ADDENDUM NO. 3

Institute for Advanced Learning and Research
Conference Facility Renovations
150 Slayton Avenue Cyber Park
Danville, Virginia
Project No. 888-18231-000
August 1, 2019

Please acknowledge receipt of this addendum on your bid proposal form.

Sections 24 and 25 of the Owner’s General Conditions (Ex. B) are modified as follows:

24. “ALL RISK” BUILDERS RISK INSURANCE

24.1 The Owner maintains insurance coverage on its building and will continue to occupy and control the building while the Work is being performed. The Contractor shall provide “all risk” builders risk insurance in an amount equal to the amount of the Base Bid as stated on the Bid Form equal to one hundred percent (100%) of the cost of the Work (i.e. construction costs, soft costs, and FF&E costs). The loss, if any, is to be made adjustable with and payable to the Owner, in accordance with its interests, as they may appear. The Owner, its officers, employees and its agents, shall be named as an additional insured in any policy of insurance issued. Written evidence of the insurance shall be filed with the Owner no later than thirty (30) days following the award of the Contract. In the event of cancellation of this insurance, not less than thirty (30) days prior written notice must be sent to the Owner. A copy of the policy of insurance shall be given to the Owner upon demand. The Contractor is responsible for providing any desired coverage for Contractor’s or Subcontractors’ buildings, equipment, materials, tools or supplies that are on-site.

25. INSURANCE

25.1 Contractor shall maintain the following insurance with respect to the Work without interruption from commencement through Final Completion and at any time thereafter when Contractor enters the site to perform corrective Work, and during all additional periods specified in this Section:

(a) Commercial general liability insurance on the current ISO CG 00 01 form or another occurrence form that provides substantially similar coverage (the “CGL”) that, without limitation:

(i) has limits of not less than $1,000,000 each occurrence, $1,000,000 personal and advertising injury, $2,000,000 general aggregate, and a separate $2,000,000 products-completed operations aggregate;
(ii) covers claims for damages arising from bodily injury (including mental anguish), sickness, disease, or death of any person other than Contractor’s employees, or arising from injury to or destruction of tangible property (including resultant loss of use);
(iii) includes coverage for premises, operations, independent contractors, personal and advertising injury, and liability assumed under an insured contract, including the tort liability of another assumed in a business contract;
(iv) includes Owner as an additional named insured (but not the first named insured), during the entire period when Work is performed under the Contract and, with respect to products-completed operations, continuing after Substantial Completion of the Work (or...
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the earlier termination of the Contract) through to the expiration of the statute of repose applicable to the Work;

(v) includes the Owner, each of the constituent partners and member institutions of Owner and their respective partners, members, directors, trustees, officers, shareholders, employees, affiliates, and subsidiaries, agents and representative, as their interests may appear (collectively, and as adjusted from time to time, the “Additional Insureds”) as additional insureds, via one or more endorsements (such as a combination of CG 20 10 10 01 and CG 20 37 10 01) that provides coverage for both ongoing and completed operations, does not limit coverage to vicarious liability, and is otherwise reasonably acceptable to Owner;

(vi) applies as primary and non-contributing insurance with respect to any other insurance or self-insurance program available to Owner or the Additional Insureds;

(vii) if the Additional Insureds are granted additional insured status via a “blanket” additional insured endorsement, does not restrict additional insured status to individuals or entities who have a written contract with the insured;

(viii) provides products-completed operations coverage for a period that continues after Substantial Completion of the Work (or the earlier termination of the Contract) through to the expiration of the statute of repose applicable to the Work, and includes the Additional Insureds as additional insureds under this coverage on a primary and noncontributing basis;

(ix) provides that any general aggregate limit applies separately to the Work on a “per project” basis;

(x) does not limit the scope of coverage for liability arising from “XCU” (explosion, collapse, or underground) hazards;

(xi) allows, but does not obligate, any Additional Insured to pay (if Contractor fails to do so) any amounts (including SIRs and deductibles) that are required to be paid in order for the insurer to provide defense or indemnity to an Additional Insured under the CGL;

(xii) does not count the cost of defense towards the policy’s limits; and

(xiii) includes a standard ISO separation of insureds provision (including with respect to named insureds) or a substantially similar provision ensuring there is no exclusion or limitation of coverage with respect to claims between a named insured and an additional insured.

(b) Business auto insurance to cover liability arising out of the ownership, maintenance, or use of any motor vehicle used in connection with the Work (including owned, hired, and non-owned autos), with a limit of not less than $1,000,000 each accident. This insurance must provide coverage for upset, overturn, and collision coverage related to pollution events (applying to the vehicle, trailer or other attachments to the vehicle and must extend to cargo/waste carried and to Subcontractors or others providing services to Contractor). Contractor shall cause Owner and the Additional Insureds to be included as additional insureds under this policy if the policy does not automatically grant them additional insured status under a standard “omnibus” clause. Contractor waives all rights against Owner and the Additional Insureds for recovery of damages to the extent those damages are covered under any business auto insurance (and, if applicable, commercial excess or umbrella liability insurance) covering Contractor. If Contractor transports hazardous material from the Project site with its own personnel, Contractor shall maintain a pollution liability coverage endorsement (CA 99 48) and a Motor Carrier Act (MCS-90) endorsement (and
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otherwise Contractor shall require all Subcontractors responsible for any such hauling to carry this coverage).

