**SUPPLEMENTARY CONDITIONS**

These Supplementary Conditions modify, change, delete from or add to the General Conditions of the Contract for Construction, AIA Document A201, 2017 Edition. Where any Article of the General Conditions is modified or any Section, Paragraph, Subparagraph or Clause thereof is modified or deleted by these supplements, the unaltered provisions of that Section, Article, Paragraph, Subparagraph or Clause shall remain in effect.

Articles, Sections, Paragraphs, Subparagraphs or Clauses modified or deleted have the same numerical designation as those occurring in the General Conditions.

**ARTICLE 1**

# GENERAL PROVISIONS

## BASIC DEFINITIONS

* + 1. **The Contract Documents**

## In Section 1.1.1 delete the third sentence, and add the following sentence:

## The Contract Documents shall include the Bid Documents as listed in the Instructions to Bidders and any modifications made thereto by addenda.

**1.1.8 Initial Decision Maker**

Delete all after the words, “shall not show partiality to the Owner or Contractor”.

**1.5 OWNERSHIP AND USE OF DRAWINGS, SPECIFICATIONS AND OTHER INSTRUMENTS OF SERVICE [REFER TO *La R.S. 38:2317*]**

# 1.5.1 Delete the first sentence of the paragraph.

1.5.1 In the third sentence: delete the remainder after the word “publication”.

**1.7 DIGITAL DATA USE AND TRANSMISSION**

In the first sentence after the words, “in digital form” delete “. The parties will use AIA Document E203 2013, Building Information Modeling and Digital Data Exhibit”.

**1.8 BUILDING INFORMATION MODELS USE AND RELIANCE**

Delete Section 1.8.

**ARTICLE 2**

**OWNER**

**2.2 EVIDENCE OF THE OWNER’S FINANCIAL ARRANGEMENTS**

Delete Section 2.2.

**2.3 INFORMATION AND SERVICES REQUIRED OF THE OWNER**

2.3.1 In the first sentence, delete: all before “the Owner shall secure…”

Delete Section 2.3.2 and substitute the following:

2.3.2 The term Architect, when used in the Contract Documents, shall mean the prime Designer (Architect, Engineer, or Landscape Architect), or his authorized representative, lawfully licensed to practice architecture, engineering, or landscape architecture in the State of Louisiana, identified as such in the Agreement and is referred to throughout the Contract Documents as if singular in number.

2.3.3 Delete the words: “to whom the Contractor has no reasonable objection and”.

**ARTICLE 3**

**CONTRACTOR**

**3.4 LABOR AND MATERIALS**

3.4.2 Delete Section 3.4.2.

Delete Section 3.4.3 and substitute with the following:

3.4.3 Contractor and its employees, officers, agents, representatives, and Subcontractors shall conduct themselves in an appropriate and professional manner, in accordance with the Owner’s requirements, at all times while working on the Project. Any such individual who behaves in an inappropriate manner or who engages in the use of inappropriate language or conduct while on Owner’s property, as determined by the Owner, shall be removed from the Project at the Owner’s request. Such individual shall not be permitted to return without the written permission of the Owner. The Owner shall not be responsible or liable to Contractor or any Subcontractor for any additional costs, expenses, losses, claims or damages incurred by Contractor or its Subcontractor as a result of the removal of an individual from the Owner’s property pursuant to this Section. The Contractor shall not permit employment of unfit persons or persons not properly skilled in tasks assigned to them.

**3.5 WARRANTY**

3.5.2 Replace reference to “Section 9.8.4” with “Section 9.8.6”.

**3.7 PERMITS, FEES, NOTICES, AND COMPLIANCE WITH LAWS (La R.S. 40:1724[A])**

3.7.1 Delete Section 3.7.1.

3.7.2 In Section 3.7.2, replace the word “public” with the word “State”.

Delete Section 3.7.5 and substitute the following:

3.7.5 If, during the course of the Work, the Contractor discovers human remains, unmarked burial or archaeological sites, burial artifacts, or wetlands, which are not indicated in the Contract Documents, the Contractor shall follow all procedures mandated by State and Federal law, including but not limited to La R.S. 8:671 et seq., the Office of Coastal Protection and Restoration, and Sections 401 & 404 of the Federal Clean Water Act. Request for adjustment of the Contract Sum and Contract Time arising from the existence of such remains or features shall be submitted in writing to the Owner pursuant to the Contract Documents.

**3.8 ALLOWANCES**

Delete Sections 3.8.1, 3.8.2, and 3.8.3 in their entirety and add the following new Section 3.8.1:

3.8.1 Allowances shall not be made on any of the Work.

**3.9 SUPERINTENDENT**

3.9.1 Add the following to the end of the paragraph:

Important communications shall be confirmed in writing. Other communications shall be similarly confirmed on written request in each case.

**3.10 CONTRACTOR’S CONSTRUCTION AND SUBMITTAL SCHEDULES**

3.10.1 Add the following: For projects with a contract sum greater than $1,000,000.00, the Contractor shall include with the schedule, for the Owner’s and Architect’s information, a network analysis to identify those tasks which are on the critical path, i.e., where any delay in the completion of these tasks will lengthen the project timescale, unless action is taken. A revised schedule shall be submitted with each Application and Certificate for Payment. No payment shall be made until this schedule is received.

3.10.3 In the first sentence, delete the word “general”.

After the first sentence, add the following:

If the Work is not on schedule, as determined by the Architect, and the Contractor fails to take action to bring the Work on schedule, then the Contractor shall be deemed in default under this Contract and the progress of the Work shall be deemed unsatisfactory. Such default may be considered grounds for termination by the Owner for cause in accordance with Section 14.2.

Add the following Sections:

3.10.4 Add the following: Submittal by the contractor of a schedule or other documentation showing a completion date for his Work prior to the completion date stated in the contract shall not impose any obligation or responsibility on the Owner or Architect for the earlier completion date.

3.10.5 In the event the Owner employs a commissioning consultant, the Contractor shall cooperate fully in the commissioning process and shall require all subcontractors and others under his control to cooperate. The purpose of such services shall be to ensure that all systems perform correctly and interactively according to the provisions of the Contract Documents.

