

University of Washington

**General Contractor/Construction Manager (GC/CM)
Contract**

for

[Enter Project Name]

Project Number

TABLE OF CONTENTS

Article 1	DEFINITIONS
	1.1. Architect
	1.2. Construction Work
	1.3. Contract Documents
	1.4. General Contractor/Construction Manager
	1.5. Maximum Allowable Construction Cost
	1.6. Negotiated Support Services
	1.7. Owner
	1.8. Percent Fee
	1.9. Total Contract Cost
Article 2	THE CONTRACT DOCUMENTS
	2.1. Contract Documents
Article 3	WORK OF THIS CONTRACT
	3.1. General
	3.1.1 Phases
	3.1.2 Construction Cost Estimates
	3.1.3 LEED
	3.1.4 CPARB Reporting
	3.2 Work During Design
	3.3 Work During Construction
	3.3.1 General
	3.3.2 Meetings and Tours
	3.3.3 Superintendence/Coordination
	3.3.4 Planning and Layout
	3.3.5 Staffing
	3.3.6 Inspections
	3.3.7 Building Permit Change
	3.3.8 Certificate of Occupancy
	3.3.9 Substantial Completion
	3.3.10 LEED Certification (when applicable)
	3.4 Work During Commissioning
Article 4	RELATIONSHIP OF THE PARTIES
	4.1. General
	4.2 Partnering
Article 5	DATE OF COMMENCEMENT, TIME OF COMPLETION, LIQUIDATED DAMAGES
	5.1 Subject to Funding
	5.2 Time is of the Essence
	5.3 Date of Commencement
	5.4 Substantial Completion
	5.5 Substantial Completion Liquidated Damages
Article 6	TOTAL CONTRACT COST
	6.1. General
	6.2 Determination
	6.3 Preconstruction Services

- 6.4 Maximum Allowable Construction Cost ("MACC")
 - 6.4.1 Calculation
 - 6.4.2 Contractor Responsibility
 - 6.4.3 Construction Cost Summary
 - 6.4.4 Risk Contingency Account
 - 6.4.5 Negotiated Support Services
 - 6.4.6 Subcontract Plan
- 6.5 Percent Fee and Specified General Conditions
 - 6.5.1 Percent Fee
 - 6.5.2 Specified General Conditions Work
- 6.6 Subcontract Buyout Procedure
 - 6.6.1 Award to Low Bidder
 - 6.6.2 Updated Subcontract Plan and Other Requirements
 - 6.6.3 Bid Documents Reproduction Costs
 - 6.6.4 Bidding
 - 6.6.5 Negotiations
 - 6.6.6 Award or Rebid
 - 6.6.7 Bid Protest
 - 6.6.8 Savings
 - 6.6.9 Subcontractor Non-Performance
 - 6.6.10 Owner-Furnished Equipment
- 6.7 Contractor Cost Accounting
 - 6.7.1 Accounting
- 6.8 Performance and Payment Bond

Article 7 SUBCONTRACTING

- 7.1. Competitive Bidding Required
- 7.2 Self-Performance by GC/CM
- 7.3 Prebid Eligibility
- 7.4. Subcontractor Bid Packages
- 7.5 Cost of Subcontracting Process
- 7.6. Solicitations of Subcontractors
- 7.7 Subcontractor Bonding
- 7.8 Subcontract Agreements
- 7.9 Business Equity Goal

Article 8 MISCELLANEOUS PROVISIONS

- 8.1. Builder's Risk
- 8.2 Audit
- 8.3 Sales Tax

Attachment 1 - "*Summary Matrix of Cost Allocation*"

Attachment 2 - "*Form of Construction Cost Estimate*"

Attachment 3 - "*Construction Cost Summary*"

Attachment 4 - "*List of Contract Documents for MACC Negotiations*"

Attachment 5 - "*Negotiated Support Services*"

UNIVERSITY OF WASHINGTON
GENERAL CONTRACTOR/CONSTRUCTION MANAGER (GC/CM) CONTRACT

PROJECT: [Enter Project Name]

THIS CONTRACT is made and entered into by and between THE BOARD OF REGENTS of the UNIVERSITY OF WASHINGTON (Owner), and [redacted] (Contractor) hereinafter referred to as Parties. This Contract shall be effective on the last date set forth on the signature page. This Contract shall be the agreed basis of performing, and compensating for, all work identified herein.

In Consideration of the mutual covenants and agreements of the Parties herein contained, the Contractor agrees to furnish all material, labor, tools, equipment, apparatus, facilities, etc., necessary to perform and complete in an acceptable manner all general contractor and all construction management services and the Work called for in the Contract Documents for a total not to exceed Total Contract Cost (TCC) of:

Maximum Allowable Construction Cost (MACC)	[redacted]
Percent Fee of the MACC ([redacted]%)	[redacted]
Fixed Amount for Specified General Conditions	[redacted]
Total Contract Cost:	[redacted]
Preconstruction Services	[redacted]
Total Contract Cost plus Preconstruction Services:	[redacted]

This Contract is entered into pursuant to the provisions of RCW 39.10.210 and 39.10.340 through 39.10.410. Contractor agrees, as required by RCW 39.10.350, if the Work cannot be completed for the agreed Maximum Allowable Construction Cost (MACC), excepting increases due to Owner directed changes, regulatory changes, design errors or omissions, or unforeseen site conditions, any and all additional costs shall be the sole responsibility of the Contractor and Contractor hereby assumes liability for such costs without reimbursement by the Owner.

