

**BOOK 2**

**STANDARD TERMS AND CONDITIONS  
FOR DESIGN BUILD CONTRACTS**

**CONTRACT NUMBERS PS1963 to PS1979**

**2013 SCHOOL INVESTMENT PROGRAM  
PROJECT NUMBERS 01 to 17**

**PUBLIC BUILDING COMMISSION OF CHICAGO**



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PUBLIC BUILDING COMMISSION OF CHICAGO

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# PUBLIC BUILDING COMMISSION OF CHICAGO

## ARTICLE 1. GENERAL PROVISIONS

### SECTION 1.01 Definitions

Wherever used in any of the Contract Documents, the following meanings are given to the terms herein defined:

1. "Architect Engineer" means the person or firm employed by or hired by the Design-Builder for the purpose of designing the project. Architectural and Engineering services shall be procured from licensed independent design professionals retained by the Design-Builder or furnished by licensed employees of the Design-Builder as permitted by the laws of the State of Illinois.
2. "Career and Technical Education" ("CTE") means the Board of Education of Chicago's Department of Career and Technical Education, formerly known as the Board's Department of Education to Careers.
3. "Change Order" is the document signed by the Design-Builder and the Commission, or, in circumstances stated in Book 2, the Commission alone, which authorizes a change in the Work that does not result in an adjustment to the GMP. Changes to the Work that result in a change to the GMP require an amendment to the Contract.
4. "Commission" means the Public Building Commission of Chicago, a municipal corporation organized under the Public Building Commission Act of the State of Illinois, as amended, or its duly authorized officers or employees.
5. "Commission Representative" means the person assigned, in writing, by the Executive Director to be the Commission's Representative for the project.
6. "Commission's Architect" means the architect or design firm retained by the Commission to prepare the Scope and Performance Criteria forming the basis of design for the Architect/Engineer.
7. "Contract" or "Contract Documents" means all of the following component parts, including exhibits attached thereto and/or incorporated therein by reference, and all amendments, modifications and revisions made from time to time in accordance with the provisions hereof, including without limitation, the items provided in Section 2.4.1 of Book 1:
  - a. Book 1 – Design-Build Agreement Between Public Building Commission and Design Builder ("Agreement")
  - b. Book 2 – Standard Terms and Conditions for Design-Build Contracts
  - c. Book 2A - Standard Terms and Conditions Procedures Manual for Design-Build Contracts
8. "Contract Completion Date" is the date on which the Design-Builder must achieve Substantial Completion. The Contract Completion Date will be determined based on the time for completion of the Work stated in Book 1, Section II.B, adjusted by any Change Orders that extend or reduce the time for completion of the Work.
9. "CPS Student" means an individual enrolled in a public school within the purview of the Board of Education of Chicago.
10. "Design-Builder" means the partnership, firm, corporation, joint venture or entity entering into the Contract with the Commission to perform the Work required by the Contract Documents.
11. "Day" or "Days" means calendar day(s) unless otherwise specified.
12. "Drawings" are those drawings and plans provided in the Request for Proposals as part of the Scope and Performance Criteria.

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13. "Environmental Law(s)" means all applicable Federal, State, and local laws, ordinances, rules, regulations, and executive orders pertaining to environmental matters.
14. "Executive Director" means the person employed by the Commission as its Executive Director or the duly authorized representative thereof.
15. "Field Order" means a written order to the Design-Builder, signed by the Commission Representative unilaterally directing changes in the Work or the Project CPM Schedule.
16. "Final Completion and Acceptance of the Work" means the last date on which all of the following events have occurred: the Commission has determined that all Punch List Work and any other remaining Work have been completed in accordance with the Contract Documents; final inspections have been completed and operating systems and equipment testing have been completed; final occupancy certifications have been issued; Design-Builder's LEED Commissioning responsibilities required by the Contract Documents have been completed; all deliverables have been provided to the Commission; and all contractual requirements for final payment have been completed.
17. "First-tier Subcontractor" means any Subcontractor that has a contract with the Design-Builder.
18. "Guaranteed Maximum Price" or "GMP" means the sum of the estimated Cost of the Work, as defined in Article 8 of Book 1, the Design-Builder's Contingency, the Commission Contingency and the Design-Builder's Fee as defined in Article 7 of Book 1.
19. "Hazardous Materials" means asbestos and asbestos-containing materials, polychlorinated biphenyls (PCBs), oil or any other petroleum products, natural gas, special nuclear materials, and by-product materials regulated under the Atomic Energy Act (42 U.S.C. Sec. 2014, et seq.), pesticides under the Federal Insecticide, Fungicide and Rodenticide Act (7U.S.C. Sec. 136, et seq.) and any hazardous waste, toxic substance or related material, including any substance defined or treated as "hazardous waste," "special waste," "toxic substance," or a comparable term in any Environmental Law.
20. "Local Government" or "City" means the City of Chicago, Illinois.
21. "Notice to Proceed" refers to the written notice issued by the Executive Director and directed to the Design-Builder, which states the date for the Design-Builder to begin performance of the Work.
22. "Program Safety Manager" means the person assigned, in writing, by the Executive Director to be the Commission's Safety Manager for all Commission projects.
23. "Project" means the collective improvements to Chicago Public School facilities by the Design-Builder in accordance with the Contract as specified in Article 1 of Book 1.
24. "Project Community" means the area designated as the Project Community in Book 2, shown in Exhibit 10 for Book 1, "Project Community Area Map."
25. "Project Community Residents" means persons domiciled within the Project Community as designated by the Commission as stated in Book 2, Section 21.03.
26. "Punch List" is the list of Punch List Work, and "Punch List Work" means minor adjustments, repairs or deficiencies in the Work as determined at the sole discretion of the Commission. Items of incomplete Work that preclude full or beneficial use of any portion of the Work or that preclude the Commission from full operation, maintenance, or security of the facility are not considered Punch List Work.
27. "Record Documents" are all documents required under the terms of the Contract to be provided to the Commission by the Design-Builder, including, but not limited to, shop drawings, as-built drawings, blue line drawings, parts manuals, operation and maintenance manuals, and Project manuals or specifications.



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28. "Request for Information" or "RFI" means the document transmitted by the Design-Builder to the Commission Representative seeking clarification or direction with respect to ambiguity, contradictions, errors or omissions in the Scope and Performance Criteria.
29. "Residents of the Project Community" means persons domiciled within the project area as designated by Exhibit 10.
30. "Schedule" means the critical path method (CPM) schedule submitted by the Design-Builder establishing time frames for the performance of components of the Work.
31. "Schedule of Values" means the detailed list of the value of each construction activity included in the Guaranteed Maximum Price broken down by labor and materials that is submitted by the Design-Builder and approved by the Commission, as amended.
32. "Site" means the location(s) shown on the Drawings or described in Book 2A – Section 01010 – Summary of Work of the Technical Specifications, within which the Work will be performed under the Contract Documents.
33. "Special Waste" means those substances as defined in the Illinois Environmental Protection Act, 415 ILCS 5/3.45, and further defined in Section 809.103 or 35 Illinois Administrative Code, Subtitle G, Ch. 1.
34. "Subcontractor" means any partnership, firm, corporation or entity other than an employee of the Design-Builder that furnishes labor and/or materials to the Design-Builder, whether or not the Subcontractor is in privity with the Design-Builder.
35. "Submittal" means a schedule, shop drawings, video tape, product data, samples, or other items as may be required by the Contract for review and/or approval prior to prosecution of a portion of the Work.
36. "Substantial Completion" means the date the Commission Representative has determined that: (i) the Project has been constructed in accordance with the Contract Documents such that it is ready for occupancy, utilization and continuous operation for the uses and purposes intended by the User, without material interference from incomplete or improperly completed Work, and with only Punch List Work remaining to be completed, (ii) the Design-Builder has obtained and delivered to the Commission a "Certificate of Occupancy" issued by the authority that has jurisdiction noting that the Certificate of Occupancy is not a prerequisite for Substantial Completion if the Certificate of Occupancy cannot be obtained due to factors beyond the Design-Builder's control, and (iii) the Executive Director, or his or her designee, has issued written notice to the Design-Builder of its acceptance of substantial completion.
37. "User" or "User Agency" means the entity for which or on whose behalf the Commission has undertaken to cause the Work to be performed.
38. "Work" means the obligations of the Design-Builder under the Contract Documents. Work includes, unless specifically excepted by the Contract Documents, the furnishing of all materials, labor, equipment, supplies, plant, tools, scaffolding, transportation, superintendence, permits, inspections, occupancy approvals, insurance, taxes, design services and all other services, facilities and expenses necessary for the full performance and completion of the requirements of the Contract Documents. Work also means that which is furnished, produced, constructed, or built pursuant to the Contract Documents.

### SECTION 1.03 Standard Specifications

Any reference herein to standard specifications of any society, institute, association, or governmental authority (such standard specifications not forming a part of any statute or ordinance nor otherwise specified as to edition or date) is a reference to the standard specifications of such organization that are in effect on the 30th Day prior to the date of the first Advertisement of the Request for Proposal.

## **PUBLIC BUILDING COMMISSION OF CHICAGO**

### **SECTION 1.04 Severability**

If any provision of this Contract is inoperative or unenforceable as applied in any particular case because it conflicts with any other provision of this Contract, or of any constitution, statute, ordinance, rule of law, or public policy, or for any other reason, such circumstances will not render the provision in question inoperative or unenforceable in any other case or circumstance, or render other provision or provisions of this Contract invalid, inoperative, or unenforceable to any extent whatever. The invalidity of any phrases, sentences, clauses, or sections contained in this Contract do not affect the remaining portions of this Contract or any part thereof.

### **SECTION 1.05 Entire Agreement**

The Contract, including all Contract Documents and the exhibits attached to them and incorporated, constitutes the entire agreement between the parties with respect to the subject matter hereof, and no other oral or written understandings, representations, inducements, considerations, promises, or interpretations are implied or impressed upon this Contract that are not expressly addressed herein.

# PUBLIC BUILDING COMMISSION OF CHICAGO

## ARTICLE 2. PROJECT ORGANIZATION

### SECTION 2.01 The Owner

The owner is:

Public Building Commission of Chicago  
Richard J. Daley Center  
50 West Washington Street, Room 200  
Chicago, Illinois 60602

### SECTION 2.02 The Executive Director

The Executive Director is the person employed by the Commission in that title.

### SECTION 2.03 The User Agency(ies)

The User Agency is the Board of Education of Chicago and the Chicago Public Schools ("CPS") for which the Commission is constructing the Project.

### SECTION 2.04 The Commission Representative(s)

1. The Executive Director will assign an individual or individuals to be the Commission's Representative(s) for the Project. The Executive Director will notify the Design-Builder of the assignment in the Notice To Proceed letter.
2. **The Design-Builder must route all Project communication and notices to the Commission Representative.** The Commission Representative will also route responses from the Commission to the Design-Builder.
3. The Commission Representative has the authority to reject all or any portion of Work that does not conform to the Contract Documents.
4. The Commission Representative will not be responsible for acts or omissions of the Design-Builder or any Subcontractor.
5. The Commission Representative is responsible for the following:
  - a. Reviewing and monitoring, on a periodic basis, the Design-Builder's baseline and updated schedules for compliance with the Contract milestone dates and the master CPM milestone dates.
  - b. Conducting weekly meetings with the Commission, CPS, Design-Builder and others to review the Project schedule, submittals, scope change, requests for information, outstanding bulletins, pending issues, and field problems.
  - c. Reviewing Design-Builder's payment applications in accordance with the Commission's policies and procedures and submitting the payment applications to Commission for approval and payment.
  - d. Establishing an on-Site organization line of authority to implement all construction phases of the Project in a coordinated and efficient manner.
  - e. Establishing and implementing procedures for, and maintain coordination among, the Commission, CPS, Design-Builder, and other agencies having jurisdiction of the Project with respect to all construction aspects of the Project.
  - f. Coordinating the submission, processing, procurement and assembly of all required permits,

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licenses, and certificates with the Design-Builder and arrange delivery of same to the Commission.

- g. Conducting Site observations of the Design-Builder and Project to ensure that Work is progressing on schedule and in accordance with the requirements of the Commission and the Contract Documents.
- h. Reviewing the adequacy of the supervision, personnel and equipment and the availability of necessary materials and supplies. Where inadequate, direct that the necessary action be taken to remediate the deficiency.
- i. Receiving and reviewing all shop drawings, materials and all other required Submittals. Requests for approval of subcontractors, delivery schedules, material lists, shop drawings, samples, and the like will be commented upon by the Commission for approval.
- j. Monitoring the flow of all documents and materials for proper sequence of approvals so as not to delay the progress of the work.
- k. Receiving and reviewing all requests for additional compensation and time extensions sought by the Design-Builder.
- l. Conducting a comprehensive final inspection of the Project to verify that the materials furnished and Work performed are in accordance with the Contract Documents.
- m. Expediting the assembly and delivery to the Commission of all papers required by the Contract Documents, including but not limited to "as-built" drawings, guarantees, warranties, and operations and maintenance manuals. Reviewing, approving, and submitting such documents to the Commission upon completion of the Project.

### SECTION 2.05 The Commission's Architect

The Commission's Architect is the firm retained by the commission to prepare the Scope and Performance Criteria documents for the Request for Proposal. The Design-Builder will have no direct contact with the Commission's Architect except as authorized by the Commission Representative.

The Commission's Architect will not be responsible for acts or omissions of the Design-Builder, the Architect/Engineer or any Subcontractor or subconsultant.

### SECTION 2.06 The Design-Builder

The Work is under the charge and care of the Design-Builder until Final Completion and Acceptance of the Work unless otherwise specified in the Contract Documents.

### SECTION 2.07 The Subcontractors

1. Except as may be otherwise provided in the Contract, all transactions of the Commission will be with the Design-Builder.
2. The Design-Builder is wholly responsible and liable to the Commission for any and all Work performed by any of its Subcontractors.

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### ARTICLE 3. DESIGN-BUILDER'S OBLIGATIONS

#### SECTION 3.01 Design-Builder

1. The Design-Builder must perform everything required to be performed and provide all of the labor, necessary tools, machinery, materials, schedules and other documents and all facilities for the construction of the Project as described herein and other work necessary to perform and complete in a workmanlike manner, and within the specified time, all of the Work in strict accordance with the Contract Documents. Design-Builder is solely responsible for selecting the means, methods, techniques, sequences, and procedures used in performing the Work.
2. The Design-Builder must begin the Work on the date specified in the Notice to Proceed. In addition, upon receipt of Notice to Proceed, the Design-Builder must assign and maintain during the term of the Contract and any extension of it, an adequate staff of competent personnel who are fully equipped, licensed as appropriate, available as needed, and qualified to perform the Work. The Design-Builder must include among the staff such personnel and positions as may be required by the Contract Documents.
3. The Design-Builder is solely responsible for properly laying out the Work, and for all lines, elevations and measurements for all of the Work executed under the Contract Documents. The Design-Builder must verify the figures shown in the Scope and Performance Criteria and reference documents before laying out the Work and will be held responsible for any errors or inaccuracies resulting from the failure to do so. Neither the Commission nor the Commission Representative will be responsible for laying out the Work.
4. The Design-Builder is responsible for the coordination of the various parts of the Work so that no part is left in an unfinished or incomplete condition owing to any disagreement between the various Subcontractors or any of the Subcontractors and the Design-Builder.
5. The Design-Builder must require each Subcontractor to become familiar with all provisions of the Contract Documents that may affect Subcontractor's work.
6. The Design-Builder shall at all times be responsible for the performance of the Work by its Subcontractors. The Design-Builder will manage and coordinate the Work of Subcontractors such that the Work progresses in an efficient, orderly and timely manner. In the event of any claim or dispute between Subcontractors, or any Subcontractor and Design-Builder, Design-Builder shall manage the resolution of any such claim or dispute. The Design-Builder shall at all times deal with its Subcontractors in good faith, and use all reasonable efforts to resolve claims or disputes in a prompt, cost-effective manner.
7. In the event that, in the reasonable opinion of the Commission Representative, the performance of personnel of the Design-Builder assigned to the Work is at an unacceptable level, or does not comply with Section 9.01 "Competency of Workers" of the Contract, the Commission Representative may provide a written notice to the Design-Builder. Upon receipt of the notice, such personnel must cease to be assigned to this Work and must return to the Design-Builder. The Design-Builder must then furnish to the Commission Representative the name of a proposed substitute person or persons, in accordance with paragraph 2 of this section for approval by the Commission Representative. Absence of sufficient qualified personnel for the Work constitutes an event of default.
8. The Work is under the charge and care of the Design-Builder until Final Completion and Acceptance of the Work by the Commission, unless otherwise specified in the Contract Documents. The Design-Builder assumes all responsibility for injury or damage of the Work by action of elements, fire or any other causes whatsoever, including, injury or damage arising from the execution or non-execution of the Work. The Design-Builder must rebuild, repair, restore, and make good, at no additional cost to the Commission, all injuries or damages to any portion of its Work before Final Completion and Acceptance of the Work; provided, however, that the cost of repairs that are not a result of the negligence of the Design-Builder or its Subcontractors is a

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compensable Cost of the Work. When equipment or materials are furnished to the Design-Builder by the Commission for use or inclusion in the Work, the Design-Builder's responsibility for safeguarding all such equipment and materials must be the same as for equipment and materials furnished by Design-Builder.

9. The Work will not be considered complete and accepted until the Design-Builder receives written notice from the Commission confirming the Final Completion and Acceptance of the Work.

### SECTION 3.02 Contract Documents

1. The Design-Builder must carefully review and compare all Scope and Performance Criteria and other Contract Documents. In the event the Design-Builder identifies an error or omission, the Design-Builder will promptly notify the Commission Representative, in writing, and then proceed with the Work in accordance with instructions from the Commission Representative concerning such error or omission. The Design-Builder acknowledges and agrees that any such errors or omissions are to the detriment of the Owner. Design-Builder shall not seek to take advantage of the discovery of any conflict, error or omission, or discrepancy in the Scope and Performance Criteria after award of the Contract, but shall cooperate with the Commission to resolve any such errors or omissions in a prompt and cost-effective manner. In the event such resolution involves a change to the Work, such change will be accomplished pursuant to Article 17 hereof.
2. The Design-Builder must keep at the Site, for reference, a complete set of documents pertaining to the Project, including, but not limited to, the complete Contract Documents, copies of all drawings and plans, all additional and revised drawings and plans furnished by the Commission Representative, all orders issued to the Design-Builder by the Commission that relate to the Work, and all submittals, including shop drawings, meeting minutes, reports, payment applications, and correspondence relating to the Work, and a set of updated as-built drawings.

### SECTION 3.03 Document Control

1. The PBC has an on-line collaboration and document management system, OCDM (the "System"). Design-Builder shall use the System to: track the Work, manage the Project, and follow the Commission's procedures for electronic submission and receipt of documents as directed by the Commission Representative. The System shall be the mode of conveyance and repository for all Project Record Documents. Design-Builder shall post all Project-related documents, including all Record Documents, on the System. By executing its Contract, Design-Builder agrees to comply with all terms and conditions required by the Commission for the use of the System.
2. Within 5 calendar days of the Notice to Proceed, Design-Builder shall designate an employee that will serve as its System Coordinator. Design-Builder's System Coordinator will be the point of contact for the Commission for implementation and support for Design-Builder's use of the System.
3. Employees of Design-Builder, its Subcontractors and Suppliers who will use the System must complete the training provided by the Commission. Each such employee must furnish a valid e-mail address to the Authorized Commission Representative prior to the training.
4. The System requires a broadband connection with the Internet (e.g., at a minimum, T1, cable modem, or DSL) for effective use. Design-Builder must furnish its own hardware and software, including, but not limited to, personal computers, peripheral software, virus protection software and high-speed document scanners. All written communication and document transmittal from Design-Builder to the Commission will occur via the System. In the event that hand signatures and/or stamps are required for a document, unless otherwise directed by the Authorized Commission Representative, the transmittal of such document shall be made simultaneously via the System and hard copy; hard copy shall be transmitted as required by the Contract Documents. Signed and/or stamped documents must then be scanned and uploaded to the System.
5. Design-Builder shall be solely responsible for its use of the System, as well as use of the System by its Subcontractors and Suppliers.

### SECTION 3.04 Site Conditions and Inspection

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1. Surveys, soil borings, geotechnical information, data, plans or other materials generally describing the unimproved land or existing structures at the Site may be provided to the Design-Builder by the Commission.
2. The Design-Builder must take field measurements, verify field conditions and carefully compare such field measurements and conditions and any other information known to the Design-Builder about the Contract Documents before commencing the Work. No allowance will be made to the Design-Builder for any extra labor and/or materials required due to Site conditions or discrepancies that might have been discovered by a thorough and proper inspection of the Site. If land surveying Work is required under this Contract, Design-Builder must have such Work performed by a surveyor as described in Section 9.06 "Surveyor."
3. If conditions are encountered at the site that are:
  - (a) Subsurface or otherwise concealed physical conditions that differ materially from those indicated in the Contract Documents, or
  - (b) Pre-existing unknown physical conditions of an unusual nature, which differ materially from those ordinarily found to exist and generally recognized as inherent in construction activities of the character provided for in the Contract Documents, including the presence of unanticipated Hazardous Materials, then the Design-Builder will take no action to disturb the area until providing **IMMEDIATE** written notice to the Commission Representative .
4. If conditions differ materially from those indicated in the Contract Documents and could not have been known to the Design-Builder at the time the Contract was bid, and such conditions will cause a material increase or decrease in the Design-Builder's cost of, or time required for, the performance of any part of the Work, payment from the Commission Contingency or an equitable adjustment in the Guaranteed Maximum Price or Contract term or both, will be made based upon Article 17, "Changes in the Work."
5. The Design-Builder must follow the requirement of written notice in Section 3.04.3b above and the requirements set out in Article 18. Claims and Disputes, regarding a claim for changed site conditions. The Design-Builder must also provide written notice of any claim regarding the changed site condition to the Commission Representative within one (1) day after its discovery. The notice of changed site conditions must state the nature of the changed site condition, its location, and the work that is affected by it.