**3.11** **DOCUMENTS AND SAMPLES AT THE SITE**

Add the following: This requirement is of the essence of the contract. The Architect shall determine the value of these documents and this amount shall not be approved for payment to the Contractor until all of the listed documents are delivered to the Architect in good order, completely marked with field changes and otherwise complete in all aspects.

**ARTICLE 4**

**ARCHITECT**

**4.2 ADMINISTRATION OF THE CONTRACT**

4.2.1 In the first sentence, delete the phrase: “the date the Architect issues the final Certificate for Payment” and replace with the phrase “final payment is due, and with the Owner’s concurrence, from time to time during the one year period for correction of Work described in Section 12.2.”

4.2.2 In the first sentence, after the phrase: “become generally familiar with”; insert the following: “and to keep the Owner informed about”.

In the first sentence, after the phrase “portion of the Work completed”, insert the following: “to endeavor to guard the Owner against defects and deficiencies in the Work,”

4.2.4 In the first sentence, delete all after “The Owner and Contractor”, and add the following “may communicate directly with each other, when deemed necessary by the Owner, and the Owner will notify the Architect of any decision.”

4.2.10 Add the following sentence to the end of Section 4.2.10: There shall be no restriction on the Owner having a Representative.

4.2.11 Add the following sentence to the end of Section 4.2.11:

If no agreement is made concerning the time within which interpretation required of the Architect shall be furnished in compliance with this Section 4.2, then delay shall not be recognized on account of failure by the Architect to furnish such interpretation until 15 days after written request is made for them.

4.2.14 Insert the following sentence between the second and third sentences of Section 4.2.14:

If no agreement is made concerning the time within which interpretation required of the Architect shall be furnished in compliance with this Section 4.2, then delay shall not be recognized on account of failure by the Architect to furnish such interpretation until 15 days after written request is made for them.

**ARTICLE 5**

**SUBCONTRACTORS**

**5.2 AWARD OF SUBCONTRACTS AND OTHER CONTRACTS FOR PORTIONS OF THE WORK**

Delete Section 5.2.1, and substitute the following:

5.2.1 Unless otherwise required by the Contract Documents, the Contractor shall furnish at the Pre-Construction Conference, to the Owner and the Architect, in writing, the names of the persons or entities (including those who are to furnish materials or equipment fabricated to a special design) proposed for each of the principal portions of the Work. No Contractor payments shall be made until this information is received.

Delete Section 5.2.2, and substitute the following:

5.2.2 The Contractor shall be solely responsible for selection and performance of all subcontractors. The Contractor shall not be entitled to claims for additional time and/or an increase in the contract sum due to a problem with performance or nonperformance of a subcontractor.

Delete Sections 5.2.3 and 5.2.4 and substitute the following:

5.2.3 The Contractor shall notify the Architect and the Owner when a subcontractor is to be changed and substituted with another subcontractor.

**5.4 CONTINGENT ASSIGNMENT OF SUBCONTRACTS**

Delete Sections 5.4, 5.4.1, 5.4.2 and 5.4.3

**ARTICLE 7**

**CHANGES IN THE WORK**

**7.1 GENERAL**

Add the following Sections:

7.1.4 As part of the pre-construction conference submittals, the Contractor shall submit the following prior to the Contractor’s initial request for payment:

7.1.4.1 Fixed job site overhead cost itemized with documentation to support daily rates.

7.1.4.2 Bond Premium Rate with supporting information from the General Contractor’s carrier.

7.1.4.3 Labor Burden by trade for both Subcontractors and General Contractor. The Labor Burden shall be supported by the Worker’s Compensation and Employer’s Liability Insurance Policy Information Page. Provide for all trades.

7.1.4.4 Internal Rate Charges for all significant company owned equipment.

7.1.5 If the General Contractor fails to submit the aforementioned documentation as part of the pre-construction submittals, then pay applications shall not be processed until such time as the Owner receives this information.

**7.2 CHANGE ORDERS**

Delete Section 7.2.1, and substitute the following Sections:

7.2.1 A Change Order is a written instrument prepared by the Architect and signed by the Owner, the Architect, and the Contractor issued after execution of the Contract, authorizing a change in the Work and/or an adjustment in the Contract Sum and/or the Contract Time. The Contract Sum and the Contract Time may be changed only by Change Order. A Change Order signed by the Contractor indicates his agreement therewith, including the adjustment in the Contract Sum or the Contract Time. Any reservation of rights, stipulation, or other modification made on the change order by the contractor shall have no effect.

7.2.2 “Cost of the Work” for the purpose of Change Orders shall be the eligible costs required to be incurred in performance of the Work and paid by the Contractor and Subcontractors which eligible costs shall be limited to:

7.2.2.1 Actual wages paid directly to labor personnel, with a labor burden markup exclusively limited to applicable payroll taxes, worker’s compensation insurance, unemployment compensation, and social security taxes for those labor personnel performing the Work. Wages shall be the basic hourly labor rate paid an employee exclusive of fringe benefits or other employee costs. The labor burden percentage for the “Cost of the Work” is limited to categories listed herein. Employer-provided health insurance, fringe benefits, employee training (whether a requirement of employment or not), vacation pay, etc., are examples of ineligible labor burden costs which ***shall not*** be included, as these costs are already compensated by the Overhead and Profit markup.

Supervision shall not be included as a line item in the “Cost of the Work”, except when the change results in a documented delay in the critical path, as described in Section 7.2.7.

7.2.2.2 Cost of all materials and supplies necessary and required to perform the Work, identifying each item and its individual cost, including taxes. Incidental consumables are not eligible costs and shall not be included.

7.2.2.3 Cost of each necessary piece of machinery and equipment required to perform the Work, identifying each item and its individual cost, including taxes. Incidental small tools of a specific trade (i.e., shovels, saws, hammers, air compressors, etc.,) and general use vehicles, such as pickup trucks even for moving items around the site, fuel for these general use vehicles, travel, lodging, and/or meals are not eligible and shall not be included.

7.2.2.4 Eligible Insurance costs shall be limited to documented increases in “Builder’s Risk” insurance premium / costs only. Commercial General Liability, Automobile Liability, and all other required insurances, where referenced in the Contract shall be considered part of normal overhead. These costs are already compensated by the Overhead and Profit markup.

