particulates or moisture from construction, renovation or routine maintenance. It also provides a means to implement and monitor safety measures to prevent exposure to common environmental contaminants during all phases of construction.

(See Appendix G)

Planning for new construction or renovation must be reviewed by Infection Control as planning commences for a project in or adjacent to patient care areas.

Consultation will be obtained as needed from Infection Control, the Project Manager and Safety Officer.

The Project Manager will be responsible for routinely monitoring construction and renovation areas for compliance with the ICRA policy and adherence to the applicable procedures. Any breaches in Infection Control practices will be reported to the Project Manager who will notify Infection Control.

Infection Control will identify any additional educational needs for the construction worker and/or unit staff. The Project Manager will be informed of any special educational needs and Infection Control will provide assistance as needed.

Cover Precautions

Construction personnel must observe cover precautions (i.e. Protect their clothing from dust or other construction related contamination). This means that whenever they are working outside, with sewer lines, above ceiling tiles, or at any job site where they may contaminate their clothing or coveralls with materials not usually associated with a clean indoor environment they must:

1. Change clothing or coveralls prior to re-entering the hospital. If personnel contaminate their clothing and cannot change into clean clothing, they will be denied entry into the hospital.
2. Wash their hands thoroughly.

3. Ensure that they have not contaminated their hair. This may require using a cover or washing their hair.

Water and Sewage Handling Precautions

Unplanned interruptions of the water supply and sewage spills are situations which require immediate recovery and remediation measures to assure the health and safety of patients and staff. Should any planned or unplanned interruption occur the contractor shall follow Facilities Services and Infection Control Procedures for restoration of the service.

SHOULD A SEWAGE SPILL OR RELEASE OCCUR THE FLOW SHALL BE STOPPED AS QUICKLY AS POSSIBLE. NOTIFY INFECTION CONTROL IMMEDIATELY.

CONSTRUCTION PERSONNEL RESPONSIBILITIES

It is the responsibility of the Contractor to communicate all information contained in this Contractor's Handbook. Personnel found not complying with the above will be removed from the project by the contractor if requested by the Project Manager.

DOCUMENTATION & RECORDS

The Project Manager is required by law to keep records and documentation of activities during the construction project. The general contractor and sub contractors are required to maintain current up to date records and files as required by the Project Manager and the authority(s) having jurisdiction.

APPENDIX A

CONTRACTOR RESPONSIBILITIES DURING FIRE SITUATIONS OR ALARMS

While working at the hospital you share the "higher Level of Responsibility" required of all employees. That basic philosophy requires that we protect the patients committed to our care from fire and the products of combustion. This is accomplished by:

1. Training staff to fight fires if appropriate,
2. Establishing roles and communications,
3. Having knowledge of the fire systems involving reporting, detection, extinguishment and compartmentalization,
4. Understanding how to maintain and monitor for a fire safe environment during construction operations.

All of the above points should be established at construction meetings prior to project start, and will be monitored during operation. The contractor shall maintain a copy of the Contractor's Handbook and train all staff on the procedures and required documentation. Sign-in documentation is required with copies to the Project Manager.

FIRE FIGHTING

- A. Contractor shall know fire rescue process:

Rescue/Remove
Contain/close Door
Alarm – Pull nearest pull station
Dial #77 from any hospital phone
Extinguish the fire, If safe to do so.
Evacuation

- B. The contractor shall provide serviceable fire extinguishers and all workers must know how to properly use them.
- C. Contractors shall familiarize themselves with the Evacuation Routes that are posted for each location.

Construction sites shall maintain ABC type unless instructed otherwise by the Fire Safety Officer.

D. ROLES AND COMMUNICATION

Away from the point of fire origin: maintain location and listen for overhead page or radio instructions. The overhead page will state, "Code Red" and give the location. Note location and proximity of alarm. Upon hearing an alarm, all construction work shall be stopped and workers be prepared to follow instructions.

If the fire is in the construction area, immediately stop work and follow established emergency procedures.

FIRE AT CONSTRUCTION SITE:

Immediate Response:
Direct pedestrian traffic away from construction site
Advise fire department on site conditions and materials stored within site
Assist as requested.

- E. The contractor shall know the fire system employed and understand how it works.

FIRE SYSTEM KNOWLEDGE

Understand fire/smoke compartment layout for smoke control
Know the location of all fire fighting equipment and alarms

Access each area of construction for Type(s) of alarm detection and extinguishing systems.
Familiar with evacuation routes and plans.

Shut-down or modification of any fire system should always be communicated to the Project Manager before proceeding.

APPENDIX B

ILSM Checklist 1: (any circled bolded answer marked “Yes” must be explained on page and refer to the ILSM checklist 2)

- | | | |
|---|-----|----|
| 1. Does this project/phase effect any exiting from this area? | Yes | No |
| 2. Does this project cover, silence, or disable any aspect of the fire alarm system? | Yes | No |
| 3. Does the project involve a shutdown of any aspect of the Life Safety system? | Yes | No |
| 4. Will workers within the construction zone be unable to hear the PA announcement system? | Yes | No |
| 5. Are the contractors undereducated in the information about emergency announcements, codes, and procedures? | Yes | No |
| 6. Are any temporary construction partitions unable to be smoke tight or built of noncombustible materials that will contribute to the development or spread of fire. | Yes | No |
| 7. Is there evidence of incompliance to the “No Smoking” policy of the hospital and that smoking occurs in or adjacent to construction areas. | Yes | No |
| 8. Has storage, housekeeping, and debris-removal increased the flammable and combustibile fire load of the building. | Yes | No |

Comments: _____

Contractor Name: _____ Date: _____

APPENDIX C

INTERIM LIFE SAFETY MEASURES CHECKLIST 2

Project Title: _____

Project No.: _____

Item		INSPECTIONS								
		Date: _____			Date: _____			Date: _____		
		N / A	YES	NO	N / A	YES	NO	N/ A	YES	NO
1	All exits are unobstructed and useable, including the construction area.									
2	Alternate routes are identified if required									
3	All personnel have training if alternate exits have been designated.									
4	Construction workers know the means of egress.									
5	The means of egress in the construction area are inspected daily.									
6	There is free and unobstructed means to access emergency services.									
7	The fire alarm detection and suppression systems are not impaired.									
8	A temporary, but equivalent system is provided when fire system is impaired and is documented that it is inspected and tested monthly.									
9	Before the fire alarm systems are taken out of service, plans are taken to compensate, including notification of appropriate authority having jurisdiction. (i.e., local fire department, insurance carrier, etc.)									
10	Construction area is clean and orderly.									
11	Temporary construction partitions are smoke tight and build of non-combustible or limited combustible material.									
12	Construction area is properly restricted from the rest of the facility with appropriate signage.									
13	Access to construction area is limited to authorized personnel.									
14	Smoking is prohibited in the construction area, and adjacent areas.									
15	Storage, housekeeping, and debris removal practices are enforced to reduce the flammability and combustibility fire load of the building to the minimum necessary to conduct daily operation.									
16	Additional fire fighting equipment and in-use training is provided to personnel.									
17	A minimum of two fire drills per quarter per shift are conducted.									
18	Facility wide safety education programs are conducted to ensure awareness of any Life Safety Code issue deficiencies, construction hazards, and interim life safety measures are in place.									
19	Fire watch program is established, and personnel are instructed as to the nature of the job, and the nature of the work in progress.									

For items checked "NO" attach a description of the deficiency and corrective action steps taken.

(Representative)

SIGNATURE (Contractor)

APPENDIX D

Welding or Cutting Permit

Applies only to area specified below.

Date: _____

Location and Building (Area and Department): _____

Nature of Job: _____

Welder's Name: _____

Type of permit: Daily____ Weekly____ Annually____ Project _____

Permit Expires: Date: _____ Time: _____

Type of work: Welding____ Cutting____ Brazing____ Soldering____ Tack Welding _____

Sweating____ Hot tap____

PRECAUTIONS:

Yes No N/A

Smoke detection disabled for duration of work

Additional ventilation, is it needed

Sprinklers in service

Cutting/welding equipment in good repair

PRECAUTIONS WITHIN 15' OF WORK:

Floors free of combustibles

Combustible floors protected

Flammable liquids removed or protected

Explosive atmosphere in area eliminated

All walls and floors opening covered

Fire resistant coverings under work

WORK ON WALLS OR CEILINGS:

Construction is non-combustible

Combustibles moved away from other side of the wall

WORK ON ENCLOSED EQUIPMENT:

Enclosed equipment cleared of all combustibles

Containers purged of flammable liquids

FIRE WATCH:

A continuous inspection of all cutting and welding areas shall be maintained for one half hour after work is completed.

