

SECOND AMENDMENT TO AIA A102 – 2007 AGREEMENT BETWEEN OWNER AND CONTRACTOR

Multnomah County Health Headquarters Building County Contract No. 4400001553

THIS SECOND AMENDMENT TO AIA A102 – 2007 AGREEMENT BETWEEN OWNER AND CONTRACTOR is made as of the ____ day of _____, 2015 (“**Second Amendment**”) between MULTNOMAH COUNTY, a political subdivision of the State of Oregon (“**County**” or “**Owner**”) and J.E. DUNN CONSTRUCTION COMPANY, an Oregon corporation (“**Contractor**”). Owner and Contractor may be referred to jointly in this Second Amendment as the “Parties” and individually as a “Party.”

RECITALS:

1. Effective May 24, 2012, County and Home Forward, formerly the Housing Authority of Portland, an Oregon municipal corporation (“**Home Forward**”), entered into an intergovernmental agreement, which was amended on January 4, 2013 (collectively, the “**IGA**”) for the development of a new building to house the Multnomah County Health Department administration and clinical services functions (the “**Project**”).
2. The Project is planned for construction on a 17,500-square foot site located in northwest Portland, Oregon, generally bounded by NW Sixth Avenue, NW Hoyt Street, and NW Irving Street, comprising the vacant, easterly portion of Block U, adjacent to the recently opened Bud Clark Commons, and further described as Lots 1, 4, 5 and 8, Block U, CITY OF PORTLAND, Multnomah County, Oregon (the “**Property**”).
3. Pursuant to the IGA and with County’s approval and direction, Home Forward, as owner, and Contractor entered into an AIA A102 – 2007 Standard Form of Agreement between Owner and Contractor, for the Project, on July 16, 2013 (the “**Construction Contract**”).
4. Beginning June 30, 2014, County, Home Forward and Contractor evaluated the estimated Project costs, which were substantially higher than 2012 estimates; the design and programming constraints on the Property as then zoned; and alternate sites for County Health Department programs that could not be accommodated in the then-permitted building envelope on the Property.
5. On January 23, 2015, Home Forward and Multnomah County entered into a Termination and Release Agreement pertaining to the IGA (the “**Termination**”), and an Assignment and Assumption of Architectural and Construction Agreements, under which Home Forward assigned and Multnomah County assumed the owner’s rights and obligations under the Construction Contract, pursuant to the terms and conditions of the Termination.
6. Home Forward delivered written notice of the Assignment and Assumption of the Construction Contract to Contractor on February 4, 2015.
7. The Termination permitted County to reevaluate the entire Project strategy and file an application with the City of Portland for zoning amendments to increase the base height limit on the Property from 75 feet to 105 feet and to make the Property eligible for FAR bonuses.
8. The City of Portland Planning and Sustainability Commission recommended approval of the zoning amendments following a public hearing on April 28, 2015, and the City Council approved the amendments on June 17, 2015. The combined effect of the amendments allows County to relocate substantially all of the Health Department programs from the McCoy Building to the Property, consistent with the original Project goals.
9. On June 10, 2015, County, as Owner, and Contractor entered into Change Order #1, increasing the Contract Sum by \$35,156.00 to complete additional pre-construction services identified by Contractor in its proposal dated May 20, 2015, and identifying the Construction Contract as County Contract No. 4400001553. Change Order #1 was incorporated into a First Amendment to the County Contract dated June 10, 2015.

10. Owner and Contractor desire to amend the Construction Contract to address and enable expansion of the Project's program and design scope permitted by the zoning amendments and to update the proposed schedule and budget.

