

# SECTION D



## PURCHASING GENERAL CONDITIONS

### CORPORATE HEADQUARTERS

515 Broadway  
Albany, New York 12207-2964

Tel: 518-257-3000  
Fax: **518-257-3100**

### NEW YORK OFFICE

One Penn Plaza, 52<sup>nd</sup> Floor  
New York, New York 10119-0098

Tel: 212-273-5000  
Fax: 212-273-5121

### BUFFALO OFFICE

539 Franklin Street  
Buffalo, New York 14202-1109

Tel: 716-884-9780  
Fax: 716-884-9787

## FOREWORD

The General Conditions of the Dormitory Authority of the State of New York, for all Contracts for the purchase of Commodities and/or services, are contained in this document. The terms and conditions set forth apply to all such Contracts awarded by the Dormitory Authority.

This document has been prepared in order to make the General Conditions available in permanent form to all Contractors interested in bidding on Commodities and/or services. You may want to bookmark it for reference purposes. Hard copies of this document are available on request.

### TABLE OF CONTENTS

<b>ARTICLES</b>	<b>PAGE NO.</b>
<u>I. DEFINITIONS</u>	
<u>II. BIDS AND PROPOSALS</u>	4
<u>III. SAMPLES</u>	7
<u>IV. DRAWINGS</u>	8
<u>V. DELIVERY</u>	9
<u>VI. CONTRACTS INVOLVING INSTALLATION</u>	10
<u>VII. PAYMENTS</u>	16
<u>VIII. TERMINATION</u>	17
<u>IX. LABOR LAW PROVISIONS</u>	18
<u>X. NONDISCRIMINATION</u>	21
<u>XI. SURVEYS, PERMITS AND REGULATIONS</u>	24
<u>XII. PATENTS</u>	24
<u>XIII. PROTECTION OF RIGHTS, PERSONS AND PROPERTY</u>	25
<u>XIV. INSURANCE AND CONTRACT SECURITY FOR CONTRACTS</u>	30
<u>XV. OMNIBUS PROCUREMENT ACT</u>	39
<u>XVI. GENERAL GUARANTEE</u>	40
<u>XVII. RELEASE</u>	41
<u>XVIII. STANDARD PROVISIONS</u>	41
<u>XIX. AFFIRMATIVE ACTION FOR CONTRACTS</u>	44
<u>XX. 2005 PROCUREMENT LOBBYING LAW</u>	49
<u>XXI. CONTRACTOR CERTIFICATION</u>	50
<u>XXII. <a href="#">NEW YORK STATE VENDOR RESPONSIBILITY QUESTIONNAIRE</a></u>	50
<u>XXIII. DISPUTES AND CLAIMS</u>	52
<u>XXIV. ASSIGNMENTS</u>	55

## ARTICLE I – DEFINITIONS

**BID** - An offer to furnish a described Commodity or service at a stated price in accordance with the Contract Documents.

**BIDDER** - Any person, partnership, firm, corporation or other authorized entity submitting a Bid to the Dormitory Authority.

**COMMODITY** - Materials, supplies and equipment.

**CONTRACT** - The agreement between the Owner and the Contractor consisting of the Contract Documents including all amendments and supplements thereto.

**CONTRACT DOCUMENTS** - Shall be deemed to include the Notice to Bidders or the Request for Proposal, the Bid or Proposal submitted by the Contractor, the Contract, the General Conditions, Supplemental Specifications, Plans, Specifications, all Bonds, all Addenda and any supplemental data, together with each and every provision required by law to be inserted in this Contract, which shall be deemed to be inserted herein, and the Contract shall be read and enforced as though so included herein.

**CONTRACTOR** - A person, partnership, firm or other authorized entity with whom the Contract is entered into by the Owner to do the work.

**DORMITORY AUTHORITY** - The Dormitory Authority of the State of New York, a public benefit corporation with its principal office located at 515 Broadway, Albany, NY 12207, which may also be referred to as the Authority in the Contract Documents.

**EXTRA WORK** – Any work in addition to the Work initially required to be performed by the Contractor pursuant to the Contract.

**FALSE REPRESENTATION** - This Action takes place when a person has knowledge of the value of the work and materials supplied performed or proposed (the “Information”) constituting the claim, change order or application of payment and either (i) acts in deliberate ignorance of the truth or falsity of the Information or (ii) acts in reckless disregard of the truth or falsity of the Information.

**INSTALL** - To unload at the delivery point at the site and perform every operation necessary to establish secure mounting and correct operation at the proper location.

**LATE BIDS** - A bid received in the designated office of the Dormitory Authority after the time and date established in the Notice to Bidders for the bid opening.

**NOTICE TO BIDDERS** – The documents used by the Authority that details the terms, conditions, specifications and required qualifications of Bid. May also be referred to as an Invitation for Bid.

**OWNER** - The Dormitory Authority - State of New York

**PROPOSER** - Any person, partnership, firm, corporation or other authorized entity submitting a Proposal to the Dormitory Authority.

**PROJECT** - The facility or facilities at which Commodities will be delivered (and installed if required by the Contract).

**PROPOSAL** - An offer to furnish a described Commodity or service at a stated price in accordance with the Contract Documents. A proposal shall be differentiated from a bid in that it shall be awarded based upon a "best value" criteria, rather than cost. The "best value" criteria shall include an evaluation of predetermined technical factors and qualifications and experience of the Proposer.

**PURCHASE ORDER** - The official form used by the Dormitory Authority when placing an order for Work.

**SPECIFICATIONS** - Description of the Work and the condition for its purchase.

**SUPPLEMENTAL SPECIFICATIONS** – Identifies documents applicable to the successful Bidder or Proposer.

**WORK** - The performance of all obligations imposed upon the Contractor by the Contract including labor and the furnishing and supplying, delivering, storing and installing of all Commodities and other things necessary, for proper or incidental completion.

<b>ARTICLE II – BIDS AND PROPOSALS</b>
--

1. The date and time of bid opening or the proposal due date will be given by the Notice to Bidders or the Request for Proposal
2. All bids and proposals are to be submitted on forms provided by the Dormitory Authority
3. All bids must be sealed. Telegraphic or telephone bids will not be considered.
4. The Bidder or Proposer must provide all information as required by the Notice to Bidders or Request for Proposals.
5. Each bid shall be construed to be completely in accordance with the Specifications unless the Bidder explains all deviations in detail on a separate letterhead attached to the Bid.

6. Prices and information required by the Notice to Bidders or the Request for Proposals, except the signature of the bidder, or Proposer should be typewritten or printed legibly. Submissions written in pencil may be rejected.
7. In all Notice to Bidders and Request for Proposals, the words "or equal" are understood to appear after each reference to a Commodity giving manufacturer's name or catalog reference. Should "or equal" Commodities not be accepted, this will be stated clearly in the Notice to Bidders or the Request for Proposal. If bidding or proposing Commodities other than those specified, the Bidder or Proposer must in every instance give the trade designation of the Commodity, manufacturer's name and detailed specifications of the Commodity to be furnish. Comparable products will be considered if proof of comparability is provided. The Owner's decision as to acceptance of the product as an "or equal" will be final. The burden of proof and all costs related thereto concerning the "or equal" nature of the substitute item, whether approved or disapproved, shall be borne by the Contractor.
8. The Dormitory Authority reserves the right to award a contract, or contracts, on the basis of the lowest bid for each item set forth in the Notice to Bidders or as in the case of Requests for Proposals, on the basis of the proposal judged to be the "best value".
9. When bids are requested on a by-item or by-lot basis, a Bidder must designate the item or lot cost or a no charge. Items or lots left undesignated will be determined as not being bid
10. The Bidder must insert the price per unit specified, and the price extension for each item in this bid if required. In the event of a discrepancy between the unit price and the extension, the unit price will govern. Prices must be extended in decimals, not fractions
11. Prices must be net, including transportation, delivery charges and applicable taxes fully prepaid by Contractor to the designation(s) indicated.
12. Bidders are cautioned to verify their bids before submission, as bids and amendments to bids or requests for withdrawal of bids received by the Authority after the time specified for the bid opening may not be considered. Should any error appear in the Specifications or Drawings, such error should be brought to the attention of the Owner immediately.
13. All bids will be opened publicly.

14. A Late Bid will be returned to the sender unopened and will not be considered in awarding a contract.
15. Before making an award:
  - A) The Dormitory Authority reserves the right before making an award to make investigations as to whether or not the Commodities, qualifications or facilities offered by the Bidder or Proposer meet the requirements set forth in the Notice to Bidders or Request for Proposal and are sufficient to insure the proper performance of the Contract.
  - B) If required by the Supplemental Specifications, the Bidder or Proposer agrees to furnish the Owner a Performance Bond and/or Labor and Material Payment Bond in the amount and form approved by the Owner, the cost thereof to be paid for by the Owner. The cost of such Bonds shall be included by the Bidder or Proposer in the bid or proposal amount. The cost of such Bonds shall be included by the Bidder or Proposer in the bid or proposal offered in compliance with Article XIV, Section 11 - Contract Security.
16. The Dormitory Authority reserves the right to reject any and all bids or proposals in whole or in part and to waive technicalities, irregularities and omissions, if, in its judgment, the best interest of the Dormitory Authority will be served.
17. Contracts shall be awarded to the lowest responsible Bidder or the responsible Proposer that submits the Proposal judged to be the "best value".
18. The Dormitory Authority reserves the right to make awards within one hundred twenty (120) days after the date of the bid opening or proposal due date, during which period bids or proposals shall not be withdrawn.
19. If two or more bidders submit identical bids as to price, the decision of the Dormitory Authority to award a Contract to one or more of such identical bidders shall be final.
20. A Contract awarded by the Dormitory Authority shall be deemed executory only to the extent of moneys available, and no liability shall be incurred by the Authority beyond the moneys available therefore.
21. All bids shall be received with the understanding that the acceptance thereof in writing by the Dormitory Authority shall constitute the Contract between the Bidder and the Dormitory Authority. The mailing of either a Contract award or of a Purchase Order to the address on the bid shall be sufficient notice of such acceptance.

22. Unless otherwise specified, the quantities listed in the Notice to Bidders or Request for Proposal are subject to change to conform with the Dormitory Authority requirements. The quantities listed are estimated only and the Contract shall be for the quantities actually ordered.
23. Unless terminated or cancelled by the Dormitory Authority, Contracts will remain in force for the period specified or until all Commodities ordered before the termination date shall have been satisfactorily delivered and accepted.
24. Unless otherwise authorized in writing by the Dormitory Authority, no Commodities are to be shipped or delivered until an official Purchase Order or Contract is received from the Dormitory Authority.
25. Without the prior consent, in writing, of the Dormitory Authority, the Contractor shall not assign, transfer, convey, sublet or otherwise dispose of the Contract or the right, title, duties or interest therein or the power to execute any Contract to any other person, company or corporation.
26. It is hereby understood between the parties hereto that the relationship created by the Contract Documents between the Dormitory Authority and the Contractor is one of independent contractor and it is in no way to be construed as creating an agency relationship between said parties nor is it to be construed as in any way or under any circumstances to be creating or appointing the Contractor as an agent of the Authority for any purpose whatsoever.
27. If the same or a smaller quantity of a Commodity is sold by a Contractor holding a contract with the State of New York for such Commodity at a price below the state contract price, the price to the Dormitory Authority shall be reduced to the lower amount

<b>ARTICLE III -SAMPLES</b>
-----------------------------

1. The Dormitory Authority reserves the right to request a representative sample of a Commodity at any time. The sample shall be furnished within a reasonable period of time as specified by the Authority.