A fire watch consisting of at least one person furnished by the Contractor, with no other assigned duties, shall be posted to stand by and observe areas for any potential hazards at all times while welding or cutting is being done and fire watcher is trained in use of this equipment, sounding alarm and emergency procedures.

All extinguishers are to be furnished by the Contractor.

All welders must have all appropriate certifications within
the last twelve months.

***Applicable items must be answered "yes" before permit is approved.**

I hereby agree to perform the necessary welding and cutting operations as outlined in this permit.

Contractor's Signature

Date

A representative has inspected the work area involved, and all requirements outlined have been explained.

Approved By

Date

APPENDIX E

DRESS CODE/CONDUCT

DRESS CODE: The facilities expect all companies, company employees, contract employees, and vendors who are working in any facilities building or property to present a professional image at all times.

Safety can be greatly affected by the clothing that is worn by an individual, with this in mind; the following guideline will be followed at all times when working in any building or on any property.

Footwear: Work boots or steel-toed shoes shall be worn on all job sites. Tennis shoes are not acceptable.

Personal Clothing: Clothing should be clean and in good repair. No tank tops, sleeveless shirts or shorts are acceptable. Tee shirts with advertisement or questionable artwork are prohibited. Tee shirts with company logos are preferable. Clothing should fit properly; loose or hanging clothing can constitute a safety hazard.

Personal Hygiene: Each individual shall follow appropriate personal hygiene practices. The hospital requests that no colognes and perfumes be used as they can be offensive and cause health related problems to our patients. This is an unacceptable situation.

In addition to the above listed guidelines all appropriate personal protective equipment shall be utilized as needed to ensure the safety on all individuals on the job site. This shall include, but is not limited to: safety glasses, hardhats, gloves, dust masks, safety footwear, aprons and all other personal protective equipment that is required by rule, regulation, law or circumstance.

CONDUCT: It is necessary to maintain a quiet and relaxed atmosphere within the facility for the health and well-being of the patients and staff. To that objective, the Contractor/Subcontractor is charged to reduce noise created by their work as much as possible. For that reason, no radios, tape or CD players are allowed in the facility or its property. Abusive, suggestive or profane language or actions shall not be permitted or tolerated.

Patient Confidentiality: All Contractor/Subcontractors are reminded that this is a health care institution and thus the confidentiality of our patients and patient information is vital. At no time will it be appropriate to inquire about or discuss any patient information. Only public areas (e.g., corridors, restrooms and cafeteria) are to be entered or traversed, except areas where authorized construction work is in progress. Under no circumstances should a Contractor/Subcontractor employee enter a patient care, treatment, diagnostic room or any closed room without the approval of Department staff. HIPAA Guidelines are strictly enforced. The HIPAA Policy is available upon request.

Violence/Weapons: "Violence" includes not only physical contact, but also threats, bullying, stalking, intimidation and other precursors to physical violence, or any other acts or speech which would cause a reasonable person to fear for his/her personal safety or the safety of persons emotionally important to him/her. "Weapons" includes all firearms other than those carried by on-duty law enforcement officers and military personnel (firearms in privately-owned vehicles and carried by licensed persons are included within the intent of this policy). "Weapons" also includes any device or thing which has a designed or incidental capability to kill or seriously injure human beings, and which is brought onto the facility premises for no legitimate reason of its own, in the best judgment of authorities. The Contractor/Subcontractor will ensure all employees are aware of, and comply with this policy. Contractor/Subcontractor employees who violate the violence/weapons policy may be banned from the premises and will be reported to appropriate law enforcement authorities, as applicable.

Harassment: All persons on premises, regardless of the reason(s) for their presence, are to be free from pressure or discomfort resulting from jokes, ridicule, slurs, unwanted physical contact, or any other form of harassment predicated on race, gender, sexual orientation, religion, age, national origin or ethnicity, skin color, disability, or other similar distinction. The Contractor/Subcontractor will ensure all employees are aware of, and comply with this policy. Contractor/Subcontractor employees who violate harassment policy may be banned from the premises.

Drug & Alcohol: The Facility does not tolerate either possession or use of alcoholic beverages or illicit drugs on its premises, or any Contractor/Subcontractor employee coming onto its premises under the influence of either or both alcohol and/or illicit drugs. "Alcoholic beverage" means alcohol or any alcohol-containing substance which has not been prescribed by appropriate medical authority. "Illicit drugs" mean any narcotic or

prescription drug which has not been prescribed by appropriate medical authority. This also includes substances which are legitimate when used appropriately, but have a mind altering or other psychological effect when used inappropriately (e.g., certain glues and other substances whose fumes are misused as inhalants). "Possession" means on the person, in the personal vehicle, or otherwise under the control of a given individual. "Use" means any form of bodily intake including smoking, inhaling, snorting, ingesting, injecting or any other method of introducing the substance into the body. In the event of any question as to what is permitted under this policy, the Contractor's site supervisor will contact the Facility for a determination. Contractor/Subcontractor employees who violate alcohol/illicit drug policy may be banned from the premises and will be reported to the appropriate law enforcement authorities as applicable.

APPENDIX F

TUBERCULOSIS SCREENING QUESTIONNAIRE

OSHA requires healthcare facilities to assure that personnel not paid by, but working in the facility are screened for TB and offered therapy. Attach a copy of your Tuberculosis screening results to this form. Tuberculosis screening must be current or not older than one year. If results expire during the course of the job, then you must immediately update your screening results.

Have you had any of the following symptoms for the past 3 weeks or longer?

Cough Yes_____ No_____

Is there any drainage? Yes_____ No_____

If yes, what color is it? _____

Unexplained weight loss Yes_____ No_____

Fever Yes_____ No_____

Fatigue or tiredness Yes_____ No_____

Night sweats Yes_____ No_____

Shortness of breath Yes_____ No_____

My Tuberculosis screening results are attached and current Yes_____ No_____

Worker's Name: _____ Date: _____
Print Clearly

Worker's Signature: _____ Date: _____

GC Supervisor: _____ Date: _____
Print Clearly

GC Supervisor Signature: _____ Date: _____

Referred to: _____ Date: _____

General Contractor is responsible to keep a copy on file for each worker.