NOW, THEREFORE, in consideration of the foregoing Recitals, which shall be considered contractual in nature and effect, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree to amend the Construction Contract as follows:

AGREEMENTS:

1. All capitalized terms and phrases in this Second Amendment shall retain their meanings as defined in the Construction Contract, unless otherwise defined herein. Text added by this Second Amendment shall be underlined and text deleted shall be stricken.
2. CONTRACT No: C1369 and the Owner's name and address on page 1 are modified, to read:

"CONTRACT No: C1369 - MULTNOMAH COUNTY CONTRACT No. 4400001553

BETWEEN the Owner:
(Name, address and other information)

<u>Multnomah County</u>	<u>Home Forward</u>
<u>c/o Facilities & Property Mgt.</u>	<u>135 SW Ash Street</u>
<u>401 North Dixon Street</u>	<u>Portland, OR 97204</u>
<u>Portland, OR 97227."</u>	

3. Section 2.5 is modified, to read:
- "§ 2.5** The Work shall include design professionals services provided on a design/build basis for the exterior envelope (limited to consultation with the Architect on metal panels design), mechanical, electrical, fire alarm, fire protection and plumbing portions of the Work. Such services shall be performed by design professionals licensed, registered and otherwise legally authorized to perform such services in Oregon, to the extent such licensure, registration and authorization are required by law to perform such services on such portions of the Work. Such services shall be performed by one or more employees or consultants of the Contractor or a Subcontractor. The Contractor shall ensure that all such design services and documents, during both the design and construction phases are coordinated with the services and documents of the Architect and its consultants in the interests of the Owner and the Project."
4. Subsections .1 and .2 of Section 4.3.2.2 LOSS OF USE LIQUIDATED DAMAGES are modified, to read:
- "1** 1st thru 7th Calendar Day the sum of zero Dollars (\$0) for each partial day or full day of delay beyond the deadline for Substantial Completion; ~~and~~
- "2** 8th thru 14th Calendar Day the sum of fourteen hundred Dollars (\$1,400.00) for each partial day or full day of delay beyond the deadline for Final Completion; and"
5. Section 5.1.3 is modified, to read:
- "§ 5.1.3** Limitations, if any, on a Subcontractor's overhead and profit for increases in the cost of its portion of the Work: ~~A cumulative limit of 25% for all Subcontractors and a 5% limit of~~ any individual cost increase for any individual Subcontractor."

6. Section 5.2.1.2 is modified, to read:

“§ 5.2.1.2 In the event the sum of the final Cost of the Work plus the final Contractor’s Fee is less than the final GMP, the savings in Cost of the Work shall devolve one hundred percent (100%) to the Owner, but the final Contractor’s Fee shall remain based on the estimated Cost of Work in the final GMP.”

7. Section 6.4 is modified, to read:

“§ 6.4 A Change Order shall be based upon a prior written agreement between Owner and Contractor. A Construction Change Directive requires written direction by the Owner, and associated costs may or may not be agreed to by the Contractor. Receipt of a Construction Change Directive signed by Owner, Architect and Owner’s Authorized Representative is effective immediately, and Contractor shall proceed immediately to make the change(s) described therein. In order to be binding upon Owner, all Change Orders and Construction Change Directives must be properly completed in writing prior to commencement of the altered or additional Work, and prior to Contractor incurring any additional time or expense. Owner will not be responsible for additional costs, fees, or time associated with any altered or additional Work unless a corresponding Change Order or Construction Change Directive is properly and timely prepared and executed as required by the Contract Documents in advance of the extra or different Work. Contractor hereby waives any argument that Owner’s conduct (including, but not limited to, orally approving changes or extras) amounts to a waiver of the prior written change requirements of the Contract Documents.”

8. Section 10.1.1 is modified, to read:

“§ 10.1.1 All Work shall be competitively bid, unless otherwise approved in writing in advance by Owner. For all portions of the Work (including those the Contractor proposes to self-perform), whose contract value is expected to exceed \$5,000, Contractor shall obtain (not only solicit) solicit and make a good faith effort to obtain bids from no fewer than three (3) qualified, independent Subcontractor bidders, unless the Owner agrees in advance to fewer than three (3) bids, for particular subcontracted or supplied Work. The Contractor shall solicit and make a good faith effort to obtain (not only solicit) bids from no fewer than threetwo (32) additional, qualified, independent Subcontractor bidders, unless the Owner agrees in advance to fewer than threetwo (32) bids, for portions of the Work that the Contractor desires to self-perform with its own personnel. In the event the Contractor provides bids for self-performed Work, such bids shall be prepared and submitted to Owner one day in advance of receipt of competitor’s bids and considered in the same manner as if they were bids from Subcontractors. For the purposes of this Section 10.1.1 references to the Contractor’s “own personnel” shall be construed to mean both (1) the Contractor’s own personnel per se and (2) the Contractor’s affiliated or associated firms or companies, including but not limited to firms or companies owned or controlled by officers of the Contractor. For subcontracts whose value is expected to be less than \$25,000, Contractor shall be entitled to negotiate them directly with certified MWESB Subcontractors.”

