

## **GRAND VALLEY STATE UNIVERSITY GENERAL CONDITIONS**

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## TIONS

### 1. **DEFINITIONS:**

- a. "Contract" - The binding Agreement between the Contractor and University, which consists of the Agreement between the Contractor and University; General, Supplementary and other Conditions to the Contract; drawings, specifications, addenda issued prior to execution of the Contract; other documents listed in the Contract; modifications and changes or field orders issued after execution of the Contract; and all bid documents including advertisements, invitations, Instructions to Bidders, sample forms, or portions of addenda relating to bid requirements. The term "Contract" may also be referred to as the "Agreement" and "Contract Documents".
- b. "Contractor" - The bidder whose proposal is accepted by the University.
- c. "University" - The Board of Trustees of Grand Valley State University or its expressly authorized representative. The term "University" may also be referred to as "Owner" or "Grand Valley State University".
- d. "Project" - The total product and/or service specified by the University of which the Work performed under the Contract Documents may be the whole or a part.
- e. "Work" - All labor necessary to produce the product and/or service required by the Contract Documents, and all materials and equipment incorporated or to be incorporated in such product and/or service.

### 2. **EXECUTION, CORRELATION, INTENT AND INTERPRETATIONS OF DOCUMENTS:** By executing the Contract, the Contractor represents that he has visited the site, familiarized himself with the conditions under which the Work is to be performed, and correlated his observations with the requirements of the Contract Documents.

The intent of the documents is to include all labor, materials, equipment, tools and services necessary for the proper execution and completion of the Work. Contractor shall make field measurements to verify or supplement dimensions indicated, and shall assume full responsibility for quantities of material required and accuracy of all Work.

The Contract and related Contract Documents represent the entire and integrated Agreement between the University and Contractor and supersedes prior negotiations, representations or agreements, either written or oral.

### 3. **TIME:** Unless stated otherwise, the Contract time is that period specified in the Proposal and Contract form, including authorized adjustments. The date of commencement of the Work is the date established by Notice of Commencement, given by the University. The date shall not be postponed by failure to act of the Contractor or of persons or entities for whom the Contractor is responsible.

Times stated in the Contract are of the essence of the Contract. By executing this Agreement, the Contractor ratifies that the Contract times and requirements are reasonable for performing the Work.

### 4. **PERMITS, FEES, NOTICES:** Contractor shall give all notices and secure and pay for all permits and fees required by law for the proper completion of the Work. Contractor shall comply with all

laws, ordinances and codes applicable to the Work, and to policies and procedures promulgated by the University, including but not limited to parking and traffic, no smoking, and safety and security.

5. **ROYALTIES AND PATENTS:** Contractor shall pay all royalties and license fees, shall defend all suits or claims for infringement of any patent rights, and shall save the University harmless from loss on account thereof.
6. **SUBCONTRACTORS:** The Contractor, as soon as reasonably practical after Contract award, shall furnish in writing to the University the names of persons or entities proposed as subcontractors for each portion of Work. The Contractor shall not subcontract with any person or entity with whom the University has a reasonable objection. The University may grant an adjustment in the Contract sum if Contractor makes a reasonable and timely request. The Contractor shall not change subcontractors without the consent of the University.

The Contractor shall ensure that each subcontractor and sub-subcontractor be bound to the Contractor, to the Contract, and to the terms and rights of these documents, including all General and Supplementary Conditions.