2. If the sample, in the judgment of the Dormitory Authority, is not in accordance with the requirements of the specifications and Notice to Bidders or the Request for Proposal, the Dormitory Authority may in its sole discretion permit a period of time for a reworking of the sample or reject the bid or proposal.
3. When samples are required, failure to submit them in accordance with instructions may be sufficient cause for rejecting a bid or proposal.
4. When an accepted sample exceeds the minimum Specifications, all Commodities delivered will be of same quality and identity as the sample.
5. Samples must be submitted free of charge and be identified with the firm's name, address and the Dormitory Authority Bid or Proposal number.
6. All samples are subject to tests in the manner and place designated by the Dormitory Authority. Samples consumed or made useless by testing will not be returned to the Bidder or Proposer.
7. Where testing has not impaired the sample, the unsuccessful Bidders or Proposer shall, at no charge to the Dormitory Authority, remove said sample within fourteen (14) days from date of notification. Failure to remove samples within the designated period shall constitute abandonment of the sample and its disposition shall be at the discretion of the Dormitory Authority.
8. The Dormitory Authority may hold samples during the entire term of the Contract for comparison with deliveries.
9. A Notice to Bidders or Request for Proposal may indicate that the Commodity to be purchased must be equal to a sample on display in a designated place. Failure on the part of the Bidder or Proposer to examine such sample shall NOT entitle him to any relief from the conditions imposed in the Notice to Bidders, Specifications and other Contract Documents.

<b>ARTICLE IV - DRAWINGS</b>
------------------------------

1. Rough and shop drawings shall be furnished as deemed necessary and required by the Specifications. Such drawings shall be consistent with the Contract Documents and shall be considered as forming part of the Specifications and the Contract to which they relate.
2. All lettering on the drawings shall be considered a part of the drawings.

3. Approval by the Dormitory Authority of shop drawings for any Commodity or a facility in which a Commodity is to be located, will not relieve the Contractor from responsibility for furnishing the same of a proper dimension, size, quantity and quality, to efficiently perform the work and carry out the requirements and intent of the layout or descriptive drawings forming part of the Contract Documents. Such approval shall not relieve the Contractor from responsibility for errors of any sort in the shop drawings. The Contractor will take actual measurements of the areas in which Commodities are to be located. If the shop drawings deviate, or are intended to deviate from the layout or descriptive drawings or Specifications or other Contract Documents, the Contractor shall advise the Dormitory Authority, in writing, at the time the shop drawings are submitted stating the difference in value between the Contract requirements and that denoted by said shop drawings.
4. Rough and shop drawings will be examined by the Dormitory Authority and, if necessary, will be returned to the Contractor for correction. After the corrections have been made, the Contractor shall resubmit to the Dormitory Authority as many copies as required for final approval.
5. All drawings and copies thereof shall become the property of the Dormitory Authority and such drawings shall not be used on any other project unless permitted in writing by the Authority.

<b>ARTICLE V - DELIVERY</b>
-----------------------------

1. Delivery must be made as ordered and in accordance with the Contract Documents. Unless otherwise specified, delivery shall be made within thirty (30) days of receipt of Purchase Order by the Contractor. The decision of the Dormitory Authority as to reasonable compliance with delivery terms shall be final.
2. Delivery dates are approximate and reflect current construction schedules. Contractors are required prior to initiation of production to verify delivery schedules with the Dormitory Authority. Should a schedule change be necessary at that time the Contractor will be given a new schedule not to exceed six (6) months beyond the original delivery date, as shown on the Purchase Order and the Dormitory Authority shall incur no additional charges.

3. The Dormitory Authority will not schedule any deliveries for Saturdays, Sundays or legal holidays, unless mutually agreed to by the Contractor and the Dormitory Authority.
4. Commodities shall be securely and properly packed for shipment, storage and stocking in new shipping containers and according to accepted commercial practice, without extra charge for packing cases, baling or sacks. The container shall remain the property of the Dormitory Authority unless otherwise specified in the Contract Documents.
5. Point of Destination: All deliveries shall be unloaded at the location stated in the Contract Documents.
6. Commodities purchased at a price f.o.b. shipping point plus transportation charge are understood to be purchased on an f.o.b. point of destination basis. Title shall not pass until Commodities have been received and accepted at the destination.
7. Deliveries shall be accompanied by packing lists that conform to itemized listings provided on the Purchase Order.
8. When Commodities are rejected, they must be removed by the Contractor from the premises within five days of notification. Rejected items left longer than five days will be regarded as abandoned and the Dormitory Authority shall have the right to dispose of them as its own property.
9. Upon failure of the Contractor to deliver Commodities or services within the time specified or failure to make prompt replacement of rejected Commodities when so requested, the Dormitory Authority may arrange for those Commodities or services to be provided by other sources. On all such procurements the Contractor agrees to reimburse the Dormitory Authority promptly for costs in excess of the Contract cost. Should the cost be less than the Contract price, the Contractor shall have no claim to the difference. The Dormitory Authority may deduct such purchases from Contract quantity.

## ARTICLE VI - CONTRACTS INVOLVING INSTALLATION

1. The Contractor shall clean up and remove all debris and rubbish resulting from their Work. Labor and materials (including any subcontracted labor or materials) shall be at the Contractor's expense. Upon completion of all Work the premises shall be left broom clean, except for carpeted areas, which shall be vacuumed leaving the buildings in good repair and order.
2. Commodities, tools or materials may be stored at the site only upon the approval of the Dormitory Authority and at the sole risk of the Contractor.
3. Work shall be performed so as to cause the least inconvenience and with proper consideration for the rights of other contractors. The Contractor shall coordinate and promptly perform the Work to meet the progress of the Project.
4. Installation shall include but not be limited to all Work necessary to move equipment into and within the building(s); also the removal and resetting of any removable windows or doors necessary for moving equipment into and within the building(s).
5. Bidders shall acquaint themselves with conditions at the site by on-site inspection and shall assume all responsibility and expense at all times for delivery, distribution, placement and installation in the areas designated.
6. All materials used in installation shall be of the highest quality and shall be free from all defects, which would mar the appearance of the Commodity or render it structurally unsound.
7. The Contractor shall furnish adequate protection from damage to all Work and to other Work on the premises and to the premises and shall be responsible for the repair or replacement of all such damage of any kind to the satisfaction of the Owner.

8. Any labor, materials or means whose employment, or utilization during the course of the Contract may tend to or in any way cause or result in strike, work stoppages, delays, suspension of work or similar troubles by workmen employed by the Contractor, its subcontractors or material suppliers, or by any of the trades working in or about the buildings and premises where work is being performed under this Contract, or by other Contractors, their subcontractors or material suppliers pursuant to other contracts shall not be allowed. Any violation by the Contractor of this requirement may in the sole judgment of the Owner be considered as proper and sufficient cause for declaring the Contractor to be in default, and for the Owner to take action against the Contractor as set forth in the General Conditions Article VIII entitled "Termination" or such other action as the Owner may deem proper.
9. The Contractor shall provide the appropriate insurance as set out in Article XIV.
10. Without invalidating the Contract, the Owner may order Extra Work or make changes by altering, adding to, or deducting from the Work, the Contract consideration being adjusted accordingly. No claims for Extra Work shall be allowed unless such Extra Work is ordered in writing by the Owner. No changes in the Work shall be made unless such Work is ordered in writing by the Owner or Owner's Representative. If the time for completion is affected by this change, the revised time for completion shall be included the change order. The Owner may order the Contractor to perform the Extra Work and proceed under the Dispute Article.
11. The amount by which the Contract consideration is to be increased or decreased by any change order may be determined by the Owner by one (1) or more of the following methods:

- A. By applying the applicable unit price or prices contained in the Contract.
- B. By estimating the fair and reasonable cost of the extra work:
- i. Labor, including all wages, required wage supplements and insurance required by law, paid to employees below the rank of superintendent directly employed at the Project. Wages are the prevailing rate of wages defined in the Contract Documents and supplemental updates.
  - ii. Premiums or taxes paid by the Contractor for worker's compensation insurance, unemployment insurance, FICA tax and other payroll taxes as required by law, net of actual and anticipated refunds and rebates.
  - iii. Materials, Equipment, excluding hand tools, which in the judgment of the Owner, would have been or will be employed in the Work. The Owner may employ the use of rental rates it deems most appropriate from the "Green Book", the "Blue Book", or from the Associated General Contractors of America. In no case will the equipment rental cost exceed the purchase price of the equipment. Self-owned equipment is defined to include equipment rented from Contractor-controlled or loosely affiliated companies. It is the duty of the Contractor to utilize either rented or self-owned equipment that is of a nature and size appropriate for the Work to be performed. The Owner reserves the right to determine reasonable and appropriate equipment sizing, and at the Owner's discretion, it may adjust the costs allowed to reflect a smaller or less elaborate piece of equipment more suitable for performance of the extra Work.
- C. By determining the actual cost of the Extra Work in the same manner as in paragraph 11.B. of this section, except that the actual costs of the Contractor shall be used in lieu of estimated costs.

12. The Owner shall have the option of determining by which method the Contractor shall proceed with said Extra Work. Wages are the prevailing rate of wages defined in the Contract Documents and supplemental updates. The Contractor will submit a signed and notarized Labor Rate Worksheet(s) to the Owner to be used to determine hourly rates for various classifications of workers. The Contractor agrees to provide documentation verifying costs and calculations at the Owner's request.
13. Regardless of the method used by the Owner in determining the value of a change order, the Contractor shall, within the time-frame given by the Owner, submit to the Owner or Owner's Representative a detailed breakdown of the Contractor's estimate of the value of the omitted or Extra Work.
14. Unless otherwise specifically provided for in a change order, the compensation specified therein for Extra Work includes full payment for the Extra Work covered thereby, and the Contractor waives all rights to any other compensation for said Extra Work, damage or expense.
15. The Contractor shall furnish satisfactory bills, payrolls and vouchers covering all items of cost and when requested by the Owner shall give the Owner access to all accounts and records relating thereto, including records of subcontractors and material suppliers.
16. At the completion of the Project Work, the Owner will address increased bonding costs, if any, which may have resulted from Owner-issued changes in the Work, upon submission of satisfactory proof of Contractor's increased costs. The Owner will not pay overhead and profit on any increased costs for bonding.
17. At the completion of the Project Work, the Owner will address increased contractual liability insurance premium costs, if any, which may have resulted from changes in the Work upon submission of satisfactory proof of the Contractor's increased costs. The Owner will not pay overhead and profit on any increased costs for contractual liability insurance.

18. For Extra Work performed directly by the Contractor, whether a base cost is arrived at by estimated cost or actual cost method (as outlined), add to said base cost a sum equal to twenty percent, as depicted in the below Example A. (See Example D for an exception)

**Example A.**

Contractor Base Cost	\$1,000.
20% OH & P Allowance	<u>200.</u>
Total	\$1,200.