APPENDIX G

Pre-Construction Risk Assessment		
Infection Control / Safety Construction Permit		
Location of Construction:	Project Start Date:	
Project Coordinator:	Estimated Duration	
Contractor Performing Work:	Permit Expiration Date:	
Supervisor:	Telephone:	
Description of project:		
Construction Activities		
<p>The following projects do not require completion of the Pre-construction risk assessment form:</p> <ol style="list-style-type: none"> 1. Paint and wallpaper in business offices and non-patient areas. 2. Paint in patient room if closed for painting and less than three (3) sq. ft. of wall needs patched. Filter for room unit changed after painting. 3. Installation of soap dispenser/needle box/paper towel holder in patient room 4. Repair of window blind. 5. Ceiling tile replacement for areas less than ten (10) 2 X 2 tiles, if not in business offices and non-patient areas. 6. Ceiling tile replacement for area less than five (5) 2 X 2 tiles in a patient area if patient is out of the immediate area and clean-up is accomplished before patient returns. 7. Minimum repair of nurse call system/TV/Bed/Telephone. 8. Check or replace electric outlet. 9. Replace light bulb. 10. Unstop sink/commode with no water on floor. 11. Unstop commode when water on floor requires maintenance to have EVS clean area immediately. 12. Repair medical gas outlet. (Front Body) 13. Air balance readings. 14. Check air-conditioning. 15. Intermediate jobs that create a moderate amount of dust inside room and converted to a negative environment by the use of Hepa-filter equipped unit with minimum ten (10) ACH and air is discharged outside of the work area, Hepa-filter unit must run 2 hours after completion of job and EVS must clean room before unit is removed from room. 16. All work and the use of Hepa-filter unit must be documented and a copy forward to Infection Prevention and Control and the Safety Officer. <p>NOTE: all duct vents to be sealed off during work!</p>		
Yes	No	
		Will there be noise generated that will impact a department adjacent to, above, or below the construction area?
		a. If so, these departments must be notified.
		b. How are you going to reduce the noise to an acceptable level?
Yes	No	
		Will there be vibration generated that will impact a department adjacent to, above, or below the construction area?
		a. If so, these departments must be notified each time this type of work will be performed.
		b. How are you going to reduce the vibration to an acceptable level?
Yes	No	
		Are Emergency Procedures in place and posted on each job for accidental events that could greatly impact Patient Care or Life Safety to the facility? Included in these procedures are such things as:
		<ul style="list-style-type: none"> • Emergency telephone numbers of key departments. • A plan that describes where main valves, switches, and controls are for the area in case of an emergency. • A plan for unexpected outages.
		Environment
Yes	No	Are any of the following environmental hazards present?
		Will hazardous chemicals be used on this project? How will the fumes and odors be controlled? <i>MSDS Sheets are required.</i>
		Is asbestos abatement required on this job? <i>If so, notify Safety and Maintenance at the activation.</i>
		Will there be hot work done on this project? If there are, then a hot work permit must be posted on the job site. All hot work must have a fire watch assigned to each area while the hot work is being performed.
		Will there be a Confined Space Entry required on this project? If so, the CAMC confined space entry program must be followed.
		Utility Failures
Yes	No	Will any of the following systems be out of service at any time during the project?
		<ul style="list-style-type: none"> • Fire alarm (<i>If out for more than 4 hours, Interim Life Safety Measures must be implemented.</i>) • Sprinkler (<i>If out for more than 4 hours, Interim Life Safety Measures must be implemented.</i>) • Electrical • Domestic water

		<ul style="list-style-type: none">• Oxygen
		<ul style="list-style-type: none">• Sewage
		<ul style="list-style-type: none">• HVAC

Yes	No	
		<p>Will there be any work that will require activation of the Interim Life Safety Measures during this project? Some things that will ILSM's to be implemented are but not limited to:</p> <ul style="list-style-type: none"> • Any construction that impacts an EXIT or stairs, • Any construction that impacts major breaches in a fire or smoke wall, • Taking the main fire protection system out of service (sprinkler), • Taking the main fire alarm system out of service, • Taking the "area" fire or fire alarm systems out of service for more than 4 hours within a 24-hour period.
		Implementation of the ILSM requires a fire watch and the ILSM forms to be completed.
Additional Safety Concerns		
Yes	No	
		Will construction affect exit routes from occupied areas adjacent to construction site? Hallway width will be reduced for containment.
		Will project affect traffic patterns in area? <i>If yes, explain plan.</i>
		The following must be completed prior to any construction activities.
		<ul style="list-style-type: none"> • Separation wall must be constructed prior to project beginning. • Fire protection systems must remain intact. • Provide extra fire extinguishers in work areas. • Maintain exit lights in work area. • Maintain negative air in construction area (24/7) through duration of project. • There cannot be any return air from within the construction area to the rest of the building. • Redirect exiting not to go through construction area. • Put signs on doors into construction area "Construction Area – Do Not Enter". • Maintain daily logs and keep a current Hot Work Permit. • Place sticky mats at doors exiting construction area. • All debris removal must be by covered cart. • Maintain clean and orderly work area. • How will this project affect the departments above, below and adjacent to this project?
Air Quality and Infection Control		
The construction activity types are defined by the amount of dust that is generated, the duration of the activity, and the amount of shared HVAC systems. Contact Safety Department and Clinical Epidemiology Department if any activity is questionable under these guidelines.		
Yes	No	
		Will dust be generated during this project? <i>If yes, explain location of and plan for interim dust barriers or attach floor plan with barriers. Clearly marked.</i>
		Will debris removal be necessary? <i>If yes, explain plan for debris removal and control.</i>
		Negative airflow ventilation and filtration in place and assessed for effectiveness.
		Exhaust fans in place and functioning.
		Is supply duct to area closed and HEPA filtration unit in place and functioning in adjacent patient care area?
		Will work be done in a sterile area? <i>If so, how are you going to maintain sterile atmosphere in work area and access to and from work area?</i>
Type A Inspections and Non-Invasive Activities or Small scale, Short duration Activities		
Yes	No	
		Removal of ceiling tiles for visual inspection (limited to 1 tile per 50 squarefeet)
		Painting (but not sanding) –
		Wall covering—Describe work to be done:
		Electrical trim work. Describe:
		Minor plumbing. Describe:
		Activities will generate dust or required cutting of walls or access
		Access to ceiling other than for visual inspection
Type B Small scale, short duration activities that create minimal dust.		
Yes	No	
		Installation of telephone and computer cabling
		Access to chase spaces
		Sanding of walls for painting or wall covering (minor repairs—not sanding for drywall finishing) where dust migration can be controlled

Type C		Any work that generates a moderate to high level of dust or requires demolition or removal of any fixed building components or assemblies. (May require approval from State Fire Marshal and Health Department prior to beginning project)				
Yes	No					
		Sanding of walls--drywall finishing				
		Removal of:	<input type="checkbox"/> floor coverings	<input type="checkbox"/> ceiling tiles	<input type="checkbox"/> casework	Describe:
		Cutting of walls or ceiling. Describe:				
		New wall construction				
		Minor ductwork or electrical work above ceilings				
		Major cabling activities				
		Activity cannot be completed within a single work shift				
		Approval has been obtained from State Fire Marshal and Health Department?				
Type D		Major demolition and construction projects. (State Fire Marshal and Health Department approval required)				
Yes	No					
		Will require heavy demolition or removal of a complete ceiling system				
		New construction				
		Has approval been obtained from State Fire Marshal and Health Department?				

GROUP 1 LOWEST	GROUP 2 MEDIUM	GROUP 3 HIGH	GROUP 4 HIGHEST
1. Office areas	1. All Med/Surg units 2. Physical Therapy 3. Sports Medicine 4. Admission/Discharge area 5. Outpatient areas	1) Emergency Room/ETC 2) Radiology/MRI/CT 3) Post-anesthesia Care units 4) Labor and Delivery 5) Newborn Nurseries 6) Pediatrics 7) All other Intensive Care Units 8) Nuclear Medicine 9) PT – tank areas 10) Cafeteria 11) Echocardiography 12) Laboratories 13) Occupational Lung Center	1) Operating Rooms; Sterile Processing 2) Central Services 3) Cardiac & EP Catheterization & Angiography Areas 4) Oncology 5) Dialysis/Home Training 6) Renal Services Unit 7) Renal Transplant 8) Cardiology 9) Anesthesia and Pump areas 10) Endoscopy/Minor Surgery 11) Pharmacy Admixture 12) Sterile Care 13) Labor and Delivery Operating Rooms

Contact the Hospital Epidemiology Infection Prevention Department for risk assessment of any area not listed above.

CONSTRUCTION ACTIVITY (from previous page) Check type of activity	INFECTION CONTROL RISK GROUP (see above) Check risk group
TYPE A: Inspection, non-invasive activity	GROUP 1: Lowest Risk
TYPE B: Small scale, short duration projects	GROUP 2: Medium Risk
TYPE C: Activity generates moderate to high levels of dust, requiring >1 work shift for completion	GROUP 3: High Risk
TYPE D: Major duration and construction activities Requiring consecutive work shifts	GROUP 4: Highest Risk

CLASSIFICATION OF REQUIRED PREVENTIVE MEASURES

CONSTRUCTION ACTIVITY ⇒	TYPE "A"	TYPE "B"	TYPE "C"	TYPE "D"
INFECTION CONTROL RISK GROUP ⇓				
Group 1	I	II	II	III/IV
Group 2	I	II	III	IV
Group 3	I	II	III/IV	IV
Group 4	II	III	III/IV	IV

An Infection Prevention—Safety Construction Permit and signature is required for Class III or higher projects, Class I and II do not require an Infection Prevention signature. Refer to shaded area on Construction Activity/Risk Group Matrix(above).

