

**GRESHAM-BARLOW SCHOOL DISTRICT NO. 10JT
SMALL CONSTRUCTION PROJECTS CONTRACT**

This Contract is between GRESHAM-BARLOW SCHOOL DISTRICT NO. 10JT, GRESHAM, OREGON ("District") and Perlo Construction ("Contractor").

Project: GBSD 2025 Kitchen Improvements at Sam Barlow High School (SBHS)

The parties agree as follows:

Date of Commencement and Substantial Completion. The date of commencement of the Work shall be June 13, 2025 or the date on which each party has signed this Contract, whichever is later.

The Contract Time shall be measured from the date of commencement. Contractor shall achieve Substantial Completion no later than August 22, 2025, with final completion no later than September 23, 2025.

Contractor's Agreement to Perform Work. Contractor agrees to perform the Work described in Exhibit 2.

Statement of Work. Contractor shall perform the Work described in Exhibit 2 for a sum of \$581,592.00

Payment for Work. District agrees to pay Contractor in accordance with Exhibit 2 and this Contract.

Contract Documents. The Contract Documents consist of the following documents, which are listed in descending order of precedence: this Contract; exhibits to this Contract, including Exhibit 1 (District's Solicitation Document and attachments); Exhibit 2 (Statement of Work, Compensation, Payment and Renewal Terms); Exhibit 3 (Certification Statement for Corporation or Independent Contractor); Exhibit 4 (Contractor's Solicitation Response);

A conflict in the Contract Documents shall be resolved in the priority listed above with this Contract taking precedence over all other documents. The Contract Documents are the entire Contract between the parties and shall supersede any prior representation, written or oral.

STANDARD TERMS AND CONDITIONS

1. **Time is of the Essence.** Time is of the essence in the performance of this Contract.
2. **Subcontracts.** District reserves the right to reject in writing any proposed subcontractor, without cause, in which case Contractor shall promptly propose a substitute subcontractor. Any difference in price or schedule arising out of such substitution shall be reflected in a Change Order. In addition to any other provisions District may require, Contractor shall require of any permitted subcontractor under this Contract that subcontractor be bound by all the same terms and conditions of this Contract. Such subcontracts are solely between Contractor and subcontractor and shall not have any binding effect on District.
3. **Assignment.** This Contract is not assignable by Contractor, either whole or in part, unless Contractor has obtained the prior written consent of District.
4. **Other Contractors.** District may undertake or award other contracts for additional or related work, and Contractor shall fully cooperate with such other contractors and with any District employees concerned with such additional or related work, and shall coordinate its performance under this Contract with such additional or related work. Contractor shall not commit or permit any act that will interfere with the performance of work by any other contractor or by District employees.
5. **Independent Contractor Status.** Contractor shall certify status in accordance with Exhibit 4.
6. **No Third-Party Beneficiaries.** District and Contractor are the only parties to this Contract and are the only parties entitled to enforce its terms. Nothing in this Contract gives or provides any benefit or right, whether directly, indirectly, or otherwise, to third persons unless such third persons are individually identified by name in this Contract and expressly described as intended beneficiaries of this Contract.
7. **Successors in Interest.** The provisions of this Contract shall be binding upon and inure to the benefit of the parties and their successors and approved assigns, if any.
8. **Nonperformance.** In the event of nonperformance under this Contract, District, after seven (7) days' written notice, shall have the right to obtain from other sources such services as may be required to accomplish the Work not performed, and it is agreed that the difference in cost, if any, for said Work or goods shall be borne by Contractor. For purposes of this Section, nonperformance shall be defined as failure to appear and perform Work as specified and scheduled.
9. **Early Termination.** This Contract may be terminated as follows:
 - a. **Termination by Mutual Agreement:** District and Contractor, by mutual written agreement, may terminate this Contract at any time.
 - b. **Termination for Convenience:** District in its sole discretion may terminate this Contract for any reason on 30 days' written notice to Contractor.
 - c. **Termination for Breach:** Either District or Contractor may terminate this Contract in the event of a breach of the Contract by the other. Prior to such termination, the party seeking termination shall give to the other party written notice of the breach and intent to terminate. If the party committing the breach has not entirely cured the breach within 15 days of the date of the notice, then the party giving the notice may terminate the Contract at any time thereafter by giving a written notice of termination.
 - d. **Termination for Failure to Maintain Qualifications:** Notwithstanding Section 9(c), District may terminate this Contract immediately by written notice to Contractor upon denial, suspension, revocation, or non-renewal of any license, permit, or certificate that Contractor must hold to provide services under this Contract.
 - e. **Payment on Early Termination:** Upon termination pursuant to Section 9, payment shall be made as follows:
 - i. If terminated under 9(a) or 9(b) for the convenience of District, District shall pay Contractor for Work performed prior to the termination date if such Work was performed in accordance with the Contract. District shall not be liable for direct, indirect, or consequential damages. Termination shall not result in a waiver of any other claim that District may have against Contractor.
 - ii. If terminated under 9(c) by Contractor due to a breach by District, then District shall pay Contractor for Work performed prior to the termination date if such Work was performed in accordance with the Contract.
 - iii. If terminated under 9(c) or 9(d) by District due to a breach by Contractor, then District shall pay Contractor for Work performed prior to the termination date, provided such Work was performed in accordance with the Contract, less any setoff to which District is entitled.
10. **Payment of Invoices.** Unless otherwise provided in Exhibit 2, the payment period shall be one calendar month. Payments are due and payable thirty (30) days from receipt of Contractor's complete invoice or fifteen (15) days after payment is approved by District, whichever is earlier. District may withhold 5% of each payment as retainage pursuant to ORS 279C.570. Retainage will be paid within 30 days of

