# COMPREHENSIVE AGREEMENT by and between

## Colonial Behavioral Health and Henderson Inc. Contract #C240325-01

**THIS COMPREHENSIVE AGREEMENT** is entered into as of the 1<sup>st</sup> day of August 2025 ("Effective Date") by and between **COLONIAL BEHAVIORAL HEALTH** hereinafter referred to as "CBH" or "Owner" and **HENDERSON, INC.**, hereinafter referred to as "Henderson" or "Contractor" is binding among and between these parties as of the date of the Owner's signature.

#### **RECITALS**

A. The legal address for the Owner and for the Contractor and the addresses for the delivery of Notices and other project documents are as follows:

Owner – Colonial Behavioral Health
Attn – David Coe, Executive Director
Address – 473 McLaws Circle
City, State, Zip Code – Williamsburg, Virginia 23185
Telephone – 757-253-4061 Fax – 757-253-4208
Email – dcoe@colonialbh.org

Contractor – Henderson, Inc.

Attn – Leslie Henderson Murphy, President

Address – 5806 Mooretown Road

City, State, Zip Code – Williamsburg, Virginia 23188

Telephone – 757-565-1090 Fax – 757-564-9120

Email – leslie@hendersoninc.com

B. This project is identified as and is entitled: Crisis Services Center General Project Description – Design and Construction on property owned by Colonial Behavioral Health, containing 14,250 ±acres located at 2001 Galt Lane Williamsburg, Virginia 23188 (Tax Map No. 3910100152) with the following scope of work.

Scope of Work: The Crisis Services Center is a one (1) story building of approximately  $14,367 \pm \text{gross}$  sf to include an outdoor covered sally port and staff break area. Work is to include the provision of limited interior furnishings and including site work, connection for water, sanitary sewer, stormwater management, power and other utilities as per the Contract Documents and also including site improvements, adjacent landscaping, and paved parking lots (74  $\pm$  spaces) and associated sidewalks. Reference "ATTACHMENT A to Crisis Services Center Comprehensive Agreement" and incorporated herein by reference.

C. The Virginia licensed Architect/Engineer (A/E) who has been employed by the Contractor to assist in the design of the project is identified as:

Architect/Engineer – Guernsey Tingle Architects, Inc. Attn – Michael Creasy Address – 4350 New Town Ave, Suite 101 City, State, Zip Code – Williamsburg, Virginia 23188



Telephone –757-220-0220 Fax – 757-221-0457 Email – mcreasy@guernseytingle.com

Architect/Engineer – AES Consulting Engineers
Attn – Ryan Stephenson
Address – 5248 Olde Towne Road, Suite 1
City, State, Zip Code – Williamsburg, Virginia 23188
Telephone –757-253-0040 Fax – 757-220-8994
Email – ryan.stephenson@aesva.com

- D. The Project Title indicated above Is required to be shown for identification purposes in all project-related material and documents including, but not limited to, Notice, Change Orders, Submittals, Requests for Information, Requests for Quotes, Field Orders, minutes of meetings, correspondence, Schedule of Values and Certificate for Payment, test reports, and related material.
- E. After competitive negotiation pursuant to the Public-Private Education Facilities and Infrastructure Act (PPEA) the Contractor is awarded this Contract to perform the Work described by the Contract Documents for the above-described Project ("the Project").
- F. Unless otherwise stated, initially capitalized terms in this Contract shall have the meaning given to them in the General Conditions of the Crisis Services Center Comprehensive Agreement (the "General Conditions").

#### **AGREEMENT**

**NOW**, **THEREFORE**, in consideration of the Recitals set forth above, and for other good and valuable consideration as set forth below, the receipt and sufficiency of which hereby acknowledged, CBH and Henderson (each a "Party" and together the "Parties") hereby agree as follows:

### 1. **STATEMENT OF WORK**

The Contractor shall furnish all labor, equipment and materials, and perform all Work as shown on the Project Plans and Specifications for the design and the construction of all phases of the Project in strict accordance with the Contract Documents. Design Phase Services as described in the Interim Agreement (more fully described below) have been or will be completed and governed exclusively by the terms and conditions of the Interim Agreement. As to all other Site Development Services described in the Interim Agreement, this Contract shall replace and supersede the Interim Agreement, and such Services shall be governed exclusively by the terms and conditions of this Contract.

### 2. **CONTRACT DOCUMENTS**

This contract shall consist of the following:

- This Comprehensive Agreement between Owner and the Contractor including all exhibits and attachments
- General Conditions of the Crisis Services Center Comprehensive Agreement
- Project Plans and Specifications prepared by Guernsey Tingle Architects, Inc., entitled "CBH Center for Support and Wellness" dated June 30, 2025, and Project Site Engineering and Development Plans prepared by AES Consulting Engineers, entitled "Site Plan for Colonial Behavioral Health" dated May 23, 2025; per the detailed drawing log See Exhibit "2".
- Interim Agreement between Owner and the Contractor dated November 20, 2024



• The Contractor's Conceptual Phase Proposal dated July 17, 2024, attached hereto as "ATTACHMENT B" and the Contractor's Detailed Phase Proposal dated August 19, 2024, attached hereto as "ATTACHMENT C".

Subject to Paragraph 1 with respect to the Interim Agreement, all documents are incorporated herein by reference.

THE TERMS AND CONDITIONS OF THIS COMPREHENSIVE AGREEMENT SHALL IN ALL CASES PREVAIL OVER ANY AND ALL INCONSISTENT TERMS AND CONDITIONS OF THE CONTRACTOR'S PROPOSAL DATED JULY 17, 2024, AND THE CONTRACTOR'S DETAILED PHASE PROPOSAL DATED AUGUST 19, 2024, NOTWITHSTANDING THEIR INCORPORATION BY REFERENCE HEREINABOVE. ANY AMBIGUITIES BETWEEN SUCH INCORPORATED DOCUMENTS AND THIS COMPREHENSIVE AGREEMENT SHALL BE RESOLVED BY REFERENCE TO AND IN ACCORDANCE WITH THIS COMPREHENSIVE AGREEMENT.

#### 3. TIME FOR COMPLETION

The Work shall commence on the Date of Commencement once all permits required are received and shall be Substantially Completed no later than <u>Three Hundred Eighty-One</u> calendar days from the Date of Commencement, which is the Contract Completion Date. The Work shall be finally completed within 30 days after the date of Substantial Completion of the Work, but in no case later than <u>Four Hundred Eleven calendar</u> days following the Date of Commencement.

### 4. COMPENSATION TO BE PAID TO THE CONTRACTOR

The Owner agrees to pay, and the Contractor agrees to accept as full and just adequate compensation for the performance of all Work in accordance with the Contract Documents the Lump Sum Contract Price ten million eight hundred seventy-three thousand sixty-seven and 00/100 Dollars (\$10,873,067). Such amount is inclusive of four hundred twenty-seven thousand nine hundred six and 80/100 Dollars (\$427,906.80) heretofore paid by Owner under the Interim Agreement between Owner and the Contractor dated November 20, 2024, which amount the Contractor hereby acknowledges has been paid in full, such further amounts as Owner shall pay for Preliminary Design under the Interim Agreement, all of which shall be credited against the Lump Sum Contract Price on the accepted Schedule of Values for the project.

The cost breakdown for the Lump Sum Contract Price is shown in Exhibit 1.

### 5. **PAYMENTS**

The procedures for requesting periodic progress payments for Work in place and for requesting payments for properly stored materials are stated in the General Conditions.

#### 6. **CONTRACTUAL CLAIMS**

Any contractual claims shall be submitted in accordance with the contractual dispute procedures set forth in Section 49 of the General Conditions.

By signing this Agreement with an original signature, and returning the signed document, you agree that original signatures transmitted and received via facsimile, email, or other electronic transmission of a scanned document (e.g., PDF or similar format) are true and valid signatures for all purposes hereunder and shall bind the parties to the same extent as that of an original signature. Any such electronic transmission shall constitute the final agreement of the parties and conclusive proof of such agreement. Any such electronic counterpart shall be of enough quality to be legible either electronically or when printed as a hardcopy. CBH shall determine legibility and acceptability for public record purposes. This Agreement may be executed in one or more counterparts, each of which shall for all purposes be deemed to be an original and all of which shall constitute the same instrument.

Witness the following duly authorized signatures and seals.

		Colonial Behavioral Health
Date:	08/04/2025	By: Dail a. Coe
		David A. Coe, Executive Director
		Henderson Inc.
Date:	08/03/2025	By: Leslie Henderson Murphy Leslie Henderson Murphy (Aug 3, 2025 18:27:50 EDT)
		Leslie H. Murphy. President

This contract shall consist of the following attached as Appendix A and are incorporated by reference:

### **General Conditions**

ATTACHMENT A – By Reference – "PPEA RFP-A240325-Crisis Services Center" dated May 17, 2024

ATTACHMENT B – By Reference – Henderson Inc. Conceptual Phase Proposal – "Public-Private Education Facilities and Infrastructure Act (PPEA) Request for Conceptual Phase PPEA Proposals - Number A240325" dated July 17, 2024

ATTACHMENT C – By Reference – Henderson Inc. Detailed Phase Proposal – "Public-Private Education Facilities and Infrastructure Act (PPEA) Detailed Proposal Request PPEA Proposals - Number A240325" dated August 19, 2024

ATTACHMENT D – By Reference – Public-Private Education Facilities and Infrastructure Act (PPEA) of 2002 Guidelines, Revised April 2, 2024

The following exhibits are incorporated into this agreement:

- 1. Exhibit "1" 50% Design Development Drawings Summary Cost
- 2. Exhibit "2" Drawing Log
- 3. Exhibit "3" Assumptions and Clarifications
- 4. Exhibit "4" Project Schedule
- 5. Exhibit "5" Low Voltage Project Responsibility Matrix
- 6. Exhibit "6" Project Cost Responsibility Matrix



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### 1. DEFINITIONS

Whenever used in these General Conditions of the Comprehensive Agreement ("General Conditions") or in the Contract Documents, the following terms have the meanings indicated, which are applicable to both the singular and plural and are intended to be inclusive of all genders thereof:

**Architect, Engineer, Architect/Engineer, A/E**: The term used to designate the duly Virginia licensed persons or entities designated by the Contractor to perform and provide the Architectural and Engineering design and related services in connection with the Work.

**Beneficial Occupancy**: The condition after Substantial Completion but prior to Final Completion of the Project at which time the Project, or portion thereof, is sufficiently complete and systems operational such that the Owner could, after obtaining necessary approvals and certificates, occupy and utilize the space for its intended use. Guarantees and warranties applicable to that portion of the Work begin on the date the Owner accepts the Project, or portion thereof, for such Beneficial Occupancy, unless otherwise specified in the Supplemental General Conditions or by separate agreement.

Change Order: A document issued on or after the effective date of the Comprehensive Agreement between the Owner and the Contractor (Form 240325-11) which is agreed to by the Contractor and approved by the Owner, and which authorizes an addition, deletion or revision in the Work, including any adjustment in the Contract Price and/or the Contract Completion Date. A Change Order, once signed by all parties, is incorporated into and becomes a part of the Contract.

Code of Virginia: 1950 Code of Virginia as amended. Sections of the Code referred to herein are noted by (§xx-xx)

**Construction**: The term used to include new construction, reconstruction, renovation, restoration, major repair, demolition and all similar work upon buildings and ancillary facilities, including any draining, dredging, excavation, grading or similar work upon real property.

Construction Change Directive (CCD): A written order to proceed issued pursuant to Section 38.a.3.

**Contract**: The Contract between the Owner and the Contractor, hereinafter referred to as the Contract.

**Contract Completion Date**: The date by which the Work must be Substantially Complete. The Contract Completion Date is customarily established in the Notice to Proceed, based on the Time for Completion. In some instances, however, the Contract contains a mandatory Contract Completion Date, which shall be stated in the Invitation for Bid or the Request for Proposal.

Contract Documents: The Comprehensive Agreement Between the Owner and the Contractor signed by the Owner and the Contractor and any documents expressly incorporated therein. Such incorporated documents customarily include the bid submitted by the Contractor, these General Conditions, any Supplemental General Conditions, any Special Conditions, the plans and the specifications, and all modifications, including addenda and subsequent Change Orders. And also including the Workers' Compensation Certificate of Coverage (240325-9a), the Standard Performance Bond (240325-10), the Standard Labor and Material Payment Bond (240325-10.1), the Schedule of Values and Certificate for Payment (240325-12), the Affidavit of Payments of Claims (240325-13), the Contractor's Certificate of Completion (240325-13.2), the Contractor's Certificate of Substantial Completion (240325-13.2a), and copies of which are attached hereto as Appendix A and are made a part hereof to the same extent as though fully set forth herein. The foregoing Forms must be used by the Contractor for their respective purposes.

**Contract Price**: The total compensation payable to the Contractor for performing the Work, subject to modification by Change Order.

**Date of Commencement**: The date as indicated in the written Notice to Proceed, the receipt of the earliest Building Permit, or date mutually agreed to between the Owner and the Contractor in writing, whichever is the latest.

**Day(s)**: Calendar day(s) unless otherwise noted.

**Defective**: An adjective which, when modifying the word Work, refers to Work that is unsatisfactory, faulty, deficient, does not conform to the Contract Documents or does not meet the requirements of inspections, standards, tests or approvals required by the Contract Documents, or Work that has been damaged prior to Final payment (unless responsibility for the protection thereof has been assumed by Owner at Substantial Completion or Beneficial Occupancy).

**Design Professional(s)**: The term used to designate duly Virginia licensed persons or entities designated by the Contractor to perform and provide Engineering design and related services in connection with the Work.

**Drawing**: A page or sheet of the Plans which presents a graphic representation, usually drawn to scale, showing the technical information, design, location and dimensions of various elements of the Work. The graphic representations include, but are not limited to, plan views, elevations, transverse and longitudinal sections, large and small scale sections and details, isometrics, diagrams, schedules, tables and/or pictures.

**Emergency**: Any unforeseen situation, combination of circumstances, or a resulting state that poses imminent danger to health, life or property.

**Field Order**: A written order issued by the Architect/Engineer which clarifies or explains the plans or specifications, or any portion or detail thereof, without changing the design, the Contract Price, the Time for Completion or the Contract Completion Date.

**Final Completion Date**: The date of the Owner's acceptance of the Work from the Contractor upon confirmation from the Contractor that the Work is totally complete in accordance with Section 44.b.

**Final Payment**: The final payment that the Contractor receives pursuant to the applicable provisions of Section 36 except in the event no final payment is made due to termination of the Contract under either Sections 41 or 42. In the event of a termination for cause under Section 41, the Final Payment shall be when the termination became effective. In the event of a termination for convenience under Section 42, the Final Payment shall be either the payment of compensation for termination that the Contractor receives according to the provisions of Subsection 42, or the Owner's determination that no compensation for termination is due the Contractor under Subsection 42, as the case may be.

**Float**: The excess time included in a construction schedule to accommodate such items as inclement weather and associated delays, equipment failures, and other such unscheduled events. It is the contingency time associated with a path or chain of activities and represents the amount of time by which the early finish date of an activity may be delayed without impacting the critical path and delaying the overall completion of the Project. Any difference in time between the Contractor's approved early completion date and the Contract Completion Date shall be considered a part of the Project float.

**Float, Free**: the time (in days) by which an activity may be delayed or lengthened without impacting the start of any activity following in the chain.

**Float, Total**: The difference (in days) between the maximum time available within which to perform an activity and the duration of an activity. It represents the time by which an activity may be delayed or lengthened without impacting on the Time for Completion or the Contract Completion Date.

**Notice**: All written notices, including demands, instructions, claims, approvals and disapprovals, required or authorized under the Contract Documents. Any written notice by either party to the Contract shall be sufficiently given by any one or combination of the following, whichever shall first occur: (I) delivered by hand to the last known business address of the person to whom the notice is due; (2) delivered by hand to the person's authorized agent, representative or officer wherever they may be found; (3) enclosed in a postage prepaid envelope addressed to such last known business address and delivered to a United States Postal

Service official or mailbox; or (4) delivered via email with the exception that notices of termination must be delivered by one of methods 1-3. Notice is effective upon such delivery. All notices to the Owner pertaining to details of and scheduling of the Work should be directed to the Owner's Representative.

**Notice to Proceed**: A written notice given by Owner to the Contractor (with a copy to Architecture/Engineer) directing the Contractor to commence Work on the Date of Commencement and specifying the time periods within which the Contractor is to achieve Substantial and Final Completion.

Owner: Colonial Behavioral Health (CBH).

**Owner's Representative**: Owner's Representative as used herein shall be Owner's designated overseer on the Project. Owner's Representative shall be the person through whom Owner generally conveys written decisions and notices. The scope of Owner's Representatives authority is limited to that authorized by Owner, who shall provide written information to the Contractor at the Preconstruction meeting defining those limits. Upon receipt of such information, the Contractor shall be on notice that they cannot rely on any decisions of Owner's Representative outside the scope of their authority. Nothing herein shall be construed to prevent the Owner from issuing any notice directly to the Contractor. Owner may change Owner's Representative from time to time and may, in the event that the Owner's Representative is absent, disabled or otherwise temporarily unable to fulfill their duties, appoint an interim Owner's Representative.

**Person**: This term includes any individual, corporation, partnership, association, company, business, trust, joint venture or other legal entity.

**Plans**: The term used to describe the group or set of Project-specific drawings prepared by or for the Contractor and acceptable to Owner which describe the proposed Work in sufficient detail and provide sufficient information for the Building Official and concerned regulatory agencies to determine compliance with applicable codes and regulations, and for the Contractor to perform the Work and which are included in the Contract Documents.