7. **PROTECTION OF PERSONS AND PROPERTY:** Contractor shall:
  - a. Confine his operations and vehicular traffic to existing paved walks and roads and shall park vehicles and store materials only in locations approved by the University.
  - b. Be responsible for protection of Owner's property during the period of service and shall take care to prevent damage to structures, equipment, utility services, storm and sanitary drainage systems, lawns, trees, plant material, fences, walks, drives, and other improvements in and adjacent to the area of Work under this Contract. Any damage to Owner's property resulting from Contractor operations shall be repaired or replaced by the Contractor without additional cost to the University.
  - c. Take all known and available measures and employ all techniques for the protection of the site, Work in progress, and/or materials and equipment stored on site from damage, injury or loss from the elements, vandalism, theft or accelerated degradation or depreciation.
  - d. Put into place and continuously manage a meaningful and effective safety program, coordinated among all subcontractors with the Contractor's personnel, knowledgeable, trained, experienced and actively employing safety education, risk recognition and avoidance, all OSHA and MIOSHA requirements, signage, tooling, personal protection devices and periodic inspections of all working conditions on site. The Contractor shall inspect, record and enforce for violations. The Contractor shall not rely upon or assume any specialized safety knowledge or experience on the part of the University.

Comply with the Williams-Steiger Occupational Safety and Health Act of 1970 (OSHA), the Michigan "Occupational Safety and Health Act", Act 154 of the Public Acts of 1974 (MIOSHA), and all revisions contained therein. Compliance is a condition of this Contract for all services, construction, alteration and/or repair, including painting and decorating. No Contractor shall require or permit any laborer or mechanic, employed in the performance of the Contract, to work in surroundings or under working conditions that are unsanitary, hazardous, or dangerous to their health.

- e. Because buildings may be occupied during the Work period, the Contractor shall coordinate access to buildings with the University.
8. **MATERIALS AND WORKMANSHIP:** Unless otherwise specified, all materials and equipment shall be new, and all Work shall be of good quality, free from defects and in conformance with the Contract Documents.

Grand Valley State University endeavors to buy products made in the United States of America whenever an American-made\* product is available that meets or exceeds the specifications requested and the price is equal to or lower than a foreign-made product. Bidders are requested to propose American-made products and/or services whenever available. Bidders may propose foreign-made products or services when:

- a. They are specified.
- b. They are identified as an alternate by the Bidder as long as they are technically acceptable.

\* More than 50% of the product is manufactured or assembled in the United States.

9. **SUPERVISION:** Contractor, or a competent person having authority to act for him, shall be at the Work site at all times, and shall have the plans and specifications available on the site. He shall enforce good order among his employees and shall not employ on the Work any disorderly, intemperate or unfit person or anyone not skilled in the Work assigned to him.
10. **OTHER CONTRACTS:** University may do the Work, or let other contracts in connection with the Work. The Contractor shall properly connect and coordinate his work with that of the University or other contractors. If any part of the Contractor's work depends for proper results upon the Work of the University or another contractor, the Contractor shall promptly notify the University in writing of any apparent discrepancies that will affect his work. Failure to so notify will constitute his acceptance of the University's or other contractor's work.
11. **INSURANCE:** Contractor shall purchase and maintain for the life of the Contract insurance with limits of liability as required by law or as set forth below, whichever is greater. The Contractor shall require its subcontractors to maintain equivalent coverages.
  - a. Workmen's compensation and employer's liability at a minimum of \$500,000 or at statutory limits if greater.
  - b. Commercial general liability made on an Occurrence Form basis which includes at minimum the following types of coverage:
    - (1) Contractual liability, advertising and personal injury, products and completed operations, and an installation floater, showing limits of \$1,000,000 per occurrence, and a general aggregate limit of \$1,000,000.
    - (2) Fire and legal, showing limits of \$50,000 per occurrence; and medical showing limits of \$5,000 for any one person.
  - c. Comprehensive automobile liability, which includes coverage for any auto, hired autos, and non-owned autos with a combined single limit of \$1,000,000.
    - (1) Bodily and personal injury of \$500,000 per accident and \$250,000 per person
    - (2) Property damage of \$100,000
    - (3) Combined single limit of \$1,000,000

Grand Valley State University shall be identified as an additional insured under the coverage. Certificates of insurance shall be on the standard form published by the American Institute of Architects, ACORD, or other format acceptable to the University; and shall be filed with the University before commencing any work. These certificates shall contain a provision that coverage's provided under the policies will not be canceled until at least thirty (30) days prior written notice has been given to the University.

