



FACILITIES & OPERATIONS
ARCHITECTURE, ENGINEERING AND CONSTRUCTION
UNIVERSITY OF MICHIGAN

FEBRUARY 2024 REVISIONS TO STANDARD GENERAL CONDITIONS

**APPLICABLE TO PROJECTS WHERE THE OWNER HAS RETAINED
THE PROFESSIONAL SERVICES OF A**

CONSTRUCTION MANAGER

Applies to

Oct 2016; Rev. 6/18, 8/21 Edition of the Standard General Conditions

**FEBRUARY 2024 REVISIONS
TO STANDARD GENERAL CONDITIONS - CM**

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**JULY 2023 REVISIONS TO
STANDARD GENERAL CONDITIONS**
APPLICABLE TO PROJECTS WHERE THE OWNER HAS RETAINED
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CONSTRUCTION MANAGER

REVISED: Section 3.16.3 as shown with **additions and deletions** highlighted below:

3.16 USE OF SITE

3.16.3 Only materials and equipment which are to be used directly in the Work will be brought to and stored on the Project Site. After equipment is no longer required for the Work, if feasible, it will be promptly removed from the Project Site. Protection of construction materials and equipment stored at the Project Site **which will become a part of the permanent construction** from weather, theft, damage and all other casualty is ~~solely the responsibility of the Construction Manager, who will bear the risk thereof~~ **covered by the Owner's builder's risk policy.** However, protection of either (i) property owned by members of the Construction Team and is not intended to become a part of the permanent construction, or (ii) any other equipment which is not intended to remain a part of the permanent construction is solely the responsibility of the Construction Manager, who will bear the risk thereof.

REVISED: Section 3.21.1 as shown with **additions and deletions** highlighted below:

3.21 MANUFACTURERS' WARRANTIES AND MANUALS

3.21.1 ~~The Construction Manager will submit to the Owner all manufacturers' warranties and operating and/or maintenance data, instructions or schedules for all equipment and special materials requiring such, in an electronic format as detailed in the Contract Documents. This data will be collected and organized by the Construction Manager and submitted to the Owner prior to the issuance of the Certificate of Substantial Completion. The Construction Manager will bind and turn over to the Owner four (4) sets of manufacturers' warranties and operating and/or maintenance manuals, instructions or schedules for all equipment and special materials requiring such. The Construction Manager will also turn over an electronic copy of the above-referenced manual in PDF form with indexing so the document can be searched. Binders will clearly categorize and index each piece of equipment and material included, and will be clearly marked noting "project specific" equipment, model numbers, and other applicable information. Manuals will be collected and organized by the Construction Manager and submitted to the Owner at one time, prior to the issuance of the Certificate of Substantial Completion.~~ **The Construction Manager will submit to the Owner all manufacturers' warranties and operating and/or maintenance data, instructions or schedules for all equipment and special materials requiring such, in an electronic format as detailed in the Contract Documents. This data will be collected and organized by the Construction Manager and submitted to the Owner prior to the issuance of the Certificate of Substantial Completion.**

REVISED: Section 8.3.1 as shown with **additions and deletions** highlighted below:

8.3 SUBSTANTIAL COMPLETION

8.3.1 Substantial Completion will not be achieved until (i) all system training, operation and maintenance manuals have been submitted to the Owner, (ii) the Design Professional has certified that the Work is substantially complete and (iii) ~~the Design Professional~~ the Owner ~~and the Construction Manager have~~ **has** executed a Certificate of Substantial Completion pursuant to §8.3.2.

REVISED: Section 9.6.1 as shown with **deletion** highlighted below:

9.6 MATERIALS PAYMENTS; OFF-SITE STORAGE

9.6.1 At the Owner's sole discretion and with its prior written approval, payments will be made on account of materials or equipment not yet incorporated in the Work but delivered and suitably stored at the Project Site or at some other Owner approved location in strict compliance with §9.6.2. Such payment will be conditioned upon submission by the Construction Manager of the following: (i) an itemized bill of sale, using the current Itemized Bill of Sale template form provided by the Owner in accordance with §1.3.3, warranting title to the Owner and identifying the Project; (ii) if stored off-site, a certificate of insurance covering the replacement value of the material for fire, theft and vandalism with the Owner listed as an Additional Insured in accordance with §11.3.2; (iii) if stored off-site, confirmation of compliance with §9.6.2; and (iv) such other evidence as the Owner may reasonably require demonstrating that Owner is the owner of such material free and clear of all rights in others. ~~The Construction Manager will have full responsibility for all stored materials and will bear the risk of all loss, damage of theft thereof or thereto.~~

REVISED: Section 11.3.2 as shown with **addition** highlighted below:

11.3 INSURANCE POLICY REQUIREMENTS

11.3.2 Additional Insureds—Other than policies of insurance for worker's compensation and professional liability, each policy will be endorsed to name the following parties as **"Additional Insureds" including both ongoing and completed operations utilizing ISO Forms CG 2010 04 07 and CG 2037 04 07 or their equivalent:**

- (a) "The Regents of the University of Michigan, a Michigan Constitutional Corporation, including its board members, officers, employees and agents";
- (b) "the Design Professional"; and
- (c) "the Design Professional's consultants."