DOCUMENTATION & RECORDS

The Project Manager is required by law to keep records and documentation of activities during the construction project. The general contractor and sub-contractors are required to maintain current up to date records and files as required by the Project Manager and the authority(s) having jurisdiction.

CLASS I	1. Execute work by methods to minimize raising dust from construction operations.	2. Immediately replace any ceiling tile displaced for visual inspection.
CLASS II	1. Provide active means to prevent air-borne dust from dispersing into atmosphere 2. Water mist work surfaces to control dust while cutting. 3. Seal unused doors with duct tape. 4. Block off and seal air vents. 5. Wipe surfaces with disinfectant.	6. Contain construction waste before and during transport in tightly covered containers. 7. Wet mop and/or vacuum with HEPA filtered vacuum before leaving work area. 8. Place dust mat at entrance and exit of work area as needed. 9. Remove or isolate HVAC system in areas where work is being performed.
CLASS III	1. Obtain infection control permit before construction begins. 2. Isolate HVAC system in area where work is being done to prevent contamination of the duct system. 3. Complete all critical barriers before construction begins. 4. Maintain negative air pressure within work site utilizing HEPA equipped air filtration units. 5. Contain construction waste before and during transport in tightly covered containers. 6. Seal holes, pipes, conduits, etc. appropriately.	7. Place dust mat at entrance and exit of work area. Replace as needed. 8. Do not remove barriers from work area until completed project is inspected by Safety and Epidemiology Depts. and thoroughly cleaned. <i>After work is completed:</i> 9. Remove barrier materials carefully to minimize spreading of dirt and debris associated with construction. 10. Remove isolation of HVAC system.
Class IV	1. Obtain infection control permit before construction begins. 2. Isolate HVAC system in area where work is being done to prevent contamination of duct system. 3. Complete all critical barriers or implement control cube method before construction begins. 4. Maintain negative air pressure within work site utilizing HEPA equipped air filtration units. 5. Seal holes, pipes, conduits, and punctures appropriately. 6. Construct anteroom and require all personnel to pass through this room so they can be vacuumed using a HEPA vacuum cleaner before leaving work site or they can wear cloth or paper coveralls that are removed each time they leave the work site.	7. All personnel entering work site are required to wear shoe covers 8. Contain construction waste before and during transport in tightly covered containers. Cover transport receptacles or carts. Tape covering. 9. Do not remove barriers from work area until completed project is inspected by Safety and Epidemiology Depts. and thoroughly cleaned. <i>After work is completed:</i> 10. Vacuum work area with HEPA filtered vacuums. 11. Wet mop with disinfectant. 12. Remove barrier materials carefully to minimize spreading of dirt and debris associated with construction. 13. Remove isolation of HVAC system.

Additional concerns for all classes:

1. Maintain labor and equipment including dust mops, wet mops, brooms, buckets, and clean wiping rags for cleaning fine dust from floors and adjacent occupied areas.
2. Contain work areas outside of construction barriers, including spaces above ceilings, with full height polyethylene sheet barrier, tightly taped.
3. Clean up dust tracked outside of construction area immediately.
4. Temporary construction barriers and closures above ceiling must be dust tight.
5. Removal of debris must be in covered containers.
6. Tools/equipment are clean and transported in covered container(s) upon entry and exit of the building and worksite.

Additional Requirements or Concerns: (name of workers)

<u>Requesting Department</u> Facilities Operations	<u>EVS</u>	<u>Security</u>
Date:	Date:Click or tap to enter a date.	Date:Click or tap to enter a date.
<u>Permit Request By</u>	<u>Infection Prevention Approval</u>	<u>Safety Approval</u>
Date:	Date:Click or tap to enter a date.	Date:Click or tap to enter a date.

Infection Control Construction Permit

Project Description:				Permit No:		
Location of Construction:				Project Start Date		
Project Coordinator:				Estimated Duration:		
Contractor Performing work :				Permit Expiration Date:		
Supervisor:				Telephone:		
YES	NO	CONSTRUCTION ACTIVITY	YES	NO	INFECTION CONTROL RISK GROUP	
		TYPE A: Inspection, non-invasive activity			GROUP 1: Low Risk	
		TYPE B: Small scale, short duration, moderate to high levels			GROUP 2: Medium Risk	
		TYPE C: Activity generates moderate to high levels of dust, requires greater 1 work shift for completion			GROUP 3: Medium/High Risk	
		TYPE D: Major duration and construction activities Requiring consecutive work shifts			GROUP 4: Highest Risk	
CLASS I		1. Execute work by methods to minimize raising dust from construction operations.	3. Minor Demolition for Remodeling			
		2. Immediately replace any ceiling tile displaced for visual inspection.				

CLASS II	<ol style="list-style-type: none"> Provides active means to prevent air-borne dust from dispersing into atmosphere Water mist work surfaces to control dust while cutting. Seal unused doors with duct tape. Block off and seal air vents. Wipe surfaces with cleaner/disinfectant. 	<ol style="list-style-type: none"> Contain construction waste before transport in tightly covered containers. Wet mop and/or vacuum with HEPA filtered vacuum before leaving work area. Place dust mat at entrance and exit of work area. Isolate HVAC system in areas where work is being performed; restore when work completed.
CLASS III Initial:	<ol style="list-style-type: none"> Obtain infection control permit before construction begins. Isolate HVAC system in area where work is being done to prevent contamination of the duct system. Complete all critical barriers or implement control cube method before construction begins. Maintain negative air pressure >-2.5Pa (-0.01 water gauge) within work site utilizing HEPA equipped air filtration units. 	<ol style="list-style-type: none"> Vacuum work with HEPA filtered vacuums. Wet mop with cleaner/disinfectant Remove barrier materials inwards to carefully to minimize spreading of dirt and debris associated with construction.
Date :	<ol style="list-style-type: none"> Do not remove barriers from work area until complete project is thoroughly cleaned by Environmental Services. checked by Infection Prevention & Control or designee. 	<ol style="list-style-type: none"> Contain construction waste before transport in tightly covered containers. Cover transport receptacles or carts. Tape covering. Upon completion, restore HVAC system where work was performed.
Pressure Reading:		
CLASS IV Initial	<ol style="list-style-type: none"> Obtain infection control permit before construction begins. Isolate HVAC system in area where work is being done to prevent contamination of duct system. Complete all critical barriers or implement control cube method before construction begins. Maintain negative air pressure >-2.5Pa (-0.01 water gauge) within work site utilizing HEPA equipped air filtration units. 	<ol style="list-style-type: none"> Do not remove barriers from work area until complete project is thoroughly cleaned by Environmental Services. checked by Infection Prevention & Control or designee. Vacuum work area with HEPA filtered vacuums. Wet mop with disinfectant. Remove barrier materials carefully to minimize spreading of dirt and debris associated with construction. Contain construction waste before transport in tightly covered containers. Cover transport receptacles or carts. Tape covering. Upon completion, restore HVAC system where work was performed.
Date	<ol style="list-style-type: none"> Seal holes, pipes, conduits, and punctures appropriately. Construct anteroom and require all personnel to pass through this room so they can be vacuumed using a HEPA vacuum cleaner before leaving work site or they can wear cloth or paper coveralls that are removed each time they leave the work site. All personnel entering work site are required to wear shoe covers. 	
Pressure Reading:		
Additional Requirements:		
Workers:		
Place copy of this ICRA on barrier, submit an air pressure reading to PM, if acceptable, and send Project Coordinator & Infection Prevention pictures of the barrier on job site. Pictures should demonstrate an intact barrier, with posted ICRA & Pressure reading.		
INFECTION PREVENTION ON-CALL PHONE 213-247-2258 (M-F; 4pm-8am, 24 Hours on Weekends Holidays)		
Facility Permit Request By:	IP Permit Authorized By:	
Signature:	Signature:	
Date: Click or tap to enter a date.	Date: Click or tap to enter a date.	
Date / Initials	Exceptions/Additions to this permit are noted by attached memoranda	Exceptions/Additions to this permit
Date / Initials	are noted by attached memoranda	are noted by attached memoranda