**Project**: The term used instead of the specific or proper assigned title of the entire undertaking which includes, but is not limited to, the "Work" described by the Contract Documents, including any specific Phases or Subphases of such Work.

**Project Inspector**: One or more persons employed by the Owner to inspect the Work for the Owner and/or to document and maintain records of activities at the Site to the extent required by Owner. The Owner shall notify the Contractor in writing of the appointment of such Project Inspector(s).

**Project Manager**: The Project Manager as used herein shall be the Owner's designated representative on the Project. The Project Manager shall be the person through whom the Owner generally conveys written decisions and notices. All notices due Owner and all information required to be conveyed to Owner shall be conveyed to the Project Manager. The scope of the Project Manager's authority is limited to that authorized by the Owner, who shall provide written information to the Contractor at the Preconstruction meeting defining those limits. Upon receipt of such information, the Contractor shall be on notice that it cannot rely on any decisions of the Project Manager outside the scope of their authority. Nothing herein shall be construed to prevent Owner from issuing any notice directly to the Contractor. Owner may change the Project Manager from time to time and may, in the event that the Project Manager is absent, disabled or otherwise temporarily unable to fulfill their duties, appoint an interim Project Manager.

**Proposal:** The Conceptual Proposal dated July 17, 2024, submitted by the Contractor to the Owner, including Technical Proposal and the Cost Proposal as well as any modifications submitted by the Contractor in response to the Owner's RFP setting forth the design concepts, design criteria, pricing requirements and other conditions of the Work to be performed, with the Contractor's Detailed Phase Proposal dated August 19, 2024.

**Provide**: Shall mean furnish and install ready for the intended use.

**Schedule of Values**: The schedule prepared by the Contractor acceptable to the Owner that indicates the value of that portion of the Contract Price to be paid for each trade or major component of the Work.

Site: Shall mean the location at which the Work is performed or is to be performed.

**Specifications**: That part of the Contract Documents prepared by the Contractor's Architecture/Engineer and acceptable to Owner which contains the written design parameters and the technical descriptions of materials, equipment, construction systems, standards and workmanship which describe the proposed Work in sufficient detail and provide sufficient information for the Building Official to determine code compliance and for the Contractor to perform the Work.

**Subcontractor**: A person having a direct contract with the Contractor or with any other Subcontractor for the performance of the Work. The Subcontractor includes any person who provides on-site labor but does not include any person who only furnishes or supplies materials for the Project.

**Submittals**: All shop, fabrication, setting and installation drawings, diagrams, illustrations, schedules, samples, and other data required by the Contract Documents which are specially prepared by or for the Contractor to illustrate some portion of the Work and all illustrations, brochures, standard schedules, performance charts, instructions, diagrams and other information prepared by a Supplier and submitted by the Contractor to illustrate material or equipment conformance of some portion of the Work with the requirements of the Contract Documents.

**Substantial Completion, Substantially Complete**: The condition when Owner agrees that the Work, or a specific portion thereof, is sufficiently complete in accordance with the Contract Documents, so that it can be utilized by Owner for the purposes for which it was intended. The Owner at its sole discretion may, after obtaining the necessary approvals and certificates, take Beneficial Occupancy at this time or choose to wait to occupy until after Final Completion is achieved.

Supplemental General Conditions: that part of the Contract Documents which amend or supplements the General Conditions.

**Supplier**: A manufacturer, fabricator, distributor, materialman or vendor who provides material for the Project but does not provide on-site labor.

Systems: The mechanical, electrical and plumbing systems as indicated om the Plans and Specifications.

**Time for Completion**: The number of consecutive calendar days following the issuance of the Notice to Proceed which the Contractor has to substantially complete all Work required by the Contract.

**Underground Facilities**: All pipelines, conduits, ducts, cables, wires, manholes, vaults, tanks, tunnels or other such facilities or attachments, and any encasements containing such facilities which are or have been installed underground to furnish any of the following services or materials: electricity, gases, steam, liquid petroleum products, telephone or other communications, cable television, sewage and drainage removal, traffic or other control systems or water.

**Work**: The services performed under this Contract including, but not limited to, furnishing labor and furnishing and incorporating materials and equipment into the construction. The Work also includes the entire completed construction, or the various separately identifiable parts thereof, required to be furnished under the Contract Documents to be provided as part of a complete, code compliant and properly functioning System for those Systems indicated in the Plans and Specifications.

#### 2. CONTRACT DOCUMENTS

a. As defined in Section 1 hereinabove.

- b. All time limits stated in the Contract Documents, including but not limited to the Time for Completion of the Work, are of the essence of the Contract.
- c. The Comprehensive Agreement Between Owner and Contractor shall be signed by the Owner and the Contractor in as many original counterparts as may be mutually agreed upon, each of which shall be considered an original.
- d. Anything called for by one of the Contract Documents and not called for by the others shall be of like effect as if required or called for by all, except that a provision clearly designed to negate or alter a provision contained in one or more of the other Contract Documents shall have the intended effect. In the event of conflicts among the Contract Documents, the Contract Documents shall take precedence in the following order: The clarifications and exclusions of Exhibit "1" to the Comprehensive Agreement, The Comprehensive Agreement Between Owner and Contractor; the Supplemental General Conditions (if any); the General Conditions; the Special Conditions (if any); the specifications with attachments; and the approved plans.
- e. If any provision of this Contract shall be held invalid by any court of competent jurisdiction, such holding shall not invalidate any other provision.
- f. All correspondence, invoices, memoranda, submittals and other documents related to this Project whether generated by Owner, the Contractor or others should be identified at the beginning of the document with the Project Code Number xxx. Additional identification such as a job number, purchase order number or such may also be shown at the generator's option.

### 3. LAWS AND REGULATIONS

- a. The Contractor shall comply with all laws, ordinances, rules, regulations and lawful orders of any public authority bearing on the performance of the Work and shall give all notices required thereby. The Contractor shall assure that all Subcontractors and tradesmen who perform Work on the Project are properly licensed by the Department of Professional and Occupational Regulation as required by Title 54. 1, Chapter 11, Articles 1 and 3 and by applicable regulations.
- b. This Contract and all other contracts and subcontracts are subject to the provisions of Articles 3, Chapter 4, Title 40. 1, Code of Virginia, relating to labor unions and the "right to work." The Contractor and the Subcontractors, whether residents or nonresidents of the Commonwealth, who perform any Work related to the Project shall comply with all of the said provisions.
- c. IMMIGRATION REFORM AND CONTROL ACT OF 1986: By signing this Contract, the Contractor certifies that it does not and will not during the performance of this Contract violate the provisions of the Federal Immigration Reform and Control Act of 1986, which prohibits employment of illegal aliens.
- d. The provisions of all rules and regulations governing safety as adopted by the Safety Codes Commission of the Commonwealth of Virginia and as issued by the Department of Labor and Industry under Title 40.1 of the Code of Virginia shall apply to all Work under this Contract. Inspectors from the Department of Labor and Industry shall be granted access to the Work for inspection without first obtaining a search or administrative warrant.
- e. Building Permit: The Virginia Uniform Statewide Building Code applies to the Work and is administered by the James City County Building Official. The Contractor shall provide to the Building Official necessary copies of plans, specifications and other documents required by the Building Official. The Building Permit will be obtained and paid for by Contractor. The Owner shall pay all permanent utility hookup, connection and/or tap fees for water and sewer. All other permits, local license fees, business fees, taxes or similar assessments imposed by the appropriate political subdivision shall be obtained and paid for by the Contractor. See Section 23 for requirements for plans and specifications for Building Permits. See Section 25 for utility connection fees and services.

- f. Information or services required of the Owner by the Contract Documents shall be furnished by the Owner with reasonable promptness. Any other information or services relevant to the Contractor's performance of the Work under Owner's control shall be furnished by Owner after receipt from the Contractor of a written request for such information or services.
- g. The Contractor shall include in each of its subcontracts a provision requiring each Subcontractor to include or otherwise be subject to the same payment and interest requirements in Subsection (a), (b) and (c) of Section 37 of these General Conditions with respect to each lower-tier Subcontractor and Supplier.
- h. The Contractor, if not licensed as an asbestos abatement the Contractor, shall have all asbestos-related Work performed by Subcontractors who are duly licensed as asbestos contractors or RFS contractors as appropriate for the Work required.
- i. Lead Based Paint Activities: If the Contract Documents indicate that lead based paint is present on existing materials, components or surfaces, the Contractor shall conform to the following:
  - 1. The requirements set forth in 40 CFR 745 in selecting and performing the means, methods and procedures for performing the Work. This includes, but is not limited to, training of personnel, lead abatement, encapsulation of lead containing materials, removal of lead containing materials, and methods of disposal.
  - 2. The requirements for employee protection contained in 29 CFR Part 1926, Subpart D, and the requirements for record-keeping contained 29 CFR Part 1910.
  - 3. The Virginia Department of Labor and Industry's (DLI) Emergency Regulation published in the May 27, 1996 Virginia Register, requiring, among other things, that a permit be issued to the lead abatement the Contractor, or any subsequent regulation issued by DLI.
- j. If the Contractor violates laws or regulations that govern the Project, the Contractor shall indemnify and hold Owner harmless against any fines and/or penalties that result from such violation. To the extent that such violation is the result of negligence or other actionable conduct of the Contractor, Contractor shall indemnify and hold Owner harmless against any third party claims, suits, awards, actions, causes of action or judgments, including, but not limited to, attorney's fees and costs incurred thereunder, that result from such violation.

### 4. NONDISCRIMINATION

- a. §2.2-4311 of the Code of Virginia shall be applicable. It provides as follows:
  - During the performance of this Contract, the Contractor agrees as follows:
    - a. The Contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, or other basis prohibited by state law relating to discrimination in employment, except where there is a bona fide occupational qualification reasonably necessary to the normal operation of the Contractor. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
    - b. The Contractor, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, will state that such the Contractor is an equal opportunity employer.
    - c. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting the requirements of this section.

- The Contractor will include the provisions of the foregoing paragraphs (a), (b) and (c) in every subcontract or purchase order of over Ten Thousand and 00/100 Dollars (\$10,000), so that the provisions will be binding upon each Subcontractor or vendor.
- b. Where applicable, the Virginians with Disabilities Act and the Federal Americans with Disabilities Act shall apply to the Contractor and all Subcontractors.

### 5. PROHIBITIONS OF ALCOHOL AND OTHER DRUGS

a. §2.2-43 12 of the Code of Virginia shall be applicable. It provides as follows:

"During the performance of this Contract, the Contractor agrees to (i) provide a drug-free workplace for the Contractor's employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition; (iii) state in all solicitations or advertisements for employees placed by or on behalf of the Contractor that the Contractor maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of over Ten Thousand and 00/100 Dollard (\$10,000), so that the provisions will be binding upon each Subcontractor or vendor. For the purposes of this section, "drug-free workplace" means a site for the performance of work done in connection with a specific contract awarded to the Contractor in accordance with this chapter, the employees of whom are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the contract."

- b. The Contractor shall also establish, maintain and enforce policies which prohibit the following acts by all of the Contractor's personnel as well as Subcontractor and Supplier personnel at the Site:
  - 1. the manufacture, distribution, dispensation, possession, or use of alcohol, marijuana or other drugs, except possession and medically prescribed use of prescription drugs; and
  - 2. the impairment of judgment or physical abilities due to the use of alcohol, marijuana or other drugs, including impairment from prescription drugs.

### 6. TIME FOR COMPLETION

- a. The Time for Completion of the Project includes any dates for completion of any designated Phase or Sub-phase shall be as stated in the Contract as agreed upon by Owner and the Contractor, subject to Change Orders or written mutual agreement of Owner and Contractor. The Work must be substantially completed by the Time for Completion or the Contract Completion Date. Unless otherwise specified, the Contractor shall achieve Final Completion within thirty (30) days after the date of Substantial Completion.
- b. The Time for Completion shall be stated in the Contract and shall become a binding part of the Contract upon which the Owner may rely in planning the use of the facilities to be constructed and for all related purposes. If the Contractor fails to achieve Substantial Completion of the Work by the specified date, and subject to any extensions granted under the General Conditions, the Contractor shall owe to the Owner, not as a penalty but as liquidated damages, the sum of ONE THOUSAND AND 00/100 DOLLARS (\$1,000.00) per calendar day for each day of delay in achieving Substantial Completion. If the Contractor fails to achieve Final Completion by the specified date, the Contractor shall owe to the Owner, not as a penalty but as liquidated damages, the sum of ONE THOUSAND AND 00/100 DOLLARS (\$1,000.00) per calendar day for each day of delay in achieving Final Completion.

- c. The Contractor, in submitting the proposal, acknowledges that they have taken into consideration normal weather conditions. Normal weather does not mean statistically average weather but rather means a range of weather patterns which might be anticipated based on weather data for the past ten (10) years, (i.e., conditions which are not extremely unusual). Normal weather conditions shall be determined from the public historical records available, including the U.S. Department of Commerce, Local Climatological Data Sheets, National Oceanic and Atmospheric Administration/Environmental Data and Information Service, National Climatic Center and National Weather Service. The data sheets to be used shall be those for the locality or localities closest to the site of the Work. No additional compensation will be paid to the Contractor because of adverse weather conditions; however, an extension of time for abnormal weather will be considered by the Owner under the following conditions:
  - 1. The request for additional time shall be further substantiated by weather data collected during the period of delay at the Site. Said data must demonstrate an actual departure from normal weather occurred at the Site during the dates in question.
  - 2. The extension requested must be supported by a delay in completion of the entire Project shown on the approved bar graph schedule required for the Project. Extensions will be granted only for delays in completion of the Project, not for that portion of any delay which consumes only "float" time.
  - 3. A request for extension of time based on abnormal weather must be made in writing within five (5) calendar days of the completion of the calendar month during which abnormal weather is claimed at the Site.
  - 4. All the evidence and data supporting the request (including both historical data and the recordings at the Site during the time of delay) must be furnished to the Owner before any consideration will be given to the request. That supporting data shall be submitted by the end of the calendar month following the month for which the request is made.
- d. The failure by the Contractor to comply with any and all of the conditions in (c.) above shall constitute a waiver of claims for the extension of time for abnormal weather.
- e. The Contractor represents and agrees that in their Proposal has taken into account local conditions, availability of materials, equipment and labor, and any other factors which may affect the performance of the Work. The Contractor agrees and warrants that they will achieve Substantial Completion of the Work to allow the Owner to have Beneficial Occupancy not later the Time of Completion of the Contract Completion Date. The Contractor agrees and warrants that they will achieve Final Completion of the Work (the entire completion of all Work, including "punch list" items), not later than thirty (30) days after achieving Substantial Completion.

### 7. CONDITIONS OF SITE

- a. The Contractor has visited the Site prior to submitting their Proposal and is totally responsible for having ascertained pertinent local conditions such as location, accessibility and general character of the Site, and the character and extent of existing improvements and work within or adjacent to the Site. Claims which result from the Contractor's failure to do so will be deemed waived.
- b. If in the performance of the Contract, subsurface or latent conditions at the Site are found which are materially different from those frequently present in the locality or from those indicated in the Contract Documents, the Contractor must report such conditions to Owner and to the Contractor's Design Professional(s) before the conditions are disturbed. Upon such notice the Design Professional(s) shall promptly propose such changes in the Contract Documents as they find necessary to conform to the different conditions. Any change in the cost of the Work or additional time needed for completion must be requested pursuant to Sections 38, 39 and /or 43 of these General Conditions.

- c. If the Contractor, during the course of the Work, observes the existence of any material which they know, should know, or has reason to believe is hazardous to human health, the Contractor shall promptly notify the Owner. The owner will provide the Contractor with instructions regarding the disposition of the material. The Contractor shall not perform any Work involving the material or any Work causing the material to be less accessible prior to receipt of special instructions from Owner.
- d. All property boundary markers shown on the Drawings or discovered during the course of construction shall be protected. All property boundary markers disturbed due to construction activities shall be replaced by the Contractor at no expense to the Owner. Property boundary markers shall be restored by a surveyor licensed in the State of Virginia and all restored property boundary markers shall be shown on the Record Drawings.

## 8. CONTRACT SECURITY

- a. The Contractor shall deliver to Owner or its designated representative, a Performance Bond and a Labor and Material Bond, each fully executed by the Contractor and one or more surety companies legally licensed to do business in Virginia and each in an amount equal to one hundred percent (100%) of the total Contract Sum. If more than one Surety executes a bond, each shall be jointly and severally liable to the Owner for the entire amount of the bond. Sureties shall be selected by the Contractor, subject to approval by Colonial Behavioral Health. No payment on the Contract shall be due and payable to the Contractor until the bonds have been approved by Owner. In order to facilitate review of the bonds by Colonial Behavioral Health, the power of attorney from the surety company to its agent who executes the bond shall be attached to the bond. If not so attached, prior to the execution of the bonds by the surety, a true copy of the power of attorney shall have been recorded in the office of the Clerk of the Circuit Court of the City of Williamsburg and County of James City. Upon receipt of such forms 240325-10 and 240325-10.1, which cover both this Contract and the Interim Agreement to the extent the Interim Agreement remains in force, the Owner will promptly return to the Contractor the Performance Bond and Standard Labor and Material Payment Bond delivered to the Owner pursuant to the Interim Agreement.
- b. For the purposes of all Standard Labor and Material Payment Bonds entered into, the term "Subcontractors" means any Subcontractors who participated in the prosecution of the Work undertaken by the Contractor whether such Subcontractor had a direct contract with the Contractor or whether there were one or more other intervening Subcontractors contractually positioned between it and the Contractor. The payment bond shall be for the protection of claimants who have and fulfill contracts to supply labor or materials to the Contractor or to any Subcontractors in furtherance of the Work provided for in this Contract and shall be conditioned upon the prompt payment for all materials furnished or labor supplied or performed in the furtherance of the Work. "Labor and Materials" includes public utility services and reasonable rentals of equipment, but only for periods when the equipment rented is actually used at the Site.
- c. See §2.2-4338 of the Code of Virginia, for alternative forms of security for payment and/or performance bonds.