19. For extra work performed by a subcontractor under contract with the Contractor, where estimated or actual cost is Ten Thousand Dollars (\$10,000.00) or less, add to the base cost a sum equal to twenty percent of said cost, for the benefit of the subcontractor. For the benefit of the Contractor, add an additional sum equal to ten percent of the Subcontractor base cost, as depicted in the below Example B.

**Example B.**

Subcontractor base cost	\$1,000.
20% Subcontractor OH & P Allowance	<u>200.</u>
Subcontractor Total	\$1,200.
10% Contractor Allowance on Base Cost	<u>100.</u>
Total	\$1,300.

20. For extra work performed by a Subcontractor, under contract with the Contractor, which exceeds a base cost of Ten Thousand Dollars (\$10,000) in estimated or actual costs (as outlined), add to the base cost a sum equal to twenty percent of said cost for the benefit of the subcontractor. For the benefit of the Contractor add an additional sum equal to ten percent of the first Ten Thousand Dollars (\$10,000) of the subcontractor base cost, plus five percent of the next Ninety Thousand Dollars (\$90,000) of the Subcontractor base cost, plus three percent of any sum in excess of One Hundred Thousand Dollars (\$100,000) of the subcontractor base cost, as depicted in the below Example C.



**Example C.**

Subcontractor Base Cost	\$200,000.
20% Subcontractor OH & P Allowance	<u>40,000.</u>
Subcontractor Total	\$240,000.
10% Contractor Allowance on First \$10,000 Base Cost	1,000.
5% on Next \$90,000 Base Cost	4,500.
3% on Base Cost over \$100,000	<u>3,000.</u>
Total	\$248,500.

21. For extra equipment purchases by Prime or Subcontractors which exceeds a base cost of Ten Thousand dollars (\$10,000) in estimated or actual costs, add to the base cost for the benefit of the Contractor a sum equal to ten percent of the first Ten Thousand dollars (\$10,000) of the vendor base costs plus five percent of the next Ninety Thousand dollars (\$90,000) of the vendor base cost, plus three percent of any sum in excess of One Hundred Thousand dollars (\$100,000) of the vendors base cost. See Example D.

**Example D.**

Vendor Base Cost	\$200,000.
10% Prime or Subcontractor allowance on First \$10,000 Base Cost	1,000.
5% on Next \$90,000 Base Cost	4,500.
3% on Base Cost over \$100,000	<u>3,000.</u>
Prime or Subcontractor Total	\$208,500.
10% Prime Contractor allowance on First \$10,000 Base Cost when equipment is supplied by the Subcontractor. No other mark-up allowed.	<u>1,000.</u>
Total	\$209,500.

22. No allowance shall be made for extra work performed by a Subcontractor not under direct contract with the Contractor. No allowance shall be paid on the premium portion of overtime pay. Where the Extra Work involves both an increase and a reduction in similar or related Work, the overhead and profit allowance shall be applied only to the cost of the increase that exceeds the cost of the reduction.
23. Il change orders shall be processed, executed and approved in a written form that is acceptable to the Authority.

## ARTICLE VII – PAYMENTS

1. The Dormitory Authority will make payments after receipt of the Contractor's invoice and verification of the ordered Commodities or services.
2. In any case where a question of nonperformance of a Contract arises or any failure in any respect to conform to the Contract, payment may be withheld in whole or in part at the discretion of the Dormitory Authority. Should the amount withheld be finally paid, the Dormitory Authority may take a cash discount originally offered as if no delay in payment had occurred.
3. Any claim against a Contractor may be deducted by the Dormitory Authority from any money due the Contractor. If no deduction is made, the Contractor shall pay the Dormitory Authority the amount of such claim on demand. Submission of an invoice and payment thereof by the Dormitory Authority shall not preclude the Dormitory Authority from receiving upon demand a price adjustment in any case where the Commodities delivered are later found to deviate from the Specifications, Notice to Bidders or other Contract Documents. Any deliveries made which do not meet the requirements of the Specifications, Notice to Bidders or other Contract Documents may be rejected.
4. Owner's Right to Audit and Inspection of Records: The Contractor shall maintain and keep, for a period of at least six (6) years after the date of final payment, all records and other data relating to the Work, including records of Subcontractors and material suppliers. The Owner or the Owner's Representative shall have the right to inspect and audit all records and other data of the Contractor, Subcontractors and material suppliers relating to the Work.

5. Electronic Payments Program: The Dormitory Authority reserves the right to implement an electronic payment program (“Electronic Payment Program”) for all payments due to Contractor hereunder. Prior to implementing an Electronic Payment Program, the Dormitory Authority shall provide the Contractor written notice one hundred twenty days prior to the effective date of such Electronic Payment Program (“Electronic Payment Effective Date”). Commencing on or after the Electronic Payment Effective Date, all payments due hereunder by the Contractor shall only be rendered electronically, unless payment by paper check is expressly authorized by the Dormitory Authority. Commencing on or after the Electronic Payment Effective Date Contractor further acknowledges and agrees that the Dormitory Authority may withhold any request for payment hereunder, if the Contractor has not complied with the Dormitory Authority’s Policies and Procedures relating to its Electronic Payment Program in effect at such time, unless payment by paper check is expressly authorized by the Dormitory Authority.

<b>ARTICLE VIII - TERMINATION</b>
-----------------------------------

1. Termination for Cause: In the event that any provision of the Contract is violated by the Contractor, the Owner may serve written notice upon the Contractor, and upon the Contractor’s surety, if any, of the Owner’s intention to terminate the Contract, said notice shall contain the reasons for said intention to terminate the Contract upon a date specified by the Owner. If said violation or delay shall not cease or arrangements satisfactory to the Owner shall not be made, the Contract shall terminate upon the date so specified by the Owner. In the event of any said termination, the Owner may take over the Work and prosecute same to completion by Contract or otherwise for the account and at the expense of the Contractor, and the Contractor and Contractor’s surety shall be liable to the Owner for all costs occasioned the Owner thereby. In the event of said termination the Owner may take possession of and may utilize any Commodities, as may be on the premises and necessary or useful in completing the Work.

2. Termination for Convenience of Owner: The Owner, at any time, may terminate the Contract in whole or in part. Any said termination shall be effected by delivering to the Contractor a notice of termination specifying the extent to which performance of Work under the Contract is terminated and the date upon which said termination becomes effective. Upon receipt of the notice of termination, the Contractor shall act promptly to minimize the expenses resulting from said termination. The Owner shall pay the contractor the costs actually incurred by the Contractor up to the effective date of said termination, but in no event shall the Contractor be entitled to compensation in excess of the total consideration of the Contract. In the event of said termination the Owner may take over the Work and prosecute same to completion by Contract or otherwise and may take possession of and may utilize such Commodities as may be on the premises and necessary or useful in completing the Work.
3. Owner's Right to do Work: The Owner may, after notice to the Contractor, without terminating the Contract and without prejudice to any other right or remedy the Owner may have, perform or have performed by others all of the Work or any part thereof and may deduct the cost thereof from any moneys due or to become due the Contractor.
4. Suspension: The Owner shall have the right to suspend performance of the Contract in part or in whole, and any such action on its part shall in no event be deemed a breach of Contract, and if such action is not due to the fault of the Contractor, the Contractor shall be paid for services performed and expenses incurred prior to the date of such suspension, including any and all sums then due in accordance with the provisions of the Contract.

<b>ARTICLE IX – LABOR LAW PROVISIONS</b>
--

1. It is hereby agreed that all applicable provisions of the Labor Law of the State of New York shall be carried out in the performance of the Work.
2. The Contractor specifically agrees, as required by Labor Law Sections 220 and 220-d, that:

- A. no laborer, workman or mechanic in the employ of the Contractor, subcontractor or other person doing or contracting to do the whole or any part of the Work contemplated by the Contract shall be permitted or required to work more than eight (8) hours in any one (1) calendar day or more than five (5) days in any one (1) week, except in the extraordinary emergencies set forth in the Labor Law;
  - B. the wages paid for a legal day's work shall be not less than the prevailing rate of wages as defined by law;
  - C. the minimum hourly rate of wage to be paid and supplement provided shall be not less than that stated in the Contract and as shall be designated by the Industrial Commissioner of the State of New York;
  - D. the Contractor and every subcontractor shall post in a prominent and accessible place on the Site, a legible statement of all minimum wage rates and supplements to be paid or provided for the various classes of laborers and mechanics to be engaged in the Work and all deductions, if any, required by law to be made from unpaid wages actually earned by the laborers and mechanics so engaged.
  - E. the Contractor shall be responsible for obtaining prevailing wage rate updates directly from the New York State Department of Labor, either by accessing its website ([www.labor.state.ny.us](http://www.labor.state.ny.us)) or by faxing a written request to the Bureau of Public Work at (518) 485-1870.
3. The minimum wage rates, if any, herein specified for apprentices shall apply only to persons working with the tools of the trade which such persons are learning under the direct supervision of journeymen mechanics. Except as otherwise required by law, the number of apprentices in each trade or occupation employed by the Contractor or any Subcontractor shall not exceed the number permitted by the applicable standards of the New York State Department of Labor, or in the absence of such standards, the number permitted under the usual practice prevailing between the unions and the employers' association of the respective trades or occupations.
4. All employees of the Contractor and each subcontractor shall be paid in accordance with the provisions of the Labor Law.

5. The Contractor agrees that, in case of underpayment of wages to any worker engaged in the Work by the Contractor or any subcontractor, the Owner shall withhold from the Contractor out of payments due an amount sufficient to pay such worker the difference between the wages required to be paid under the Contract and the wages actually paid such worker for the total number of hours worked, and that the Owner may disburse such amount so withheld by the Owner for and on account of the Contractor to the employee to whom such amount is due. The Contractor further agrees that the amount to be withheld pursuant to this paragraph may be in addition to the percentages to be retained by the Owner pursuant to other provisions of the Contract.
6. Pursuant to subdivision 3 of section 220 and section 220-d of the Labor Law, the Contract shall be forfeited and no sum paid for any Work done hereunder upon a Contractor's or a subcontractor's second conviction for willfully paying or providing less than:
  - A. the stipulated wage scale or supplement as established by the fiscal officer, or
  - B. less than the stipulated minimum hourly wage scale as designated by the Industrial Commissioner.
7. Pursuant to Labor Law, Section 220-e, the Contractor specifically agrees:
  - A. That in the hiring of employees for the performance of Work under the Contract or any subcontract hereunder, or for the manufacture, sale or distribution of materials, equipment or supplies hereunder, but limited to operation performed within the territorial limits of the State of New York, no Contractor, Subcontractor, nor any person acting on behalf of such Contractor or subcontractor, shall by reason of race, creed, color, disability, sex or national origin discriminate against any citizen of the State of New York who is qualified and available to perform the work to which the employment relates;
  - B. That no Contractor, subcontractor, nor any person on behalf of such Contractor or Subcontractor shall, in any manner, discriminate against or intimidate any employee hired for the performance of work under the Contract on account of race, creed, color, disability, sex or national origin;
  - C. That there may be deducted from the amount payable to the Contractor, by the Owner under the Contract, a penalty of fifty (\$50.00) dollars for each person for each calendar day during which such person was discriminated against or intimidated in violation of the terms of the Contract; and

D. That the Contract may be cancelled or terminated by the Owner and all moneys due or to become due hereunder may be forfeited for a second or any subsequent violation of the terms or conditions of this section of the Contract.