Description of Required Infection Control Precautions by Class

	DURING CONSTRUCTION PROJECT	UPON COMPLETION OF PROJECT
CLASS I	<ol style="list-style-type: none"> Execute work by methods to minimize raising dust from construction operations. Immediately replace a ceiling tile displaced for visual inspection 	<ol style="list-style-type: none"> Clean work area upon completion of task.
CLASS II	<ol style="list-style-type: none"> Provide active means to prevent airborne dust from dispersing into atmosphere. Water mist work surfaces to control dust while cutting. Seal unused doors with duct tape. Block off and seal air vents. Place dust mat at entrance and exit of work area Remove or isolate HVAC system in areas where work is being performed. 	<ol style="list-style-type: none"> Wipe work surfaces with cleaner/disinfectant. Contain construction waste before transport in tightly covered containers. Wet mop and/or vacuum with HEPA filtered vacuum before leaving work area. Upon completion, restore HVAC system where work was performed.
CLASS III	<input checked="" type="checkbox"/> <ol style="list-style-type: none"> Remove or Isolate HVAC system in area where work is being done to prevent contamination of duct system. Complete all critical barriers i.e. sheetrock, plywood, plastic, to seal area from non-work area or implement control cube method (cart with plastic covering and sealed connection to work site with HEPA vacuum for vacuuming prior to exit) before construction begins. Maintain negative air pressure within work site utilizing HEPA equipped air filtration units. Contain construction waste before transport in tightly covered containers. Cover transport receptacles or carts. Tape covering unless solid lid. 	<ol style="list-style-type: none"> Do not remove barriers from work area until completed project is inspected by the owner's Safety Department and Infection Prevention & Control Department and thoroughly cleaned by the owner's Environmental Services Department. Remove barrier materials carefully to minimize spreading of dirt and debris associated with construction. Vacuum work area with HEPA filtered vacuums. Wet mop area with cleaner/disinfectant. Upon completion, restore HVAC system where work was performed.
CLASS IV	<ol style="list-style-type: none"> Isolate HVAC system in area where work is being done to prevent contamination of duct system. Complete all critical barriers i.e. sheetrock, plywood, plastic, to seal area from non-work area or implement control cube method (cart with plastic covering and sealed connection to work site with HEPA vacuum for vacuuming prior to exit) before construction begins. Maintain negative air pressure within work site utilizing HEPA equipped air filtration units. Seal holes, pipes, conduits, and punctures. Construct anteroom and require all personnel to pass through this room so they can be vacuumed using a HEPA vacuum cleaner before leaving work site or they can wear cloth or paper coveralls that are removed each time they leave work site. All personnel entering work site are required to wear shoe covers. Shoe covers must be changed each time the worker exits the work area. 	<ol style="list-style-type: none"> Do not remove barriers from work area until completed project is inspected by the owner's Safety Department and Infection Prevention & Control Department and thoroughly cleaned by the owner's Environmental Services Dept. Remove barrier material carefully to minimize spreading of dirt and debris associated with construction. Contain construction waste before transport in tightly covered containers. Cover transport receptacles or carts. Tape covering unless solid lid. Vacuum work area with HEPA filtered vacuums. Wet mop area with cleaner/disinfectant. Upon completion, restore HVAC system where work was performed.

Post-Construction Inspection Form

	YES	NO	COMMENT
PROJECT TITLE:			
Risk Class: I II III IV			
Inspector:			
Date:			
Post construction, preoccupancy:			
Wet-mop area with disinfectant			
Barriers not removed until area thoroughly cleaned			
Barriers not removed until area inspected by safety and infection control			
Renovated units thoroughly cleaned before admitting patients			
Utility services			
Provide documentation of correct procedures following re-establishment of interrupted utility services, including but not limited to:			
Drinking Water			
Sewage			
Ventilation system			
Medical gasses			
Water lines have been flushed thoroughly in newly renovated and adjacent areas before occupancy			
Air Quality			
If air ducts not completely sealed, filters removed and changed			
Remove isolation of HVAC system in areas where work is being performed			

Signatures:

Construction Rounds: Compliance Checklist

Project Title _____ Date _____

Location _____ Time _____

Project Class I II III IV

	Yes	No	N/A
Comments			
1. Construction Barricade			
*Barricades sealed, no penetrations	___	___	___
*Walk-off mats clean and adequate to contain construction dust	___	___	___
*Doors close and seal properly	___	___	___
*Signs posted cautioning about spread of dust	___	___	___
*Immediate and adjacent ceiling tiles intact	___	___	___
*Ceiling tiles replaced when space above ceiling not being accessed	___	___	___
*Adjacent floor areas clean, no dust tracked	___	___	___
2. Air Quality Management			
*All windows and doors closed behind barricade where appropriate	___	___	___
*Return air vents tape/blocked	___	___	___
*Exhausts fans functioning	___	___	___
*No excess dust, fumes, vapor (e.g. project area dampened or vacuumed frequently to reduce dust)	___	___	___
*Personnel wearing cloth/ paper coveralls and shoe covers which are removed when exiting construction area, when appropriate	___	___	___
*Negative pressure at entrance to barricade & record results	___	___	___
3. Water Quality Management			
*No signs of water leakage	___	___	___
4. Jobsite			
*Project area clean, debris removed daily	___	___	___
*Debris removed in covered containers	___	___	___
*Established traffic pattern identified and used	___	___	___
*Traffic routes cleaned with wet mop or HEPA-filtered vacuum	___	___	___
5. Occupied Areas			
*Visqueen barricade in place and properly sealed	___	___	___
*Patient care equipment and items removed from construction area	___	___	___
*If occupied area, adjacent patient room doors are closed	___	___	___
*Surrounding area clean	___	___	___

Reviewer _____ Date _____
 (Copy to Project Supervisor)

De-ionized WATER SHUTDOWN

Project Manager _____

Project Name _____

Project # _____ CER # _____

Requested Shutdown Date: _____ Time: _____

Estimated completion time: _____

Affected Area(s): _____

Explain procedures to compensate
loss of De-ionized Water: _____

Section	Phone Number	Person Contacted	Signature	Date
Central Plant Facility Management	2-8423	Edgar Melgoza		
General Maintenance Plumbing	2-8712	David Minkler		
CAS	323-442-9411	House Supervisor		

Manager Engineering or Director Facilities Management approval for shutdown:

Signature Date

DOMESTIC WATER SHUTDOWN

Project Manager _____

Project Name _____

Project # _____ CER # _____

Requested Shutdown Date: _____ Time: _____

Estimated completion time: _____

Affected Area(s): _____

Explain procedures to compensate
loss of Domestic Water: _____

Section	Phone Number	Person Contacted	Signature	Date
Central Plant Facility Management	2-8423	Edgar Melgoza		
General Maintenance Plumbing	2-8712	David Minkler		
CAS	323-4429411			

Manager or Director Facilities Management approval for shutdown:

Signature Date

ELECTRICAL SYSTEM SHUTDOWN/MODIFICATION

Project Manager _____

Project Name _____

Project # _____ CER # _____

Shutdown/Modification Date: _____

Length of Shutdown/Modification: _____

Circle type of power affected: Emergency Normal

Circuit(s) affected. List panel(s) and circuit(s) affected. _____

Plan: _____

Section	Phone Number	Person Contacted	Signature	Date
Affected User				
Affected User				
Affected User				
Electrical Facility Management	2-8423	Edgar Melgoza		
CAS 323-442-9411		House Supervisor		

**FIRE ALARM SYSTEM
DEACTIVATION/SHUTDOWN**

Complete checklist each day construction activities require inactivation of the Fire Alarm system.

Project Manager _____

Project Name _____

Project # _____ CER # _____

Requested Shutdown Date: _____ Time: _____

Estimated completion time: _____

Affected Area(s): _____

Explain Fire Watch procedures: _____

Section	Phone Number	Person Contacted	Signature	Date
Facility Management	2-8712	David Minkler		
Security Command Post	323-442-8565	Charles Holloway		
CAS	323-442-9411	House Supervisor		

Manager Engineering or Director Facilities Management approval for shutdown:

Signature Date

FIRE SPRINKLER SHUTDOWN

Complete checklist each day construction activities require inactivation of the Fire Sprinkler system.

