

GSA ORDER

Subject: General Services Administration Acquisition Manual; GSAM Part 536, Construction and Architect-Engineer Contracts, GSAR Case 2015-G503, Construction Contract Administration

1. **Purpose.** This order transmits a revision to the General Services Administration Acquisition Manual (GSAM).
2. **Background.** The General Services Administration (GSA) is amending the GSAM coverage on construction contracts, to maintain consistency with the Federal Acquisition Regulation (FAR) and to clarify, update and incorporate existing construction contract administration guidance previously implemented through internal Public Building Service (PBS) policies.

The amendment changes fall into five categories: (1) incorporating existing agency policy previously issued through other means, (2) reorganizing to better align with the FAR, (3) incorporating agency unique clauses, (4) incorporating supplemental material, and (5) editing for clarity.

A rewrite initiative to update GSAM Part 536 was initially undertaken by GSA starting in 2008. Due to the variety of issues addressed in the rewrite, the agency re-evaluated the implementation plan and withdrew initial efforts (see 80 FR 6944, February 9, 2015).

GSAR Case 2015-G503 is the second of several GSAR cases planned to separately address the issues and update the GSAM Part 536 text. The Proposed Rule for GSAR Case 2015-G503 was published in the Federal Register on September 9, 2016 at 81 FR 62434.

3. **Effective date.** February 13, 2019.
4. **Explanation of changes.** This amendment includes a total of five new agency unique provisions and clauses, six new supplemental clauses, and revision and reorganization of eight existing provisions and clauses. This amendment includes regulatory only. For full text changes of the amendment see Attachment A, GSAM Text Line-In/Line-Out.

This amendment revises the language of the following GSAM subparts, changes summarized below:

- 501.1 (Purpose, Authority, Issuance)
- 511.4 (Delivery or Performance Schedules)
- 511.5 (Liquidated Damages)

- 517.2 (Options)
- 532.1 (Non-Commercial Item Purchase Financing)
- 536.2 (Special Aspects of Contracting for Construction)
- 536.5 (Contract Clauses)
- 543.2 (Change Orders)
- 546.7 (Warranties)
- 552.2 (Text of Provisions and Clauses)

GSAM 501.1 (Purpose, Authority, Issuance):

- 501.106 – Updated the GSAR Reference and OMB Control Number for several existing OMB approvals related to construction contract administration to align with the FAR: 9000-0026, 9000-0058, 9000-0070, and 9000-0102. Revised the OMB Control Number for 532.905-70 *Final Payment – Construction and Building Service Contracts* to the correct OMB approval. Added the new OMB Control Number for new agency unique clause 552.236-72 *Submittals*.

GSAM 511.4 (Delivery or Performance Schedules):

- 511.404 – Added prescriptions for new supplemental clause 552.211-10 *Commencement, Prosecution, and Completion of Work* and new agency unique clause 552.211-70 *Substantial Completion*. Prescription for 552.211-10 is consistent with associated FAR clause. Prescription for 552.211-70 is consistent with that for FAR Clause 52.211-10.

GSAM 511.5 (Liquidated Damages):

- 511.504 – Added prescriptions for two new supplemental clauses: 552.211-12 *Liquidated Damages – Construction* and 552.211-13 *Time Extensions*. Prescriptions are consistent with associated FAR clauses.

GSAM 517.2 (Options):

- 517.200 – Removed applicability language for construction contracts. Provided clarification and cross-reference to 536.270 for all policies and procedures for construction contract options.
- 517.202 – Removed guidance on the use of options for construction contracts. Updated guidance on the use of options for construction contracts can now be found at 536.270-1.

GSAM 532.1 (Non-Commercial Item Purchase Financing):

- 532.111 – Added prescription for new supplemental clause 552.232-5 *Payments Under Fixed-Price Construction Contracts*. Guidance previously identified at 532.111 is now included within the clause. Prescription is consistent with associated FAR clause.

GSAM 536.2 (Special Aspects of Contracting for Construction):

- 536.213 – All guidance for alternates has been removed as language for alternates separate from options is not necessary. Additionally, all requirements for

construction contract options have been moved to 536.270. There is no remaining text in this section.

- 536.270 – Added new section for options in construction contracting.
- 536.270-1 – Added guidance for use of options in construction contracting.
- 536.270-2 – Added guidance for solicitations containing options in construction contracting.
- 536.270-3 – Added guidance for evaluating options in construction contracting.
- 536.270-4 – Added guidance for exercising options in construction contracting.
- 536.270-5 – Added prescriptions for agency unique provisions and clauses for construction contract options. Prescriptions are written in plain language for ease of understanding.
 - Added prescription for new provision 552.236-74 *Evaluation of Options*.
 - Added prescription for new provision 552.236-75 *Evaluation Exclusive of Options*.
 - Added prescription for existing provision 552.236-76 *Basis of Award -- Sealed Bidding Construction*. This provision replaces the previous GSAR Provision 552.236-73 *Basis of Award – Construction Contracts*. The prescription and title are revised to provide clarity.
 - Added prescription for new clause 552.236-77 *Government's Right to Exercise Options*.

GSAM 536.5 (Contract Clauses):

- 536.506 – Added prescription for new supplemental clause 552.236-6 *Superintendence by the Contractor*. Prescription has no dollar threshold, which is more inclusive than the FAR clause that is only required at above simplified, in order to satisfy GSA specific contracting requirements.
- 536.511 – Added prescription for new supplemental clause 552.236-11 *Use and Possession Prior to Completion*. This clause replaces the previous GSAR Clause 552.236-81 *Use of Equipment by the Government* and is now better aligned with the FAR. Prescription revised for general construction. Prescription also has no dollar threshold, which is more inclusive than the FAR clause that is only required at above simplified, in order to satisfy GSA specific contracting requirements.

- 536.515 – Added prescription for new supplemental clause 552.236-15 *Schedules for Construction Contracts*. Clause prescription has no dollar threshold, which is more inclusive than the FAR clause that is only required at above simplified, in order to satisfy GSA specific contracting requirements. Prescription includes alternates for different construction project delivery methods.
- 536.521 – Added prescription for new supplemental clause 552.236-21 *Specifications and Drawings for Construction*. This clause replaces the previous GSAR Clause 552.236-77 *Specifications and Drawings*, and is now better aligned with the FAR. Prescription has no dollar threshold, which is more inclusive than the FAR clause that is only required at above simplified, in order to satisfy GSA specific contracting requirements. Prescription includes alternates for different construction project delivery methods.
- 536.570 – The existing content at 536.570, including 536.570-1 through 536.570-13, is deleted and replaced by the following.
 - 536.570 – Added prescription for existing agency unique clause 552.236-70 *Authorities and Limitations*. Clause number was previously 552.236-71. Prescription revised to include simplified acquisitions in order to be more consistent with current contracting practices.
 - 536.571 – Added prescription for new agency unique clause 552.236-71 *Contractor Responsibilities*. Prescription includes alternates for different construction project delivery methods.
 - 536.572 – Added prescription for existing agency unique clause 552.236-72 *Submittals*. This clause replaces the previous GSAR Clause 552.236-78 *Shop Drawings, Coordination Drawings, and Schedules*. Prescription includes alternates for different construction project delivery methods.
 - 536.573 – Added prescription for existing agency unique clause 552.236-73 *Subcontracts*. Clause number was previously 552.236-82. Prescription revised to include simplified acquisition in order to be more consistent with current contracting practices.

GSAM 543.2 (Change Orders):

- 543.205 – Revised to include additional change clauses: FAR 52.243-5 *Changes and Changed Conditions*, and FAR 52.236-2 *Differing Site Conditions*.

GSAM 546.7 (Warranties):

- 546.704 – Added to provide agency approval for use of FAR clause 52.246-21 *Warranty of Construction*.

GSAM 552.2 (Text of Provisions and Clauses):

- 552.211-10 *Commencement, Prosecution, and Completion of Work* – Added new supplemental clause to FAR 52.211-10 to address notice to proceed, substantial completion, and phased work.
- 552.211-12 *Liquidated Damages-Construction* – Added new supplemental clause to FAR 52.211-12 to address substantial completion and phased work.
- 552.211-13 *Time Extensions* – Added new supplemental clause to FAR 52.211-13 to address the project schedule as a baseline.