9. Section 12.1.3 is modified, to read:

“§ 12.1.3 Provided that a complete and accurate Application for Payment is received by the Owner and Architect not later than the last day of a month, the Owner shall make payment of the approved amount to the Contractor not later than the 30 calendar days after receipt of a complete and accurate Application for Payment. In no case shall an Application for Payment be submitted prior to the 25th day of any month. If a complete and accurate Application for Payment is received by the Owner and Architect after the last day of a month, application date fixed above, payment shall be made of the approved amount by the Owner not later than thirty (30) days after the Owner and Architect receives the Application for Payment.
(Federal, state or local laws may require payment within a certain period of time.)”

10. Section 12.1.5 is modified, to read:

“§ 12.1.5 Each Application for Payment shall be based on the most recent Schedule of Values (as defined in Section 9.2 of the General Conditions) submitted by the Contractor and approved by the Owner in accordance with the Contract Documents. The Schedule of Values shall allocate the entire GMP among the various portions of the Work, except that the Contractor’s Fee, Change Orders, alternates, unit price Work, allowances and contingencies shall be

shown as separate items. The Schedule of Values shall comply with the General Conditions. The current ~~S~~chedule of ~~V~~values as approved by the Owner, shall be used as a basis for reviewing the Contractor's Applications for Payment."

11. Section 12.1.6 is modified, to read:

"§ 12.1.6 Applications for Payment shall show the percentage of completion of each portion of the Work as of the end of the period covered by the Application for Payment. The percentage of completion shall be the lesser of (1) the percentage of that portion of the Work which has actually been completed; or (2) the percentage obtained by dividing (a) the expense that has actually been incurred by the Contractor on account of that portion of the Work for which the Contractor has made or intends to make actual payment prior to the next Application for Payment by (b) the share of the GMP allocated to that portion of the Work in the Schedule of Values~~schedule of values~~."

12. Subsection .1 of Section 12.1.7 is modified, to read:

"§ .1 Take that portion of the GMP properly allocable to completed Work as determined by multiplying the percentage of completion of each portion of the Work by the share of the GMP allocated to that portion of the Work in the Schedule of Values~~schedule of values~~. Pending final determination of cost to the Owner of changes in the Work, amounts not in dispute shall be included as provided in Section 7.3.9 of the General Conditions;"

13. Section 15.2 is modified, to read:

"§ 15.2 Payments due and unpaid under the Contract shall bear interest from the date payment is due at the legal rate established by Oregon law for non-financial institutions and currently at 9% per annum or .75% per month."

14. Section 15.3 is modified, to read:

"§ 15.3 The Owner's representative:

<u>Brett Taute, Project Manager</u>	Mike Andrews
<u>c/o Facilities & Property Mgt.</u>	Home Forward
<u>Multnomah County</u>	135 SW Ash Street
<u>401 North Dixon Street</u>	Portland, OR 97204
<u>Portland, OR 97227"</u>	

15. Section 15.4 is modified, to read:

"§ 15.4 The Contractor's representative:

<u>Tom Heger - Alan Halleck</u>
<u>J.E. Dunn Construction Company</u>
<u>424 N.W. 14th Ave.</u>
<u>Portland, OR 97209"</u>

16. Section 15.5.1 is modified, to read:

"§ 15.5.1 ORS Chapters 279A and 279C, the Owner's Public Contract Review Board Rules ("PCRB Rules") and the Portland Development Commission's Business and Workforce Equity Policies and guidance~~Home Forward Public Contracting Rules ("PDC Equity PolicyHome Forward Rules")~~ contain certain requirements for public contracts, including, but not limited to, certain required contract provisions. The required contract provisions are attached as Exhibit C and are incorporated herein by this reference. Furthermore, Contractor and Owner agree to comply with all requirements of ORS Chapters 279A and 279C, the PCRB Rules, the PDC Equity Policy~~Home Forward Rules~~ and other Oregon laws whether or not such provisions are included in Exhibit C and whether or not any such provisions are excised in Exhibit C."