final completion per Architects or Owners representative approval and acceptance by District.

11. Changes in the Work. District reserves the right to adjust the scope of the Work by written Change Order. No Change Order will be effective unless approved in writing by District and signed by Contractor. Agreement on any Change Order shall constitute a final settlement of all matters relating to the change in the Work that is the subject of the Change Order, including but not limited to all direct and indirect costs associated with such change and any and all adjustments to the Contract Sum and the construction schedule.

12. Inspection and Acceptance of Work. District shall inspect Contractor's Work and advise Contractor of any deficiencies, or if there are none, that the Work has been accepted. Contractor shall perform all additional Work necessary to correct any deficiencies without undue delay and without additional cost to District.

13. Right to Withhold Payments. District shall have the right to withhold from payments due Contractor such sums as necessary to protect District against any loss, damage, or claim that may result from Contractor's performance or failure to perform under this Contract or the failure of Contractor to make proper payment to any suppliers or subcontractors. If a liquidated damages provision is contained in the Scope of Work and if Contractor has violated that provision, District shall have the right to withhold from payments due Contractor such sums as are required to satisfy District's claims under that provision.

14. Knowledge of Site Conditions. Contractor shall, as a condition precedent to commencement of the Work (a) become familiar with the Project site and review all analyses, studies, and test data available to Contractor via the published bidding information concerning the conditions of the Project site, (b) inspect the location of the Work and satisfy itself as to the condition there of Contractor will notify District in writing in advance of commencement of the Work if it discovers site conditions that would cause a deviation from the approved Contract Sum and Contract Schedule.

15. Special Care. Contractor shall exercise special care in executing subsurface work in proximity of known subsurface utilities, improvements, and easements.

16. District's Right to Stop the Work.

- a. If Contractor fails to correct Work that is not in accordance with the requirements of the Contract Documents or fails to carry out Work in accordance with the Contract Documents, District may issue a written order to Contractor to stop the Work, or any portion thereof, until the cause for such order has been eliminated.
- b. If suspension of the Work is warranted by reason of unforeseen conditions that may adversely affect the quality of the Work if such Work were continued, District may suspend the Work by giving written notice to Contractor. In such event, the Contract Time shall be adjusted accordingly, and the Contract Sum shall be adjusted to the extent, if any, that additional costs are incurred by reason of such suspension.
- c. Notwithstanding any other provision, District's authorized representative may, in his or her complete discretion, stop all of the Work, or any portion of the Work, if the Work creates a safety hazard or if a life/safety threat exists to the facility or its occupants. Any cost to correct deficiencies in Contractor's Work will be borne solely by Contractor.

17. Performance of the Work. Contractor shall supervise, coordinate, and perform the Work in accordance with the Contract Documents in a professional, safe, and workmanlike manner and in accordance with all Contract Documents. Unless otherwise noted or directed, Contractor will perform all Work in accordance with product manufacturers' recommendations or directions for best results. No preparatory step or installation procedure may be omitted unless specifically authorized by the Contract Documents or at the direction of Architect or District's Representative. Conflicts between manufacturers' directions shall be resolved by Architect.