- 552.211-70 *Substantial Completion* – Added new agency unique clause to define the term “substantial completion” and address related requirements.
- 552.232-5 *Payments under Fixed-Price Construction Contracts* – Added new supplemental clause to FAR 52.232-5 to address pre-invoice payment meetings and clarify certification documentation required for payment.
- 552.236-6 *Superintendence by the Contractor* – Added new supplemental clause to FAR 52.236-6 to address project management resources and responsibilities.
- 552.236-11 *Use and Possession Prior to Completion* – Revised existing supplemental clause to address unfinished work. This clause replaces the previous GSAR 552.236-81 *Use of Equipment by the Government*.
- 552.236-15 *Schedules for Construction Contracts* – Added new supplemental clause to FAR 52.236-15 to address milestone events, cost breakdown, and requirements for different project delivery methods. The base clause provides guidance for any type of construction project. Alternate I of the clause provides guidance specific to a design-bid-build construction project. Alternate II of the clause provide guidance specific to a design-build construction project.
- 552.236-21 *Specifications and Drawings for Construction* – Revised existing supplemental clause to address inconsistencies, and clarify definition of terms for different project delivery methods. This clause replaces the previous GSAR 552.236-77 *Specifications and Drawings*.
- 552.236-70 *Authorities and Limitations* – Revised existing agency unique clause to address non-compliance. Clause renumbered to streamline GSAM Part 536. Previously was GSAR 552.236-71 *Authorities and Limitations*.
 - Previous clause 552.236-70 *Definitions* is being deleted in its entirety as it is not warranted.
- 552.236-71 *Contractor Responsibilities* – Added new agency unique clause to address requirements for different project delivery methods. The base clause provides guidance for any type of construction project. Alternate I of the clause provides guidance specific to a design-build construction project.
- 552.236-72 *Submittals* – Revised existing agency unique clause to provide a broader definition of the term “submittal” and to address response times, notice to proceed, and deviations. This clause replaces the previous GSAR 552.236-78 *Shop Drawings, Coordination Drawings, and Schedules*.
- 552.236-73 *Subcontracts* – Revised existing clause numbering to streamline GSAM Part 536. Previously was GSAR 552.236-82 *Subcontracts*.
- 552.236-74 *Evaluation of Options* – Added new agency unique provision to address requirements for evaluation of construction contract options.
- 552.236-75 *Evaluation Exclusive of Options* – Added new agency unique provision to address requirements for evaluation of construction contract options.
- 552.236-76 *Basis of Award – Sealed Bidding Construction* – Added new agency unique provision to address requirements for construction contract options under sealed bidding. This provision replaces the previous GSAR 552.236-73 *Basis of Award – Construction Contracts*.
- 552.236-77 *Government’s Right to Exercise Options* – Added new agency unique clause to address requirements for exercising construction contract options.

- 552.243-71 *Equitable Adjustments* – Revised existing agency unique clause to include the changes clause for simplified acquisitions and the differing site conditions clause.



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GSAR Case 2015-G503
“Construction Contract Administration”

TAB AA – GSAR/GSAM Text, Line-In/Line-Out

GSAM Baseline: Change 95 effective 10/09/2018

- Additions to baseline made by proposed rule are indicated by **[bold text in brackets]**
- Deletions to baseline made by proposed rule are indicated by ~~strikethroughs~~
- Additions to baseline made by final rule are indicated by **[bold and underlined text in brackets]**
- Deletions to baseline made by final rule are indicated by ~~strikethroughs and underlined~~
- Five asterisks (*****) indicate that there are no revisions between the preceding and following sections
- Three asterisks (***) indicate that there are no revisions between the material shown within a subsection

Part 501— General Services Administration Acquisition Regulation System

Subpart 501.1— Purpose, Authority, Issuance

501.106 OMB Approval under the Paperwork Reduction Act.

GSAR Reference	OMB Control No.

532.111(e)	3090-0080
532.905-70	0000-0102[3090-0080]
532.905-71	3090-0080

[552.211-13(a)]	[9000-0026]
[552.211-70(b)]	[9000-0058]

[552.232-5]	[3090-0080] [9000-0070] [9000-0102]

[552.236-15]	[9000-0058]

[552.236-72]

[3090-0308]

Part 511— Describing Agency Needs

Subpart 511.4— Delivery or Performance Schedules

511.404 Contract clauses.

[(a) Supplies or services.] In supply contracts, the contracting officer shall use the clauses as specified in this section.

~~(a)~~**[(1) Shelf-life items.** The contracting officer shall use the following clauses in solicitations and contracts that require delivery of shelf-life items within a specified number of months from the date of manufacture or production:

~~(1)~~**[(i)]** The contracting officer shall insert 552.211-79, Acceptable Age of Supplies, if the required shelf-life period is 12 months or less, and lengthy acceptance testing may be involved. For items having a limited shelf-life, substitute Alternate I when required by the [program] director of the portfolio concerned.

~~(2)~~**[(ii)]** The contracting officer shall insert 552.211-80, Age on Delivery, if the required shelf-life period is more than 12 months, or when source inspection can be performed within a short time period.

~~(b)~~**[(2) Stock replenishment contracts.** The contracting officer shall insert 552.211-81, Time of Shipment, in solicitations and stock replenishment contracts that do not include the Availability for Inspection, Testing, and Shipment/Delivery clause at 552.211-83 and require shipment within 45 calendar days after receipt of the order. If shipment is required in more than 45 days, the contracting officer shall use Alternate I.

~~(c)~~**[(3) Indeterminate testing time.** The contracting officer shall insert 552.211-83, Availability for Inspection, Testing, and Shipment/Delivery, in solicitations and contracts that provide for source inspection by Government personnel and that require lengthy testing for which time frames cannot be determined in advance. If the contract is for stock items, the contracting officer shall use Alternate I.

~~(d)~~**[(4)]** The contracting officer shall insert the clause at 552.211-94, Time of Delivery, in solicitations and contracts for supplies for the Stock Program when neither of the FAR delivery clauses (FAR 52.211-8 or 52.211-9) is suitable.

[(b) Construction.

(1) The contracting officer shall insert the clause at 552.211-10, Commencement, Prosecution, and Completion of Work, in solicitations and contracts when a fixed-price construction contract is contemplated.

(2) The contracting officer shall insert the clause at 552.211-70, Substantial Completion in solicitations and contracts when a fixed-price construction contract is contemplated.]

[Subpart 511.5— Liquidated Damages

511.504 Contract clauses.

(a) The contracting officer shall insert the clause at 552.211-12, Liquidated Damages-Construction, in solicitations and contracts for construction, other than cost-plus-fixed-fee, when the contracting officer determines that liquidated damages are appropriate (see FAR 11.501(a)).

(b) The contracting officer shall insert the clause at 552.211-13, Time Extensions, in solicitations and contracts for construction that use the clause at 552.211-12, Liquidated Damages-Construction.]

Part 517— Special Contracting Methods

Subpart 517.2— Options

517.200 Scope of subpart.

~~[(a) Except as provided below in paragraph (b), this] This subpart applies to all GSA contracts for supplies and services, including:~~

~~(a) Services involving construction, alteration, or repair (including dredging, excavating, and painting) of buildings, bridges, roads, or other kinds of real property;~~

~~(b) A [a]rchitect-engineer services.~~

~~[(b) Policies and procedures for the use of options in solicitation provisions and contract clauses for services involving construction, alteration, or repair (including dredging, excavating, and painting) of buildings, bridges, roads, or other kinds of real property are prescribed in 536.270. FAR Subpart 17.2 and this Subpart 517.2 do not apply to the use of options in solicitation provisions and contract clauses for services involving construction, alteration, or repair (including dredging, excavating, and painting) of buildings, bridges, roads, or other kinds of real property.]~~

517.202 Use of options.

~~(a) Supplies or services:~~

~~[(a)](1) Options may be used when they meet one or more of the following objectives:~~

~~[(1)](i) Reduce procurement lead time and associated costs.~~

~~[(2)](ii) Ensure continuity of contract support.~~

~~[(3)](iii) Improve overall contractor performance.~~

~~[(4)](iv) Facilitate longer term contractual relationships with those contractors that continually meet or exceed quality performance expectations.~~

~~[(b)](2) An option is normally in the Government's interest in the following circumstances:~~

~~[(1)](i) There is an anticipated need for additional supplies or services during the contract term.~~

~~[(2)](ii) When there is both a need for additional supplies or services beyond the basic contract period and the use of multi-year contracting authority is inappropriate.~~

~~[(3)](iii) There is a need for continuity of supply or service support.~~

~~[(c)](3) An option shall not be used if the market price is likely to change substantially and an economic price adjustment clause inadequately protects the Government's interest:~~

~~(b) Construction. For limitations on the use of options, see 536.243 and 536.270.~~

Part 532— Contract Financing

Subpart 532.1— Non-Commercial Item Purchase Financing

532.111 Contract clauses for non-commercial purchases.

~~For contracts that include the clause at FAR 52.232-5, Payments Under Fixed-Price Construction Contracts, the contracting officer shall provide the contractor with GSA Form 2410, Certification of Progress Payments Under Fixed-Price Construction Contracts, to be used to make the certification required by FAR 52.232-5(c).~~

~~[Insert the clause at 52.232-5, Payments Under Fixed-Price Construction Contracts, in solicitations and contracts when a fixed-price construction contract is contemplated.]~~

PART 536—CONSTRUCTION AND ARCHITECT-ENGINEER CONTRACTS

Subpart 536.2—Special Aspects of Contracting for Construction

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536.213—Special procedures for sealed bidding in construction contracting.

536.213-3 Invitations for bids.

[536.270 Options in construction contracting.]

536.213-370 Bids that include alternates.