8. In the case of Contracts which there are prevailing wage requirements, the Contractor specifically agrees:

That the Contractor will certify its payrolls and keep these certified records on site and available, and provide copies to the Owner with each invoice presented for payment. That, as part of the required posting of wage schedules, the Contractor will display on the jobsite, in a conspicuous place, posters and wallet-size cards supplied by the Department of Labor which inform employees of their entitlement to receive prevailing wages and supplements as determined by the Department of Labor.

That the Contractor will provide each worker with a written notice informing the worker of the prevailing wage requirements for the job. The notice shall contain a simple statement or declaration for the worker's signature, which the Contractor shall obtain, attesting to the fact that the worker was given this information. Records must be maintained on site and made available, and copied to the Owner upon request.

9. If the project is Federally funded in part or whole and therefore subject to the requirements of the Davis Bacon Act, the U.S. Department of Labor's government-wide implementation of the Act, or to Federal program legislation, the Contractor must pay the higher of either New York State prevailing wage rates or wages established for the locality of the project by the Federal Department of Labor.

<b>ARTICLE X - NONDISCRIMINATION</b>
--------------------------------------

During the performance of the Work, the Contractor agrees as follows:

1. The Contractor will not discriminate against any employee or applicant for employment because of race, creed, color, sex, national origin, age, disability or marital status.

2. If directed to do so by the Commissioner of Human Rights, the Contractor will send to each labor union or representative of workers with which the Contractor has or is bound by a collective bargaining or other agreement or understanding, a notice, to be provided by the State Commissioner of Human Rights, advising such labor union or representative of the Contractor's agreement under clauses 1 through 7 (hereinafter called "nondiscrimination clauses"). If the Contractor was directed to do so by the Owner as part of the bid or negotiation of the Contract, the Contractor shall request such labor union or representative to furnish a written statement that such labor union or representative will not discriminate because of race, creed, color, sex, national origin, age, disability or marital status, and that such labor union or representative will cooperate, within the limits of its legal and contractual authority, in the implementation of the policy and provisions of these nondiscrimination clauses and that it consents and agrees that recruitment, employment and the terms and conditions of employment under this Contract shall be in accordance with the purposes and provisions of these nondiscrimination clauses. If such a labor union or representative fails or refuses to comply with such a request that it furnish such a statement, the Contractor shall promptly notify the State Commissioner of Human Rights of such failure or refusal.
3. If directed to do so by the Commissioner of Human Rights, the Contractor will post and keep posted in conspicuous places, available to employees and applicants for employment, notices to be provided by the State Commissioner of Human Rights setting forth the substance of the provisions of clauses A and B and such provisions of the State's laws against discrimination as the State Commissioner of Human Rights shall determine.
4. The Contractor will state, in all solicitations or advertisement for employees placed by or on behalf of the Contractor, that all qualified applicants will be afforded equal employment opportunities without discrimination because of race, creed, color, sex, national origin, age, disability or marital status.



5. The Contractor will comply with the provisions of Section 290-299 of the Executive Law and with the Civil Rights Law, will furnish all information and reports deemed necessary by the State Commissioner of Human Rights under these nondiscriminatory clauses and such sections of the Executive Law, and will permit access to the Contractor's books, records and accounts by the State Commissioner for the purposes of investigation to ascertain compliance with these non-discrimination clauses and such sections of the Executive Law and Civil Rights Law.
6. This Contract may be forthwith cancelled, terminated or suspended, in whole or in part, by the Owner upon the basis of a finding made by the State Commissioner of Human Rights that the Contractor has not complied with these nondiscrimination clauses, and the Contractor may be declared ineligible for future contracts made by or on behalf of the State or a public authority or agency of the State, until the Contractor satisfies the State Commissioner of Human Rights that the Contractor has established and is carrying out a program in conformity with the provisions of these nondiscrimination clauses. Such finding shall be made by the State Commissioner of Human Rights after conciliation efforts by the Commissioner have failed to achieve compliance with these nondiscrimination clauses and after a verified complaint has been filed with the Commissioner, notice thereof has been given to the Contractor and an opportunity has been afforded the Contractor to be heard publicly in accordance with the Executive Law. Such sanctions may be imposed and remedies invoked independently of or in addition to sanctions and remedies otherwise provided by law.
7. The Contractor will include the provisions of clauses 1 through 6 above in every subcontract or purchase order in such a manner that such provisions will be binding upon each subcontractor or vendor as to operations to be performed within the State of New York. The Contractor will take such action in enforcing such provisions of such subcontract or purchase order as the State Commissioner of Human Rights or the Owner may direct, including sanctions or remedies for non-compliance. If the Contractor becomes involved in or is threatened with litigation with a subcontractor or vendor as a result of such direction by the State Commissioner of Human Rights or the Owner, the Contractor shall promptly so notify the Attorney General, requesting the Attorney General to intervene and protect the interests of the State of New York.

## **ARTICLE XI – SURVEYS, PERMITS AND REGULATIONS**

1. Unless otherwise expressly provided for in the Specifications or other Contract Documents, the Owner will furnish to the Contractor all surveys necessary for the execution of the Work, but the Contractor shall lay out the Work.
2. The Contractor shall procure and pay for all permits and licenses necessary for the execution of the Work and the use of such Work when completed.
3. The Contractor shall comply with all the laws, ordinances, rules, orders and regulations relating to the performance of the Work, the protection of adjacent property, and the maintenance of passageways, guard fences or other protective facilities.
4. All Commodities furnished by the Contractor and the manners of installation shall comply with the standards required pursuant to the provisions of the Federal Occupational Safety and Health Act, as amended.

## **ARTICLE XII – PATENTS**

1. The Contractor shall hold and save the Owner and its officers, agents, servants and employees harmless from liability of any nature or kind, including cost and expenses for, or on account of, any patented or unpatented inventions, process, article or appliance manufactured or used in the performance of the Contract by the Contractor or the Owner, unless otherwise specifically stipulated in the Contract Documents.
2. License or Royalty Fees: License and royalty fees for the use of process which is authorized by the Owner of the Project must be reasonable, and paid to the holder of the patent, or his authorized licensee, direct by the Owner and not by or through the Contractor.
3. If the Contractor uses any design, device or materials covered by letters, patent or copyright, he shall provide for such use by suitable agreement with the owner of such patented or copyrighted design, device or material. It is mutually agreed and understood that without exception, the Contract prices shall include all royalties or costs arising from the use of such design, device or materials in any way involved in the Work.

The Contractor and the Contractor's sureties shall indemnify and save harmless the Owner of the Project from any and all claims for infringement by reason of the use of such patented or copyrighted design, device or materials or any trademark or copyright in connection with Work agreed to be performed under the Contract, and shall indemnify the Owner for any cost, expense or damage which it may be obligated to pay by reason of such infringement at any time during the prosecution of the Work or after completion of the Work.

<b>ARTICLE XIII – PROTECTION OF RIGHTS, PERSONS AND PROPERTY</b>
--

1. Accident Prevention

The Contractor shall, at all times, take every precaution against injuries to persons or damage to property and for the safety of persons on or about the site or engaged in the performance of the Work.

2. Safety Programs

The Contractor shall be responsible for the initiation, maintenance and supervision of safety precautions and programs in connection with the Work.

3. Protection of Work and Property

- A. The Contractor shall, at all times, guard and protect the Owner's property including Contractor's work from injury or loss in connection with the Work. The Contractor shall replace or make good any said loss or injury unless said loss or injury is caused directly by the Owner.
- B. The Contractor shall have full responsibility to protect and maintain all materials and supplies on and off site in proper condition and forthwith repair, replace and make good any damage thereto until the Work is completed. The Contractor shall maintain an inventory of all materials and supplies for the Project that are delivered to the Site or approved for Off-Site storage facilities.
- C. The Contractor shall report any loss, theft, burglary, vandalism or damage of materials or installed Work to the owner's Representative and Risk Management Unit by phone and fax as soon as it is discovered. If vandalism, theft, or burglary are suspected as the cause of the loss, the Contractor shall notify site security personnel and the municipal police. The Contractor shall also protect the place of the loss until released from protection by the Owner or the Owner's Representative. The Contractor shall insure that no potential evidence relating to the loss is removed from the place of the loss until the Owner or Owner's

Representative has inspected the site. Failure to provide timely notice to the Owner or protect the site and evidence will disqualify the Contractor from any potential recovery under Owner-held insurance policies.

4. Adjoining Property

The Contractor shall protect all adjoining property and shall repair or replace any said property damaged or destroyed by the Contractor during the progress of the Work.

5. Protection of Lives and Health

- A. Each Contractor and Subcontractor shall comply fully with all applicable provisions of the laws of the State of New York, the United States of America and with all applicable rules and regulations adopted or promulgated by agencies or municipalities. The Contractor's and Subcontractor's attention is specifically called to the applicable rules and regulations, codes and bulletins of the New York State Department of Labor and to the standards imposed under the Federal Occupational Safety and Health Act of 1970, as amended. The Contractor shall report on compliance to the Owner or Owner's Representative at the weekly safety meetings.
- B. The Contractor shall maintain an accurate record of all cases of death, occupational disease, and injury requiring medical attention or causing loss of time from work, arising out of and in the course of employment of Work under the Contract, and shall immediately notify the Owner in writing of any injury which results in hospitalization or death. The Contractor shall provide to the Owner a copy of Form C-2, Employers Report of Injury/ Illness within twenty-four (24) hours of any job-related injury on the Owner's job site. Further, a copy of the OSHA Log of Injury and Illness shall also be provided to the Owner for any reporting period in which a job-related injury or illness is recorded. The Contractor shall also provide a list of witnesses to the Owner. The list shall include at least the full name, home address, occupation and telephone number of each person who saw or has knowledge of the incident which caused the injury or illness.
- C. The Contractor alone shall be responsible for the safety, efficiency and adequacy of the Contractor's Work, plant, appliances and methods, and for any damage which may result from the failure or the improper construction, maintenance, or operation of such Work, plant, appliances and methods.