12. **CHANGES IN THE WORK:** The Owner shall have the right to make changes, including additions, deletions and revisions in the Work. Should the Owner desire to make a change, it will request of the Contractor, either orally or in writing, to submit a written proposal to the Owner setting forth the amount of any adjustment to be made in either the Contract sum or schedule. The Contractor shall supply such a written proposal within seventy-two (72) hours after requested to do so by the Owner. The Contractor is authorized to proceed with a change in the Work only upon the execution by the Owner of a written change order. The Contractor waives any claim for quantum meruit or other equitable relief should it determine to proceed in the absence of a change order signed by the Owner.

The amount of any change order shall reflect the considered bid of the Contractor taking into account all financial ramifications of the Work requested, including indirect costs incurred by virtue of the impact of the change upon the schedule and the possibility of delay and/or adverse impact.

13. **INSPECTION:** Contractor shall at all times permit and facilitate inspection of the Work by the University. The University shall have the authority to stop work, or reject work that in its opinion does not meet requirements of the Contract.
14. **TERMINATION FOR BREACH:** The University may terminate this Contract when the approved progress schedule or any other requirement of this Contract is not met. In the event of such termination, the University may complete the contracted Work and the Contractor will be liable for any excess cost occasioned the University thereby and in such case the University may take possession of and utilize in completing the Work such materials and equipment as may be on the site and necessary therefore.
15. **CLAIMS RESOLUTION:** NOTICE – If the Contractor has a claim against the University, whether on its own behalf or including any claim made through the Contractor for the benefit of any of its subcontractors or material suppliers, such claim, and the factual basis therefore, must be submitted in writing to the University within ten (10) days of the Contractor learning of the claim.
- a. Alternative Dispute Resolution – The Contractor and University acknowledge and wish to implement a method of resolving some disputes that may arise during the Project in a manner intended to be more efficient and less expensive than litigation. Notwithstanding the provisions set forth below, the parties may agree to any legal means and methods for resolving a claim or dispute. In the absence of mutual agreement to the contrary, however, the contractual provisions described below will control.

If the parties pursue a claim upon a Project for which the University retained an architect or engineer to serve as the design professional, and i) both parties agree that the design professional bears no fault, responsibility or active involvement in the dispute, and ii) the claim is in an amount less than twenty thousand dollars (\$20,000.00), exclusive of interest, then both parties shall agree on a mediator who shall investigate the facts, interview parties and witnesses, convene a meeting(s) if necessary, and take other measures it may deem appropriate, so to determine the outcome of the claim, and announce its determination to the parties within thirty (30) days after the claim is submitted. The determination of the mediator shall be binding upon the parties, final, and with no recourse or appeal to courts or other tribunals. The determination, if not voluntarily implemented and/or paid by the parties shall be capable of being entered as a judgment pursuant to MCL600.500 and MCR 3.602. The cost of the mediator shall be shared equally by the parties.

If i) either of the parties contend that the design professional bears some fault, responsibility or active involvement in the dispute, or ii) the parties have a claim pertaining to a Project for which no design professional was retained by the University, and the claim is in an amount less than twenty thousand dollars (\$20,000.00), exclusive of interest, then the parties may demand arbitration pursuant to the American Arbitration Association, and its rules and procedures for construction disputes, shall govern.