Project Manager _____

Project Name _____

Project # _____ CER # _____

Requested Shutdown Date: _____ Time: _____

Estimated completion time: _____

Location of Shut-off _____

Valve(s) to be closed: _____

Affected Area(s): _____

Explain Fire Watch procedures: _____

Contractor to complete Fire Watch Log: Yes No

Section	Phone Number	Person Contacted	Signature	Date
Facility Management	2-8712	David Minkler		
Security Command Post	323-442-8565	Charles Holloway		
CAS	323-442-9411			

Manager or Director of Facilities Management approval for shutdown:

Signature Date

HOT WATER SHUTDOWN

Project Manager _____

Project Name _____

Project # _____ CER # _____

Requested Shutdown Date: _____ Time: _____

Estimated completion time: _____

Affected Area(s): _____

Explain procedures to compensate
loss of Hot Water: _____

Section	Phone Number	Person Contacted	Signature	Date
Central Plant Facilities Management	2-8423	Edgar Melgoza		
General Maintenance Facilities Management	2-8712	David Minkler		
Infection Prevention				
CAS	323-442-9411			

Manager or Director Facilities Management approval for shutdown:

Signature Date

Contractor Performing Modification: _____

Point of Contact:

Initial Project Notification

Project Name: _____

Project # _____ **CER #** _____

Construction Start Date: _____

**Proposed Construction
Completion Date:** _____

Location of the Project: _____

Project Description: _____

Client Department Name: _____

Client Department Contact: _____

Telephone Number: _____

Cell phone Number: _____

FAX Number: _____

Emergency Number: _____

Primary Project Manager: _____

Telephone Number: _____

**MEDICAL GAS SHUTDOWN
Checklist**

Project Manager _____

Project Name _____

Project # _____

I. System(s) Affected: (circle applicable items)

Medical Air	Nitrogen
Medical Vacuum	Nitrous Oxide
Oxygen	

Buildings Affected: (circle Applicable items)

Keck Medical Center of USC
Cardinal Tower
Gold Tower
HCC1
HCC2
HCC3
HCC4
USC Norris Cancer Hospital
East Tower
West Tower

Requested Shutdown/Modification Date: _____

Length of Shutdown/Modification _____

Area(s) Affected _____

II. Modification Plan

a. Medical Gases (Oxygen, Medical Air, Nitrogen and Nitrous Oxide)

Keck Medical
Center of USC

CHILLED WATER SHUTDOWN

Project Manager _____

Project Name _____

Project # _____ CER # _____

Requested Shutdown Date: _____ Time: _____

Estimated completion time: _____

Affected Area(s): _____

If entire building shutdown, fall or winter night is the best time. Sections to Notify:

Section	Phone Number	Person Contacted	Signature	Date
Cental Plant, HVAC Facility Management	2-8423	Edgar Melgoza		
Administrative Director Facility Management	2-8924	Erwin Morales		
CAS	323-442-9411	House Supervisor		

Manager Engineering or Director Facilities Management approval for shutdown:

Signature Date

Contractor Performing Modification:

Point of Contact: _____

Telephone #: _____

Pager #: _____

Cell Phone #: _____

CONTROL AIR SHUTDOWN

Project Manager _____

Project Name _____

Project # _____ CER # _____

Requested Shutdown Date: _____ Time: _____

Estimated completion time: _____

Affected Area(s): _____

Explain procedures to compensate
loss of Control Air: _____

Section	Phone Number	Person Contacted	Signature	Date
HVAC/Central Plant Facilities Management 2-8423		Edgar Melgoza		
CAS 323-442-9411		House Supervisor		

Manager or Director Facilities Management approval for shutdown:

Signature Date

Contractor Performing Modification: _____

Point of Contact: _____

Telephone #: _____

Pager #: _____

Cell Phone #: _____

APPENDIX I

Pre-Construction Risk Assessment

Infection Control / Safety Construction Permit

Location of Construction:	Project Start Date:
Project Coordinator:	Estimated Duration
Contractor Performing Work:	Permit Expiration Date:
Supervisor:	Telephone:

Description of project:

Construction Activities

The following projects **do not require** completion of the Pre-construction risk assessment form:

17. Paint and wallpaper in business offices and non-patient areas.
18. Paint in patient room if closed for painting and less than three (3) sq. ft. of wall needs patched. Filter for room unit changed afterpainting.
19. Installation of soap dispenser/needle box/paper towel holder in patient room
20. Repair of window blind.
21. Ceiling tile replacement for areas less than ten (10) 2 X 2 tiles, if not in business offices and non-patient areas.
22. Ceiling tile replacement for area less than five (5) 2 X 2 tiles in a patient area if patient is out of the immediate area and clean-up is accomplished before patient returns.
23. Minimum repair of nurse call system/TV/Bed/Telephone.
24. Check or replace electric outlet.
25. Replace light bulb.
26. Unstop sink/commode with no water on floor.
27. Unstop commode when water on floor requires maintenance to have EVS clean area immediately.
28. Repair medical gas outlet. (Front Body)
29. Air balance readings.
30. Check air-conditioning.
31. Intermediate jobs that create a moderate amount of dust inside room and converted to a negative environment by the use of Hepa-filter equipped unit with minimum ten (10) ACH and air is discharged outside of the work area, Hepa-filter unit must run 2 hours after completion of job and EVS must clean room before unit is removed from room.
32. All work and the use of Hepa-filter unit must be documented and a copy forward to Infection Prevention and Control and the Safety Officer.

NOTE: all duct vents to be sealed off during work!

Yes	No	
		Will there be noise generated that will impact a department adjacent to, above, or below the construction area?
		a. If so, these departments must be notified.
		b. How are you going to reduce the noise to an acceptable level?
Yes	No	
		Will there be vibration generated that will impact a department adjacent to, above, or below the construction area?
		a. If so, these departments must be notified each time this type of work will be performed.
		b. How are you going to reduce the vibration to an acceptable level?
Yes	No	
		Are Emergency Procedures in place and posted on each job for accidental events that could greatly impact Patient Care or Life Safety to the facility? Included in these procedures are such things as:
		<ul style="list-style-type: none"> • Emergency telephone numbers of key departments. • A plan that describes where main valves, switches, and controls are for the area in case of an emergency. • A plan for unexpected outages.
		Environment
Yes	No	Are any of the following environmental hazards present?
		Will hazardous chemicals be used on this project? How will the fumes and odors be controlled? <i>MSDS Sheets are required.</i>
		Is asbestos abatement required on this job? <i>If so, notify Safety and Maintenance at the activation.</i>
		Will there be hot work done on this project? If there are, then a hot work permit must be posted on the job site. All hot work must have a fire watch assigned to each area while the hot work is being performed.
		Will there be a Confined Space Entry required on this project? If so, the CAMC confined space entry program must be followed.
		Utility Failures
Yes	No	Will any of the following systems be out of service at any time during the project?
		<ul style="list-style-type: none"> • Fire alarm (<i>If out for more than 4 hours, Interim Life Safety Measures must be implemented.</i>) • Sprinkler (<i>If out for more than 4 hours, Interim Life Safety Measures must be implemented.</i>) • Electrical • Domestic water • Oxygen • Sewage • HVAC