### 9. SUBCONTRACTS

- a. The Contractor shall, as soon as practicable after the signing of the Contract, notify Owner in writing of the names of all Subcontractors proposed for the principal parts of the Work and of such others as Owner may direct. Where the specifications establish qualifications or criteria for Subcontractors, manufacturers, or individuals performing Work on the Project, the Contractor shall be responsible for ascertaining that those proposed meet the criteria or qualifications. The Contractor shall not employ any Subcontractor that the Owner may, by written notice, to the Contractor, within a reasonable time, object to as unsuitable. Owner shall not direct the Contractor to contract with any particular Subcontractor unless provided in the specifications or Request for Proposals.
- b. Owner shall on request, furnish to any Subcontractor, if practicable, the amounts of payments made to the Contractor, the Schedule of Values and Requests for Payment submitted by the Contractor and any other documentation submitted by the Contractor which would tend to show what amounts are due and payable by the Contractor to the Subcontractor.

- c. The Contractor shall be fully responsible to Owner for all acts and omissions of his agents and employees and all succeeding tiers of Subcontractors and Suppliers performing or furnishing any of the Work. Nothing in the Contract Documents shall create any contractual relationship between Owner and any such Subcontractor, Supplier or other person or organization, nor shall it create any obligation on the part of Owner to pay for or to see to the payment of any monies due any such Subcontractor, Supplier or other person or organization, except as may otherwise be required by law.
- d. The Contractor shall be fully responsible for their invitees at the Site and for those of their Subcontractors, Suppliers, and their employees, including any acts or omissions of such invitees.
- e. The Contractor agrees that they alone are responsible for all dealings with their Subcontractors and Suppliers, and their Subcontractors, employees and invitees, including, but not limited to, the Subcontractors' or Suppliers' claims, demands, actions, disputes and similar matters unless specifically provided otherwise by the Contract or by statute.

### 10.SEPARATE CONTRACTS

- a. The Owner reserves the right to let other contracts in connection with the Project, the work under which may proceed simultaneously with the execution of this Contract. The Contractor shall afford other Separate Contractors reasonable opportunity for the introduction and storage of their materials and the execution of their work. The Contractor shall cooperate with them and shall take all reasonable action to coordinate his Work with theirs. If Owner has listed other separate contracts in the Request for Proposals, which it expects to proceed simultaneously with the Work of the Contractor and has included the estimated timing of such other Contracts in the Request for Proposals, The Contractor shall integrate the schedule of those separate contracts into his scheduling. The Contractor shall make every reasonable effort to assist Owner in maintaining the schedule for all separate contracts. If the work performed by the Separate Contractor is defective or performed so as to prevent or threaten to prevent the Contractor from carrying out his Work according to the Contract, the Contractor shall immediately notify Owner upon discovering such conditions.
- b. If a dispute arises between the Contractor and any Separate Contractor(s) as to their responsibility for cleaning up as required by Sections 31 (c) and 31 (d) of these General Conditions, the Owner may clean up and charge the cost thereof to the respective Contractors in proportion to their responsibility. If a Contractor disputes the Owner's apportionment of clean-up costs, it shall be that the Contractor's burden to demonstrate and prove the correct apportionment.
- c. The term "Separate Contractor(s)" shall mean other contractors retained by the Owner under separate agreements. Contracts with said Separate Contractors shall include Conditions of the Contract that are in all material respects the same as those of this Contract, including without limitation those provisions of the Conditions of the Contract related to insurance and waiver of subrogation.

## 11.CONTRACTOR'S AND SUBCONTRACTOR'S INSURANCE

- a. The Contractor shall not commence Work under this Contract until they have obtained all the insurance required hereunder from an insurer authorized to do business in Virginia and such insurance has been approved by the Owner; nor shall the Contractor allow any Subcontractor to commence Work on their subcontract until the same types of insurance in an appropriate amount have been obtained by the Subcontractor and approved by the Contractor. Approval of insurance by the Owner shall not relieve or decrease the liability of the Contractor hereunder.
- b. The Contractor shall take out and shall maintain at all times during the performance of the Work Workers' Compensation and Employers' Liability Insurance for all of his employees engaged in the Work in an amount not less than the minimum required by §2.2-43 32 and §65.2-100 et seq. of the Code of Virginia, and, in case any of the Work is sublet, the Contractor shall require each Subcontractor similarly to provide Workers' Compensation and Employers' Liability Insurance for all of the latter's employees to be engaged in the Work. The Contractor shall submit to Owner a Certificate of Coverage verifying Workers' Compensation coverage prior to award of the Contract. The Contractor shall likewise obtain a Certificate of Coverage for

Worker's Compensation coverage from each Subcontractor prior to awarding the subcontract and shall provide a copy to the Owner.

- c. During the performance of the Work under this Contract, the Contractor shall maintain commercial general liability insurance to include Premises/Operations Liability, Products and Completed Operations Coverage, Independent Contractor's Liability, Owner's and Contractor's Protective Liability, and Personal Injury Liability, which shall insure him against claims of personal injury, including death, as well as against claims for property damage, which may arise from operations under this Contract, whether such operations be by himself or by any Subcontractor, or by anyone directly or indirectly employed by either of them. The amounts of general liability insurance shall be not less than \$1,000,000 per occurrence and \$2,000,000 aggregate combined limit. Colonial Behavioral Health, its officers, employees and agents shall be named as an additional insured with respect to the Work being procured. The Supplemental General Conditions may require the Contractor to provide an Umbrella insurance policy in a specified amount for the project.
- d. During the performance of the Work under this Contract, the Contractor shall maintain automobile liability insurance which shall insure them against claims of personal injury, including death, as well as against claims for property damage, which may arise from operations under this Contract, whether such operations be by the Contractor or by any Subcontractor, or by anyone directly or indirectly employed by either of them. The amounts of automobile insurance shall be not less than \$1,000,000 combined limit for bodily injury and property damage per occurrence.
- e. The Contractor's Architect/Engineer responsible for the design portion of the Work shall obtain and maintain in force during the Contract period and for a period of five (5) years after the final completion of the Work professional liability and errors and omission insurance in the amount of \$2,000,000 per claim occurrence and \$2,000,000 aggregate combined claims limit.

Except for the insurance provided in (e), Owner, its officers, employees and its agents shall be named as an additional insured in any policy of insurance issued by endorsement. Written evidence of the insurance shall be filled with Owner no later than thirty (30) days following the award of the Contract. All insurance policies providing the coverages required under paragraphs 11 (b.), (c.), (d.) and (e.), and Section 12 shall require thirty (30) days' advance written notice of cancellation ten (10) days in case of failure to pay premiums] to Owner.

f. The following, properly completed endorsements will be acceptable:

#### Worker's Compensation

- 1. Certificate of Coverage
- 2. Alternative Employer Form WC 00 0301 A
- 3. Material Coverage Change or Cancellation form WC 99 O0 10 01 10A.

Additional Insured: Form No. CG 20 10 11 85

Completed Operations: Form No. CG 20 37 07 04

Material Change or Policy Cancellation Notice: Form No. IL 60 05 VA 01 10 and Form No. CA 02 03 12 05

### 12."ALL-RISK" BUILDER'S RISK INSURANCE

a. The Contractor, at its cost, shall obtain and maintain in the names of Owner and Contractor "all—risk" builder's risk insurance upon the entire structure or structures on which the Work of this Contract is to be done and upon all material in or adjacent thereto which is intended for use thereon, to one hundred percent (100%) of the insurable value thereof. Such insurance may

include a deductible provision if Owner so provides in the Supplemental General Conditions, in which case the Contractor will be liable for such deductions whenever a claim arises. The loss, if any, is to be made adjustable with and payable to Owner in accordance with its interests, as they may appear. Owner, its officers, employees and its agents, shall be named as an additional insured in any policy of insurance issued. Written evidence of the insurance shall be filed with Owner no later than thirty (30) days following the date on which both parties have signed the Contract. In the event of cancellation or modification of this insurance, not less than thirty (30) days prior written notice must be sent to Owner. A copy of the policy of insurance shall be given to Owner upon demand. The value of the builder's risk insurance shall exclude the costs of demolitions, excavations, backfills, foundations, underground utilities and Sitework.

b. The Contractor is responsible for providing any desired coverage for the Contractor's or Subcontractor's buildings, equipment, materials, tools or supplies that are on-site.

## 13.TAXES, FEES, AND ASSESSMENTS

Except as provided in Paragraph 3(e), the Contractor shall, without additional expense to the Owner, pay all applicable federal, state, and local taxes, fees, and assessments except the taxes, fees and assessments on the real property comprising the Site of the Project.

#### 14.PATENTS

The Contractor shall be responsible to the Owner to obtain and assure that the Contractor's Subcontractors have obtained all licenses necessary to use any invention, article, appliance, process or technique of whatever kind and shall pay all royalties and license fees for such invention, article, appliance, process or technique that is utilized in the Work. The Contractor shall hold Owner and Owner's officers, agents and employees harmless against any loss or liability for or on account of the infringement of any patent rights in connection with any invention, process, technique, article or appliance manufactured or used by or on behalf of the Contractor or its Subcontractors in the performance of the Contract, including its use by Owner, unless such invention, process, technique, article or appliance is specifically named in the specifications or plans as acceptable for use in carrying out the Work. If before using any invention, process, technique, article or appliance specifically named in the specifications or plans as acceptable for use in carrying out the Work, the Contractor has or acquires information that the same is covered by letters of patent making it necessary to secure the permission of the patentee or others for the use of the same, he shall promptly advise Owner. The Owner may direct that some other invention, process, technique, article or appliance be used. Should the Contractor have reason to believe that the invention, process, technique, article or appliance so specified is an infringement of a patent and fail to inform the Owner, he shall be responsible for any loss or liability due to the infringement.

## 15.ARCHTECT/ENGINEER'S STATUS

- a. The Contractor's Architect/Engineer shall be duly and properly licensed by the Virginia Department of Professional and Occupational Regulation to provide these services in Virginia. The Architect/Engineer shall provide the professional services to design the Work in conformance with the applicable standards indicated below.
- b. They shall review the Contractor's Submittals for conformance to the requirements of the Contract Documents and return copies to the Contractor with appropriate notations. They shall interpret the requirements of the plans and specifications and issue clarifications to the Contractor as may be required. They shall recommend to the Owner suspension of the Work (in whole or in part) whenever such suspension may be necessary to ensure the proper execution of the Contract. They shall have authority to reject, in writing, any the Work or any portion(s) thereof, including material, installation or workmanship, which does not conform to the requirements of the plans and specifications. Upon request by the Contractor, the Architect/Engineer shall confirm in writing within fourteen (14) days, any oral order or determination made by them.
- c. The Virginia Department of Transportation "Road & Bridge Specifications", 2020 edition or later, and Virginia Department of Transportation "Road Design Standards", 2016 edition or later, are included by reference and shall be used by the Architect/Engineer as the referenced standards for design of the roads, parking areas, sidewalks, curbs and other sitework.

- d. The building design shall conform to the requirements of the Virginia Uniform Statewide Building Code. The current edition of the Virginia Uniform Statewide Building Code which is in effect at the time the construction documents are submitted to the Building Official for Building Permit shall be the applicable Building Code for that phase of the Project.
- e. The Architect/Engineer shall have no authority to approve or order changes in the Work that alter the approved plans and specifications which were the basis of the Building Permit without obtaining approval of the Building Official.
- f. The provisions of this section are included as information only to describe the relationship between Owner, Architect/Engineer, and Contractor. No failure of the Architect/Engineer to act in accordance with this section shall relieve the Contractor from their obligations under the Contract or create any rights in favor of the Contractor.

### 16.INSPECTION

- a. All material and workmanship shall be subject to inspection, examination and testing by Owner, its Project Inspector, authorized inspectors, and authorized independent testing entities at all times during manufacture and/or construction. The Owner shall have authority to reject defective material and workmanship and require its correction. Rejected workmanship shall be satisfactorily corrected and rejected material shall be satisfactorily replaced with proper material without charge therefor, and the Contractor shall promptly segregate and remove the rejected material from the Site. If the Contractor fails to proceed at once with replacement of rejected material and/or the correction of defective workmanship, Owner may, by contract or otherwise, replace such material and/or correct such workmanship and charge the cost to the Contractor, or may terminate the right of the Contractor to proceed as provided in Section 41 of these General Conditions, the Contractor and surety being liable for any damage to the same extent as provided in Section 41 for termination thereunder.
- b. Site inspections, tests conducted on Site, or tests of materials gathered on Site which the Contract requires to be performed by independent testing entities shall be contracted and paid for by the Contractor. Examples of such tests are the testing of cast-in-place concrete, foundation materials, soil compaction, pile installations, caisson bearings and steel framing connections. The Contractor shall promptly furnish, without additional charge, all reasonable facilities, labor and materials necessary and convenient for making such tests. Except as provided in (cl) below, whenever such examination and testing reveals defective materials, equipment or workmanship, the Contractor shall reimburse the Owner for the cost of reexamination and retesting. Although conducted by independent testing entities, Owner will not contract and pay for tests or certifications of materials, manufactured products or assemblies which the Contract, codes, standards, etc., require to be tested and/or certified for compliance with industry standards such as Underwriters Laboratories, Factory Mutual or ASTM. If fees are charged for such tests and certifications, they shall be paid by the Contractor. the Contractor shall also pay for all inspections, tests and certifications that the Contract specifically requires him to perform or to pay, together with any inspections and tests that he chooses to perform for his own purposes but are not required by the Contract.
- c. Where Work is related to or dependent on the Defective Work, the Contractor shall stop such related or dependent Work until the Defective Work or deficiency is corrected or an alternative solution is presented that is satisfactory to the Owner. Where Work is rejected because of defective material or workmanship, the Contractor shall stop, like Work in other areas or locations on the Project until the matter is resolved, and the Owner has approved corrective measures.
- d. Should it be considered necessary or advisable by Owner at any time before final acceptance of the entire Work to make an examination of any part of the Work already completed by removing or tearing out portions of the Work, the Contractor shall on request promptly furnish all necessary facilities, labor and material to expose the Work to be tested to the extent required. If such Work is found to be defective in any respect due to the fault of the Contractor or their Subcontractors, the Contractor shall defray all the expenses of uncovering the Work, of examination and testing and of satisfactory reconstruction. If, however, such Work is found to meet the requirements of the Contract, the actual cost of the Contractor's labor and material necessarily involved in uncovering the Work, the cost of examination and testing and the Contractor's cost of material and labor necessary for replacement including a markup of fifteen (15%) percent for overhead and profit shall be paid to the Contractor and he shall in addition, if completion of the Work has been delayed thereby, be granted an extension of the Time

for Completion or the Contract Completion Date equal to the delay in the CPM schedule caused thereby. Notwithstanding the foregoing, the Contractor shall be responsible for all costs and expenses in removing and replacing the Work if the Contractor has covered the Work prior to any inspection or test contrary to the instructions of the Architect/Engineer, Owner or Project Inspector.

- e. The Project Inspector has the authority to recommend to Owner that the Work be suspended when in their judgment the Contract Documents are not being followed if the issues are related to Life/Safety or if the cost to correct such deviation may result in significant expense to the Owner. Any such suspension shall be continued only until the matter in question is resolved to Owner's satisfaction. The cost of any such Work stoppage shall be borne by the Contractor unless it is later determined that the Work stoppage was not reasonably justified due to the Contractor's failure to follow the Contract Documents.
- f. The Project Inspector has the right and authority to:
  - 1. Inspect all construction materials, equipment and supplies for quality and for compliance with the Contract Documents and/or approved shop drawings and Submittals.
  - 2. Inspect workmanship for compliance with the standards described in the Contract Documents.
  - 3. Observe and report on all tests and inspections performed by the Contractor.
  - 4. Recommend rejection of Work which does not conform to requirements of the Contract Documents.
  - 5. Keep a record of construction activities, tests, inspections and reports.
  - 6. Attend all joint Site construction meetings and inspections held by Owner and/or the Architect/Engineer with the Contractor.
  - 7. Check materials and equipment, together with documentation related thereto, delivered for conformance with approved Submittals and the Contract.
  - 8. Check installations for proper workmanship and conformance with shop drawing and installation instructions.
  - Assist in the review and verification of the Schedule of Values & Certificate for Payment submitted by the Contractor each month.
  - 10. Do all things for or on behalf of Owner as the Owner may subsequently direct in writing.
- g. The Project Inspector has no authority to:
  - 1. Authorize deviations from the Contract Documents.
  - 2. Enter the area of responsibility of the Contractor's superintendent.
  - 3. Issue directions relative to any aspect of construction means, methods, techniques, sequences or procedures, or in regard to safety precautions and programs in connection with the Work.
  - 4. Authorize or suggest that the Owner occupy the Project in whole or in part, or
  - 5. Issue a certificate for payment.

h. The duties of the Project Inspector are for the benefit of Owner only and not for the Contractor. The Contractor may not rely upon any act, statement or failure to act on the part of the Project Inspector, nor shall the failure of the Project Inspector to properly perform his duties in any way excuse Defective Work or otherwise improper performance of the Contract by the Contractor.