- D. If, in the performance of the Work, a harmful hazard is created for which appliances or methods of elimination have been approved by regulatory authorities, the Contractor shall install, maintain and operate said appliances or methods.
  - E. The Owner or Owner's Representatives may inspect the job site at any time without notice to the Contractor. If the Owner finds that the Contractor is not complying with Section 5, the Owner may send written notice to the Contractor to correct any deficiency. Upon reinspection, if the Owner finds the deficiencies have not been corrected, or in instances where a safety violation(s) must be corrected before work continues and the Contractor is given three (3) hours to make correction(s) and they are not made, the Owner may let a separate contract to correct any deficiencies and charge back the cost of the separate contract to the Contractor at a premium rate. The Contractor cannot pass these additional charges on to the Owner. No action taken under this section shall be deemed as a basis for any delay claim or any other claim against the Owner by the Contractor.
  - F. The Contractor shall preserve and safeguard the scene of any accident involving a ladder, scaffold, mobile machinery, equipment, safety railing or uncovered floor opening or any other incident where the injured person required emergency medical treatment. The Contractor shall "tape off" the area, and not allow any material object or property to be altered, changed, moved or removed from the accident site. In addition to "taping off" the accident site, the Contractor shall telephone and fax the Owner immediately, and post a person at the accident site to protect it. Safeguarding and protecting the accident site shall only be abandoned by the Contractor upon release by the Owner or the Owner's Representative. Failure of the Contractor to comply with the provisions of this paragraph shall be deemed a breach of the Contract. In addition to any other contractual remedies available, the Owner may satisfy the breach by imposing the penalties set out in Section 5.E., or void the entire Contract and retain any or all amounts due the Contractor under the Contract.
6. Risks Assumed by the Contractor: The Contractor solely assumes the following distinct and several risks whether said risks arise from acts or omissions, whether supervisory or otherwise, including unforeseen obstacles and difficulties which may be encountered in the prosecution of the Work, and whether said risks involve any legal duty, primary or

otherwise, imposed upon the Owner, excepting only risks which arise from faulty designs as shown by the plans and specifications or from affirmative acts of the Owner or the Owner's members, officers, representatives or employees committed with intent to cause the loss, damage or injuries hereinafter set forth:

- i. The risk of claims, just or unjust, by third persons against the Contractor or the Owner, the Client, and the Construction Manager on account of wrongful death, bodily injuries and property damage, arising or alleged to arise out of or as a result of or in connection with the performance by the Contractor of the Work, whether actually caused by or resulting from the performance of the Work, or out of or in connection with the Contractor's operations or presence at or in the vicinity of the site. The Contractor shall bear the risk for all deaths, injuries, damages or losses sustained or alleged to have been sustained prior to the construction completion of the Work, or resulting from the Contractor's negligence or alleged negligence which is discovered, appears, or is manifested after the completion of the Work and acceptance by the Owner.
- ii. The risk of loss or damage, to the Work or to any plant, equipment, tools, materials or property furnished, used, installed or received by the Owner, the Construction Manager, the Contractor or any Subcontractor, materialmen or workmen performing services or furnishing materials for the Work. The Contractor shall bear said risk of loss or damage until the Work is completed or until completion or removal of said plant, equipment, tools, materials or property from the site and the vicinity thereof, whichever event occurs last. In the event of said loss or damage, the Contractor shall timely repair, replace or make good any said loss or damage after notification to the Owner's Representative and Risk Management Unit.

- iii. The Contractor assumes entire responsibility and liability for any and all damage or injury of any kind or nature whatsoever, including death resulting there from, to all persons, whether employees of the Contractor or otherwise, and to all property, caused by, resulting from, arising out of, or occurring in connection with the execution of the Work. If any person shall make said claim for any damage or injury, including death resulting there from, or any alleged breach of any statutory duty or obligation on the part of the Owner, the Client, the Owner's Representative, Construction Manager, servants and employees, the Contractor shall assume the defense and pay on behalf of the Owner, the Client, the Owner's Representative, the Construction Manager, servants and employees, any and all loss, expense, damage or injury that the Owner may sustain as the result of any claim. The Contractor agrees to assume, and pay on behalf of the Owner, the Client, and the Owner's Representative, Construction Manager, servants and employees, the defense of any action at law or equity which may be brought against the Owner, the Client and the Owner's Representative, Construction Manager, servants and employees. The assumption of defense and liability by the Contractor includes, but is not limited to, the amount of any legal fees associated with defending, all costs of investigation, expert evaluation and any other costs including any judgment or interest or penalty that may be entered against the Owner, the Client, and the Owner's Representative, Construction Manager, servants and employees, in any said action.
- iv. The Contractor's obligations under this Article shall not be deemed waived, limited or discharged by the enumeration or procurement of any insurance for liability for damages. The Contractor shall notify its insurance carrier within twenty four (24) hours after receiving a notice of loss or damage or claim from the Owner or Owner's Client. The Contractor shall make a claim on its insurer specifically under the provisions of the contractual liability coverage and any other coverage's afforded the Owner or the Client including those of being an additional insured where applicable.

- v. Neither Final Acceptance of the Work nor making any payment shall release the Contractor from the Contractor's obligations under this Article. The enumeration elsewhere in the Contract of particular risks assumed by the Contractor or of particular claims for which the Contractor is responsible shall not be deemed to limit the effect of the provisions of this Article or to imply that the Contractor assumes or is responsible for only risks or claims of the type enumerated; and neither the enumeration in this Article nor the enumeration elsewhere in the Contract of particular risks assumed by the Contractor of particular claims for which the Contractor is responsible shall be deemed to limit the risks which the Contractor would assume or the claims for which the Contractor would be responsible in the absence of said enumerations.
- vi. The Contractor agrees that any unsatisfied claim of the Owner and/or Client arising from obligations in this Article and/or Article XIII shall be set off or deducted from payments due the Contractor.

<b>ARTICLE XIV – INSURANCE AND CONTRACT SECURITY FOR CONTRACTS INVOLVING INSTALLATION OF COMMODITIES</b>
--

- 1. The Contractor shall procure and maintain all of the insurance required under this Article until all work, including punch list items, is complete.

The Contractor and each Subcontractor of every tier shall provide insurance as follows:

- A. Workers' Compensation Law Requirements
  - a. Workers' Compensation (including occupational disease) and Employer's Liability New York Statutory Endorsement with a minimum limit of one million Dollars (\$1,000,000) as evidenced by **ONE** of the following (**ACORD certificates are not acceptable**):
    - 1) C-105.2 (September 2007, or most current version) - Certificate of Workers Compensation Insurance. The insurance carrier will provide a completed form as evidence of in-force coverage.
    - 2) U-26.3-Certificate of Workers Compensation Insurance from the State Insurance Fund. The State Insurance Fund will provide a completed form as evidence of in-force coverage.
    - 3) GSI-105.2/SI-12-Certificate of Workers Compensation Self Insurance. The NYS Workers' Compensation Board's Self



Insurance Office or the contractor's Group Self Insurance Administrator will provide a completed form.

b. Disability Benefits

- 1) DB-120.1 (May 2006, or most current version) – Certificate of Insurance Coverage Under the NYS Disability Benefits Law. The insurance carrier will provide a completed form as evidence of in-force coverage.
- 2) DB-155-Certificate of Disability Self Insurance. The NYS Workers' Compensation Board's Self Insurance Office will provide a completed form.
- 3) CE-200-Certificate of Attestation of Exemption. (Note: This form will only be accepted as evidence of an exemption from providing Disability Benefits insurance as required by law. The Authority will not accept this as an exemption from providing Workers' Compensation Insurance.) The Certificate may be obtained from the NYS Workers Compensation Board's website at [www.wcb.state.ny.us/content/main/forms.htm](http://www.wcb.state.ny.us/content/main/forms.htm). The CE-200 cannot be used for multiple projects. Therefore, a new form will have to be completed prior to award of any subsequent contracts.

All forms are valid for one year from the date the form is signed/stamped, or until policy expiration, whichever is earlier.

(Certificates and affidavits may be obtained at the NYS Workers Compensation Board's website at [www.wcb.state.ny.us/content/main/forms.htm](http://www.wcb.state.ny.us/content/main/forms.htm). Affidavits must be stamped as received by the NYS Workers Compensation Board. All forms are valid for one year from the date the form is signed/stamped, or until policy expiration, whichever is earlier.)

- iv. United States Longshoremen and Harbor workers' Compensation Act (if applicable)-if a contractor or subcontractor is engaged in maritime activities on or near the navigable waterways of the United States, the Workers' Compensation policy should be endorsed to provide this coverage.
- B. Commercial General Liability (CGL) with a combined single limit for bodily Injury, Personal Injury and Property Damage of at least \$2,000,000 per occurrence & aggregate. The limit may be provided through a combination of primary and umbrella/excess liability policies.

Coverage shall provide and encompass at least the following:

- i. Written on an occurrence form;
  - ii. An endorsement naming the Dormitory Authority - State of New York, the Client, the Construction Manager (if applicable), and other entities as additional insured as specified on the Dormitory Authority Sample Certificate of Insurance in the Supplement to Information for Bidders.
  - iii. Policy or policies must be endorsed to be primary as respects the coverage afforded the Additional Insured and such policy shall be primary to any other insurance maintained by the Owner. Any other insurance maintained by the Owner shall be excess of and shall not contribute with the Contractor's or Subcontractor's insurance, regardless of the "other insurance" clause contained in the Owner's own policy of insurance. A copy of the endorsement reflecting this requirement may be requested by the Owner.
  - iv. Excavation, Collapse and Underground Hazards (where applicable);
  - v. Independent Contractors;
  - vi. Blanket Written Contractual Liability covering all indemnity Agreements, including all indemnity obligations contained in the General Conditions;
  - vii. Products and Completed Operations Coverage for a term no less than three years.
- C. Commercial Automobile Liability and Property Damage Insurance covering all owned, leased, hired and non-owned vehicles used in connection with the Work with a combined single limit for Bodily Injury and Property Damage of at least \$1,000,000 each person/each accident. The limit may be provided through a combination of primary and umbrella/excess liability policies.
- D. Umbrella and/or Excess Liability policies used to follow the form of the CGL, Automobile Liability and Employers Liability limits shown above may be warranted to be in excess of limits provided by primary CGL, Automobile Liability and Employer's Liability, but not excess to other insurance maintained by the Owner. The Owner may request a copy of the Umbrella/Excess Liability Policy Declarations Page and the Underlying Schedule of Insurance.

E. Asbestos Abatement Contractors and Subcontractors Only

Asbestos Abatement Contractors Liability with a limit of \$2,000,000 per occurrence and aggregate. Coverage shall provide and encompass at least the following:

- i. An endorsement naming the Dormitory Authority - State of New York, the Client, the Construction Manager (if applicable), and other entities as additional insured as specified on the Dormitory Authority Sample Certificate of Insurance in the Supplement to Information for Bidders.
- ii. Coverage is on an "occurrence basis".

F. Hazardous/Contaminated Materials Contractors and Subcontractors including Underground Petroleum Storage Tank Contractors and Subcontractors Only Excavation including Removal, Repair, Installation, Testing and Petroleum Remediation Operations.

Coverage shall provide and encompass at least the following:

- i. Pollution Liability with a combined single limit of \$2,000,000 per occurrence/\$2,000,000 aggregate;
- ii. Endorsement naming the following as additional insured's: Dormitory Authority of the State of New York, The State of New York, the Construction Manager (if applicable) and other entities specified on the sample Certificate of Insurance provided by the Owner, if coverage is on an occurrence basis;
- iii. If coverage is on a claims-made policy form then an extended reporting provision of up to three years after Work is completed is required. If coverage is cancelled or not renewed, then the Contractor must purchase the extended reporting provision for a period of three years for claims made during the project but reported after the cancellation of the coverage; and
- iv. A maximum Self-Insured Retention of \$50,000, or an amount approved by Owner.

G. For Projects/Work in close proximity to railways that the Contractor determines will require entrance upon railway right of way, the Contractor must provide Railroad Protective Liability coverage. Policy forms AASHO or ISO-RIMA will be required and must be submitted prior to award of Contract.