7.2.2.5 Cost for the General Contractor Performance and Payment Bond premium, where the documented cost of the premiums have been increased due to the Change Order.

7.2.3 Overhead and Profit - The Contractor and Subcontractor shall be due home office fixed overhead and profits on the Cost of the Work, but shall not exceed a total of 16% of the direct cost of any portion of Work.

The credit to the Owner resulting from a change in the Work shall be the sum of those items above, including overhead and profit. Where a change results in both credits to the Owner and extras to the Contractor for related items, overhead and profit shall be computed for credits to the Owner and extras to the Contractor. The Owner shall receive full credit for the computed overhead and profit on credit change order items.

7.2.4 The cost to the Owner resulting from a change in the Work shall be the sum of: Cost of the Work (as defined at Section 7.2.2) and Overhead and Profit (as defined at Section 7.2.3), and shall be computed as follows:

7.2.4.1 When all of the Work is General Contractor Work; 8% markup on the Cost of the Work.

7.2.4.2 When the Work is all Subcontract Work; 8% markup on the Cost of the Work for Subcontractor’s Overhead and Profit, plus 8% markup on the Cost of the Work, not including the Subcontractor’s Overhead and Profit markup, for General Contractor’s Overhead and Profit.

7.2.4.3 When the Work is a combination of General Contractor Work and Subcontract Work; that portion of the direct cost that is General Contract Work shall be computed per Section 7.2.4.1 and that portion of the direct cost that is Subcontract Work shall be computed per Section 7.2.4.2.

Premiums for the General Contractor’s bond may be included, but after the markup is added to the Cost of the Work.

Premiums for the Subcontractor’s Bond shall not be included.

7.2.4.4 Subcontract cost shall consist of the items in Section 7.2.2 above plus Overhead and Profit as defined in Section 7.2.3.

7.2.5 Before a Change Order is prepared, the Contractor shall prepare and deliver to the Architect the following information concerning the Cost of the Work, not subject to waiver, within a reasonable time after being notified to prepare said Change Order:

A detailed, itemized list of labor, material and equipment costs for the General Contractor’s Work including quantities and unit costs for each item of labor, material and equipment.

An itemized list of labor, material and equipment costs for each Subcontractor’s and/or Sub-Subcontractor’s Work including quantities and unit costs for each item of labor, material and equipment.

7.2.6 After a Change Order has been approved, no future requests for extensions of time or additional cost shall be considered for that Change Order.

7.2.7 Extended fixed job-site costs are indirect costs that are necessary to support the work in the field. Examples of fixed job-site costs are field office rental, salaries of field office staff, field office utilities, and telephone.

Extended fixed job-site costs or equitable adjustment may be included in a Change Order due to a delay in the critical path, with the exception of weather related delays. In the event of a delay in the critical path, the Contractor shall submit all changes or adjustments to the Contract Time **within twenty-one (21) days** of the event giving rise to the delay. The Contractor shall submit documentation and justification for the adjustment by performing a critical path analysis of its most recent schedule in use prior to the change, which shows an extension in critical path activities.

The Contractor shall notify the Architect in writing that the Contractor is making a claim for extended fixed job-site overhead as required by Section 15.1.2. The Contractor shall provide proof that the Contractor is unable to mitigate financial damages through Alternate Work within this Contract or replacement work. “Replacement Work” is that work which the Contractor is obligated to perform under any construction contract separate from this Contract. Reasonable proof shall be required by the Architect that the delays affected the Completion Date.

7.2.8 “Cost of the Work” whether General Contractor cost or Subcontractor cost shall not apply to the following:

7.2.8.1 Salaries or other compensation of the Contractor’s personnel at the Contractor’s principal office and branch offices.

7.2.8.2 Any part of the Contractor’s capital expenses, including interest on the Contractor’s capital employed for the Work.

7.2.8.3 Overhead and general expenses of any kind or the cost of any item not specifically and expressly included above in Cost of the Work.

7.2.8.4 Cost of supervision refer to section 7.2.2.1, with exception as provided in Section 7.2.7.

7.2.9 When applicable as provided by the Contract, the cost to Owner for Change Orders shall be determined by quantities and unit prices. The quantity of any item shall be as submitted by the Contractor and approved by the Architect. Unit prices shall cover cost of Material, Labor, Equipment, Overhead and Profit.

**7.3 CONSTRUCTION CHANGE DIRECTIVES**

7.3.3 In the first sentence after “following methods” insert: “, but not to exceed a specified amount”.

7.3.4 From .1 of the list, delete all after “Costs of labor, including” and substitute the following “social security, old age and employment insurance, applicable payroll taxes, and workers’ compensation insurance;”

Delete the following from .4 of the list: “permit fees,”

Delete Section 7.3.9 and substitute the following:

7.3.9 Pending final determination of the total costs of a Construction Change Directive to the Owner, amounts not in dispute for such changes in the Work shall be included in Applications for Payment accompanied by a Change Order indicating the parties’ agreement with part or all of such costs.

**ARTICLE 8**

**TIME**

**8.1 DEFINITIONS**

Add the following:

8.1.5 The Contract Time shall not be changed by the submission of a schedule that shows an early completion date unless specifically authorized by change order.

**8.2 PROGRESS AND COMPLETION**

Add to Section 8.2.1 the following:

Completion of the Work must be within the Time for Completion stated in the Agreement, subject to such extensions as may be granted under Section 8.3. The Contractor agrees to commence Work not later than fourteen (14) days after the transmittal date of Written Notice to Proceed from the Owner and to substantially complete the project within the time stated in the Contract. The Owner will suffer financial loss if the project is not substantially complete in the time set forth in the Contract Documents. The Contractor and the Contractor’s Surety shall be liable for and shall pay to the Owner the sum stated in the Contract Documents as fixed, agreed and liquidated damages for each consecutive calendar day (Saturdays, Sundays and holidays included) of delay until the Work is substantially complete. The Owner shall be entitled to the sum stated in the Contract Documents. Such Liquidated Damages shall be withheld by the Owner from the amounts due the Contractor for progress payments.

Delete Section 8.2.2.