- b. Litigation – If either party has a claim in an amount greater than twenty thousand dollars (\$20,000.00), the parties will avail themselves, if necessary, to their traditional rights as litigants in a court of law. The parties acknowledge that venue is proper in Ottawa County and that Michigan law shall govern all issues.
  - c. No Indirect Claims – The Contractor acknowledges that subcontractors and material suppliers have no direct claims, whether in contract or tort, law or equity, against the University (indirect claim). The Contractor indemnifies the University for any and all damages and expenses incurred, including actual attorney fees, by the University in defending indirect claims.
16. **DAMAGES:** All parties may resort to any remedy, unless expressly provided otherwise.
- a. Part of the Project or Work, or part of the Contract. Liquidated damages may be established for late completion of the Work, withdrawal of bid, or other specified cause. These damages are intended to compensate for losses incurred by the University, as it is difficult to determine the actual damages suffered under the circumstances with certainty. Liquidated damages are not intended as a penalty or to punish. The University may establish a bonus for work completed prior to the date established for completion.
  - b. If the Contractor is delayed at any time in progress of the Work by an intentional act or neglect of University, a separate contractor employed by the University, labor dispute, unusual, unavoidable or unexpected event beyond the control of the Contractor, or other circumstance, then the Contractor hereby waives any claims for damages by reason of delay. Contractor's sole remedy is a reasonable extension of time for completion.
17. **CLEAN-UP:** Contractor shall at all times keep the premises free from accumulations of waste material or rubbish caused by his employees or work and at the completion of the Work he shall remove all his waste, tools, equipment, staging and surplus materials from the structure and grounds and leave his work clean and ready for use. Contractor may not use Owner's trash containers. Burning of materials on the site is prohibited.
- Contractor shall provide for the control of materials that can leach into the ground. Contractor shall remove from the site immediately after the completion of the Work all delivered, manufactured, spilled, disposed of, or stored chemicals, lime-based materials, hazardous materials or toxic substances used on University property as substances in accordance with all laws and regulations. Contractor agrees to indemnify the University against all obligations and liabilities arising out of claims made or suits resulting from environmental contamination due to the acts of the Contractor or any subcontractor acting under this Contract. Contractor shall insure that all subcontractors fully comply with these clean-up provisions.
18. **GUARANTEE:** Contractor shall furnish to the University, on the form provided, a written guarantee to remedy any defects due to faulty materials or workmanship which appear in the Work within one year from date of final acceptance by the University unless a longer period is provided otherwise in the Contract Documents.
19. **PAYMENT:** Payment for the Work will be made in one lump sum at the completion of this Contract except that partial payments may be made at monthly intervals or as otherwise agreed by the parties. If Contractor expects to request partial payments, he shall submit a schedule of costs and quantities of the various parts of the Work aggregating the total Contract sum, and shall submit invoices based upon this schedule, itemized and supported as the University may require.

Payment will be made in thirty (30) days from date of approval of invoice unless otherwise specified in this Contract. Contract or portions thereof will not be considered complete until the Work has been finally accepted by the University; satisfactory evidence that all payrolls, material bills and other indebtedness connected with the Work have been paid; and guarantees, as-built drawings,

certificates, operating instructions, consent of surety, and other documents required by this Contract have been submitted to and approved by the University.

University may withhold full payment to protect against loss on the grounds identified below. When the grounds are removed, payments withheld shall be made.

- a. Defective work not remedied.
- b. Third party claim or evidence indicating probable filing of such claim.
- c. Failure of the Contractor to make payments due subcontractors or suppliers.
- d. Damage to the University or another contractor.
- e. Failure of the Contractor to complete Work in accordance with approved Project schedule.
- f. Failure of the Contractor to carry out the Work in accordance with this Contract.
- g. Evidence that the Work cannot be completed for the unpaid balance of the Contract sum.

Application and Certificate for Payment shall represent all amounts now due Contractor inclusive of, and which application releases all, claims for compensation in addition to the Contract sum as modified with signed change orders.