For information and use, the Transit Authority provides the following information:

A Railroad Protective Liability policy covering Work to be performed at the job site and affording protection for damages arising out of bodily injuries or death, an injury to or destruction of property, will be required. The Protective Liability insurance policy (I.S.O. Form CG 00 35 11 85 or equivalent) must name the New York City Transit Authority (NYCTA), Manhattan and Bronx Surface Transit Operating Authority (MaBSTOA), Staten Island Rapid Transit Operating Authority (SIRTOA), Metropolitan Transportation Authority (MTA), its subsidiaries and affiliated companies, the City of New York and all other indemnified parties as Named Insured with limits of liability of \$2,000,000 each occurrence on a combined single limit basis (aggregate must be at least \$4,000,000) for injuries (bodily injuries, including death and personal injuries) to persons and for damage to property and physical damage to all property owned by, leased by or in the care, custody and control of the Transit Authority.

- H. Off-Site Storage for Convenience of Owner. Should the Contractor be required to store job-related materials off the job site for the convenience of the Owner, the Contractor shall procure builder's risk or inland marine insurance with a limit of coverage sufficient to replace the full value of the material in storage. The Owner shall be a named insured on the insurance policy, cost thereof to be paid by the Owner.
  - I. Transit Coverage. If the Contractor is long distance or local moving, transfer or cartage company, the Contractor shall provide all risk transit insurance at replacement cost for the full value of the materials, furnishings, equipment or products being shipped, moved or transported for the Owner.
2. Prior to award of Contract, one original Certificate of Insurance, showing evidence of coverage of all insurance required under the contract, must be submitted to the Purchasing Unit and approved by the Owner prior to the commencement of Work. It is further agreed that if the insurance policy's term stated on the certificate expires, it is the responsibility of the contractor to provide an updated certificate of insurance to the Risk Management Unit 30 days prior to expiration of the insurance. Non-compliance to this request will result in the Owner withholding award to the contractor. Certificates shall provide 30 days written notice prior to the cancellation, non-renewal, or reduction in the limits of liability of any policy. Upon request, the Contractor shall furnish the Owner and the Construction Manager with certified copies

of each policy. In addition, where applicable, the Contractor shall provide copies of Certificates of Insurance to the Construction Manager.

Certificates (prior to award) are to be forwarded to:

Purchasing Unit

DASNY

515 Broadway

Albany, New York 12207-2964

(Updated) Certificates are to be forwarded to:

Risk Management Unit

DASNY

515 Broadway

Albany, New York 12207-2964

Certificate(s) of Insurance, when submitted to the Owner, constitute a warranty by the Contractor that the insurance coverage described is in effect for the policy term shown and will provide insurance for the life of the entire project.

Should the Contractor engage a Subcontractor, the same conditions as are applicable to the Contractor under these insurance requirements shall apply to each Subcontractor of every tier. Proof thereof shall be supplied to the Dormitory Authority's Risk Management Unit.

3. All insurance required to be procured and maintained must be procured from insurance companies licensed to do business in the State of New York and rated at least B+ by A.M. Best and Company, or meet such other requirements as are acceptable to the Owner.
4. Should the Contractor fail to provide or maintain any insurance required by this contract, the Owner may, after providing written notice to the Contractor, purchase insurance complying with the requirements of this Article and charge back such purchase to the Contractor.
5. At any time that the coverage provisions and limits on the policies required herein do not meet the provisions and limits set forth above, the Contractor shall immediately cease Work on the Project. The Contractor shall not resume Work on the Project until authorized to do so by the Owner. Any

delay or time lost as a result of the Contractor not having insurance required by this Article shall not give rise to a delay claim or any other claim against the Owner or the Client.

6. Notwithstanding any other provision in this Article, the Owner may require the Contractor to provide, at the expense of the Owner, any other form or limit of insurance necessary to secure the interests of the Owner.
7. The Contractor shall secure, pay for, and maintain Property Insurance necessary for protection against the loss of owned, borrowed or rented capital equipment and tools, including any tools owned by employees, and any tools or equipment, staging towers, and forms owned, borrowed or rented by the Contractor. The requirement to secure and maintain such insurance is solely for the benefit of the Contractor. Failure of the Contractor to secure such insurance or to maintain adequate levels of coverage shall not render the Additional Insured or their agents and employees responsible for any losses; and the Additional Insured, their agents and employees shall have no such Liability.
8. Neither the procurement nor the maintenance of any type of insurance by the Owner, the Contractor or the Construction Manager shall in any way be construed or deemed to limit, discharge, waive or release the Contractor from any of the obligations or risks accepted by the Contractor or to be a limitation on the nature or extent of said obligations and risks.

#### 9. Builder's Risk Insurance

- A. The Owner shall, except as otherwise herein specified, at all times during the period of construction and until physical completion, procure and maintain at the cost and expense of the Owner Builder's Risk insurance written on an all risk basis against direct physical loss, including flood or earthquake, or damage to property of the Work and on all materials, equipment, machinery and supplies to be made a part of the Work in the names of the Owner, said amount of insurance to be procured and maintained on a one hundred percent (100%) replacement-value basis on the insurable portion of the Work. Loss, if any, is to be made adjustable with and payable to the Owner.

- B. In instances when the Client is the New York State Office of Mental Health, the New York State Office for People with Developmental Disabilities or other client not covered under a preexisting Builder's Risk insurance policy with the Authority, the Contractor shall be responsible for providing Builder's Risk insurance described in Paragraph A of Article XIV, Section 9. All Builder's Risk policies shall be issued by insurance companies authorized to conduct such business under the laws of the State of New York and shall be written for the benefit of the State of New York and the Dormitory Authority of the State of New York and the Contractor and Subcontractors as their interest may appear and shall run until the date of Project Completion. Policies expiring on a fixed date before Project Completion must be renewed and re-filed not less than (30) thirty days before such expiration date. Such policy shall not be changed by endorsement without the knowledge and consent of the Owner and in particular no notice of cancellation by the insurer shall be effective until (60) sixty day after such notice is actually received by the Owner.
- C. The Owner shall, in the Owner's sole discretion, have power to adjust and to settle with the insurer any loss or claim under said insurance. The above is not intended to be a complete, full or accurate description of the coverage provided by the policies of insurance, copies of which are on file with the Owner. This Section 9 is not intended to create or give any rights to the Contractor or Subcontractors other than those that may be made available to the Contractor and Subcontractors under the terms of said policies. The Owner assumes no obligation to obtain insurance other than that evidenced by said policies and the Owner makes no representation or guarantee as to the effect and coverage under said policies. The Contractor and Subcontractors shall not violate, or permit to be violated, any term or condition of said policies and shall at all times satisfy the safety requirements of the Owner and of the insurance companies issuing the aforementioned policies.

#### 10. Effect of Procurement of Insurance

Neither the procurement nor the maintenance of any type of insurance by the Owner, the Contractor, and the Construction Manager, shall in any way be construed or be deemed to limit, discharge, waive or release the Contractor from any of the obligations and risks accepted by the Contractor or to be a limitation on the nature or extent of said obligations and risks.

#### 11. Contract Security

The Contractor shall furnish, upon request, a surety bond in an amount at least equal to one hundred percent (100%) of the contract price as security for the faithful performance of the Contract and also a labor and material payment bond in the form set forth in the Contract in an amount at least equal to one hundred percent (100%) of the contract price for the payment of all persons performing labor or providing materials in connection with the Work. The surety on said bond shall be a surety company rated B+ by A. M. Best and satisfactory to the Owner.

#### 12. Additional or Substitute Bond

If at any time the Owner shall become dissatisfied with any surety or sureties upon the performance bond, or the labor and material payment bond, or if for any other reason said bonds shall cease to be adequate security to the Owner, the Contractor shall, within five (5) days after notice from the Owner to do so, substitute an acceptable bond or bonds in such form and sum and signed by such other surety or sureties as may be satisfactory to the Owner. The Contractor shall pay the premiums on said bond or bonds. No further payments shall be deemed due nor shall be made until the new surety or sureties shall have furnished an acceptable bond or bonds to the Owner.

#### 13. Failure to Comply with Provisions of Article XIII

The Contract may, at the sole option of the Owner, be declared void and of no effect if the Contractor fails to comply with the provisions of Article XIII.



**ARTICLE XV – OMNIBUS PROCUREMENT ACT**

1. It is the policy of New York State and the Dormitory Authority to maximize opportunities for the participation of New York State business enterprises, including minority and women-owned business enterprises as bidders, subcontractors and suppliers on its procurement contracts.
2. Information on the availability of New York State subcontractors and suppliers is available from:

NYS Empire State Development Corporation Division for Small Business (518) 292-5220.

A directory of minority and women-owned business enterprises is available from:

NYS Empire State Development Corporation Minority and Women's Business Development Division (518) 292-5250

3. The Omnibus Procurement Act of 1992 requires that by signing a bid proposal, contractors certify that whenever the total bid amount is greater than \$1 million:
  - G. The contractor has made all reasonable efforts to encourage the participation of New York State Business Enterprises as suppliers and subcontractors on this project, and has retained the documentation of these efforts to be provided upon request to the State;
  - H. The contractor has complied with the Federal Equal Opportunity Act of 1972 (P.L. 92-261), as amended;

- I. The contractor agrees to make all reasonable efforts to provide notification to New York State residents of employment opportunities on this project through listing any such positions with the Job Service Division of the New York State Department of Labor, or providing such notification in such manner as is consistent with existing collective bargaining contracts or agreements. The contractor agrees to document these efforts and to provide said documentation to the State upon request;
  - J. The contractor acknowledges notice that New York State may seek to obtain offset credits from foreign countries as a result of this contract and agrees to cooperate with the State in these efforts.
2. Reciprocity and Sanctions Provisions
- A. Bidders are hereby notified that if their principal place of business is located in a state that penalizes New York State vendors, and if the goods or services they offer will be substantially produced or performed outside New York State, the Omnibus Procurement Act 1994 amendments (Chapter 684, Laws of 1994) require that they be denied placement on bidders mailing lists and contracts for which they would otherwise obtain. Bidders of construction services must be denied the award of a contract if their principal place of business is located in a state that discriminates or imposes a preference against New York State firms.
  - B. A current list of states which penalize New York State firms is available from the Dormitory Authority, or from the Procurement Assistance Unit, NYS Department of Economic Development, Albany NY (1-800) 782-8369.

<b>ARTICLE XVI – GENERAL GUARANTEE</b>
--

Neither final payment nor any provisions in the Contract Documents shall constitute an acceptance of Work not done in accordance with the Contract Documents or relieve the Contractor of liability in respect to any express or implied warranties or responsibility for faulty Commodities or workmanship.

The Contractor fully warrants the satisfactory performance of the Commodities and workmanship provided pursuant to the Contract Documents for the period stipulated in the Specifications

to begin on the date of final acceptance. The Contractor shall remedy any defects in the Commodities or workmanship, and pay for any damage to other Work resulting there from.

#### **ARTICLE XVII - RELEASE**

The acceptance by the Contractor or any person claiming under the Contractor of final payment made under this Contract shall operate as and shall be a release of the Owner from all claims by and liability to the Contractor, his successors, legal representatives and assigns, for anything done or furnished under the provisions of this Contract. No payment, however, final or otherwise, shall operate to release the Contractor or his sureties from any obligations under this Contract or any bonds. Notwithstanding the aforesaid, the Contractor shall submit to the Owner a general release in a form satisfactory to the Owner, properly executed and acknowledged, as a condition precedent to final payment.