**8.3 DELAYS AND EXTENSIONS OF TIME**

8.3.1 In the first sentence after the words “Owner pending” delete the words “mediation and binding dispute resolution” and add the word “litigation”, and delete the last word “determine” and add the following: “recommend, subject to Owner’s approval of Change Order. If the claim is not made within the limits of Article 15, all rights for future claims for that month are waived.”

**ARTICLE 9**

**PAYMENTS AND COMPLETION**

**9.1 CONTRACT SUM**

Delete Section 9.1.2.

Delete Section 9.2 and substitute the following:

**9.2 SCHEDULE OF VALUES**

At the Pre-Construction Conference, the Contractor shall submit to the Owner and the Architect a Schedule of Values prepared as follows:

9.2.1 The attached Schedule of Values Format shall be used. If applicable, the cost of Work for each section listed under each division, shall be given. The cost for each section shall include Labor, Materials, Overhead and Profit.

9.2.2 The Total of all items shall equal the Total Contract Sum. This schedule, when approved by the Architect, shall be used as a basis for the Contractor’s Applications for Payment and it may be used for determining the cost of the Work in deductive change orders, when a specific item of Work listed on the Schedule of Values is to be removed. Once the Schedule of Values is submitted at the Pre-Construction Conference, the schedule shall not be modified without approval from the Owner and Architect.

**9.3 APPLICATIONS FOR PAYMENT**

Delete Sections 9.3.1, 9.3.1.1, and 9.3.1.2 and substitute the following:

9.3.1 Monthly, the Contractor shall submit to the Architect a Facility Planning and Control – Application and Certification for Payment form, supported by any additional data substantiating the Contractor’s right to payment as the Owner or the Architect may require. Application for Payment shall be submitted on or about the first of each month for the value of labor and materials incorporated into the Work and of materials, suitably stored, at the site as of the twenty-fifth day of the preceding month, less normal retainage as follows, per La R.S. 38:2248:

9.3.1.1 Projects with Contract price up to $500,000.00 – 10% of the Contract price.

9.3.1.2 Projects with Contract price of $500,000.00, or more – 5% of the Contract price.

9.3.1.3 No payment shall be made until the revised schedule required by Section 3.10.1 is received.

9.3.1.4 The normal retainage shall not be due the Contractor until after substantial completion and expiration of the forty-five day lien period and submission to the Architect of a clear lien certificate, consent of surety, and invoice for retainage.

Delete Section 9.3.2 and substitute the following:

9.3.2 Unless otherwise provided in the Contract Documents, payments shall be made on account of materials and equipment delivered and suitably stored at the site for subsequent incorporation in the Work. Payments for materials or equipment stored on the site shall be conditioned upon submission by the Contractor of bills of sale or such other procedures satisfactory to the Owner to establish the Owner’s title to such materials and equipment or otherwise protect the Owner’s interest, including applicable insurance.

**9.5 DECISIONS TO WITHHOLD CERTIFICATION**

Section 9.5.1.7: Delete the word “repeated”.

Delete Section 9.5.4.

**9.6 PROGRESS PAYMENTS**

Delete Section 9.6.1 and substitute the following:

9.6.1 After the Architect has issued a Certificate for Payment, the Owner shall make payment within twenty days except for projects funded fully or in part by a Federal reimbursement program. For such projects the Owner will make payment in a timely manner consistent with reimbursement.

9.6.2 Delete the phrase: “no later than seven days” from the first sentence.

After the end of the second sentence, add the following:

La R.S. 9:2784 (A) and (C) require a Contractor or Subcontractor to make payment due to each Subcontractor and supplier within fourteen (14) consecutive days of the receipt of payment from the Owner. If not paid, a penalty in the amount of ½ of 1% per day is due, up to a maximum of 15% from the expiration date until paid. The contractor or subcontractor, whichever is applicable, is solely responsible for payment of a penalty.

9.6.4 Delete the first two sentences of Section 9.6.4 and add the following to the end of the Section:

Pursuant to La. R.S. 38:2242 and La. R.S. 38:2242.2, when the Owner receives any claim of nonpayment arising out of the Contract, the Owner shall deduct 125% of such claim from the Contract Sum. The Contractor, or any interested party, may deposit security, in accordance with La. R.S. 38:2242.2, guaranteeing payment of the claim with the recorder of mortgages of the parish where the Work has been done. When the Owner receives original proof of such guarantee from the recorder of mortgages, the claim deduction will be added back to the Contract Sum.

Delete Section **9.7 FAILURE OF PAYMENT**.

Delete Section 9.8 and substitute the following:

**9.8 SUBSTANTIAL COMPLETION**

9.8.1 Substantial Completion is the stage in the progress of the Work when the Work is sufficiently complete in accordance with the Contract Documents so that the Owner can occupy or utilize the Work for its intended use. The Architect shall determine if the project is substantially complete in accordance with this Section.

9.8.2 When the Contractor considers that the Work is Substantially Complete, the Contractor shall prepare and submit to the Architect a comprehensive list of items to be completed or corrected prior to final payment. Failure to include an item on such list does not alter the responsibility of the Contractor to complete all Work in accordance with the Contract Documents.

9.8.3 Upon receipt of the Contractor’s list, the Architect shall make an inspection to determine whether the Work is substantially complete. A prerequisite to the Work being considered as substantially complete is the Owner’s receipt of the executed Roofing Contractor’s and Roofing Manufacturer’s guarantees, where roofing Work is part of the Contract. Prior to inspection by the Architect, the Contractor shall notify the Architect that the project is ready for inspection by the State Fire Marshal’s office. If the Architect’s inspection discloses any item, whether or not included on the Contractor’s list, which is not sufficiently complete in accordance with the Contract Documents so that the Owner can occupy or utilize the Work for its intended use, the Contractor shall, before the Work can be considered as Substantially Complete, complete or correct such item upon notification by the Architect. In such case, the Contractor shall then submit a request for another inspection by the Architect to determine Substantial Completion.