Specifier: Insert the paragraphs highlighted in yellow below if your project will require the Parties to enter into Mini MACC-type amendments to the Contract.

In executing the Contract, the Parties acknowledge that the scope of work and Total Contract Cost do not represent the complete scope of work and cost for the entire Project as described in the RFP and RFP documents. The Total Contract Cost above is for the scope of work indicated in Attachment 3 to this Contract. The Parties agree to enter into negotiations for additions to the MACC based on the Drawings and Specifications for the remaining portion of the Work. The costs associated with the remaining portion of the Work are not included in the Total Contract Cost above.

Upon successful negotiations for additions to the MACC based on the Drawings and Specifications for the remaining portion of the Work, the Parties shall execute amendments to this Contract, amending the appropriate sections of this Contract, including Total Contract Cost and Sections 5.4 and 5.5.

ARTICLE 1
DEFINITIONS

In addition to the definitions set forth in the General Conditions for GC/CM Projects at the University of Washington, the following definitions shall apply to this Contract.

- 1.1 Architect. “Architect” or “A/E” refers to: [REDACTED]
- 1.2 Construction Work. The term “Construction Work” shall mean all Work performed during the construction phase of the Project.
- 1.3 Contract Documents. The “Contract Documents” consist of the following:
- 1.3.1 This General Contractor/Construction Manager Contract;
- 1.3.2 Any documents referenced herein or attached to this Contract, including but not limited to the following: Attachment 1 “*Summary Matrix of Cost Allocation*” (in the event of a conflict or inconsistency between Attachment 1 and this Contract, Division 00 and Division 01, then this Contract, Division 00, and Division 01 shall take precedence over Attachment 1); Attachment 2 “*Form of Construction Cost Estimate*”; Attachment 3 “*Construction Cost Summary*”; Attachment 4 “*List of Contract Documents for MACC Negotiations*”; and Attachment 5 “*Negotiated Support Services*”;
- 1.3.3 The following documents are incorporated herein by reference, as if set forth herein in full: a.) General Conditions for GC/CM Projects at the University of Washington; b.) any Modifications and Supplemental Conditions to the General Conditions; c.) Drawings and Specifications with all Addenda and modifications thereof; d.) change orders issued after execution of this Contract; e.) the RFP document for selection of the GC/CM and the Contractor’s Response to Request for Proposal; f.) the Request For Final Proposals for GC/CM Services (RFFP) issued by the Owner and its addenda and the Contractor’s written response to the RFFP including Contractor’s Percent Fee bid and Fixed Amount for Specified General Conditions Work; and g.) other documents listed in this Contract.
- 1.4 General Contractor/Construction Manager. “General Contractor/Construction Manager” (GC/CM) means a firm with which the Owner has selected and negotiated a Maximum Allowable Construction Cost to provide services during the design phase and to act as general contractor and construction manager during the construction phase. The terms “GC/CM” and “Contractor” are used interchangeably in this Contract.
- 1.5 Maximum Allowable Construction Cost. The “Maximum Allowable Construction Cost” (MACC) means the maximum cost of the work to construct the project including a percentage for risk contingency, negotiated support services, and approved change orders.
- 1.6 Negotiated Support Services. “Negotiated Support Services” means items the GC/CM would normally manage or perform on a construction project including, but not limited to surveying, hoisting, provision of toilet facilities, temporary heat, cleanup, and trash removal.
- 1.7 Owner. “Owner” refers to the University of Washington as represented by the Owner’s Representative.
- 1.8 Percent Fee. “Percent Fee” means the percentage amount on the MACC to be earned by the GC/CM as overhead and profit and as further defined in Section 6.5 of this GC/CM Contract.
- 1.9 Total Contract Cost. “Total Contract Cost” (TCC) means the fixed amount for the detailed Specified General Conditions work, the negotiated Maximum Allowable Construction Cost, and the Percent Fee on the negotiated Maximum Allowable Construction Cost.

ARTICLE 2
THE CONTRACT DOCUMENTS

- 2.1 Contract Documents. The Contract Documents, as defined in Article 1, of this Contract, form the complete agreement between the Parties, and are as fully a part of the Contract as if attached to this Contract or repeated herein. The Contract Documents represent the entire and integrated agreement between the Parties and supersede prior negotiations, representation or agreements, either written or oral, including, but not limited to, the Agreement for Preconstruction Services. In the event of any inconsistencies between the component parts of the Contract Documents, the order of precedence of the documents shall be as stated in Part 1.02 of the General Conditions for GC/CM Projects at the University of Washington.

ARTICLE 3
WORK OF THIS CONTRACT

- 3.1 General. The Contractor will work collaboratively and proactively with the Owner and Architect to proceed with the planning, design, and development of the Work in a manner which supports the Owner's efforts to keep costs within the Owner's budget and in a manner that supports the Owner's overall objectives for the Project. The Contractor shall provide Construction Management (CM) and General Contractor (GC) services throughout the Project.

3.1.1 Phases. The development of the Project may be comprised of various phases with design, construction documentation and permitting for multiple scopes of the Work to expedite the Project. To the extent possible, work during Preconstruction will be synchronized to allow construction cost estimating and coordination reviews to occur simultaneously for each Phase.

3.1.2 Construction Cost Estimates. The Contractor shall prepare construction cost estimates in the format provided in Attachment 2 "*Form of Construction Cost Estimate*" of this Contract at every Phase and for the MACC negotiations, unless otherwise approved by the Owner.

Specifier: Select the appropriate paragraph for LEED (3.1.3) below dependent on whether LEED certification is or is not required for the project. If LEED certification is required, and is something other than Silver certification, make a note of this.