#### **ARTICLE XVIII – STANDARD PROVISIONS**

##### **1 Tax Exemption**

The Owner is exempt from payment of Federal, State, local taxes, and sales and compensating use taxes of the State of New York and of cities and counties on all materials and supplies incorporated into the completed Work. These taxes are not to be included in bids. This exemption does not apply to tools, machinery, equipment or other property leased by or to the Contractor or a subcontractor, or to supplies and materials which, even though they are consumed, are not incorporated into the completed Work, and the Contractor and subcontractors shall be responsible for and pay any and all applicable taxes, including sales and compensating use taxes, on said leased tools, machinery, equipment or other property and upon all said unincorporated supplies and materials. The Contractor and Subcontractors shall obtain any and all necessary certificates or other documentation from the appropriate governmental agency or agencies, and use said certificates or other documentation as required by law, rule or regulation.

2 Anti-Riot Provisions

A. The Contractor agrees that no part of the Contract funds shall be used to make payments, give assistance, or supply services, in any form to any individual convicted in any Federal, State or local court of competent jurisdiction of inciting, promoting, or carrying on a riot, or engaging in any group activity resulting in material damage to property or injury to persons found to be in violation of Federal, State or local laws designed to protect persons or property.

B. The Contractor and each subcontractor shall notify their employees of all rules and regulations adopted pursuant to Article 129-A of the Education Law of the State of New York. Notices containing the text of the aforementioned rules and regulations shall be posted by the Contractor at the site.

3 Operation and Maintenance Instructions.

The Contractor shall orient and instruct the responsible maintenance personnel designated by the Owner in the operation of all Commodities furnished pursuant to the Contract and shall provide the maintenance personnel with pertinent literature and operational manuals.

4 Provisions of Law Deemed Inserted

Each and every provision required by law to be included in this Contract shall be deemed to be included herein and this Contract shall be read and enforced as though such provisions were included herein at length. In the event any such provision is not included in this Contract, or not correctly included, then, upon the application of either party to the other, this Contract shall forthwith be physically amended to make such addition or correction.

5 Applicability of General Conditions

The terms, conditions and requirements set forth in these General Conditions shall be binding upon Bidders and Contractors

Law Governing

This Contract shall be governed by the laws of the State of New York, both as to interpretation and performance.

## 6 Invalid Provisions

If any term or provision of the Contract Documents or the application thereof to any person, firm or corporation or circumstance shall, to any extent, be determined to be invalid or unenforceable, the remainder of the Contract Documents, or the application of such terms or provisions to persons, firms or corporations or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby and each term or provision of the Contract Documents shall be valid and be enforced to the fullest extent permitted by law.

## 7 Entire Agreement

This Contract constitutes the entire agreement between the parties hereto and no statement, promise, condition, understanding, inducement, or representation, oral or written, expressed or implied, which is not contained herein shall be binding or valid, and this Contract shall not be changed, modified or altered in any manner except by an instrument in writing executed by the parties hereto in the same manner as this Contract.

## 8 Year 2000 Warranty

Unless the Contractor has specifically stated in the Bid that the Work is not Year 2000-compliant, Contractor warrants that Work furnished pursuant to this Contract shall, when used in accordance with its documentation, be able to accurately process date/time data (including, but not limited to, calculating, comparing, and sequencing) from, into, and between the twentieth and twenty-first centuries, and the years 1999 and 2000, including leap year calculations. Where a purchase requires that specific Work must perform as a package or system, this warranty shall apply to the Work as a system. The Contractor shall, on request, disclose to the Owner the date/time data definitions used by or in the Work.

In the event of any breach of this warranty, Contractor shall restore the Work to the same level of performance as warranted herein, or repair or replace the Work with conforming product so as to minimize interruption to Client's ongoing business processes, time being of the essence, at Contractor's sole cost and expense. This warranty does not extend to correction of Client's errors in data entry or data conversion. This warranty shall survive beyond termination or expiration of the Contract.

Nothing in this warranty shall be construed to limit any rights or remedies otherwise available under this Contract.

## ARTICLE XIX- AFFIRMATIVE ACTION FOR CONTRACTS

1. The Contractor agrees, in addition to any other nondiscrimination provision of the Contract and at no additional cost to the Owner, to fully comply with and cooperate in the implementation of an Affirmative Action Plan designed to provide for equal employment opportunities for Minorities and Women, and a goal oriented Utilization Plan for Minority/Women Business Enterprise (M/WBE) participation in the performance of the Work, in such form and substance as herein stated. The Contractor further agrees to incorporate all Affirmative Action provisions of the Contract in all subcontracts, regardless of tier.
2. The Contractor must submit to the Owner, and the prospective Subcontractors must submit to the Contractor, an Affirmative Action Plan which demonstrates its best efforts to provide for equal employment opportunities for Minorities and Women, and a goal oriented Utilization Plan for MBE/WBE participation in the performance of the Work, in such form and substance as may be required by the Owner. A meeting to review these submissions may be scheduled by the Owner.
3. These Affirmative Action provisions shall be deemed supplementary to, and not in lieu of the nondiscrimination provisions required by N.Y.S. Labor Law or other applicable Federal, State or local laws.
4. In Accordance with Article 15A of the Executive Law and in conformance with the Regulations promulgated by the Minority and Women's Business Development Division of the New York State Department of Economic Development, the Contractor agrees to be bound by the following clauses. In any circumstances of uncertainty or conflict, the Regulations of the Minority and Women's Business Development Division supersede this information.
  - A. Utilization Plan; Waivers
    - i. The Contractor shall submit to the Owner a Utilization Plan on forms provided by the Owner within 72 hours of notification of being the low bidder or successful proposer. The Utilization Plan shall list all subcontractors and suppliers the Contractor intends to use on the Contract and indicate which ones are M/WBEs. The Utilization Plan shall be prepared to achieve the participation goals indicated in the Notice to Bidders or the Request for Proposal.

- ii. The Owner will review the Utilization Plan and will issue to the Contractor a written notice of acceptance or deficiency within twenty (20) days of its receipt. A notice of deficiency shall include (i) the name of any M/WBE which is not acceptable for the purpose of complying with the M/WBE participation goals and the reasons why it is not acceptable; (ii) elements of the Contract scope of work which the Owner has determined can be reasonably structured by the Contractor to increase the likelihood of participation in the Contract by M/WBEs; and (iii) other information which the Owner determines to be relevant to the Utilization Plan.
- iii. The Contractor shall respond to the notice of deficiency within seven (7) business days of receipt by submitting to the Owner a written remedy in response to the notice of deficiency. If the submission of the written remedy is not timely or is found by the Owner to be inadequate, the Owner shall notify the Contractor and direct the Contractor to submit, within five (5) business days, a request for a partial or total waiver of M/WBE participation goals on forms provided by the Owner. Failure to file the waiver form in a timely manner may be grounds for disqualification of the bid or proposal.
- iv. The Contractor who has made good faith efforts to obtain commitments from M/WBE subcontractors and suppliers prior to submitting its Utilization Plan may submit a request for waiver at the same time it submits its Utilization Plan. If a request for waiver is submitted with the Utilization Plan and is not accepted by the Owner at that time, the provisions of clauses 2) and 3), regarding the notice of deficiency and written remedy will apply. In this case, the Contractor may submit a second request for waiver as directed by the Owner.
- v. If the Contractor does not submit a Utilization Plan, remedy deficiencies in a Utilization Plan, submit a request for waiver, or if the Owner determines that the Utilization Plan does not indicate that the M/WBE participation goals will be met and/or that the Contractor has failed to document good faith efforts, the Owner may disqualify the Contractor as being not-responsible.
- vi. The Contractor shall attempt to utilize, in good faith, any MBE or WBE identified within its Utilization Plan, at least to the extent indicated in the Plan.

#### B. Administrative Hearing on Disqualification

- i. If the Owner disqualifies a bid for any of the reasons set forth in A.5) above, the Contractor shall be entitled to an administrative hearing, on the record, before a hearing officer appointed by the Owner to review the determination of disqualification of the bid and determination of non-responsibility of the Contractor.
- ii. The hearing officer's determination shall be the final determination of the Owner. Such final administrative determination shall be reviewable by a proceeding brought pursuant to Article 78 of the Civil Practice Law and Rules, provided such proceeding is commenced within thirty (30) days of notice given by certified mail, return receipt requested, rendering such final administrative determination in accordance with the provisions of Section 313 of the Executive Law.

#### C. Good Faith Efforts

In order to show that it has made good faith efforts to comply with the M/WBE participation goals of this Contract, the Contractor shall submit such documentation as will enable the Owner to make a determination in accordance with the criteria set forth in Section 313 of the Executive Law and the Rules and Regulations promulgated thereunder.

#### D. Compliance Reports

The Contractor shall submit, and shall require subcontractors to submit, compliance reports on forms and at intervals established by the Owner. Reports not submitted at such times as required by the Owner shall be cause for the Owner to delay implementing scheduled payments to the Contractor.

#### E. Contractor's Failure to Meet M/WBE Participation Goals



- i. If the Contractor, after making good faith efforts, is unable to comply with a Contract's M/WBE participation goals, the Contractor may submit a request for a partial or total waiver on forms provided by the Owner documenting good faith efforts by the Contractor to meet such goals. If the documentation required with the request for waiver is complete, the Owner shall evaluate the request and issue a written notice of acceptance or denial within twenty (20) days of receipt.
- ii. If the Owner, upon review of the Contractor's Utilization Plan and compliance reports, determines that the Contractor is failing or refusing to comply with the Contract's M/WBE participation goals, and no waiver has been issued in regards to such non-compliance, the Owner may issue a notice of deficiency to the Contractor. The Contractor must respond to the notice to deficiency within seven (7) days of receipt. Such response may include a request for partial or total waiver of M/WBE participation goals.

#### F. Contractor and Owner Complaints; Arbitration

- i. Subsequent to the award of this Contract, if the Contractor submits a request for waiver of M/WBE participation goals and the Owner denies the request or fails to respond in any way within twenty (20) days of receiving it, or if the Contractor has received a written determination from the Owner that the Contractor is failing or refusing to comply with goals, the Contractor may file a complaint with the Director, Division of Minority and Women's Development in the Department of Economic Development ("Director"), according to the provisions of Section 316 of the Executive Law. The complaint must be filed within twenty (20) days of the Owner's receipt of the request for waiver, if the Owner has not responded in that time, or within twenty (20) days of a notification that the request has been denied by the Owner or within twenty (20) days of receipt of notification from the Owner that the Contractor is failing or refusing to comply with goals.
- ii. If the Contractor fails or refuses to comply with goals for participation by M/WBEs

as established by this Contract, the Owner may file a complaint with the Director

pursuant to Section 316 of the Executive Law.