18. Remedies. In the event of breach of this Contract, the parties shall have the following remedies:

- a. If terminated under 9(c) by District due to a breach by Contractor, District may complete the Work either itself, by agreement with another Contractor, or by a combination thereof. If the cost of completing the Work exceeds the remaining unpaid balance of the total compensation provided under this Contract, then Contractor shall pay to District the amount of the reasonable excess.
- b. In addition to the remedies in sections 9 and 13 for a breach by Contractor, District also shall be entitled to any other equitable and legal remedies that are available.
- c. If District breaches this Contract, Contractor's remedy shall be limited to termination of the Contract and receipt of Contract payments for which Contractor has completed the Work.

19. Claims.

- a. **Time Limits on Claims:** Claims by either party must be made within 21 days after occurrence of the event giving rise to such Claim or within 21 days after the claimant first recognizes the condition giving rise to the Claim, whichever is later. Claims must be made in writing to Owner and the other party, and must identify the known bases for each Claim and the nature and amount of the relief sought. Failure to timely file a written claim constitutes a waiver of the claim.
- b. **Continuing Contract Performance:** Pending final resolution of a Claim except as otherwise agreed in writing, Contractor shall proceed diligently with performance of the Contract and District shall continue to make payments in accordance with the Contract Documents.
- c. **Claims for Additional Costs:** If Contractor wishes to make a Claim for an increase in the Contract Sum, written notice as provided herein shall be given before proceeding to execute the Work. Prior notice is not required for Claims relating to an emergency endangering life or property. In an emergency affecting the safety of persons or property, Contractor shall act to prevent threatened damage, injury, or loss and shall immediately notify District.
- d. **Claims for Additional Time:** If Contractor wishes to make a Claim for an increase in the Contract Time, written notice as provided herein shall be given. Contractor's Claim shall include an estimate of cost and of probable effect of delay on progress of the Work. In the case of a continuing delay, only one Claim is necessary.

20. Compliance With Applicable Law. Contractor shall comply with all federal, state, and local laws applicable to the Work under this Contract, and all regulations and administrative rules established pursuant to those laws, including without limitation the following:

- a. **ORS 279A.110:** Contractor certifies that Contractor has not discriminated and will not discriminate against a subcontractor in the awarding of a subcontract because the subcontractor is a minority, women, or emerging small business enterprise certified under ORS 200.055.
- b. **ORS 279C.380:** Unless exempted by District in writing pursuant to District's Public Contracting Rules, prior to starting Work under this Contract, Contractor shall execute and deliver to District a good and sufficient performance bond, in a form acceptable to District, in a sum equal to 100% of the Contract Price for the faithful performance of the Contract, and shall execute and deliver to District a good and sufficient payment bond, in a form acceptable to District, in a sum equal to 100% of the Contract Price solely for the protection of claimants under ORS 279C.600.
- c. **ORS 279C.505:** Contractor shall make payment promptly, as due, to all persons supplying to such Contractor labor or material for the prosecution of the Work provided for in such Contract; pay all contributions or amounts due the Industrial Accident Fund from such Contractor or subcontractor incurred in the performance of the Contract; not permit any lien or claim to be filed or prosecuted against the state, county, school, municipality, municipal corporation or subdivision thereof, on account of any labor or material furnished; and pay to the Department of Revenue all sums withheld from employees pursuant to ORS 316.167.

Contractor shall further demonstrate that an employee drug-testing program is in place.

- d. ORS 279C.510: If this Contract includes demolition work, Contractor shall salvage or recycle construction and demolition debris, if feasible and cost-effective. If this Contract includes lawn or landscape maintenance, Contractor shall compost or mulch yard waste material at an approved site, if feasible and cost-effective.
- e. ORS 279C.515: If Contractor fails, neglects, or refuses to make prompt payment of any claim for labor or services furnished to Contractor or a subcontractor by any person in connection with this Contract as such claim becomes due, District may pay such claim to the person furnishing the labor or services and charge the amount of the payment against funds due or to become due Contractor by reason of this Contract. The payment of a claim in the manner authorized in this Section shall not relieve Contractor or Contractor's surety from any obligation with respect to any unpaid claims.