3.1.3 LEED. Although LEED certification is not a requirement for the Project, the Contractor will assist the Owner and Architect in identifying and implementing Sustainable Design opportunities that are practicable for the Project. The Architect will track the implemented Sustainable Design elements for the Project and provide a summary report for the Owner at the conclusion of the Project.

3.1.3 LEED: The LEED goal for this Project is (USGBC) LEED-NC (New Construction) Version 2.2 with a Silver certification. Projects achieve LEED certification by earning points in the following specific categories of environmental performance: a) sustainable sites; b) water efficiency; c) energy and atmosphere; d) materials and resources; e) indoor environmental quality; and f) innovation and design. The Contractor shall work collaboratively and proactively throughout all Phases of the Project, including construction, to achieve this goal.

3.1.4 CPARB Reporting. Provide the Owner any project information required to be submitted by the Contractor in accordance with the provisions of chapter 39.10 RCW and the requirements of the Capital Projects Advisory Review Board (CPARB).

- 3.2 Work During Design. During the design phase of the Project, the Contractor shall actively participate in the Project as a Project Partner, as defined in the Request for Proposals for GC/CM Services (RFP). The Contractor shall provide the services and shall support the Key Principles and Approaches described in the

RFP. In doing so, the Contractor shall assign to the Project those professional personnel named in its response to the RFP and shall meet its commitments made therein.

Prior to execution of this Contract, the Parties entered into an Agreement for Preconstruction Services. Upon execution of this Contract, that Agreement shall be superseded by the terms and conditions set forth in this Contract, except that the following provisions from that Agreement are still in effect and are incorporated into this Contract: prevailing wage provisions, Paragraph 3 – Early Subcontract Bidding, Attachments A and C. In the event the services to be provided under the Preconstruction Services Agreement, and any amendments thereto, are not fully performed when this Contract is executed, then such services will be delivered under the terms of this Contract on a time and materials basis up to and not more than the lump sum agreed to in the Preconstruction Services Agreement and any amendments thereto.

3.3 Work During Construction.

- 3.3.1 General. During construction the Contractor shall provide all services required of a general contractor and construction manager to execute the Work. Some details of Contractor's work are provided below but this list shall in no way limit the Contractor's overall duty to provide GC/CM services.
- 3.3.2 Meetings and Tours. The Contractor shall conduct weekly Construction Progress Meetings and provide all schedules, logs and other information of construction activities to support such meetings. The Contractor will record and distribute meeting minutes for same. The Disputes Review Board or Project Neutral will attend and participate in one construction progress meeting each month at or near the Work site for the duration of the Project during which the Owner and Contractor shall conduct a round table discussion about the Project. The Dispute Review Board or Project Neutral may participate in and ask questions regarding the discussion and, if requested, provide informal guidance for resolution of disputes. If requested by the Owner or Contractor, the Contractor and its representatives will attend individual meetings with the Disputes Review Board or the Project Neutral, along with representatives from the Owner and the A/E. The Contractor shall also: conduct separate regular safety and Subcontractor meeting(s) and maintain minutes for same; and attend Project Principals Oversight meetings until Final Completion is achieved, or as otherwise approved by Owner. The Contractor will provide a site tour to the Disputes Review Board or Project Neutral before or after each monthly Construction Progress Meeting. The site tour will cover all active segments of the Work, the Board being accompanied by both Owner and Contractor personnel. Upon advance notice by the Owner, the Contractor shall conduct other site tours for the Owner and other officials as required.
- 3.3.3 Superintendence/Coordination. The Contractor shall be responsible for superintendence, providing ongoing coordination between crafts, job site safety, housekeeping, quality control, settling disputes between Subcontractors, negotiating any Change Orders with the Subcontractors (Owner expects the Contractor to negotiate with Subcontractors but reserves the right to reject any Subcontractor proposal), negotiating Change Orders with the Owner, reviewing, coordinating and forwarding submittals, substitution requests, and Requests for Information (RFIs) to the Owner's Representative for action and for responding to all correspondence related to the effort required for any procurement activities that arise from a Subcontractor's inability or unwillingness to perform.
- 3.3.4 Planning and Layout. The Contractor shall be responsible for the planning and layout of the Work, and for the coordination of layout work provided by separate trades for their own work, to insure that no conflict exists with the work of other trades.
- 3.3.5 Staffing. The Contractor shall provide sufficient staff of project managers, field engineers, superintendents, surveyors, Health and Safety Officers, CQC representatives, testing engineers, scheduling engineers, cost engineers, clerical and accounting personnel, etc. to ensure that:

- 3.3.5.1 Change Order Proposals are submitted to the Owner within seven (7) calendar days of the receipt by the Contractor of the Subcontractor's proposal; only changes negotiated between Contractor and Subcontractor are acceptable.
- 3.3.5.2 RFIs are reviewed and forwarded to the Owner's Representative as expeditiously as possible to not cause delay to the Project.
- 3.3.5.3 Submittals are reviewed for completeness and forwarded to the Owner's Representative within five (5) days of receipt.
- 3.3.5.4 Replies to correspondence from Subcontractor, Owner, and other outside agencies are provided within seven (7) calendar days.
- 3.3.5.5 For a minimum of ninety (90) calendar days after Substantial Completion or until Final Completion is achieved, whichever is later, provide adequate qualified on-site staff that is authorized to act on behalf of the Contractor to coordinate and insure that any outstanding work items, Punch Lists, testing and commissioning are completed, at no additional cost to the Owner.
- 3.3.5.6 All requirements of the Contract Documents are satisfied.
- 3.3.6 Inspections. Special inspection required by the appropriate building officials and regulatory agencies will be provided by the Owner per Division 01 of the Specifications. The Contractor shall be responsible to ensure that the Owner's inspectors are given notice and are afforded timely and appropriate access to the Work to make their inspections.
- 3.3.7 Building Permit Change. The Contractor shall perform all work required to make Building Permit changes and updates. Building Permit changes and updates shall be, if approved by Owner, incorporated into the appropriate subcontract package(s) and the Contract Documents by change order.
- 3.3.8 Certificate of Occupancy. The Contractor shall obtain a Certificate of Occupancy and the required operating permits necessary for the Owner to take beneficial occupancy of the Project or any partially completed portion of the Project when notified in writing by the Owner.
- 3.3.9 Substantial Completion. Substantial Completion, for purposes of Section 6.07 of the General Conditions for GC/CM Projects at the University of Washington and Article 5 of this Contract, shall include those activities necessary to: a.) obtain a Certificate of Occupancy; and b.) compliance with the requirements of Section 01 77 00, "Closeout Procedures"

Specifier: Delete the following paragraph on LEED Certification (3.3.10) if the project is not subject to LEED. Otherwise, leave the paragraph in.

- 3.3.10 LEED Certification: The Contractor shall manage environmental issues and implement and document the Project's LEED requirements, including but not limited to: a) outline Subcontractor requirements for LEED in the subcontract bid documents; b) monitor the submittal process to ensure LEED compliance; c) train Subcontractors in LEED requirements; d) review design changes during construction for LEED impacts and inform Owner of impacts; e) ensure installed products are LEED compliant; and f) assemble and maintain records to document LEED goals compliance.
- 3.4 Work During Commissioning.

- 3.4.1 The Owner shall hire an independent Commissioning Authority. The Contractor shall provide a Test Engineer and all support activities required by Division 01 of the Specifications.

ARTICLE 4
RELATIONSHIP OF THE PARTIES

4.1 General.

- 4.1.1 The Contractor accepts the relationship of trust and confidence established by this Contract and covenants with the Owner to cooperate with the Owner and Architect through every Phase of the Work and utilize the Contractor's best skill, efforts and judgment in furthering the interests of the Owner; to furnish efficient business administration and supervision; to make best efforts to furnish at all times an adequate supply of workers and materials; and to perform the Work in the best way and most expeditious and economical manner consistent with the interests of the Owner. The Contractor recognizes that the Owner has a separate agreement with the Architect to design the Project and to provide certain construction administration services necessary to ensure that the construction is in accordance with the Contract Documents. The Contractor further recognizes that in order for the Project to be completed on time and within budget the Contractor and the Architect and the Owner will have to closely cooperate on a regular basis to revise plans, Drawings, Specifications, materials, methods, estimates, schedules, and budgets as necessary to meet the Owner's financial constraints.
- 4.1.2 The Owner agrees to exercise best efforts to assist the Contractor to perform the Work in the best way and most expeditious manner by timely furnishing and approving information required by the Contractor and making payments to the Contractor in accordance with the requirements of the Contract Documents.

4.2 Partnering.

- 4.2.1 The Owner and Contractor agree to utilize the "partnering" concept for this Project. Partnering emphasizes a cooperative approach to problem-solving involving all key parties to the Project: Owner, Architect, Contractor and principal Subcontractors.
- 4.2.2 Two workshops to define partnering relationships will be scheduled not-to-exceed one day each or as mutually agreed. The Owner, A/E and the Contractor will participate in one partnering session during preconstruction as soon as practicable. The Owner, A/E, Contractor, and principal Subcontractors when known, shall participate in a second partnering session. Principal Subcontractors should include: electrical, mechanical, sheet rock and others as the Contractor and Owner jointly agree are appropriate. The purpose of the workshops shall be:
- 4.2.2.1 To establish mutual understanding of partnering concepts;
- 4.2.2.2 To develop the mission statement and goals for the Project for all parties;
- 4.2.2.3 To develop a process so that critical issues can be quickly resolved.
- 4.2.3 The Owner will be responsible for providing the facilities for the workshops, as well as a facilitator and any workshop materials. The Contractor shall pay one-third ($\frac{1}{3}$) of the costs for the facilitator and facilities not-to-exceed Two Thousand Dollars (\$2,000.00). The Contractor is expected to provide key Project personnel for the workshop at no additional cost to the Owner.
- 4.2.4 At the conclusion of each workshop it is anticipated that a definitive working arrangement for partnering will be agreed upon and committed to in writing by the participants. Parties may withdraw from the partnering arrangement upon written notice to the others. Should the

partnering arrangement be terminated, claims or disputes settled or changes approved during the existence of the partnering arrangement shall not be affected.