(c) Workers compensation and employers liability insurance for all persons that perform Work for Contractor. The workers compensation insurance must fulfill all applicable statutory requirements. The employers liability insurance must have limits of not less than $1,000,000 each accident for bodily injury by accident, $1,000,000 each employee for bodily injury by disease, and $1,000,000 policy limit for bodily injury by disease. For any borrowed employees that perform Work (including operators of rented equipment, employees from a temporary employment agency, and employees of Contractor’s affiliates), Contractor shall require the primary employer to provide an alternate employer endorsement showing Contractor in the schedule as the alternate employer. Contractor waives all rights against Owner and the other Additional Insureds for recovery of damages covered by any workers compensation or employers liability insurance (and, if applicable, commercial excess or umbrella liability insurance) covering Contractor, and shall obtain an endorsement effecting this waiver.

(d) Commercial excess or umbrella liability insurance with respect to Contractor’s CGL, business auto, and employers liability insurance, with a limit of not less than $10,000,000 each occurrence. This insurance must include a “broad as primary endorsement” or a “follow form endorsement”, (ii) include Owner as a named insured, (iii) include the Additional Insureds as additional insureds with respect to Contractor’s CGL and business auto insurance, (iv) provide that the aggregate limits of liability apply separately with respect to the Work, and (v) be primary and non-contributing insurance with respect to any other insurance or self-insurance program available to Owner or the Additional Insureds. Contractor may satisfy the aggregate primary/excess minimum limits specified in this Exhibit through a combination of primary and excess layers, as long as the requirements of this Exhibit are otherwise satisfied and coverage specified herein with respect to the Owner and the Additional Insureds is not limited, reduced or otherwise adversely affected by such combination.

(e) Contractor’s pollution liability insurance covering bodily injury, property damage, or cleanup resulting from pollution conditions including mold or other similar fungi arising out of or exacerbated by the Work with limits of not less than $5,000,000 per occurrence, $5,000,000 products-completed operations, and $5,000,000 general aggregate, with a deductible or self-insured retention of no more than $100,000. The policy shall be maintained during the entire term of the Work and for a period of at least six (6) months five (5) years after Substantial Completion or for as long a period as is commercially available, whichever is less. If written on a claims made basis, this insurance policy shall not have a retroactive date or, if a retroactive date is included, such retroactive date shall be prior to the date that Work begins. This insurance must:

(i) cover the operations of Contractor and its Subcontractors (including haulers) at the Property, at sites used to store materials, at temporary sites used in connection with the Property, in transit, and at owned or non-owned disposal facilities;
(ii) include the Additional Insureds as additional insureds;
(iii) cover the abatement and handling of hazardous and contaminated materials, including any pollution condition (including unknown or latent conditions) that occurs above, beneath, or on the ground, inside or outside of structures, or in the atmosphere;
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(iv) include asbestos and lead-based paint within the definition of hazardous and contaminated materials and the coverage under the policy;
(v) provide coverage and defense for bodily injury, property damage (including loss of use of damaged property or of property that has not been physically injured), mold conditions, transportation of hazardous wastes, liability relating to non-owned disposal sites, cleanup costs, and costs incurred in the investigation, defense, and settlement of claims; and
(vi) apply to both sudden and non-sudden pollution conditions.

(f) Property insurance covering the full replacement value of job trailers, machinery, tools, equipment (including cranes), and property of a similar nature owned, leased, or borrowed by Contractor and not incorporated into the completed construction of the Work, and Contractor hereby waives (and shall require any third-party owners of this property, including lessors of equipment and any persons from which Contractor borrows items, to waive) all claims against Owner and the Additional Insureds for loss or damage to these items, regardless of the cause. With respect to any cranes used in connection with the Work, Contractor shall obtain, and provide Owner with evidence of prior to commencing any affected Work, upset coverage, boom coverage, and riggers liability coverage with limits and coverages acceptable to Owner.