### SECTION 3.05 Design-Builder's Warranties and Representations

Design-Builder warrants and represents that:

1. It has carefully examined and analyzed the provisions and requirements of this Contract; it has inspected the Site to the extent made available by the Commission; from its own analysis it has satisfied itself as to the nature and scope of Work, all conditions, any obstructions, and requirements needed for the preparation of its proposal and the performance of its Contract, the general and local conditions, and all other matters which in any way may affect this Contract or its performance; and the time available for such examination, analysis, inspection, and investigation was adequate.
2. This Contract is feasible of performance in accordance with all of its provisions and requirements and that the Design-Builder can and must perform, or cause to be performed, the Work in strict accordance with the provisions and requirements of this Contract.
3. Except for the contents of this Contract, no representation, statement or promise, oral or written, or of any kind whatsoever, by the Commission, its officials, agents, representatives or employees, has induced the Design-Builder to submit a proposal or has been relied upon by the Design-Builder, including any reference to (i) the meaning, correctness, suitability or completeness of any provisions or requirements of this Contract; (ii) the nature, existence, or location of materials, structures, obstructions, utilities or conditions, surface or subsurface, which may be encountered

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at or on the Site; (iii) the nature, quantity, quality or size of any materials, equipment, labor and other facilities needed for the performance of this Contract; (iv) the general conditions which may in any way affect this Contract or its performance; (v) the compensation provisions of the Contract; or (vi) any other matter.

4. The Design-Builder was given ample opportunity and time to review the Scope and Performance Criteria prior to submittal of its proposal.
5. The Design-Builder acknowledges and understands that the Commission materially relied upon the Design-Builder's proposal in its selection of the Design-Builder to perform the Work.
6. Design-Builder's submittal of its proposal establishes that the Design-Builder, in preparing and submitting its proposal on which this Contract is based, has complied with and given full consideration to the following proposal requirements:
  - a. The Design-Builder did obtain for proposal purposes copies of the complete Scope and Performance Criteria as identified in the Request for Proposal and all addenda issued by the Commission and has become familiar with the same and all Contract requirements and conditions described therein.
  - b. The Design-Builder has clarified to its satisfaction and complete understanding and acceptance any doubt as to the true meaning and intent of any part or parts of the specifications and plans or other portions of the Contract Documents.
  - c. The Design-Builder waives any claim for relief because of alleged mistakes or omissions in its proposal and that the Design-Builder will be held strictly to its GMP as agreed.
7. The Design-Builder has the capability and financial resources to perform all of the provisions and requirements of this Contract.
8. The Design-Builder must perform all of its obligations under this Contract in accordance with all of the Contract's provisions and requirements.

### SECTION 3.06 Acceptance of Work

1. Substantial Completion of the Milestones, Phases and Project
  - a. The Design-Builder will notify the Commission Representative, in writing, of a date that the work on a milestone, phase, or the Project as a whole will be ready for inspection by the Executive Director, Commission Representative and Representatives of the User Agency, to determine whether the Work is Substantially Complete. Notice will be given by the Design-Builder at least seven (7) days in advance of that date. If the Commission Representative concurs that the work will be ready for inspection and/or testing on the date stated, including all those items listed in Section 01025.3.5.c of Book 2A, the Executive Director, Commission Representative and other parties, selected by the Executive Director (which may include the architect retained by the Commission to prepare the Scope and Performance Criteria), will make such inspection within a reasonable period of time. The scheduling of the inspection will not relieve the Design-Builder of its responsibilities under the Contract Documents. The Design-Builder is required to furnish access to all parts of the Project for the inspection.
  - b. Upon inspection, the Commission will direct the preparation of a Certificate of Substantial Completion for execution by the Design-Builder. The Certificate shall then be submitted to the Commission Representative. The Executive Director, or his or her designee, will determine whether Substantial Completion has been achieved and will issue a written notice to the Design-Builder of its acceptance of the Certificate of Substantial Completion for the pertinent Milestone, Phase or Project.
2. Final Completion and Acceptance of the Work



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### a. Punch List Completion

(1) The Design-Builder understands and agrees that time is of the essence in closing out the Work of this Contract. Upon Substantial Completion of the Work, the Punch List will be transmitted to the Design-Builder from the Commission. The Design-Builder agrees to begin performance of Punch List Work immediately after receipt of the Punch List.

(2) Failure of the Design-Builder or its Subcontractors to begin the Punch List Work within 3 business Days after receipt of the Punch List will be construed as failure to prosecute the Work of the Contract.

(3) Punch List Work will be continuously prosecuted once begun and completed within the period set forth in the Punch List by the Commission Representative. The Commission Representative shall establish the period for completion of the Punch List Work after consultation with the Design-Builder. The period established by the Commission Representative will be based on the Commission Representative's reasonable, good faith estimate of the time necessary for the Design-Builder to complete the Punch List Work.

b. When the Design-Builder deems the Work, including all Punch List Work, to be complete, the Design-Builder must notify the Commission Representative in writing that the Work will be ready for an inspection and/or test on a date specified by the Design-Builder. Such notice is to be given at least 5 Days in advance of said date. If the Commission Representative concurs that the Work will be ready for inspection or testing on the date given, including those items listed in Section 01025.3.6.a and 01025.3.6.b of Book 2A, the Commission will make such inspection within a reasonable period of time. The scheduling of the inspection to determine whether the Work is complete does not relieve the Design-Builder of its responsibilities under the Contract Documents. The Design-Builder must cooperate in all respects in the scheduling and performance of the inspection. Upon inspection, the Commission will determine if Final Completion and Acceptance of the Work has been achieved and will issue a written notice to the Design-Builder confirming the Final Completion and Acceptance of the Work.

c. No action of the Commission, the Commission Representative, the Commission's Architect, or their respective Executive Directors, board members, officers, employees, or agents is to be construed as accepting Work done or material furnished in the performance of this Contract, which Work or materials are not in accordance with those specified and required by the Contract. The issuance of notice of Final Completion or the final payment does not affect the rights of the Commission against the Design-Builder (and the surety or sureties on the Performance and Payment Bond given by the Design-Builder) to enforce the complete performance of this Contract or to sue for the recovery of damages for failure to do so, nor affect the terms of Design-Builder's guarantee in connection therewith.

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### ARTICLE 4. DESIGN-BUILDER'S RIGHTS OF ASSIGNMENT AND SUBCONTRACTS

#### SECTION 4.01 No Assignment of Contract

The Contract must not be assigned or any part of the same subcontracted without the written consent of the Executive Director. If the Executive Director provides consent, such consent does not relieve the Design-Builder from any of its obligations under the terms of the Contract and Design-Builder shall remain responsible for satisfactory performance of all Work undertaken by its Subcontractor(s).

#### SECTION 4.02 No Assignment of Contract Funds

The Design-Builder will not transfer or assign any Contract funds or claims due or to become due without the prior written consent of the Executive Director. The transfer or assignment of any Contract funds, either in whole or in part, or any interest therein, which will be due or to become due to the Design-Builder, without the prior written consent of the Executive Director, is void so far as the Commission is concerned.

#### SECTION 4.03 Subcontracts

1. All Subcontractors are subject to the approval of the Executive Director before they may provide material, labor or services on the Project. The Design-Builder, upon entering into any agreement with a Subcontractor that has been approved by the Executive Director must furnish the Executive Director with one (1) copy of a written contract evidencing such agreement signed by the Design-Builder and Subcontractor. All subcontracts must be in writing. Design-Builder shall include a provision in all subcontracts for the Work that incorporates this Contract by reference, and requires all Subcontractors to comply with the terms and conditions of this Contract. All subcontracts must require that any Work to be performed will be performed in strict accordance with this Contract
2. All requests to subcontract must be submitted on the form provided by the Commission.
3. The Design-Builder may not make any substitution for a Subcontractor that has been accepted by the Executive Director unless such substitution is acceptable to the Executive Director. Design-Builder shall provide the Executive Director with timely notice of any proposed substitution so as not to impede the progress of the Work.
4. The Design-Builder shall, in each of its subcontracts for the Work, include the following provision whereby each Subcontractor agrees to the assignment of its subcontract to the Commission, or the Commission's assignee, without further approval or action by such Subcontractor:

"Design-Builder has assigned this subcontract to the Commission, effective upon written assumption of such assignment by the Commission in the event of Design-Builder's default or early termination of Design-Builder's contract with the Commission. Subcontractor hereby consents to such assignment and assumption. Subcontractor acknowledges and agrees that, in the event of such an assignment and assumption, the Commission will have no liability to Subcontractor for work performed by Subcontractor prior to the effective date of the assignment and assumption for which the Design-Builder has been paid by the Commission, and that Subcontractor shall look solely to Design-Builder for any compensation or other obligations arising under the subcontract prior to such date."
5. The Design-Builder hereby assigns any or all subcontracts to the Commission, effective upon the Commission's exercise, in its sole discretion, of its rights to assume such assignment as a remedy for Design-Builder's default or in the event of early termination.
6. The subcontract must preserve the rights of the Commission under this Contract with respect to the Work performed by the Subcontractor so that the subcontracting thereof will not prejudice such rights. Where appropriate, the Design-Builder must require each Subcontractor to enter into similar subcontracts with its Subcontractors. The Design-Builder will provide to each

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Subcontractor, prior to the execution of such subcontract, copies of the provisions of this Contract to which the Subcontractor will be bound.

7. There is no privity between Subcontractors and the Commission. Except as may otherwise be explicitly provided in the Contract Documents, Subcontractors have no rights as third-party beneficiaries under this Contract. The Design-Builder will require the Subcontractors to communicate with the Commission through the Design-Builder only.
8. The Design-Builder shall at all times be responsible for payments to Subcontractors for Work performed by such Subcontractors. Notwithstanding the foregoing, the Commission reserves the right to make direct payments to Subcontractors in the event the Executive Director, in his sole discretion, deems it to be in the best interests of the Commission to make such direct payments.
9. The Design-Builder shall require its Subcontractors to agree, in writing, to submit to the Design-Builder applications for payment in such reasonable time as to enable the Design-Builder to apply for payment as herein-specified under Article 16. "Payments."
10. Design-Builder shall provide Subcontractors an opportunity to be present and to submit evidence in any decision involving a Subcontractor's rights.
11. The Design-Builder shall, in each of its subcontracts for the Work, require the Subcontractors to agree to pursue any claims or disputes that a Subcontractor may have with respect to the Work through the process for resolving claims and disputes set forth in Article 18 hereof.

### SECTION 4.04 Commission's Right to Assign

The Commission expressly reserves the right to assign or otherwise transfer all or any part of its interests hereunder without the consent or approval of the Design-Builder.

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**ARTICLE 5. INDEMNIFICATION, PERFORMANCE & PAYMENT BOND, AND INSURANCE**

SECTION 5.01 Indemnification

1. The Design-Builder covenants to and must indemnify, defend and hold harmless the following indemnitees: the Commission, the User Agency, the Commission's Architect and its consultants, the Commission Representative and any additional persons named in the Agreement, their respective Executive Directors, board members, officers, employees and representatives, individually and collectively, ("Indemnitees") from all claims, demands, actions and the like, of every nature and description, made or instituted by third parties, arising or alleged to arise out of the Work under this Contract. This indemnity includes any and all expenses incurred in connection with the investigation of any claim or the defense of any lawsuit brought by any third party, including all court costs and actual attorneys' fees incurred by the Indemnities herein. This indemnification is not limited by any amount of insurance required under this Contract. Further, the indemnity contained in this section will survive the expiration or termination of this Contract. If any injury (including death), loss or damage (or claim or claims therefore) occurs or is alleged to have occurred, the Design-Builder must give immediate notice thereof to the Commission Representative.

To the extent permissible by law, Design-Builder waives any limits to the amount of its obligations to indemnify, defend or contribute to any sums due under any losses, including any claim by an employee of Design-Builder that may be subject to the Workers Compensation Act, 820 ILCS 305/1 et seq or any other law or judicial decision (such as *Kotecki v. Cyclops Welding Corporation*, 146 Ill. 2d 155 (1991)). The Commission, however, does not waive any limitation it may have on its liability under the Workers' Compensation Act or the Illinois Pension Code.

2. The Design-Builder shall be solely responsible for the defense of any and all claims, demands, or suits against the Indemnitees, including, without limitation, claims by an employee, subcontractors, agents, or servants of Design-Builder even though the claimant may allege that the Indemnified Parties were in charge of the Work or allege negligence on the part of the Indemnified parties. The Commission will have the right, at its sole option, to participate in the defense of any such suit, without relieving the Design-Builder of its obligations hereunder.
3. The obligations of the Design-Builder under this Article do not extend to the liability of the Commission's Architect, its agents or employees arising out of: the preparation or approval of maps, Drawings, opinions, reports, surveys, Change Orders, Scope and Performance Criteria, designs or specifications, or the giving or failure to give directions or instructions by the Commission's Architect, its agents, or employees, provided such giving or failure to give directions or instructions is the primary cause of the injury or damage.
4. The Design-Builder will promptly provide, or cause to be provided, to the Executive Director and Commission Representative, copies of such notices as Design-Builder may receive of any claims, actions, or suits as may be given or filed in connection with the Design-Builder's performance or the performance of any Subcontractor and for which the Indemnified parties are entitled to indemnification hereunder and to give the Indemnities authority, information, and assistance for the defense of any claim or action.

SECTION 5.02 Performance and Payment Bond

1. Before mobilization, the Design-Builder will deliver to the Commission a Performance and Payment Bond in the amount set forth in Exhibit 9 to Book 1. The surety or sureties issuing the bond must be acceptable to the Commission and the bond must be in the form provided by the Commission. The bond must cover the warranty period required by the Contract.
2. In case of neglect, failure, or refusal of Design-Builder to provide satisfactory sureties when so directed within seven (7) Days after such notification, the Commission may declare this Contract forfeit, but such forfeiture will not release Design-Builder or its surety or sureties from any liability which may have accrued prior to the date of such forfeiture.

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3. If at any time the surety or sureties, or any one of them, upon such bond become insolvent, or are, in the sole opinion of the Commission, unsatisfactory, or unable to respond to damages in case of liability on such bond, the Commission will notify the Design-Builder and direct that a bond issued by a satisfactory surety or sureties be provided forthwith.
4. Surety for Bond. The Performance and Payment Bond required by the Contract must be secured by a guarantee or surety company listed in the latest issue of U.S. Treasury Circular 570.

### SECTION 5.03 Insurance

1. The Design-Builder must procure and maintain at all times, at Design-Builder's own expense, through the completion of the Design-Builder's warranty period, the types of insurance specified in Exhibit 9 to Book 1 of the Contract Documents, with insurance companies authorized to do business in the State of Illinois and acceptable to the Commission, covering all operations under this Contract, whether performed by the Design-Builder or by Subcontractors. Upon written request by the Commission, the Design-Builder must allow the Commission to review and copy any original insurance policies the Design-Builder is obligated to maintain under this policy.
2. The Design-Builder waives any and every claim or right of recovery from the Commission, the User Agency and the Commission's Architect, for any and all injuries and losses arising under this Contract or in any way related to the Work, including but not limited to any claim for loss of or damage to the Work or to the contents thereof, which injury, loss, or damage is covered by valid and collectible insurance policies, to the extent that such injury, loss, or damage is recoverable under said insurance policies. As this waiver will preclude the assignment of any claim by subrogation (or otherwise) to an insurance company (or any other person), the Design-Builder agrees to give each insurance company which has issued, or in the future may issue, its policies of insurance, written notice of the terms of this waiver, and to have said insurance policies properly endorsed, if necessary, to prevent the invalidation of insurance coverage by reason of said waiver. The Design-Builder must require each Subcontractor to include similar waivers of subrogation in favor of the Commission.
3. The Design-Builder must cause contractual liability endorsement to be issued by the insurance companies and attached to the Commercial General Liability policies of each Design-Builder and/or Subcontractor to include under the coverage therein extended an obligation on the part of the insurers to insure against the Design-Builder and/or each Subcontractor's contractual liability under this Article. Such coverage will be afforded therein against all claims arising out of the operation of any structural work law or law imposing liability arising out of the use of scaffolds, hoists, cranes, stays, ladders, supports, or other mechanical contrivances.
4. The Commission reserves the right to change, modify or delete insurance requirements set forth in the Contract Documents, including, without limitation, the right to request that the Design-Builder provide additional types of insurance.

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ARTICLE 6. PERMITS AND LICENSES

SECTION 6.01 Permits, Licenses, and Regulations

1. Permits

- a. The Design-Builder is responsible for obtaining all permits, including but not limited to sewer, water, crane, fence, driveway, and building permits, as prescribed by the City of Chicago and public utilities, and any other permits that may be necessary. **The Commission will be responsible for the City of Chicago building permit cost; all other permit fees will be borne by the Design-Builder.**
- b. The Design-Builder will confer with the Commission Representative prior to applying for the City building permit, and the parties will agree on the process for obtaining the City building permit prior to Design-Builder's application for such permit. The Commission Representative will assist the Design-Builder in the building permit process, but the Design-Builder is solely responsible for obtaining all required permits in a timely fashion.
- c. The nature of the foundation systems required on portions of this Project may be such that submittals, permits, and coordination will be required with the City of Chicago Bureau of Underground. If such systems are required by the Contract, the Design-Builder, representing its familiarity with these systems and permit processes, is responsible for any and all submittals, fees, coordination, and any other items required to secure approvals required by the authorities having jurisdiction for the installation of these systems.

2. Licenses and Regulations

- a. The Design-Builder will include in the proposal for the Project, obtain, and pay for all licenses and certificates of inspection required or necessary for the execution and completion of the Work.
- b. The Design-Builder must give all notices and comply with all laws, ordinances, codes, rules and regulations bearing on the conduct of the Work. If the Design-Builder observes that the Scope and Performance Specifications are at variance therewith, prompt notification in writing must be given to the Commission Representative, and any necessary changes must be made in accordance with Article 17 "Changes in the Work." If the Design-Builder fails to provide such notice, or otherwise performs the Work contrary to pertinent law, ordinances, codes, rules or regulations, the Design-Builder will bear all costs arising from any Work performed that is contrary to such laws, ordinances, codes, rules, and regulations.
- c. The Design-Builder must also comply with the current regulations of the National Board of Fire Underwriters where applicable, and all other codes named in the specifications for the various divisions of the Work.
- d. Regulations applicable to this Project include, but are not limited to the most current editions of, the following:
  - 1. City of Chicago Building Codes
  - 2. NEC
  - 3. NFPA
  - 4. Illinois Plumbing Code
  - 5. Illinois Accessibility Standards
  - 6. Americans with Disabilities Act Guidelines (ADAG)
  - 7. ASHRAE/IES, Standard Efficiency Guidelines
- e. Where requirements of the applicable building codes differ, the Authorized Commission Representative shall determine which requirement shall govern and the Design-Builder shall comply with the governing requirement. If the Design-Builder believes it is entitled to

ARTICLE 7. DESIGN-BUILDER'S PRACTICES AT SITE

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additional compensation it must follow the requirements set out in Article 18 "Claims and Disputes" of Book 2.

- f. Submit copies of all permits, licenses, and similar permissions obtained, and receipts for fees paid, to the Commission Representative.
- g. It shall be the responsibility of the Design-Builder to coordinate, procure and pay for all ties necessary for the completion and operation of the fire alarm system. Design-Builder shall arrange and pay for all fees as required by the City of Chicago Bureau of Electricity.

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### ARTICLE 7. DESIGN-BUILDER'S PRACTICES AT SITE

#### SECTION 7.01 Hours of Work

1. The Design-Builder will furnish sufficient forces and work such shifts as may be required to ensure completion of the Work under the conditions and within the time stated in the Contract. If the nature of the Work requires that parts of it be performed outside of regular working hours, the cost of such Work including overtime wages for the User Agency's Building Engineer, if applicable, is to be included in the GMP. Book 2A addresses project specific requirements. If the Project falls behind schedule, the Design-Builder will be required to perform the Work by extra shifts or on overtime basis as may be necessary to complete the Work on time at no additional cost to the Commission.
2. The Design-Builder will not be entitled to additional compensation for extra shifts or overtime work for any reason or claim of whatever nature except as otherwise expressly stated in writing by the Commission; and then only to the extent of the direct cost of the premium portion of the time involved and without any charge for mark up, insurance, or taxes, except as might otherwise be required by law.
3. The Site may be occupied during construction. Design-Builder will cooperate fully with the Commission, Commission Representative, and the User during construction operations to minimize conflicts and interference and to facilitate occupant usage and operations.

During occupied hours, the Design-Builder will limit construction operations to methods and procedures which will not adversely and unduly affect the environment of occupied spaces. The Design-Builder must provide proper protection and procedures to ensure that noise, dust, odors, air pollution, ambient discomfort, or poor lighting do not endanger or disrupt the activities of the User. The Design-Builder must follow Federal, State and City safety procedures, and provide for the protection of the building occupants and furniture, fixtures and equipment as required for execution of the work.

4. Whenever the Design-Builder desires to perform Work outside the hours of 6:30 a.m. through 3:30 p.m., Monday through Friday, and 6:30 a.m. to 2:30 p.m. on Saturday, the Design-Builder will request written authorization from the Commission not less than 14 calendar days in advance.

#### SECTION 7.02 Cleaning Up

1. During the Construction, the Design-Builder will keep the Site and adjacent premises as free from material, debris, and rubbish as is practicable and will remove the same entirely and at once, if in the opinion of the Commission, said material, debris, or rubbish constitutes a nuisance, a safety hazard, or is objectionable in any way to the public. Upon oral and/or written notification of unacceptable Site conditions by the Commission, the Design-Builder is responsible for immediate remediation within 48 hours of notification. The Design-Builder's failure to act accordingly will result in completion of remediation work by the Commission at the Design-Builder's expense.
2. As a condition of Final Completion and Acceptance of the Work, the Design-Builder must remove from the Site and adjacent premises all machinery, equipment, surplus materials, falsework, excavated and useless materials, rubbish, temporary buildings, barricades, and signs, and must restore the area surrounding the Site to the same general conditions that existed prior to the commencement of the Work.
3. The Design-Builder will clean off all cement streaks or drippings, paint smears or drippings, rust stains, oil, grease, dirt, and any other foreign materials deposited or accumulated on any portion of the Work or existing facilities or infrastructure due to Design-Builder's operations.
4. Design-Builder is solely responsible for and assumes all liability associated with off-Site disposal of any Hazardous Materials generated as a result of Design-Builder's construction activities.