### 17.SUPERINTENDENCE BY THE CONTRACTOR

- a. The Contractor shall have a competent foreman or superintendent satisfactory to Owner on the Site at all times during the progress of the Work. The superintendent or foreman shall be familiar with and be able to read and understand the plans and specifications and be capable of communicating orally and in writing with the Contractor's workers. the Contractor shall be responsible for all construction means, methods, techniques, sequences and procedures for coordinating all portions of the Work, except where otherwise specified in the Contract Documents, and for all safety and worker health programs and practices. The Contractor shall notify Owner in writing of any proposed change in superintendent, including the reason therefor, prior to making such change.
- b. The Contractor shall at all times enforce strict discipline and good order among the workers on the Project and shall not employ on the Work or contract with any unfit person, anyone not skilled in the Work assigned to him, or anyone who will not work in harmony with those employed by the Contractor, the Subcontractors, Owner or Owner's separate Contractors and their Subcontractors.
- c. Owner may require in writing that the Contractor remove from the Site any employee or Subcontractor's employee whom Owner deems to be incompetent, careless, not working in harmony with others on the Site, or who is otherwise objectionable, but Owner shall have no obligation to do so.

## 18.CONSTRUCTION SUPERVISION, METHODS, AND PROCEDURES

a. The Contractor shall be solely responsible for supervising and directing the Work competently and efficiently, devoting such attention thereto and applying such skills and expertise as may be necessary to perform the Work in accordance with the Contract Documents. The Contractor shall be solely responsible for the means, methods, techniques, sequences and procedures of construction and for coordinating all portions of the Work under the Contract, except where otherwise specified in the Contract Documents. The Contractor, in performing as the Contractor, shall also be responsible to Owner for the design or selection of any specific means, method, technique, sequence or procedure of construction that is indicated in and required by the Contract Documents. The Contractor is solely responsible to Owner that the finished Work complies with the Contract Documents.

The Contractor shall be solely responsible for health and safety precautions and programs for workers and others in connection with the Work. No inspection by, knowledge on the part of, or acquiescence by the Design Professional, the Project Inspector, Owner, Owner's Representative, Owner's employees and agents or any other entity, whatever shall relieve the Contractor from its sole responsibility for compliance with the requirements of the Contract Documents or its sole responsibility for health and safety programs and precautions.

b. The Contractor shall be fully responsible to the Owner for all acts and omissions of all succeeding tiers of Design Professional(s), Subcontractors and Suppliers performing or furnishing any of the Work just as the Contractor is responsible for the Contractor's own acts and omissions. Nothing in the Contract Documents shall create any contractual relationship between the Owner and any Subcontractor, Supplier or other person or organization, nor shall it create any obligation on the part of Owner to pay for or see to payment of any monies due to any such Subcontractor, Supplier or other person or organization except as may otherwise be required by law.

### 19.SCHEDULE OF THE WORK

a. **General**: The Contractor is responsible for the scheduling and sequencing of the Work, for coordinating the Work, for monitoring the progress of the Work and for taking appropriate action to keep the Work on schedule. The Contractor may attempt to achieve Substantial Completion on or before the Time for Completion or the Contract Completion Date established by the Contract Documents and receive payment in accordance with Section 36 for the Work completed each period. However, the date established by the Contract Documents as the deadline for achieving Substantial Completion must be used in all schedules as the date by which Substantial Completion will be achieved. The time (in days) between Contractor's planned early completion and the contracted Time for Completion is part of the Project "Total Float" time and will be used as such. Extensions of time pursuant to Sections 38, 39 and 43, damages for delay, and all other matters between Owner and Contractor will be determined using the contractually required Substantial Completion date, not an early Substantial Completion date planned by Contractor.

Within two (2) weeks the Contractor signs the Contract between Owner and Contractor, unless otherwise extended by Owner at the time of the signing, Contractor shall prepare and submit to Owner a preliminary bar graph schedule for accomplishing the Work based upon the Time for Completion stated in the Contract Documents. The preliminary bar graph schedule shall be in sufficient detail to show the sequencing of the various trades for each phase of the Work. Owner will notify Contractor of its acceptance of or objections to the preliminary schedule within fifteen (15) days of receipt by Owner. A fully complete Project schedule for accomplishing the Work must be submitted in like manner no later than sixty (60) days after the Contract is signed by Owner.

Owner's failure to reject or its acceptance of any schedule, graph, chart, recovery schedule, updated schedule, plan of action, etc. shall not constitute a representation or warranty by Owner, including but not limited to a representation or warranty that the schedule is feasible or practical, nor shall any such acceptance or failure to reject relieve the Contractor from sole responsibility for completing the Work within the time allowed.

No progress payments will be payable to the Contractor until after he has submitted a preliminary schedule which is acceptable to Owner. Neither the second progress payment nor any subsequent payment shall be payable to the Contractor until they have submitted a fully complete Project schedule accepted by Owner. Nor shall subsequent progress payments be payable to Contractor unless and until he maintains the monthly bar graphs or status reports required by Section 19(d) herein or unless and until he provides any recovery schedule pursuant to Section 19 (e) herein.

Failure to provide a satisfactory preliminary or fully complete Project bar graph schedule within the time limits stated above shall be a breach of contract for which Owner may terminate the Contract in the manner provided in Section 4lof these General Conditions. The fully complete Project schedule for accomplishing the Work shall be the type set forth in subparagraph (1) or (2) below, as appropriate:

- 1. For Contracts with a price of One Million Five Hundred Thousand and 00/100 Dollars (\$1,500,000) or less, a bar graph schedule will satisfy the above requirement. The schedule shall indicate the estimated starting and completion dates for each major element of the work. See paragraph (b) below.
- 2. For Contracts with a price over One Million Five Hundred Thousand and 00/100 Dollars (\$1,500,000), a Critical Path Method (CPM) schedule shall be utilized to control the planning and scheduling of the Work. The CPM schedule shall be the responsibility of the Contractor and shall be paid for by the Contractor. See paragraph (c) below.
- b. **Bar Graph Schedule**: Where a bar graph schedule is required, it shall be time-scaled in weekly increments, shall indicate the estimated starting and completion dates for each major element of the Work by trade and by area, level or zone, and shall schedule dates for all salient features including but not limited to the placing of orders for materials, submission of shop drawings and other Submittals for approval; approval of shop drawings by Architect/Engineer; the manufacture and delivery

of material; the testing and the installation of materials, supplies and equipment; and all Work activities to be performed by Contractor.

The Contractor shall allow sufficient time in their schedule for its Architect/Engineer to conduct whatever associated reviews or inspections as may be required under the Architect/Engineer's contract with Contractor. Each Work activity will be assigned a time estimate by the Contractor. One day shall be the smallest time unit used.

It is the Contractor's responsibility to submit a schedule that shows Substantial Completion of the Work by the Contract Time for Completion or the Contract Completion Date and any interim deadlines established by the Contract.

c. **CPM Schedule**: Where a CPM schedule is required, it shall be in the time-scaled precedence format using Contractor's logic and time estimates. The CPM schedule shall be drawn or plotted with activities grouped or zoned by Work area or subcontract as opposed to a random (or scattered) format.

The CPM schedule shall be time-scaled on a weekly basis and shall be drawn or plotted at a level of detail and logic which will schedule all salient features of the Work, including not only the actual construction Work for each trade, but also the submission of shop drawings and other Submittals for approval, approval of shop drawings by the Contractor's Architect/Engineer, placing of orders for materials, the manufacture and delivery of materials, the testing and installation of materials and equipment, and all Work activities to be performed by the Contractor. Failure to include any element of Work required for the performance of the Contract shall not excuse Contractor from completing all Work required within the Time for Completion, Contract Completion Date and any interim deadlines established by the Contract.

Contractor shall allow sufficient time in his schedule for his Architect/Engineer to conduct whatever associated reviews or inspections as may be required. Each Work activity will be assigned a time estimate by the Contractor. One day shall be the smallest time unit used.

It is the Contractor's responsibility to submit a schedule that shows Substantial Completion of the Work by the Contract Time for Completion or the Contract Completion Date and any interim deadlines established by the Contract.

When completed, the CPM schedule shall be submitted to Owner for review. The CPM schedule will identify and describe each activity, state the duration of each activity, the calendar dates for the early and late start and the early and late finish of each activity, and clearly highlight all activities on the critical path. "Total Float" and "Free Float" shall be indicated for all activities. Float time, whether "Free Float" or "Total Float" as defined in Section 1 shall not be considered for the exclusive use or benefit of either Owner or Contractor but must be allocated in the best interest of completing the Work within the Time for Completion or the Contract Completion Date. Extensions to the Time for Completion or the Contract Completion Date, when granted by Change Order, will be granted only when equitable time adjustment exceeds the Total Float in the activity or path of activities affected by the change. When acceptable to Owner and Architect/Engineer as to compliance with the requirements of this Section, but not as to logic, the schedule shall become the CPM schedule for the Project. Acceptance of the schedule by Owner does not indicate agreement with, nor responsibility for the proposed or actual duration of any activity shown on the accepted schedule.

d. Monthly Project Reports: The Contractor shall review progress not less than each month, but as often as necessary to properly manage the Project and stay on schedule. The Contractor shall collect and preserve information on Change Orders, including extensions of time. The Contractor shall evaluate this information and update the latest accepted schedule as often as necessary to finish within the Contract Time for Completion or before the Contract Completion Date. The Contractor shall submit to Owner along with each request for payment a copy of the bar graph schedule (and accompanying .xer file upon request) annotated to show the current progress. The bar graph schedule or monthly status report submitted with each periodic request for payment shall show the Work completed to date in comparison with the Work scheduled for completion, including but not limited to the dates for the beginning and completion of the placing of orders; the manufacture, testing and installation of materials, supplies and equipment for longer lead items or other significant material purchases. The form shall

be approved by Owner; however, a bar graph or a CPM schedule marked, colored or annotated to reject the above will usually satisfy this requirement. If any elements of the Work are behind schedule, regardless of whether they may prevent the Work from being completed on time, the Contractor must indicate in writing in the report what measures he is taking and plans to take to bring each such element back on schedule and to ensure that the Time for Completion or Contract Completion Date is not exceeded.

- e. **Progress Delay**: Should any of the following conditions exist, Owner may require the Contractor to prepare, at no extra cost to Owner, a plan of action and a recovery schedule (and accompanying .xer file upon request) for completing the Work by the Contract Time for Completion or the Contract Completion Date:
  - The Contractor's monthly progress report indicates delays that are in Owner's opinion, of sufficient magnitude that
    the Contractor's ability to complete the Work by the scheduled Time for Completion or the Contract Completion
    Date is brought into question;
  - 2. The CPM schedule sorted by early finish shows Contractor to be thirty (30) or more days behind the critical path schedule at any time during construction up to thirty (30) days prior to scheduled Substantial Completion date;
  - 3. The Contractor desires to make changes in the logic (sequencing of Work) or the planned duration of future activities of the CPM schedule which in the opinion of the Architect/Engineer or Owner, are of a major nature.

The plan of action and recovery schedule, when required, shall explain and display how Contractor intends to regain compliance with the current accepted, fully completed, Project CPM schedule, as updated by approved change orders.

The plan of action, when required, shall be submitted to Owner for review within five (5) business days of Contractor receiving Owner's written demand. The recovery schedule, when required, shall be submitted to Owner within five (5) calendar days of Contractor's receiving Owner's written demand.

f. Early Completion of Project: The Contractor may attempt to achieve Substantial Completion on or before the Time for Completion or the Contract Completion Date. However, such planned early completion shall be for the Contractor's convenience only and shall not create any additional rights of the Contractor or obligations of Owner under this Contract, nor shall it change the Time for Completion or the Contract Completion Date. The Contractor shall not be required to pay damages to Owner because of its failure to achieve Substantial Completion by its planned earlier date. Likewise, Owner shall not pay the Contractor any additional compensation for achieving Substantial Completion early nor will Owner owe Contractor any compensation should Owner, its officers, employees or agents cause Contractor not to achieve Substantial Completion earlier than the date required by the Contract Documents.

If the Contractor seeks to change the Time for Completion or the Contract Completion Date to reflect an earlier completion date, he may request or propose such a change. Owner may but is not required to accept such proposal. However, a change in the Time for Completion or the Contract Completion Date shall be accomplished only by Change Order. If the Contractor's proposal to change the Time for Completion or the Contract Completion Date is accepted, a Change Order will be issued stating that all references in the Contract, including these General Conditions, to the Time for Completion or the Contract Completion Date shall thereafter refer to the date as modified, and all rights and obligations including Contractor's liability for actual damages, delay damages and/or liquidated damages, shall be determined in relation to the date as modified.

### 20.SCHEDULE OF VALUES AND CERTIFICATE FOR PAYMENT

a. Before submittal of the first partial payment request under the Contract, the Contractor shall prepare for review and approval of Owner, a schedule of the estimated values listed by trades or by specification sections of the Work, totaling the Contract Price. Where the total Project has multiple parts or phases, the Contractor shall prepare appropriate schedules of values to facilitate reviews and justifications for payments.

All requests for payment shall be made on a computerized spreadsheet. Where a computerized spreadsheet is used, one copy of the entire Schedule of Values shall be provided to Owner an agreed spreadsheet format (e.g. EXCEL) with the initial request for payment.

- b. If the Contractor requests, or intends to request, payment for materials stored in an approved and secure manner, the Schedule of Values must indicate the amount for labor and the amount for materials, and in a supplement thereto must include an itemized list of materials for that trade or Work section. The material breakdown shall be in sufficient detail to allow verification of the quantities required for the Project, the quantities delivered, the Work completed, and the quantities stored on or off Site.
- c. On reasonable written request from the Project Inspector, the Contractor shall promptly deliver to the Project Inspector such substantiating documentation as is reasonably necessary to justify payment of any labor or materials shown on the Value of Work Completed portion of the Contractor's billing.
- d. The labor progress for any task or activity shall be calculated based upon the percentage of Work completed up to fifty percent (50%) of the completion of the task or activity. Thereafter, the evaluation of labor progress will be based upon the effort required to complete that task or activity. The material progress shall be calculated as the invoiced dollar cost of materials used in relationship to the amount estimated as necessary to complete a particular element of Work. When calculating material progress, credit shall be given for installed material as well as that stored on the Site and any material stored off Site that has been certified in accordance with Section 36 of these General Conditions.
- e. Should Work included in previous Schedule of Values submittals, and for which payment has been made, subsequently be identified, by tests, inspection or other means, as not acceptable or not conforming to Contract requirements, the "Value of Work Completed" portion of the first Schedule of Values submittal submitted after such identification shall be modified to reduce the "completed" value of that Work by deleting the value of that which has been identified as not acceptable or nonconforming.

### **21.ACCESS TO WORK**

Owner, Owner's Representative, the Project Manager, Owner's inspectors and other testing personnel, inspectors from the Department of Labor and Industry and others authorized by Owner, shall always have access to the Work. The Contractor shall provide proper facilities for access and inspection. All such individuals must comply with site specific safety requirements.

### 22.SURVEYS AND LAYOUT

- a. The Owner shall furnish the Contractor all necessary documents showing property lines and the location of existing buildings and improvements. The Contractor shall provide competent surveying and engineering services to execute the Work in accordance with the Contract and shall be responsible for the accuracy of these surveying and engineering services.
- b. Such general reference points and benchmarks on the Site as will enable the Contractor to proceed with the Work will be established in the plans and specifications. If the Contractor finds that any previously established reference points have been lost or destroyed, they shall promptly notify Owner.
- c. The Contractor shall protect and preserve the established benchmarks and monuments and shall make no changes in locations without written notice to and the written approval from Owner. Any of these which may be lost or destroyed or which require shifting because of necessary changes in grades or locations shall, subject to prior written approval of Owner,

be replaced and accurately located by The Contractor.

### 23.PLANS AND SPECIFICATIONS

- a. The general character and scope of the Work are illustrated by the plans and the specifications prepared by the Contractor or his Design Professional(s). The level of detail shown on the plans and stipulated in the specifications shall be sufficient to clearly demonstrate to the Building Official and pertinent permitting agencies that the design conforms to the requirements of the VUSBC, CPSM and AWWA. The Contractor shall carry out the Work in accordance with the plans and specification and any additional detail drawings and instructions approved by Owner.
- b. Measurements or dimensions shown on the drawings for Site features, utilities and structures shall be verified at the Site by the Contractor. The Contractor shall not scale measurements or dimensions from the drawings. If there are discrepancies, Owner shall be consulted.
- c. As-Built Drawings: The Contractor shall maintain at the Site for Owner one copy of all drawings, specifications, addenda, approved shop or setting drawings, Change Orders and other modifications (collectively referred to herein as "As-Built Drawings") in good order and marked to record all changes as they occur during construction. These shall be available to Owner, Owner's Representative, the Project Inspector, Owner's other inspectors and to Owner's testing personnel. The drawings shall be neatly and clearly marked in color during construction to record all variations made during construction. The representation of such variations shall include such supplementary notes, symbols, legends and details as may be necessary to clearly show the as-built construction.
- d. Record Drawings: Upon completion of the Work and prior to the final inspection, the Contractor shall deliver to the Owner one complete set of "As-Built Drawings" in a reproducible form and in electronic form.

## 24.SUBMITTALS

- a. Shop drawings, setting drawings, product data and samples generated by the Contractor shall be known as submittals. Submittals shall be provided in electronic format.
- b. Submittals shall be approved by the Contractor and their Design Professional(s) for conformance with the required codes, standards and provisions of the Contract Documents. Approved submittal shall be provided to Owner in electronic format. One copy of the "Approved" shop drawings/submittals shall be on file in the construction trailer for use by Inspectors. Owner shall be afforded a reasonable amount of time to review submittals prior to releasing subcontractors.
- c. Any submittal material, assembly or product which deviates from the approved Permit Documents shall be submitted to the Building Official for VUSBC and CPSM approval prior to installation.
- d. The Work shall be in accordance with approved Permit Documents as detailed by the approved submittals.