Unless the payment is subject to a good-faith dispute as defined in ORS 279C.580, if Contractor or any first-tier subcontractor fails to pay any claim for materials or labor furnished under this Contract within 30 days after being paid by District, interest shall be due on such claim as specified in ORS 279C.515(2) at the end of the 10-day period that payment is due under ORS 279C.580(4). A person with any such unpaid claim may file a complaint with the Construction Contractor's Board unless the complaint is subject to a good-faith dispute as defined in ORS 279C.580.

- f. ORS 279C.520: Contractor shall not employ any person for more than 10 hours in any one day, or 40 hours in any one week, except in cases of necessity, emergency, or where the public policy absolutely requires it, and in such cases, except in cases of contracts for personal services as defined in ORS 279A.055, the laborer shall be paid at least time and a half pay:
 - i. For all overtime in excess of eight hours a day or 40 hours in any one week when the work week is five consecutive days, Monday through Friday; and
 - ii. For all overtime in excess of 10 hours a day or 40 hours in any one week when the work week is four consecutive days, Monday through Friday; and
 - iii. For work performed on Saturday and on any legal holiday specified in any applicable collective bargaining agreement or ORS 279C.540.

The requirement to pay at least time and a half for all overtime worked in excess of 40 hours in any one week shall not apply to individuals who are excluded under ORS 653.010 to 653.261 or under 29 U.S.C. Section 201 to 209 from receiving overtime.

Contractor shall and shall require its subcontractors to give notice to their employees who work under this Contract in writing, either at the time of hire or before commencement of Work on the Contract, or by posting a notice in a location frequented by employees, of the number of hours per day and days per week that the employees may be required to work.

- g. ORS 279C.525: State law requires that solicitation documents for a public improvement contract make specific reference to federal, state, and local agencies that have enacted ordinances, rules, or regulations dealing with the prevention of environmental pollution or the preservation of natural resources that may affect the performance of this Contract. These agencies include, but are not limited to:
 - i. Federal Agencies: Department of Agriculture, Forest Service, Soil and Water Conservation Service, Coast Guard, Department of Defense, Army Corps of Engineers, Department of Emergency, Federal Energy Regulatory Commission, Environmental Protection Agency, Department of Health and Human Services, Department of Housing and Urban Development, Solar Energy and Energy Conservation Bank, Department of Interior, Bureau of Land Management, Bureau of Indian Affairs, Bureau of Mines, Bureau of

Reclamation, Geological Survey, Minerals Management Service, U.S. Fish and Wildlife Service, Department of Labor, Mine Safety and Health Administration, Occupation Safety and Health Administration, Department of Transportation, Federal Highway Administration, Water Resources Council.

- ii. State Agencies: Department of Administrative Services, Department of Agriculture, Soil and Water Conservation Commission, Columbia River Gorge Commission, Department of Energy, Department of Environmental Quality, Department of Fish and Wildlife, Department of Forestry, Department of Geology and Mineral Industries, Department of Human Resources, Department of Consumer and Business Services, Land Conservation and Development Commission, Department of Parks and Recreation, Division of State Lands, Department of Water Resources.
- iii. Local Agencies: City councils, county courts, county boards of commissioners, metropolitan service district councils, design commissions, historic preservation commissions, planning commissions, development review commissions, special district boards of directors, and other special districts and special governmental agencies such as Tri-Met, urban renewal agencies, and port districts.
- iv. Tribal Governments.
- h. ORS 279C.530: Contractor shall promptly, as due, make payments to any person, copartnership, association, or corporation furnishing medical, surgical, and hospital care or other needed care and attention, incident to sickness or injury, to the employees of such Contractor, of all sums that Contractor agrees to pay for such services and all moneys and sums that Contractor collected or deducted from the wages of employees pursuant to any law, contract, or agreement for the purpose of providing or paying for such service.