### ARTICLE 7. CONTRACTOR'S PRACTICES AT SITE



## PUBLIC BUILDING COMMISSION OF CHICAGO

### SECTION 7.03 Project Health and Safety

The Design-Builder is responsible for project health and safety as of the date stated in the Note to Proceed.

#### 1. Worker's Health and Safety

- a. Design-Builder has sole and complete responsibility for implementation of a safety program. The Design-Builder's safety program ("Safety Program") must include the Work of all the Design-Builder's Subcontractors. The Safety Program must be submitted to the Commissioner before the start of the Work. The Safety Program shall, at a minimum, set forth and maintain the standards stated in the Commission's Project Specific Safety Plans for the Design-Builder and for Subcontractors. In the event that Design-Builder elects to adopt the Commission's Safety Manual as a part of Design-Builder's Safety Program, Design-Builder acknowledges and agrees that adopting the Safety Manual does not in any way attenuate, limit, transfer or otherwise affect Design-Builder's sole and complete responsibility and liability for its Safety Program.
- b. The Design-Builder shall designate a safety representative for the project. This person shall be present whenever work is being performed at the site or whenever delivery of materials, products or equipment is being made at the site. The safety representative must have successfully completed the OSHA 30 hour course.
- c. Although the Commission Representative will observe construction and give the Design-Builder opinions and suggestions about safety defects and deficiencies, the Commission Representative's suggestions on safety will in no way relieve the Design-Builder of its responsibility for safety on the project. The Design-Builder has sole responsibility for safety.
- d. The Design-Builder must comply with the requirements of Regulations 29 CFR Part 1926 (originally CFR Part 1518) – Safety and Health Regulations for Construction of the Williams-Steiger Occupation Safety and Health Act of 1970 (Federal, OSHA). Copies may be obtained from the Regional Administrator of the Department of Labor, Federal Office Building, Chicago, Illinois.
- e. The Design-Builder's must also comply with the "Health and Safety Act" of the State of Illinois. The rules pursuant to this Act are on file with the Secretary of State of Illinois and identical in every respect with the standards in effect under the Federal, OSHA, and law, pursuant to orders of the Illinois Industrial Commission. The Federal and State standards require that the Design-Builder provide reasonable protection to the lives, health and safety of all persons employed under the Contract. The State act, rules and the applicable parts thereof will be considered as part of these specifications.
- f. The Design-Builder must comply with all local safety laws including, those set forth in Title 15 of the Municipal Code of Chicago, Ch. 15-4, Art. 5, and Ch. 15-20, Art. 1.
- g. The Design-Builder must take any precautions that may be necessary to render all portions of the Work secure in every respect to decrease the possibility of accidents from any cause. The Design-Builder will furnish and install all necessary facilities to provide safe means of access to all points where Work is being performed and make all necessary provisions to insure the safety of workers and of consultants and inspectors during the performance of the Work.
- h. The Design-Builder must keep on the site of the Work, completely equipped first aid kits readily accessible at all times. The Design-Builder will designate a person on each shift, acceptable to the Commission Representative, to be in charge of first aid and will cause such person to receive proper instructions therein.
- i. Only such materials and equipment as are necessary for the construction of the Work under this Contract, as determined by the Commission Representative, will be placed, stored or allowed to occupy any such space of the site of the Work. If gasoline, flammable oils, or other highly combustible materials must be stored at the site, they will be stored in approved safety

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containers.

### 2. Hazardous Materials

- a. If the Design-Builder encounters material on the Site reasonably believed to be hazardous which has not been identified in the Contract Documents or rendered harmless, the Design-Builder will immediately stop Work in the Area affected and report the condition to the Commission Representative in writing. The Work in the affected area will be resumed in the absence of Hazardous Materials, or when it has been rendered harmless, by written notification from the Commission Representative to the Design-Builder.
- b. The Design-Builder will not be required to perform, without its consent, any Work in the presence of Hazardous Materials.
- c. If reasonable precautions will be inadequate to prevent foreseeable bodily injury or death to persons resulting from material or substance encountered on the Site by the Design-Builder, the Design-Builder, will, upon recognizing the condition, immediately stop Work in the affected area and report the condition to the Commission Representative in writing.

### 3. Coordination With Other Contractors - Safety

In accordance with the provisions of Article 8. "Coordination With Others," the Design-Builder will cooperate with any other contractor that may be performing work on the Site in connection with the compliance with regulations of OSHA and all other federal, state, and municipal laws, rules and regulations relating to Site safety and practice including, as may be relevant, correcting Work within abatement periods, requesting extensions on abatement periods when work has been done by other contractors, and furnishing such supporting information or material as may be necessary to fully protect the rights of the Commission, its representatives, and other contractors on pending or prospective violation orders.

### 4. Public Health and Safety

- a. The Design-Builder must prevent the public from gaining access to the Project Site.
- b. The Design-Builder will take all necessary precautions to ensure the safety of the public and to prevent accidents or injury to persons or damage to property adjacent to the Site where the Work is being performed.
- c. The Design-Builder will erect and properly maintain at all times, as required by laws and regulations and the conditions and progress of the Work, proper safeguards for the protection of the public and post signs warning against the dangers created by falling materials, open excavations, and all other hazardous conditions.
- d. The Design-Builder must remove all snow and ice, and salt all sidewalks adjacent to the project site for the proper protection of pedestrians pursuant to Section 10-8-180 of the Chicago Municipal Code.
- e. If, in the prosecution of the Work, it is necessary to excavate or occupy any street, alley, or public grounds of the City of Chicago, the Design-Builder agrees to erect and maintain such barriers, and during the night, such lights as will effectively prevent the happening of any accidents or damage to life, limb, or property in consequence of such excavation or occupation of such street, alley, or public grounds. The Design-Builder is liable for all damage caused by the Design-Builder, its agents, employees, or Subcontractors of any tier in the excavation or occupation of any street, alley, or public grounds, and indemnifies the Commission pursuant to Section 5.01 "Indemnification."

### 5. Construction Site Cleanliness

## ARTICLE 7. CONTRACTOR'S PRACTICES AT SITE

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- a. The Design-Builder must comply with all requirements of Section 13-32-125 of the "Chicago Municipal Code entitled, "Construction site cleanliness."
- b. The Design-Builder must mow all grass or weeds on the site as directed by the Commission Representative.

### SECTION 7.04 Protection of Work and Property

1. The Design-Builder will continuously protect the Work and the Commission's property from damage, injury or loss arising in connection with operations under the Contract Documents. The Design-Builder will make good any such damage, injury or loss. Design-Builder is responsible for Site security, including, but not limited to, watchmen and construction fencing. Dogs are not allowed on the Site at any time.
2. The Design-Builder will at all times provide and maintain adequate protection against weather (including, but not limited to rain, winds, storms, snow, sleet, frost, or heat) so as to preserve all Work, materials, equipment, apparatus, and fixtures free from injury or damage.
3. The construction period may span the winter season and other times in which cold or inclement weather may be anticipated. The Design-Builder must make all provisions required and necessary to work during inclement or winter conditions so as to complete all work in accordance with the approved schedule. The actions necessary include, but are not limited to, temporary protection and weatherproofing, temporary heat, temporary lighting, and any other measures necessary or prudent, in addition to those delineated in Book 2A – Section 01500 – Temporary Facilities and Services, which will be provided by the Design-Builder as part of the Base Contract Price.
4. Adequate precautions will be taken against fire throughout all the Design-Builder's operations. Flammable material must be kept at an absolute minimum, and, will be properly handled and stored in accordance with all applicable codes and standards. Except as otherwise provided herein, the Design-Builder must not permit fires to be built or open salamanders to be used in any part of the Work. Except in designated areas, smoking is not permitted on the Site at any time.
5. In occupied or partially occupied buildings, the Design-Builder must provide all safeguards and protection necessary to protect the User from dust as may be created during any portion of the execution of the Work. The Design-Builder will provide dust-proof barriers to isolate areas of Work from all occupants of operations if dust, debris, or objectionable odors from the performance of the Work spreads beyond the isolated dust barrier to occupied portions of the Site. Following cleaning of the occupied portions of the Site, re-establishment of the dust barriers, and the dissipation of all objectionable odors, when authorized by the Commission Representative, the Design-Builder may resume operations. Any such disruption to the progress of the Work shall not be the basis for a claim by Design-Builder.
6. Unless otherwise noted, all existing fixtures, furniture, equipment, supplies, or similar items must be carefully removed by the Design-Builder and properly stored in a nearby area, protected from damage of any kind, prior to Work being performed in that area. The Design-Builder will return such items to their original place at the completion of construction. For electronic or utility hook-ups, the Commission will be notified in advance, and allowed sufficient time to disconnect items prior to removal. Hook-ups will be reconnected by the Commission after replacement of furniture and equipment by the Design-Builder.
7. The Design-Builder must provide and maintain adequate protection for all properties adjacent to the Site. When required by law or for the safety of the Work, the Design-Builder will shore up, brace, underpin and protect as necessary, adjacent pavements, foundations, and other portions of existing structures which are in any way affected by the operations under the Contract Documents. The costs of all such operations are part of the GMP. The Design-Builder, before commencement of any part of the Work, must give any notices required to be given to any adjoining landowner or other parties.
8. If, in the opinion of the Commission, the Design-Builder's Work endangers adjoining property, the Work will be stopped when directed in writing by the Commission Representative, and the

## PUBLIC BUILDING COMMISSION OF CHICAGO

method of operation changed in a manner acceptable to the Commission.

9. The Design-Builder must protect all streets, sidewalks, light poles, hydrants, and concealed or exposed utilities of every description affected by or adjacent to the Work. If such items are damaged by the Design-Builder, the Design-Builder will make all necessary repair thereof or replacements thereof at no cost to the Commission. It is the Design-Builder's responsibility to provide photographic evidence of the condition of the site as well as adjacent property, and submit such to the Commission Representative prior to commencement of the Work.

### SECTION 7.05 Accidents

1. If death, serious injury, including any time an ambulance is called to the site, or serious damages are caused, the Design-Builder must notify the Commission Representative immediately via telephone or messenger.
2. The Design-Builder will promptly report in writing to the Commission Representative all accidents whatsoever arising out of, or in connection with, the performance of the Work, whether on or off the Site, which caused death, personal injury, or property damage, giving full details and statements of witnesses. It will be the responsibility of the Design-Builder to submit a written accident report, within 24 hours of the occurrence, containing the following:
  - a. Name of Person or Persons involved and Home Address(es)
  - b. Location of Occurrence
  - c. Time of Day and Date
  - d. Description of Occurrence
  - e. Statements of Witnesses
  - f. Signature of Design-Builder's Superintendent
  - g. Any other documentation of the accident, if any (i.e. a police report, OSHA report, medical documentation, etc.)
3. The Design-Builder must send a copy of the accident report to the Commission Risk Manager, and to the Commission Representative.
4. If any claim is made by anyone against the Design-Builder or any Subcontractor on account of any accident, the Design-Builder will promptly report the facts and full details of the claim in writing to the Commission Representative.

## ARTICLE 7. CONTRACTOR'S PRACTICES AT SITE

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### ARTICLE 8. COORDINATION WITH OTHERS

#### SECTION 8.01 Other Contractors on the Site

1. The Commission reserves the right to let other contracts in connection with the Work. The Design-Builder will afford other contractors reasonable opportunity for the introduction and storage of their materials and for the performance of their work. Design-Builder will coordinate and tie-in, where appropriate, its Work with that of others in an acceptable manner and perform the Work in proper sequence to the work of others. Such work being performed by the Commission's separate contractors will not in any way constitute acceptance or partial acceptance of the Work by the Commission.
2. The Design-Builder must conduct the Work so as not to interfere with or hinder the progress or completion of the work being performed by other contractors within or adjacent to the Site.
3. If any part of the Design-Builder's Work depends, for proper performance or result, upon the work of any other contractor, the Design-Builder will inspect and measure the work of the other contractor and promptly report to the Commission Representative any defects or discrepancies in such work. The Design-Builder's failure to inspect and make such report will constitute an acceptance of the other contractor's work as fit and proper for the proper performance of the Work, except as to latent defects.
4. Wherever work being done by any such contractors or subcontractors is contiguous to Work covered by the Contract Documents, the respective rights of the parties will be established by the Commission Representative to secure the completion of the various portions of the Work in a coordinated manner.

#### SECTION 8.02 Mutual Responsibility of Contractors

1. The Design-Builder is responsible for Work not completed or accepted due to the presence and operations of other contractors.
2. The Design-Builder is liable, financially or otherwise, in connection with this Contract, and must protect and save harmless the Commission from any and all damages or claims that may arise because of inconvenience, delay, or loss experienced due to the presence and operations of other contractors working within the limits of the Work.
3. The Design-Builder, where separate contractors or their subcontractors are employed on the Site, will not make claims against the Commission for loss or damage or injury caused by any fault or negligence of such other contractor or subcontractor. The Design-Builder will look solely to such contractors or subcontractors for recovery for any such damage or injury.
4. If any separate contractor or its subcontractor suffers loss or damage through any acts or omission on the part of the Design-Builder, or any of its subcontractors, the Design-Builder will reimburse such other contractor or subcontractor. If such separate contractor or its subcontractor asserts any claim against the Commission on account of any damage or loss alleged to have been so sustained, the Commission will notify the Design-Builder, and the Design-Builder will save the Commission harmless against such claims as provided in Section 5.01 "Indemnification."

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### ARTICLE 9. PERSONNEL

#### SECTION 9.01 Competency of Workers

The Design-Builder must employ only competent and efficient laborers, mechanics or artisans. Whenever, in the opinion of the Commission or its representatives, any worker is careless, incompetent, violates safety or security rules, obstructs the progress of the Work, acts contrary to instructions, acts improperly, or fails to follow the safety requirements of this Contract, the Design-Builder must, upon request by the Commission Representative, remove such worker from the Work. The Design-Builder must not permit any person or worker to enter any part of the Work or any buildings connected therewith who is under the influence of intoxicating liquors or controlled substances.

#### SECTION 9.02 Administration and Supervision of the Work

1. The Design-Builder will furnish a competent and adequate staff as necessary for the proper administration, coordination, and supervision of the Work; organize the procurement of all materials and equipment so that they will be available at the time they are needed for the Work; and keep an adequate force of skilled workers on the Site to complete the Work in accordance with all requirements of the Contract Documents and to the entire satisfaction of the Commission. In the event the Executive Director determines, in his or her sole discretion, that additional supervision or administration is required, Design-Builder shall furnish sufficient personnel to perform such supervision or administration, all at Design-Builder's own expense.
2. Subsequent to notice of contract award, but prior to the commencement of Construction Phase activities, the Design-Builder will select a Project Manager and submit his/her résumé to the Commission Representative for the approval of the Commission. The Project Manager will have full responsibility for the prosecution of the Work with full authority to act in all matters as necessary for the proper coordination, direction, commitment of resources, and technical administration of the Work. The Project Manager will attend meetings at such places and times as will be decided by the Commission in order to render reports on the progress of the Work. The Design-Builder will not change Project Manager without the consent of the Commission, unless such staff member proves to be unsatisfactory to the Design-Builder and ceases to be in its employ.

#### SECTION 9.03 Superintendence

1. The Design-Builder must keep on the Project throughout its duration a competent, experienced and qualified Superintendent and any necessary assistants, all of whom must be satisfactory to the Commission. This Superintendent's résumé will be submitted to the Commission Representative for approval at the time the Performance and Payment Bond and certificate(s) of insurance are submitted, or sooner if so requested by the Commission. The Superintendent will be present at the Site when Design-Builder's personnel and/or Subcontractors are present.
2. The Superintendent will not be changed without the consent of the Commission, unless the Superintendent proves to be unsatisfactory to the Design-Builder or becomes unavailable due to reasons beyond the control of Design-Builder. In order to change the Superintendent, the Design-Builder will give the Commission Representative written notice and submit for approval the qualifications of the proposed replacement Superintendent at least 15 Days prior to the intended change.
3. The Superintendent will represent the Design-Builder in the absence of the Project Manager and all directions given to the Superintendent will be as binding as if given to the Project Manager.

#### SECTION 9.04 Scheduler

1. To assist in the preparation and maintenance of the Schedule, the Design-Builder may engage, at its own expense, a consultant who is skilled in the application of network techniques for construction projects and the use of Primavera scheduling software. If the Design-Builder has qualified personnel on staff, the Design-Builder may perform the required scheduling with its own organization.

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2. Prior to engaging a consultant or using staff personnel,, the Design-Builder will submit to the Commission Representative:
  - a. The name and address of the proposed consultant or staff person
  - b. Sufficient information to show that the proposed consultant or the Design-Builder's staff has the qualifications to meet the Schedule requirements
  - c. A list of prior construction projects and 3 selected Primavera network samples that the proposed consultant or Design-Builder's staff has prepared. These 3 CPM Schedules must be for projects similar in complexity and magnitude to this Project
3. The Commission has the right to approve or disapprove employment of the proposed consultant or the performance of the Schedule requirements of the Contract by the Design-Builder's staff, and the Commission Representative will notify the Design-Builder of its decision within 7 Days of receipt of the information. In case of disapproval, the Design-Builder will submit another person with supporting documents within 7 Days. The Commission also reserves the right to disqualify the consultant or Design-Builder's staff personnel at any time throughout the Project if the preparation, presentation, reporting, and updating of do not, in the Commission's opinion, meet the degree of detail described in the Contract Documents. Such approval or disapproval does not release the Design-Builder of any of its obligations under this Contract.

### SECTION 9.05 Mechanical And Electrical Coordinator

The Design-Builder will provide a staff member or members, as necessary, who have the sole responsibility to perform the mechanical and electrical coordination responsibilities, as described in Book 2A – Section 01010 – 2.5 – Mechanical and Electrical Coordinator, Section 2.5 B through L.

### SECTION 9.06 Surveyor

Whenever required, the Design-Builder will engage and pay for the services of a surveyor. The surveyor is subject to the approval of the Commission. The surveyor must be licensed in the State of Illinois, must not be an employee of the Design-Builder, and must not have any interest in the Contract.

### SECTION 9.07 Wage Rates

1. Not less than the prevailing rate of wages as determined by the Illinois Department of Labor must be paid to all laborers, mechanics, and other workers performing Work under this Contract.
2. Design-Builder's attention is called to the generally prevailing hourly rate of wages in effect at the time of bidding, as determined by the Illinois Department of Labor, which can be found at <http://www.illinois.gov/idol/Laws-Rules/CONMED/Pages/Rates.aspx> and which are incorporated into the Contract Documents as if fully set forth herein.
3. The wage rates set forth in these Contract Documents were the rates in effect at the time these Contract Documents were issued. In the performance of the Work, however, the Design-Builder is fully responsible for paying the generally prevailing hourly rate of wages in effect, as determined by the Department of Labor, at the time the Work is performed. One resource for determining the current prevailing wage rate is the Internet site <http://www.illinois.gov/idol/Laws-Rules/CONMED/Pages/Rates.aspx> maintained by the State of Illinois Department of Labor. If the Department of Labor revises the prevailing rate of hourly wages to be paid for the Work prior to completion of the Project, the revised rate will apply to the Contract from the effective date of such revision, provided, however that such revision will not entitle the Design-Builder to any increased compensation under the terms hereof.
4. As a condition of making payment to the Contract, the Commission may request the Design-Builder to submit an affidavit to the effect that not less than the prevailing hourly wage rate is being paid to laborers, mechanics, and other workers employed on this Contract in accordance

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with Illinois law.



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### ARTICLE 10. SCHEDULE

#### SECTION 10.01 Time Is Of The Essence

TIME IS OF THE ESSENCE IN THIS CONTRACT. The Design-Builder agrees that it will commence the performance of the Work on the date set forth issued by the Commission and that it will complete the Work within the time set forth in the Design Build Schedule.

#### SECTION 10.02 Design-Builder's Construction Schedule

##### 1. General

Prior to commencement of Construction Phase activities, the Commission Representative shall lead a scheduling meeting with the Design-Builder to review the schedule and confirm updating requirements for the Project.

Design-Builder shall provide two schedule reports. The Target Schedule shall be submitted and approved as provided herein and shall serve as the schedule for the Project. The Target Schedule will be updated periodically (at least every week) with progress information and may include changes to activity relationships or logic, but may not change Project duration or milestones. The 3-week Look-Ahead schedule will show current planned activities on the Project.

- a. Design-Builder shall, prior to the start of Construction Phase Activities, submit a Proposed Target Schedule for the Work to the Commission for review and approval that meets all the requirements of this Section 10.02.1 including the Cost and Resource loading requirements of Paragraph 10.02.1.g.(4) and (5). The Proposed Target Schedule and the Target Schedule must be provided in hard copy and editable electronic format.
- b. The Schedule will use the critical path method (CPM). The Design-Builder will utilize Primavera Project Planner (P3 version 3.1 or P6 version 6.1), as a scheduling software package.
- c. The Schedule will, at a minimum, indicate the dates for the starting and completion of the various stages of the Work, including, without limitation: the placing of material orders; delivery of materials and equipment; submittal and approval of all required Submittals; procurement of material and equipment furnished by the Design-Builder; interface activities performed by others upon which the Design-Builder's schedule depends; all Work activities and field construction operations including any weather related scheduling requirements to account for weather delays due to adverse conditions that are less than 25% more severe than the monthly averages for temperature or precipitation for Chicago (as determined by the National Oceanic & Atmospheric Administration); equipment installation, testing, and balancing; commissioning activities; and all Project Milestones as required in the Design Build Schedule.
- d. The Design-Builder's Schedule will consist of detailed CPM diagrams as specified below. The format of the network diagram will utilize the precedence diagramming method (PDM) showing the proposed starting and completion date for the various stages of the Project, including any float time, and must be prepared such that it can be used to plot actual progress against the Target Schedule.
- e. Specifications applicable to the Schedule and network diagram
  - (1) Each separate sheet will include the Project name, Contract number, Design-Builder's name, Project file, data date, and plot date. If multiple diagrams are prepared, each must, in addition to the above, include a descriptive title of that portion of the Work included therein.
  - (2) The Schedule will show the order and interdependency of activities, indicating the sequence in which the Work is to be performed "as planned" by the Design-Builder. The Schedule will clearly describe

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and indicate the critical path – which shall be defined as the longest path sequence of activities in the Project Schedule Network which requires the longest total amount of time to complete.