Yes	No	
		<p>Will there be any work that will require activation of the Interim Life Safety Measures during this project? Some things that will ILSM's to be implemented are but not limited to:</p> <ul style="list-style-type: none"> • Any construction that impacts an EXIT or stairs, • Any construction that impacts major breaches in a fire or smoke wall, • Taking the main fire protection system out of service (sprinkler), • Taking the main fire alarm system out of service, • Taking the "area" fire or fire alarm systems out of service for more than 4 hours within a 24-hour period.
		Implementation of the ILSM requires a fire watch and the ILSM forms to be completed.
Additional Safety Concerns		
Yes	No	
		Will construction affect exit routes from occupied areas adjacent to construction site? Hallway width will be reduced for containment. Will project affect traffic patterns in area? <i>If yes, explain plan.</i>
		The following must be completed prior to any construction activities.
		<ul style="list-style-type: none"> • Separation wall must be constructed prior to project beginning. • Fire protection systems must remain intact. • Provide extra fire extinguishers in work areas. • Maintain exit lights in work area. • Maintain negative air in construction area (24/7) through duration of project. • There cannot be any return air from within the construction area to the rest of the building. • Redirect exiting not to go through construction area. • Put signs on doors into construction area "Construction Area – Do Not Enter". • Maintain daily logs and keep a current Hot Work Permit. • Place sticky mats at doors exiting construction area. • All debris removal must be by covered cart. • Maintain clean and orderly work area. • How will this project affect the departments above, below and adjacent to this project?
Air Quality and Infection Control		
The construction activity types are defined by the amount of dust that is generated, the duration of the activity, and the amount of shared HVAC systems. Contact Safety Department and Clinical Epidemiology Department if any activity is questionable under these guidelines.		
Yes	No	
		Will dust be generated during this project? <i>If yes, explain location of and plan for interim dust barriers or attach floor plan with barriers. Clearly marked.</i>
		Will debris removal be necessary? <i>If yes, explain plan for debris removal and control.</i>
		Negative airflow ventilation and filtration in place and assessed for effectiveness.
		Exhaust fans in place and functioning.
		Is supply duct to area closed and HEPA filtration unit in place and functioning in adjacent patient care area?
		Will work be done in a sterile area? <i>If so, how are you going to maintain sterile atmosphere in work area and access to and from work area?</i>
Type A Inspections and Non-Invasive Activities or Small scale, Short duration Activities		
Yes	No	
		Removal of ceiling tiles for visual inspection (limited to 1 tile per 50 square feet)
		Painting (but not sanding) –
		Wall covering—Describe work to be done:
		Electrical trim work. Describe:
		Minor plumbing. Describe:
		Activities will generate dust or required cutting of walls or access
		Access to ceiling other than for visual inspection
Type B Small scale, short duration activities that create minimal dust.		
Yes	No	
		Installation of telephone and computer cabling
		Access to chase spaces
		Sanding of walls for painting or wall covering (minor repairs—not sanding for drywall finishing) where dust migration can be controlled

Type C		Any work that generates a moderate to high level of dust or requires demolition or removal of any fixed building components or assemblies. (May require approval from State Fire Marshal and Health Department prior to beginning project)			
Yes	No				
Sanding of walls--drywall finishing					
Removal of:		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Describe:
		floor coverings	ceiling tiles	casework	
Cutting of walls or ceiling. Describe:					
New wall construction					
Minor ductwork or electrical work above ceilings					
Major cabling activities					
Activity cannot be completed within a single work shift					
Approval has been obtained from State Fire Marshal and Health Department?					
Type D		Major demolition and construction projects. (State Fire Marshal and Health Department approval required)			
Yes	No				
Will require heavy demolition or removal of a complete ceiling system					
New construction					
Has approval been obtained from State Fire Marshal and Health Department?					

GROUP 1 LOWEST	GROUP 2 MEDIUM	GROUP 3 HIGH	GROUP 4 HIGHEST
2. Office areas	6. All Med/Surg units 7. Physical Therapy 8. Sports Medicine 9. Admission/Discharge area 10. Outpatient areas	1) Emergency Room/ETC 2) Radiology/MRI/CT 3) Post-anesthesia Care units 4) Labor and Delivery 5) Newborn Nurseries 6) Pediatrics 7) All other Intensive Care Units 8) Nuclear Medicine 9) PT – tank areas 10) Cafeteria 11) Echocardiography 12) Laboratories 13) Occupational Lung Center	1) Operating Rooms; Sterile Processing 2) Central Services 3) Cardiac & EP Catheterization & Angiography Areas 4) Oncology 5) Dialysis/Home Training 6) Renal Services Unit 7) Renal Transplant 8) Cardiology 9) Anesthesia and Pump areas 10) Endoscopy/Minor Surgery 11) Pharmacy Admixture 12) Surgicare 13) Labor and Delivery Operating Rooms

Contact the Hospital Epidemiology Infection Prevention Department for risk assessment of any area not listed above.

CONSTRUCTION ACTIVITY (from previous page) Check type of activity	INFECTION CONTROL RISK GROUP (see above) Check risk group
TYPE A: Inspection, non-invasive activity	GROUP 1: Lowest Risk
TYPE B: Small scale, short duration projects	GROUP 2: Medium Risk
TYPE C: Activity generates moderate to high levels of dust, requiring >1 work shift for completion	GROUP 3: High Risk
TYPE D: Major duration and construction activities Requiring consecutive work shifts	GROUP 4: Highest Risk

CLASSIFICATION OF REQUIRED PREVENTIVE MEASURES

CONSTRUCTION ACTIVITY⇒ INFECTION CONTROL RISK GROUP ⇓	TYPE "A"	TYPE "B"	TYPE "C"	TYPE "D"
Group 1	I	II	II	III/IV
Group 2	I	II	III	IV
Group 3	I	II	III/IV	IV
Group 4	II	III	III/IV	IV

An Infection Prevention—Safety Construction Permit and signature is required for Class III or higher projects, Class I and II do not require an Infection Prevention signature. Refer to shaded area on Construction Activity/Risk Group Matrix(above).

DOCUMENTATION & RECORDS

The Project Manager is required by law to keep records and documentation of activities during the construction project. The general contractor and sub-contractors are required to maintain current up to date records and files as required by the Project Manager and the authority(s) having jurisdiction.

CLASS I	1. Execute work by methods to minimize raising dust from construction operations.	2. Immediately replace any ceiling tile displaced for visual inspection.
CLASS II	1. Provide active means to prevent air-borne dust from dispersing into atmosphere 2. Water mist work surfaces to control dust while cutting. 3. Seal unused doors with duct tape. 4. Block off and seal air vents. 5. Wipe surfaces with disinfectant.	6. Contain construction waste before and during transport in tightly covered containers. 7. Wet mop and/or vacuum with HEPA filtered vacuum before leaving work area. 8. Place dust mat at entrance and exit of work area as needed. 9. Remove or isolate HVAC system in areas where work is being performed.
CLASS III	1. Obtain infection control permit before construction begins. 2. Isolate HVAC system in area where work is being done to prevent contamination of the duct system. 3. Complete all critical barriers before construction begins. 4. Maintain negative air pressure within work site utilizing HEPA equipped air filtration units. 5. Contain construction waste before and during transport in tightly covered containers. 6. Seal holes, pipes, conduits, etc. appropriately.	9. Place dust mat at entrance and exit of work area. Replace as needed. 10. Do not remove barriers from work area until completed project is inspected by Safety and Epidemiology Depts. and thoroughly cleaned. <i>After work is completed:</i> 11. Remove barrier materials carefully to minimize spreading of dirt and debris associated with construction. 12. Remove isolation of HVAC system.
Class IV	1. Obtain infection control permit before construction begins. 2. Isolate HVAC system in area where work is being done to prevent contamination of duct system. 3. Complete all critical barriers or implement control cube method before construction begins. 4. Maintain negative air pressure within work site utilizing HEPA equipped air filtration units. 5. Seal holes, pipes, conduits, and punctures appropriately. 6. Construct anteroom and require all personnel to pass through this room so they can be vacuumed using a HEPA vacuum cleaner before leaving work site or they can wear cloth or paper coveralls that are removed each time they leave the work site.	10. All personnel entering work site are required to wear shoe covers 11. Contain construction waste before and during transport in tightly covered containers. Cover transport receptacles or carts. Tape covering. 12. Do not remove barriers from work area until completed project is inspected by Safety and Epidemiology Depts. and thoroughly cleaned. <i>After work is completed:</i> 14. Vacuum work area with HEPA filtered vacuums. 15. Wet mop with disinfectant. 16. Remove barrier materials carefully to minimize spreading of dirt and debris associated with construction. 17. Remove isolation of HVAC system.
<p>Additional concerns for all classes:</p> <p>7. Maintain labor and equipment including dust mops, wet mops, brooms, buckets, and clean wiping rags for cleaning fine dust from floors and adjacent occupied areas.</p> <p>8. Contain work areas outside of construction barriers, including spaces above ceilings, with full height polyethylene sheet barrier, tightly taped.</p> <p>9. Clean up dust tracked outside of construction area immediately.</p> <p>10. Temporary construction barriers and closures above ceiling must be dust tight.</p> <p>11. Removal of debris must be in covered containers.</p> <p>12. Tools/equipment are clean and transported in covered container(s) upon entry and exit of the building and worksite.</p>		

Additional Requirements or Concerns: (name of workers)

<u>Requesting Department</u> Facilities Operations	<u>EVS</u>	<u>Security</u>
Date:	Date:Click or tap to enter a date.	Date:Click or tap to enter a date.
<u>Permit Request By</u>	<u>Infection Prevention Approval</u>	<u>Safety Approval</u>
Date:	Date:Click or tap to enter a date.	Date:Click or tap to enter a date.