25.2 Before permitting any Subcontractor to commence Work, Contractor shall by written agreement require the Subcontractor to carry the insurance and make the waivers required of Contractor in Section 25.1 above and shall impose this requirement on all Subcontractors with respect to their Sub-subcontractors. In addition to the foregoing, all Subcontractor insurance shall conform to the following requirements:
(a) for purposes of Subcontractors’ insurance, Owner shall be an Additional Insured (and must be included as an additional insured under Subcontractors’ CGL on a primary and noncontributing basis);
(b) With respect to business auto insurance, Contractor shall require any Subcontractors (including any haulers) that transport hazardous material from the Project site to maintain a pollution liability coverage endorsement (CA 99 48) and a Motor Carrier Act (MCS-90) endorsement.
(c) With respect to workers compensation and employers liability insurance, Contractor may, in its reasonable business judgment, permit Subcontractors to maintain employers liability limits of not less than $500,000 per type of claim.
(d) With respect to commercial excess or umbrella liability insurance, Contractor shall require Subcontractors to carry a limit of not less than $3,000,000 each occurrence for Major Subcontractors and $1,000,000 each occurrence for other Subcontractors, except to the extent otherwise agreed by Owner in advance and in writing. “Major Subcontractors” are those Subcontractors that (i) have contracts with a value of $100,000 or more and (ii) perform Work in the following trades: excavation, foundation, concrete, steel, scaffolding, masonry, HVAC, plumbing, windows, electrical, roofing, waterproofing, elevators, carpentry, or drywall.
(e) Contractor’s pollution liability insurance is not required of Subcontractors, except Contractor shall require any Subcontractors that perform abatement Work to maintain contractor’s pollution liability insurance that (i) has limits of not less than $2,000,000 per loss and in the aggregate and (ii) otherwise satisfies the requirements of Section 1(f) above.
Contractor shall require all Subcontractors to waive their rights with respect to property insurance, as required in Section 11.3 of the AIA General Conditions, as amended. Contractor shall obtain Owner’s prior and written consent before permitting any other deviations from the requirements of this Exhibit with respect to Subcontractors.

25.3 Contractor shall maintain organized records evidencing compliance by all Subcontractors with the requirements of this Section 25.2, with at a minimum (a) a certificate of insurance from each Subcontractor evidencing the insurance required of that party, and (b) a copy of each Subcontractor’s (i) additional insured endorsements, and (ii) workers compensation subrogation waiver. Contractor shall obtain the evidence required under the immediately preceding sentence from each Subcontractor before permitting such Subcontractor to commence Work at the Project site. Contractor shall provide records required under this Section to Owner upon Owner’s request from time to time, shall promptly cause to be revised any errors or omissions in certificates of insurance or other evidence of insurance that are identified by Owner, and shall then promptly present Owner with the revised certificates of insurance and/or other evidence (as applicable).

25.4 Each insurance policy required of Contractor under this Exhibit (together with the other requirements of this Exhibit, the “required insurance”) must, unless otherwise agreed in advance and in writing by Owner, be issued by reputable insurance carriers authorized to transact that class of insurance in the State(s) in which the Work is performed, having a Best’s rating of at least A VIII. If Contractor’s CGL or excess or umbrella policies or endorsements limit the additional insureds’ coverage to the limits specified in a written agreement, then notwithstanding the minimum limits set forth in Section 25.1 above, the minimum limits required under this Exhibit for such insurance shall be the greater of the limits specified in Section 25.1 or the limits actually carried by Contractor. Contractor shall not permit deductibles or retentions for any required insurance policy to exceed $25,000 ($100,000 for professional liability insurance), unless otherwise agreed to by Owner in advance and in writing after disclosure, except that the restrictions in this sentence do not apply to Subcontractors’ insurance. To the extent first dollar coverage with respect to required insurance, including defense of any claim, is not available to Owner or any other Additional Insured because of a SIR, deductible, or any form of self-insurance, Contractor shall itself cause to be satisfied (unless Owner or the Additional Insureds elect to take these actions at Contractor’s expense) what would otherwise be the insurer’s obligation to provide defense and/or indemnity until the SIR, deductible, or other condition of the insurer to assuming its defense and/or indemnity obligations has been satisfied.

25.5 Concurrently with the execution of the Contract, Contractor shall provide to Owner (a) a certificate of insurance evidencing the required insurance, (b) if requested, the required additional insured endorsement for Contractor’s CGL, and (c) if requested, the required workers compensation subrogation waiver. Contractor shall cause Required Insurance policies to provide that the insurer will notify Owner at least 30 days before the cancellation or non-renewal of, or any material change in, any required insurance, and 10 days prior in the case of cancellation due to non-payment. Contractor shall provide an updated certificate of insurance upon Owner’s request, and in any case before the expiration or cancellation of the term of any Required Insurance. With respect to the products-completed operations coverage required under Section 25.1, Contractor shall provide a certificate evidencing the continuation of this coverage with its final application for payment and thereafter upon renewal or replacement of this coverage until the expiration of the time provided in Section 25.1. Contractor shall provide copies of Required Insurance policies within 15 days after Owner’s request. Owner’s failure to require Contractor
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to provide evidence of Required Insurance, or Owner’s acceptance of evidence that indicates insurance that fails to satisfy any requirements of this Schedule, will not constitute a waiver of these requirements.

End of Addendum No. 3.