(3) The Schedule shall utilize a Work Breakdown Structure (WBS) that consists of at least three levels of detail as described below:

WBS Level	Detail Level	Information Shown
Level 1	Project	Overall Project duration and milestone dates.
Level 2	Summary Elements	Elements of the Work organized by CSI Division or trade applicable to the Activity.
Level 3	Individual Activities	Activities as defined in Section 10.02.1(f) below.

Design-Builder may utilize a more detailed WBS provided it is clearly defined in the Schedule submission.

(4) Two color copies and one electronic copy on CD (editable in the software used to produce the Schedule) of the Schedule will be submitted to the Commission Representative.

a. The following items define the term "Activities" as it pertains to the Schedule:

(1) Each Activity will be a unit of Work, which requires an amount of time for its performance and shall be a component of a Summary Element.

(2) Each activity will be a logically separate part of the Work, defined by an observable start and an observable finish.

(3) To establish the scope of an activity for CPM purposes, the Design-Builder will form a single activity from the largest grouping of related operations, which permit a continuous and measurable flow of Work.

(4) The scope of an activity will be small enough to permit a reasonable appraisal of its status or as directed by the Commission, with no activity durations in excess of five (5) days, except such non-construction activities as procurement, delivery or submittal activities or other activities as may be approved by the Commission.

(5) Each Individual Activity on the Design-Builder's Target Schedule shall be cost and resource loaded.

(6) Activities performed by others – including, but not limited to other contractors, agencies, utilities or companies, that must be completed prior to the start of the Design-Builder's Work or portion of Work must be included in the Design-Builder's schedule as milestones and identified with a designation approved by the Commission.

b. The following information will be furnished on the network diagram for each activity in the schedule:

(1) Activity ID: The Design-Builder will utilize the CSI division and section numbers in assigning activity IDs to the related portions of Work.

(2) Description of the activity.

(3) Duration of the activity.

(4) Cost Loading: The cost estimate/budget to perform the Individual Activity of work. The total cost loading of all Individual Activities shall equal the total Construction Costs

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- (5) Resource Loading: The estimated total number of hours required to perform the Individual Activity of work.
- (6) Each activity that is not performed by the Design-Builder will be assigned a responsibility code indicating which Subcontractor is to perform the activity.
- (7) Each activity will be identified with early/late start, early/late finish, and total float.
- (8) Calendar I.D.
  - c. In addition to the above, any activity whose start or finish date has been specified elsewhere in the documents will reflect such specified date in the progress schedule.

### 2. Schedule Submittal Requirements

- a. The Design-Builder will submit all Schedules in hard copy and editable electronic format as specified in Section 10.02.1(a).
- b. Upon receipt of the Target Schedule, the Commission will review each Schedule for conformance with the Contract Documents and degree of detail. Within two (2) Days after receipt of the Target Schedule and supporting documents, the Commission will either: (1) approve the Schedule; (2) approve the Schedule as noted (AAN); or (3) disapprove the Schedule with the reasons set forth. If the Schedule is approved as noted or is disapproved, the Design-Builder must submit a revised Schedule addressing specific comments within two (2) days.
- c. The Target Schedule must have the same total duration for the performance of Work as stated in Book 1.
- d. Failure by the Design-Builder to provide the, Target Schedule or periodic updated schedules within the required time period may be deemed an event of default by the Executive Director.

### 3. Submittal, Acceptance, and Design-Builder's Responsibility for the Schedule

- a. Prior to submitting any Schedule to the Commission Representative, the Design-Builder will review and verify the procurement lead time for the fabrication and delivery of all construction materials and equipment along with the erection and/or installation duration for all the construction activities that make up the critical path of the Project.
- b. The Design-Builder will coordinate its letting of subcontracts, material purchases, shop drawing submissions, delivery of material and sequence of operations to conform to the Schedule and will furnish proof of same as may be required by written notification from the Commission.
- c. The Commission's approval of any Schedule is done for the sole purpose of insuring that all CPM scheduling documents prepared by the Design-Builder conform to the Contract requirements. This approval does not relieve the Design-Builder of its sole responsibility for the means, methods, procedures, and sequence of the construction process, nor does it provide any entitlement to additional funds.

### 4. Updating

#### a. Target Schedule

- (1) The Design-Builder may make non-material changes to the original duration, activity relationships, constraints, costs, add or delete activities, and/or alter the Target Schedule's logic ties. The Design-Builder shall not make any material changes or changes that affect Milestones set forth in the original Target Schedule unless such

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changes are fully explained in the periodic update schedule narrative and are approved by the Commission. Design-Builder shall indicate progress on the Target Schedule on a periodic basis by updating the Target Schedule with the following:

- (i) Actual start dates
- (ii) Actual finish dates
- (iii) Activity percent completion
- (iv) Remaining duration of activities in progress
- (v) Identified or highlighted critical activities

### b. Updates to Target Schedule

- (1) The Progress reported in the periodic update to the Target Schedule shall be applied against the cost loaded Target Schedule to support determination of the earned value available for payment. The Target Schedule must accurately reflect the Project's current status and the cumulative Earned Value of the summary level elements. The earned value available for payment may be decreased or increased as deemed necessary by the Commission Representative to accurately reflect actual work in place on the Project.

c. The Design-Builder will submit periodic updates of the Target Schedule in number, form and format acceptable to the Commission Representative.

d. As part of the normal periodic Schedule update for the Target Schedule, the Design-Builder will prepare a written narrative report, highlighting the progress during the past update period. The written narrative report will include but not necessarily be limited to the following information:

- (1) Summary of Work accomplished during the past update period
- (2) Contract Milestone comparison Chart
- (3) Analysis of Critical Path(s)
- (4) Analysis of time lost/gained during the update period
- (5) Identification of problem areas
- (6) Recommended solutions to current problems

e. Upon receipt of the Target Schedule update, the Commission Representative will review the Schedule update and narrative for conformance with the Contract Documents and degree of detail. The Commission Representative, within seven (7) days after receipt of the Schedule update and supporting documentation, will approve or reject any such schedule update with written comments. If any Schedule update is rejected, the Design-Builder must submit a revised schedule update within five (5) days after the date of rejection.

f. The Design-Builder is required to attend a weekly Schedule update review meeting with the Commission Representative. The purpose of this meeting is to review past progress, current status, problem areas and future progress. The Design-Builder's narrative report will be reviewed at this meeting. The Design-Builder's representatives attending this meeting will have the authority to commit manpower and/or other resources to correct any negative impact to the Schedule as indicated on the Schedule.

### g. Three Week Look-Ahead Schedule

- (1) The Design-Builder shall also provide weekly schedule updates and participate in a weekly schedule review (which may occur as part of the weekly progress meeting) to review the 3-Week Look-Ahead Schedule. The 3-Week Look-Ahead Schedule shall be a time-scaled logic diagram that may be generated directly from the current Target Schedule and provided as an electronic file in its native P3 or P6 format or it may be generated by another method approved by the Commission Representative, provided that the activities, durations and logic correspond directly to the activities, durations and logic in the current Target Schedule. Activities on the 3-week Look Ahead Schedule shall include an activity ID and description (relatable to the Activity ID and description used in

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the Target Schedule). The timeline for the 3-week Look-Ahead shall be the previous week's actual activities and the forecast activities for the upcoming two (2) weeks. The weekly Schedule Update review shall include a review of the status of any potential delays, change modifications, delays or requested revisions to the schedule.

### 5. Changes to the Target Schedule

- a. If the Design-Builder proposes to make any changes to Milestone Dates in the Target Schedule, Design-Builder will notify the Commission Representative in writing, stating the reasons for the change, identifying each changed activity (including duration and interrelationships between activities) and providing a fragment of the proposed schedule change in editable electronic format. However, such revisions or revised schedule shall not change or modify the Project Duration set forth in the Target Schedule or the Design Build Schedule.
- b. The Commission has the authority to approve or disapprove the proposed change in the Target Schedule Milestones and will do so in writing within two (2) days after receipt of the Design-Builder's submission. If the Commission approves the change(s) to the Milestones in the Target Schedule the changed schedule will be designated the new "Target Schedule." All subsequent periodic updates will be plotted against the new "Target Schedule."
- c. If it appears that the Target Schedule no longer represents the actual prosecution and progress of the Work at the Individual Activity Level, the Commission Representative may request, and the Design-Builder shall submit within two (2) days of the request, a revision to or revised Target Schedule along with a statement agreeing with the proposed change or setting forth Design-Builder's justification for not incorporating said revision. However, such revisions or revised schedule shall not change or modify the Project Duration set forth in the Target Schedule or the Design Build Schedule. The Commission Representative shall review and approve or disapprove Design-Builder's revision or revised Target Schedule within seven (7) days of receipt. Upon approval, the revision to the Target Schedule or revised Target Schedule shall be designated the new Target Schedule.
- d. The Commission reserves the right to request a proposal from the Design-Builder to accelerate or compress the schedule in lieu of granting a Time Extension request in order to maintain the Contract Substantial Completion Date or original project duration (Acceleration Proposal). The Commission shall make any such Acceleration Proposal request in writing within ten (10) days of receipt of the Design-Builder's Time Extension Request. Design-Builder shall provide the Acceleration Proposal within three (3) days of the Commission's request and the Commission shall have three (3) days from the receipt of the Acceleration Proposal to advise Design-Builder of its recommendation regarding the Acceleration Proposal and Time Extension Request. Design-Builder's Acceleration Proposal shall include a detailed cost estimate and description of its proposed methodology for accelerating the schedule. If the Commission elects to proceed with the Design-Builder's Acceleration Proposal, the Commission shall issue a Field Order incorporating the Acceleration Proposal and a subsequent Change.

### 6. Recovery Schedule

- a. The Design-Builder must maintain an adequate work force and the necessary materials, supplies and equipment to meet the Target Schedule. If the Design-Builder, in the judgment of the Commission, is failing to meet the Target Schedule, including any Contract milestones, the Design-Builder, upon the written request of the Commission Representative, shall submit a recovery schedule.
- b. The recovery schedule will set forth a plan to eliminate the schedule slippage (negative float). The plan must be specific to show the methods to achieve the recovery of time, i.e. increasing manpower, working overtime, weekend work, employing multiple shifts. All costs associated with implementing the recovery schedule will be borne by the Design-Builder.
- c. Upon receipt of the recovery schedule, the Commission Representative will review the

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recovery schedule for conformance with the Contract Documents and degree of detail. The Commission will approve the recovery schedule or reject it with written comments within two (2) days of receipt. If the detailed CPM recovery schedule is rejected, the Design-Builder must submit a revised CPM recovery schedule within two (2) days of the date of rejection.

- d. If the Design-Builder refuses to follow the direction of the Commission, the Commission reserves the right, after serving three (3) days written notice to the Design-Builder, to procure the materials, equipment and labor to proceed with or to complete the Work or any portion of it and charge the cost to the Design-Builder. The Commission's rights under this provision are cumulative to rights under any other provisions of the Contract including the Commission's rights to terminate for default or convenience.
7. Target Schedule Changes Directed by the Commission
- a. The Commission Representative may direct the Design-Builder to revise the Target Schedule. Reasons for such direction may include, but are not limited to, the following: (1) changes in the Work; (2) re-phasing of the Project or any phase; (3) a change in the duration of the Project or phase; or (4) acceleration of the Project or phase.
  - b. The Commission Representative will direct the Design-Builder to provide a revised Target Schedule in writing.
  - c. The Design-Builder will provide the revised Target Schedule within three (3) Days of receipt of the Commission's written direction, which revisions to the Target Schedule may be submitted as fragment portions of the Schedule which, upon approval and incorporation into the Target Schedule will satisfy the Commission's direction to revise the Schedule. Design-Builder shall also submit a written description of the schedule changes necessitated by the Commission's request and a detailed explanation of any cost impacts to effectuate the requested Schedule changes.
  - d. The Commission has the authority, in its sole discretion, to approve or reject the Design-Builder's proposed revised Target Schedule and will do so in writing within three (3) days after receipt of the Design-Builder's submission. If the Commission Representative approves the revised Target Schedule, the Commission will initiate a Change Order, pursuant to which such revised Target Schedule will be designated the new Target Schedule and adjustment to the GMP (if any) to adjust the Project Schedule to achieve the Commission required schedule modifications.

### SECTION 10.03 Non-Compensable Delays; Causes of Compensable Delay; Compensation for Delays; Delays Which Do Not Qualify for Time Extensions; Procedure For Time Extension Requests

#### 1. Non-compensable Delays

For a cumulative period of 25% of the as-bid duration of the project in Calendar Days (the "Non-Compensable Delay Period"), the Design-Builder will not be compensated for the following delays: Adverse weather delay days due to adverse weather conditions that when measured monthly are less than 25% more severe than the monthly averages for temperature or precipitation for Chicago (as determined by the National Oceanic & Atmospheric Administration); a delay in the commencement, prosecution or completion of the Work by any act of the Commission, including but not limited to a delay, change, addition, deletion or modification in the Work or any omission, neglect or default of the Commission, or by order of the Executive Director, or the Commission Representative; or by any cause beyond the Design-Builder's control, none of which are due to any fault, neglect act or omission on Design-Builder's part. However, the Design-Builder will be entitled to a Change Order providing a time extension for such delays. The Design-Builder agrees that the Change Order providing the time extension shall release the Commission, its employees and representatives from any and all claims for damages of whatever character, including but not limited to, disruption, changes in sequence, interference, inefficiency, field or home office costs for delays described above which cumulate to the number of days in the Non-Compensable Delay Period.

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### 2. Causes of Compensable Delay

- a. If any of the following listed events results in delays to critical path activities and progress of the work which cumulatively have exceeded the Non-Compensable Delay Period, and the Design-Builder has not caused a concurrent delay, such delays shall entitle the Design-Builder to compensation as provided in Section 10.03.3 Compensable Delays.
- (1) Delays caused by the Commission or the Commission Representative, as described in Section 10.03.1 above;
  - (2) Acts of God, acts of the public enemy, fires, floods, earthquakes, epidemics, quarantine restrictions, labor strikes at the job site, or freight embargoes, provided that the listed causes were not foreseeable and did not result from the fault or negligence of the Design-Builder, and provided further that the Design-Builder has taken reasonable precautions to prevent further delays owing to such causes;
  - (3) Acts (including delays in acting or failure to act) of the State, City or other governmental or regulatory authority, including, without limitation, restraining orders or injunctions requiring that the Work be stopped, delays in permit issuance or occupancy inspection, that are not the result of any fault or negligence of the Design-Builder or any of its Subcontractors;
  - (4) Adverse weather delay days due to adverse weather conditions that when measured monthly are more than 25% more severe than the monthly averages for temperature or precipitation for Chicago (as determined by the National Oceanic & Atmospheric Administration), provided that actual adverse weather delays prevent work on critical path activities for more than 4 hours of a scheduled work day or cause a decrease in the field labor workforce hours on critical path activities of more than 70% on a scheduled work day; and
  - (5) Delays resulting from subsurface or otherwise concealed conditions encountered at the project site which differ materially from those indicated in the contract documents as described in Section 3.04 Site Conditions and Inspection.

### 3. Compensation for Delays

Payment for delays exceeding the Non-Compensable Delay Period, from the causes listed in Section 10.03.2. Causes of Compensable Delays will be made for: extended field staff time for the prosecution of the work, labor inefficiency, idle time for equipment (provided that Design-Builder proves that it took reasonable steps to mitigate damages regarding the idle equipment), relocation or storage of the material (on the site), winter protection costs (if applicable) and the cost of re-sequencing the work. The Design-Builder shall submit documentation satisfactory to the Commission Representative demonstrating costs incurred as a result of the Compensable Delay as part of its Time Extension Analysis pursuant to Section 10.03.5 below. Design-Builder shall be entitled to compensation only for those compensable delay days beyond the Non-Compensable Delay Period per Section 10.03.01 and not for the days in the Non-Compensable Delay Period established pursuant to this Section 10.03. The Design-Builder shall not be entitled to compensation for any cost not expressly provided for in this paragraph.

### 4. Delays Which Do Not Qualify For Time Extensions

No extension of time will be granted under this section for any delay: (1) if the delay was caused by the action and/or inaction of the Design-Builder, including, but not limited to, the fault or negligence of the Design-Builder or any of its Subcontractors; or (2) for which any remedies are provided for or excluded by any other provision of the Contract. The Executive Director's permitting the Design-Builder to proceed with its Work, or any part thereof, after such extension will in no way operate as a waiver of any other rights on the part of the Commission.

### 5. Procedure For Time Extension Requests

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- a. No time extensions will be allowed unless they are set forth in a Change Order which has been approved and executed by the Commission.
- b. The Design-Builder expressly consents to both the time requirements and notice content requirements for requesting an extension of time set forth in this Section 10.03.5. The Design-Builder acknowledges that the notice requirements set forth in this section 10.03.5 shall be strictly enforced and agrees that any failure on the part of the Design-Builder to provide notice strictly in accordance with the requirements of this Section 10.03.5 shall constitute a waiver of the Design-Builder's right to seek an extension of time or to file a dispute to the Executive Director under Section 18. The Design-Builder further acknowledges that the time requirements and content requirements of Section 10.03.5 have the purpose, among others, of allowing the Commission Representative and Commission to evaluate the time extension request contemporaneously with the event that has been claimed to cause the delay.
- c. In order to request a Time Extension, a "Notice of Delay" or "Commencement of Delay" notice must be provided in writing to the Commission Representative, no more than five (5) calendar days after the commencement of the delay, otherwise the claim for the time extension is waived. A "Notice of Delay" shall be provided for a delay event that commenced and terminated within the five (5) day notice period. The Notice of Delay shall indicate the date of commencement of the delay and the date on which the delay terminated and shall include a brief description of the delaying event.
- d. A "Commencement of Delay" notice shall be provided for an event of delay that continues beyond the five (5) day period for providing notice. If the cause of the delay continues for more than five (5) calendar days after the start of the delay, a "Termination of Delay" notice must be provided in writing, to the Commission Representative along with the "Request for Time Extension" within ten (10) calendar days after the termination of the delay.
- e. The Design-Builder must submit its "Request for Time Extension" in writing to the Commission Representative within ten (10) calendar days after the termination of the delay. The "Request for Time Extension" shall:
  1. State the cause of the delay, identifying the type of Excusable Delay; state the facts giving rise to the delay; and state the number of days requested.
  2. Specifically demonstrate the negative impact of the delay on the critical path of the Target Schedule by submitting a complete Time Impact Analysis (TIA) which shall include a fragmentary critical path network (Fragnet) that accounts for any float on the project and illustrates the impact of the alleged delay on the Target Schedule.
- f. The Commission Representative shall advise the Design-Builder of its recommendation regarding the Time Extension request, in writing, within ten (10) days of receipt. If the Design-Builder and Commission Representative agree on the Time Extension to be granted, a Change Order will be processed and approved stating the Time Extension to be provided and any change to the Contract Amount.
- g. The Executive Director may: 1) recommend that the entire Time Extension be granted; 2) recommend that a portion of the Time Extension be granted; or 3) deny the Time Extension. The Executive Director will provide the Design-Builder a final decision in writing within fifteen (15) days of receipt of the Time Extension request from the Commission Representative, or such additional time as the Executive Director requires, but not to exceed ten (10) additional days.
- h. The Design-Builder must make a Dispute to the Executive Director, as required by Article 18, regarding any Time Extension request to which the Commission Representative and Design-Builder do not agree, as limited by this Section 10.03.5.h. The Design-Builder may not dispute the decision of the Commission Representative unless the Time Extension request exceeds five (5) calendar days or the liquidated damages exceed \$10,000. The decision of the Executive Director is final for each Time Extension request of less than five (5) days, or if



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the liquidated damages assessed are less than \$10,000.

### Section 10.04 Liquidated Damages

[Reserved]

### Section 10.05 Completion of Punch List

1. It is also understood and agreed that TIME IS OF THE ESSENCE IN CLOSING OUT THE WORK. The Design-Builder agrees to begin performance immediately after receipt of notice of the Punch List Work.
2. The period to complete Punch List Work will be determined in the sole discretion of the Commission Representative. The time period for completion of the Punch List Work begins the day after the Punch List is provided to the Design-Builder. The Commission Representative may extend the period to complete Punch List Work for specific Work which requires the receipt of long lead-time materials. However, all other Punch List Work must be completed as required by this Section 10.05.
  - a. Unless otherwise directed by the Commission Representative, failure of the Design-Builder or its Subcontractors to begin the Punch List Work prior to the expiration of three (3) days after receipt of the Punch List will be construed as failure to prosecute the Work of the Contract.
  - b. It is further understood and agreed that the Punch List Work will be continuously prosecuted once begun. Therefore, any gap of three (3) days during which Punch List Work is not being performed on the job site will also be construed as failure to prosecute the Work of the Contract.

### Section 10.06 Notice of Labor Disputes

Whenever the Design-Builder has knowledge that any actual or potential labor disputes is delaying or threatens to delay the timely performance of this Contract, the Design-Builder must immediately give notice to the Commission Representative in accordance with the Notice provision of Section 22.05 and must include all available information with respect thereto to the Commission.

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### ARTICLE 11. MEETINGS

#### Section 11.01 Pre-Construction Meeting

Prior to commencing construction Phase Activities, the Commission will conduct a pre-construction meeting as detailed in Book 2A – Section 01010 – 2.1 – Pre-Construction Meeting. Representatives of the Design-Builder and Subcontractors must attend. The purpose of the meeting is to establish lines of authority and communications and to identify duties and responsibilities of the organizations. Discussion will cover specific Drawings, Technical Specifications, unusual conditions, schedules of completion, and other features of the Contract. The Commission may conduct additional coordination meetings at its discretion.