ARTICLE 5
DATE OF COMMENCEMENT,
TIME OF COMPLETION, LIQUIDATED DAMAGES

- 5.1 Subject to Funding. If the Owner determines, in its sole discretion, that sufficient funds are not available, then the Owner shall have the right to immediately terminate this Contract for its convenience at any time during Preconstruction Services. In the event it does so, it will compensate the Contractor for the value of the Preconstruction Services it has performed, if any. However, the Contractor shall not be entitled to any compensation for damages, lost profits, or payment of any other kind.
- 5.2 Time is of the Essence. It is understood that time is of the essence in performing the Work, and the Contractor shall provide the necessary equipment, personnel and services to commence on the date this Contract is executed and be substantially complete within the time periods set forth herein.
- 5.3 Date of Commencement. The date of commencement of the Preconstruction Services set forth in section 3.2 herein shall be issuance of the Preconstruction Services Agreement. The date of commencement of all other work including the Construction Work shall be by a *Notice to Proceed* letter to the Contractor specifying the work that is being authorized. Any work performed prior to issuance of the Contract or *Notice to Proceed* shall be at the Contractor's sole risk and expense.
- 5.4 Substantial Completion. Owner anticipates issuing a *Notice to Proceed* regarding the Construction Work on or about [REDACTED]. This *Notice to Proceed* will allow the Contractor to begin site mobilization and then begin construction. All Work delineated in the Contract Documents, not including Preconstruction Services, shall be substantially complete within [REDACTED] () calendar days of the date specified in the *Notice to Proceed* to begin Construction Work.
- 5.5 Substantial Completion Liquidated Damages. For failure to achieve Substantial Completion by the time specified for Construction Work in section 5.4 herein, Contractor shall pay Owner \$ [REDACTED] per day in liquidated damages for each and every calendar day from the date when Substantial Completion should have been achieved to the date Substantial Completion is effectively achieved.

ARTICLE 6
TOTAL CONTRACT COST

- 6.1 General. The TCC has been mutually negotiated and agreed to by the Parties. The Contractor agrees that the Project is adequately defined, that Construction Documents are at least 90% complete, and has determined that the Project is sufficiently clear and understandable for the Contractor to agree to the TCC in this Contract. The TCC is defined in Article 1 herein.
- 6.1.1 This Contract is entered into pursuant to the provisions of RCW 39.10.210 and 39.10.340 through 39.10.410. Contractor agrees, as required by RCW 39.10.350, if the Work cannot be completed for the agreed MACC any additional costs, except as provided below, shall be the responsibility of the Contractor and Contractor hereby assumes liability for such costs without reimbursement by the Owner. Owner agrees that cost increases due to Owner-directed changes, regulatory changes, design errors or omissions and unforeseen site conditions are the Owner's responsibility.

- 6.2 Determination. The Total Contract Cost was determined through a negotiation of the MACC conducted prior to execution of this Contract. The MACC negotiations are separate from and not part of the Preconstruction Services work. The Contractor will not be reimbursed for MACC negotiations work.
- 6.3 Preconstruction Services. Prior to execution of this Contract, Preconstruction Services were provided pursuant to the Agreement for Preconstruction Services. Upon execution of this Contract, this Contract replaces and supersedes said Agreement and all work shall be performed in accordance with this Contract. Total compensation for Preconstruction Services, excluding Washington State Sales Tax, is identified on page one (1) of this Contract. (This includes services performed under the Agreement for Preconstruction Services and this Contract.) The money for this work is not included in the Total Contract Cost. Any amount that exceeds the total compensation agreed to will be at the Contractor's sole cost and expense unless there are scope changes in the Preconstruction Services authorized by change order or amendment.
- 6.4 Maximum Allowable Construction Cost ("MACC").
- 6.4.1 Calculation. The MACC is the amount, mutually agreed to between the Owner and Contractor that is required to complete all Work as described in the Contract Documents. The negotiated MACC shall include funds for all costs through the life of the Project, except those required for:
- 6.4.1.1 Preconstruction Services work.
 - 6.4.1.2 Percent Fee.
 - 6.4.1.3 Fixed Amount of Specified General Conditions work.
 - 6.4.1.4 Owner-directed changes.
 - 6.4.1.5 Other changes due to:
 - (1) Design errors or omissions;
 - (2) Unforeseen site conditions, hidden or omitted; and
 - (3) Regulatory changes at variance with the Contract Documents.
 - 6.4.1.6 Washington State Sales Tax.
- 6.4.2 Contractor Responsibility: The Contractor shall be responsible for: a.) all costs related to Subcontractor claims or charges that result from mistakes or omissions in the subcontract buyout; b.) coordination errors and coordination omissions related to the Coordinated Shop Drawings work of specification Section 01 33 00 "Submittal Procedures;" c.) interference between Subcontractor and the GC/CM; d.) interference between Subcontractors; e.) the Contractor's failure to coordinate the Work it self-performs with Work of other Subcontractors; and f.) all costs related to damage or loss of the Work or materials or equipment except damage or loss caused by the acts or omissions of the Owner.
- 6.4.3 Construction Cost Summary: As part of the MACC negotiations, a complete construction cost summary shall be provided by the Contractor at execution of this Contract and at execution of any Contract amendment that modifies the MACC. The construction cost summary shall be in the format provided in Attachment 3, herein.

Specifier: Insert the most suitable risk contingency percentage for the project in the space below. The suggested percentage for new construction is 1.25%.

- 6.4.4 Risk Contingency Account: A Risk Contingency Account has been established in the amount of % of the Total for Subcontract Costs as identified in Attachment 3, *Construction Cost Summary*. The Risk Contingency Account is included in the MACC. The Contractor may utilize

the Risk Contingency Account established herein to pay for items for which it is responsible, as defined in section 6.4.2 herein, provided Contractor may only utilize the Risk Contingency Account to cover costs related to damage or loss to the Work or materials or equipment, when: (1) the Risk Contingency Account has not already been expended, (2) the loss occurs prior to substantial completion, (3) it cannot be determined which subcontractor or Contractor may have caused the damage or loss, and (4) the Owner agrees to waive the provisions of Section 5.08 F of the General Conditions and authorizes the use of the Risk Contingency Account for this particular purpose. The Contractor may not use the Risk Contingency Account for items that are defined as Percent Fee or as Specified General Conditions in sections 6.5.1 and 6.5.2 herein. The Contractor's use of the Risk Contingency Account must be approved in advance by the Owner. The Contractor shall provide the Owner monthly updates on the use of the Risk Contingency Account. Any funds remaining in the Risk Contingency Account shall be returned to the Owner with the corresponding Percent Fee. No incentives may be paid to the Contractor from this Account or savings from this Account.

