



FACILITIES & OPERATIONS
ARCHITECTURE, ENGINEERING AND CONSTRUCTION
UNIVERSITY OF MICHIGAN

APRIL 2026 REVISIONS TO

DESIGN-BUILDER

TERMS AND CONDITIONS

(FIXED PRICE)

Applies to

3/22; Rev 2/24, 10/25 Edition of the D-B FP Terms and Conditions

APRIL 2026 REVISIONS
TO D-B FP Terms and Conditions

TABLE OF CONTENTS *

<u>SECTION</u>	<u>TITLE</u>	<u>PAGE NO.</u>
12.10	TARIFFS; REFUNDS AND COOPERATION	1
14	PREVAILING WAGE AND FRINGE BENEFITS RATES	1

**APRIL 2026 REVISIONS TO
DESIGN-BUILD FIXED PRICE TERMS AND CONDITIONS**

ADDED: Section 12.10 as shown below:

12.10 TARIFFS; REFUNDS AND COOPERATION

12.10.1 Tariffs and Refunds. To the extent any tariffs, duties, fees, surcharges, or similar import charges (including any interest or related charges) imposed under the International Emergency Economic Powers Act ("IEEPA") or under any other present or future statute, regulation, executive action, or trade authority (collectively, "Tariffs") are included in the Contract Sum or otherwise paid or reimbursed by Owner, any refund, rebate, drawback, credit, remission, exclusion, or other recovery of such Tariffs (collectively, "Refunds") will belong to Owner. To the fullest extent permitted by law, Design-Builder will, or will require its Subcontractors and/or Suppliers to, promptly and diligently pursue any available Refunds.

12.10.2 Duty to Cooperate and Preserve Rights. Design-Builder shall not, and shall require its Subcontractors and Suppliers not to, waive, release, or impair any potential right to Refunds. Design-Builder shall require its Subcontractors and Suppliers (as importers of record) to reasonably cooperate, upon Owner's request, in preserving and pursuing any Refunds, including by providing documentation and executing authorizations or assignments reasonably necessary to permit pursuit of such Refunds where legally permissible.

12.10.3 Credit to Owner; No Double Recovery. Any Refunds actually received by Design-Builder or any Subcontractor or Supplier that are attributable to Tariffs paid or reimbursed by Owner shall be promptly remitted to Owner or credited against the Contract Sum, as directed by Owner. Design-Builder and its Subcontractors and Suppliers shall not seek or retain any double recovery with respect to such Tariffs.

12.10.4 Survival. The obligations in this Section shall survive payment, completion, termination, or expiration of this Agreement. The Owner will be entitled to equitable relief, including disgorgement and restitution, to enforce this Section, in addition to any other remedies available at law or in equity.

REVISED: Article 14 as shown with **addition and deletions** highlighted below:

ARTICLE 14 PREVAILING WAGE

14.1 All members of the Construction Team will comply with the State of Michigan Prevailing Wage Act, Act No. 10, Public Acts of 2023~~=~~, as amended, or any successor act, including holding a current state project registration.

14.2 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 will 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).

14.3 Design-Builder will keep posted on the construction site, in a conspicuous place, a copy of all applicable prevailing wage and fringe benefit rates and will 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 will be provided to the Owner and also be available for reasonable inspection.

14.4 If Design-Builder is advertising for any bids on the Project, the Owner, before the Design-Builder advertises for the bids, will have the commissioner determine the prevailing rates of wages and fringe benefits for all classes of construction mechanics called for in any Subcontract. A schedule of these rates will be made a part of the specifications for the work to be performed and will be printed on the bidding forms where the work is to be done by a Subcontractor. 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 will make a redetermination before the Subcontract is awarded.

14.5 No member of the Construction Team will 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.

14.6 The construction mechanics are intended third party beneficiaries of the contractual prevailing wage, fringe benefit, and nondiscrimination nonretaliation requirements set forth in this section 14, 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 may be awarded reinstatement or other appropriate relief, and all damages sustained, together with actual costs and attorney fees at trial and on appeal.

14.7 ~~Each month,~~ Not later than 10 days after the end of a pay period, the members of the Construction Team will transmit the certified payroll records for the pay period to the ~~will promptly submit to the certified payroll database created and maintained by the Department of Labor and Economic Opportunity-Owner their monthly certified payroll records.~~ In addition, if requested by the Owner, the members of the Construction Team will promptly submit to the Owner, any certified payroll records or other information requested by the Owner to complete a Prevailing Wage Act compliance review.

14.8 The Owner, by written notice to the Design-Builder, and to the surety of the Design-Builder, may terminate the Design-Builder'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 Design-Builder and the Design-Builder's surety will 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.

14.9 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 Design-Builder, it will be understood that the trades omitted will also be paid not less than the wage and fringe benefit rates prevailing in the locality in which the Work is to be performed.