#### Section 11.02 Review Meetings

The Design-Builder is responsible for conducting and documenting weekly coordination meetings at the Site. The Design-Builder will arrange for Subcontractors to attend the meetings if expressly requested by the Commission Representative. Prior to each meeting, the Design-Builder must submit its schedule of activities and interfaces in the format required by the Commission. The meetings may include the following:

1. Review of Work progress since the previous review meeting.
2. Discussion of field observations, problems and decisions.
3. Review of off-Site fabrication problems and other problems affecting the schedule.
4. Review of equipment deliveries.
5. Discussion of corrective measures and procedures Design-Builder will use to achieve the Contract schedule.
6. Review of submittal schedules and effect on the construction schedule.
7. Review of proposed Contract changes and effect on the construction schedule.
8. Coordination requirements.
9. Clarifications and decisions required of the Commission.
10. Review of Design-Builder's forces on the Work.
11. Review of Project Record Document status and content.
12. Review of the three (3) week look ahead schedule.
13. Review of LEED issues.
14. Review of Utility Coordination
15. Review RFI Submittals and Nonconformance logs
16. LEED Coordination
17. Pre-Commissioning and Commissioning
18. Construction coordination among disciplines
19. Commissioning

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### ARTICLE 12. COMMISSION PROPERTY

#### Section 12.01 Ownership of Drawings, Specifications and Models

- A. All copies of the Scope and Performance Criteria furnished by the Commission or the Commission's Architect are the property of the Commission. Such copies are not to be used on any other work or project and, with the exception of the signed Contract set, are to be returned to the Commission with a copy of the transmittal letter to the Commission Representative at the completion of the Work. All models are the property of the Commission. During the performance of its Work, the Design-Builder shall be responsible for any loss or damage to documents while in the Design-Builder's possession or the possession of a Subcontractor and any such documents so lost or damaged shall be restored at the expense of the Design-Builder
- B. The Design-Builder shall deliver, or cause to be delivered at any time during the term of this Contract, all documents, including but not limited to drawings, models, specifications, estimates, reports, studies, maps and computations, prepared by or for the Commission, to the Commission Representative promptly upon reasonable demand therefore or upon termination or completion of the Work hereunder. In the event of the failure by the Design-Builder to make such delivery, the Design-Builder shall pay to the Commission damages the Commission may sustain by reason thereof, including consequential damages.

#### Section 12.02 Confidentiality

All of the reports information, or data, prepared or assembled by or provided to the Design-Builder under this Contract are confidential and the Design-Builder agrees that, except as specifically authorized herein or as may be required by law, it shall not make available said reports, information, or data, to any other individual or organization, without the prior approval of the Commission

#### Section 12.03 Right of Entry

1. The Design-Builder, and any of its officers, employees, agents, and Subcontractors, are permitted to enter upon any part of the Site owned by the Commission or User Agency in connection with the performance of the Work hereunder, subject to the terms and conditions contained herein and those rules that may be established by the Commission or User Agency. The Design-Builder must provide advance notice to the Commission Representative of Design-Builder's initial entry onto the Site. Consent to enter upon all or any part of the Site given by the Commission or User Agency will not create, nor be deemed to imply the creation of, any additional responsibilities on the part of the Commission or User Agency.
2. **Inspections.** The Design-Builder acknowledges that the Commission has the right of access to the Site at all times and the right to inspect all Work during the term of the Contract.
3. The Design-Builder must use, and must cause each of its officers, employees, agents, and Subcontractors to use, the highest degree of care when entering upon property owned by the Commission or User Agency in connection with the Work. In the case of any property owned by the Commission or User Agency, or property owned by and leased from the Commission or User Agency, Design-Builder must comply, and must cause each of its officers, employees, agents, and Subcontractors to comply, with any and all instructions and requirements for the use of such property, including any licenses for which requirement is being incorporated by reference. Any and all claims, suits, judgments, costs, or expenses, including reasonable attorneys' fees, arising from, by reason of, or in connection with any such entry is treated in accordance with the indemnification provisions contained in this Contract.

#### Section 12.04 Damage to Property

If the Design-Builder causes damage to Commission or User Agency property other than the Work, the Design-Builder must, at the sole option of the Commission, either: 1) pay the cost of repair of the damage; or 2) repair or replace any property so damaged. The Commission has the right to a set-off against payments to the Design-Builder under this Contract for the cost of any such repairs.

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### Section 12.05 Use of Completed Portions of the Work

1. After Substantial Completion of the Work in any space(s) in the Project, the Commission will have the right to use and occupy such space(s) in advance of Final Completion and Acceptance of the Work, provided that the Commission's occupancy and use of such spaces will not unduly interfere with the Design-Builder's operations nor delay completion of the Work. Occupancy and use of any space(s) in the building by the Commission or User Agency will not constitute Substantial Completion in the absence of written acceptance of Substantial Completion of the affected portion of the Work from the Commission.
2. If the Commission desires to exercise the right of partial occupancy prior to Substantial Completion and Final Completion and Acceptance of the Work as provided below, the Design-Builder will cooperate with the Commission in making available for the Commission's use such services as heating, ventilating, cooling, water, lighting, and telephone for the space(s) to be occupied. If the equipment required to furnish such services is not entirely complete at the time the Commission desires to occupy the aforesaid space(s), the Design-Builder will make all reasonable efforts to complete it as soon as possible. The cost of utilities to partially or temporarily occupied Work pursuant to this Section 12.05 is a cost of the Work, unless the Commission notifies Design-Builder otherwise prior to use of such utilities.
3. The Commission's occupancy or use of such space(s) in the Project will not constitute the Commission's acceptance of any Work, materials, or equipment which are not in accordance with the requirements of the Contract Documents, nor relieve the Design-Builder from its obligations or responsibilities under the Contract.
4. In any case, when the Commission occupies or begins to use any portion of the Work pursuant to this Section 12.05, the Commission will give the Design-Builder notice in writing of its occupancy and/or use of the space(s) involved.

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### ARTICLE 13. QUALITY OF WORKMANSHIP, MATERIALS, AND EQUIPMENT

#### Section 13.01 Standard of Performance

In addition to performing the Work in full compliance with the Contract Documents, the Design-Builder will perform, or cause to be performed, all Work required of it under the terms and conditions of this Contract with that degree of skill, care, and diligence normally exercised by qualified and experienced design-builders in performing work in projects of a scope and magnitude comparable to the Project.

#### Section 13.02 Design-Builder's Quality Program

1. Scope of Design-Builder's Quality Program (DBQP)
  - a. Quality is the responsibility of the Design-Builder. This responsibility includes development and implementation of a Design-Builder's Quality Program for quality management and construction activities. The DBQP must satisfy the requirements of the Contract Documents. The Design-Builder must develop and implement an appropriate quality program to achieve a level of quality consistent with the Contract requirements.
  - b. Throughout the course of the work, the DBQP will be subject to continual monitoring to assess the effectiveness of the quality processes employed by the Design-Builder. The Design-Builder's implementation of and compliance with its DBQP are subject to monitoring and audit by the Commission. The Design-Builder must address the Commission's concerns and audit findings. The Commission will pursue its remedies under the Contract for Design-Builder's failure to appropriately resolve such concerns and findings.
2. Design-Builder's Quality Program
  - a. The Design-Builder must establish, implement, and maintain an effective quality program to manage, control, and document the work and assure that the Work conforms to the requirements of the Contract. The Design-Builder must communicate, implement, and follow the DBQP at all levels of its organization.
  - b. The DBQP must describe the policies, plans, procedures, and organization necessary to exercise control and ensure quality. It must cover materials, equipment, workmanship, fabrication, and operations furnished both onsite and offsite by the Design-Builder. The DBQP must be an internally approved document, signed by the Design-Builder's management representative, and must contain a revision number and effective date. The DBQP must also include a written statement, signed by the Design-Builder's Quality Representative, that the program satisfies the requirements of the Contract.
  - c. Organization of the quality functions and activities for the Project must be supported by the management structure of the Design-Builder. The choice and level of application of the quality program must be appropriate for the Project.
  - d. Responsibility for achievement of quality must be acknowledged by all management, construction and support personnel of the Design-Builder. Subcontractors (including suppliers), testing laboratories, and consultants employed by the Design-Builder must also conform to the commitments specified in the Contract and the DBQP.
3. Submittal of Design-Builder's Quality Program
  - a. Prior to commencement of Construction Phase activities the Design-Builder must provide its internally approved DBQP to the Commission Representative for review and acceptance. If the Design-Builder fails to submit its DBQP within the required time, or if the DBQP is not accepted, the Commission may suspend the Work until the Design-Builder furnishes an acceptable DBQP. The Design-Builder shall not receive a time extension for the period of any such suspension.
4. Acceptance of the Design-Builder's Quality Program
  - a. The Commission Representative is responsible for reviewing and accepting the DBQP. This acceptance is conditional based on satisfactory performance throughout the course of the

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work. As work progresses, the Design-Builder may be required to revise the DBQP to maintain a quality of construction consistent with the Contract. Should this revision of the DBQP be required, the revised DBQP will again be subject to acceptance by the Commission Representative.

5. Proposed Changes to the Design-Builder's Quality Program
  - a. The Design-Builder must notify the Commission Representative, in writing, of any proposed change to the DBQP. Any changes to the accepted DBQP will be subject to the same acceptance process stated in Section 13.02.4.a. above.

### Section 13.03 Labor, Materials and Equipment

1. Unless otherwise specified, all materials and equipment will be new, and of such quality as required to comply with the Contract Documents. The Design-Builder will, when required, furnish satisfactory evidence as to kind and quality of all materials and equipment. All labor will be performed by workers skilled in their respective trades, and workmanship will be of good quality so that first class work in accordance with the standards of construction set forth in the Contract Documents will result.
2. Any Work, materials or equipment which does not conform to these requirements or the standards set forth in the Contract Documents may be disapproved and rejected by the Commission, in which case it will be removed and replaced by the Design-Builder as provided hereinafter in **Section 13.08**, "Correction of Work Before Final Payment."
3. The Design-Builder will keep proper inventories, provide adequate protection against the weather, and maintain security measures against theft and vandalism with respect to all stored materials, fixtures, and equipment for items stored on-Site and not yet incorporated into the Work.
4. The Site will not be utilized for the storage of vehicles, materials, equipment, or fixtures not intended for this Project.
5. The Design-Builder will review any specified construction or installation procedures (including those recommended by any product manufacturer). The Design-Builder will advise the Commission Representative in writing 7 Days prior to commencing Work, on items affected:
  - a. if any specified procedure deviates from good construction practice;
  - b. if following any specified procedure will affect any warranties; or
  - c. if there are any objections which the Design-Builder may have to any specified procedure.

### Section 13.04 Source of Materials

Design-Builder will notify the Commission Representative in writing as soon as possible after the Contract has been awarded, but not less than 3 weeks prior to the need for inspection and testing of the source (or sources) from which Design-Builder expects to obtain the various construction materials. The source of supply of each materials used will be approved by the Commission before delivery is commenced. If sources previously approved are found to be unacceptable at any time and fail to produce materials satisfactory to the Commission, the Design-Builder will furnish materials from other approved sources.

### Section 13.05 Products

1. The Contract executed hereunder requires the use of the materials, equipment, or processes specifically named in the Contract Documents except as otherwise provided herein. The word "processes" as used herein includes methods or systems of construction.
2. Manufacturer and Products. The term "product" as used herein refers to items to be purchased for incorporating into the Work, whether purchased for the Project or taken from previously purchased stock. The term "product" includes the terms "material," "equipment," "system" and words of similar

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intent.

- a. Products of the same general type will be from the same manufacturer throughout the Project to provide uniform appearance, operation, and maintenance.
- b. Products furnished will be of current production and product of a manufacturer regularly engaged in the manufacture of such products, for which replacement parts are available.
- c. Products must be new, Testing Laboratory-labeled, by a laboratory listed in Section 14.03, where applicable, and will bear the manufacturer's name, model number, and ratings of equipment. "New" means products that have not previously been incorporated into another project or facility, except that products consisting of recycled content materials are allowed, unless explicitly stated otherwise. Products salvaged or recycled from other projects are not considered new products.
- d. Manufacturers of equipment assemblies, which include components made by others, will assume complete responsibility and warranty for the final assembled unit.

### 3. Product Selection and Options

- a. **Product Specifications.** The products and materials to be provided must meet the performance and technical requirements of the Contract Documents. Provide products complete with accessories, trim, finish, fasteners, and other items needed for a complete installation and indicated use and effect. If available, and unless custom products or non-standard options are specified, provide standard products of types that have been produced and used successfully in similar situations on other projects. The Commission reserves the right to limit selection to products with warranties that do not conflict with the requirements of the Contract Documents. Where products are accompanied by the term "as selected," the Authorized Commission Representative will provide the selection. Where products are accompanied by the term "match sample," the sample to be matched is that provided by the Authorized Commission Representative. Where products are specified by name and accompanied by the term "or equal," or "or approved equal," or "or approved," the product proposed by Design-Builder must be approved by the substitution process set forth in Section 13.06 below.
- b. **Named Products:** Items identified by manufacturer's product name, including make or model number or other designation, shown or listed in manufacturer's published product literature, that is current as of the date of the Contract Documents.
- c. **Comparable Product:** Product that is demonstrated and approved through the substitution process set forth below to have the indicated qualities related to the type, function, dimension, in-service performance, physical properties, appearance and other characteristics that equal or exceed those of the listed product.
- d. **Basis-of-Design Products:** Where a specific manufacturer's product is named and accompanied by the words "basis of design," including make or model number or other designation, to establish the significant qualities related to type, function, dimension, in-service performance, physical properties, appearance and other characteristics for purposes of evaluating comparable products of other named manufacturers. Submission for approval of a Basis-of-Design product which is not of a named manufacturer is to be through the substitution process.
- e. **Product Selection Procedures:**
  - (1) **Products:** Where specification paragraphs or subparagraphs titled "Products" provide a list of names of both products and manufacturers, Design-Builder must provide one of the products listed that complies with the requirements of the specification.
  - (2) **Manufacturers:** Where specification paragraphs or subparagraphs titled "Manufacturers" provide a list of manufacturers' names, Design-Builder must provide a product by one of the manufacturers listed that complies with the requirements of the specification.

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- (3) Available Products: Where specification paragraphs or subparagraphs titled "Available Products" provide a list of names of both products and manufacturers, Design-Builder must provide one of the products listed that complies with the requirements of the specification.
- (4) Available Manufacturers: Where specification paragraphs or subparagraphs titled "Available Manufacturers" provide a list of manufacturers' names, Design-Builder must provide a product by one of the manufacturers listed that complies with the requirements of the specification.
- (5) Product Options: Where specification paragraphs or subparagraphs titled "Product Options" indicate that size, profiles, and dimensional requirements on drawings are based on a specific product or system, provide either the specific product or system indicated, or a comparable product or system by one of the other named manufacturers. As stated in Subparagraph 3.a above, products must be approved by the substitution process set forth below in order to be deemed "comparable."
- (6) Basis-of-Design Products: Where specification paragraphs or subparagraphs titled "Basis-of-Design Products" are included, and provide or refer to a list of manufacturers' names, provide either the specified product or a comparable product by one of the other named manufacturers. Drawings and specifications indicate sizes, profiles, dimensions and other characteristics that are based on the product named. As stated in Subparagraph 3.a above, products must be approved by the substitution process set forth below in order to be deemed "comparable."

### Section 13.06 Substitution of Products or Materials

1. The Authorized Commission Representative will receive and consider the Design-Builder's request for substitution if, and only if, all of the following conditions are met. If Design-Builder fails to meet these conditions, the Authorized Commission Representative will return the request without action, other than to record non-compliance with these requirements.
  - (a) The reason for proposing the substitution is one of the following:
    - (1) The specified product or method of construction is no longer available.
    - (2) There is no condition under which the specified product or method of construction can be installed as shown on the Contract Documents.
    - (3) There is no condition under which the specified product or method of construction can be provided within the time limits of the Contract.
  - (b) Extensive revisions to the Contract Documents are not required.
  - (c) Proposed substitutions are in keeping with the general intent of the Contract Documents.
  - (d) The request is timely, fully documented and properly submitted.
2. Changes in products, materials, equipment, systems and methods of construction required by the Scope and Performance Criteria and proposed by the Design-Builder after award of the Contract are considered to be requests for substitutions and will be addressed in the manner set forth below. Requests for substitution will be considered only in case of product unavailability or other conditions beyond the control of the Design-Builder. The following are not considered to be requests for substitutions and are not subject to the provisions of this Section:
  - (a) changes requested during the proposal period and accepted by the Commission by addendum prior to the award of the contract;
  - (b) revisions to the Scope and Performance Criteria requested by the Commission or the Commission's Architect and issued to the Design-Builder via a design bulletin or addendum.



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- (c) specified options of products and construction methods included in the Contract Documents.
3. Each request for substitution must be submitted separately and must include:
- a. Three copies of the request, using the form included in Book 2A.
  - b. Design-Builder must identify the product or fabrication or installation method to be replaced in each request, including the related Specification Section and/or Drawing numbers.
  - c. Design-Builder must provide complete documentation showing compliance with the requirements for substitutions, and the following information, as appropriate:
    - (1) Coordination information, including a list of changes or modifications needed to other parts of the Work and to construction performed by other contractors that will be necessary to accommodate the proposed substitution.
    - (2) A detailed comparison of significant qualities of the proposed substitution with those of the Work specified. Significant qualities may include elements such as performance, weight, size, durability and visual effect.
    - (3) Product data, including Drawings and descriptions of products and fabrication and installation procedures.
    - (4) Samples, where applicable or requested by the Authorized Commission Representative.
    - (5) A statement indicating the substitution's effect on the Design-Builder's Construction Schedule compared to the schedule without approval of the substitution. The proposed substitution will not extend the Term of the Contract.
    - (6) Cost information, including a proposal of the net change in the Contract Sum, if any, submitted in the format required for Change Order requests and the designation of any required license fees or royalties.
    - (7) Design-Builder's certification that the proposed substitution conforms to the requirements of the Contract Documents in every respect and is appropriate for the applications indicated.
    - (8) Design-Builder must designate the availability of maintenance services and source of replacement materials for any proposed substitution.
    - (9) The Design-Builder's waiver of rights to additional payment or time that may become necessary because of the failure of the substitution to perform in accordance with the Contract Documents.
4. The Design-Builder warrants and represents that in making a formal request for substitution that:
- a. The proposed substitution is equivalent to or superior in all respects to the product specified,
  - b. At a minimum, the same warranties and guarantees will be provided for the substitute as for the product specified.
  - c. The Design-Builder will coordinate the installation of accepted substitutes into the Work and will make such changes as may be required for the Work to be complete in all respects.
5. If the evidence presented by the Design-Builder does not provide reasonable certainty that the proposed substitution or deviations will provide a quality or result at least equal to that attainable by the product specified, the Commission Representative may reject the proposed substitution or deviation without further investigation.
6. The Commission Representative will judge the design and appearance of proposed substitutes on the basis of their suitability in relation to the overall design of the Project, as well as for their intrinsic merits. The Commission Representative will not approve proposed substitutes as equal to items specified which, in the Commission Representative's opinion, would be inconsistent with the character, quality or design of the Project.

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7. Any additional cost, or any loss or damage, arising from the substitution of any material or method for those specified must be borne by the Design-Builder, including the cost for damages incurred by other contractors, notwithstanding approval or acceptance of such substitution by the Commission Representative, unless such substitution was initiated at the written request or direction of the Commission Representative.
8. The Commission reserves the right to request additional information from the Design-Builder for any request for substitution within 7 days of the submittal of Design-Builder's request. The Authorized Commission Representative will notify the Design-Builder of acceptance or rejection of the substitution within 14 days of receipt of the request, or 7 days of receipt of additional information, whichever is later. If the Authorized Commission Representative fails to respond within the time frame stated herein, Design-Builder must use the product specified.
9. Approval by the Commission Representative of a substitution of material must be given pursuant to a Contract modification as required in Article 17, "Changes in the Work."
10. The Design-Builder's submittal, and the Commission's acceptance, of Shop Drawings, Product Data or Samples for construction activities not complying with the Contract Documents does not constitute an acceptable or valid request for substitution, nor do they constitute approval of a substitution.
11. Manufacturer's nameplates will not be permanently attached to ornamental and miscellaneous metal work, furnishings and equipment, doors, frames, millwork and similar factory-fabricated products on which, in the Commission's opinion, the nameplate would be objectionable if visible after installation of the Work, without the prior written consent of the Commission Representative. This does not apply to Underwriters' Laboratories labels where required, nor to manufacturers' name and rating plates on mechanical and electrical equipment.

### Section 13.07 Adjustment of Equipment

Before the Work is turned over to the Commission, the Design-Builder must furnish the necessary instruments, test equipment, services, and personnel required to adjust and balance each piece of equipment in order to provide a smoothly functioning, well-integrated system complying with the letter and intent of the Contract Documents.

### Section 13.08 Correction of Work Before Final Payment

1. When Work is rejected by the Commission as failing to conform to the Contract Documents, the Design-Builder must promptly remove such Work, including all related materials and equipment, whether incorporated in the Work or not, from the Site. The Design-Builder will promptly replace and re-execute such Work in accordance with the Contract Documents.
2. If the Design-Builder does not remove such rejected Work, materials, and equipment within a reasonable time, as determined by written notice of the Commission, the Commission may, at the expense of the Design-Builder, remove and dispose of such rejected Work as the Commission sees fit. If the Design-Builder does not pay the cost and expenses of such removal within 10 Days, the Commission may deduct all such costs and expenses from any monies due the Design-Builder.
3. If the Work deviates from the requirements of the Contract Documents, the Design-Builder will be responsible for all resulting damages. A claim by the Design-Builder that performing the Work without deviation from what is required by the Contract Documents would also have caused or resulted in damages will not be available to the Design-Builder as a defense or a claim to reduce the Design-Builder's liability. This provision does not limit the other rights of the Commission or other obligations of the Design-Builder.
4. When the Commission is required to provide additional services because of defective Work, neglect, failure, deficiencies, or default by the Design-Builder, the Commission's compensation for such services are payable by the Design-Builder. The Commission's Staff Costs or the Commission's Architect's invoice, as approved by the Commission, along with other costs,

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damages, and liabilities incurred by the Commission and/or the Commission's Architect, may, in the Commission's sole discretion be the basis for decreasing the GMP by amendment in order for the Commission to recover the cost of additional services.