20. **SUSPENSION FOR CONVENIENCE:** The University may, with or without cause, order the Contractor in writing to suspend, delay or interrupt the Work in whole or part for such period of time as the University may determine. An adjustment shall be made for increases in the cost of performance of the Contract, including any profit. No adjustment shall be made to the extent that performance is, was or would have been so suspended, delayed or interrupted by another cause for which the Contractor is responsible; or an equitable adjustment arising from the suspension is made or denied under another provision of this Contract.
21. **TAXES:** The Contractor shall include and be deemed to have included in his bid and Contract price all Michigan Sales and Use Taxes currently imposed by legislative enactment and as administered by the Michigan Department of Treasury, Revenue Division, on the bid date.
22. **NONDISCRIMINATION:** The Contractor will not discriminate against any individual because of race, religion, color, national origin, age or sex. The Contractor will take affirmative action to insure that applicants for employment and employees during employment are treated without regard to their race, religion, color, national origin, age or sex. Such action shall include, but not be limited to, employment, upgrading, demotion or transfer; recruitment advertising, solicitations or advertisements for employees; layoff or termination; rates or pay or other forms of compensation; and selection for training and apprenticeship.

The Contractor will appropriately notify employees, any bargaining representative and labor union, all qualified applicants, and the general public of its commitments under this section.

The Contractor will comply with all laws and all published rules, regulations, reporting requirements, directives, and orders of the Michigan Civil Rights Commission relevant to 1976 PA 453, as amended which may be in effect prior to the taking of bids for any individual project. This may include providing information as to the practices, policies, and employment statistics of the Contractor and each subcontractor; and will permit access to any books, records and accounts by the University and/or its designee and its agents, for purposes of investigating compliance with this Contract and with rules, regulations, and orders of the University and Michigan Civil Rights Commission. A finding by the University or Michigan Civil Right Commission that a Contractor has not complied with the contractual obligations under this agreement may result in the cancellation of the Contract or ineligibility for future contracts with the University.

The Contractor will include, or incorporate by reference, these provisions in every subcontract or purchase order and will be binding upon each subcontractor or material supplier. Breach of this covenant may be regarded as a material breach of the Contract.

23. **INDEMNIFICATION:** The Contractor assumes all risks of damages or injuries, including death, to property or person used or employed on or in connection with the Work, and all risks of damages or injuries, including death, to property or persons wherever located, resulting from any action, omission or operation under the Contract or in connection with the Work, whether such action, omission or operation is attributable to the Contractor or subcontractor, any material supplier, anyone directly or indirectly employed by any of them or any other person.

The Contractor shall indemnify and hold harmless the University, its agents and employees from and against all claims, damages, losses and expenses including attorneys fees arising out of or resulting from the performance of the Work, provided that such claims, damage, loss or expense is attributable to bodily injury, sickness, disease or death or to injury to or destruction of tangible property, including loss of use; and is caused in whole or in part by any negligent or willful act or omission of the Contractor, any subcontractor, anyone directly or indirectly employed by any of them for whose acts any of them may be liable; regardless of whether or not it is caused in part by a party indemnified hereunder. However, the Contractor shall not be obligated to indemnify the University for any damages or injuries, including death, caused by or resulting from the sole negligence of the University.

The Contractor shall indemnify and hold harmless the University, its agents and employees from and against all claims, damages, losses and expenses including attorneys fees arising out of or resulting from claims by or judgments for any employee of the Contractor, any subcontractor, anyone directly or indirectly employed by them or anyone for whose acts they may be liable. Such indemnification obligation shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the Contractor or any subcontractor under workmen's compensation acts, disability benefit acts or other employee benefit acts.

The obligation of the Contractor under this paragraph shall not extend to liability of the University, its agents or employees arising out of the preparation or approval of maps, drawings, opinions, reports, surveys, change orders, designs, or specifications.

24. **CONTRACT SUM AND LIMITATION OF DAMAGES:** The University agrees to pay and the Contractor agrees to accept the sum set forth in the Contractor's Proposal, as its bid, accepted by the University, as full compensation for all labor, supervision, equipment, home office and field overhead, materials, administrative and incidental expense required in executing all of the Work contemplated in this Contract and set forth in the plans and specifications, including all loss or damage arising out of the Work, as impacted by the elements or from any obstruction, delay or difficulties which may not be covered elsewhere.