## 25.FEES, SERVICES AND FACILITIES

- a. Unless otherwise provided in Section 3 (e.), The Contractor shall obtain all permits, including the Building Permit, and pay for all fees and charges necessary for temporary access and public right-of-way blockage or use, for temporary connections to utilities and for the use of property (other than the Site) for storage of materials and other purposes unless otherwise specifically stated in the Contract Documents.
- b. Owner shall pay any connection charges for permanent utility connections directly to the utility Supplier. The Contractor shall coordinate such connections with the utility Supplier.

- c. Unless otherwise specifically stated in the Contract Documents, the Contractor, either directly or through his Subcontractors, shall provide and pay for all material, labor, tools, equipment, water, light, power, telephone and other services or facilities of every nature whatsoever necessary to execute completely and deliver the Work within the Contract Time for Completion or before the Contract Completion Date.
- d. The Contractor shall provide temporary facilities including the Contractor's office space, Owner's Project Inspector office space, toilet facilities and storage space as required for the operations and the protection of the material and Work. Number, sizes, and locations shall be subject to approval of Owner. Sanitary facilities shall be an approved type of chemical toilet and shall be regularly serviced.

### 26.EQUALS

- a. **Brand names**: Unless otherwise stated in the specifications, the name of a certain brand, make or manufacturer denotes the characteristics, quality, workmanship, economy of operation and suitability for the intended purpose of the article desired, but does not restrict the Contractor to the specific brand, make, or manufacturer; it is set forth to convey to the Contractor the general style, type, character and quality of the article specified.
- b. **Equal materials, equipment or assemblies**: Whenever in the Contract Documents a particular brand, make of material, device or equipment is shown or specified, such brand, make of material, device or equipment shall be regarded merely as a standard. Any other brand, make or manufacturer of a product, assembly or equipment which in Owner's opinion is the equal of that specified, considering quality, capabilities, workmanship, configuration, economy of operation, useful life, compatibility with design of the Work and suitability for the intended purpose, will be accepted unless rejected by Owner as not being equal.
- c. **Substitute materials, equipment or assemblies**: The Contractor may propose to substitute a material, product, equipment or assembly which deviates from the requirements of the approved plans and specifications but which the Contractor deems will perform the same function and have equal capabilities, service life, economy of operations and suitability for the intended purpose. The proposal must include any cost differentials proposed. If the proposed substitute is acceptable to the Owner a Change Order will be proposed to the Contractor to accept the substitute and to deduct the proposed cost savings from the Contract Price. Owner shall have the right to limit or reject substitutions at its sole discretion.
- d. The Contractor shall be responsible for making all changes in the Work necessary to adapt and accommodate any equal or substitute product which he uses. The necessary changes shall be made at the Contractor's expense.

### 27.AVAILABILITY OF MATERIALS

If a brand name, product or model number included in the Contract Documents is not available on the present market, alternate equal products or model numbers may be proposed by the Contractor for Owner's approval. The Contractor shall also submit data to the Building Official for approval of products, materials and assemblies regulated by the Virginia Uniform Statewide Building Code (VUSBC).

## 28.CONTRACTOR'S TITLE TO MATERIALS

No materials or supplies for the Work shall be purchased by the Contractor, or by any Subcontractor or Supplier, subject to any security interest, installment or sales contract or any other agreement or lien by which an interest is retained by the seller or is given to a secured party. The Contractor warrants that they have clear and good title to all materials and supplies which they use in the Work or for which they accept payment in whole or in part.

### 29.STANDARDS FOR MATERIALS INSTALLATION AND WORKMANSHIP

- a. Unless otherwise specifically provided in the Contract Documents, all equipment, material and accessories incorporated in the Work are to be new and in first class condition.
- b. Unless specifically approved by Owner or required by the Contract Documents, the Contractor shall not incorporate into the Work any materials containing asbestos or any material known by the industry to be hazardous to the health of building construction workers, maintenance workers or occupants. If the Contractor becomes aware that a material required by the Contract Documents contains asbestos or other hazardous materials, they shall notify Owner immediately and shall take no further steps to acquire or install any such material without first obtaining Owner's approval.
- c. All workmanship shall be of the highest quality found in the building industry in every aspect. All items of Work shall be done by craftsmen or tradesmen skilled in the particular task or activity to which they are assigned. In the acceptance or rejection of Work, no allowance will be made for lack of skill on the part of workmen. Defective work or work not in compliance with the Contract Documents (as determined by the Design Professional, Owner or other inspecting authorities) shall be removed and replaced at the Contractor's expense such that the Work conforms to the highest quality standards of the trades concerned or otherwise corrected to the satisfaction of Owner or other inspecting authority as applicable.
- d. Where specified items are supplied with the manufacturer's printed instructions, recommendations or directions for installation, or where such instructions, recommendations or directions are available, installation of the specified items shall be in strict accordance with the manufacturer's printed instructions.
- e. Where reference is made to specific codes or standards governing the installation of specified items, installation shall in all cases be in strict accordance with the referenced codes and standards. Where no reference is made to specific codes or standards, installation shall conform to the generally recognized applicable standards for first-class installation of the specific item to be installed. The Contractor and all Subcontractors are expected to be proficient and skilled in their respective trades and knowledgeable of the Codes and Standards of the National Fire Protection Association (NFPA), National Electric Code (NEC), Occupational Safety and Health Act (OSHA) and other codes and standards applicable to installations and associated work by their trade.
- f. Where manufacturer's printed instructions are not available for installation of specific items, where specific codes or standards are not referenced to govern the installation or specific items, or where there is uncertainty on the part of the Contractor concerning the installation procedures to be followed or the quality of workmanship to be maintained in the installation of specific items, the Contractor shall consult the Design Professionals for approval of the installation procedures or the specific standards governing the quality of workmanship the Contractor proposes to follow or maintain during the installation of the items in question.
- g. During and/or at the completion of installation of any items, the tests designated in the plans or specifications necessary to assure proper and satisfactory functioning for its intended purpose shall be performed by the Contractor or by its Subcontractor responsible for the completed installation. All costs for such testing are to be included in the Contract Price. If required by the Contract Documents, prior to final inspection the Contractor shall furnish the manufacturers' certificates evidencing that products meet or exceed applicable performance, warranty and other requirements, and certificates that products have been properly installed and tested.

### 30.WARRANTY OF MATERIALS AND WORKMANSHIP

a. The Contractor warrants that unless otherwise specified, all materials and equipment incorporated in the Work shall be new, in first class condition and in accordance with the Contract Documents. The Contractor further warrants that all workmanship shall be of the highest quality and in accordance with the Contract Documents and shall be performed by persons qualified at their respective trades.

b. Work not conforming to these warranties shall be considered defective. This warranty of materials and workmanship is separate and independent from and in addition to any of The Contractor's other guarantees or obligations in the Contract Documents or under Virginia law.

### 31.USE OF SITE AND REMOVAL OF DEBRIS

- a. The Contractor shall:
  - 1. Perform the Work in such a manner as not to interrupt or interfere with the operation of any existing activity on, or in proximity to, the Site;
  - 2. Store their apparatus, materials, supplies and equipment in such orderly fashion at the Site of the Work as will not unduly interfere with the progress of his Work or the work of any other separate the Contractor and, except with the consent of Owner, not to cut or otherwise alter the Work of any other separate the Contractor; and
  - 3. Place upon the Work or any part thereof only such loads as are consistent with the safety of that portion of the Work.
- b. The Contractor expressly undertakes either directly or through their Subcontractor(s), to effect all cutting, filling or patching of the Work required to make the same conform to the plans and specifications. The Contractor shall not damage or endanger any portion of the Work or Site, including existing improvements, unless called for by the Contract Documents.
- c. The Contractor expressly undertakes, either directly or through his Subcontractor(s), to clean up frequently all refuse, rubbish, scrap materials and debris caused by his operations, to the end that at all times the Site, public streets and sidewalks adjacent thereto shall present a neat, orderly and workmanlike appearance. No such refuse, rubbish, scrap material and debris shall be left within the completed Work nor buried on the Project Site but shall be removed from the Site and properly disposed of in a licensed landfill or otherwise as required by law.
- d. The Contractor expressly undertakes, either directly or through his Subcontractor(s), before final payment or such prior time as Owner may require, to remove all surplus material, false Work, temporary structures, including foundations thereof, plants of any description and debris of every nature resulting from his operations and to put the Site in a neat, orderly condition; to thoroughly clean and leave reasonably dust free all finished surfaces including all equipment, piping, etc., on the interior of all buildings included in the Contract; and to clean thoroughly all glass installed under the Contract, including the removal of all paint and mortar splatters and other defacements. If the Contractor fails to clean up at the time required herein, Owner may do so and charge the costs incurred thereby to the Contractor in accordance with Section 10 (b) of these General Conditions.
- e. The Contractor shall have on-site as required an employee certified by the Department of Conservation and Recreation as a Responsible Land Disturber who shall be responsible for the installation, inspection and maintenance of erosion control and stormwater management measures and devices. The Contractor shall prevent Site soil erosion, the runoff of silt and/or debris carrying water from the Site and the blowing of debris off the Site in accordance with the applicable requirements and standards of the Contract Documents and the Virginia Department of Conservation and Recreation's Erosion and Sediment Control Regulations and the Virginia Stormwater Management Regulations.

### 32.TEMPORARY ROADS

Temporary roads, if required, shall be established and maintained until permanent roads are accepted, then removed and the area restored to the conditions required by the Contract Documents. Crushed rock, paving, and other road materials from

temporary roads shall not be left on the Site unless permission is received from Owner to bury the same at a location and depth approved by Owner.

### 33.SIGNS

The Contractor may at their option and without cost to Owner, erect signs acceptable to Owner on the Site for the purpose of identifying and giving directions to the job. No signs shall be erected without Owner's prior approval as to design and location.

### 34.PROTECTION OF PERSONS AND PROPERTY

- a. The Contractor expressly undertakes, both directly and through his Subcontractors, to take every reasonable precaution at all times for the protection of all persons and property which may come on the Site or be affected by the Contractor's Work.
- b. The Contractor shall be solely responsible for initiating, maintaining and supervising all safety precautions and programs in connection with the Work. Any violation of these requirements or duties or any potential safety hazard that is brought to the attention of the Contractor by the Architect/Engineer, Owner or any other persons shall be immediately abated.
- c. The provisions of all rules and regulations governing health and safety as adopted by the Safety Codes Commission of the Commonwealth of Virginia, issued by the Department of Labor and Industry under Title 40.1 of the Code of Virginia, shall apply to all Work under this Contract.
- d. The Contractor shall continuously maintain adequate protection of all its Work from damage and shall protect Owner's property from injury or loss arising in connection with this Contract. The Contractor shall make good any such damage, injury or loss except as may be directly and solely due to errors in the Contract Documents or caused by agents or employees of the Owner. The Contractor shall adequately protect adjacent property to prevent any damage to it or loss of use and enjoyment by its owners. The Contractor shall provide and maintain all passageways, guard fences, lights and other facilities for protection as required by public authority, local conditions, or the Contract.
- e. In an emergency affecting the health, safety or life of persons or of the Work or of the adjoining property, the Contractor without special instruction or authorization from Owner shall act, at its discretion, to prevent such threatened loss or injury. Further, the Contractor shall without appeal, comply immediately with any instructions or authorizations to act received from Owner that are intended to prevent threatened loss or injury. Any additional compensation or extension of time claimed by the Contractor on account of any emergency work shall be determined as provided by Section 38 of these General Conditions.
- f. When necessary for the proper protection of the Work, temporary conditioning measures of a type compatible with the Work must be provided by the Contractor at the Contractor's expense, unless otherwise specified.

### **35.CLIMATE CONDITIONS**

The Contractor shall suspend activity on and protect any portion of the Work that may be subject to damage by climate conditions.

#### 36.PAYMENTS TO THE CONTRACTOR

a. Unless otherwise provided in the Contract, Owner will make partial payments to the Contractor on the basis of a duly certified and approved Schedule of Values and Certificate for Payment, showing the estimate of the Work performed during the preceding calendar month or work period. When evaluating the Contractor's (Form 240325-12), Owner will consider the value of the Work in place, the value of approved and properly stored materials, the status of the Work on the critical path with regard to the Time for Completion, and the estimated value of the Work necessary to achieve Final Completion. Owner will schedule a monthly pay meeting to occur no earlier than the 25th day of the month represented by the payment request or not later than the 5th day of the following month. The Contractor will submit its monthly estimate of Work completed on (Form 240325-12) in accordance with the Contract between Owner and Contractor so that it is received by Owner's Project

Manager at least one workday prior to the date scheduled for the monthly pay meeting. Owner will review the estimate with Contractor at the monthly pay meeting, which shall be considered the receipt date, and may approve some or all of the estimate of Work for payment. In preparing estimates, the material delivered to the Site and preparatory Work done shall be taken into consideration if properly documented as required by Section 20 of these General Conditions or as may be required by Owner so that quantities may be verified. In addition to material delivered to the Site, material such as large pieces of equipment and items purchased specifically for the Project, but stored off the Site within the Commonwealth of Virginia may be considered for payment, provided all of the following are accomplished prior to the submission of the monthly payment request in which payment for such materials is requested:

- 1. Contractor must notify Owner in writing, at least ten (10) days prior to the submission of the payment request that specific items will be stored off Site in a designated, secured place within the Commonwealth of Virginia. The Schedule of Values must be detailed to indicate separately both the value of the material and the labor/installation for trades requesting payment for stored materials. By giving such notification and by requesting payment for material stored off Site, the Contractor warrants that the storage location is safe and suitable for the type of material stored and that the materials are identified as being the property of the Contractor and agrees that loss of materials stored off the Site shall not relieve Contractor of the obligation to timely furnish these types and quantities of materials for the Project and meet the Time for Completion or Contract Completion Date, subject to Section 43 (b) of these General Conditions.
- 2. Such notification, as well as the payment request shall:
  - a. itemize the quantity of such materials and document with invoices showing the cost of said materials;
  - b. indicate the identification markings used on the materials, which shall clearly reference the materials to the particular Project;
  - c. identify the specific location of the materials, which must be within reasonable proximity to the Site and within the Commonwealth of Virginia;
  - d. include a letter from the Contractor's Surety which confirms that the Surety on the Performance Bond
  - e. and the Labor and Material Payment Bond has been notified of the request for payment of materials stored off the Site and agrees that the materials are covered by the bond; and
  - f. include a certificate of insurance in an amount not less than the fair market value of the materials, which shall name Owner and Contractor as co-insureds which is intended to protect the Owner's interest, including transportation to the site.
- 3. The Contractor's Architect/Engineer shall certify, in writing, to Owner that Submittal s for such materials have been reviewed and meet the requirements of the Contract Documents, that the stored materials meet the requirement of the plans and specifications and that such materials conform to the approved Submittals. Should the Architect/Engineer deem it necessary to visit the storage site to make such review, the Contractor shall bear the costs incurred therewith.
- 4. Owner shall notify Contractor in writing of its agreement to prepayment for materials.
- 5. The Contractor shall notify Owner, in writing, when the materials are to be transferred to the Site and when the materials are received at the Site.

- b. No payment shall be made to the Contractor until:
  - 1. Contractor furnishes to Owner its Social Security Number (SSN) if an individual, or its Federal Employer Identification Number (FEIN) if a proprietorship, partnership, corporation or other legal entity.
  - 2. Certificates of Insurance or other satisfactory evidence of compliance by Contractor with all the requirements of Section 11 (and Section 12 if applicable) of these General Conditions have been delivered to Owner.
  - 3. On reasonable written request from the Owner for a copy of a Subcontractor's certificate(s) of insurance, the Contractor will promptly provide a copy of the requested certificate(s) of insurance to Owner.
  - 4. The Contractor has (i) submitted a preliminary schedule which is acceptable to Owner in accordance with Section 19 (a); (ii) submitted a fully complete Project schedule accepted by Owner in accordance with Section 19 (a); (iii) maintained the monthly bar graphs or status reports required by Section 19 (b); or (iv) provided a recovery schedule pursuant to Section 19 (e), as each of them may be required.
- c. In making such partial payments, five percent (5%) of each payment to Contractor shall be retained until Final Completion and acceptance of all Work covered by the Contract, unless otherwise provided by any applicable law or regulation or program of the federal government. Such retainage shall be held to assure faithful performance of the Contract and may also be used as a fund to deduct amounts due to or claimed by Owner, including but not limited to, payment to Owner of all moneys due for deductive change orders, credits, uncorrected Defective Work, interest, damages and the like, (§2.2-4333 of the Code of Virginia). Owner may, at its sole discretion, agree on an item—by-item basis to release the retainage on items that are fully 100% complete and which Owner has accepted by as being tested and complete and on which no further action or work will be required. Retainage which is released by Owner shall be distributed by Contractor to the applicable party(ies) in conformance with Section 37 of these General Conditions. Notwithstanding the foregoing, at Substantial Completion, retainage shall be reduced down to 200% of the value of any remaining punch list items.
- d. All material and Work for which partial payments are made shall thereupon become the sole property of Owner, but this provision shall not relieve the Contractor from the sole responsibility for all materials and Work, including those for which payment has been made, or for the restoration of any damaged materials or Work. Nor shall this provision serve as a waiver of the right of Owner to require the fulfillment of all of the terms and conditions of the Contract.
- The final payment, which shall include the retainage less any amounts due to or claimed by Owner, shall not become due until Owner agrees that Final Completion has been achieved and until Contractor shall deliver to Owner a Certificate of Completion by the Contractor (Form 240325-13.2) and an Affidavit of Payment of Claims (Form 240325-13) stating that all Subcontractors and Suppliers of either labor or materials have been paid all sums claimed by them for Work performed or materials furnished in connection with this Project less retainage. Amounts due Owner which may be withheld from the final payment may include, but are not limited to, amounts due pursuant to Section 3 (j), Section 16 (a-d), Section 31 (d), costs incurred to repair or replace Defective Work, costs incurred as a result of the Contractor's negligent acts or omissions or omissions of those for whom the Contractor is responsible, , and any liquidated damages. If all Subcontractors and Suppliers of labor and materials have not been paid the full amount claimed by them, Contractor shall list each to which an agreed amount of money is due, or which has a claim in dispute. With respect to all such Subcontractors and Suppliers, the Contractor shall provide to Owner, along with the Affidavit of Payment of Claims (Form 240325-13), an affidavit from each such Subcontractor and Supplier stating the amount of their subcontract or supply contract, the percentage of completion, the amounts paid to them by Contractor and the dates of payment, the amount of money still due if any, any interest due the Subcontractor or Supplier pursuant to Section 37 (b) below, and whether satisfactory arrangements have been made for the payment of said amounts. If no agreement can be reached between the Contractor and one or more Subcontractors or Suppliers as to the amounts owed to the Subcontractors or Suppliers, Owner may, in its discretion, pay such portion of the moneys due to the Contractor which is claimed by the Subcontractor or Supplier into a Virginia Court or Federal Court sitting in Virginia in the manner provided by law. Said payment into court shall be deemed a payment to Contractor. Nothing in this

Section shall be construed as creating any obligation or contractual relationship between Owner and any Subcontractor or Supplier, and Owner shall not be liable to any Subcontractor or Supplier on account of any failure or delay of Owner in complying with the terms hereof.