~~(a) The base bid must include all features essential to a sound and adequate building design. If it appears that funds available for a project may be insufficient to include all desired features in the base bid, you may issue a solicitation for a base bid and include one or more alternates in the order of priority. Use alternates only if they are clearly justified and involve substantial amounts of work in relation to the base bid. Their use must be limited and should involve only "add" alternates.~~

~~(b) Before opening bids that include alternates, determine, and record in the contract file, the amount of funds available for the project. The amount recorded must be announced at the beginning of the bid opening. The amount is the controlling factor in determining the low bidder. This amount may be increased later when determining the alternate items to award to the low bidder if the following condition is met: the award amount of the base bid plus the combination of alternate items does not exceed the amount offered for the base bid and the same combination of alternate items by any other responsible bidder whose bid conforms to the solicitation. This requirement prevents the displacement of the low bidder by manipulating the alternates to be used.~~

536.213-371[270-1] Bids that include [Use of] options.

(a) Subject to the limitations in [this subsection] (c) below, [contracting officers] you may include options in contracts [when] if it is in the Government's interest.

[(b) The scope of work in the base contract at award shall require the contractor to provide a discrete and fully functional deliverable. Options shall not be used to incrementally deliver work required to fulfill the requirements of the scope of work for the base contract.]

[(c) Contracting officers shall justify in writing the use of options.]

~~(b)[(d)] The appropriate use of options may include, but is not limited to, any of the following: [Including an option may be in the Government's interest when, in the judgment of the contracting officer:~~

~~(1) If a[A]dditional work [beyond the base contract is reasonably foreseeable] is anticipated but funds are not expected to be available at the time of award,~~

~~[(2)] and it [It] would not be practicable [advantageous] to award a separate contract[.]~~

~~[(3) It would not be advantageous or to permit an additional contractor to work on the same site.[.]~~

~~(2) If fixed building equipment, e.g. elevators or escalators, will be installed under the construction contract and it is advantageous to have the installer of the equipment maintain and service the equipment during the warranty period. [(4) Services arising out of or relating to the underlying construction contract may be~~

~~required during or after substantial completion of the scope of work. For instance, if building equipment (e.g. mechanical and electrical equipment) will be installed under the construction contract, it may be advantageous to have the construction contractor maintain and service the equipment. In such an instance, the services performed may be included as an option to the underlying construction contract. Contracting officers shall ensure that the applicable clauses are included in any such option (e.g. Service Contract Act), or~~

~~(5) It is otherwise justified.]~~

~~(c) You must not use options under any of the following conditions:~~

~~(1) The prospective option represents known firm requirements for which funds are available unless competition for the option quantity is impracticable once the initial contract is awarded.~~

~~(2) The contractor will incur undue risks; e.g., the price or availability of necessary materials or labor is not reasonably foreseeable.~~

~~(d) Solicitations containing option provisions must state the period within which the options may be exercised.~~

(e) Solicitations must state whether the basis of award is inclusive or exclusive of the options. Before issuing a solicitation that includes evaluated options, you must determine that there is reasonable certainty that funds will be made available to permit exercise of the option.

[(e) Options for construction work may provide for an economic price adjustment based on cost or price indexes of labor or materials (see FAR 16.203-4(d)). Subject to the approval of the HCA, the contracting officer may develop and insert a project-specific price adjustment clause into the solicitation.]

~~536.213-372 Bids that include both alternates and options.~~

~~(a) Solicitations may include both alternates and options if the conditions in 536.213-370, Bids that include alternates, and 536.213-371, Bids that include options, are satisfied. In these solicitations, the low bidder for purposes of award is the responsible bidder offering the lowest aggregate price for the base bid and the alternates, in the order of priority listed in the solicitation, that provide the most work features within the funds available at bid opening, plus all options designated to be evaluated.~~

~~(b) The basis of award may require the evaluation of options associated with alternates if the related alternate is selected.~~

~~(c) Before opening bids that include both alternates and options, determine, and record in the contract file, the amount of funds available for the project (i.e., for the base bid and alternate work). The amount recorded must be announced at the beginning of the bid opening. This amount may be increased later when determining the alternate items to be awarded to the low bidder if the following condition is met: the award amount of the base bid and evaluated options plus the alternate items does not exceed the amount offered for the base bid, the evaluated options, and the same combination of alternate items by any other responsible bidder whose bid conforms to the solicitation.~~

536.270-2 Solicitations.

Solicitations containing options shall:

- (a) Include appropriate option provisions and clauses when resulting contracts will provide for the exercise of options (see 536.270-5),
- (b) State the period within which the options may be exercised, and
- (c) State whether the basis of evaluation is inclusive or exclusive of the options (If exclusive, see 536.270-4(c)).

536.270-3 Evaluation.

For sealed bidding that includes options:

(a) The low bidder for purposes of award is the responsible bidder offering the lowest aggregate price for the base bid and all options designated to be evaluated.

(b) Before opening bids that include options, the contracting officer must determine, and record in the contract file, the amount of funds available for the project. The amount recorded must be announced at the beginning of the bid opening. This amount may be increased later when determining the items to be awarded to the low bidder if the following condition is met: the award amount of the base bid and evaluated options does not exceed the amount offered for the base bid, the evaluated options, and the same combination of items by any other responsible bidder whose bid conforms to the solicitation. This requirement prevents the displacement of the low bidder by manipulating the options to be used.]

536.270[270-4] Exercise of options.

~~(a) If exercising an option, notify the contractor, in writing, within the time period specified in the contract. [The contracting officer shall exercise options in writing within the time period specified in the contract.]~~

(b) [The contracting officer may e]Exercise options only after determining, in writing, that all the following conditions exist:

- (1) Funds are available.
- (2) The requirement covered by the option fulfills an existing Government need.
- (3) Exercising the option is the most advantageous method of satisfying the Government's need, price and other factors considered.

- ~~[(4) The contractor is not listed in the System for Award Management Exclusions (see FAR 9.405-1).~~
- ~~(5) The contractor's performance under the contract met or exceeded the Government's expectation for quality performance, unless another circumstance justifies an extended contractual relationship.~~
- ~~(6) Exercising the option is in accordance with the terms of the option.~~
- ~~(7) The option price is fair and reasonable, unless already determined as such (e.g. at time of award).]~~

~~(c) Before exercising an option, you must determine that the action complies with the option's terms and this section's requirements. Include your written determination in the contract file.~~

~~(d)[(c)] The contract modification, or other written document which notifies the contractor of the exercise of the option, must cite the option clause as authority. If exercising an unpriced or unevaluated option, cite the statutory authority permitting the use of other than full and open competition (see FAR 6.302 and 517.207).~~

~~[(d) When the contract provides for economic price adjustment and the contractor requests a revision of the price, the contracting officer shall determine the effect of the adjustment on prices under the option before the option is exercised.]~~

[536.270-5 Solicitation provisions and contract clauses.

(a) Insert a provision substantially the same as the provision at 552.236-74, Evaluation of Options, in solicitations for fixed-price construction contracts when the solicitation contains an option clause and options will be included in the evaluation for award purposes.

(b) Insert a provision substantially the same as the provision at 552.236-75, Evaluation Exclusive of Options, in solicitations for fixed-price construction contracts when the solicitation includes an option clause and options will not be included in the evaluation for award purposes.

(c) Insert a provision substantially the same as the provision at 552.236-76, Basis of Award - Sealed Bidding Construction, in solicitations for fixed-price construction contracts when contracting by sealed bidding. Use the provision with its Alternate I when the solicitation contains an option clause.

(d) Insert a clause substantially the same as the clause at 552.236-77, Government's Right to Exercise Options, in solicitations and contracts for construction that include options.]

Subpart 536.5—Contract Clauses

[536.506 Superintendence by the contractor.

Insert the clause at 552.236-6, Superintendence by the Contractor, in solicitations and contracts if construction, dismantling, demolition, or removal of improvements is contemplated.

536.511 Use and possession prior to completion.

Insert the clause at 552.236-11, Use and Possession Prior to Completion, in solicitations and contracts if construction, dismantling, demolition, or removal of improvements is contemplated.

536.515 Schedules for construction contracts.

Insert the clause at 552.236-15, Schedules for Construction Contracts, in solicitations and contracts if construction, dismantling, demolition, or removal of improvements is contemplated. Use the clause—

- (a) With its Alternate I when the contract amount is expected to be above the simplified acquisition threshold and a design-bid-build project delivery method will be followed; or,
- (b) With its Alternate II when the contract amount is expected to be above the simplified acquisition threshold and a design-build project delivery method will be followed.

536.521 Specifications and drawings for construction.

Insert the clause at 552.236-21, Specifications and Drawings for Construction, in solicitations and contracts if construction, dismantling, demolition, or removal of improvements is contemplated. Use the clause with its Alternate I when a design-build project delivery method will be followed.]