6.4.5 Negotiated Support Services. The estimated costs for items identified as Negotiated Support Services in Attachment 1 "*Summary Matrix of Cost Allocation*" to this Contract shall be specifically identified and included in the MACC and identified as the Negotiated Support Services costs to be reimbursed by the Owner on a direct cost basis based upon the schedule and duration identified in section 5.4 herein, and/or paid as a lump sum based upon the percent complete. The costs for management required to administer the Negotiated Support Services Work shall be included in the Fixed Amount for Specified General Conditions. Contractor shall identify all negotiated support services and the costs thereof using the format provided herein as Attachment 5.

6.4.5.1 Building Information Modeling (BIM). As noted in the Request for Proposals for GC/CM Services (RFP), the Project Partners, including Contractor, will use BIM as a tool for collaboration, information sharing, estimating, planning and coordination. Contractor's direct costs for its BIM management program, including a BIM integrator, shall be reimbursable as a Negotiated Support Service as defined herein.

6.4.5.2 Subcontractor costs for management and participation in BIM shall not be included in Negotiated Support Services and shall be included in the subcontract bid packages within the Subcontract Plan defined in 6.4.6. herein.

6.4.6 Subcontract Plan. Upon execution of this Contract, the Contractor shall submit to the Owner a Subcontract Plan developed during MACC negotiations, in a format satisfactory to the Owner, outlining the Subcontract packages and procurement schedule for each package the Contractor intends to prepare to execute the Project. The Subcontract Plan shall include a statement regarding the work the Contractor intends (if any) to bid on to self-perform and an affidavit stipulating that such work is customarily performed by the Contractor.

6.5 Percent Fee and Specified General Conditions.

6.5.1 Percent Fee. The Contractor submitted a dollar amount on the Form of Proposal which represented the Percent Fee stated as a percentage of the estimated MACC. The actual Percent Fee of the MACC stated on page one (1) of this Contract is a set dollar amount calculated by multiplying the proposed fee percentage by the actual negotiated MACC. The Percent Fee amount shall be adjusted based on deductive or additive change orders by multiplying the proposed fee percentage by the actual amount of the change order. If the MACC varies more than fifteen percent (15%) from the estimated MACC stated on the Proposal Form due to requested and approved changes in the scope by the Owner, the Percent Fee shall be renegotiated. The Percent Fee shall cover the following:

- 6.5.1.1 All profit of the Contractor for this Project.
 - 6.5.1.2 All regional and home office overhead expenses, including labor and materials, travel, phone, facsimile, postage, and other incidental office expenses attributed to work on this Project that is not specifically identified in the Specified General Conditions Work.
 - 6.5.1.3 All overhead expenses of the Contractor for participation in and the support of the Subcontractor bidding process of the Project.
 - 6.5.1.4 Other than retail sales tax, the Percent Fee shall cover all taxes owed by the Contractor including City and State B&O tax.
 - 6.5.1.5 Contractor's performance and payment bond.
 - 6.5.1.6 Contractor's liability insurance coverage.
 - 6.5.2 Specified General Conditions Work. This Contract identifies the dollar amount for the "Fixed Amount for Specified General Conditions" Work. The Specified General Conditions Work shall consist of all requirements of the Contract contained in the General Conditions for GC/CM Projects at the University of Washington, any Modifications and Supplemental Conditions to the General Conditions, the GC/CM Contract and the Division 01 Specifications. Attachment 1 "*Summary Matrix of Cost Allocation*" to this Contract summarizes some of the costs associated with Specified General Conditions Work. Any cost that is not specifically identified in the "*Summary Matrix of Cost Allocation*" shall be covered by the amount bid for Specified General Conditions, unless otherwise identified in this Contract. Specified General Conditions Work must be performed at the expense of the Contractor and may not be made part of a subcontract bid except when so required by the Specifications and approved by the Owner.
- 6.6 Subcontract Buyout Procedure.
- 6.6.1 Award to Low Bidder. When subcontract bid packages are awarded, they shall be awarded to the eligible (as defined in RCW 39.10.400) responsible bidder submitting the low responsive bid (subject to RCW 39.04.380).
 - 6.6.2 Updated Subcontract Plan and Other Requirements. Before soliciting subcontract bids the Contractor shall submit, for review and approval by the Owner: a) an updated Subcontract Plan outlining the subcontract packages with bid package estimates and a procurement schedule for each package; b) an Outreach Plan for inclusion of small business entities and disadvantaged business enterprises describing the specific activities and strategies the Contractor will undertake to comply with the requirements of Part 10.10 of the General Conditions for GC/CM Projects at the University of Washington; c) bidding advertisements, forms and instructions; d) standard Subcontractor agreements; and e) an updated Summary Schedule.
 - 6.6.2.1 No "Allowances" shall be included in Subcontractor bid documents if not included in the MACC negotiations or without prior approval of the Owner. Denial or approval of any allowance shall not result in a change in the MACC. If the Owner agrees an allowance is appropriate within a Bid Package Estimate (BPE) the following procedures will be implemented:
 - (1) Contractor will provide a schedule of Allowances included in the BPE.
 - (2) Allowances will be tracked by Contractor on a Time & Materials (T&M) basis and shown on the Schedule of Values as a discrete line item for each appropriate Subcontractor.