REVISED: Section 11.4.5 and 11.4.7(b) as shown with **additions and deletions** highlighted below:

11.4 MINIMUM INSURANCE REQUIREMENTS FOR MEMBERS OF THE CONSTRUCTION TEAM

11.4.5 Builder's Risk - **In addition to the Owner's builder's risk insurance coverage under Section 11.5.1,** The Construction Manager will obtain a policy of builder's risk insurance in respect of the Project. This policy will have coverage ~~limits of not less than Two Hundred Fifty Thousand Dollars (\$250,000)~~**set forth in the SOPD,** be in form and substance satisfactory to the Owner, and name each member of the Construction Team and the Owner as additional insured parties.

11.4.7 Contractor's Pollution Liability~~—~~ The Construction Manager will maintain **contractor's** pollution liability insurance meeting at least the following specifications:

(b) Scope of Coverage. The policy must provide coverage for:

(7) Claims arising from pollutants in transit.

REVISED: Section 11.5.1, 11.5.2 and 11.5.4 as shown with additions and deletions highlighted below:

11.5 THE OWNER'S INSURANCE OBLIGATIONS; RIGHTS OF RECOVERY

11.5.1 The Owner will provide builder's risk insurance, or a program of self-insurance similar to builder's risk coverage, that will protect the Project (including Work in progress). Any such insurance coverage maintained by the Owner will contain waiver of subrogation for any losses typically covered by a builder's risk policy in excess of ~~Two Hundred Fifty Five~~**Five** Thousand Dollars (~~\$250~~**5**,000) per occurrence, but each member of the Construction Team remains fully liable to the Owner, the Owner's insurers (if any), and third parties for any and all loss of and damage to the Project (including Work in progress) arising out of or in connection with its acts and omissions, except to the extent (i) there is recovery under the Construction Manager's policy of builder's risk insurance, or (ii) the loss or damage exceeds ~~Two Hundred Fifty Five~~**Five** Thousand Dollars (~~\$250~~**5**,000) per occurrence. Losses recoverable under the Owner's policy of casualty insurance will be adjusted with the Owner and made payable to the Owner.

11.5.2 The Owner's **builder's risk**, casualty insurance, or program of self-insurance, will apply to Work performed at the Project Site and materials and equipment located on the Project Site which are to be included in and remain a part of the permanent construction. However, the Owner's **builder's risk**, casualty insurance, or program of self-insurance, will not apply to **either (i) property, material, and equipment while in transit or while stored away from the Project Site or to property** owned by members of the Construction Team and not intended to remain a

part of the permanent construction or (ii) any other equipment which is not intended to remain a part of the permanent construction. Each respective member of the Construction Team will secure insurance against loss or damage under a standard ISO Causes of Loss-Special Form, including flood and earthquake coverage, on such property, material and equipment not destined to be part of the permanent construction at one hundred percent (100%) values on a replacement cost basis.

11.5.3 If more than one member of the Construction Team causes a personal injury or loss of or damage to the Project (including Work in progress) in the same occurrence (except to the extent that loss to the Owner's property exceeds ~~Two Hundred Fifty~~ Five Thousand Dollars (\$~~250~~5,000) per occurrence), each responsible member of the Construction Team will be accountable for an appropriate proportion of the liability, loss or damage, unless and to the extent covered by the Construction Manager's builder's risk insurance.

REVISED: Section 11.8.1(c), 11.8.1(f) and 11.8.3 as shown with **additions and deletions** highlighted below:

11.8 PERFORMANCE BOND AND PAYMENT BONDS

11.8.1 Each Trade Contractor will furnish a Performance Bond, and Labor and Material Payment Bond, (Bonds) meeting all statutory requirements of the State of Michigan and complying with the following specific requirements:

- (c) Bonds will remain in effect until the following conditions have been met: (i) final ~~payment has been made,~~ completion of the Work (for the Performance Bond), (ii) the time required to resolve any items of incomplete Work and the payment of any disputed amounts and (iii) until such period that claimants have no statutory right to make a claim;
- (f) Every bond under this §11.8 must display the surety's bond number and will be in the form of an AIA A312 Performance and Payment bond. ~~A rider including substantially the following provisions will be attached to each bond:~~

~~(1) Surety hereby agrees that it consents to and waives notice of any addition, alteration, omission, change, or other Modification of the Contract Documents, the Trade Contracts and the Subcontracts. Any addition, alteration, change, extension of time, or other Modification of the Contract Documents, the Trade Contracts or the Subcontracts, or a forbearance on the part of either the Owner, the Construction Manager or one or more Trade Contractors to one or more of the others, will not release the Surety of its obligations, and notice to the Surety of such matters is hereby waived. Capitalized words and terms will have the meanings given them in the Contract Documents.~~

~~(2) Surety agrees that it is obligated under the bonds to any successor, grantee or assignee of the Owner or the Construction Manager.~~