- f. Upon successful completion of the final inspection and all Work required by the Contract, including but not limited to the delivery of As-Built Reproducible Record Drawings, equipment manuals, written warranties, acceptance of the Work by Owner and the delivery of the affidavits required in Section 36 (f) of these General Conditions, Contractor shall deliver the written Certificate of Completion by Contractor (Form 240325-13.2) to Owner stating the entire amount of Work performed and compensation earned by Contractor, including extra work and compensation therefor. The Owner may accept the Work for occupancy or use while asserting claims against the Contractor; disputing the amount of compensation due to the Contractor; disputing the quality of the Work, its completion, or its compliance with the Contract Documents, or any other reason.
- Unless there is a dispute about the compensation due to Contractor, Defective Work, quality of the Work, compliance with the Contract Documents, completion itself, claims by Owner, other matters in contention between the parties, within thirty (30) days after receipt and acceptance of the Schedule of Values and Certificate for Payment (Form 240325-12) in proper form by the Architect/Engineer at the monthly pay meeting, which shall be considered the receipt date, Owner shall pay to Contractor the amount approved less all prior payments and advances whatsoever to or for the account of the Contractor. In the case of final payment, the completed Affidavit of Payment of Claims (Form 240325-13) and the Certificate of Completion by the Contractor (Form 240325-13.2) shall accompany the final Schedule of Values and Certificate for Payment (Form 240325-12) which is forwarded to Owner for payment. The date on which payment is due shall be referred to as the Payment Date. All prior estimates and payments including those relating to extra Work may be corrected and adjusted in any payment and shall be corrected and adjusted in the final payment. In the event that any request for payment by Contractor (Form 240325-12) contains a defect or impropriety, Owner shall notify Contractor of any defect or impropriety that would prevent payment by the Payment Date, within five (5) days after receipt of the Schedule of Values and Certificate for Payment (Form 240325-12) by Owner.
- h. Interest shall accrue on all amounts owed by Owner to Contractor that remain unpaid seven (7) days following the Payment Date. Said interest shall accrue at the rate of six percent (6%) per annum. No interest shall accrue on retainage or when payment is delayed because of disagreement between Owner and Contractor regarding the quantity, quality or timeliness of the Work, including but not limited to, compliance with Contract Documents or the accuracy of any Request for Payment received. This exception to the accrual of interest stated in the preceding sentence shall apply only to that portion of a delayed payment that is actually the subject of such a disagreement and shall apply only for the duration of such disagreement. Nothing contained herein shall be interpreted, however, to prevent the withholding of retainage to assure faithful performance of the Contract. These same provisions relating to payment of interest to the Contractor shall apply also to the computation and accrual of interest on any amounts due from the Contractor to Owner for deductive change orders and to amounts due on any claims by Owner. The date of mailing of any payment by the U.S. Mail is deemed to be the date of payment to the addressee.
- i. The acceptance by Contractor of the final payment shall be and operate as a release to Owner of all claims by Contractor, its Subcontractors and Suppliers, and of all liability to the Contractor whatever, including liability for all things done or furnished in connection with this Work, except for things done or furnished which are the subject of unresolved claims for which Contractor has filed a timely written notice of intent, provided a claim is submitted no later than sixty (60) days after final payment. Acceptance of any interest payment by Contractor shall be a release of Owner from claims by Contractor for late payment.
- j. No certificate for payment issued, and no payment, final or otherwise, no certificate of completion, nor partial or entire use or occupancy of the Work by Owner, shall be an acceptance of any Work or materials not in accordance with the Contract, nor shall the same relieve Contractor of responsibility for faulty materials or Defective Work or operate to release Contractor

or his Surety from any obligation under the Contract, the Standard Performance Bond and the Standard Labor and Material Payment Bond.

## **37.PAYMENTS BY THE CONTRACTOR**

In accordance with §2.2-4354, Code of Virginia, the Contractor shall be liable for the entire amount owed to any Subcontractor with which it contracts. However, the Contractor shall not be liable for amounts otherwise reducible due to the Subcontractor's non-compliance with the terms of its contract with the Contractor. However, in the event that the Contractor withholds all or a part of the amount promised to the Subcontractor under its contract, the Contractor shall notify the Subcontractor, in writing, of his intention to withhold all or a part of the Subcontractor's payment with the reason for nonpayment. Payment by Owner to the Contractor shall not be a condition precedent to payment to any lower-tier Subcontractor regardless of that Contractor receiving payment for amounts owed to that Contractor. Any provision in a contract contrary to this section shall be unenforceable. "Subcontractor" means any entity that has a contract to supply labor or materials to the Contractor or to any other Subcontractor in the performance of the Work provided for in the Contract.

As required by Subsection 2 of VA. Code § 2.2-4654 the Contractor and each individual Subcontractor shall provide their social security number or federal employer identification number as a condition of receiving payment under the Contract or subcontract, as the case may be.

As to Subcontractor the Contractor is obliged to:

- a. Within seven (7) days after receipt of amounts paid to the Contractor by Owner for work performed or services or materials furnished by the Subcontractor in connection with the Contractor's performance of the Work under this Contract,
  - 1. Pay the Subcontractor for the proportionate share of the total payment received from Owner attributable to the work performed or services or materials furnished by the Subcontractor in connection with the Contractor's performance of the Work under this Contract; or
  - 2. Notify the Subcontractor, in writing, of his intention to withhold all or a part of the Subcontractor's payment with the reason for nonpayment;
- b. Pay interest to the Subcontractor on all amounts owed by the Contractor that remain unpaid after seven (7) days following receipt by the Contractor of payment from Owner for Work performed or services or materials furnished by the Subcontractor in connection with the Contractor's performance of the Work under this Contract; except for amounts withheld as allowed under subsection (a.) (2.) of this section.
- c. Include in each of its Subcontracts a provision requiring each Subcontractor to include in each of its subcontracts a provision requiring each Subcontractor to include or otherwise be subject to the same payment and interest requirements with respect to each lower tier Subcontractor. Each Subcontractor shall include with its invoice to, or request for payment from the Contractor, a certification that that Subcontractor has paid each of its Suppliers and lower tier Subcontractors their proportionate share of previous payments received from the Contractor attributable to the Work performed or the materials furnished by it under this Contract.

The Contractor's obligation to pay interest to the Subcontractor or Supplier pursuant to subsection (b) of this Section is not an obligation of Owner. A modification to this Contract shall not be made for the purpose of providing reimbursement for such interest charge. The Contractor's cost reimbursement claim shall not include any amount for reimbursement of such interest charge.

### **38.CHANGES IN WORK**

a. Owner may at any time, and without notice to the sureties, make changes in the Work (Change Order Form 240325—2a) which are within the general scope of the Contract, except that no change will be made which will increase the total Contract Price to an amount more than twenty percent (20%) in excess of the original Contract Price without notice to sureties. At the time of the Preconstruction Meeting described in Section 50(b), the Contractor and Owner shall advise each other in writing of their designees authorized to accept and/or approve changes to the Contract Price and of any limits to each designee's authority. Should any designee or limits of authority change during the time this Contract is in effect, the Contractor or Owner shall give written notice to the other within seven (7) calendar days, utilizing the procedures set forth in these General Conditions. The Contractor agrees and understands that the authority of Owner's Designee is limited by Virginia Code §2.2-4309 and any other applicable statute.

In making any change, the charge or credit for the change shall be determined by one of the following methods as selected by Owner:

- 1. Fixed Price: By a mutually agreed fixed amount change to the Contract Price and/or time allowed for completion of the Work. The Change Order shall be substantiated by documentation itemizing the estimated quantities and costs of all labor, materials and equipment required as well as any mark—up used. The price change shall include the Contractor's overhead and profit. See Subsections (b), (d) and (e) below.
- 2. Unit Price: By using unit prices and calculating the number of net units of Work in each part of the Work which is changed, either as the Work progresses or before Work on the change commences, and by then multiplying the calculated number of units by the applicable unit price set forth in the Contract or multiplying by a mutually agreed unit price if none was provided in the Contract. No additional percentage markup for overhead or profit shall be added to the unit prices.

#### 3. Cost Reimbursement:

- i. Describe the scope or parameters of the change in the Work;
- ii. Describe the cost to be itemized and verified for payment and the method of measuring quantity of work performed:
- iii. Address the impact on the schedule for Substantial Completion;
- iv. Order the Contractor to proceed with the change to the Work;
- v. Order the Contractor to keep in a form acceptable to Owner, an accurate itemized account of the actual cost of the change in the Work including, but not limited to, the actual costs of labor, materials, equipment and supplies;
- vi. Order the Contractor to annotate a copy of the Project schedule to accurately show the status of the Work at the time this first Change Order is issued to show the start and finish dates of the changed Work and the status of Work when the changed Work is completed; and
- vii. State that a confirming Change Order will be issued to incorporate the cost of the ordered changed in the Work into the Contract price and any change in the Contract Time for Completion or Contract Completion Date.

The Contractor shall sign the initiating Change Order acknowledging they have been ordered to proceed with the change in the Work. The Contractor's signature on each initiating Change Order citing this Subsection 38 (a) (3) as the method for determining the cost of the Work shall not constitute the Contractor's agreement on the cost or time impact of the ordered Work.

Except as otherwise may be agreed to in writing by the Owner, such costs shall not exceed those prevailing for the trades or crafts (based upon rates established by the US Department of Labor, Bureau of Statistics, or other generally recognized cost data publication). Materials and equipment in the locality of the Project, may include only those items listed as allowable in Subsection 38 (e), and shall not include any of the costs listed as not allowable in Subsection 38 (f). The owner shall be permitted, on a daily basis, to verify such records and may require such additional records as are necessary to determine the cost of the change to the Work.

Within fourteen (14) days of the conclusion of such ordered Work, the Contractor and Owner shall reach agreement on the cost for the ordered Work based on the records kept and the Contractor's allowance for overhead and profit determined in accordance with the provisions as set forth in Subsections (d), (e) (6) (ii) and (f) below; and the change in the Contract Time for Completion or Contract Completion Date, if necessary as a result of the ordered Work. Such costs and time shall be incorporated into a confirming Change Order which references the initiating Change Order. If agreement on the cost and time of the changed Work cannot be reached within the fourteen (14) days allotted, the Contractor may file a claim for the disputed amount as provided for in Section 47.

- 4. By issuing a unilateral Construction Change Directive in the amount deemed appropriate by Owner for the Work: If the Contractor objects to the amount or scope of the Change Order the Contractor may within the fourteen (14) days of the date of the Change Order, file a claim for the disputed amount as provided in Section 48.
- b. The Contractor shall review any Owner requested or directed change and shall respond in writing within fourteen (14) calendar days after receipt of the proposed change (or such other reasonable time as Owner may direct), stating the effect of the proposed change upon his Work, including any increase or decrease in the Contract time and Price. The Contractor shall furnish to Owner an itemized breakdown of the quantities and prices used in computing the proposed change in Contract Price. Owner shall review the Contractor's proposal and respond to the Contractor within fourteen (14) days of receipt. If a change to the Contract Price and Time for Completion or Contract Completion Date are agreed upon, both parties shall sign the Change Order. If the Time for Completion or Contract Completion Date are not agreed upon, Owner may direct the Contractor to proceed under Subsection 38 (a) (3) above. Change Orders shall be effective when signed by both parties.
- c. In figuring changes, any instructions for measurement of quantities set forth in the Contract shall be followed.
- d. The percentage for overhead and profit to be used in calculating both additive and deductive changes in the Work (other than changes covered by unit prices) shall be calculated paid by applying the following specified percentage markups only on the net cost of the changed Work (i.e. difference in cost between original and changed Work excluding overhead and profit). Said percentages for overhead and profit shall reasonably approximate the Contractor's overhead and profit, but shall not exceed the percentages for each category listed below:
  - 1. If a Subcontractor does all or part of the changed Work, the Subcontractor's markup for overhead and profit on the Work it performs shall be a maximum of fifteen percent (15%). The Contractor's mark-up on the Subcontractor's price shall be a maximum of ten percent (10%).
  - 2. If the Contractor does all or part of the changed Work, its markup for overhead and profit on the changed Work it performs shall be a maximum of fifteen percent (15%).
  - 3. If a Subcontractor at any tier does all or part of the changed Work, the Subcontractor's markup on that Work shall be a maximum of fifteen percent (15%). The markup of a Subcontractor's Work by the Contractor and all intervening tiers of Subcontractors shall not exceed a total of ten percent (10%).

- 4. Where Work is deleted from the Contract prior to commencement of that Work without substitution of other similar Work, one hundred percent (100%) of the Contract Price attributable to that Work shall be deducted from the Contract Price. However, in the event that material Submittals have been approved and orders placed for said materials, the Contractor shall use reasonable diligence to minimize the cost to Owner of cancelling any such order, in which event an amount equal to the Contractor's net reduction in the cost of the Work, if any, attributable to cancelation of the order shall be deducted from the Contract Price.
- e. Allowable costs for changes in the Work may include the following:
  - Labor costs for employees directly employed in the change in the Work, including salaries and wages plus the cost
    of payroll charges and fringe benefits and overtime premiums if such premiums are explicitly authorized by the
    Owner.
  - 2. Materials incorporated into the change to the Work, including costs of transportation and storage, if applicable. If applicable, all cash discounts shall accrue to the Contractor, unless the Owner deposits funds with the Contractor to make such payments and all trade discounts, rebates, refunds, and returns from the sale of surplus materials shall accrue to the Owner.
  - 3. Equipment incorporated in the changed Work or equipment used directly in accomplishing the Work. If rented expressly for accomplishing the change in the Work, the cost shall be the rental rate according to the terms of the rental agreement, which Owner shall have the right to approve. If owned by the Contractor, the costs shall be a reasonable price based upon the life expectancy of the equipment and the purchase price of the equipment. If applicable, transportation costs may be included.
  - 4. Cost of increases in premiums for the Standard Labor and Materials Payment Bond and the Standard Performance Bond provided coverage for the cost of the change in the Work, resulting in such increased costs. At the Owner's request, the Contractor shall provide proof of their notification to the Surety of the change in the Work and of the Surety's agreement to include such change in its coverage. The cost of the increase in premium shall be an allowable cost but shall not be marked up.
  - 5. The Contractor and the Subcontractor overhead costs as set forth in Subsection (d) markups above.
  - 6. If the change in the Work also changes the Time for Completion or Contract Completion Date by adding days to complete the Work, an itemized accounting of the following direct Site overhead and home office overhead and other indirect overhead expenses set forth in subparagraphs (i) and (ii) below may be considered as allowable costs for compensation in addition to those shown above:
    - i. Direct Site Overhead Expenses:

The Contractor's per diem expenses, as shown by the itemized accounting for the following allowable direct Site overhead expenses including but not limited to the Site superintendent's and project manager's prorata salary, temporary Site office trailer, and temporary Site utilities including basic telephone service, electricity, heat, water and sanitary/toilet facilities for each day added. All other direct expenses are covered by and included in the Subsection 38 d markups above.

ii. Home Office and Other Indirect Overhead Expenses:

A ten percent (10%) markup on the above direct Site overhead expenses will be allowed as compensation for the Contractor's home office overhead and all other direct or indirect overhead expenses for days added

to the Time of Completion or the Contract Completion Date for a change in the Work. All other overhead and other direct or indirect overhead expenses are covered by and included in this markup and the Subsection 38 d markups above.

