

OREGON STATE UNIVERSITY

Sample SUPPLEMENTAL GENERAL CONDITIONS

To The

RESERVE CONTRACTS GENERAL CONDITIONS

Project Name: Valley Library Mechanical Renewal-GC

The following modify the January 31, 2019 Oregon State University General Conditions for Reserve Contracts (“OSU General Conditions”) for this Contract. Where a portion of the OSU General Conditions is modified by these Supplemental General Conditions, the unaltered portions shall remain in effect.

SG-1 The following terms are added:

Subcontractor Interest. Contractor shall develop Subcontractor interest in the Project and shall furnish Owner Parties with a list of possible Subcontractors for each principal portion of the Work (the “Potential Subcontractor List”). Contractor’s submission of the Potential Subcontractor List is for information and discussion only and is not for Owner Parties’ prequalification. Owner’s receipt of the Potential Subcontractor List shall not require Owner Parties to investigate, and shall not waive Owner Parties’ right to reject, the qualifications of any Subcontractors.

Contractor shall furnish Owner Parties with information and advice concerning current construction market bidding conditions and shall advise Owner Parties of subcontracting opportunities with certified diverse businesses.

Contractor shall comply with OSU Business Inclusion and Diversity Program as set forth in OSU Standard 03-010 and OSU Procurement and Contract Services Manual Section 316.

Contractor shall document all discussions with, questions received from, and answers and responses given to, any firm from which Contractor expects to receive a bid or proposal for the Project, prior to its receipt of the same. Contractor shall ensure that any information it provides that might affect other potential Subcontractors is shared with all interested parties prior to the required submittal date. Owner Parties shall be entitled to inspect all such documentation on request.

Bidder Qualifications. For each bid package, Contractor shall submit to Owner Parties for approval, a proposed list of qualified bidders. All proposed Subcontractors shall be reputable and qualified firms, each with a sufficient record of successful performance of work similar to that Work for which they are proposed. All potential Subcontractors who

by Applicable Law must be qualified and registered, shall be, and shall meet the State of Oregon Construction Contractors Board's requirements to perform work.

Owner shall have the right to approve or disapprove, in its reasonable discretion, any proposed bidder on the Potential Subcontractor List and shall inform Contractor of the same within ten (10) days after Owner Parties' receipt of the Potential Subcontractor List. However, Owner's right to approve proposed bidders shall not be construed to relieve Contractor of its responsibility to propose and select qualified Subcontractors, and ensure their adequate performance of the Work, all in accordance with the Contract Documents' requirements.

Subcontractor Selection. After Contractor and Owner have agreed to potential bidders from the Potential Subcontractor List (the "Qualified Bidders"), Contractor shall solicit from such Qualified Bidders at least three (3) competitive bids or proposals for each Subcontract. If Contractor is unable to solicit three (3) or more competitive bids or proposals for a division of Work, Owner's prior written approval shall be required to accept any bid or proposal for that Work.

If Owner approves a Prequalification Plan, Contractor may award Subcontracts to firms meeting the Prequalification Plan's standards, with Owner's prior written approval.

Unless Owner otherwise approves in writing, all Subcontract bids and proposals shall be in writing, submitted to a specific location at a specific time. Contractor shall time-stamp all bids and proposals when received.

Contractor shall coordinate and conduct the bid or proposal opening process. Owner Parties shall have the right, but not the obligation, to be present for all bid and proposal openings, scope review meetings, and negotiations, and shall have access to all submission materials in Contractor's possession.

Prior to award, Contractor shall: (i) prepare and deliver to Owner Parties a bid tabulation in a mutually agreeable form clearly comparing such bids and proposals, together with any specific back-up documentation Owner requests; (ii) review the apparent low bids and proposals and (iii) work with the firms offering the same to clarify, reduce exclusions, verify scope and quantities, and seek to minimize potential Change Orders and Claims.

Contractor shall determine the lowest bid for each solicitation that meets the requirements of this Article 6 and Contractor's reasonable performance standards; provided, however, if Contractor is unable to enter into a suitable Subcontract with a low bidder, Contractor may, with Owner's prior written approval, Subcontract with the second-lowest bidder pursuant to the following item 1:

1. Under special circumstances and only with Owner's prior written authorization, Contractor may be permitted to Subcontract on a basis other than low price, including by competitive negotiation. Examples of such special circumstances

include when there are single fabricators of specified Materials, special packaging requirements for Work, design-build Work, and where an alternative contracting method can be demonstrated to clearly benefit Owner and the Project. As a condition to such authorization, Owner may require that Contractor agree to establish and implement qualification and performance criteria for Subcontractors in these circumstances, including a scoring system within requests for proposals.

Owner Parties shall have the right, but not the obligation, to monitor Contractor's competitive Subcontract award process. Contractor shall cooperate in all respects with Owner Parties' monitoring. Owner Parties' monitoring shall not excuse Contractor from complying with the Contract Documents' requirements.

Notwithstanding anything to the contrary contained in this Section SG-1, Owner may, at its sole discretion, require Contractor re-solicit Subcontract bids and proposals.

Contractor shall, and require Subcontractors to, comply with all prevailing wage requirements including State of Oregon Bureau of Labor & Industries prevailing wage rates and Davis-Bacon federal wage rates as and when applicable to the Work. In the event both state and federal rates apply to the same Work, the higher rate requirements shall control.

Contractor shall indemnify, defend, and hold harmless, Owner Parties, from and against any Subcontractor claim that arises due to Contractor's failure to incorporate the relevant terms of this Article 6 and other necessary provisions of the Contract Documents in each Subcontract.

Contractor shall not alter any material term or condition of a Subcontract without Owner's prior written consent.

Subcontractor Protests. Contractor shall include in its competitive Subcontracting process subject to Owner Parties' approval a protest procedure. Contractor shall be solely responsible for resolving Subcontract procurement protests and shall act as an independent contractor, not Owner's agent, in connection with all such procurement protests.

Contractor shall indemnify, defend, and hold harmless, Owner Parties, from and against all such procurement protests and resulting claims and Claims.

The provisions of this Section SG-1 solely benefit Owner and do not grant rights or remedies to any Subcontractor or other protester.