To the extent any of Contractor's employees are covered by the Oregon employment laws, Contractor, its subcontractors, if any, and all employers working under this Contract are subject employers under the Oregon Workers' Compensation Law and shall comply with ORS 656.017, which requires them to provide workers' compensation coverage for all their subject workers. See Contractor Exemption Certification – Exhibit 4 if you believe you may be exempt from this requirement.
- i. ORS 279C.545: Workers employed by Contractor shall be foreclosed from the right to collect for any overtime under this Contract unless a claim for payment is filed with Contractor within 90 days from the completion of the Contract, providing Contractor has:
 - i. Caused a circular clearly printed in blackface pica type and containing a copy of this section to be posted in a prominent place alongside the door of the timekeeper's office or in a similar place that is readily available and freely visible to any or all workers employed on the work, and
 - ii. Maintained such circular continuously posted from the inception to the completion of the Contract on which workers are or have been employed.
- j. ORS 279C.580(3): Contractor shall include in each subcontract for property or services with a first-tier subcontractor a clause that obligates Contractor to pay the first-tier subcontractor for satisfactory performance under its subcontract within 10 days out of such amounts as are paid to Contractor by District. Contractor shall also include in each subcontract a clause that states that if Contractor fails to pay any claim for materials or labor furnished under this Contract within 30 days after being paid by District, interest shall be due on such claim as specified in ORS 279C.515(2) at the end of the 10-day period that payment is due under ORS 279C.580(3). Contractor shall require each first-tier subcontractor to include a payment clause and interest clause conforming to the requirements of ORS 279C.580 in each of its subcontracts, and to require each of its subcontractors to include a similar clause in each contract with a lower-tiered subcontractor or supplier.

k. ORS 279C.800 to 279C.870:

- i. This Contract is /is not subject to payment of prevailing wages under ORS 279C.800 to 279C.870. If this Contract is subject to payment of prevailing wages, Contractor and any subcontractors shall pay not less than prevailing wages to each worker in each trade or occupation employed in the performance of the Contract, as determined by the Director of the State of Oregon Bureau of Labor and Industries ("BOLI"). The latest prevailing wage rates for public works contracts in Oregon are contained in the following publications: The January 1, 2024 Prevailing Wage Rates for Public Works Projects in Oregon, the January 1, 2024 PWR Apprenticeship Rates, and January 1, 2024. Such publications can be reviewed electronically at http://www.boli.state.or.us/BOLI/WHD/PWR/pwr_state.shtml and are hereby incorporated as part of the Contract Documents.
 - ii. This Contract is /is not subject to payment of prevailing wages under the federal Davis-Bacon Act (40 U.S.C. 3141 et seq.). Notwithstanding subsection k(i) of this Section, if this Contract is subject to payment of prevailing wages under the Davis-Bacon Act, Contractor and any subcontractors must pay the higher of the federal prevailing wage rate or the state prevailing wage, as determined by the Director of BOLI. The "applicable prevailing wage rates" are those rates as set forth in the [date of most current publication] Bureau of Labor and Industries Publications "Prevailing Wage Rates for Public Works Contracts subject to BOTH the State PWR and Federal Davis Bacon Act," and the [date of most current publication] any published "Amendments/Corrections to the Prevailing Wage Rates for Public Works Contracts Subject to BOTH the State PWR and Federal Davis Bacon Act" as of the date of this Contract. Such publications can be reviewed electronically at http://www.boli.state.or.us/BOLI/WHD/PWR/pwr_db2.shtml and are hereby incorporated as part of the Contract Documents.
 - iii. District shall pay a fee to the Commissioner of the Oregon Bureau of Labor and Industries as provided in ORS 279C.825. The fee shall be paid to the Commissioner under the administrative rule of the Commissioner.
 - iv. Contractor and any subcontractors shall post the prevailing wage rates in a conspicuous and accessible place in or about the Project.
- l. ORS 279C.836: If this Contract is subject to payment of prevailing wages under ORS 279C.800 to 279C.870, Contractor shall:
- i. File a public works bond with the Construction Contractors Board pursuant to ORS 279C.836 before starting Work on the Project, unless exempt under ORS 279C.836(2), (7), or (8).
 - ii. Include in every subcontract a provision requiring the subcontractor to file a public works bond with the Construction Contractors Board pursuant to ORS 279C.836 before starting work on the project, unless exempt under ORS 279C.836(2), (7), or (8).
- m. ORS 279C.845: If this Contract is subject to payment of prevailing wages under ORS 279C.800 to 279C.870:
- i. Contractor or Contractor's surety and every subcontractor or subcontractor's surety shall file with District a certified statement on a form provided by BOLI certifying the hourly rate of wage paid each worker employed by Contractor or subcontractor on the Work and that no such worker has been paid less than the prevailing rate of wage or wage specified under the Contract.
 - ii. Notwithstanding ORS 279C.555 or 279C.570(7), District shall retain 25% of all amounts earned by Contractor until Contractor has filed the certified statements as required by ORS 279C.845. In addition, Contractor shall retain 25% of any amount earned by a first-tier subcontractor until such

subcontractor has filed the certified statements with District. District and/or Contractor shall pay any such retained amounts within 14 days after such certified statements are filed.