17. **Exhibits C and F** attached to the Construction Contract are deleted and replaced, for all purposes related to the Construction Contract, by the revised Exhibits C and F, attached to this Second Amendment and incorporated herein by reference.

18. Section 15.5.4 is modified, to read:

“§ 15.5.4 Contractor shall not discriminate based on race, religion, color, sex, marital status, familial status, national origin, age, mental or physical disability, sexual orientation, gender identity, source of income, or political affiliation in programs, activities, services, benefits, or employment. Contractor shall not ~~discriminate~~ ~~discrimination~~ against minority-owned, women-owned, or emerging small businesses. Contractor shall also include a provision in each subcontract requiring Subcontractors to comply with the requirements of this Section 15.5.4.”

19. Section 16.1 is modified, to read:

“§ 16.1 The Contract Documents, except for Modifications issued after execution of this Agreement, are enumerated in the sections below.

Exhibit A: Form of GMP Amendment

Exhibit B: Forms of Claim Waivers and Releases

Exhibit C (Revised):

Exhibit C-1

Provisions from the Public Contracting Code and the Multnomah County Public Contracting Rules

Exhibit C-2

PDC Equity Policy January 9, 2013~~Home Forward Rules~~

Exhibit D: Forms of Payment and Performance Bonds

Exhibit E: Electronic Technology

Exhibit F (Revised): Contractor’s and Owner’s Insurance Requirements

Exhibit G: Billing Rates

Attachment 1: FAC-1 Amended Project Plan November 2015

Attachment 2: Geotechnical Report

Attachment 3: Environmental Reports Package

Attachment 4: Multnomah County Facilities Specifications Standards Revised April 2015

20. Except as expressly modified by this Second Amendment, the parties agree and acknowledge that the Construction Contract is and remains in full force and effect and binding on the parties.

21. This Second Amendment may be executed in several counterparts, all of which when taken together shall constitute one agreement binding on both parties, notwithstanding that both parties are not signatories to the same counterpart. Each copy of this Second Amendment so executed shall constitute an original. This Second Amendment may not be modified except by a writing signed by the parties.

IN WITNESS WHEREOF, the parties hereto execute this Second Amendment effective as of the date first set forth above.

OWNER:
MULTNOMAH COUNTY, a political
subdivision of the State of Oregon

By: _____
Deborah Kafoury, Chair

CONTRACTOR:
J.E. DUNN CONSTRUCTION COMPANY,
an Oregon corporation

By: _____
Name: _____
Title: _____

Reviewed:
JENNY M. MADKOUR, COUNTY ATTORNEY FOR
MULTNOMAH COUNTY

By: _____
Kenneth M. Elliott
Assistant County Attorney

Revised EXHIBIT "C-1"

Provisions from the Public Contracting Code and the Multnomah County Public Contracting Rules

EXHIBIT C-2

PDC Equity Policy January 9, 2013

[to be attached]

Revised EXHIBIT "F"

CONTRACTOR'S AND OWNER'S INSURANCE REQUIREMENTS

I. CONTRACTOR'S INSURANCE

Prior to entering into an Early Work Amendment or GMP Amendment, Owner intends to evaluate and compare the Contractor Controlled Insurance Program ("CCIP") proposed by the CM/GC, as discussed in Section 8.6.1.1 of this Contract, against coverage, premiums and other options then available through an Owner Controlled Insurance Program ("OCIP"). After consulting with the CM/GC and Owner's insurance carriers and brokers, Owner shall choose between a CCIP and an OCIP and the terms and conditions of the insurance program selected for Phase 2 of the Project shall then be set forth in this Exhibit F. Contractor shall be entitled to review and approve any proposed OCIP before it is substituted in place of the CCIP under this Exhibit F. Except as otherwise provided if Owner elects to purchase an OCIP and as a condition precedent to payment, Contractor shall at all times provide and maintain the following types and the following minimum limits of insurance written on an occurrence basis by a company or companies rated A/VIII or better. Except for the CCIP or as otherwise expressly indicated in this Exhibit, Contractor shall contractually require its Subcontractors to at all times provide and maintain the insurance required herein.