### Section 13.09 Correction of Work after Final Payment

The final certificate of occupancy, final acceptance of the Project, final payment, or any provision in the Contract Documents does not relieve the Design-Builder of responsibility for faulty materials, equipment or workmanship. Unless otherwise specified, the Design-Builder will remedy any defects and pay for any damage to other Work resulting therefrom. The Commission will give timely written notice of such defects.

### Section 13.10 Guarantees and Warranties

1. Unless stated otherwise in the Scope and Performance Criteria, the Design-Builder guarantees all of the Work and each and every part thereof, including, by way of illustration and not limitation, all workmanship, materials, equipment, supplies, services, and facilities that are furnished, produced, fabricated, installed, constructed, or built pursuant to the Contract Documents for the respective periods of time called for by the respective requirements of the Contract Documents, and, if no period is specified, for a period of one (1) year, against defects which, in the opinion of the Commission, result from the use of defective or inferior materials, equipment, supplies, services, facilities or workmanship or from Work not in compliance with or not performed in accordance with the Drawings or specifications. The Design-Builder will provide this guarantee to the Commission in writing using Exhibit Q. The guarantee period will run from and after the date of Substantial Completion of the Work required by the Contract Documents, unless the Contract Documents specify a different date for the commencement of the running of the guarantee period. No part of the Work will be held to be accepted until Substantial Completion of the Work (except where other arrangements have been made under Section 12.05 "Use of Completed Portions of the Work" hereof).
2. The Design-Builder agrees as part of this guarantee to repair or remove and replace as directed by the Commission and, at no cost to the Commission, all the Work, materials, equipment, supplies, services, and facilities which prove defective during the applicable guarantee period or which fail to conform to the Contract Documents; to repair, remove and replace, or pay for as directed by the Commission, at no cost to the Commission, all damaged portions of the Project and the contents and equipment thereof, resulting from or which are incidental to such defects or failure to conform to the Contract Documents. All repairs, removals and replacements must be commenced within 10 Days of written notice from the Commission, and sufficient labor and materials sufficient must be furnished to ensure prompt completion thereof. Should the Design-Builder fail to proceed in accordance with the above, the Commission, without further notice to the Design-Builder, may furnish all labor and material necessary for repairs, or removals and replacements, and the Design-Builder agrees to pay the Commission all such costs incurred.
3. **Manufacturer's Warranties**
  - a. The Design-Builder will:
    - (1) Ensure that all required Manufacturer's Warranties are assignable, and assigned, to the Commission and/or User Agency.
    - (2) Submit all applicable Manufacturer's Warranties to the Commission Representative and ensure that all warranty forms have been completed in the Commission's and/or User Agency's name and registered with the appropriate manufacturers.
  - b. Repairs and replacements made by the Design-Builder pursuant to this section will include a Manufacturer's Warranty, if standard with the Manufacturer, in addition to the Design-Builder's Warranty.

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### ARTICLE 14. TESTING AND INSPECTION

#### Section 14.01 Inspection of Work

1. The Commission, the Commission Representative, and all consultants of the Commission retained to do testing, commissioning or inspection, will at all times have access to the Work wherever and whenever it is in process. The Design-Builder must provide proper and safe facilities for access and inspection.
2. The Design-Builder will cooperate with inspecting agencies and provide appropriate access. If the inspection is made by an authority other than the Commission, the Design-Builder will inform the Commission Representative in writing of the date fixed for such inspection no less than 3 business days prior to such date.
3. If the specifications, laws, ordinances or any public authority require any Work to be specifically tested or approved, the Design-Builder will give the Commission Representative no less than 3 business days written notice of the Work's readiness for inspection by the Commission. Required certificates of inspection must be secured by the Design-Builder. Inspections by Commission will be promptly made, and where practicable, at the source of supply
4. Any Work covered up without approval, inspection, or consent of the Commission when such approval, inspection or consent is required by the Contract Documents, will be uncovered for examination as required by the Commission, and will be replaced and/or re-covered, all at the Design-Builder's expense. Examination of Work previously covered up with the approval or consent of the Commission may be ordered by the Commission to be uncovered, and if so ordered, such Work will be uncovered by the Design-Builder. If such Work is found to be in accordance with the Contract Documents, the Commission will reimburse the Design-Builder for such uncovering and re-covering. Such reimbursement will be for actual cost incurred plus the percentages allowed by Sections 16.03.1.a.(4) and 16.03.1.a.(5) "Payment for Changes." If such Work is found to be not in accordance with the Contract Documents, the Design-Builder will pay all costs of uncovering, replacement, and re-covering, as well as any corrections or repairs made to the Work.
5. The Design-Builder will place its field engineering force at the Commission Representative's disposal for field checking during any inspection period. When layouts of the Work are to be made, the Design-Builder will notify the Commission Representative in sufficient time that the Commission Representative may be present.
6. The Commission's Architect is not authorized to make any changes or modifications in the Contract Documents, to direct the performance of additional Work, or to waive the performance by the Design-Builder of any requirements of the Contract Documents. Any changes to the Work will be in accordance with the provisions of Article 17. "Changes in the Work."

#### Section 14.02 ASTM Standards

Unless otherwise provided, all materials will be sampled and tested in accordance with the latest published standards and methods of the American Society for Testing and Materials (ASTM) and any revisions thereof. If there are no ASTM standards that apply, applicable standard methods of other recognized standardizing agencies will be used. Design-Builder must provide the name and qualifications of any such standardizing agency to the Commission or its authorized representative for review and approval.

#### Section 14.03 Testing Laboratory Labels

1. All equipment containing electrical wiring must be submitted to the Commission Representative for acceptance before installation. Unless otherwise specified, all electrical components furnished and installed or assembled by the Design-Builder under this Contract must be approved and so labeled by one of the following Testing Laboratories:
  - a. Underwriters' Laboratories (UL)

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- b. Canadian Standards Association (CSA)
  - c. Electrical Testing Laboratory of New York (ETL)
  - d. Illinois Institute of Technology Research Institute (IITRI)
  - e. American Gas Association (AGA)
  - f. Factory Mutual Research Corporation (FMRC)
  - g. Maintenance and Electrical Testing (MET)
  - h. American Research Lab (ARL)
2. Any electrical unit comprised of a number of components, assembled at the factory, and considered custom made, must bear one of the above labels for the entire unit as well as for each component.
  3. All costs in obtaining a testing laboratory label are paid by the Design-Builder at no additional cost to the Commission. Any delays in the completion of the Work caused by the manufacturer of equipment in obtaining the required testing laboratory labels and the Commission approval are not grounds for an extension of time beyond the time of completion indicated in the Contract Documents.

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**ARTICLE 15. SHOP DRAWINGS, PRODUCT DATA, RECORDS, AND SAMPLES**

Section 15.01 Documents at the Site

The Design-Builder must keep one complete set of the Contract Documents, including all Drawings, specifications, and submittals, at the Site, in good order and available to the Commission, and the Commission Representative. The Drawings, specifications and submittals must be kept up to date by replacing obsolete sheets with revised sheets as they are issued.

Section 15.02 Design-Builder's Responsibilities and Submittal Procedures

1. Shop drawings, product data, video tape and samples ("Submittals") are part of the Work under this Contract and they must be provided whenever required to the satisfaction of the Commission at the expense of the Design-Builder.
2. The Design-Builder must submit to the Commission Representative such shop drawings, product data, video tape and samples Submittals required for the Work involved under this Contract. Submittals shall be approved by the Design Builder's Architect prior to delivery to the Commission
3. The Schedule must indicate Submittal preparation and review activities by the Design Builder. No extensions of time will be granted to Design-Builder because of its failure to properly manage review of Submittals on the Project. Design-Builder shall submit a separate schedule (in table format) identifying all Submittals and approximate. The Commission Representative shall designate which, if any, of the Submittals will require approval by the Commission.
4. The Design-Builder must prepare and submit proper Submittals in accordance with its contractual obligations. By submitting shop drawings, video tape, product data, and samples, the Design-Builder represents that it has determined and verified all materials, field measurements, field conditions, and quantities and that it has checked and coordinated the information contained within each submittal, including its subcontractors' submittals, with the requirements of the Work and of the Contract Documents. The Commission shall have no obligation to review Submittals
5. All Submittals must be dated and stamped by the Design-Builder and indicate that the submittal has been reviewed and checked by the Design-Builder prior to submittal and found to be in conformance with the Contract Documents. All submittals will be transmitted to the Commission Representative. The Design-Builder must clearly identify each shop drawing, video tape, product data, and sample in accordance with the following for purposes of identification and record:

**SUBMITTAL IDENTIFICATION**

Name of Project: \_\_\_\_\_  
Contract Name and Number: \_\_\_\_\_  
Date of Submittal: \_\_\_\_\_  
Re-submittal Number: \_\_\_\_\_  
Identification of Deviations from Contract Documents: \_\_\_\_\_  
Specification Section, Page, and Paragraph No. and/or Drawing No.: \_\_\_\_\_  
Type of Material and Manufacture: \_\_\_\_\_  
Intended use: \_\_\_\_\_  
Applicable Standards such as ASTM numbers: \_\_\_\_\_

**CHECKED AND SUBMITTED IN ACCORDANCE WITH DRAWINGS AND SPECIFICATION.**

Design-Builder:

By: \_\_\_\_\_ Date: \_\_\_\_\_

6. Shop drawings must be submitted with accurate dimensions. The shop drawings must represent the actual manner in which the Work is manufactured and installed, and the relation of the Work installed to that of other trades, clearances, and all other pertinent data. Dimensions must be expressed in feet and inches. Designs prepared in the metric system may be submitted with

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metric units, but the equivalent English units must also be shown. All weights and dimensions must be certified prior to submission for review.

7. Transmittal of Submittals to the Commission and the Commission's approval of any Submittals does not relieve Design-Builder from its standard of care for the performance of the Work. Design-Builder must submit all shop drawings, video tape, samples and product data to the Commission Representative with an accompanying transmittal letter containing the above Submittal identification data and a list of items being submitted. The Design-Builder should coordinate Submittals into logical groups or sets of related items.
8. Any Submittal that, in the opinion of the Commission, is not complete and in proper form will be returned to the Design-Builder without review. The Design-Builder must not submit duplicates or reproductions of any Contract Documents issued by the Commission as shop drawings.
9. Design-Builder must provide Submittals in the form and quantities acceptable to the Commission.
10. The Design-Builder must notify the Commission Representative in writing of any deviations in the Submittal from the Commission approved Contract Documents or Scope and Performance Criteria. If deviations from the Commission approved Contract Documents or Scope and Performance Criteria are not accepted by the Commission or if evaluation of the deviations delays the progress of Work, Design-Builder will not receive a time extension for any delay caused by the and proposed deviations in the Submittal.
11. Additional requirements for submittals are stated in Book 2A, Section 1300.

### Section 15.03 Review by the Commission

1. Submittals may be reviewed by the Commission for compliance with the Commission Approved Contract Documents and Scope and Performance Criteria. In reviewing the Submittal, the Commission will not verify dimensions and field conditions. Any such review does not relieve the Design-Builder, Subcontractor, manufacturer, fabricator or supplier from responsibility for any deficiency that may exist, or from any departures or deviations from the requirements of the Commission Approved Contract Documents, nor does it relieve them from responsibility for (i) errors of any sort in shop drawings, samples and product data, (ii) responsibility for proper fitting of the Work, or (iii) the necessity of furnishing any Work required by the Contract documents which may not be indicated on shop drawings. The Design-Builder is solely responsible for any quantities that may be shown on the shop drawings. The Commission's review of a specific item does not indicate approval of an assembly of which the item is a component.
2. The Design-Builder must not fabricate products, begin Work, order or have delivered any material, equipment or system that the Commission has indicated requires approval of the Submittal until return of the Submittal from the Commission with a stamp authorizing Work and/or delivery and installation to be performed, as described in Paragraph 3 immediately below.
3. The Commission will return Submittals requiring Commission Approval stamped as follows:
  - a. "No Exceptions" means no changes are necessary on the reviewed Submittal. The Design-Builder may proceed with the Work for that Submittal. Re-submittal is not required.
  - b. "Exceptions as Noted" indicates that the Submittal is accepted subject to the corrections and/or comments noted. The Design-Builder may proceed with the Work for that Submittal if the Design-Builder incorporates the Commission's comments, and/or corrections. Re-submittal is not required.
  - c. "Revise and Resubmit" means that the Submittal does not meet all the requirements necessary to proceed with the Work associated with the Submittal. The Design-Builder must resubmit in accordance with the reviewer's comments and/or corrections. Submittal marked in this manner must not be released for fabrication, delivery, or construction.

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- d. "Rejected" means the submittal does not meet the requirements set out in the Commission Approved Contract Documents or Scope and Performance Criteria. The Design-Builder must resubmit in accordance with the Commission Approved Contract Documents and Scope and Performance Criteria and any corrections and/or comments made regarding the Submittal by the reviewer. Submittals marked in this manner shall not be released for fabrication, delivery, or construction.
4. If the Submittal requires revision, the Design-Builder must notify the Commission Representative and all pertinent Subcontractors in writing that the reviewed set has been withdrawn.
5. Submittals that require revisions must be corrected and resubmitted to the Commission Representative to maintain the approved CPM schedule, but in no event more than 5 Days after receipt of the Commission's comments.
6. Shop Drawings: After review, one reproducible stamped by the Commission as described in paragraph 3 above will be returned to the Design-Builder.
7. Submission and Review of Samples: If a considerable range of color, graining, texture, or other characteristics may be anticipated in finished products, a sufficient number of samples of the specified materials must be furnished by the Design-Builder to indicate the full range of such characteristics which will be present in the finished products. Any products delivered or erected without submittal and review of full range Samples will be subject to rejection. Each tag or sticker will have clear space for the stamps of the Design-Builder and Commission. Notice of the result of the review will be provided to the Design-Builder with one of the stamps indicated in Paragraph 3 above. Rejected samples will be returned. Accepted samples will be retained by the Commission and become the property of the Commission. Where color samples are required to be submitted, color samples must be submitted on the actual material which will finally be installed in the Work.
8. Product data: After review, two (2) sets of product data stamped by the Commission as previously described will be returned to the Design-Builder.

### Section 15.04 As-Built Drawings

1. As the Work progresses, the Design-Builder, and the Subcontractor for each trade or division of Work under the direction of the Design-Builder, must keep a complete and accurate record of the following:
  - a. Changes between the Work as shown on the Contract Drawings and the shop drawings indicating the Work as actually installed.
  - b. The specific location of all infrastructure elements, including piping, valves, ductwork, equipment, driveways, catch basins, sewer lines, waterlines, water mains, and other such elements which were not accurately located or changed location or elevation from that shown on the Contract Drawings.
  - c. Equipment schedules indicating manufacturers' names and model numbers installed.
2. Changes must be neatly and correctly recorded daily on full-size prints of the Contract Drawings. This record set of Contract Drawings must be kept at the Site for inspection by the Commission.
3. Upon completion of the Work, the Design-Builder will submit a final set of full-size prints to the Commission Representative for review and acceptance.
4. At the time as-built drawings are delivered to the Commission, the Design-Builder and each Subcontractor will certify, in writing, that the as-built drawings are complete and accurate..

### Section 15.05 Record Shop Drawings and Product Data

1. As the Work progresses, the Design-Builder must keep a complete and accurate record of the changes and deviations from the Work as shown on the shop drawings and product data indicating



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the Work performed. The Design-Builder must furnish record shop drawings in a form and quantity acceptable to the Commission. Record shop drawings must be submitted for all items reviewed as shop drawings. Record shop drawings must be provided in an editable electronic medium and hard copy as directed by the Commission. Unless otherwise specified, record shop drawings must be submitted on the same size sheets as the Contract Document Drawings and include an index of all items.

2. Unless otherwise specified, Design-Builder must furnish 7 record copies of product data loose-leaf binders. Loose-leaf binders must be subdivided by submittal numbers and must contain an index of all items unless otherwise specified.

### Section 15.06 Instructions, Parts List, Operation and Maintenance Manuals, and Warranties

1. The Design-Builder must furnish a complete list of equipment actually installed. The list must include at least the following information: a copy of pertinent nameplate data, name and address of local representative who stocks or furnishes repair or replacement parts, and name, address, and telephone number of the Subcontractor responsible to the Design-Builder for the equipment under the guarantee.
2. The Design-Builder must submit operating instructions for each major component of equipment and its controls in accordance with the specifications. Proposed instructions must be submitted to the Commission Representative for the Commission's review and acceptance in the amount provided for in the specifications. Upon acceptance, the Design-Builder must post applicable instructions as required by the specifications or as otherwise directed by the Commission.
3. The Design-Builder must submit to the Commission Representative any and all maintenance data prepared by the manufacturer of each major component of equipment and its controls in accordance with the specifications. Data must include at least the following information: complete parts list; itemized lists of common purchase items of materials (e.g., bearing, packing, connectors, sealing devices, and other standard items) indicated by their standard trade designation; recommended routine and inspection maintenance, including testing recommendations to evaluate efficiency of performance; lists of special tools and gauges, lubricating instructions, and recommended spare parts; tolerance and clearances required for maintenance; and troubleshooting guides prepared in a simple format to indicate complaint or problem, probable cause, and remedy. The proposed maintenance data must be submitted to the Commission Representative for the Commission's review and acceptance in the quantity provided for in the specifications.
4. The Design-Builder must submit all applicable manufacturer's warranties as described in Section 13.08 "Guarantees and Warranties." **Section 15.07 Record Documents**

At Substantial Completion of the Work, the Design-Builder must deliver to the Commission and the User Agency, in suitable transfer cases clearly marked "Record Documents," all as-built drawings, record shop drawings, video tape, product data, instructions, parts list, and operations and maintenance manuals arranged in proper order and indexed. The submission of all Record Documents is a prerequisite to reduction of retention from 3% to 1% under Section 16.08, "Release of Retainage."

### Section 15.08 Project Account Records

1. Project data and records
  - a. The Design-Builder and each Subcontractor must keep an accurate record showing the names, occupation, and the actual hourly wages paid to all laborers, workers, and mechanics employed by them in connection with the Work. Such record must be open at all reasonable hours to the inspection of the Commission and to the Director of Labor of the State of Illinois and his/her deputies and agents. The Design-Builder also must furnish the Commission with certified copies of its payrolls in accordance with Section 16.02 "Payment Applications."
  - b. The Design-Builder and all Subcontractors acknowledge and agree that the Work shall be performed on an open-book basis, and accordingly must furnish the Commission with such

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information as the Commission may require relating to labor and materials, including all information necessary to determine the cost of the Work, such as the number of workers employed, their pay, the distribution of labor into Work items, equipment time distribution, and any other information which the Commission may require. The Design-Builder must furnish the Commission with copies of delivery tickets and invoices covering the expenditures for all costs for which the Design-Builder seeks payment, including all costs incurred by Subcontractors, under the Contract.

### 2. Audits

- a. The Design-Builder must furnish to the Commission Representative such information as may be requested relative to the progress, execution, and cost of the Work. The Design-Builder must maintain complete records showing actual time devoted and costs incurred. The Design-Builder must maintain its books, records, documents, and other evidence and adopt accounting procedures and practices sufficient to record properly all costs of whatever nature claimed to have been incurred and anticipated to be incurred for or in connection with the Work for 7 years after final payment. This system of accounting must be in accordance with generally accepted accounting principles and practices, consistently applied throughout.
- b. All books and accounts kept by the Design-Builder in connection with the Work, whether in hard copy, digital or other electronic form, must be open to inspection and audit by authorized representatives of the Commission. The Design-Builder must make these records available at reasonable times during the performance of the Work and must retain them in a safe place and make them available for inspection and audit for at least 7 years after final payment. No provision in this Contract granting the Commission right of access to records documents is intended to impair, limit, or affect any right to access to such records and documents which the Commission would have had in the absence of such provisions.
- c. The Design-Builder must reimburse the Commission for the costs of such audits if the audit demonstrates that the Design-Builder overstated the amount due on any invoice by 2% or more. This is in addition to the Design-Builder's obligation to reimburse the Commission for any overstated amount that might have been paid to Design-Builder.

### 3. Confidentiality

All of the reports, information, or data prepared or assembled by or provided to the Design-Builder under this Contract are confidential and the Design-Builder agrees that, except as specifically authorized herein or as may be required by law, it will not make available said reports, information, or data to any other individual or organization without the prior approval of the Commission. This requirement will survive expiration or termination of this Contract.

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### ARTICLE 16. PAYMENTS

#### Section 16.01 Guaranteed Maximum Price ("GMP")

The GMP is the total dollar amount of the proposal accepted by the Commission, including all Change Orders and amendments, and includes all labor, equipment, materials, permits, licenses, fees, and taxes necessary to perform the Work, except the cost of the City of Chicago building permit, which will be paid by the Commission.

#### Section 16.02 Payment Applications

It is the duty of the Design-Builder to effectively manage the payment application process and all related paperwork for processing of Construction Payment Applications or Professional Service Invoices. The Design-Builder is responsible to the Commission for securing and delivering all paperwork required by the Contract to be submitted for payment, including Subcontractor, consultant and material supplier lien waivers, certified payrolls, and all other required documents or invoice cover sheets.

Design-Builder shall follow the directions provided by the Commission regarding the electronic submission of payment applications, invoices and supporting documentation. Those instructions are stated in Book 2A, Standard Terms and Conditions Procedures manual Section 01025 – Payment, Change Order and Substantial Completion procedures.

Failure of the Design-Builder to promptly submit its payment applications to the Commission, in proper and complete form, will constitute a material breach of this Contract, and constitute cause for termination. No payment application will include payment for Work for which the Design-Builder has not been billed by the applicable subcontractor, material supplier, service provider or consultant.