APPENDIX J

Initial Project Notification

Project Name: _____

Project # _____ **CER #** _____

Construction Start Date: _____

**Proposed Construction
Completion Date:** _____

Location of the Project: _____

Project Description: _____

Client Department Name: _____

Client Department Contact: _____

Telephone Number: _____

Cell phone Number: _____

FAX Number: _____

Emergency Number: _____

Primary Project Manager: _____

Telephone Number: _____

Cell phone Number: _____

FAX Number: _____

Emergency Number: _____

Alternate Project Manager:

Telephone Number:

Cell phone Number:

FAX Number:

Emergency Number:

General Contractor:

Address:

City, State, Zip Code:

Office Phone :

FAX Number:

Emergency Number:

Contractor's Project Manager:

Telephone Number:

Pager Number:

Cell phone Number:

FAX Number:

Emergency Number:

Contractor's Day Shift Information:

Telephone Number:

Pager Number:

Cell phone Number:

Emergency Number:

Contractor's Non Day Shift Information:

Telephone Number:

Pager Number:

Cell phone Number:

Emergency Number: _____

Architect Information:

Telephone Number: _____

Pager Number: _____

Cell phone Number: _____

Emergency Number: _____

Sub Contractor: _____

Trade: _____

Point of Contact: _____

Telephone Number: _____

Pager Number: _____

Cell phone Number: _____

Emergency Number: _____

Sub Contractor: _____

Trade: _____

Point of Contact: _____

Telephone Number: _____

Pager Number: _____

Cell phone Number: _____

Emergency Number: _____

Sub Contractor: _____

Trade: _____

Point of Contact: _____

Telephone Number: _____

Pager Number: _____

Cell phone Number: _____

Emergency Number: _____

Use as many pages as required.

I. Key Actions

Circle applicable item(s)

Asbestos Removal

Concrete coring

Concrete Sawing

Environmental Control Access

Sound Abatement

Removing Ceiling Tile Explain?

Elevator Shutdown Which one(s)?

Pneumatic Tube Shutdown Which section(s)?

Will a radiation source be used? If yes, Explain.

Will xray the building? If yes, Explain.

Do you need to move artwork? If yes, Explain.

Will security cameras be affected? If yes, Explain.

II. Utility Shutdown

Circle applicable item(s)

Controlled Air	Nitrogen
Chilled Water	Nitrous Oxide
Dental Air	Power, Emergency
Dental Vacuum	Power, Normal
Fire Alarm System	Sewage
Fire Sprinkler System	Steam
Medical Air	Tube System
Medical Vacuum	Ventilation
Oxygen	Water

III. Utility Connections

Circle applicable item(s)

Controlled Air	Nitrogen
Chilled Water	Nitrous Oxide
Dental Air	Power, Emergency
Dental Vacuum	Power, Normal
Fire Alarm System	Sewage
Fire Sprinkler System	Steam
Medical Air	Ventilation
Medical Vacuum	Water
Oxygen	

IV. ILSM

Describe ILSM procedures implemented/required.

Circle applicable item(s)

Containment Barrier Yes No If required, please explain.

Negative Air Pressure Yes No If required, please explain.

Alternative means of Egress Yes No If required, please explain.

Fire Watch Required? Yes No If required, please explain.

V. Use of Chemicals

Chemical Product	Proposed Use	SDS Attached

For each chemical, attach a copy of the SDS.

VI. Proposed Time Schedule

X. Telephone

Does the project affect Telephones? _____ If yes how? _____

XI. Construction Material Storage location.

1. Where will the construction material be stored? _____

2. How will the construction material enter the building? _____

3. How will the demolition material leave the building? _____

4. If applicable, where is the dumpster located? _____

5. Where will the contractor's employee(s) park? _____

Copies to Client Department
Client Department VP
IT
Infection Prevention
Facility Management
CAS
Safety
Security

APPENDIX K

Keck Medical Center of **USC**

ABOVE CEILING WORK PERMIT

Contractor Name: _____

Indicate type of work: Electrical, HVAC, Data/telecom, Plumbing, other _____

Building address: _____

Date(s) work being done: _____

Time of day: _____

Location floor(s) Department(s) affected: _____

(See attached floor plans)

Staff notified? Yes No

Noise/vibration issues identified to staff? Yes No

Infection Control Risk Assessment performed: Yes No

Infection Control Permit Issued? Yes No

Fire barrier walls identified on facility map? Yes No

Fire smoke alarm devices affected? Yes No

Facility maintenance inspection of any fire barrier penetrations will be required before ceiling closure

Inspected by: _____ **Date:** _____



EXHIBIT SC-3
COVID-19 SAFETY GUIDANCE FOR CONSTRUCTION SITES

Contractor is responsible for adhering to all State, County and City orders and guidelines associated with COVID-19 as well as the Los Angeles Department of Building and Safety (“LADBS”) published Announcement No. 5, “COVID Safety Guidance for Construction Sites”. Contractor shall include in its Site-Specific Safety Plan a comprehensive COVID-19 exposure control plan that meets the guidance. Contractor shall continue to check the LADBS website, www.LADBS.org for latest updates to their Announcement No. 5. Failure to comply with their guidance may result in withheld inspections or shutting down the construction site until the unsafe conditions are corrected.

A template COVID-19 Exposure Prevention Preparedness and Response Plan for Contractor’s reference and/or use can be found at: <https://app-us2.e-builder.net/public/publicLanding.aspx?QS=f7d65aa587054d3fa746e7d4b71384b6>

In addition, Contractor is required to:

a. E-mail daily by 10 am a By-Name Attendance Log (Include project name and First three acronym letters of the building) to the following address:
CDF_COVID-19_Documentati.05.22_Daily_COVID_Attendance_Rosters@docs-us2.e-builder.net

b. Be in accordance with Title 8 CCR 3203(a)(3), Injury Illness Prevention Program, and the General Requirements to this Contract, by including a system for communicating with employees in a form readily understandable by all affected employees on matters relating to occupational safety and health.

c. Post in a conspicuous location the following:

- (1) Contractor’s jobsite COVID-19 Exposure Prevention Preparedness and Response Plan.
- (2) LABS Announcement No. 4 Revised April 13, 2020 (COVID-19 Inspector Safety Guidelines).
- (3) LABS Announcement No. 5 Revised April 15, 2020 (COVID-19 Safety Guidance for Construction Sites).
- (4) CDC - What You Need To Know About COVID-19 (English 03-03-2020).
- (5) CDC - What You Need To Know About COVID-19 (Spanish 03-03-2020).
- (6) CDC - Stop the Spread of Germs (English 03-11-2020).
- (7) CDC - Stop the Spread of Germs (Spanish 03-11-2020).
- (8) CDC -Symptoms of COVID-19 (03-11-2020).
- (9) Cal/OSHA – Safety and Health Guidance_COVID-19 Infection Prevention in Construction (04-24-2020)
- (10) City of LA – Safer at Home (04-27-2020)

d. The above read board information can be found at the link: <https://app-us2.e-builder.net/public/publicLanding.aspx?QS=7f4a2db486384007bde66a8e9337bd8f>