9.8.4 When the Architect determines that the project is Substantially Complete, he shall prepare a punch list of exceptions and the dollar value related thereto. The monetary value assigned to this list will be the sum of the cost estimate for each particular item of Work the Architect develops based on the mobilization, labor, material and equipment costs of correcting the item and shall be retained from the monies owed the contractor, above and beyond the standard lien retainage. The cost of these items shall be prepared in the same format as the schedule of values. At the end of the forty-five day lien period payment shall be approved for all punch list items completed up to that time. After that payment, none of the remaining funds shall be due the contractor until all punch list items are completed and are accepted by the Architect. If the dollar value of the punch list exceeds the amount of funds, less the retainage amount, in the remaining balance of the Contract, then the Project shall not be considered as substantially complete. If funds remaining are less than that required to complete the Work, the Contractor shall pay the difference.

9.8.5 When the preparation of the punch list is complete the Architect shall prepare a Recommendation of Acceptance incorporating the punch list and submit it to the Owner. Upon approval of the Recommendation of Acceptance, the Owner may issue a Notice of Acceptance of Building Contract which shall establish the Date of Substantial Completion. The Contractor shall record the Notice of Acceptance with the Clerk of Court in the Parish in which the Work has been performed. If the Notice of Acceptance has not been recorded seven (7) days after issuance, the Owner may record the Acceptance at the Contractor’s expense. All additive change orders must be processed before issuance of the Recommendation of Acceptance. The Owner shall not be responsible for payment for any Work associated with change orders that is not incorporated into the contract at the time of the Recommendation of Acceptance.

9.8.6 Warranties required by the Contract Documents shall commence on the date of Acceptance of the Work unless otherwise agreed to in writing by the Owner and Contractor. Unless otherwise agreed to in writing by the Owner and Contractor, security, maintenance, heat, utilities, damage to the Work not covered by the punch list and insurance shall become the Owner’s responsibility on the Date of Substantial Completion.

9.8.7 If all punch list items have not been completed by the end of the forty-five (45) day lien period, through no fault of the Architect or Owner, the Owner may hold the Contractor in default. If the Owner finds the Contractor is in default, the Surety shall be notified. If within forty-five (45) days after notification, the Surety has not completed the punch list, through no fault of the Architect or Owner, the Owner may, at his option, contract to have the balance of the Work completed and pay for such Work with the unpaid funds remaining in the Contract sum. Finding the Contractor in default shall constitute a reason for disqualification of the Contractor from bidding on future state contracts. If the surety fails to complete the punch list within the stipulated time period, the Owner may not accept bonds submitted, in the future, by the surety.

**9.9 PARTIAL OCCUPANCY OR USE**

Delete Section 9.9.1 and substitute the following:

9.9.1 Partial Occupancy is that stage in the progress of the Work when a designated portion of the Work is sufficiently complete in accordance with the Contract Documents so the Owner can occupy or utilize the designated portion of the Work for its intended use. The Owner may occupy or use any substantially completed portion of the Work so designated by separate agreement with the Contractor and authorized by public authorities having jurisdiction over the Work. Such occupancy or use may commence provided the Owner and Contractor have accepted in writing the responsibilities assigned to each of them for payments, if any, security, maintenance, heat, utilities, damage to the Work and insurance, and have agreed in writing concerning the period for correction of the Work and commencement of warranties required by the Contract Documents. When the Contractor considers the designated portion substantially complete the Contractor shall prepare and submit a list to the Architect as provided under Section 9.8.2. Consent of the Contractor to partial occupancy or use shall not be unreasonably withheld.

**9.10 FINAL COMPLETION AND FINAL PAYMENT**

Delete Section 9.10.4 and replace with the following:

9.10.4 The making of final payment shall not constitute a waiver of Claims by the Owner for the following:

9.10.4.1 Claims, security interests, or encumbrances arising out of the Contract and unsettled;

9.10.4.2 failure of the Work to comply with the requirements of the Contract Documents irrespective of when such failure is discovered;

9.10.4.3 terms of special warranties required by the Contract Documents; or

9.10.4.4 audits performed by the Owner, after final payment.

**ARTICLE 10**

**PROTECTION OF PERSONS AND PROPERTY**

**10.2 SAFETY OF PERSONS AND PROPERTY**

10.2.2 In the first sentence, between the words: “bearing on” and “safety”, add the words: “the health and,”

**10.3 HAZARDOUS MATERIALS**

10.3.1 In the second sentence after (PCB) add: “or lead”.

10.3.2 After the first sentence, delete all remaining sentences.

Add at the end: “The Contract time shall be extended appropriately.”

Delete Section 10.4 and substitute the following:

**10.4 EMERGENCIES**

In an emergency affecting the safety of persons or property, the Contractor shall notify the Owner and Architect immediately of the emergency, simultaneously acting at his discretion to prevent damage, injury or loss. Any additional compensation or extension of time claimed by the Contractor on account of emergency Work shall be determined as provided in Article 15 and Article 7.

**ARTICLE 11**

**INSURANCE AND BONDS**

**AIA A101 – 2017 Exhibit A is not a part of these documents. Delete all of Sections 11.1, 11.2, 11.3, 11.4, and 11.5, and substitute the following:**

**INSURANCE REQUIREMENTS FOR**

**NEW CONSTRUCTION, ADDITIONS AND RENOVATIONS**

**11.1 CONTRACTOR’S LIABILITY INSURANCE**

The Contractor shall purchase and maintain without interruption for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Work hereunder by the Contractor, its agents, representatives, employees or subcontractors. The duration of the contract shall be from the inception of the contract until the date of final payment.

**11.2 MINIMUM SCOPE AND LIMITS OF INSURANCE**

11.2.1 Worker’s Compensation

Worker’s Compensation insurance shall be in compliance with the Worker’s Compensa-tion law of the Contractor’s headquarters. Employers Liability is included with a minimum limit of $1,000,000 per accident/per disease/per employee. If Work is to be performed over water and involves maritime exposure, applicable LHWCA, Jones Act or other maritime law coverage shall be included. A.M. Best’s insurance company rating requirement may be waived for Worker’s compensation coverage only.

11.2.2 Commercial General Liability

Commercial General Liability insurance, including Personal and Advertising Injury Liability and Products and Completed Operations Liability, shall have a minimum limit per occurrence based on the project value. The Insurance Services Office (ISO) Commercial General Liability occurrence coverage form CG 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. Claims-made form is unacceptable.