~~536.570 Supplemental provisions and clauses.~~

~~536.570-1 Definitions.~~

~~Insert 552.236-70, Definitions, in solicitations and contracts if construction, dismantling, demolition, or removal of improvements is contemplated.~~

~~536.570-2 Authorities and limitations.~~

~~Insert [the clause at] 552.236-74[70], Authorities and Limitations, in solicitations and contracts if construction, dismantling, demolition, or removal of improvements is contemplated and the contract is expected to exceed the simplified acquisition threshold.~~

[536.571 Contractor responsibilities.

Insert the clause at 552.236-71, Contractor Responsibilities, in solicitations and contracts if construction, dismantling, demolition, or removal of improvements is contemplated. Use the clause with its Alternate I when a design-build project delivery method will be followed.]

~~536.570-3 [Reserved]~~

~~536.570-4 Basis of award construction contract.~~

~~(a) Insert a provision substantially the same as 552.236-73, Basis of Award Construction Contract, in solicitations for fixed-price construction contracts except if any of the following conditions apply:~~

- ~~(1) The solicitation requires the submission of a lump-sum bid only.~~
- ~~(2) The solicitation is for an indefinite quantity contract.~~
- ~~(3) The contract amount is not expected to exceed the simplified acquisition threshold.~~

~~(b) Instructions for use:~~

If the solicitation requests the submission of a...	Then use the...
(1) Base bid and unit prices	Basic provision
(2) Base bid and options	Provision with its Alternate I
(3) Base bid and alternates	Provision with its Alternate II
(4) Base bid, alternates, and options	Provision with its Alternate III

~~536.570-5 [Reserved]~~

~~536.570-6 [Reserved]~~

~~536.570-7 [Reserved]~~

~~536.570-8 Specifications and drawings.~~

~~Insert the clause at 552.236-77, Specifications and Drawings, in solicitations and contracts if construction, dismantling, demolition, or removal of improvements is contemplated and the contract amount is expected to exceed the simplified acquisition threshold.~~

~~536.570-9[572] [Submittals]Shop drawings, coordination drawings, and schedules.~~

~~Insert the clause at 552.236-78[72], [Submittals]Shop Drawings, Coordination Drawings, and Schedules, in solicitations and contracts if construction[, dismantling, demolition, or removal of improvements] is contemplated and the contract amount is expected to exceed the simplified acquisition threshold. [Use the clause with its Alternate I when a design-build project delivery method will be followed.]~~

~~536.570-10 [Reserved]~~

~~536.570-11 [Reserved]~~

~~536.570-12 Use of equipment by the Government.~~

~~Insert the clause at 552.236-81, Use of Equipment by the Government, in contracts requiring heating and air-conditions of existing buildings if it may be necessary for the Government to operate all or part of the equipment before final acceptance of the contract.~~

~~536.570-13[573] Subcontracts.~~

~~Insert [the clause at] 552.236-82[73], Subcontracts, in solicitations and contracts for construction if the contract amount is expected to exceed the simplified acquisition threshold [if construction, dismantling, demolition, or removal of improvements is contemplated].~~

PART 543—CONTRACT MODIFICATIONS

Subpart 543.2—Change Orders

543.205 Contract clauses.

The contracting officer shall insert 52.243-71, Equitable Adjustments, in solicitations and contracts containing FAR 52.243-4, Changes [, FAR 52.243-5, Changes and Changed Conditions, or FAR 52.236-2, Differing Site Conditions].

PART 546—QUALITY ASSURANCE

Subpart 546.7—Warranties

[546.704 Authority for Use of Warranties.

FAR Clause 52.246-21, Warranty of Construction, is approved by the agency for use in solicitations and contracts when a fixed-price construction contract is contemplated.]

PART 552—SOLICITATION PROVISIONS AND CONTRACT CLAUSES

Subpart 552.2—Text of Provisions and Clauses

[552.211-10 Commencement, Prosecution, and Completion of Work.

As prescribed in 511.404, insert the following clause:

COMMENCEMENT, PROSECUTION, AND COMPLETION OF WORK (DATE)

FAR 52.211-10, Commencement, Prosecution, and Completion of Work, is supplemented as follows:

(a) The Contractor shall not commence work until the Contracting Officer issues a notice to proceed.

(b) Notwithstanding paragraph (a) above, the Contractor must submit any required safety plans before commencing any construction work.

(c) The Contractor shall diligently prosecute the work so as to achieve substantial completion of the work within the time specified in the contract. If the contract specifies different completion dates for different phases or portions of the work, the Contractor shall diligently prosecute the work so as to achieve substantial completion of such phases or portions of the work within the times specified.

(End of clause)

552.211-12 Liquidated Damages-Construction.

As prescribed in 511.504, insert the following clause:

LIQUIDATED DAMAGES (DATE)

FAR 52.211-12, Liquidated Damages-Construction, is supplemented as follows:

(a) If the Contractor fails to achieve substantial completion of the work within the time specified in the contract, the Contractor shall be liable to the Government for liquidated damages at the rate specified for each calendar day following the required completion date that the work is not substantially complete.

(b) If the contract requires different completion dates for different phases or portions of the work, the Contractor shall be liable for liquidated damages at the specified rate for each calendar day following the required completion date that the phase or portion of work is not substantially complete. If a single rate is specified, the specified rate shall be apportioned between the different phases or portions of the work.

(c) If the Government elects to accept any portion of the work not specifically designated as a phase or portion of work with its own required completion date, the liquidated damage rate shall be apportioned between accepted work and uncompleted work, and the Contractor's liability for liquidated damages shall be computed accordingly.

(End of clause)

552.211-13 Time Extensions.

As prescribed in 511.504, insert the following clause:

TIME EXTENSIONS (DATE)

FAR 52.211-13, Time Extensions, is supplemented as follows:

(a) If the Contractor requests an extension of the time for substantial completion, the Contractor shall base its request on an analysis of time impact using the project schedule as its baseline, and shall propose as a new substantial completion date to account for the impact. The Contractor shall submit a written request to the Contracting Officer setting forth facts and analysis in sufficient detail to enable the Contracting Officer to evaluate the Contractor's entitlement to an extension of time.

(b) The Contractor shall only be entitled to an extension of time to the extent that:

(1) Substantial completion of the work is delayed by causes for which the Contractor is not responsible under this contract, and

(2) The actual or projected substantial completion date is later than the date required by this contract for substantial completion.

(c) The Contractor shall not be entitled to an extension of time if the Contractor has not updated the project schedule in accordance with the contract.

(d) The Government shall not be liable for any costs to mitigate time impacts incurred by the Contractor that occur less than 30 calendar days after the date the Contractor submits a request for extension of time in compliance with this clause.

(End of clause)

552.211-70 Substantial Completion.

As prescribed in 511.404, insert the following clause:

SUBSTANTIAL COMPLETION (DATE)

(a) *General.*

(1) For the purposes of FAR 52.211-10, Commencement, Prosecution and Completion of Work, and FAR 52.211-12, Liquidated Damages-Construction, the work shall be deemed complete when it is "substantially complete."

(2) There may be different completion dates required for different phases or portions of the work, as established in the contract. However, the work shall be deemed "substantially complete" if and only if the Contractor has completed the work and related contract obligations in accordance with the contract documents, such that the Government may enjoy the intended access, occupancy, possession, and use of the entire work without impairment due to incomplete or deficient work, and without interference from the Contractor's completion of remaining work or correction of deficiencies in completed work.

(3) In no event shall the work be deemed "substantially complete" if all fire and life safety systems are not tested and accepted by the authority having jurisdiction, where such acceptance is required under the contract.

(4) Unless otherwise specifically noted, or otherwise clear from context, all references in the contract to "acceptance" shall refer to issuance of a written determination of substantial completion by the Contracting Officer.

(b) *Notice of Substantial Completion.*

(1) With reasonable advance notice, the Contractor shall submit to the Contracting Officer a written proposal recommending a substantial completion date.

(2) If the Contracting Officer takes exception to the notice of substantial completion, the Contractor shall be entitled to a written notice of conditions precluding determination of substantial completion. The Contractor shall only be entitled to an extension of time to address such conditions if, and to the extent that,

the Contracting Officer provides notice of such conditions more than 30 calendar days after receipt of the notice of substantial completion.

(c) Acceptance of Substantial Completion.

(1) The Contracting Officer shall conduct inspections and make a determination of substantial completion within a reasonable time.

(2) Substantial Completion shall be established by the Contracting Officer's issuance of a written determination specifying the date upon which the work is substantially complete.

(d) Contract Completion.

(1) The Contract is complete if and only if the Contractor has completed all work and related contract obligations, corrected all deficiencies and all punch list items, and complied with all conditions for final payment.

(2) The Contractor shall not be entitled to final payment or release of any retainage held by the Government until after contract completion. If the Contractor does not achieve contract completion within the time required by this contract, the Government shall be entitled, after providing notice to the Contractor, to complete any work remaining unfinished. The Contractor shall be liable to the Government for all costs incurred by the Government to complete such work.

(End of clause)]

* * * * *

[552.232-5 Payments under Fixed-Price Construction Contracts.