- 7. Any other costs directly attributable to the change in the Work with the exception of those set forth in Section 38 (f) below
- f. Allowable costs for changes in the Work shall not include the following:
  - 1. Costs due to the negligence of the Contractor, any Subcontractor, Supplier, their employees or other persons for whom the Contractor is responsible including, but not limited to, costs for the correction of Defective Work, for improper disposal of material, for equipment wrongly supplied, for delay in performing the Work, or for delay in obtaining materials or equipment.
  - 2. Home office expenses including payroll costs for the Contractor's officers, executives, administrators, accountants, counsel, engineers, timekeepers, estimators, clerks and other similar administrative personnel employed by the Contractor, whether at the Site or in the Contractor's principal or branch office for general administration of the Work. These costs are deemed overhead included in the percentage markups allowable in Subsection (d) above.
  - 3. Home and field office expenses not itemized in Subsection 38 (e)(6) above. Such items include, but are not limited to, expenses of the Contractor's home and branch offices, the Contractor's capital expenses, interest on the Contractor's capital used for the Work, charges for delinquent payments, small tools, incidental job costs, rent, utilities, telephone and office equipment, and other general overhead expenses.
- g. All Change Orders, except "Initial" Change Orders authorizing work citing Subsection 38(a)(3) procedures, must state that the Contract Time for Completion or Contract Completion Date is not changed or is either increased or decreased by a specific number of days. The old Time for Completion and if changed, the new Time for Completion must be stated.
  - 1. If the Contractor requests an extension to the Time for Completion or a later Contract Completion Date, they must provide written justification for the extension to the Architect/Engineer and to the Owner. The written justification must demonstrate an anticipated actual increase in the time required to complete the Work beyond that allowed by the Contract as adjusted by prior Change Orders or amendments to the Contract; not just an increase or decrease in the time needed to complete some portion of the total Work. When a CPM schedule is required by the Contract, no extension to the Time for Completion or Contract Completion Date shall be allowed unless, and then only to the extent that, the additional or changed Work increases the length of the critical path beyond the Time for Completion or Contract Completion Date. If approved, the increase in time required to complete the Work shall be added to the Time for Completion or Contract Completion Date.
  - 2. Owner may decrease, by Change Order, the Time for Completion or Contract Completion Date when an Owner-requested deletion from the Work results in a decrease in the actual time required to complete the Work as demonstrable on the Bar Graph Schedule or CPM Schedule, whichever is appropriate. The Contractor may submit a request to decrease, by Change Order, the Time for Completion or Contract Completion Date under the procedures and subject to the considerations set forth in Section 19 (t). No request for such decrease shall be considered for approval unless the proposed shorter schedule is otherwise acceptable under Section 19 (b) or (c), whichever is applicable. The Change Order decreasing the Time for Completion or changing the Contract Completion Date must be signed by both Owner and Contractor.
  - 3. With the exception of Change Orders under Subsection 38 (a) (3), which shall arrive at a change to the Contract Price and any change to time using the procedures set forth therein, each Change Order shall include all time and monetary impacts of the change, whether the Change Order is considered alone or with all other changes during the

course of the Project. Failure to include a change to time and Contract Price in accordance with Section 38 (a) (1) or (2) shall waive any change to the time and Contract Price unless the parties mutually agree in writing to postpone a determination of the change to time related impacts of the change. Such a determination may be postponed not more than forty-five (45) days to give the Contractor an opportunity to demonstrate a change in the time and price needed to complete the Work. During any such postponement, the Work shall proceed, unless Owner agrees otherwise.

- 4. If at any time there is a delay in the critical path of the Work due to postponement, due to the Contractor's efforts to justify an extension of the time or an increase in the Contract Price, or due to the Contractor's refusal to proceed with any of the Work pending agreement on a change in time or price after the Owner has issued a CCD, such delay and any of the Contractor costs resulting from it shall not serve as the basis for the extension of the Time for Completion or Contract Completion Date or for an increase in the Contract Price.
- h. Acceptance by the Contractor of any payment made by Owner under a Change Order shall be and operate as a release to Owner of all claims by the Contractor and of all liability owing to the Contractor for all things done or furnished in connection with the Work described in the Change Order. The execution of any Change Order by Owner shall not be an acceptance of any Work or materials not in accordance with the Contract Documents, nor shall it relieve the Contractor of responsibility for faulty materials or workmanship or operate to release the Contractor or his surety from any obligation arising under the Contract or the Standard Performance Bond or Standard Labor and Material Payment Bond.
- i. Payments will not be made for any Work, labor or materials performed on a unit price or a Subsection 38 (a) (3) basis until the Contractor has furnished Owner documents, certified as true and correct by an authorized officer or agent of the Contractor and reviewed and approved by Owner, evidencing the cost of such Work, labor and materials or the measurements utilized with the unit price. The owner may require any or all of the following documentation to be provided by the Contractor.

#### For Work Performed on a Unit Price basis:

- 1. certified measurements of authorized and approved excavations, over-excavations, fills and/or backfills and similar work; and/or
- 2. certified measurements of piling installed, caissons installed and similar work: and/or
- 3. daily records of waste materials removed from the Site and/or fill materials imported to the Site.

#### For Work performed on a Subsection 38(a)(3) basis:

- 1. certified payroll records showing the name, classification, date, daily hours, total hours, rate, and extension for each laborer, foreman, supervisor or other worker;
- 2. equipment type & model, dates, daily hours, total hours, rental rate or other specified rate, and extension for each unit of equipment;
- 3. invoices for materials showing quantities, prices, and extensions;
- 4. daily records of waste materials removed from the Site and/or fill materials imported to the Site;
- 5. certified measurements of over-excavations, pilling installed and similar work; and/or
- 6. transportation records for materials, including prices, loads and extensions.

Requests for payment shall be accompanied and supported by invoices for all materials used and for all transportation charges claimed. If materials come from the Contractor's own stock, then an affidavit may be furnished, in lieu of invoices, certifying quantities, prices, etc. to support the actual cost.

j. In the event that new tariffs or changes to existing tariffs are imposed by any governmental authority after the effective date of this agreement, and such changes materially increase the cost of goods or materials necessary for performance, the supplier may request a price adjustment. The request must include documentation demonstrating the tariff's impact on unit cost. The Parties shall negotiate in good faith to reach a fair adjustment not to exceed three percent (3%) of the original contract price.

#### 39.EXTRAS

If the Contractor claims that any instructions given to them by the Owner, by drawings or otherwise, involve extra Work which increases the scope of the Contract, then except in emergencies endangering life or property, the Contractor shall give Owner written notice thereof before proceeding to execute the Work. Said notice shall be given promptly enough to avoid delaying the Work and in no instance later than fourteen (14) days after the receipt of such instructions. Should it not be immediately clear to the Contractor that the change involves extra Work outside the scope of the Contract, written notice shall be sufficient if given as soon as possible after such realization, but in no event later than fourteen (14) days after the start of such Work. If Owner agrees, a Change Order shall be issued, and any additional compensation shall be determined by one of the three (3) methods provided in said Section 38 as selected by the Owner. Except as otherwise specifically provided, no claims for extra Work shall be allowed unless timely notice, as required by this Section 39, is given by the Contractor and unless such Work is performed pursuant to written Change Order as provided in Section 38. The Change Order shall designate which of the three (3) methods for computing charges and credits set forth in said Section 38(a) shall be used. If Owner does not agree, any claims for compensation for the extra Work shall be filed in accordance with Section 48.

#### 40.CONTRACTOR'S RIGHT TO STOP WORK OR TERMINATE THE CONTRACT

If the Work should be stopped under an order of any court or other public authority for a period of ninety (90) days through no fault of the Contractor or anyone employed by them, or if Owner should fail to pay to the Contractor within thirty (30) days any sum certified by Owner when no dispute exists as to the sum due or any provision of the Contract, then the Contractor may, upon ten (10) calendar days written notice to Owner, stop Work or terminate the Contract and recover from Owner payment for the cost of the Work actually performed together with overhead and profit thereon. the Contractor may not receive profit or any other type of compensation for parts of the Work not performed. The Contractor may recover the reasonable cost of physically closing down the Site, but no other costs of termination. Should the work be stopped and then re-started under this section, then the Contractor shall be entitled to the reasonable costs of shutdown and re-start. Owner may offset any claims it may have against the Contractor against the amounts due to the Contractor. In no event shall termination of the Contract by the Contractor terminate the obligations of the Contractor's surety on its payment and performance bonds.

### 41.OWNER'S RIGHT TO TERMINATE THE CONTRACT FOR CAUSE

a. If the Contractor should be adjudged as bankrupt, or if they should make a general assignment for the benefit of their creditors, or if a receiver should be appointed on account of their insolvency, Owner may terminate the Contract if Contractor should refuse or should repeatedly fail, except in cases for which extension of time is provided, to supply enough properly skilled workmen or proper materials and equipment, or if they should fail to perform the Work in a diligent, efficient, workmanlike, skillful and careful manner, or if they should fail or refuse to perform the Work in accordance with the Contract Documents, or if they should fail to make prompt payment to Subcontractors or Suppliers of material or labor, or if they should disregard laws, ordinances or the written instructions of the Architect/Engineer or Owner or otherwise be in substantial violation of any provision of the Contract, then Owner may terminate the Contract.

- b. Prior to termination of the Contract, Owner shall give Contractor and its surety ten (10) calendar days written notice pursuant to Section 1 ("Definitions") of these General Conditions, during which Contractor and/or its surety may rectify the basis for the notice. If rectified to the satisfaction of Owner within said ten (10) days, Owner may rescind its notice of termination. If not, the termination for cause shall become effective at the end of the ten (10) day notice period without further notice to the Contractor. In the alternative, Owner may, in writing, postpone the effective date of the termination for cause, at its sole discretion, if it should receive reassurances from Contractor and/or its surety that the basis for the termination will be remedied in a time and manner that Owner finds acceptable. If at any time after such postponement, Owner determines that Contractor and/or its surety has not or is not likely to rectify the causes of termination in an acceptable manner or within the time allowed, then Owner may immediately terminate the Contract for cause, without the necessity of further ten (10) day notice, by notifying Contractor and his surety in writing of the termination. In no event shall termination for cause terminate the obligations of Contractor's surety on its payment and performance bonds.
- c. Upon termination of the Contract becoming effective, Owner shall take possession of the Site and of all materials, tools and equipment thereon and shall proceed as follows:
  - 1. If no security has been provided pursuant to Section 8 herein, Owner shall finish the Work by whatever method he may deem expedient. If the expense of finishing the Work, including compensation for additional managerial and administrative services, shall exceed the unpaid balance of the Contract Price, Contractor shall pay the difference to Owner, together with any other expenses of terminating the Contract and having it completed by others.
  - 2. If security has been provided pursuant to Section 8 herein, Owner shall provide Notice to the Surety that termination of the Contract became effective and proceed as set forth in the Standard Performance Bond (Form 240325-10), and the Terms and Conditions therein. If the expense of finishing the Work, including compensation for additional managerial and administrative services, shall exceed the unpaid balance of the Contract Price and the penal amount of the Standard Performance Bond, Contractor shall pay the difference to Owner together with any other expenses of terminating the Contract and having it completed by others.
- d. If it should be judicially determined that Owner improperly terminated this Contract for cause, then the termination shall be deemed to be a termination for the convenience of Owner and Contractor's rights and remedies shall be solely limited to those provided by Section 42 of these General Conditions.
- e. Termination of the Contract under this Section is without prejudice to any other right or remedy of Owner. Any actions by Owner permitted herein shall not be deemed a waiver of any other right or remedy of Owner under the Contract or under the law. Owner may offset any claims it may have against Contractor against the amounts due to Contractor. The provisions of this Section shall survive the termination of the Contract.

#### **42.TERMINATION BY OWNER FOR CONVENIENCE**

- a. Owner may terminate this Contract in whole or in part at any time without cause upon giving the Contractor written notice of such termination pursuant to Section 1 ("Definitions") of these General Conditions. Upon such termination, the Contractor shall immediately cease Work and remove from the Site all of its labor forces and such of its materials as Owner elects not to purchase or to assume in the manner hereinafter provided. Upon such termination, the Contractor shall take such steps as Owner may require to assign to Owner the Contractor's interest in all Subcontracts and purchase orders designated by Owner. After all such steps have been taken to Owner's satisfaction, the Contractor shall receive as full compensation for termination and assignment the following:
  - 1. Amounts due for Work performed in accordance with the Contract subsequent to the latest approved Schedule of Values and Certificate for Payment through the date of termination,

- 2. All amounts then otherwise due under the terms of this Contract associated with the Work performed prior to the date of termination; and
- 3. Reasonable compensation for the actual cost of demobilization incurred by the Contractor as a direct result of such termination.
- 4. The Contractor shall not be entitled to any compensation or damages for lost profits or for any other type of contractual compensation or damages other than those provided for in Section 42(a). Owner may offset any claims it may have against the Contractor against the amounts due to the Contractor. Upon payment of the foregoing, the Owner shall have no further obligations to the Contractor of any nature. The Contractor agrees to waive all claims against Owner for any consequential damages that may arise from or relate to Owner's termination of the Contract including, but not limited to, damages for loss of revenue, income, profit, business, reputation or bonding capacity.
- b. In no event shall termination for the convenience of the Owner terminate the obligations of the Contractor's surety on its payment and performance bonds.
- c. Any actions by Owner permitted herein shall not be deemed a waiver of any other right or remedy of Owner under the Contract or under the law. The provisions of this Section shall survive termination of the Contract.

### 43.DAMAGES FOR DELAYS; EXTENSION OF TIME

- a. Excusable Non-compensable Delays: If and to the extent that the Contractor is delayed at any time in the progress of the Work by strikes, fires, unusual delays in transportation or unavoidable casualties or other causes outside Owner's or Contractor's control, with the exception of delays caused by weather provided for in Section 6 for which the Contractor intends to request an extension of either the Time for Completion or the Contract Completion Date, as the case may be, then the Contractor shall give Owner and Architect/Engineer written notice of the delay within fourteen (14) days of the inception of the delay. The Contractor shall also give written notice to Owner and Architect/Engineer of the termination of the delay not more than fourteen (14) days after such termination. If Owner agrees with the existence and impact of the delay, Owner shall extend the time for Completion, the Contract Completion Date or Final Completion, as the case may be, for the length of time that the date for Substantial Completion or Final Completion was actually delayed thereby, and Contractor shall not be charged with liquidated or actual damages for delay during the period of such extension nor shall the Contractor be due compensation or damages of any kind, under any theory of law as a result of such delay, the impact of such delay, or acceleration of Work as a result of such delay. In the event a CPM schedule is required by the Contract, no extension of the Time for Completion or Contract Completion Date shall be granted unless Contractor demonstrates a delay in the critical path of the approved CPM schedule or approved bar graph schedule.
- b. Excusable Compensable Delays: If and to the extent that the Contractor is unreasonably delayed at any time in the progress of the Work by any act or omission of Owner, its agents or employees, and due to causes within Owner's control, and Contractor intends to request an extension of either the Time for Completion or the Contract Completion Date, as the case may be, and/or additional compensation for damages, if any, caused by the delay, the Contractor shall notify Owner and the Architect/Engineer immediately at the time of the occurrence giving rise to the delay by the fastest means available and shall give written notice no later than fourteen (14) working days after inception of the delay. The Contractor's written notice shall specify the nature of the delay claimed by Contractor, the cause of the delay and the impact of the delay on Contractor's Work schedule. The Owner shall then have three (3) working days to respond to the Contractor's notice with a resolution, remedy or direction to alleviate the delay or rejection of the Contractor's notice of delay. Owner's failure to respond within the time required shall be deemed to be a rejection of Contractor's notice. The Contractor shall also give written notice to Owner and Architect/Engineer of the termination of the delay not more than fourteen (14) days after such termination. If and to the extent that a delay is caused by or due to Owner or Architect/Engineer taking any actions permitted or required by the Contract, Contractor shall be entitled to an extension of time or additional compensation only for the portion of the delay that is unreasonable, if any.

- c. Non-Excusable Non-Compensable Delays: The Contractor shall not be entitled to an extension of the Time for Completion or Contract Completion Date or to any additional compensation for delays if and to the extent they are (1) caused by acts, omissions, fault or negligence of the Contractor or its Subcontractors, agents or employees, or due to foreseeable causes within their control, including, but not limited to delays resulting from Defective Work, including workmanship and/or materials; from rejected Work which must be corrected before dependent work can proceed; from Defective Work or rejected Work for which corrective action must be determined before like work can proceed; from incomplete, incorrect or unacceptable Submittals or samples, or from the failure to furnish enough properly skilled workers, proper materials or necessary equipment to diligently perform the Work in a timely manner in accordance with the Project schedule; or (2) due to causes that would entitle Owner to recover delay costs or damages.
- d. No extension of time or additional compensation, if applicable, will be granted for any delay unless the claimed delay directly affects the critical path of the approved CPM schedule or the schedule shown on the approved bar graph schedule, whichever is applicable, and any float has been consumed. No extension of time or additional compensation shall be given for a delay if Contractor failed to give notice in the manner and within the time prescribed in Subsections 43 (a) or (b) above, whichever applies. Furthermore, no extension of time or additional compensation shall be given for any delay unless a claim therefor is made in writing to Owner within twenty (20) days of the end of the delay. The request shall state the cause of the delay, the number of days of extension requested and any compensation requested by the Contractor. Failure to give notice of either the inception or the termination of the cause of delay or failure to present a claim for extension or additional compensation based upon that cause.
- e. Requests for extensions of time and/or compensation for delays pursuant to Subsection 43 (b) above must be substantiated by itemized data and records clearly showing that the Work delayed was on the critical path of the approved CPM schedule or on the sequence of Work on the approved bar graph schedule, as modified, whichever applies, and that the additional time and/or costs incurred by the Contractor were directly attributable to the delay in the Work claimed. Furthermore, compensation for delay shall be calculated from the contractual Time for Completion or Contract Completion Date, as adjusted by Change Order, and shall not be calculated based on any early completion planned or scheduled by Contractor unless a Change Order has been executed pursuant to Section 19 (1) changing the Time for Completion or the Contract Completion Date to reject such early completion. See Section 19 for procedures for Contractor to follow if he plans early completion of the Work and wishes to request a Change Order rejecting the early completion date.