The aggregate loss limit must apply to each project. ISO form CG 25 03 (current form approved for use in Louisiana), or equivalent, shall also be submitted. The State project number, including part number, and project name shall be included on this endorsement.

**COMBINED SINGLE LIMIT (CSL) PER OCCURRENCE**

**Projects over**

**Type of Projects $1,000,000 up to Projects over**

**Construction up to $1,000,000 \_$10,000,000\_\_ $10,000,000**

**New Buildings:**

Each Occurrence

Minimum Limit $1,000,000 $2,000,000 $4,000,000

Per Project Aggregate $2,000,000 $4,000,000 $8,000,000

**Renovations: The building(s) value for the Project is $\_\_\_\_\_\_\_\_\_\_\_\_\_\_.**

Each Occurrence

Minimum Limit $1,000,000\*\* $2,000,000\*\* $4,000,000\*\*

Per Project Aggregate 2 times per 2 times per 2 times per

occur limit\*\* occur limit\*\* occur limit\*\*

\*\*While the minimum Combined Single Limit of $1,000,000 is required for any renovation, the limit is calculated by taking 10% of the building value and rounding it to the nearest $1,000,000 to get the insurance limit. Example: Renovation on a $33,000,000 building would have a calculated $3,000,000 combined single limit of coverage (33,000,000 times .10 = 3,300,000 and then rounding down to $3,000,000). If the calculated limit is less than the minimum limit listed in the above chart, then the amount needed is the minimum listed in the chart. Maximum per occurrence limit required is $10,000,000 regardless of building value. The per project aggregate limit is then calculated as twice the per occurrence limit.

11.2.3 Automobile Liability

Automobile Liability Insurance shall have a minimum combined single limit per occurrence of $1,000,000. ISO form number CA 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. This insurance shall include third- party bodily injury and property damage liability for owned, hired and non-owned automobiles.

11.2.4 Excess Umbrella

Excess Umbrella Insurance may be used to meet the minimum requirements for General Liability and Automobile Liability only.

11.2.5 Builder’s Risk

11.2.5.1 Builder’s Risk Insurance shall be in an amount equal to the amount of the construction contract including any amendments and shall be upon the entire Work included in the contract. The policy shall provide coverage equivalent to the ISO form number CP 10 20, Broad Form Causes of Loss (extended, if necessary, to include the perils of wind, earthquake, collapse, vandalism/malicious mischief, and theft, including theft of materials whether or not attached to any structure). The policy must include architects’ and engineers’ fees necessary to provide plans, specifications and supervision of Work for the repair and/or replacement of property damage caused by a covered peril, not to exceed 10% of the cost of the repair and/or replacement.

11.2.5.2 Flood coverage shall be provided by the Contractor on the first floor and below for all projects, except as otherwise noted. The builder’s risk insurance policy, sub-limit for flood coverage shall not be less than ten percent (10%) of the total contract cost per occurrence.  If flood is purchased as a separate policy, the limit shall be ten percent (10%) of the total contract cost per occurrence (with a max of $500,000 if NFIP).  Coverage for roofing projects shall **not** require flood coverage.

11.2.5.3 A Specialty Contractor may provide an installation floater in lieu of a Builder’s Risk policy, with the similar coverage as the Builder’s Risk policy, upon the system to be installed in an amount equal to the amount of the contract including any amendments. Flood coverage is not required.

11.2.5.4 The policy must include coverage for the Owner, Contractor and any subcontractors as their interests may appear.

11.2.6 Pollution Liability *(required when asbestos or other hazardous material abatement is included in the contract)*

Pollution Liability insurance, including gradual release as well as sudden and accidental, shall have a minimum limit of not less than $1,000,000 per claim. A claims-made form will be acceptable. A policy period inception date of no later than the first day of anticipated Work under this contract and an expiration date of no earlier than 30 days after anticipated completion of all Work under the contract shall be provided. There shall be an extended reporting period of at least 24 months, with full reinstatement of limits, from the expiration date of the policy if the policy is not renewed. The policy shall not be cancelled for any reason, except non-payment of premium.

11.2.7 Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and accepted by the Owner. The Contractor shall be responsible for all deductibles and self-insured retentions.

**11.3 OTHER INSURANCE PROVISIONS**

11.3.1 The policies are to contain, or be endorsed to contain, the following provisions:

11.3.1.1 Worker’s Compensation and Employers Liability Coverage

11.3.1.1.1 To the fullest allowed by law, the insurer shall agree to waive all rights of subrogation against the Owner, its officers, agents, employees and volunteers for losses arising from Work performed by the Contractor for the Owner.

11.3.1.2 Commercial General Liability Coverage

11.3.1.2.1 The Owner, its officers, agents, employees and volunteers are to be added as additional insureds as respects liability arising out of activities performed by or on behalf of the Contractor; products and completed operations of the Contractor, premises owned, occupied or used by the Contractor. ISO Form CG 20 10 (for ongoing work) AND CG 20 37 (for completed work) (current forms approved for use in Louisiana), or equivalent, are to be used.

11.3.1.2.2 The Contractor’s insurance shall be primary as respects the Owner, its officers, agents, employees and volunteers for any and all losses that occur under the contract. The coverage shall contain no special limitations on the scope of protection afforded to the Owner, its officers, officials, employees or volunteers. Any insurance or self-insurance maintained by the Owner shall be excess and non-contributory of the Contractor’s insurance.

11.3.1.3 Builder’s Risk

The policy must include an endorsement providing the following:

In the event of a disagreement regarding a loss covered by this policy, which may also be covered by a State of Louisiana self-insurance or commercial property policy through the Office of Risk Management (ORM), Contractor and its insurer agree to follow the following procedure to establish coverage and/or the amount of loss:

Any party to a loss may make written demand for an appraisal of the matter in disagreement. Within 20 days of receipt of written demand, the Contractor’s insurer and either ORM or its commercial insurance company shall each select a competent and impartial appraiser and notify the other of the appraiser selected. The two appraisers shall select a competent and impartial umpire. The appraisers shall then identify the policy or policies under which the loss is insured and, if necessary, state separately the value of the property and the amount of the loss that must be borne by each policy. If the two appraisers fail to agree, they shall submit their differences to the umpire. A written decision by any two shall determine the policy or policies and the amount of the loss. Each insurance company agrees that the decision of the appraisers and the umpire if involved shall be binding and final and that neither party will resort to litigation. Each of the two parties shall pay its chosen appraiser and bear the cost of the umpire equally.