As prescribed in 532.111, insert the following clause:

PAYMENTS UNDER FIXED-PRICE CONSTRUCTION CONTRACTS (DATE)

FAR 52.232-5, Payments under Fixed-Price Construction Contracts, is supplemented as follows:

(a) Before submitting a request for payment, the Contractor shall, unless directed otherwise by the Contracting Officer, attend pre-invoice payment meetings, as scheduled, with the designated Government representative for the purpose of facilitating review and approval of payment requests. Payment meetings will be conducted and may be in person. The Contractor shall provide documentation to support the prospective payment request.

(b) The Contractor shall submit its invoices to the Contracting Officer, unless directed otherwise by the Contracting Officer. Separate payment requests shall be submitted for progress payments, payments of retainage, and partial or final payments.

(c) The Contractor shall use GSA Form 2419 *Certification of Progress Payments Under Fixed-Price Construction Contracts* to provide the certification required under FAR 52.232-5(c).

(d) The Contractor shall use GSA Form 1142 *Release of Claims* to provide the certification required under FAR 52.232-5(h).

(e) If an invoice does not meet the requirements of FAR 52.232-27 and GSAM 552.232-27, the Contracting Officer may return the invoice to the Contractor without payment for correction. If the Contracting Officer disputes the requested payment amount, the Government may pay the portion of the requested payment that is undisputed.

(f) GSA will not be obligated to issue final payment unless the Contractor has furnished to the Contracting Officer a release of claims against the Government relating to the contract, and submitted all required product warranties, as-built drawings, operating manuals, and other items as specified in the contract. The Contractor may reserve from the release specific claims only if such claims are explicitly identified with stated claim amounts.

(End of clause)]

* * * * *

[552.236-6 Superintendence by the Contractor.

As prescribed in 536.506, insert the following clause:

SUPERINTENDENCE BY THE CONTRACTOR (DATE)

The requirements, of the clause entitled "Superintendence by the Contractor" at FAR 52.236-6, are supplemented as follows:

(a) The Contractor shall employ sufficient management and contract administration resources, including personnel responsible for project management, field superintendence, change order administration, estimating, coordination, inspection, and quality control, to ensure the proper execution and timely completion of the contract. The Contractor shall designate a principal of the firm or other senior management official to provide executive oversight and problem resolution resources to the project for the life of the contract.

(b) The Contractor shall employ, and require its subcontractors to employ, qualified personnel to perform the contract. The Government reserves the right to exclude, or remove from the site or building, any personnel for reasons of incompetence, carelessness, or insubordination, who violate rules and regulations concerning conduct on federal property, or whose continued employment on the site is otherwise deemed by the Government to be contrary to the public interest.

(c) The Contractor shall be responsible for coordinating all activities of subcontractors, including all of the following activities —

(1) Preparation of shop drawings produced by different subcontractors where their work interfaces or may potentially conflict or interfere; and

(2) Scheduling of work by subcontractors; and

(3) Installation of work by subcontractors; and

(4) Use of the project site for staging and logistics.

(d) Repeated failure or excessive delay to meet the superintendence requirements by the Contractor may be deemed a default for the purposes of the termination for default clause.

(End of clause)

552.236-11 Use and Possession Prior to Completion.

As prescribed in 536.511, insert the following clause:

USE AND POSSESSION PRIOR TO COMPLETION (DATE)

[Exercise by the Government of the right conferred by FAR 52.236-11 shall not relieve the Contractor of responsibility for completing any unfinished components of the work.

(End of clause)

552.236-15 Schedules for Construction Contracts.

As prescribed in 536.515, insert the following clause:

SCHEDULES FOR CONSTRUCTION CONTRACTS (DATE)

The requirements, of the clause entitled "Schedules for Construction Contracts" at FAR 52.236-15, are supplemented as follows:

(a) *Purpose.* The project schedule shall be a rational, reasonable, and realistic plan for completing the work, and conform to the requirements specified in this clause and elsewhere in the contract. The Contractor understands and acknowledges that the preparation and proper management of the project schedule is a material component of the contract.

(b) *Use of the schedule.* The Contracting Officer shall be entitled, but not required, to rely upon the project schedule to evaluate the Contractor's progress, evaluate entitlement to extensions of time, and determine the criticality or float of any activities described in such project schedule.

(c) *Submission.* Prior to notice to proceed, or such other time as may be specified in the contract, the Contractor shall submit the project schedule.

(d) *Milestones.* The project schedule shall incorporate milestone events specified in the contract, including, as applicable, notice to proceed, substantial completion, and milestones related to specified work phases and site restrictions. The project schedule shall also include Contractor-defined milestones to identify target dates for critical events, based upon the Contractor's chosen sequence of work.

(e) *Activities.* The project schedule shall depict all major activities necessary to complete the work.

(f) *Schedule of values.*

(1) The Contractor shall prepare and submit for approval a cost breakdown of the Contract price, to be referred to as the "schedule of values", assigning values to each major activity necessary to complete the work.

(2) Values must include all direct and indirect costs, although a separate value for bond costs may be established.

(3) The schedule of values must contain sufficient detail to enable the Contracting Officer to evaluate applications for payment.

(g) Conflicting terms.

(1) If at any time the Contracting Officer finds that the project schedule does not comply with any contract requirement, the Contracting Officer will provide written notice to the Contractor.

(2) Within 30 calendar days of written notice, or such other time as may be specified, from the Contracting Officer, the Contractor shall take one of the following actions—

- (i) revise the project schedule;
- (ii) adjust activity progress; or
- (iii) provide sufficient information demonstrating compliance.

(3) If the Contractor fails to sufficiently address the Contracting Officer's exceptions to the project schedule, the Contracting Officer may—

- (i) withhold retainage until the project is substantially complete or until such time as the Contractor has complied with project schedule requirements; or
- (ii) terminate the contract for default.

(h) Revisions to the schedule. If the Contractor revises the project schedule after initial approved submission, the Contractor shall provide in writing a narrative describing the substance of the revision, the rationale for the revision, and the impact of the revision on the projected substantial completion date and the available float for all activities. The addition of detail to prospective activities shall not be deemed a revision if the overall duration of the detailed activity does not change.

(i) Updates. Unless a different period for updates is specified elsewhere, the Contractor shall update the project schedule weekly to reflect actual progress in completing the work, and submit the updated project schedule by the following Monday.

(End of clause)

Alternate I (DATE) As prescribed in 536.515(a), substitute the following paragraphs (c), (e), (h), and (i) for paragraphs (c), (e), (h), and (i) of the basic clause:

(c) Submission. Within 30 calendar days of notice to proceed, or such other time as may be specified in the contract, the Contractor shall submit the project schedule, together with a written narrative describing the major work activities, activities on the critical path, and major constraints underlying the sequence and logic of the project schedule.

(e) Activities.

(1) The Contractor shall use a critical path method project schedule to plan, coordinate, and perform the work.

(2) The project schedule shall depict all activities necessary to complete the work, including, as applicable, all submittal and submittal review activities, all procurement activities, and all field activities, including mobilization, construction, start-up, testing, balancing, commissioning, and punchlist.

(3) Activities shall be sufficiently detailed and limited in duration to enable proper planning and coordination of the work, effective evaluation of the reasonableness and realism of the project schedule, accurate monitoring of progress, and reliable analysis of schedule impacts.

(4) Activity durations shall be based upon reasonable and realistic allocation of the resources required to complete each activity, given physical and logistical constraints on the performance of the work. All logic shall validly reflect physical or logistical constraints on relationships between activities. Except for the first and last activities in the project schedule, each activity shall have at least one predecessor and one successor relationship to form a logically connected network plan from notice to proceed to the contract completion date.

(h) Revisions to the schedule.

(1) The Contractor should anticipate that the initial submittal of the project schedule will be subject to review and may require revision. The Contractor shall devote sufficient resources for meetings, revisions, and resubmissions of the project schedule to address any exceptions taken to the initial submittal. The Contractor understands and acknowledges that the purpose of the initial review and resolution of exceptions is to maximize the usefulness of the project schedule for contract performance.

(2) If the Contractor revises the project schedule after initial approved submission, the Contractor shall provide in writing a narrative describing the substance of the revision, the rationale for the revision, and the impact of the revision on the projected substantial completion date and the available float for all activities. The addition of detail to prospective activities shall not be deemed a revision if the overall duration of the detailed activity does not change.

(i) **Updates.** Unless a different period for updates is specified elsewhere, the Contractor shall update the project schedule monthly to reflect actual progress in completing the work, and submit the updated project schedule within 5 working days of the end of each month.

Alternate II (DATE) As prescribed in 536-515(b), substitute the following paragraphs (c), (e), and (i) for paragraphs (c), (e), and (i) of the basic clause:

(c) Submission.

(1) Within 30 calendar days of notice to proceed, or such other time as may be specified in the contract, the Contractor shall submit the project schedule, together with a written narrative describing the major design and construction activities. The project schedule may indicate construction activities in summary form prior to completion of final design documents.

(2) Within 30 calendar days of completion of final design documents, the Contractor shall submit a revised project schedule depicting all activities necessary to complete construction work activities, together with a written narrative describing the major work activities, activities on the critical path, and major constraints underlying the sequence and logic of the project schedule.