Design-Builder will submit payment applications in such a manner so as not to delay payment to any Subcontractor, material supplier, consultant or service provider whose billing and lien waiver paperwork is complete.

##### 1. Schedule of Values

If required, prior to commencement of Construction activities, the Design-Builder will submit to the Commission Representative a Schedule of Values, consistent with the Design Build Schedule of Values per Exhibit 6 of Book 1 showing values of the Work to be performed by it and its Subcontractors containing such supporting details or other evidence as to its correctness as the Commission Representative may require. The Schedule of Values will list the value for each construction activity broken down by materials and labor to be included in the Schedule. When approved by the Commission Representative, the Schedule of Values will be used as a basis for certificates of payment unless it is found to be in error. Additional requirements for the Schedule of Values are stated in Book 2A.

##### 2. Multiple Locations

The Work may be performed at multiple locations. Separate, independent Payment Applications, each supported by its own Sworn Statement will be submitted for each location. Retainage, Substantial Completion of the Work and Final Completion and Acceptance of the Work will be evaluated separately for each separate location.

##### 3. Schedule for Payment

Invoices will be submitted and payments shall be made as follows in this Section 16.02.3:

- a. The initial invoice from the Design-Builder shall be submitted on June 3, 2013. This invoice shall include a request for payment of all costs incurred to date by the Design-Builder for Design-Builder's payment and performance bond and insurance, supported by substantiation of such costs as required by this Contract. In addition, Design-Builder shall invoice an amount equal to five percent (5%) of Design-Builder's Cost of the Work, which amount shall be payable

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to Design-Builder as compensation for mobilization. Payment for the approved June 3, 2013 invoice shall be made on or about June 17, 2013.

- b. The second invoice from the Design-Builder shall be submitted on July 1, 2013. This invoice shall include a request for payment of all Costs of the Work incurred to date by the Design-Builder, supported by substantiation of such costs as required by this Contract. The Commission shall deduct the 5% of the Cost of the Work paid for mobilization from the amount for payment requested by the Design-Builder in its July 1, 2013 invoice. This amount shall be retained by the Commission to ensure the Design-Builder's continued performance and compliance with the terms of the Contract. In addition to its Costs of the Work incurred to date, the Design-Builder shall include: (i) a request for payment of fifty percent (50%) of its estimated labor costs of the Work to be performed during July, 2013; (ii) a request for payment of twenty-five percent (25%) of the Design-Builder's Fee; and (iii) a request for payment of twenty-five percent (25%) of the Lump Sum ~~for Overhead portion of its~~ **and the** General Conditions and Requirements. Payment for the approved July 1, 2013 invoice shall be made on or about July 15, 2013.
- c. The third invoice from the Design-Builder shall be submitted on August 1, 2013. This invoice shall include a request for payment of all Costs of the Work incurred to date by the Design Builder supported by substantiation of such costs as required by this Contract. The Commission shall deduct the amount paid to the Design-Builder for the estimated labor costs for July, 2013 from the August 1, 2013 invoice. In addition to the Costs of the Work included on the August 1, 2013 invoice, the Design-Builder shall also include: (i) a request for payment of fifty percent (50%) of its estimated labor costs of the Work to be performed during August, 2013; (ii) a request for payment of twenty-five percent (25%) of the Design-Builder's Fee; and (iii) a request for payment of twenty-five percent (25%) of the Lump Sum ~~for Overhead portion of its~~ **and the** General Conditions and Requirements. Payment for the approved August 1, 2013 invoice shall be made on or about August 15, 2013.
- d. The fourth invoice from the Design-Builder shall be submitted on September 3, 2013. This invoice shall include a request for payment of all Costs of the Work incurred through Substantial Completion of the Work. The Commission shall deduct the amount paid to the Design-Builder for the estimated labor costs for August, 2013 from the September 3, 2013 invoice. In addition to the Costs of the Work included on the August 1, 2013 invoice, the Design-Builder shall also include a request for payment of twenty-five percent (25%) of the Design-Builder's Fee. The Design-Builder may also request payment for: (i) up to fifty percent (50%) of the amount retained by the Commission pursuant to Section 16.02.3(b) above; and (ii) twenty-five percent (25%) of the Lump Sum ~~for Overhead portion of~~ **and** the General Conditions and Requirements. Payment for the approved September 3, 2013 invoice shall be made on or about September 17, 2013.
- e. Final Payment. Fifteen of the seventeen Projects within the Commission Program include the installation of elevators ("Elevator Projects"). The Design-Builders for the Elevator Projects shall invoice for final payment for such Projects upon completion of the installation and acceptance of the elevators in compliance with this Contract. Unless otherwise directed by the Commission Representative, the final invoice for the Elevator Projects shall be submitted on February 1, 2014. The invoice for final payment for the other two Projects shall be submitted on October 1, 2013. The final invoice shall request payment for (i) any Cost of the Work that was not submitted for payment in a prior invoice, (ii) the remaining twenty-five percent (25%) of the Design Builder's Fee due to the Design Builder, (iii) payment of the remaining twenty-five percent (25%) of the Lump Sum ~~for Overhead portion of~~ **and** the General Conditions and Requirements and (iv) payment of the remaining amount retained by the Commission pursuant to Section 16.02.3(b) above. The Commission shall include any Performance Achievement Payment due to the Design-Builder in its final payment to the Design-Builder. Payment for the final invoice shall be made promptly upon completion of the close-out of the Contract by the Commission and Design-Builder. Any amounts owed by the Design-Builder to the Commission shall be deducted from the final payment. In the event that the amount owed by the Design-Builder to the Commission exceeds the amount due to the Design-Builder as final payment for the Work and Design-Builder's Fee, the Design-Builder shall promptly remit the net amount due

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and owing to the Commission.

### 4. Payment Application Procedures

On the due date of the invoice for each month as prescribed above, the Design-Builder will submit to the Commission Representative, in triplicate, an application for partial payment including a notarized affidavit stating that it has complied with the requirements of Section 16.02.8. The submission shall be one (1) original hard copy to the Commission Representative and at the same time submission electronically through the Commission's designated web based system. The form for the Application and Certification for Payment is attached as Article 26, Exhibit A. The Design-Builder must also provide a Design-Builder's Sworn Statement and Affidavit for Partial Payment, attached as Article 26, Exhibit B. The affidavit must be supported by receipts or receipted vouchers evidencing payments for such materials, services, labor, and payments to Subcontractors who are providing labor or material to the Project. The application for partial payment will conform to approvals made by the Commission Representative at the payment review meeting. The procedures for Payment Applications are stated in Book 2A, Section 01025-Payment, Change Order, and Substantial Completion Procedures. Article 26, Project Forms, contains the various forms used for payment applications.

### 5. Certified Payrolls

Three copies of certified payrolls for the payment period are to be submitted by the Design-Builder and all Subcontractors working on the Site to the Commission every week. The Commission may elect to utilize a Web-based method for electronic submittal of certified payrolls. In the event that the Commission elects to utilize electronic submittal, Design-Builder shall follow the directions provided by the Commission as a supplement to Subsection 3.6 of Section 01300, "Submittals," of Book 2A, Standard Terms and Conditions Procedures Manual, and submit its certified payrolls electronically, as a replacement for the three hard copy submittals. All payrolls must be identified with Design-Builder or Subcontractor's name and Contract name and number, and must be sequentially numbered. The payroll will be submitted by the Design-Builder and Subcontractor until all Work by that Design-Builder or Subcontractor is completed. If there are periods of no Work by Design-Builder or a Subcontractor, a payroll labeled "NO WORK" will be submitted. The final payroll will be labeled "FINAL." Certified payrolls are required to assure EEO compliance as well as wage compliance. Race, worker classification, and gender must be clearly marked for each employee on the certified payroll along with all additional information required by the Commission. An employee's address should appear every time his/her name appears on the payroll. The Design-Builder must submit the certified payrolls and additional information regarding EEO and wage compliance by providing a Payroll Summary Report in the form required by the Commission. The EEO report form required by the City and the U.S. Department of Labor must be submitted by Design-Builder and each Subcontractor, reflecting fully the periods of Work covered by the partial payment request.

### 6. Payment for Material Stored on-Site

- a. Payments for on-Site stored material will be made only if the Commission specifically approves, at its sole discretion, such payments. If payments are to be made for materials and equipment not incorporated in the Work but delivered and suitably stored at the Site, such payments will be conditioned upon submission by the Design-Builder of bills of sale, waivers of lien, and other such documents and compliance with other such procedures as the Commission requires to establish its title to such materials or equipment or otherwise protect its interest, including applicable insurance and transportation to the Site.
- b. Payment of stored material on the Site will be one hundred percent (100%) of a valid invoice less applicable retainage (as described in Section 16.06) when the Design-Builder has provided the following documents:

- (1) A paid invoice from the supplier showing the unit, quantity, description of the material or equipment and costs.
- (2) A final waiver of lien from the supplier for the total amount of the material purchased.
- (3) Inspection tickets for all the material stored

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### 7. Payment for Material Stored Off-Site

- a. Payment for material stored off-site, if authorized in Book 3 of the Contract, or when approved in writing by the Executive Director and Commission Representative, will be one hundred percent (100%) of a valid invoice less applicable retainage (as described in Section 16.06) when the Design-Builder has provided documents and complied with the requirements listed below.

(1) A paid invoice from the supplier showing the unit, quantity, description of the material or equipment and costs.

(2) A final waiver of lien from the supplier for the total amount of the material purchased.

(3) Inspection tickets for all the material stored.

(4) The Design-Builder must furnish the Commission Representative with a certified statement giving the exact location of the materials or equipment, and stating that:

- a) Such materials are suitably stored and maintained at a bonded, secure and environmentally appropriate location agreed upon and subject to such conditions required or established by the Commission.
- b) The Design-Builder has complied with procedures satisfactory to the Executive Director to establish the Commission's title to such materials or otherwise protect the Commission's interest therein, including but not limited to, insurance, storage and transportation to the Project Site for such materials stored off-site, as the Executive Director or Commission Representative may reasonably require.
- c) The materials, equipment, and associated fabricated components will not be diverted away from the Project.

(5) The risk of loss will remain with the Design-Builder. The Design-Builder must provide the Commission Representative with a certificate of insurance coverage for the stored material for which payment is requested

(6) Simultaneously with payment for such material, the Design-Builder must prepare and execute any and all documents required to transfer title to the Commission, including, without any limitation, any Uniform Commercial Code Documentation necessary to perfect transfer of title.

(7) All material and Work covered by payments made will thereupon become the sole property of the Commission.

(8) The Design-Builder must pay the Commission's reasonable costs for consultants or attorneys relating to administration of the payment for material stored off Site, to verify and review required filings and documents, inspect materials, and travel. Travel costs are to be paid based upon the current Commission Travel Guidelines.

### 8. Documentation Supporting Monthly Payment Applications

- a. For the June 1, 2013 invoice, the Design-Builder must provide its own Design-Builder's Sworn Statement and Affidavit for Partial Payments (Design-Builder's Sworn Statement), as required by Section 16.02.4 and its Design-Builder's Waiver of Lien for Partial Payment (Design-Builder's Waiver of Lien) in support of the Payment Application. The Application and Certification For Payment is Exhibit A of this Book 2 and the Waiver of Lien is Exhibit C.

- b. For the July 1, 2013 invoice, and all subsequent invoices except the final one, the Design-Builder must provide: its own Design-Builder's Sworn Statement, its own Design-Builder's Waiver of Lien for the current Payment Application and the Contractor's Affidavit from all of its Subcontractors. The Subcontractor's Affidavit is Exhibit D of this Book 2. In addition, the

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Design-Builder must provide Supplier's Waiver of Lien for Final Payment (Supplier's Partial Waiver) for its material suppliers from the prior Payment Application. The Supplier's Final Waiver is Exhibit J of this Book 2.

- c. For the Final Payment Application, the Design-Builder must provide the Design-Builder's Sworn Statement and Affidavit for Final Payment (Book 2 Exhibit F) and the Design-Builder's Final Release and Waiver of Lien (Book 2, Exhibit G). In addition, the Design-Builder must provide Final Waiver of Lien and Subcontractor's Affidavits (Book 2, Exhibit I) for all its Subcontractors, and provide the Supplier Final Release and Waiver of Lien for all Suppliers (Book 2, Exhibit K) that have not previously furnished a Final Release and Waiver of Lien.
- d. Prior to final payment, the Design-Builder must comply with the requirements of Section 16.08, below.

### Section 16.03 Payment for Changes

1. The Design-Builder shall comply with the terms and conditions of Section 17.03 below and provide the Commission Representative with prompt notice of any change to the Work.
  - a. If the Commission Representative determines that the change identified by the Design-Builder is not a change to the Work, but either is or is not compensable from the Design-Builder's Contingency, the Commission Representative will promptly notify the Design-Builder of such determination. In the event that the Design-Builder disagrees with such determination, the Design-Builder may file a Claim pursuant to Article 18 of this Book 2.
  - b. If the Commission Representative determines that the change identified by the Design-Builder is a change to the Work that is compensable from the Commission Contingency, the Commission Representative shall issue a Field Order and Change Order for such changed Work to the Design-Builder.
  - c. If the Commission Representative determines that the change identified by the Design-Builder is a change to the Work that requires an increase to the GMP, the Commission Representative shall issue a Field Order and amendment to the Contract to that effect to the Design-Builder.

When directed in writing by a Field Order signed by the Commission Representative, the Design-Builder will proceed promptly in accordance with such Field Order. Any adjustment to the GMP that may be required by a Field Order will be determined by one of the following methods:

#### d. Method 1 - Cost Plus Fee Adjustment

(1) Where the parties are unable to determine and agree upon an equitable cost for a change to the Work, a Field Order will be issued and the Design-Builder will proceed with the Work on a cost plus fee basis. The Commission will compensate the Design-Builder for fifty percent (50%) of the cost of the change to the Work from the Commission Contingency. Cost means the Design-Builder's actual cost of labor, material, equipment, insurance, and applicable taxes, as reviewed and approved by the Commission. To the Design-Builder's cost so computed will be added an amount equal to 10% of such cost as Design-Builder's Fee to compensate the Design-Builder for the overhead and profit associated with the change to the Work.

(2) The Design-Builder and Subcontractors must keep and present in such form as the Commission Representative may direct a correct accounting of the costs of all labor, material, equipment, insurance, and applicable taxes, together with supporting vouchers, receipts, and payroll records.

2. The Design-Builder's agreement to a Change Order constitutes a waiver and release by the Design-Builder for any claim for additional payment or a time extension associated with the changes as stated in Section 17.05.
3. The Design-Builder will include any claim for a time extension in the submission of his proposal.

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Such claim will only be considered upon demonstration by the Design-Builder that a disruption to Critical Path activities has occurred. Design-Builder is required to furnish documentation in the form of proposed schedule revisions indicating impact in Critical Path activities and events previously approved by the Commission.

4. The Design-Builder will be required to use **Exhibit O** – "Design-Builder's Proposal for Change Order" for any Change Order requests.

### Section 16.04 Deductions for Uncorrected Work

The Commission reserves the right to, in its sole discretion, deduct the cost of damaged or non-conforming Work from the GMP rather than require Design-Builder to repair or replace such damaged or non-conforming Work.

### Section 16.05 Certificates for Payment and Direct Deposit of Funds

1. If the Design-Builder has complied with the requirements of Section 16.02, "Payment Applications," the Commission Representative will issue to the Design-Builder a certificate for such amount as the Commission Representative determines to be properly due as agreed upon during the payment review meeting during the preceding payment period. The amount of each partial payment will be the total sum of completed Work less prior partial payments, retainage, and payments withheld in accordance with the provisions of Section 16.07 "Payments Withheld."
2. No certificate issued for payment, nor payment to the Design-Builder, nor partial or entire use of the Work, nor occupancy of the Site by the Commission or the User will be an acceptance of any Work or materials not in accordance with the Contract Documents.
3. Any certificates for payment are for the benefit of the Commission and will not be relied upon by any other party (including any surety or Subcontractor of the Design-Builder) in any action against the Commission, the Commission's Architect, or anyone acting on behalf of either of them.
4. The Design-Builder may make a written request to the Commission Representative for payment of Payment Applications by direct electronic deposit to the Design-Builder's bank account. The Design-Builder will also have to follow the administrative procedures required by the Commission in order to receive payment by electronic deposit.

### Section 16.06 Retainage

1. The Commission will retain ten percent (10%) from the invoice sums approved and due the Design-Builder up to a total of fifty percent (50%) of the Cost of the Work, including approved Change Orders. The amount so retained ("Retainage") which is five percent (5%) of the Cost of the Work including approved Change Orders, will be released to Design-Builder in accordance with section 16.08 below.
2. The Executive Director, at the Executive Director's sole discretion, may increase the amount of the Retainage withheld if the Executive Director considers the Design-Builder's performance or the progress of the Work to be such that the Commission will likely incur damages, including but not limited to liquidated damages, in excess of the amount of Retainage.
3. The Design-Builder must not withhold retainage from its Subcontractors in excess of the percentage Retainage withheld by the Commission from payments to the Design-Builder and must release Retainage to the Subcontractors under Section 16.08 or the prompt payment to Subcontractors required by Section 16.09.

### Section 16.07 Payments Withheld

1. No payment shall be made to the Design-Builder until certificates of insurance, bonds, or other



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evidence of compliance by the Design-Builder with all the requirements of the Contract for insurance and bonds have been provided to the Commission.

2. The Commission Representative may decline processing a Payment Application if, in the Executive Director's opinion, the Payment Application is not adequately supported. Failure to submit an approvable monthly schedule update concurrent with each Payment Application may be considered a failure to adequately support a Payment Application. Any Payment Application not supported by an approvable schedule update shall result in the Design Builder's waiver of any right to assert by CPCO, Claim or otherwise, the right to a time extension (compensable or non-compensable) arising out of work performed or events that occurred during the period covered by the Payment Application. If the Design-Builder and Commission Representative cannot agree on a revised amount to process an inadequately supported Payment Application for, the Commission Representative will process the Payment Application in the amount the Executive Director deems appropriate.
3. The Commission's rights under Section 16.07 are cumulative to any other rights provided under the Contract.

### Section 16.08 Release of Retainage

1. At Substantial Completion. When the Project is Substantially Complete, the Design-Builder must notify the Commission Representative, in writing, that the Project will be ready for inspection and/or testing on a definite date. Such notice must be given at least seven (7) calendar days in advance of said date. If the Commission Representative concurs that the Project will be ready for inspection and/or testing on the date given, the Executive Director and other parties will make such inspection as is convenient for all parties, but within a reasonable period of time. The scheduling of the inspection to determine whether the Project is Substantially Complete shall not relieve the Design-Builder of its responsibilities under the Contract Documents. The Design-Builder is required to furnish access for the inspection. If the Executive Director finds that the Work is acceptable under the Contract Documents and has been fully and satisfactorily performed on a timely basis, Retainage will be reduced to an amount equal to three percent (3%) of the Cost of the Work, including any approved Change Orders; provided that the Design-Builder has furnished: a) complete certified payrolls; b) documentation of the turnover of "as-built" drawings, record shop drawings, and product data; c) spare stock of materials, spare parts, accessories, special tools, O & M manuals, guarantees, warranties; d) and all other items required by the Contract Documents or reasonably required by the Commission Representative.
3. At Project Final Completion. The remaining Retainage will be paid when all remaining Work and punch list Work is complete and the Design-Builder submits to the Commission Representative a sworn affidavit that states the following:
  - a. All payrolls, bills for materials and equipment, and all other indebtedness connected with the Work for which the Commission might in any way be responsible, have been paid or otherwise satisfied.
  - b. The "Design-Builder's Sworn Statement and Affidavit" for final release of retainage has been provided to the Commission Representative.
  - c. All claims made by Subcontractors of any tier, suppliers, and others against the Design-Builder, the Commission, any agents of the Commission, the Executive Director or Commission Representative have been resolved.
  - d. "Final Waiver of Lien and Contractor's Affidavit" forms for all Subcontractors of any tier have been provided to the Commission Representative.
  - e. The Warranties and Guarantees, required by the Contract, have been provided to the Commission Representative.

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- f. All Warranties and Guarantees are in full force and effect.
- g. Design-Builder has provided manufacturers' operating instructions for all equipment, and furnished proof that appropriate training of User Agency personnel has been completed.
- h. The surety's written consent, signed by its authorized representative, for final payment to be made directly to the Design-Builder, has been provided to the Commission Representative.
- i. The Design-Builder agrees that acceptance of final payment will constitute a general release to the Commission, its representatives, officials and employees of all claims of liability for anything done or furnished or relating to the Work of the Contract or for any act or neglect of the Commission or its agents officials and employees relating to or connected with the Contract.
- j. As-Built documentation including but not limited to As-Built Contract Drawings, As-Built Shop Drawings and Operation and Maintenance Manuals have been provided to the Commission Representative.
- k. All other documents requested by the Commission Representative have been provided.
- l. The Design-Builder must remove all of the Design-Builder's trailers, equipment, leftover materials, and trash from the Project site, staging area(s) or anywhere else on the Project Site. The Design-Builder must also restore the Design-Builder's staging area(s) to its pre-construction condition. If the Design-Builder does not comply with this requirement, the Commission Representative may provide written notice to comply within a period of time determined by the Commission Representative. If the Design-Builder fails to comply with the written notice, the Commission Representative may have the work done by others, and deduct the charge from the Design-Builder's Retainage.
- m. The Design-Builder furnishes the Commission with a certificate in the following form (Book 2, Exhibit P) verifying wages and classifications for laborers and mechanics, including apprentices and trainees employed on the Project:

The undersigned, Contractor on \_\_\_\_\_, (PBC Contract No. \_\_\_\_\_), certifies that all laborers, mechanics, apprentices and trainees employed by it or by a Subcontractor performing Work under the Contract have been paid wages at rates not less than those required by the Contract provisions, and that the Work performed by each such laborer, mechanic, apprentice or trainee conformed to the classifications set forth in the Contract or training program provisions applicable to the wage rate paid.

