**LOA ADDITIONAL REQUIREMENTS**

**GENERAL:**

1. All references found in the general agreement to *“Owner’s prior approval”* shall be interpreted to mean *“Owner’s prior written approval”*.
2. A sequentially numbered approval letter process (see attached Exhibit A1 & A2) will be implemented for the project per category, to document the owner’s approval of items such as: Subcontractors, Change of Contractor Key Personnel, Release of Retainage, Allowances, Holds, Unbought Scope, and Contingency, including additional contracts.
3. A copy of all bid documents, with attached copies of bid analysis (leveling documents) will be attached to approval letters.
4. Owner must approve the subcontractor agreement (template).
5. Implement agreed upon change order document with set OH & P markups for CM & subcontractors (See Attached Exhibit B).
6. Implement attached VUMC Partial Lien Waiver for contractors as well as subcontractors (See Attached Exhibit C).
7. Use the G702 and G703 Continuation Sheet, as approved by the owner, for monthly Applications for Payment.
8. Stored Materials- Offsite *“Unless otherwise provided in the Contract Documents, payments shall be made on account of materials and equipment delivered and suitably stored at the site for subsequent incorporation in the Work. If approved in advance by the Owner, payment may similarly be made for materials and equipment suitably stored off the site at a location agreed upon in writing. Payment for materials and equipment stored on or off the site shall be conditioned upon compliance by the Contractor with procedures satisfactory to the Owner to establish the Owner’s interest, and shall include the costs of applicable insurance, storage and transportation to the site for such materials and equipment stored off the site. The Contractor shall provide with the related monthly Application for Payment a Bill of Sale, an Insurance Certificate for the value of the material and/or equipment with VUMC designated as the Loss Payee, physical evidence of material such as photos, and an Affidavit validating possession of material and/or equipment.”*

**SPECIFIC:**

1. AIA A102- Article 1, Add the following paragraph, “*1.1 In the event of any conflict, inconsistency or ambiguity among the following Contract Documents, with respect to the Project, such documents shall have the following priority:*
2. *Change Orders to the Contract in accordance with this Agreement;*
3. *The GMP/Schedule Amendment for the Project;*
4. *Letters of Agreement (LOA)*
5. *General and Supplemental Conditions*
6. *The Agreement; including all Schedules and Exhibits*
7. *Drawings and Specifications.*
8. AIA A102- Article 5, paragraph 5.1.4, Add the following paragraph *“Rental rates for Contractor-owned equipment at the place of the project will be paid at 80% of the most current AED Green Book for the region or contract note sheet approved by Owner, prior to its use.”*
9. AIA A102 - Article 7, paragraph 7.2.5 - delete *“Bonuses, profit sharing”* from this paragraph.
10. AIA A102- Article 11, Add the following paragraph *“11.5 The Owner and its authorized representative shall have access to the Contractor’s facilities, shall be allowed to interview all current and former employees to discuss matters pertinent to the Contract, and shall have access to all necessary Records and to be provided adequate, appropriate work space, in order to conduct audits and examinations.”*
11. AIA A102- Article 11, paragraph 11.6 Add the following paragraph *“Any adjustments and/or payments which must be made as a result of any such audit or inspection of the Contractor’s invoices and/or records shall be made within a reasonable amount of time (not to exceed ninety (90) days of presentation of Owner’s findings to Contractor.)”*
12. AIA A102- Article 12, paragraph 12.1.2 – delete *“or as follows:”* and add in its place *“as agreed upon.”* And insert the following after the first sentence, *“Applications for Payment shall include; (a) unconditional Lien waivers on a notarized form provided by the Owner from the Contractor, all subcontractors and suppliers furnishing labor and/or material from subcontractors and suppliers, shall be submitted for previous payment. Partial Waivers of Lien will be acceptable for progress payments; (b) The Contractor’s monthly update to the Schedule, as required; and (c) reconciliation of all allowances and contingencies used project to date.”*
13. AIA A201-Article 3, paragraph 3.10.4 - Add the following *paragraph “Contractor agrees to consult with the Owner regarding the scheduling of the Work and further, to obtain the approval of the Owner regarding the scheduling of any activities with could, in any way, disrupt or interfere with operations of the Owner’s facility. Contractor further agrees to cease any such activities immediately upon request from the Owner, and not to resume same until the Owner’s approval to resume such work has been obtained. Contractor further agrees to schedule and coordinate all, utility interruptions at the owners convenience.”*
14. AIA A201 Article 7, paragraph 7.1.2.2 Add the following paragraph *“7.1.2.2 On proposals involving both increases and decreases in the amount of the contract, overhead, and profit will be allowed on the net increase only. Additionally, all changes decreasing the amount of the contract will also include related decreases in the overhead and profit.”*
15. AIA A201 Article 10, paragraph 10.1.2 Add the following paragraph *“Contractor shall obtain bids for each trade contract from a minimum of 3, with a goal of 5, qualified, responsive bidders so as to obtain the most reasonable price for acceptable work, unless otherwise approved by Owner.”*
16. AIA A201 Article 10, paragraph 10.1.4 Add the following paragraph *“Award of construction contracts shall be made to the lowest responsible bidder within the budget whose bid is responsive to the bid invitation, unless owner approved.”*
17. AIA A201 Article 17. Add the following paragraph “*17.1 Contactor acknowledges they understand that the Owner has a business ethics policy which provides that no Owner, employees, or members of their family shall accept anything of value from contractors, suppliers, vendors or others transacting or seeking to transact business with Owner. The offering or giving of such items of value by Contractor, whether or not made with intent to obtain special consideration, shall be deemed a material breach of contract entitling Owner to cancel any contracts with Contractor.”*
18. AIA A201 Article 17. Add the following paragraph *“17.2 It is also understood by the Contractor that any solicitations of gifts or any other item of value by anyone representing the Owner is to be reported within two business working days to the Owner at the Compliance Department. Failure to report any such solicitations or offers shall be deemed a material breach of contract entitling the Owner to pursue damages resulting from the failure to comply with this provision.”*