11.3.1.4 All Coverages

11.3.1.4.1 All policies must be endorsed to require 30 days written notice of cancellation to the Agency. Ten-day written notice of cancellation is acceptable for non-payment of premium. Notifications shall comply with the standard cancellation provisions in the Contractor’s policy. In addition, Contractor is required to notify Agency of policy cancellations or reductions in limits.

11.3.1.4.2 Neither the acceptance of the completed Work nor the payment thereof shall release the Contractor from the obligations of the insurance requirements or indemnification agreement.

11.3.1.4.3 The insurance companies issuing the policies shall have no recourse against the Owner for payment of premiums or for assessments under any form of the policies.

11.3.1.4.4 Any failure of the Contractor to comply with reporting provisions of the policy shall not affect coverage provided to the Owner, its officers, agents, employees and volunteers.

11.3.2 Acceptability of Insurers

All required insurance shall be provided by a company or companies lawfully authorized to do business in the jurisdiction in which the Project is located. Insurance shall be placed with insurers with an A.M. Best’s rating of **A-: VI or higher**. This rating requirement may be waived for Worker’s compensation coverage only.

If at any time an insurer issuing any such policy does not meet the minimum A.M. Best rating, the Contractor shall obtain a policy with an insurer that meets the A.M. Best rating and shall submit another certificate of insurance within 30 days.

11.3.3 Verification of Coverage

Contractor shall furnish the Owner with Certificates of Insurance reflecting proof of required coverage. The Certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The Certificates are to be received and approved by the Owner before Work commences and upon any contract renewal or insurance policy renewal thereafter. The Certificate Holder must be listed as follows:

State of Louisiana

Name of Owner

Owner Address

City, State, Zip

Attn: Project # \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

The Owner reserves the right to request complete certified copies of all required insurance policies at any time.

Upon failure of the Contractor to furnish, deliver and maintain required insurance, this contract, at the election of the Agency, may be suspended, discontinued, or terminated. Failure of the Contractor to purchase and/or maintain any required insurance shall not relieve the Contractor from any liability or indemnification under the contract.

If the Contractor does not meet the insurance requirements at policy renewal, at the option of the Owner, payment to the Contractor may be withheld until the requirements have been met, OR the Owner may pay the renewal premium and withhold such payment from any monies due the Contractor, OR the contract may be suspended or terminated for cause.

11.3.4 Subcontractors

Contractor shall include all subcontractors as insureds under its policies OR shall be responsible for verifying and maintaining the certificates provided by each subcontractor. Subcontractors shall be subject to all of the requirements stated herein. The Owner reserves the right to request copies of subcontractor’s certificates at any time.

If Contractor does not verify subcontractors’ insurance as described above, Owner has the right to withhold payments to the Contractor until the requirements have been met.

11.3.5 Worker’s Compensation Indemnity

In the event Contractor is not required to provide or elects not to provide Worker’s compensation coverage, the parties hereby agree the Contractor, its Owners, agents and employees shall have no cause of action against, and shall not assert a claim against, the State of Louisiana, its departments, agencies, agents and employees as an employer, whether pursuant to the Louisiana Worker’s Compensation Act or otherwise, under any circumstance. The parties also hereby agree that the State of Louisiana, its departments, agencies, agents and employees shall in no circumstance be, or considered as, the employer or statutory employer of Contractor, its Owners, agents and employees. The parties further agree that Contractor is a wholly independent Contractor and is exclusively responsible for its employees, Owners, and agents. Contractor hereby agrees to protect, defend, indemnify and hold the State of Louisiana, its departments, agencies, agents and employees harmless from any such assertion or claim that may arise from the performance of this contract.

11.3.6 Indemnification/Hold Harmless Agreement

Contractor agrees to protect, defend, indemnify, save, and hold harmless, the State of Louisiana, all State Departments, Agencies, Boards and Commissions, its officers, agents, servants, employees and volunteers, from and against any and all claims, damages, expenses and liability arising out of injury or death to any person or the damage, loss or destruction of any property which may occur, or in any way grow out of, any act or omission of Contractor, its agents, servants and employees, or any and all costs, expenses and/or attorney fees incurred by Contractor as a result of any claims, demands, suits or causes of action, except those claims, demands, suits or causes of action arising out of the negligence of the State of Louisiana, all State Departments, Agencies, Boards, Commissions, its officers, agents, servants, employees and volunteers.

Contractor agrees to investigate, handle, respond to, provide defense for and defend any such claims, demands, suits or causes of action at its sole expense and agrees to bear all other costs and expenses related thereto, even if the claims, demands, suits, or causes of action are groundless, false or fraudulent. The State of Louisiana may, but is not required to, consult with the Contractor in the defense of claims, but this shall not affect the Contractor’s responsibility for the handling and expenses of all claims.

**11.4 PERFORMANCE AND PAYMENT BOND**

11.4.1 The Owner shall have the right to require the Contractor to furnish bonds covering faithful performance of the Contract and payment of obligations arising thereunder as stipulated in bidding requirements or specifically required in the Contract Documents on the date of execution of the Contract.

11.4.2 Upon the request of any person or entity appearing to be a potential beneficiary of bonds covering payment of obligations arising under the Contract, the Contractor shall promptly furnish a copy of the bonds or shall authorize a copy to be furnished.

11.4.3 Recordation of Contract and Bond [La R.S. 38:2241 thru 38:2241.1]

The Owner shall record within thirty (30) days the Contract Between Owner and Contractor and Performance and Payment Bond with the Clerk of Court in the Parish in which the Work is to be performed.