#### **Agreed Compensation for Owner Delay**

If, and to the extent that the Contractor is entitled to an extension in the Time for Completion or the Contract Completion Date and additional compensation purely as a result of delay under Subsection 43 (b), and not as a result of change in the Work under Section 38, the agreed compensation due Contractor for days added to the Time for Completion or the Contract Completion Date for each day of such delay shall be the per diem expenses as determined from an itemized accounting of the direct Site overhead expenses and home office and other indirect overhead expenses only as specified in Subsections 38 (e) (6) (i) and (ii). These Expenses shall exclude any and all expenses specified in Subsection 38 (f).

- f. If Contractor submits a claim for delay damages pursuant to Subsection 43 (b) above, Contractor shall be liable to Owner for a percentage of all costs incurred by Owner in investigating, analyzing, negotiating and litigating the claim, which percentage shall be equal to the percentage of the Contractor's total delay claim which is determined through litigation to be false or to have no basis in law or in fact. (Section 2.2-4335, Code of Virginia)
- g. Any change in the Contract Time for Completion or Contract Completion Date shall be accomplished only by issuance of a Change Order.

h. Agreed Compensation for Contractor Delay: It is imperative that the Work in this Contract be completed within the durations specified in Exhibit XX in order that the Owner may achieve occupancy of the newly constructed Project and commence unimpeded and effective use thereof. The Contractor represents and agrees that they have taken into account in their bid the requirements of the bid documents, the location, the time allowed for the Work, local conditions, availability of materials, equipment and labor and other factors which may affect performance of the Work. The Contractor agrees and warrants that they will achieve substantial completion of the Work not later than THREE HUNDRED EIGHTY-TWO (382) calendar days after Date of Commencement. Assuming timely execution of the Contract with applicable Bond, Notice to Proceed will be given to the Contractor not later than five (5) business days after the approval of the final site plan by the Planning Commission.

### 44. Waiver of Consequential Damages

The Contractor and Owner waive Claims against each other for consequential damages arising out of or relating to this Contract. This mutual waiver includes:

- .1 damages incurred by the Owner for rental expenses, for losses of use, income, profit, financing, business and reputation, and for loss of management or employee productivity or of the services of such persons; and
- .2 damages incurred by the Contractor for principal office expenses including the compensation of personnel stationed there, for losses of financing, business (including work on other projects) and reputation, and for loss of profit, including anticipated profit arising directly from the Work or from other projects on which Contractor planned to work.

This mutual waiver is applicable, without limitation, to all consequential damages due to either party's termination in accordance with Sections 40, 41, and 42. Nothing contained in this Section shall be deemed to preclude assessment of liquidated damages, when applicable, in accordance with the requirements of the Contract Documents.

#### 45.INSPECTION FOR SUBSTANTIAL COMPLETION & FINAL INSPECTION

a. The Contractor shall notify Owner, in writing on the Certificate of Partial or Substantial Completion by the Contractor (Form 240325-13.2a), of the date when the Work, or designated portion thereof, will be in their opinion substantially complete and ready for inspection and testing to determine if it has reached Substantial Completion. The notice shall be given at least ten (10) days in advance of said date. Inspection and testing shall take place at a time(s) mutually agreeable to the Contractor and Owner.

The inspection shall include a demonstration by the Contractor that all equipment, systems, and operable components of the Project function properly and in accordance with the Contract Documents. The Contractor shall furnish access for the inspection and testing as provided in Section 21 of these General Conditions. The inspection and testing shall determine whether Substantial Completion has been accomplished and shall result ir1a written list of unfinished Work and Defective Work, commonly referred to as a "punch list", which must be finished and corrected to obtain Final Completion.

After successful completion of the testing and the Architect/Engineer determines that, in its opinion, the Work either in whole or in part, is Substantially Complete, the Architect/Engineer shall notify Owner in writing on the Certificate of Partial or Substantial Completion by the Architect/Engineer (Form 240325-13.1a), that the Work, or a specified portion thereof, is recommended to be declared Substantially Complete. Owner shall notify the Contractor, in writing, of the date Owner accepts the Work, or the specified portion thereof, as Substantially Complete or Owner shall notify Contractor of the deficiencies to be corrected or completed before such Work will be accepted as substantially complete.

b. Contractor shall notify Owner in writing on the Certificate of Completion by the Contractor (Form 240325-13.2), of the date when the Work has reached or will reach Final Completion and will be ready for final inspection and testing. The notice shall be given at least five (5) days in advance of said date. That inspection and any necessary testing shall be conducted in the same manner as the inspection for Substantial Completion. When the Work is finally and totally complete including the

elimination of all defects, the Work shall be finally accepted by Owner and final payment shall be made in accordance with Section 36 of these General Conditions.

- c. Representatives of the Building Official will participate in the Substantial Completion Inspection. Owner may elect to have other persons of its choosing participate in the inspections. If one or more Substantial or Final Completion re-inspections are required, the Contractor shall reimburse the Owner for all costs of re-inspection or, at Owner's option, the costs may be deducted from payments due to Contractor.
- d. Approval of Work at or as a result of any inspection required herein shall not release the Contractor or their surety from responsibility for complying with the Contract.

#### **46.GUARANTEE OF WORK**

- a. Except as otherwise specified, all Work shall be, as is hereby guaranteed by the Contractor against defects resulting from the use of materials, equipment or workmanship, which are defective, inferior or not in accordance with the terms of the Contract, for one (1) year from the date of Final Completion of the entire Project. Equipment and facilities which have seasonal limitations on their operation (e.g. heating or air conditioning units) shall be guaranteed in writing, by the Contractor for one (1) full year from the date of seasonally appropriate tests and acceptance. Where Owner agrees to take Beneficial Occupancy of a portion or phase of the Work which has been determined to be Substantially Complete before the entire Work is finally completed, the guarantees for the materials, equipment and workmanship in that portion or phase shall begin on the date that Owner takes Beneficial Occupancy unless otherwise specified in the Supplemental General Conditions, Special Conditions, or by separate agreement.
- b. If, within any guarantee period, Work which is not in accordance with the Contract, Defective Work or inferior material, equipment or workmanship is noted by Owner which requires or renders necessary repairs or changes in connection with the guaranteed Work, the Contractor shall promptly upon receipt of notice from Owner, such notice being given not later than two weeks after the guarantee period expires, and without expense to Owner:
  - 1. Place in satisfactory condition in every particular all of such guaranteed Work and correct all defects, inferior materials, equipment and/or workmanship therein;
  - 2. Make good all damage to the structure or Site or equipment or contents thereof which in the opinion of Owner, is the result of the use of materials, equipment or workmanship which are inferior, defective or not in accordance with the terms of the Contract; and
  - 3. Make good any Work or materials or the equipment and contents of structures and/or Site disturbance that results from fulfilling the provisions of this Section.
- c. In any case when in fulfilling the requirements of the Contract and this guarantee or any other guaranty or warranty, the Contractor disturbs any work performed by a separate Contractor, they shall restore such work to a condition satisfactory to Owner and guarantee such restored work to the same extent as if it was guaranteed under this Contract.
- d. If the Contractor, after notice, fails to proceed promptly to comply with the terms of the guarantee as set forth in this Section, Owner may have the defects or inferior materials, equipment and/or workmanship corrected, and Contractor and their surety shall be liable for all expenses incurred.
- e. All special warranties and guarantees applicable to definite parts of the Work that may be stipulated in or required by the Contract Documents shall be subject to the terms of this Section during the first year of the life of such special warranty or guarantee.

- f. The guarantee of this Section shall be in addition to and not in lieu of all other warranties, express or implied, applicable to or arising from the Contract or by law.
- g. Nothing contained in this Section shall be construed to establish a period of limitation with respect to any other obligation which the Contractor might have under the Contract Documents, including liability for Defective Work under Section 30. This Section relates only to the specific obligation of the Contractor as set forth in this Section to correct the Work and does not limit the time within which his obligation to comply with the Contract Documents may be sought to be enforced, nor the time within which proceedings may be commenced to establish the Contractor's liability with respect to his other obligations under the Contract Documents.
- h. In the event the Work of the Contractor is to be modified by another Contractor, either before or after the Final Inspection provided by Section 44 of the General Conditions, the Contractor shall remain responsible in all respects under this Section's Guarantee of Work and under any other warranties or guarantees, express or implied applicable to or arising from this Contract or by law. However, the Contractor shall not be responsible for any defects in material or workmanship introduced by another Contractor that modifies their Work. The Contractor and any other Contractor that makes the modifications shall each be solely responsible for his respective work. The Contractor that modifies the earlier Work shall be responsible for any damage to or defect introduced into the Work by his modification. If the Contractor claims that a subsequent Contractor has introduced defects of materials and/or workmanship into his Work, it shall be the burden of the Contractor to demonstrate clearly the nature and extent of such introduced defects and the other Contractor's responsibility for those defects. Any Contractor modifying the work of another shall have the same burden if he asserts that defects in their work were caused by Contractor whose work they are modifying

#### 47.IDEMNIFCATION

The Contractor shall indemnify and hold harmless Owner and the Owner's consultants, representatives, agents and employees from and against any and all claims, causes of action, losses, costs, expenses and/or damages, including but not limited to attorney's fees, of any kind or nature whatsoever, arising from or relating to any bodily injury, including sickness, disease and/or death, and/or any property damage, that results from or arises out of the negligent acts of the Contractor, or by or in consequence of any neglect in safeguarding the Work, through the use unacceptable materials in the Work, or resulting from any act, omission, negligence or misconduct of the Contractor, any of its Subcontractors, anyone directly or indirectly employed by them or anyone for whose acts they may be liable.

#### **48.ASSIGNMENTS**

Neither party to the Contract shall assign the Contract in whole or any part without the written consent of the other, nor shall the Contractor assign any moneys due or to become due to them hereunder without the prior written consent of Owner. Consent to assignment shall not be unreasonably withheld. No assignment shall relieve any party from its obligations under the Contract.

### **49.CONTRACTUAL DISPUTES**

Payment; however, written notice of the Contractor's intention to file such claim must be given within fourteen (14) days of the time of the occurrence or beginning of the Work upon which the claim is based. Such notice shall state that it is a "notice of intent to file a claim" and include a written statement describing the act or omission of Owner or its agents that allegedly caused or may cause damage to the Contractor and the nature of the claimed damage. The submission of a timely notice is a prerequisite to recovery under this Section. Failure to submit such notice of intent within the time and in the manner required shall be a conclusive waiver of the claim by the Contractor. Oral notice, Owner's actual knowledge, or a written notice given after the expiration of fourteen (14) days of the time of the occurrence or beginning of the Work upon which the claim is based shall not be sufficient to satisfy the requirements of this Section. Although the Contractor may be required to submit certain classes of claims prior to final payment, and the Contractor is not prevented from filing claims during the pendency of the Work, unless an individual claim or the cumulative value of claims submitted by the Contractor exceeds Two Hundred

Fifty Thousand and 00/100 Dollars (\$250,000), the Owner shall not be obligated to render a final written decision on any claim until after Final Payment. If any claim or the cumulative value of pending claims exceeds Two Hundred Fifty Thousand and 00/100 Dollars (\$250,000), Owner shall issue a final written decision with respect to such claim(s) within sixty (60) days of its receipt of written notice from the Contractor requesting such a final determination, following which the Contractor may immediately proceed as provided in Paragraphs 48 (c) and (d) below. All claims shall be submitted along with all practically available supporting evidence and documentation and the certification required by Subsection 47 (f) and request a final decision. Certificates for payment, applications for payment, vouchers, invoices and similar requests for payment submitted for work done by the Contractor in accordance with the expected Contract performance are routine submissions and shall not be considered claims under this Section. Proposed or requested Change Orders, demands for money compensation or other relief, and correspondence and e-mails to the Owner or its representative, which do not strictly comply with the requirements of this Section shall not be considered claims under this Section.

- b. No written decision denying a claim or addressing issues related to the claim shall be considered a denial pursuant to this Section unless the written decision makes express reference to this Section and is signed by the Owner's Executive Director or their designee. The Contractor may not institute legal action prior to receipt of Owner's final written decision on the claim unless Owner fails to render such a decision within ninety (90) days of submission of the claim or within ninety (90) days of final payment, whichever is later.
- c. The decision of the Executive Director shall be final and conclusive unless the Contractor within six (6) months of the date of the final decision on a claim initiates legal action as provided in §2.2-4364 of the Code of Virginia. Failure of Owner to render a decision within ninety (90) days shall not result in the Contractor being awarded the relief claimed nor shall it result in any other relief or penalty. The sole result of Owner's failure to render a decision within ninety (90) days shall be the Contractor's right to immediately institute legal action. No administrative procedure pursuant to §2.2-4365 of the Code of Virginia has been established for contractual claims under the Contract.
- d. Pursuant to § 2.2-4366, Alternative Dispute Resolution, of the Code of Virginia, the Owner may enter into an agreement with the Contractor to submit disputes arising from the performance of this Contract to arbitration and utilize mediation and other alternative dispute resolution procedures. However, such procedures entered by Owner, or any department, institution, division, commission, board or bureau thereof, shall be non-binding and subject to § 22-514, as applicable
- e. In the event that a dispute, claim or controversy between Owner and Contractor arises regarding the requirements of the Contract, the performance of the Work, payment due Contractor, the terms of any Change Order, or otherwise, the Contractor shall not stop, suspend or delay the Work to be performed under the Contract or any Change Order, or as ordered by Owner. The Contractor shall continue to diligently prosecute the Work to completion, including work required in any Change Order or as directed by Owner
- f. Along with a claim submitted under this Section, the Contractor shall submit a Claim Certification Form (DGS-30-234) certifying that the claim is a true and accurate representation of the claim. Claims submitted without the Claim Certification Form shall not constitute a proper claim and, if not submitted with the certification within the time required, shall be deemed to be waived.
- g. The remedies provided in these General Conditions, including costs, expenses, damages or extensions of time, shall be the Contractor's sole remedies for the acts, omissions or breaches of Owner, which shall survive termination or breach of the Contract.

### 50.TRAINING, OPERATION AND MAINTENANCE OF EQUIPMENT

a. As a part of the Work, the Contractor in conjunction with their Subcontractors and Suppliers shall provide Owner's operations and maintenance personnel with adequate instruction and training in the proper operation and maintenance of any

equipment, systems, and related controls provided or altered in the Work. The training requirements may be further defined in the specifications.

b. The Contractor shall provide Owner with a minimum of two (2) copies of operating, maintenance and parts manuals for all equipment and systems provided in the Work and an electronic copy on a thumb drive. Further specific requirements may be indicated in the specifications.

#### 51.PROJECT MEETINGS

a. The intention of this Section is that the Contractor and Owner have timely exchange of information and cooperate to accomplish the Work as required by the Contract Documents. The Contractor is responsible for managing the Work, obtaining approvals, and requesting clarifications on a timely, reasonable basis. The Owner is responsible for making a reasonable effort to provide timely responses to the Contractor.

#### b. Preconstruction Meeting:

Prior to the start of construction and no later than fifteen (15) calendar days after the Notice to Proceed, a "Preconstruction" meeting shall be held with attendees to include the Owner's Project Manager and Project Inspector, the Architect/Engineer's Project Manager and representatives of each design discipline involved in the Project, the Contractor's Project Manager and superintendent (and scheduler, if the Contractor desires), and representatives of the Contractor's major Subcontractors. The purpose of the meeting is to clarify and discuss the specifics related to, but not limited to, the following:

- 1. Persons involved from each entity and their chain of authority including the names of persons authorized to sign Change Orders and any limits to their authority. Name of The Contractor's on-site certified Responsible Land Disturber.
- 2. Names, addresses, and telephone numbers to be used for Requests for Information (RFI), Requests for Clarification (RFC), Requests for Proposals (RFP), shop drawings, Submittals, and notices.
- 3. The Contractor's proposed construction schedule and Owner's sequencing requirements, if any.
- 4. Schedule of Values and Certificate for Payment requirements and procedures.
- 5. Procedures for shop drawings, product data and Submittals.
- 6. Procedures for handling Field Orders and Change Order (Form 240325-11).
- 7. Procedures for the Contractor's request for time extension, if any.
- 8. Construction Site requirements, procedures and clarifications to include:
  - Manner of conducting the work
  - Site specialties such as dust and erosion control, stormwater management, project signs, clean up, housekeeping, temporary facilities, utilities, security, and traffic
  - Safety
  - Layout of the Work

- Quality control, testing, inspections, and notices required
- Site visits by the A/E and others
- Owner's Project Inspector duties
- Running Punch List
- As-Built Drawings
- 9. Procedures and documentation of differing or unforeseen Site Conditions
- 10. Monthly Pay Meeting
- 11. Project Close-Out requirements and procedures
- 12. Project records

#### c. Monthly Pay Meeting:

Section 36 establishes the requirement for a monthly pay meeting which will usually be held at or near the Site. In addition to Owner's and the Contractor's representatives, the following representatives, at a minimum, should be available to attend portions of the meeting, as applicable or necessary:

- Owner's Project Inspector
- The Contractor's project superintendent
- A/E representative
- A representative of each Subcontractor who performed work included in the current pay request.
- A representative of each Subcontractor who is projected to perform work in the coming month.

The following topics should be included, as a minimum, in the monthly pay meeting:

- 1. Observations of status, quality and workmanship of Work in progress
- 2. Validation of the Schedule of Values and Certificate for payment
- 3. Conformance with proposed construction schedule
- 4. Outstanding Requests for Information, Requests for Clarification, and Requests for Proposal
- 5. Submittals with action pending
- 6. Status of pending Change Orders
- 7. Status of Running Punch List items

- 8. Work proposed for coming pay period
- 9. Discussions of any problems or potential problems which need attention

#### d. Other Meetings:

Requirements for other meetings, such as progress meetings, coordination meetings, pre-installation meetings and/or partnering meetings, may be included in the Contract Documents.

**End of General Conditions**