(e) Activities.

(1) The Contractor shall use a critical path method project schedule to plan, coordinate, and perform the work.

(2) Activities shall be sufficiently detailed and limited in duration to enable proper planning and coordination of the work, effective evaluation of the reasonableness and realism of the project schedule, accurate monitoring of progress, and reliable analysis of schedule impacts.

(3) Activity durations shall be based upon reasonable and realistic allocation of the resources required to complete each activity, given physical and logistical constraints on the performance of the work. All logic shall validly reflect physical or logistical constraints on relationships between activities. Except for the first and last activities in the project schedule, each activity shall have at least one predecessor and one successor relationship to form a logically connected network plan from notice to proceed to the contract completion date.

(i) **Updates.** Unless a different period for updates is specified elsewhere, the Contractor shall update the project schedule monthly to reflect actual progress in completing the work, and submit the updated project schedule within 5 working days of the end of each month.

552.236-21 Specifications and Drawings for Construction.

As prescribed in 536.521, insert the following clause:

SPECIFICATIONS AND DRAWINGS FOR CONSTRUCTION (DATE)

The requirements of the clause entitled "Specifications and Drawings for Construction" at FAR 52.236-21, are supplemented as follows:

(a) In case of difference between small and large-scale drawings, the large-scale drawings shall govern.

(b) Schedules on any contract drawing shall take precedence over conflicting information on that or any other contract drawing.

(c) On any of the drawings where a portion of the work is detailed or drawn out and the remainder is shown in outline, the parts detailed or drawn out shall apply also to all other like portions of the work.

(d) Where the word "similar" occurs on the drawings, it shall have a general meaning and not be interpreted as being identical, and all details shall be worked out in relation to their location and their connection with other parts of the work.

(e) Standard details or specification drawings are applicable when listed, bound with the specifications, noted on the drawings, or referenced elsewhere in the specifications.

(1) Where notes on the specification drawings indicate alterations, such alterations shall govern.

(2) In case of difference between standard details or specification drawings and the specifications, the specifications shall govern.

(3) In case of difference between the standard details or specification drawings and the drawings prepared specifically for this contract, the drawings prepared specifically for this contract shall govern.

(f) Different requirements within the contract documents shall be deemed inconsistent only if compliance with both cannot be achieved.

(g) Unless otherwise noted, the drawings shall be interpreted to provide for a complete construction, assembly, or installation of the work, without regard to the detail with which material components are shown in the drawings.

(End of clause)

Alternate I (DATE) As prescribed in 536.521, add the following paragraph to the basic clause:

(h) For the purposes of this clause, specifications and drawings refer only to those included among the contract documents, and not to those produced by the Contractor pursuant to its responsibilities under the contract.]

552.236-70 Definitions

As prescribed in 536.570-1, insert the following clause:

DEFINITIONS (APR 1984)

The terms "Administration" and "Service" as used in this contract shall mean the General Services Administration (GSA) and the Public Buildings Service (PBS), respectively.

(End of clause)

552.236-74[70] Authorities and Limitations.

As prescribed in 536.570-2[570], insert the following clause:

AUTHORITIES AND LIMITATIONS (APR 1984)[(DATE)]

(a) All work shall be performed under the general direction of the Contracting Officer[. The Contracting Officer], who alone shall have the power to bind the Government and to exercise the rights, responsibilities, authorities and functions vested in him by the contract documents[. The Contracting Officer may], ~~except that he shall have the right to designate [contracting officer's representatives (CORs)] authorized representatives~~ to act for him. Wherever any provision in this contract specifies an individual (such as, but not limited to, Construction Engineer, Resident Engineer, Inspector or Custodian) or organization, whether Governmental or private, to perform any act on behalf of or in the interests of the Government, that individual or organization shall be deemed to be the [COR] Contracting Officer's authorized representative under this contract but only to the extent so specified. The Contracting Officer may, at any time during the performance of this contract, vest in any such [COR] authorized representatives additional power and authority to act for him or designate additional [CORs] representatives, specifying the extent of their authority to act for him[. A]; a copy of each document vesting additional authority in [a COR] ~~an authorized representative or designating an additional [COR] authorized representative~~ shall be furnished to the Contractor.

(b) The Contractor shall perform the contract in accordance with any order (including but not limited to instruction, direction, interpretation, or determination) issued by [a COR] ~~an authorized representative~~ in accordance with his authority to act for the Contracting Officer; but the Contractor assumes all the risk and consequences of performing the contract in accordance with any order (including but not limited to instruction, direction, interpretation, or determination) of anyone not authorized to issue such order.

(c) If the Contractor receives written notice from the Contracting Officer of non-compliance with any requirement of this contract, the Contractor must initiate action as may be appropriate to comply with the specified requirement as defined in the notice. In the event the Contractor fails to initiate such action within a reasonable period of time as defined in the notice, the Contracting Officer shall have the right to order the Contractor to stop any or all work under the contract until the Contractor has complied or has initiated such action as may be appropriate to comply within a reasonable period of time. The Contractor will not be entitled to any extension of contract time or payment for any costs incurred as a result of being ordered to stop work for such cause.]

(End of clause)

[552.236-71 Contractor Responsibilities.

As prescribed in 536.571, insert the following clause:

CONTRACTOR RESPONSIBILITIES (DATE)

(a) The Contractor shall be responsible for compliance with applicable codes, standards and regulations pertaining to the health and safety of personnel during performance of the contract.

(b) Unless expressly stated otherwise in the contract, the Contractor shall be responsible for all means and methods employed in the performance of the contract.

(c) The Contractor shall immediately bring to the Contracting Officer's attention any hazardous materials or conditions not disclosed in the contract documents discovered by or made known to the Contractor during the performance of the contract.

(d) The Contractor shall be responsible for providing professional design services in connection with performance of the work or portions of the work only if this responsibility is expressly stated in the contract, and the contract documents provide the performance and design criteria that such services will be required to satisfy. In the performance of such work, the Contractor shall be responsible for retaining licensed design professionals, who shall sign and seal all drawings, calculations, specifications and other submittals that the licensed professional prepares. The Contractor shall be responsible for, and GSA shall be entitled to rely upon, the adequacy and completeness of all professional design services provided under the contract.

(e) Where installation of separate work components as shown in the contract will result in conflict or interference between such components or with existing conditions, including allowable tolerances, it is the Contractor's responsibility to bring such conflict or interference to the attention of the Contracting Officer and seek direction before fabrication, construction, or installation of any affected work. If the Contractor fabricates, constructs, or installs any work prior to receiving such direction, the Contractor shall be responsible for all cost and time incurred to resolve or mitigate such conflict or interference.

(f) Where drawings show work without specific routing, dimensions, locations, or position relative to other work or existing conditions, and such information is not specifically defined by reference to specifications or other information supplied in the contract, the Contractor is responsible for routing, dimensioning, and locating such work in coordination with other work or existing conditions in a manner consistent with contract requirements.

(g) It is not the Contractor's responsibility to ensure that the contract documents comply with applicable laws, statutes, building codes and regulations. If it comes to the attention of the Contractor that any of the contract documents do not comply with such requirements, the Contractor shall promptly notify the Contracting Officer in writing. If the Contractor performs any of the work prior to notifying and receiving direction from the Contracting Officer, the Contractor shall assume full responsibility for correction of such work, and any fees or penalties that may be assessed for non-compliance.

(End of clause)

Alternate I (DATE) As prescribed in 536.571, delete paragraphs (d), (e), (f), and (g) of the basic clause, and insert paragraphs (d), (e), (f), and (g) as follows:

(d) The Contractor shall be responsible for providing professional design services unless this responsibility is expressly excluded from the contract. In the performance of such work, the Contractor shall be responsible for retaining licensed design professionals, who shall sign and seal all drawings, calculations, specifications and other submittals that the licensed professional prepares. The Contractor shall be responsible for, and GSA shall be entitled to rely upon, the adequacy and completeness of all professional design services provided under the contract.

(e) The Contractor's responsibilities include the responsibilities of the Architect-Engineer Contractor, as specified in FAR 52.236-23.

(f) The Contractor shall include in all subcontracts that require professional design services express terms establishing GSA as a third party beneficiary. No other person shall be deemed a third party beneficiary of the contract.

(g) The Contractor shall determine whether the information contained in the contract documents complies with applicable laws, statutes, building codes and regulations. If it comes to the attention of the Contractor that any of the contract documents do not comply with such requirements, the Contractor shall promptly notify the Contracting Officer in writing. If the Contractor performs any of the work prior to notifying and receiving direction from the Contracting Officer, the Contractor shall assume full responsibility for correction of such work, and any fees or penalties that may be assessed for non-compliance.]

~~552.236-72 [Reserved]~~

[552.236-72 Submittals

As prescribed in 536.572, insert the following clause:

SUBMITTALS (DATE)

(a) The Contractor shall prepare and submit all submittals as specified in the contract or requested by the Contracting Officer.