**ARTICLE 12**

**UNCOVERING AND CORRECTION OF WORK**

**12.2 CORRECTION OF WORK**

**12.2.1 Before Substantial Completion**

At the end of the paragraph, add the following sentences:

“If the Contractor fails to correct Work identified as defective within a thirty (30) day period, through no fault of the Designer, the Owner may hold the Contractor in default. If the Owner finds the Contractor in default, the Surety shall be notified. If within thirty (30) days after notification, the Surety has not corrected the nonconforming Work, through no fault of the Architect or Owner, the Owner may contract to have nonconforming Work corrected and hold the Surety and Contractor responsible for the cost, including architectural fees and other indirect costs. If the Surety fails to correct the Work within the stipulated time period and fails to meet its obligation to pay the costs, the Owner may elect not to accept bonds submitted in the future by the Surety. Finding the Contractor in default shall constitute a reason for disqualification of the Contractor from bidding on future state contracts.

**12.2.2 After Substantial Completion**

12.2.2.1 At the end of the paragraph delete the last sentence and add the following sentences:

“If the Contractor fails to correct nonconforming Work, or Work covered by warranties, within a thirty (30) day period, through no fault of the Architect or Owner, the Owner may hold the Contractor in default. If the Owner finds the Contractor is in default, the Surety shall be notified. If within thirty (30) days after notification, the Surety has not corrected the non-conforming or warranty Work, through no fault of the Architect or Owner, the Owner may contract to have the nonconforming or warranty Work corrected and hold the Surety responsible for the cost including architects fees and other indirect costs. Corrections by the Owner shall be in accordance with Section 2.4. If the Surety fails to correct the nonconforming or warranty Work within the stipulated time period and fails to meet its obligation to pay the costs, the Owner may not accept bonds submitted, in the future, by the Surety.”

**ARTICLE 13**

**MISCELLANEOUS PROVISIONS**

**13.1 GOVERNING LAW**

Delete all after the word “located”.

**13.2 SUCCESSORS AND ASSIGNS**

13.2.1 In the second sentence, delete “Except as … 13.2.2”

Delete Section 13.2.2.

**13.3 RIGHTS AND REMEDIES**

Add the following Section 13.3.3:

13.3.3 The Nineteenth Judicial Court in and for the Parish of East Baton Rouge, State of Louisiana shall have sole jurisdiction and venue in any action brought under this contract.

**13.4 TESTS AND INSPECTIONS**

In Section 13.4.1, delete the second sentence and substitute the following:

The Contractor shall make arrangements for such tests, inspections and approvals with the Testing Laboratory provided by the Owner, and the Owner shall bear all related costs of tests, inspections and approvals.

Delete the last two sentences of Section 13.4.1.

**13.5 INTEREST**

Delete Section 13.5.

**ARTICLE 14**

**TERMINATION OR SUSPENSION OF THE CONTRACT**

**14.1 TERMINATION BY THE CONTRACTOR**

Delete Section 14.1.1.4.

In Section 14.1.3, after the word “profit,” delete the words “on Work not executed” and substitute the following: “for Work completed prior to stoppage”.

**14.2 TERMINATION BY THE OWNER FOR CAUSE**

Add the following Section:

14.2.1.5 failure to complete the punch list within the lien period as provided in 9.8.7.

14.2.3 Add the following sentence:

“Termination by the Owner shall not suspend assessment of liquidated damages against the Surety.”

Add the following Section:

14.2.5 If an agreed sum of liquidated damages has been established, termination by the Owner under this Article shall not relieve the Contractor and/or Surety of his obligations under the liquidated damages provisions and the Contractor and/or Surety shall be liable to the Owner for per diem liquidated damages.

**14.4 TERMINATION BY THE OWNER FOR CONVENIENCE**

In Section 14.4.3, delete all after “incurred by reason of the termination,” and add “along with reasonable profit on the Work not executed.”

**ARTICLE 15**

**CLAIMS AND DISPUTES**

**15.1 CLAIMS**

Delete Section 15.1.2, **Time Limit on Claims,** (See La R.S. 38:2189, and 38:2189.1).

15.1.3.1 Add the following to the end of the paragraph:

“A Reservation of Rights and similar stipulations shall not be recognized under this contract as having any effect. A party must make a claim as defined herein within the time limits provided.”

15.1.4.2 In the first sentence of the Section, delete “Initial Decision Maker’s” and replace with “Architect’s”. In the second sentence of the Section, delete “the decision of the Initial Decision Maker” and replace with: “his/her decision”.

Delete Section 15.1.6.2 and substitute the following:

15.1.6.2 If adverse weather conditions are the basis for a claim for additional time, the Contractor shall document that weather conditions had an adverse effect on the scheduled construction. An increase in the contract time due to weather shall not be cause for an increase in the contract sum. At the end of each month, the Contractor shall make one Claim for any adverse weather days occurring within the month. The Claim must be accompanied by sufficient documentation evidencing the adverse days and the impact on construction. Failure to make such Claim within **twenty-one (21) days** from the last day of the month shall prohibit any future claims for adverse days for that month. No additional adverse weather days shall be granted after the original or extended contract completion date, except those adverse weather days associated with a National Weather Service named storm or federally declared weather related disaster directly affecting the project site.

Add the following Section:

15.1.6.3 The following are considered reasonably anticipated days of adverse weather on a monthly basis:

January 11 days July 6 days

February 10 days August 5 days

March 8 days September 4 days

April 7 days October 3 days

May 5 days November 5 days

June 6 days December 8 days

The Contractor shall ask for total adverse weather days. The Contractor’s request shall be considered only for days over the allowable number of days stated above.

*Note: Contract is on a calendar day basis.*

**15.2 INITIAL DECISION**

15.2.1 In the second sentence, delete the word “will” and replace with: “shall always”.

In the second sentence, delete the phrase: “, unless otherwise indicated in the Agreement.”

In the third sentence, delete the word “mediation” and replace with: “litigation”.

At the end of the third sentence, add: “arising prior to the date final payment is due”.

Delete the fourth sentence.

15.2.5 In the middle of the first sentence, delete all after the phrase: “rejecting the Claim”.

In the second sentence, delete the phrase: “and the Architect, if the Architect is not serving as the Initial Decision Maker,”.

In the third sentence, delete all after: “binding on the parties” and add the following: “except that the Owner may reject the decision or suggest a compromise or both”.

Delete Section 15.2.6.

Delete Section 15.2.6.1.

**15.3 MEDIATION**

Delete Section 15.3.

**15.4 ARBITRATION**

Delete Section 15.4.