A. Contractor's Controlled Insurance Program ("CCIP")

- (i) Contractor will implement and maintain a Contractor Controlled Insurance Program ("CCIP") for the Project on standard ISO forms and with no endorsements limiting or reducing coverage that are not reasonably satisfactory to Owner. The CCIP will provide primary and non-contributory, general liability coverage for the Project with a Project Specific Limit and Products-Completed Operations Coverage until the applicable statute of repose has run for the Project.
- (ii) The following persons and entities shall be Named Insureds under the CCIP: Multnomah County, ~~Home Forward~~, Contractor, and all Subcontractors that perform work on the Project site that are eligible to be enrolled and the CCIP insurers shall waive all rights of subrogation to those entities.

The CCIP will provide coverage through the statute of repose in the state in which the Project is located and with the following limits:

Primary General Liability on a Project Specific Basis:

Combined Bodily Injury and Property Damage:

Primary:	Umbrella:
\$2,000,000 Per Occurrence	\$45,000,000 Per Occurrence
\$4,000,000 General Aggregate	\$45,000,000 General Aggregate
\$4,000,000 Completed Operations Aggregate	\$45,000,000 Completed Operations
\$1,000,000 Personal & Advertising Injury	
\$100,000 Fire Damage to property rented to you	

\$10,000 Medical Pay

- (iii) The scope of CCIP coverage must meet the following:
 - (1) Premises Operations must be included.
 - (2) Elevators and Escalators must be included.
 - (3) Coverage for Independent Contractors and work performed on Contractor's behalf by Subcontractors must be included.
 - (4) Contractual Liability.
 - (5) The Products and Completed Operations coverage shall be in place for the Project for the applicable statute of repose.
 - (6) There can be no exclusions for cross-suit liability between Named Insureds.
 - (7) There can be no exclusions for subsidence, collapse, explosion or underground property damage.
 - (8) Exclusion j. Damage to Property in CG 00 01 04 13 shall be amended by endorsement as follows:
 - delete paragraph j.(1);
 - delete paragraph j. (2) and replace with "(2) Premises you sell, give away or abandon, if the 'property damage' arises out of any part of those premises. This exclusion does not apply if the premises are 'your work.'"
 - delete follow-on paragraph stating "Paragraph (2) of this exclusion does not apply if the premises are 'your work' and were never occupied or held for rental by you."
 - (9) The CCIP policy limits shall not be eroded or wasted by defense costs.

B. Business Auto (applicable to Contractor and all Subcontractors):

- (i) Combined Bodily Injury and Property Damage
\$1 Million Each Accident
- (ii) The following coverages must be included:
 - (1) Owned Automobiles
 - (2) Non-Owned and Hired Automobiles

C. Professional Liability (applicable to Contractor Only):

- (i) \$5 Million each claim
- (ii) \$5 Million aggregate
- (iii) Professional liability insurance described in this Section I.C and its Subsections (i), (ii) and (iii) will be maintained by Contractor for the duration of the applicable statute of repose in the state in which the Project is located.

D. Contractor's Pollution Liability (applicable to Contractor only):

- (i) \$1 Million per claim

E. Evidence of Insurance and Certified Copies of Policies. Evidence of Contractor's insurance shall be filed with Owner and be acceptable to Owner and ~~Multnomah County~~ prior to commencement of the Work. ~~Multnomah County and Home Forward~~ will be provided with actual copies of the CCIP policies. For those insurance coverages that are required to remain in force after final payment, additional evidence of insurance acceptable to Owner and ~~Multnomah County~~ showing continuation of such coverage shall be submitted with the final Application for Payment and upon each annual renewal. Without limiting its remedies, Contractor agrees that it will reimburse Owner for the costs of Owner's insurance provided for the Project in the event that Contractor fails to provide evidence of coverage as required herein. Upon Owner's request at any time, Contractor will immediately provide an actual certified copy of its insurance policies. Provision of the evidence of coverage and provision of copies of policies as required herein shall be a condition precedent to payment.