~~11.8.1.1 Each Trade Contractor's surety will also agree, in the form of a rider to each bond or via a separate agreement, that before it may seek exoneration, release, or any kind of relief from its obligations under the bond as a result of any default by the Owner or the Construction Manager in the performance of any obligations to the Trade Contractor under the Trade Contract, the surety will cause written notice of such default (specifying said default in detail) to be given to the Owner and the Construction Manager, and both of them will have thirty (30) days from the date of receipt of such notice within which to cure such default or cause it to be cured, or such additional reasonable period of time as may be required if the nature of such default is such that it cannot be cured immediately. Such Notice of Default will be sent by certified or registered U.S. Mail, return receipt requested, first class postage prepaid, to the Owner and the Construction Manager.~~

11.8.3 The Construction Manager will keep the sureties informed of the progress of the Work, and, ~~without limiting the requirements an effect of §11.8.1(f),~~ where necessary, obtain the sureties' consents to, or waivers of: (1) notice of changes in the Work; (2) request for reduction or release of retainage; (3) request for Final Payment; and (4) any other material required by the surety. The Construction Manager will promptly give the Owner copies of all communications with the surety requesting or pertaining to consents or waivers. The Owner may, in the Owner's sole discretion, inform sureties of the progress of the Work and obtain consents as necessary to protect the Owner's rights, interest, privileges and benefits under or pursuant to any bond issued in connection with the Work.

REVISED: Section 13.2 as shown with **additions** and **deletions** highlighted below:

13.2 ~~[SECTION DELETED - MICHIGAN PREVAILING WAGE AND FRINGE BENEFIT RATES ACT REPEALED]~~

13.2.1 All members of the Construction Team shall comply with the State of Michigan Prevailing Act No. 10, Public Acts of 2023, or any successor act.

13.2.2 The rates of wages and fringe benefits to be paid to each class of "construction mechanics" (as that term is defined in the Prevailing Wage Act) by the members of the Construction Team shall not be less than the wage and fringe benefit rates prevailing in the locality in which the Work is to be performed, as determined from time to time by the Michigan Occupational Safety and Health Administration Wage & Hour Division of the Department of Labor and Economic Opportunity (the "commissioner" as that term is defined in the Prevailing Wage Act).

13.2.3 The Construction Manager shall keep posted on the construction site, in a conspicuous place, a copy of all applicable prevailing wage and fringe benefit rates and shall keep an accurate record showing the name and occupation of and the actual wages and benefits paid to each construction mechanic employed in connection with the Work. This record shall be provided to the Owner and also shall be available for reasonable inspection.

13.2.4 The Owner, before the Construction Manager advertises for bids on the Project, shall have the commissioner determine the prevailing rates of wages and fringe benefits for all classes of construction mechanics called for in any Trade Contract. A schedule of these rates shall be made a part of the specifications for the work to be performed and shall be printed on the bidding forms where the dates of the work is to be done by a Trade Contractor. If a contract is not awarded or construction undertaken within 90 days of the date of the commissioner's determination of prevailing rates of wages and fringe benefits, the commissioner shall make a redetermination before the Trade Contract is awarded.

13.2.5 No member of the Construction Team shall discharge, discipline, retaliate against, or otherwise discriminate against a construction mechanic or threaten to do any of these things, because the construction mechanic reported or was about to report a violation or suspected violation of this act.

13.2.6 The construction mechanics are intended third party beneficiaries of the contractual prevailing wage, fringe benefit, and nondiscrimination nonretaliation requirements set forth in this section 13.2, and any construction mechanic aggrieved by the failure of a contractor or subcontractor to pay prevailing wages or benefits as specified in the contract, or by a violation of section 7 of the Prevailing Wage Act, in addition to any other remedies provided in this act or by law, may bring an action in a court of competent jurisdiction against the contractor or subcontractor for damages or injunctive relief and maybe awarded reinstatement or other appropriate relief, and all damages sustained, together with actual costs and attorney fees a trial and on appeal.

13.2.7 Each month, the members of the Construction Team shall promptly submit to the Owner their monthly certified payroll records. In addition the members of the Construction Team shall promptly submit to the Owner, any other information requested by the Owner to complete a Prevailing Wage Act compliance review.

13.2.8 The Owner, by written notice to the Construction Manager, and to the surety of the Construction Manager, may terminate the Construction Manager's right to proceed with that part of the Work for which less than the prevailing rates of wages and fringe benefits have been or will be paid, and may proceed to complete to Contract by separate agreement with another contractor or otherwise, and the original Construction Manager and the Construction Manager's surety shall be

liable to the Owner for any excess costs occasioned thereby, including all Owner review costs. Any person, firm or corporation or combination thereof, including the officers of any contracting agent, violating the provisions of the Act is guilty of a misdemeanor.

13.2.9 In case there is an omission of any trade from the list of wage rates and fringe benefits to be paid to each class of mechanics by the Construction Manager, it shall be understood that the trades omitted shall also be paid not less than the wage and fringe benefit rates prevailing in the locality in which the Work is to be performed.