- (3) A deductive Change Order will be issued at the end of the Project for any remaining Allowances.
- 6.6.2.3 The Contractor shall assist the Owner to identify and procure late bid packages that are determined by the Owner to be beneficial in providing the latest “state of the art” technologies or equipment for the Project.
- 6.6.3 Bid Documents Reproduction Costs. Reproductions of bid sets as required for bidding and conformed documents to provide a consolidated Construction Document due to phased permitting and partial Construction Document issuance is an Owner’s expense.
- 6.6.4 Bidding. The Contractor shall bid out subcontracts in accordance with its approved updated Subcontract Plan and in accordance with all requirements stipulated in RCW 39.10.340 through 39.10.410. During subcontract buyout, the Contractor may request a change in its Subcontract Plan, and the Owner will not unreasonably withhold approval, provided the sum of all bids received plus the remaining bid package estimates in the Subcontract Plan as revised does not exceed the estimated total MACC.
- 6.6.5 Negotiations. If the low responsive bid for a particular bid package is greater than the bid package estimate, then the provisions of RCW 39.10.380 shall apply. If the lowest responsive bid does not exceed the bid package estimate by One Hundred Twenty-Five Thousand Dollars (\$125,000) for bid packages below Ten Million Dollars (\$10,000,000), or two percent (2%) for bid packages with bid package estimates greater than Ten Million Dollars (\$10,000,000), then the Contractor may negotiate an adjustment to that bid based upon agreed changes to the subcontract package between the Owner and Contractor to bring the bid within the amount of the bid package estimate, which, for purposes of this Contract, shall be considered to be the “Available Funds.” All time delays and costs, including A/E costs associated with the negotiations and/or changes to the Construction Documents shall be the responsibility of the Contractor.
- 6.6.6 Award or Rebid. If the Contractor chooses not to negotiate under the provisions of section 6.6.5 above or if the low conforming bid exceeds the bid package estimate by more than the amount permitting negotiations, the Contractor shall, at the sole discretion of the Owner, either award the bid package to the low responsive responsible bidder or shall rebid the bid package at no additional cost to the Owner. Provided unusual circumstances exist, Contractor may request and Owner, at its sole option may agree to a change in the scope of the work for the bid package. The Contractor may then rebid, but all time delays, including construction schedule impacts, and costs to rebid, including reproduction costs and any A/E costs to the Owner associated with changes to the Construction Documents, shall be the responsibility of the Contractor and the MACC shall not be changed.
- 6.6.7 Bid Protest. Except where the Contractor is seeking to self-perform work or the protest is made pursuant to RCW 39.10.385, Contractor shall be responsible for reviewing and responding to bid protests and shall adhere to the requirements of RCW 39.10.380 in the event of a bid protest.
- 6.6.8 Savings. If the Contractor is successful in awarding contracts for all of its subcontracts in its approved updated Subcontract Plan in an amount less than the negotiated MACC, any remaining savings shall be returned to the Owner along with the Percent Fee percentage multiplied by the savings, or utilized to fund additive alternates or other Work as directed by the Owner.
- 6.6.9 Subcontractor Non-Performance. If any Subcontractor to whom a bid package has been awarded is unable to perform for whatever reason, the Contractor shall have the option to rebid or negotiate for the performance of the work or perform the work itself. The Contractor shall bear all risk and/or be responsible for cost overruns occasioned by a Subcontractor’s inability to perform.

- 6.6.10 Owner-Furnished Equipment. The Contractor shall perform all work required to subcontract the installation of Owner Furnished Contractor Installed (OFICI) and Owner Existing Contractor Installed (OECI) equipment.
- 6.7 Contractor Cost Accounting.
- 6.7.1 Accounting. Starting with the award of the first bid package, the Contractor shall, in accordance with directions given and formats developed by the Owner, provide Owner with monthly reports, including but not limited to, showing expenditures on all bid packages, all Contract changes, and all Negotiated Support Services costs including forecast-to-Final Completion updates. Contractor claims shall be accounted for separately.
- 6.8 Performance and Payment Bond. Prior to execution of this Contract by the Owner the Contractor shall provide the Owner with performance and payment bonds in a form and with a surety acceptable to the Owner for the full amount of the TCC, plus Washington State sales tax.

ARTICLE 7 SUBCONTRACTING

- 7.1 Competitive Bidding Required. Other than the Specified General Conditions and Negotiated Support Services work, all Work on the Project shall be competitively bid with public bid openings. Subcontract work shall not be issued for bid until the Contractor has completed the requirements of section 6.6.2 herein. To the extent that the Work qualifies for the use of the alternative subcontractor selection process authorized by RCW 39.10.385, the Contractor may, in conjunction with the Owner, employ this approach in the selection of the mechanical and/or electrical subcontractor(s).
- 7.2 Self-Performance by GC/CM. The Contractor may bid on subcontract work and/or supply of equipment and materials which it customarily performs or supplies. Contractor's interest in the Work shall not diminish its duty to aggressively seek competition for bid packages. In the event the Contractor will be bidding on subcontract work the bid opening will be managed by the Owner and notice of the Contractor's intention to bid shall be included in the public solicitation for bids for that bid package. In no event may the value of the subcontract work performed by the Contractor exceed thirty percent (30%) percent of the MACC. The Contractor must provide staff to superintend and manage subcontract packages it undertakes that is separate and distinct from the staff involved in the management of this Contract. In no event may the Contractor or its subsidiaries assign warranty responsibility or the terms of its contract or purchase order with vendors for equipment or material purchases to subcontract bid package bidders or subcontractors who have been awarded a contract.
- 7.3 Prebid eligibility. When in the best interest of the Project and critical to the successful completion of a subcontractor bid package the Owner and Contractor may determine Subcontractor eligibility to bid based on the criteria set forth in RCW 39.10.400. Subcontract bid packages shall be awarded to the responsible pre-qualified bidder submitting the low responsive bid.
- 7.4 Subcontractor Bid Packages. The Contractor may: a.) with approval by the Owner organize and solicit bids for the subcontract work in whatever combinations or packages it chooses; b.) not use any Allowances except as provided in section 6.6.2 herein; and c.) not use any Alternates without approval of the Owner, unless such Alternates were specified in the MACC.
- 7.4.1 Contractor shall submit: a) a draft and final bid package specific scope of work, and; b) Bid Forms for each subcontract package for Owner's review prior to bidding. Changes to the final bid package documents shall not occur without Owner's approval.