- F. Notice of Cancellation, Reduction or Expiration.** Contractor's insurance policies required by this Section I, other than those identified in Section A, shall be endorsed to provide that coverages or limits afforded under the policies will not be cancelled until at least 60 days' prior written notice (except for non-payment of premium, which will be 10 days' notice) has been given to ~~Home Forward~~ and Multnomah County. CCIP policies may be cancelled for reasons other than non-payment of premiums upon 60 days' notice of cancellation to Contractor and other certificate holders. In the event that the CCIP policy is cancelled, Contractor shall be responsible for obtaining, at its sole cost, replacement coverage with the same limits, duration of coverage and extent of coverages as set forth in the CCIP without any gap in coverage. Any premiums refunded by the insurer as a result of cancellation of the CCIP shall be applied to a subsequent insurance program providing replacement coverage with the same limits, duration of coverage and extent of coverages. Information concerning potential reduction of limits on account of claims made shall be furnished by the Contractor to Owner within three (3) business days of when Contractor learns that revised or reduced limits are likely. If any information concerning reduction of coverage is not furnished by the insurer, it shall be furnished by the insured with reasonable promptness according to insureds' information and belief.
- G. Owner's Right to Terminate or Cure.** Failure of Contractor or a Subcontractor to secure and maintain insurance shall be a material breach of the Contract entitling Owner, in its discretion and without waiving any other remedies, to (i) withhold payments and/or recoup payments already made to Contractor for work
- H. No Waiver by Owner.** The insurance requirements under this Section I can only be waived or modified by Owner by an express written instrument signed by Owner acknowledging the reduced coverages or limits. No other act or omission by Owner or its agents, including but not limited to (i) implicit or verbal acceptance or approval of reduced coverages or limits or (ii) failure to require proof of compliant insurance, shall amount to Owner's waiver of the insurance requirements of this Section I.
- I. Other Insurance.** Contractor shall, and shall require that all Subcontractors, maintain:
- (i) Workers' Compensation: statutory
 - Employer Liability:\$1 Million per person
 - \$1 Million per accident
 - \$1 Million per sickness/disease
 - (ii) Commercial General Liability (on a standard ISO Form) for offsite exposure or, for those Subcontractors not enrolled in the CCIP, for onsite and offsite coverage:
 - (iii) Combined Bodily Injury and Property Damage:
 - \$1 Million Each Occurrence
 - \$2 Million General Aggregate
 - \$2 Million Products/Completed Operations Aggregate
 - (iv) Business Auto: \$1 Million.
 - (v) Excess/Umbrella Liability Coverage: \$5 Million for offsite exposure or, for those Subcontractors not enrolled in the CCIP, for onsite and offsite coverage.
- J. Waiver of Subrogation.** To the extent permitted by Oregon statute, all of Contractor's and all of its Subcontractors' insurance policies, except for professional liability policies, shall contain a waiver of subrogation in favor of Owner, ~~Home Forward~~ and the other persons and entities listed in Section I.K of this Exhibit.
- K. Additional Insureds.** All of Contractor's and Subcontractors' liability insurance policies (except those for professional liability, CCIP and employer's liability) shall contain an endorsement making the persons or entities listed in this Section I.K Additional Insureds. The coverage under the additional insured endorsement shall (i) be primary and noncontributory with respect to any insurance maintained by the additional insureds, (ii) provide the same coverages and limits to the additional insured as are afforded to the primary insured as required by this Section I, (iii) shall provide coverage to the additional insureds for the products-completed operations hazard, (iv) be for the same durations as the

coverages afforded to the primary insured as required by this Section I and (v) include a separation of insureds clause (as provided in Condition No. 7 – Separation of Insureds – on ISO Form CG 00 01 12 07, or its equivalent). The following persons or entities and their respective affiliates, subsidiaries, directors, officers, employees and agents shall be named as additional insureds:

~~Home Forward~~
Multnomah County

- L. Deductibles, Self-Insured Retention and Co-Insurance Penalties.** Contractor and/or Subcontractors shall be responsible for any deductible, self-insured retention or co-insurance penalty under the policies required under this Section I, without any additional cost to Owner, except to the extent the loss was caused by the sole acts of Owner or those for whom Owner is responsible.