(1) Submittals may include: safety plans, schedules, shop drawings, coordination drawings, samples, calculations, product information, or mockups.

(2) Shop drawings may include fabrication, erection and setting drawings, manufacturers' scale drawings, wiring and control diagrams, cuts or entire catalogs, pamphlets, descriptive literature, and performance and test data.

(b) Unless otherwise provided in this contract, or otherwise directed by the Contracting Officer, submittals shall be submitted to the Contracting Officer.

(c) The Contractor shall be entitled to receive notice of action on submittals within a reasonable time, given the volume or complexity of the submittals and the criticality of the affected activities to substantial completion as may be indicated in the project schedule.

(d) Review of submittals will be general and shall not be construed as permitting any departure from the contract requirements.

(e) The Contractor shall not proceed with construction work or procure products or materials described or shown in submittals until the submittal is reviewed. Any work or activity undertaken prior to review shall be at the Contractor's risk. Should the Contracting Officer subsequently determine that the work or activity does not comply with the contract, the Contractor shall be responsible for all cost and time required to comply with the Contracting Officer's determination. The Contracting Officer shall have the right to order the Contractor to cease execution of work for which submittals have not been reviewed. The Government shall not be liable for any cost or delay incurred by the Contractor attributable to the proper exercise of this right.

(f) The Contractor shall identify, in writing, all deviations or changes in resubmitted submittals. In the absence of such written notice, review of a resubmission shall not include or apply to such deviations or changes.

(End of clause)

Alternate I (DATE) As prescribed in 536.572, add the following paragraph to the basic clause:

(g) The Contractor shall submit design documents for review in accordance with PBS-P100. The Government shall review submittals for the limited purpose of verifying that the documents conform to the design criteria expressed in the contract documents.]

~~552.236-73 Basis of Award – Construction Contract.~~

~~As prescribed in 536.570-4, insert the following provision or the appropriate Alternate:~~

~~BASIS OF AWARD – CONSTRUCTION CONTRACT (APR 1985)~~

~~(a) The low bidder for purposes of award is the responsible bidder offering the lowest price for the base bid (consisting of the lump sum bid and any associated unit price bids extended by the applicable number of units shown on the bid form). See Standard Form 1442, Solicitation, Offer, and Award and the provision entitled "Contract Award – Sealed Bidding."~~

~~(b) A bid may be rejected as nonresponsive if the bid is materially unbalanced as to bid prices. A bid is unbalanced when the bid is based on prices significantly less than cost for some work and significantly overstated for other work.~~

(End of provision)

~~Alternate I (Apr 1985). If the solicitation includes a base bid and options, the Contracting Officer shall delete paragraph (a) of the basic provision and insert paragraph (a) substantially as follows:~~

~~(a) The low bidder for purposes of award is the responsible bidder offering the lowest aggregate price for (1) the base bid (consisting of the lump sum bid and any associated unit price bids extended by the applicable number of units shown on the bid form) plus (2) all options designated to be evaluated. The evaluation of options will not obligate the Government to exercise the options. See Standard Form 1442, Solicitation, Offer, and Award and the provision entitled "Contract Award – Sealed Bidding."~~

~~Alternate II (Apr 1985). If the solicitation includes a base bid and alternates, the Contracting Officer shall delete paragraph (a) of the basic provision and insert paragraphs (a), (c), and (d) substantially as follows:~~

~~(a) The low bidder for purposes of award is the responsible bidder offering the lowest aggregate price for (1) the base bid (consisting of the lump sum bid and any associated unit price bids extended by the applicable number of units shown on the bid form) plus (2) those alternates in the order of priority listed in the solicitation that provide the most features of work within the funds available at bid opening. See the provision entitled "Contract Award—Sealed Bidding."~~

~~(c) Alternates will be added to the base bid in the order listed in the solicitation (see Standard Form 1442, Solicitation, Offer, and Award). If the addition of an alternate would make all bids exceed the funds available at bid opening, that alternate shall be skipped and the next subsequent alternate in a lower amount shall be added, provided that the aggregate of base bid and the selected alternates do not exceed the funds available at bid opening. For example, when the amount available is \$100,000 and a bidder's base bid is \$85,000, with its separate bids on four successive alternates being \$10,000, \$8,000, \$6,000, and \$4,000, the aggregate amount of the bid for purposes of selecting the alternates would be \$99,000 (base bid plus the first and fourth alternates). The second and third alternates are skipped because each of them would cause the aggregate of the base bid and alternates to exceed the \$100,000 amount available when considered with the first alternate. All bids shall be evaluated on the basis of the same alternates.~~

~~(d) After the low bidder has been determined in accordance with paragraph (a), an award may be made to that low bidder on the base bid, plus any combination of alternates for which funds are available at the time of award, but only if the award amount does not exceed the amount offered by any other responsible bidder. If the base bid plus the proposed combination of alternates exceed the amount offered by any other responsible bidder for the same combination of alternates, the award cannot be made on that combination of alternates.~~

~~Alternate III (Apr 1985). If the solicitation includes a base bid, alternates, and options, the Contracting Officer shall delete paragraph (a) of the basic provision and insert paragraphs (a), (c), and (d) substantially as follows:~~

~~(a) The low bidder for purposes of award is the responsible bidder offering the lowest aggregate price for (1) the base bid (consisting of the lump sum bid and any associated unit price bids extended by the applicable number of units shown on the bid form) plus (2) those alternates in the order of priority listed in the solicitation that provide the most features of work within the funds available at bid opening plus (3) all options designated to be evaluated except those options associated with alternates which are skipped during the selection process outlined in paragraph (c) of this provision. The evaluation of options will not obligate the Government to exercise the options. See the provision entitled "Contract Award—Sealed Bidding."~~

~~(c) Alternates will be added to the base bid in the order listed in the solicitation (see Standard Form 1442, Solicitation, Offer, or Award). If the addition of an alternate would make all bids exceed the funds available at bid opening, that alternate shall be skipped and the next subsequent alternate in a lower amount shall be added, provided that the aggregate of base bid and the selected alternates do not exceed the funds available at bid opening. For example, when the amount available is \$100,000 and a bidder's base bid is \$85,000, with its separate bids on four successive alternates being \$10,000, \$8,000, \$6,000, and \$4,000, the aggregate amount of the bid for purposes of selecting the alternates would be \$99,000 (base bid plus the first and fourth alternates). The second and third alternates are skipped because each of them would cause the aggregate of the base bid and alternates to exceed the \$100,000 amount available when considered with the first alternate. All bids shall be evaluated on the basis of the same alternates.~~

~~(d) After the low bidder has been determined in accordance with paragraph (a), award may be made to that low bidder on the base bid and evaluated options plus any combination of alternates for which funds are available at the time of award, but only if that low bidder is still low on the sum thereof plus any previously unevaluated options designated to be evaluated which are associated with proposed alternates that were skipped during the selection under paragraph (c) of this provision. If that low bidder is not still low, award cannot be made on the proposed combination of alternates.~~

~~552.236-74 [Reserved]~~

~~652.236-75 [Reserved]~~

~~552.236-76 [Reserved]~~

552.236-77 Specifications and Drawings.

As prescribed in 536.570-8, insert the following clause:

SPECIFICATIONS AND DRAWINGS (SEP-1000)

The requirements of the clause entitled "Specifications and Drawings for Construction" at FAR 52.236-21, are supplemented as follows:

(a) In case of difference between small and large scale drawings, the large scale drawings shall govern. Schedules on any contract drawing shall take precedence over conflicting information on that or any other contract drawing. On any of the drawings where a portion of the work is detailed or drawn out and the remainder is shown in outline, the parts detailed or drawn out shall apply also to all other like portions of the work.

(b) Where the word "similar" occurs on the drawings, it shall have a general meaning and not be interpreted as being identical, and all details shall be worked out in relation to their location and their connection with other parts of the work.

(c) Standard Details or Specification Drawings are applicable when listed, bound with the specifications, noted on the drawings or referenced elsewhere in the specifications. Where the notes on the drawings indicate modifications, such modifications shall govern.

(d) In case of difference between Standard Details or Specification Drawings and the specifications, the specifications will govern. In case of difference between the Standard Details or Specification Drawings and the drawings prepared specifically for this contract, the later shall govern.

(End of clause)

552.236-78 Shop Drawings, Coordination Drawings, and Schedules.

As prescribed in 536.570-9, insert the following clause:

SHOP DRAWINGS, COORDINATION DRAWINGS, AND SCHEDULES (SEP-1999)

The requirements of the clause entitled "Specifications and Drawings for Construction" at FAR 52.236-21, are supplemented as follows:

(a) The Contractor shall submit shop drawings, coordination drawings, and schedules for approval as required by the specifications or requested by the Contracting Officer as follows:

(b) Shop drawings shall include fabrication, erection and setting drawings, schedule drawings, manufacturers' scale drawings, wiring and control diagrams, cuts or entire catalogs, pamphlets, descriptive literature, and performance and test data.