- 7.5 Cost of Subcontracting Process. As part of the Specified General Conditions Work the Contractor shall be responsible for all costs associated with the subcontracting process including, but not necessarily limited to:
- 7.5.1 Developing solicitations for subcontract packages, except for solicitations executed under the process set forth in RCW 39.10.385 and activities pursuant to RCW 39.10.400, which shall be compensated under the Agreement for Preconstruction Services.
 - 7.5.2 Subcontract procurement.
 - 7.5.3 Site tours.
 - 7.5.4 Responding to questions from bidders.
 - 7.5.5 Providing bid opening facility.
 - 7.5.6 Bidding in accordance with the requirements of this Section.
 - 7.5.7 Contractor award.
- 7.6 Solicitations of Subcontractors. Solicitations of Subcontractors by the Contractor shall be made in accordance with the following procedures:
- 7.6.1 A representative from the Owner will be present at each bid opening to observe the procedure. In the event the Contractor is bidding on a subcontract package, the Owner will conduct the bid opening.
 - 7.6.2 Solicitations for bids will be advertised in advance in the “Public Notice” section of the Seattle Daily Journal of Commerce newspaper.
 - 7.6.3 Bidders may obtain the bid results by telephone from the Contractor. All such calls will be referred to the Contractor.
 - 7.6.4 Responsiveness requirements and bidding procedures will be described in each bid solicitation and, along with subcontractor MWBE joint venture requests, will be reviewed with the Owner prior to each bid opening.
- 7.7 Subcontractor Bonding. For subcontract bid packages with a bid estimate over \$300,000 the Contractor shall require a bid bond in the amount of 5% of the amount bid from Subcontractors who bid. The Contractor shall require a performance and payment bond from all Subcontractors who are awarded a contract over \$300,000, in the amount of the subcontract. The Contractor may require a performance and payment bond of any other Subcontractor, provided that such requirement is set forth in the subcontract bid documents. The Contractor acknowledges that all costs of subcontractor bonding are included in the negotiated MACC on page 1 of this Contract.
- 7.8 Subcontract Agreements. Subcontract agreements used by the GC/CM shall be in compliance with all of the applicable provisions of chapter 39.10 RCW.
- Specifier:** Coordinate with and arrange for CPD Assistant Director, Business Equity to negotiate the aspirational goal percentage for combined sbe/dbe/MBE/WBE/MWBE participation with the Contractor. Insert this percentage in Section 7.9 below.
- 7.9 Business Equity Goal. Owner is committed to providing the maximum practicable opportunity for participation in contracting by small business entities (sbe), disadvantaged business enterprises (dbe), and state certified and non-certified minority business enterprises (MBE), women’s business enterprises (WBE), and minority women’s business enterprises (MWBE) in sub-consulting and supplier participation. For this Project, the Owner and the Contractor agree to an aspirational goal of % combined sbe/dbe/MBE/WBE/MWBE participation.

ARTICLE 8
MISCELLANEOUS PROVISIONS

Specifier: As soon as the MACC has been successfully negotiated and before execution of this Contract, the UW Project Manager should complete the Builder's Risk Insurance Questionnaire from the following website address: <http://pm.uw.edu/cpo/business/boilerplate/gccm>.

Consult with the Contract Office to determine the appropriate deductible amount for Builders Risk.

- 8.1 Builders Risk. Owner shall provide Builder's Risk Insurance per Article 2.06 of the General Conditions for GC/CM Projects at the University of Washington. Contractor is responsible for all losses up to the policy deductible. The policy deductible for this Project is ten thousand Dollars (\$10,000) per occurrence.
- 8.2 Audit. Owner shall have the right to audit. Upon request by Owner, Contractor shall provide Owner full access to all of Contractor's and its Subcontractors' data, records, accounts or materials relevant to the performance of this Contract.
- 8.3 Sales Tax. The actual amount of sales tax to be paid to the Contractor will be based on the then current sales tax percentage applied to actual MACC progress payments, inclusive of approved change orders. For the purposes of invoicing, and consistent with Paragraph 5 of the Request for Final Proposals, the Contractor shall not include sales tax as part of the TCC in its pay applications, but the appropriate amount of sales tax will be added by the Owner to each progress payment collected by the Contractor from the Owner, and paid to the State by the Contractor.

IN WITNESS WHEREOF, the Parties hereto have executed this Contract by having their authorized representatives affix their signatures below.

OWNER
UNIVERSITY OF WASHINGTON

CONTRACTOR

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Print Name: _____
Title: _____
Date: _____