II. BUILDERS RISK INSURANCE

Unless otherwise provided, the Owner shall purchase and maintain, in a company or companies lawfully authorized to do business in the jurisdiction in which the Project is located, property insurance written on a builder's risk "all-risk" or equivalent policy form in the amount of the initial Guaranteed Maximum Price, plus value of subsequent Contract modifications and cost of materials supplied or installed by others, comprising total value for the entire Project at the site on a replacement cost basis without optional deductibles. The policies shall name ~~Home Forward~~, Contractor and Multnomah County as loss payees. Such property insurance shall cover the work and shall be maintained, unless otherwise provided in the Contract Documents or otherwise agreed in writing by all persons and entities who are beneficiaries of such insurance, until final payment has been made or until no person or entity other than the Owner has an insurable interest in the property required by this Section to be covered, whichever is later. This insurance shall include interests of the Owner as a named insured and ~~Home Forward~~, the Contractor, Subcontractors and Sub-subcontractors of all tiers in the Project shall be additional named insureds as their interests may appear.

- A.** Property insurance shall be on an "all-risk" or equivalent policy form and shall include, without limitation, insurance against the perils of fire (with extended coverage) and physical loss or damage including, without duplication of coverage, theft, vandalism, malicious mischief, collapse, earthquake, flood, windstorm, wind driven rain, falsework, testing and startup, temporary buildings and debris removal including demolition occasioned by enforcement of any applicable legal requirements, subject to all terms of such policy and shall cover reasonable compensation for Architect's and Contractor's services and expenses required as a result of such insured loss.
- B.** If the property insurance requires deductibles, the Owner shall pay costs not covered because of such deductibles with the exception that Contractor shall pay for the deductibles associated with the first two occurrences asserted as claims under the policy at a maximum of \$25,000.00 per occurrence up to an aggregate of \$50,000.00. If there is available Contractor contingency, Contractor may utilize that contingency to pay for its obligated deductible responsibility. If contingency is not available the Contractor shall not be relieved of its obligation to pay the first two occurrence deductibles.
- C.** This property insurance shall cover portions of the Work stored off the site, and also portions of the Work in transit.
- D.** The Owner shall have power to adjust and settle a builder's risk loss with insurers and Contractor will cooperate and cause its Subcontractors to cooperate with Owner to adjust any loss.
- E. Waivers of Subrogation.** The Owner and Contractor waive all rights against (1) each other and any of their subcontractors, sub subcontractors, agents and employees, each of the other, and (2) the Architect, Architect's consultants, separate contractors described in Article 6 of the General Conditions, if any, and any of their subcontractors, sub subcontractors, agents and employees for damages caused by fire or other causes of loss to the extent paid by property insurance obtained pursuant to this Section II (i) except such rights as they have to proceeds of such insurance held by the Owner. The policies shall provide such waivers of subrogation by endorsement or otherwise.
- F.** A loss insured under Owner's property insurance shall be adjusted by the Owner and made payable to the Owner and other loss payees, as their interests may appear, subject to all requirements of any applicable mortgagee clause and of

Section II. Contractor shall reasonably cooperate in the adjustment of any claim as necessary to effectuate the intent of this provision. The Contractor shall pay Subcontractors their just shares of insurance proceeds received by the Contractor, and by appropriate agreements, written where legally required for validity, shall require Subcontractors to make payments to their Sub-subcontractors in similar manner.

- G.** Builder's Risk coverage provided by Owner shall meet the minimum standards required by Contractor, as acknowledged by Owner prior to execution of this Contract.

Attachment 1

FAC-1 Amended Project Plan November 2015

[to be attached]

Attachment 2

Geotechnical Report

[to be attached]

Attachment 3

Environmental Reports Package

[to be attached]

Attachment 4

Multnomah County Facilities Specifications Standards Revised April 2015

[to be attached]