- n. ORS 671.560, 701.055: If Contractor is performing work as a landscape contractor as defined in ORS 671.520(2), Contractor must have a current, valid landscape contractor's license issued under ORS 671.560. If Contractor is performing work as a construction contractor as defined in ORS 701.005(2), Contractor must have a current, valid construction contractor's license issued under ORS 701.701.055. Contractor shall maintain in effect all licenses, permits, and certifications required for the performance of the Work. Contractor shall notify District immediately if any license, permit, or certification required for performance of this Contract shall cease to be in effect for any reason.
- o. ORS 468A.710: If this Contract requires asbestos abatement, Contractor or subcontractor must possess an asbestos abatement license as required by ORS 468A.700 et seq.

21. When Work Is Performed on District Property (Including Schools) Contractor Shall Comply With the Following:

- a. Identification Contractor performing work on District Property or for District shall carry photo identification and will present such, to anyone on request. Contractors that do not have specific uniforms for employees, shall provide identification tags as described above, and or any other mechanism, the District in its sole discretion determines is required to easily identify Contractors.
- b. Sign-in Required. As required by schools and other District locations, each day of work Contractor's employees shall sign into the Main Office to receive an in-school identification/visitors tag to be displayed on the person at all times they are in the school or other location.
- c. No Smoking. Smoking or other use of tobacco is prohibited on the District property..
- d. No Weapons or Firearms. Except as provided by Oregon Statutes and District policy, weapons and firearms are prohibited on District property.

22. When Work Is Performed in or on School Sites, Contractor Shall Comply With the Following:

- a. No Unsupervised Contact with Students. Unsupervised contact with students means contact with students that provide the person opportunity and probability for personal communication or touch when not under direct supervision. Contractor will ensure that Contractor, any subcontractors, and their officers, agents and employees will have no direct unsupervised contact with students while on District property. Contractor will work with the District to ensure compliance with this requirement. If Contractor is unable to ensure through a security plan that none of its officers, agents or employees will have direct, unsupervised, contact with students in a particular circumstance or circumstances, Contractor shall so notify the District prior to beginning any Work that could result in such contact. Contractor authorizes District to obtain information about Contractor and Contractor's history and to conduct a criminal background check, including fingerprinting, of any officer, agent or employee of Contractor that will have unsupervised contact with students. Contractor also agrees to cause Contractor's employees and/or subcontractors, if any, to authorize District to conduct such background checks. Contractor shall pay all fees assessed by Oregon Department of Education for processing the background check. District may deduct the cost of such fees from a progress or final payment to the Contractor under this contract, unless the Contractor elects to pay such fees directly.
- b. School Operations. Contractor shall ensure that the operations of the school are continuous and do not require the District to alter that school calendar due to facilities not being operational. Contractor to alter work hour as required if work occurs during school days to maintain operations.