- iii. A complaint shall set forth the facts and circumstances giving rise to the complaint together with a demand for relief.
- iv. The party filing a complaint, whether the Contractor or the Owner, shall deliver a copy to the other party. Both the complaint and the copy shall be delivered by either personal service or by certified mail, return receipt requested.
- v. Upon receipt of a complaint the Director shall provide the party against whom the complaint has been filed with an opportunity to respond to the complaint. If within thirty (30) days of receipt of the complaint the Director is unable to resolve the complaint to the satisfaction of the Owner and the Contractor, the complaint shall be referred to the American Arbitration Association for resolution pursuant to Section 316 of the Executive Law and the applicable requirements of Article 75 of the Civil Practice Law and Rules.
- vi. Upon conclusion of the arbitration proceeding, the arbitrator will submit to the Director his or her award regarding the alleged violation of the Contract or refusal of the Owner to grant a waiver request by the Contractor. The award of the arbitrator with respect to the alleged violation of the Contract or the refusal of the Owner to grant a waiver shall be final and may be vacated or modified only as provided by Article 75 of the Civil Practice Law and Rules.
- vii. Upon conclusion of the arbitration proceedings and the rendition of an award, the arbitrator will also recommend to the Director a remedy including, if appropriate, the imposition of sanctions, fines or penalties. The Director will either (i) adopt the recommendation of the arbitrator; (ii) determine that no sanctions, fines or penalties should be imposed; or (iii) modify the recommendation of the arbitrator, provided that such modification shall not expand upon any sanction recommended or impose any new sanction, or increase the amount of any recommended fine or penalty.

- viii. The Director, within ten (10) days of receipt of the arbitrator's award and recommendations, will issue a determination of such matter and shall cause a copy of such determination to be served upon the respondent by personal service or by certified mail, return receipt requested. The determination of the Director as to the imposition of fines, sanctions, or penalties shall be reviewable pursuant to Article 78 of the Civil Practice Law and Rules.
- ix. The determination of the Owner or the Contractor to proceed with a complaint shall not preclude the Owner, in its discretion, from pursuing any other remedies, which it may have pursuant to law and contract.

G. Subcontracts

The Contractor will include the provisions of paragraphs C. and F. above in every subcontract, in such manner that such provisions will be binding upon the subcontractor as to work in connection with this Contract.

H. The following forms are to be used in submitting Affirmative Action Plans and are hereby made a part of the Contract:

- i. Contractor's Utilization Plan (EEO-6, 2 Pages).
- ii. Summary of Bid Activity (EEO-6b).
- iii. Affirmative Action manpower Participation Schedule
- iv. Breakdown of Permanent Employees (EEO-8).
- v. Weekly EEO Reporting Form (EEO- 1C,E,H,P).
- vi. Waiver Request Form
- vii. Contractors Compliance Report.

<b>ARTICLE XX - 2005 PROCUREMENT LOBBYING LAW</b>
---

1. Chapter 1 of the Laws of 2005, as amended by Chapter 596 of the Laws of 2005, requires prospective bidders to affirm their understanding of and agreement to comply with State Finance Law § 139-j (3) and § 139-j (6) (b), certify their compliance with State Finance Law § 139-k (5), disclose prior non-responsibility determinations under State Finance Law § 139-j, and to certify that the information they provide with respect to State Finance Law § 139-j and § 139-k is complete, true and accurate.

2. For any contract \$15,000 or more, each bidder or proposer shall submit, with its proposal, on the form provided herewith, SFL 139 Form 1: Contractor's Certifications Pursuant to SFL § 139-j and § 139-k. The information contained in SFL 139 Form 1: Contractor's Certifications Pursuant to SFL § 139-j and § 139-k will serve as an informational resource to aid the Owner in making an award determination.
3. The Owner reserves the right to terminate this contract in the event it is found that the certification filed by the Contractor in accordance with State Finance Law § 139-j and § 139-k, as such may be amended or modified, was intentionally false or intentionally incomplete. Upon such finding, the Owner may exercise its termination right, such termination constituting a termination for cause, by providing written notification to the Contractor in accordance with the terms of Article VIII, herein.

#### **ARTICLE XXI – CONTRACTOR CERTIFICATION**

On August 20, 2004, New York State enacted section 5-a of the Tax Law requiring persons awarded contracts valued at more than \$100,000 with state agencies, public authorities or public benefit corporations to certify that they, their affiliates, their subcontractors, and the affiliates of their subcontractors have a valid certificate of authority to collect New York State and local sales and compensating use taxes. A contractor, affiliate, subcontractor or affiliate of a subcontractor must be certified as having a valid certificate of authority if such person makes, or has made, aggregate sales delivered within New York State of more than \$300,000 during the four quarterly periods ending on the last day of February, May, August, and November which immediately precede the quarterly period in which this certification is made. A contractor or vendor must use Form ST-220, Contractor Certification, to make this certification before the contract may be approved.

#### **ARTICLE XXII- NEW YORK STATE VENDOR RESPONSIBILITY QUESTIONNAIRE**

1. Only required for procurement involving professional services. In order to assist the OWNER in determining the responsibility and reliability of the vendor selected for the Contract and to effectuate the directives of Executive Order No. 125, the Council of Contracting Agencies has adopted procedures to collect and exchange relevant information among Contracting Agencies.

2. When directed by the OWNER, prior to the award of any Contract, the selected vendor shall, within ten days following either oral or written notice that it must comply, submit, in the form provided by the OWNER, a duly executed New York State Vendor Responsibility Questionnaire to the OWNER at the following address:

DASNY

New York State Vendor Responsibility Questionnaire Officer

Procurement Department

515 Broadway

Albany, New York 12207

3. The information contained in the New York State Vendor Responsibility Questionnaire will serve as an informational resource to aid the OWNER in making an award determination.
4. Duly executed New York State Vendor Responsibility Questionnaires submitted to the OWNER or any other Contracting Agency shall be effective for a period of six months from their execution provided that the facts attested therein have remained unchanged.
5. Continuing Integrity

Contractor shall at all times during the Contract term remain responsible. Contractor agrees, if requested by the President of Owner or his or her designee, to present evidence of its continuing legal authority to do business in New York State, integrity, experience, ability, prior performance, and organizational and financial capacity.

The President of Owner or his or her designee, in his or her sole discretion, reserves the right to suspend any or all activities under this Contract, at any time, when he or she discovers information that calls into question the responsibility of Contractor. In the event of such suspension, Contractor will be given written notice outlining the particulars of such suspension. Upon issuance of such notice, Contractor must comply with the terms of the suspension order. Contract activity may resume at such time as the President of Owner or his or her designee issues a written notice authorizing a resumption of performance under the Contract. Notwithstanding any other provision of this Contract, upon written notice to Contractor, and a reasonable opportunity to be heard with the appropriate Owner officials or staff, the Contract may be terminated by the President of Owner or his or her designee at Contractor's expense where Contractor is determined by the President of Owner or his or her designee to be non-responsible. In such event, the President of Owner or his or her designee may complete the contractual requirements in any manner her or she may deem advisable and pursue available legal or equitable remedies for breach.

## 6. Iran Divestment

- A. By entering into this Contract, Contractor certifies, under the penalties of perjury, that Contractor is not on the list created pursuant to paragraph (b) of subdivision 3 of section 165-a of the State Finance Law. Contractor further certifies that Contractor will not utilize on this Contract any subcontractor that is identified on the list created pursuant to paragraph (b) of subdivision 3 of section 165-a of the State Finance Law.
  
- B. During this Contract, should Owner receive information that a person (as defined in New York State Finance Law §165-a) is in violation of the above-referenced certifications, Owner will review such information and offer the person an opportunity to respond. If the person fails to demonstrate that it has ceased its engagement in the investment activity which is in violation of the Act within 90 days after the determination of such violation, then Owner shall take such action as may be appropriate and provided for by law, rule, or contract, including, but not limited to, seeking compliance, recovering damages, or declaring the Contractor in default.

## ARTICLE XXIII – DISPUTES AND CLAIMS

### Claims for Extra Work

- A. If the Contractor claims that any Work that the Contractor has been ordered to perform will be Extra Work, or that any action or omission of the Owner is contrary to the terms and provisions of the Contract and will require the Contractor to perform Extra Work, the Contractor shall:
1. Promptly comply with said order.
  2. File with the Owner within fifteen (15) working days after being ordered to perform the Work claimed by the Contractor to be Extra Work or within fifteen (15) working days after commencing performance of the Work, whichever date shall be earlier, or within fifteen (15) working days after the said action or omission on the part of the Owner occurred, a written notice of the basis of the Contractor's claim, including estimated cost, and request for a determination thereof.
  3. Proceed diligently, pending and subsequent to the determination of the Owner with respect to any said disputed matter, with the performance of the Work in accordance with all instructions of the Owner.
- B. No claim for Extra Work shall be allowed unless the same was done pursuant to a written order of the Owner. The Contractor's failure to comply with any or all parts of this Article shall be deemed to be:
1. a conclusive and binding determination on the part of the Contractor that said order, Work, action or omission does not involve Extra Work and is not contrary to the terms and provisions of the Contract,
  2. a waiver by the Contractor of all claims for additional compensation or damages as a result of said order, Work, action or omission.

- C. The value of claims for Extra Work, if allowed, shall be determined by the methods described in the Contract.

#### Claims for Delay

No claims for increased costs, charges, expenses or damages of any kind shall be made by the Contractor against the Owner for any delays or hindrances from any cause whatsoever; provided that the Owner, in the Owner's discretion, may compensate the Contractor for any said delays by extending the time for completion of the Work as specified in the Contract.

#### Finality of Decisions

- A. Any decision or determination of the Consultant, Owner or the Owner's Representative shall be final, binding and conclusive on the Contractor unless the Contractor shall, within ten (10) working days after said decision, make and deliver to the Owner a verified written statement of the Contractor's contention that said decision is contrary to a provision of the Contract. The Owner shall determine the validity of the Contractor's contention. Pending the decision of the Owner, the Contractor shall proceed in accordance with the original decision.
- B. Wherever it is required in the Contract that an application must be made to the Owner or a determination made by the Owner, the decision of the Owner on said application or the determination of the Owner under the Contract shall be final, conclusive and binding upon the Contractor unless the Contractor, within ten (10) working days after receiving notice of the Owner's decision or determination, files a written statement with the Owner that the Contractor reserves the Contractor's rights in connection with the matters covered by said decision or determination.

#### Claims for Additional Compensation

- A. Any claims submitted under this article for extra work or increased costs, charges, expenses or damages of any kind must be submitted in writing within 30 days of the occurrence.



- B. In order for the written claim submission to be considered valid by the Owner and eligible for review, it must include a statement of the nature of the claim, supporting cost data, CPM scheduling analysis, if applicable, and a Contractor affidavit stating the following

“I hereby certify that the value assigned the work performed and the materials supplied that comprise the claim attached hereto represents the actual value of said work and material pursuant to the Contract (and all authorized changes thereto) between the undersigned and the Dormitory Authority of the State of New York.”

- C. Any Information representing the actual value of the work performed and materials supplied contained in the Claim that constitutes “a false representation”, as such term is defined in Article I, of the General Conditions, may subject the undersigned party to criminal charges, including New York State Penal Law Sections 175.35 (Offering a False Instrument for Filing) and 210.40 (False Statement) and/or Title 18 U.S.C. Sections 1001 (False and Fraudulent Statements) and/or Termination of the Contract for Cause.

#### **ARTICLE XXIV – ASSIGNMENTS**

The Contractor shall not assign the Contract in whole or in part without prior written consent of the Owner. If the Contractor assigns all or part of any moneys due or to become due under the Contract, the instrument of assignment shall contain a clause substantially to the effect that the Contractor and assignee agree that the assignee's right in and to any moneys due or to become due to the Contractor shall be subject to all prior claims for services rendered or materials supplied in connection with the performance of the Work. The Owner reserves the right to assign this Contract in whole or in part without the consent of the Contractor.