(c) Drawings and schedules, other than catalogs, pamphlets and similar printed material, shall be submitted in reproducible form with two prints made by a process approved by the Contracting Officer. Upon approval, the reproducible form will be returned to the Contractor who shall then furnish the number of additional prints, not to exceed 10, required by the specifications. The Contractor shall submit shop drawings in catalog, pamphlet and similar printed form in a minimum of four copies plus as many additional copies as the Contractor may desire or need for his use or use by subcontractors.

(d) Before submitting shop drawings on the mechanical and electrical work, the Contractor shall submit and obtain the Contracting Officer's approval of such lists of mechanical and electrical equipment and materials as may be required by the specifications.

(e) Each shop drawing or coordination drawing shall have a blank area 5 by 5 inches, located adjacent to the title block. The title block shall display the following:

Number and title of drawing

Date of drawing or revision

Name of project building or facility

Name of Contractor and (if appropriate) name of subcontractor submitting drawing

Clear identity of contents and location on the work

Project title and contract number

(f) Unless otherwise provided in this contract, or otherwise directed by the Contracting Officer, shop drawings, coordination drawings and schedules shall be submitted to the Contracting Officer, with a letter in triplicate, sufficiently in advance of construction requirements to permit no less than 10 working days for checking and appropriate action.

(g) Approval of drawings and schedules will be general and shall not be construed as permitting any departure from the contract requirements, or as approving departures from full size details furnished by the Contracting Officer.

(End of clause)

~~552.236-79 [Reserved]~~

~~552.236-80 [Reserved]~~

~~552.236-81 Use of Equipment by the Government.~~

~~As prescribed in 536.570-12, insert the following clause:~~

~~USE OF EQUIPMENT BY THE GOVERNMENT (APR 1984)~~

~~(a) The Government may take over and operate, with Government employees, such equipment as is necessary for heating or cooling such areas of the building as require the service, as soon as the installation is sufficiently complete.~~

~~(b) The Contracting Officer will advise the Contractor by letter, prior to the use of equipment, which items of equipment will be operated, and the date and time such operation will begin.~~

~~(c) Government operation of equipment will not relieve the Contractor of the one-year guarantee on materials and workmanship elsewhere provided for in this contract.~~

~~(d) The guarantee period, elsewhere provided for in this contract, for each piece of equipment shall be in accordance with the "Guarantees" clause of this contract.~~

~~(End of clause)~~

~~552.236-82[73] Subcontracts.~~

~~As prescribed in 536.570-12[573], insert the following clause:~~

~~* * *~~

~~[552.236-74 Evaluation of Options.~~

~~As prescribed in 536.270-5(a), insert the following provision:~~

~~EVALUATION OF OPTIONS (DATE)~~

~~The Government will evaluate offers for award purposes by adding the total price for all options to the total price for the basic requirement. Evaluation of options will not obligate the Government to exercise the option(s).~~

~~(End of provision)]~~

~~[552.236-75 Evaluation Exclusive of Options.~~

~~As prescribed in 536.270-5(b), insert the following provision:~~

~~EVALUATION EXCLUSIVE OF OPTIONS (DATE)~~

~~The Government will evaluate offers for award purposes by including only the price for the basic requirement. Options will not be included in the evaluation for award purposes.~~

~~(End of provision)]~~

~~[552.236-76 Basis of Award - Sealed Bidding Construction~~

~~As prescribed in 536.270-5(c), insert the following provision:~~

~~BASIS OF AWARD - SEALED BIDDING CONSTRUCTION (DATE)~~

~~A bid may be rejected as nonresponsive if the bid is materially unbalanced as to bid prices. A bid is unbalanced when the bid is based on prices significantly less than cost for some work and significantly overstated for other work.~~

~~(End of provision)~~

~~Alternate I (DATE). As prescribed in 536.270-5(c)(1), designate the basic provision as paragraph (a) and add the following paragraph to the basic provision:~~

(b) The low bidder for purposes of award is the responsible bidder offering the lowest aggregate price for (1) the base requirement plus (2) all options designated to be evaluated. The evaluation of options will not obligate the Government to exercise the options.

552.236-77 Government's Right to Exercise Options.

As prescribed in 536.270-5(d), insert the following clause:

GOVERNMENT'S RIGHT TO EXERCISE OPTIONS (DATE)

(a) The Government may exercise any option in writing in accordance with the terms and conditions of the contract within _____ [insert the period of time within which the Contracting Officer may exercise the option]. Unless otherwise specified, options may be exercised within 90 calendar days of contract award.

(b) If the Government exercises the option, the contract shall be considered to include this option clause.

(End of clause)

552.243-71 Equitable Adjustments:

As prescribed in 543.205, insert the following clause:

EQUITABLE ADJUSTMENTS (JAN 2009)(DATE)

(a) This clause governs the determination of equitable adjustments to which the Contractor may be entitled under the "Changes" clause prescribed by FAR 52.243-4, [the "Changes and Changed Conditions" clause prescribed by FAR 52.243-5,] the "Differing Site Conditions" clause prescribed by FAR 52.236-2, and any other provision of this contract allowing entitlement to an equitable adjustment. This clause does not govern determination of the Contractor's relief allowable under the "Suspension of Work" clause prescribed by FAR 52.242-14.

(c) The proposal shall be submitted within the time specified in the "Changes", "Changes and Changed Conditions", or "Differing Site Conditions" clause, [as applicable,] or such other time as may reasonably be required by the Contracting Officer. ~~In the case of a proposal submitted based on the "Differing Site Conditions" clause, the notice requirement of that clause shall be met.~~

Subpart 552.3—Provision and Clause Matrixes

552.300 Scope of subpart.

This subpart consists of a series of matrixes:

(a) One matrix each for supply, service, construction, architect-engineer and simplified acquisition contracts which lists the applicable GSAR provisions and clauses.

(b) One matrix each for utility contracts (sole supplier-regulated rates) and leases of real property which list the applicable FAR and GSAR provisions and clauses.

Matrix of Provisions and Clauses

P/C	Number	Reference	Title	Sup	Serv	Const	A-E	SAT	Util	Leas
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[C]	[552.211-10]	[511.404]	[Commencement, Prosecution, and Completion of Work]						[WR]	[WR]
[C]	[552.211-12]	[511.504]	[Liquidated Damages-Construction]						[WR]	[WR]
[C]	[552.211-13]	[511.504]	[Time Extensions]						[WR]	[WR]
[C]	[552.211-70]	[511.404]	[Substantial Completion]						[WR]	[WR]

[C]	[552.232-5]	[532.111]	[Payments under Fixed-Price Construction Contracts]						[WR]	[WR]
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[C]	[552.236-6]	[536.506]	[Superintendence by the Contractor]						[R]	[R]	
[C]	[552.236-11]	[536.511]	[Use and Possession Prior to Completion]						[R]	[R]	
[C]	[552.236-15]	[536.515]	[Schedules for Construction Contracts]						[R]	[R]	
[C]	[552.236-21]	[536.521]	[Specifications and Drawings for Construction]						[R]	[R]	
C	552.236-70	536.570-1	Definitions						WR	WR	WR
C	552.236-74[70]	536.570-2	Authorities and Limitations						WR[R]	WR	[R]
[C]	[552.236-71]	[536.571]	[Contractor Responsibilities]						[R]	[R]	
P	552.236-73	536.570-4	Basis of Award—Construction Contract						WR		
C	552.236-77	536.570-8	Specifications and Drawings						R		
C	552.236-78[72]	536.570-9[572]	[Submittals] Shop Drawings, Coordination Drawings, and Schedules						R	[R]	

C	552.236-84	536.570-12	Use of Equipment by the Government	WR	WR
C	552.236-82[73]	536.570-43[573]	Subcontracts	R	[R]
[P]	[552.236-74]	[536.270-5(a)]	[Evaluation of Options]	[WR]	[WR]
[P]	[552.236-75]	[536.270-5(b)]	[Evaluation Exclusive of Options]	[WR]	[WR]
[P]	[552.236-76]	[536.270-5(c)]	[Basis of Award-Sealed Bidding Construction]	[WR]	[WR]
[C]	[552.236-77]	[536.270-5(d)]	[Government's Right to Exercise Options]	[WR]	[WR]

PART 553—FORMS

Subpart 553.3—Illustrations of Forms

553.300 Scope of Subpart.

This subpart does illustrates standard and GSA forms prescribed or referenced in Parts 501–55[2]4 and 570. Instructions on completing a form, if included, are identified by the suffix "I" after the GSAR section number.

553.300-70 Forms not Illustrated.

This subpart does not illustrate either:

- (a) Standard forms illustrated in the FAR.
- (b) Forms available on-line. You can access the forms listed below at the location indicated.

Reference	Form No.	Title	On-line Location
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[532.905-70]	532.905-71(a)	GSA Form 1142	Release of Claims	http://www.gsa.gov/forms
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[552.232-5] 532.905-70	GSA Form 2419	Certification of Progress Payments Under Fixed-Price Construction Contracts	http://www.gsa.gov/forms
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