It is further agreed that the Work may be modified in nature or scope, and that the Contract sum may likewise be modified only in accordance with those provisions set forth herein.

No claims for extra compensation or adjustments in the Contract sum will be made by the Contractor on account of delay. Costs incurred as a result of variations within the as-planned schedule or the failure of others to complete any of the Work as scheduled shall not be cause for extra compensation.

25. **NOTICE OF COMMENCEMENT:** Grand Valley State University is a Constitutional Body Corporate as provided under the Constitution of the State of Michigan and is not subject to the requirements of the Notice of Commencement under the Michigan Construction Lien Act.

26. **PURCHASE AND WARRANTY OF CUSTOM AND/OR PROPRIETARY PRODUCTS:** If the Contractor, either directly or through any of its subcontractors, material suppliers, and/or vendors ("Provider" for purposes of this paragraph only), incorporates into a University facility or sells the University other equipment comprising, in whole or in part, custom designed products or



components, including controls or computer software programs ("Products"), claimed by the Provider to be proprietary, the Provider shall:

- a. Warrant the Products free from defects and perform, at no additional charge to the University, all repairs, including parts and labor necessary to render the Products operational up to that performance initially called for by specification, for the entire useful life of the Products; and
- b. Maintain the Products, at whatever charge the parties may agree to before installation of the Products, for the entire useful life of the Products, and in the absence of such prior agreement as to maintenance charges, at no cost; or
- c. Deposit with the University the design documents, plans, technical specifications and source code, where necessary and applicable, even if claimed proprietary by the Provider, so that the University, with or without the Provider or assistance from others, would be fully capable of repairing and properly maintaining the Products.

*END OF THIS SECTION*



## SUPPLEMENTARY GENERAL CONDITIONS

The following supplementary conditions pertain when any funding under this Contract is provided in whole or part by the State of Michigan. The Contractor is obligated to comply fully with these provisions and the law.

1. **NONDISCRIMINATION:** For all state contracts for goods or services in amount of five thousand dollars (\$5,000) or more, or for contracts entered into with parties employing three or more employees in connection with the performance of work under this Contract, the Contractor agrees as follows:
  - a. The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, national origin, age, sex, height, weight, or marital status. The Contractor will take affirmative action to insure that applicants are employed and the employees are treated during employment, without regard to their race, color, religion, national origin, age, sex, height, weight, or marital status. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
  - b. The Contractor will, in all solicitations or advertisements for employees place by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, national origin, age, sex, height, weight, or marital status.
  - c. The Contractor or a collective bargaining representative will be sent to each labor union or representative of workers with which there is a collective bargaining agreement or other contract or understanding, a notice advising the said labor union or worker's representative of the Contractor's commitments under this section.
  - d. The Contractor will comply with all published rules, regulations, directives, and orders of the Michigan Civil Rights Commission relevant to Section 6, 1976 PA 453 as amended, which may be in effect prior to the taking of bids for any individual state project.
  - e. The Contractor will furnish and file compliance reports within such time and upon such forms as provided by the Michigan Civil Rights Commission; said forms may also elicit information as to the practices, policies, program and employment statistics of each subcontractor as well as the Contractor, and said Contractor will permit access to books, records, and accounts by the Michigan Civil Rights Commission, and/or its agent, for purposes of investigation to ascertain compliance with this Contract and with rules, regulations, and orders of the Michigan Civil Rights Commission relevant to Section 6, 1976 PA 453, as amended.
  - f. In the event that the Civil Rights Commission finds after a hearing held pursuant to its rules, that a Contractor has not complied with the contractual obligations under this Agreement, the Civil Rights Commission may, as part of its order based upon such findings, certify said findings to the University or Administrative Board of the State of Michigan which may order the cancellation of the Contract found to have been violated and/or declare the Contractor ineligible for future contracts with the State and its political and civil subdivisions, departments, and officers, and including the governing boards of institutions of higher education, until the Contractor complies with said order for Civil Rights Commission. Notice of said declarations of future ineligibility may be given to any or all of the persons with whom the Contractor is declared ineligible to contract as a contracting party in future contracts. In any case before the Civil Rights Commission in which cancellation of an existing contract is a possibility, the contracting agency shall be notified of such possible remedy and shall be given the option of the Civil Rights Commission to participate in such proceedings.