- c. **Confidentiality.** The Parties recognize that the Federal Education Privacy Rights Act (FERPA) imposes strict penalties for improper disclosure or re-disclosure of confidential student information including but not limited to denial of access to personally identifiable information from education records for at least five years (34 CFR 99.33(e)). Therefore, consistent with the requirements of FERPA, personally identifiable information obtained by the Contractor in the performance of this contract: may not be re-disclosed to third parties without written consent of the students' parents/guardians; and must be used only for the purposes identified in this contract.
- 23. Quality of Goods and Services.** Unless otherwise specified, all materials shall be new and both workmanship and materials shall be of the highest quality. All workers and subcontractors shall be skilled in their trade.
- 24. Errors.** Contractor shall perform such additional work as may be necessary to correct errors in the Work required under this Contract without undue delays and without additional cost.
- 25. Access to Records.** Contractor agrees that District and its authorized representatives shall have access to the documents, papers, and records of Contractor that are directly pertinent to the specific Contract for the purpose of making audit, examination, excerpts, and transcripts.
- 26. Maintenance of Records.** Contractor shall maintain all fiscal records directly relating to this Contract in accordance with generally accepted accounting principles. In addition, Contractor shall maintain any other records pertinent to this Contract in such a manner as to clearly document Contractor's performance. Contractor acknowledges and agrees that District's duly authorized representatives shall have access to such fiscal records and other books, documents, papers, plans, and writings of Contractor that are pertinent to this Contract to perform examinations and audits and make excerpts and transcripts. Contractor shall retain and keep accessible all such fiscal records, books, documents, papers, plans, and writings for a minimum of three (3) years, or such longer period as may be required by applicable law, following final payment and termination of this Contract or until the conclusion of any audit, controversy, or litigation arising out of or related to this Contract, whichever date is later.
- 27. Ownership of Work.** All work products created by Contractor as part of Contractor's performance of this Contract, including background data, documentation, and staff work that are preliminary to final reports, shall be the exclusive property of District. If any such work products contain intellectual property of Contractor that is or could be protected by federal copyright, patent, or trademark laws, Contractor hereby grants District a perpetual, royalty-free, fully paid-up, non-exclusive, and irrevocable license to copy, reproduce, deliver, publish, perform, dispose of, use, re-use, in whole or in part, and to authorize others to do so, all such work products. District shall have no rights in any pre-existing work product of Contractor provided to District by Contractor in the performance of this Contract except to copy, use, and re-use any such work product for District use only. If this Contract is terminated by either party or by default, District, in addition to any other rights provided by this Contract, may require Contractor to transfer and deliver such partially completed work products, reports, or other documentation that Contractor has specifically developed or specifically acquired for the performance of this Contract.
- 28. Warranty.**
- Contractor warrants to District and Architect that materials and equipment furnished under the Contract will be of good quality and new unless otherwise required or permitted by the Contract Documents, that the Work will be free from defects not inherent in the quality required or permitted, and that the Work will conform to the requirements of the Contract Documents. Work not conforming to these requirements, including substitutions not properly approved and authorized, may be considered defective. Contractor's warranty excludes remedy for damage or defect caused by abuse, modifications not executed by Contractor, improper or insufficient maintenance, improper operation, or normal wear and tear and normal usage. If required by Architect or District, Contractor shall furnish satisfactory evidence as to the kind and quality of materials and equipment.
- Contractor guarantees all work against defects in material or workmanship for a period of one (1) year from the date of acceptance or final payment from District, whichever is later.
 - If, after 21 days' notice, Contractor fails to proceed to cure any breach of this warranty, District may have the defects corrected and Contractor and its surety shall be liable for all expenses incurred. In case of an emergency where, in the opinion of District or Architect, delay would cause serious loss or damage, corrective work may be undertaken without advance notice to Contractor, but Contractor and its surety shall remain liable for all expenses incurred. The remedies stated in this subsection are not exclusive, but are cumulative of any other remedies District may have.
 - Contractor shall assign all manufacturers' warranties to District and all guarantees and warranties of goods supplied under this Contract shall be deemed to run to the benefit of District. Contractor shall provide District with all manufacturers' warranty documentation and operations and maintenance manuals not later than the date of final acceptance of the Work by District.
- 29. Employees of Contractor.** At the direction of District and after 7-day opportunity to cure, Contractor will immediately remove any employee of Contractor from all District premises where District determines, in its sole discretion, that removal of such employee would be in the best interests of District.
- 30. Security.** Any disclosure or removal of any matter and/or property, not in conjunction with the specifications, on the part of Contractor or Contractor's employees shall be cause for immediate cancellation of the Contract. Any liability, including but not limited to attorney fees, resulting from any action or suit brought against District as a result of Contractor's or Contractor's employees' willful or negligent release of information, documents, or property contained in or on District property shall be borne by Contractor. All information, documents, and property contained within these facilities shall be considered privileged and confidential.
- 31. Indemnification.**
- To the fullest extent permitted by law, Contractor shall indemnify and hold harmless District, owners representative and employees of any of them from and against claims, damages, losses, and expenses, including but not limited to attorney fees, arising out of or resulting from performance of the Work, provided that such claim, damage, loss, or expense is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property (other than the Work itself), but only to the extent caused by the negligent acts or omissions of Contractor, a subcontractor, anyone directly or indirectly employed by them or anyone for whose acts they may be liable, regardless of whether or not such claim, damage, loss, or expense is caused in part by a party indemnified hereunder. Such obligation shall not be construed to negate, abridge, or reduce other rights or obligations of indemnity that would otherwise exist as to a party or person described in this Section.
 - In claims against any person or entity indemnified under this Section by an employee of Contractor, a subcontractor, anyone directly or indirectly employed by them or anyone for whose acts they may be liable, the indemnification obligation under subsection a of this Section shall not be limited by a limitation on amount or type of damages, compensation, or benefits payable by or for Contractor or a subcontractor under workers' compensation acts, disability benefit acts, or other employee benefit acts.
- 32. Insurance.** Unless otherwise provided below, Contractor shall at all times maintain in force at Contractor's expense, the following insurance coverage:
- Workers' Compensation:** As required by ORS 656.017, subject employers shall provide workers' compensation coverage in accordance with ORS Chapter 656 for all subject workers.