Signature and Title of Authorized Officer

\_\_\_\_\_  
Name Title

Contractor: \_\_\_\_\_

Project: \_\_\_\_\_

- 4. Notwithstanding the foregoing, the Commission Representative, in his sole discretion, may decline to release all or a portion of Retainage if the Commission Representative considers the Design-Builder's performance or the progress of the Work to be such that the Commission or User Agency has incurred or will likely incur damages greater than the Retainage, including but not limited to liquidated damages.

**Section 16.09 Prompt Payment to Subcontractors**

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1. The term "Subcontractor" is defined in Section 1.01. Design-Builder must state the requirements of the Prompt Payment provision in all Subcontracts and purchase orders. If Design-Builder fails to incorporate these provisions in all Subcontracts and purchase orders, the provisions of this Section are deemed to be incorporated in all Subcontracts and purchase orders. Design-Builder and the Subcontractors have a continuing obligation to make prompt payment to their respective Subcontractors. Compliance with this obligation is a condition of Design-Builder's participation and that of its Subcontractors on the Project.
2. The Illinois Prompt Payment Act, 30 ILCS 540/1.01 *et. seq.* requires prompt payment to subcontractors and suppliers, by the Design-Builder for work that has been satisfactorily completed.
3. The Design-Builder must make payment to its Subcontractors within fourteen (14) days of receipt of payment from the Commission for each monthly invoice, but only if the Subcontractor has satisfactorily completed its Work in accordance with the Contract Documents and provided the Design-Builder with all of the documents and information required of the Design-Builder by Article 16. "Payments". The Design-Builder may delay or postpone payment for a Payment Application when the Subcontractor's Work or materials do not comply with the requirements of the Contract Documents, and the Design-Builder is acting in good faith and not in retaliation for a Subcontractor exercising legal or contractual rights.
4. The Design-Builder must make final payment to its Subcontractors within fourteen (14) days after the Subcontractor has satisfactorily completed all of its Work, including but not limited to, completion of punch list work, providing final lien waivers, and providing all of the documents required by the Contract Documents for payment of Retainage at Final Completion of the Project as provided for in Section 16.08. Retainage must be paid to Subcontractors as required by this section, whether the Project has been determined to have reached Substantial Completion as defined in Section 1.01, or whether the Design-Builder has received payment from the Commission for Retainage. The Design-Builder may request that the Commission release the portion of the Retainage held by the Commission that the Design-Builder owes to the Subcontractor. The Design-Builder may delay or postpone payment of Retainage if the Subcontractor's Work or materials do not comply with the requirements of the Contract Documents, the Design-Builder has substantial grounds for and has acted reasonably in making the determination, and the Design-Builder is acting in good faith and not in retaliation for a Subcontractor exercising legal or contractual rights.
5. Design-Builder must make payment to Subcontractors so that they receive it within fourteen (14) days of Design-Builder's receipt of payment from the Commission. Payment is deemed received by the Subcontractor at the time of hand delivery by the Design-Builder, or three (3) calendar days after mailing by the Design-Builder.
6. To the extent feasible, to facilitate the flow of information to Subcontractor, the Commission Representative will post at the Project Field Office and on the PBC website ([www.pbccchicago.com](http://www.pbccchicago.com)), a list of Design-Builder's Payment Applications, including the Subcontractors identified in them, submitted to the Commission for payment and the date of payments made to the Design-Builder by the Commission.
7. Design-Builder must not delay or refuse to timely submit pay requests for a Subcontractor's work or materials. The Commission may construe such delay or refusal as Design-Builder's failure to act in good faith. "Timely", in this context, means within thirty (30) days after the portion of the Subcontractor's work that the Subcontractor has invoiced is in place in the Project or the materials delivered to the Commission (or off-site if this Contact permits payments for off-site delivery). In addition, Design-Builder must not delay or postpone payment for an undisputed portion of a Subcontractor's invoice or in connection with claims or disputes involving different Payment Applications on the same Project or different projects.
8. The Executive Director may withhold payment from the Design-Builder when the Executive Director determines that the Design-Builder has not complied with this Section 16.09.
9. These provisions do not confer any rights in Subcontractors against the Commission. Nothing in this section is to be construed to limit the rights of and remedies available to the Commission,

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including but not limited to various rights under the General Conditions.

### Section 16.10 Subcontractor Claims

The Design-Builder must pay all lawful claims made against it by its Subcontractors and all lawful claims made against Design-Builder by other third persons arising out of, in connection with, or because of its performance of this Contract. The Design-Builder further will cause all of its Subcontractors to pay all lawful claims made against them. In the even such lawful claims are not satisfied, the Commission is hereby empowered to disburse such sums for and on account of the Design-Builder directly to the respective parties to which such sums are due and owed.

### Section 16.11 Pay Applications and Payments Subject to Review

The Commission shall not be precluded or estopped by any measurement, estimate, or certificate made by Design-Builder or any Subcontractor either before or after the completion and acceptance of the Work and payment therefore, from showing the true amount and character of the Work performed and materials furnished by the Design-Builder, or from showing that any such measurement, estimate, or certificate is untrue or incorrectly made, or that the Work or materials do not conform in fact to the Contract. The Commission will not be precluded or estopped, notwithstanding any such measurement, estimate, or certificate and payment in accordance therewith, from recovering from the Design-Builder and its sureties such damages as the Commission may sustain by reason of the Design-Builder's failure to comply with the terms of the Contract.

### Section 16.12 No Waiver of Legal Rights

Neither the acceptance by the Commission nor any payment by the Commission will operate as a waiver of any portion of the Contract, or of any power herein reserved, or any right to damages herein provided. If the Commission elects to waive any breach of this Contract, that waiver will not be held to be a waiver of any other or subsequent breach.

The Commission will not be precluded or estopped from showing the true amount and character of the Work performed and materials furnished by Design-Builder, or from showing that any measurement, estimate, or certificate is untrue or incorrectly made, or that the Work or materials do not conform to the Contract. The Commission will not be precluded or estopped from recovering from the Design-Builder and/or its sureties such damages as the Commission may sustain by reason of Design-Builder's failure to comply with the terms of the Contract.

### Section 16.13 Liens

Whenever the Commission receives notice in writing of a lien or claim of money due from the Design-Builder to any Subcontractor, worker, or employee for Work performed or for materials or equipment furnished and used in or about the Work, the Commission may direct that the amount of such claim be deducted from payments due or to become due the Design-Builder and withheld by the Commission until such claim has been paid or otherwise discharged. This provision is to be construed as being solely for the benefit of the Commission, and will not require the Commission to determine or adjust any claims or disputes between the Design-Builder and its Subcontractors, workers, or employees, or to withhold any money for their protection, unless the Commission elects to do so. This provision is not to be construed as conferring any rights hereunder for the benefit of Subcontractors, workers or employees, or as enlarging or altering the application or effect of existing lien laws.

The final payment will not become due until the Design-Builder delivers to the Commission complete release of all liens, financial obligations or claims from the Design-Builder, Subcontractors, and other agents acting on its behalf in connection with the Work, arising out of the Work, and an affidavit that so far as it has knowledge or information, the releases include all the labor and material for which a claim could be made or a lien could be filed. If any lien remains unsatisfied after all payments have been made, the Design-Builder must refund to the Commission all moneys that the Commission may be compelled to pay in discharging such lien, including all costs and reasonable attorneys' fees.

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### ARTICLE 17. CHANGES IN THE WORK

#### Section 17.01 Owner's Right to Change Work

The Commission reserves the right to order, in writing, changes in the Work or the Schedule without prior notice to the Design-Builder's surety. The Design-Builder is obligated to perform the changed Work included in the written notice from the Commission in a timely manner. The Design-Builder must begin the changed Work upon receipt of a Field Order signed by the Commission Representative unilaterally directing changes in the Work or Schedule.

#### Section 17.02 Owner Directed Changes in the Work

1. The Commission may make changes in the Work by making alterations therein, or by making additions thereto, or by making deductions or omissions therefrom, without invalidating the Contract and without releasing or relieving the Design-Builder from any guarantee given pursuant to the Contract, without affecting the validity of the guarantee or Performance and Payment Bond and without relieving or releasing the surety or sureties of such bond. All such Work will be executed under the conditions of the original Contract. The Design-Builder will submit to the Commission Representative "as-built" or revised drawings clearly showing the revised Work, all as required by Book 2A – Section 01720 – Site Documentation Requirements.
2. Except in an emergency endangering life or property, no change in the Work will be made by the Design-Builder without receipt of a Field Order signed by the Commission Representative.
3. The Design-Builder will not perform changes to the Work directed by the User unless authorized to do so by the Commission based upon a Field Order signed by the Commission Representative.

#### Section 17.03 Changes to the Work Initiated by Design-Builder

1. In the event that Design-Builder identifies or encounters a differing site condition as set forth in Section 3.04.4 hereof, the Design-Builder shall submit a Request For Information (RFI) to the Commission Representative. If, upon receipt of a response from the Commission Representative to the RFI, the Design-Builder believes that there has been a change to the Work, the Design-Builder will submit a Design-Builder Proposed Change Order (CPCO) to the Commission Representative. The CPCO will state: the issue presented; any change to the Work that, in the opinion of the Design-Builder the issue requires; Design-Builder's proposed resolution of the issue; and the cost of the Work.

The Commission Representative will respond promptly to the CPCO. The response will take one of two forms: i) the Commission Representative concurs with the Design-Builder, and issues a Field Order that incorporates the terms stated in the CPCO or a Field Order with other terms; ii) the Commission Representative denies the CPCO, and issues a response notifying the Design-Builder that there is no change to the Work, and directing the Design-Builder to perform the Work pursuant to the answer to the RFI.

In the event that a CPCO is denied, the Design-Builder may file a claim pursuant to Article 18, "Claims and Disputes."

2. The Design-Builder, within 2 Days of receipt of a Field Order, must submit to the Commission Representative a CPCO for the revisions to the Work directed by the Field Order. The Design-Builder's failure to submit such request within the specified time will result in the issuance of a Change Order by the Commission for the adjustment to the GMP and/or time for the performance of the Work, if any, that the Commission deems appropriate for the Field Order.

#### Section 17.04 Change Orders or Amendments to Finalize the Terms of Field Orders

The final terms and provisions of a Field Order, including any adjustment in the GMP and/or the time for the performance of the Work, will be memorialized in a written Change Order or Amendment to the GMP signed first by the Design-Builder then by the Executive Director.

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### **Section 17.05 Design-Builder's Release**

Any and all Change Orders and amendments are a full release of the Commission from any liability for any additional compensation or extension of time arising or resulting from the circumstances that gave rise to, and the Work performed pursuant to, a Change Order or amendment. By acceptance of a Change Order or amendment, the Design-Builder accepts the compensation and/or time extension provided in full accord and satisfaction for that Change Order or amendment, and expressly waives, releases, and relinquishes any and all additional claims and demands relating to, or arising out of, the matters covered by that Change Order or amendment. The release that the Design-Builder must sign will state: "By executing this Change Order, Design-Builder certifies that it has reviewed and accepts the compensation and/or time extension provided in full accord and satisfaction for this Change Order and that it expressly waives and releases any and all additional claims and demands relating to, or arising out of, the matters covered by this Change Order as more fully described in the exhibit attached hereto including but not limited to: direct, indirect, overhead, home or field office costs; profits; damages; disruptions and impact."

### **Section 17.06 Performance of Changed Work**

The Design-Builder will promptly proceed with any changes in the Work or Target Schedule as directed by a Field Order in accordance with Section 17.01 "Owner's Right to Change Work." The Design-Builder's refusal or failure to proceed promptly as directed with the changed Work or changes in the Target Schedule constitutes an event of default under the Contract. No change to the Work by the Design-Builder as directed by the Commission will invalidate the Contract or release the Design-Builder's surety.

### **Section 17.07 Change Claims and Disputes**

If the Design-Builder and Commission Representative are unable to agree on the price and/or time extension in connection with a Field Order, the procedures set forth in Article 18 "Claims and Disputes" will govern.

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### ARTICLE 18. CLAIMS AND DISPUTES

#### Section 18.01 Claims

1. This provision of the Contract applies to claims for time and/or money based on: a differing site condition (Section 3.04), changes in the work under Article 17, including CPCOs that have been denied pursuant to Section 17.03, and all other claims made under the Contract.
2. Any claim made by the Design-Builder regarding the Project must be made in accordance with the requirements stated below.
  - a. The Design-Builder expressly consents to both the time requirements and notice content requirements for making a Claim or Dispute under this Section 18.01.2. The Design-Builder acknowledges that the notice requirements set forth in this Section 18.01.2. will be strictly enforced and agrees that any failure on the part of the Design-Builder to provide notice strictly in accordance with the requirements of this Section 18.01.2. will constitute a waiver of the Design-Builder's right to make a Claim to the Commission Representative or submit a Dispute to the Executive Director. The Design-Builder further understands and agrees that, notwithstanding any case law decision to the contrary, the notice requirements of this Section 18.01.2. will not be subject to or diminished by any claim on the part of the Design-Builder that the Commission Representative or Executive Director or any person acting on behalf of either of them had actual or constructive knowledge of any Claim or Dispute or any facts or circumstances supporting any such Claim or Dispute.
  - b. The Design-Builder must provide notice, in writing, to the Commission Representative of any claim for differing site conditions within one (1) day of discovery as required by Section 3.04.
  - c. The Design-Builder must provide notice, in writing, to the Commission Representative of any claim that may be made, within five (5) days after starting the work that is affected by the claim. The notice shall be referenced as a "Notice of Claim Related Work" and must state the nature of the claim, the work that is affected by the claim, and the anticipated duration of the Work.
  - d. The Design-Builder must provide notice, in writing, to the Commission Representative of any claim based on: a differing site condition; a change in the Work directed by the Commission Representative; or any other cause within fifteen (15) days of completion of the changed Work.
  - e. The Design-Builder will designate the document "Claim." The Claim must include:
    - (1) The amount of money and/or time extension sought by the Design-Builder, and the contractual and factual basis for each;
    - (2) A general statement of the basis for the claim;
    - (3) The facts underlying the claim;
    - (4) The Notice of Claim Related Work to the Commission Representative;
    - (5) Reference to the applicable Contract provisions and;
    - (6) All documentation that describes, relates to, and/or supports the claim.
  - f. The Commission Representative will, within thirty (30) days of receipt of the Claim, respond by: requesting a meeting with the Design-Builder; making a written request for additional information from the Design-Builder; taking other action to attempt to resolve the Claim; and/or advising the Design-Builder, in writing of the Commission Representative's position regarding the relief sought in the Claim. If the Commission Representative's written response is that the Claim is denied, the letter will also advise the Design-Builder of its right to file a Dispute to the Executive Director. Any steps taken by the Commission Representative to resolve the Claim will not exceed sixty (60) days from receipt of the Claim, unless the Design-Builder agrees to an additional amount of time in writing.
  - g. If the Claim is denied by the Commission Representative, the Design-Builder must file its Dispute within thirty (30) days of receipt of the written denial of the Claim.

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### Section 18.02 Disputes

1. **Design-Builder's Request:** In the event of any disagreement between the Design-Builder and the Commission Representative which the Design-Builder and the Commission Representative have attempted, but been unable, to resolve, including, without limitation, changes, time extensions, claims, allowable costs or any other issues of fact or Contract interpretation based upon, relating to, or arising under the Contract, a request for resolution of the Dispute must be submitted to the Executive Director by the Design-Builder for final determination. The Design-Builder may not file a Dispute until there has been a denial of the Claim, which was the basis for the Dispute, by the Commission Representative. The default or termination of the Design-Builder are not matters that may be disputed under this provision of the Contract. The Design-Builder's failure to submit the Dispute within thirty (30) days of receipt of the Commission Representative's response to the Design-Builder's Claim is a waiver of the Dispute. The Executive Director may consider issues of Contract interpretation in connection with decisions to be made in resolving Disputes.
2. **Request Requirements:** Requests for resolution of Disputes must be made by the Design-Builder in writing, specifically referencing this section, and include: 1) the issue(s) presented for resolution; 2) a statement of the respective positions of the Design-Builder and Commission Representative; 3) the facts underlying the Dispute; 4) reference to the applicable provision of the Contract Documents by page and section; 5) the identity of any other parties believed to be necessary to the resolution of the Dispute; 6) all documentation which describes and relates to the Dispute and 7) if applicable, a statement explaining why the Design-Builder believes that prior to rendering a final decision, the Executive Director should meet with the Design-Builder, Commission Representative or any other parties believed to be necessary to the resolution of the Dispute. Copies of the request for resolution of the Dispute must promptly be provided to the Executive Director and Commission Representative on the same day. In addition, the Design-Builder's Dispute and any subsequent correspondence that relates to the Dispute which the Design-Builder provides to the Executive Director, must be copied to the Commission Representative. The Commission Representative shall have thirty (30) days to respond in writing to the Design-Builder's submission by supplementing the Design-Builder's submission or to provide its own submission to the Executive Director and Design-Builder. However, the Commission Representative may request, and the Executive Director may allow an additional period of time to respond. Failure by the Commission Representative to respond shall not be deemed to be an admission of any allegations made in the request for dispute resolution, but may be deemed to constitute a waiver of the opportunity to respond to such allegation(s), if any, at this stage of the Dispute. The Executive Director's decision may thereafter be reached in accordance with such other information or assistance as may be deemed reasonable, necessary or desirable by the Executive Director.
3. **Executive Director's Decision:** The Executive Director's final decision shall be rendered in writing no more than thirty-five (35) days after receipt of the response of the Commission Representative was filed or was due, unless the Executive Director notifies the Design-Builder and Commission Representative before the end of the thirty-five (35) day period that an additional period, not to exceed thirty (30) days, is needed for the Executive Director to respond. The Executive Director's decision shall be conclusive, final, and binding on all parties unless a judicial determination is sought in accordance with the provisions set forth below.
4. **Implementation of Decision:** In the event that the Executive Director's final decision requires a change to the Contract, the Executive Director's final decision shall be implemented through a Change Order which shall be made a part of the Contract, with or without the signature of the Design-Builder (if the Design-Builder refuses to sign the Change Order).
5. **Design-Builder's Remedy:** If either the Design-Builder or Commission does not agree with the decision of the Executive Director, the sole and exclusive remedy is judicial review by a common law writ of certiorari. Unless such review is sought within thirty-five (35) days of receipt of the Executive Director's decision, all right to seek judicial review is waived.
6. **Design-Builder's Performance of Work:** The Design-Builder may not withhold performance of and must prosecute any Work required by the Contract during the dispute resolution period, including judicial resolution. The Design-Builder must prosecute all of its Work, including any disputed



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Work, with the same diligence and effort as if no dispute existed. The Executive Director's written determination must be complied with pending final resolution, including judicial resolution of the Dispute. Neither the Executive Director's determination, nor the actions of the Design-Builder or the Commission Representative in connection therewith, nor the continued performance by either party, shall constitute an admission as to any factual and/or legal position in connection with the dispute or a waiver of any rights under the Contract.

7. Administrative Appeal of Dispute: The Design-Builder must follow the procedures set out in this Article 18, "Claims and Disputes", and receive the Executive Director's final decision as a condition precedent to filing a judicial review of the decision by common law writ of certiorari.

### Section 18.03 No Waiver of Legal Rights

1. Neither the acceptance by the Commission or any representative of the Commission, nor any payment for or acceptance of the whole or any part of the Work, nor any extension of time, nor any possession taken by the Commission will operate as a waiver by the Commission of any portion of the Contract, or of any power herein reserved or any right of the Commission to damages herein provided. A waiver of any breach of the Contract is not held to be a waiver of any other or subsequent breach.
2. Whenever under this Contract, the Commission by a proper authority waives the Design-Builder's performance in any respect or waives a requirement or condition to either the Commission or the Design-Builder's performance, the waiver so granted, whether express or implied, only applies to the particular instance and is not deemed a waiver forever or for subsequent instances of performance, requirement, or condition. No such waiver is construed as a modification of this Contract regardless of the number of times the Commission may have waived the performance requirement or condition.

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### ARTICLE 19. EVENTS OF DEFAULT AND TERMINATION

#### Section 19.01 Events of Default

The Design-Builder's failure to perform any of its obligations under the Contract, including but not limited to the following, are events of default:

1. failure to begin the Work at the time specified;
2. failure to perform the Work in accordance with the Contract Documents;
3. failure to perform the Work with sufficient workers, equipment, or materials to ensure the completion of the Work or any part of the Work within the time specified by the Contract;
4. persistent or repeated refusal or failure (except in cases for which extension of time is provided) to supply adequate skilled workers or proper materials;
5. unauthorized discontinuance of the Work;
6. failure to promptly remove materials, or repair, or replace Work that was rejected as defective or unsuitable;
7. failure to make prompt payment to Subcontractors, whether for material or labor;
8. failure to submit all documents required by the Contract Documents or Commission, including but not limited to timely submission of payment applications;
9. failure to prosecute the Work in a manner acceptable to the Commission or in a manner that does not comply with all laws applicable to the Work.
10. persistently disregarding laws, ordinances, or instructions of the Commission, or Commission Representative; or,
11. failure to comply with any other term of the Contract that states an event of default or otherwise engages in a substantial violation of any provision of the Contract Documents.
12. interruption or delay of Work for reasons within the Design-Builder's control, including, but not limited to, labor interests or disputes;
13. failure to comply with federal, state, or local safety requirements;
14. the Design-Builder's default on a contract with the PBC, CPS, CHA, CTA, or City of Chicago;
15. the Design-Builder's failure to be licensed as a "General Contractor" as required by Chapter 4-36 of the Chicago Municipal Code, at all times throughout the term of the Contract or Design-Builder's loss of its general license;
16. disqualification as an MBE or WBE of the Design-Builder or any joint venture partner, Subcontractor or supplier if its status as an MBE or WBE was a factor in the award of the Contract and such status was misrepresented by Design-Builder;
17. Design-Builder becomes insolvent or bankrupt, attempts assignment of all or any part of the proceeds of this Contract, makes a general assignment for the benefit of creditors, or if a receiver is appointed on account of insolvency any of which negatively impacts Design-Builder's ability to pay Subcontractors or perform the work.