- g. The Contractor will include, or incorporate by reference, the provisions of the foregoing or orders of the Michigan Civil Rights Commission, and will provide every subcontract or purchase order that said provisions will be binding upon each subcontractor or seller.

For all contracts for goods or services in an amount of less than five thousand dollars (\$5,000), or for contracts entered into with parties employing less than three employees the Contractor, pursuant to the requirements of 1976 PA 453, agrees not to discriminate against any employee or applicant for employment, to be employed in the performance of this contract, with respect to his hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment, because of his race, color, religion, national origin, ancestry, age or sex. The Contractor further agrees that every Subcontract entered into for the performance of this Contract will contain a provision requiring nondiscrimination in employment, as herein specified, binding upon each subcontractor. Breach of this covenant may be regarded as a material breach of Contract.

2. **PREVAILING WAGE AND FRINGE BENEFIT RATES:** The rates of wages and fringe benefits to be paid to each class of mechanics by Bidder and all of his subcontractors shall be not less than the wage and fringe benefit rates prevailing in the locality in which the work is to be performed, in accordance with Act No. 166, Public Acts 1965.

Every contractor and subcontractor shall keep posted on the construction site, in a conspicuous place, a copy of all prevailing wage and fringe benefit rates prescribed in the Contract and shall keep an accurate record showing the name and occupation of, and the actual wages and benefits paid to, each construction mechanic employed by him in connection with said Contract. This record shall be available for reasonable inspection by the University, or the Department of Labor.

The University by written notice to the Contractor and the sureties of the Contractor, known to the University, may terminate the Contractor's right to proceed with that part of the Contract for which less than the prevailing rates of wages and fringe benefits have been or will be paid, and may proceed to complete the Contract by separate agreement with another Contractor or otherwise, and the original Contractor and his sureties shall be liable to the University for any excess costs occasioned thereby. 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.

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 Contractor, it shall be understood that the trades omitted shall also be paid not less than the wage and fringe benefit rates prevailed in the locality in which the Work is to be performed.

3. **MICHIGAN RIGHT-TO-KNOW LAW:** All Contractors must conform to the provisions of the Michigan Right-to-Know Law, 1986 PA 80, which requires employers to: (1) develop a communication program designed to safeguard the handling of hazardous chemicals through labeling of chemical containers, and development and availability of Material Safety Data Sheets (MSDSs); (2) provide training for employees who work with these chemicals; and (3) the right to request copies of MSDSs from their employer.

Provisions of Michigan's Right-to-Know Law may be found in those sections of the Michigan Occupational Safety and Health Act (MIOSHA) that contain Right-to-Know provisions, and the Federal Hazard Communications Standards, which is part of the MIOSHA Right-to-Know Law through adoption.

- ~~4. **BONDS:** Before commencing Work, Contractor shall furnish and pay for surety bonds in the amount of 100% of the Contract sum as security for the faithful performance of this Contract and for the payment of all persons performing labor and furnishing materials in connection with this Contract.~~

5. **PROVISIONS REQUIRED BY LAW DEEMED TO BE INCORPORATED INTO THIS AGREEMENT:** Any term, condition, or provision required by law to be in this Agreement shall be deemed to be inserted in this Agreement as if fully set forth herein, and this Agreement shall be read, interpreted and enforced as if such term, condition or provision were inserted.

*END OF THIS SECTION*