- Contractor and all subcontractors of Contractor with one or more employees shall have this insurance unless exempt under ORS 656.027.
- b. **Commercial General Liability:** Contractor shall purchase and maintain CGL insurance with occurrence-based coverage on ISO Form CG 0001 (12/04 or later) or an equivalent form approved in advance by District. The CGL insurance shall include all major coverage categories including bodily injury, property damage, and completed operations coverage maintained for at least six years following final payment. Contractor shall maintain CGL insurance coverage of at least \$1,000,000 for each claim, incident, or occurrence, and at least \$2,000,000 combined single limit.
- c. **Motor Vehicle Liability:** Contractor shall purchase and maintain motor vehicle liability insurance with coverage for owned, hired, and non-owned vehicles on ISO form CA 00 01 or an equivalent form approved in advance by District. The automobile liability insurance shall include pollution liability coverage with vehicle overturn and collision. Contractor shall maintain motor vehicle liability insurance of at least \$1,000,000 for each claim, incident, or occurrence, and at least \$2,000,000 annual aggregate coverage.
- d. **Builders All-Risk:** Not required – District provides coverage.
- e. **Additional Requirements:** All insurance coverage shall be provided by an insurance company having an A.M. Best rating of at least A- and/or licensed to do business in Oregon. Contractor alone is responsible for paying all deductibles and retentions. A cross-liability clause or separation of insureds condition shall be included in all general liability policies required by this Contract. Contractor's coverage shall be primary in the event of loss.
- f. **Certificate of Insurance:** Contractor shall furnish to District a current certificate of insurance for each of the above required coverages prior to conducting Work under this Contract. Additional insured endorsements must be written on form CG 32 63 10 05. SEE EXHIBIT 4. Each certificate must provide that there shall be no cancellation, termination, material change, or reduction of limits of the insurance coverage without 30 days' prior written notice from Contractor or its insurer to District. Each certificate shall also state the relevant deductible or retention level. For general and automobile liability coverage, the certificate shall also provide that District, its agents, officers, and employees are additional insureds with respect to Contractor's services provided under this Contract. If requested by District, Contractor shall also provide complete copies of insurance policies to District.
- 33. Notice of Injury or Damage to Person or Property.** If any person suffers physical injury or property damage arising from the Work regardless of the cause, Contractor shall give notice of such injury or damage, whether or not insured, immediately to District's authorized representative and Contractor's authorized representative. The notice shall provide sufficient detail to enable District and any other party affected to investigate the matter.
- 34. Waiver.** Waiver of any default under this Contract by District shall not be deemed to be a waiver of any subsequent default or a modification of the provisions of this Contract.
- 35. Arbitration.**
- a. Any Claim arising out of or related to the Contract, except those waived as provided for in Section 19, shall, after decision by Architect or 30 days after submission of the Claim to Architect, be subject to arbitration. At any time, party(ies) may endeavor to resolve disputes by mediation.
- b. Claims shall be decided by arbitration that, unless the parties mutually agree otherwise, shall be in accordance with the rules of the Arbitration Service of Portland, Inc. The demand for arbitration shall be filed in writing with the other party to the Contract and with the Arbitration Service of Portland, Inc., and a copy shall be filed with Architect. Exclusive venue for arbitration shall be in Portland, Oregon.
- c. A demand for arbitration shall be made within a reasonable time after the Claim has arisen, and in no event shall it be made after the date when institution of legal or equitable proceedings based on such Claim would be barred by the applicable statute of limitations.
- 36. Governing Law.** The provisions of this Contract shall be construed in accordance with the laws of the State of Oregon and the Public Contracting Rules of District as they exist at the time of execution of this Contract or any subsequent amendment. Any legal action involving this Contract not subject to arbitration must be brought in Washington County Circuit Court. If the Claim must be brought in a federal forum, then it shall be brought and conducted in the United States District Court for the State of Oregon.
- 37. Severability.** If any term or provision of this Contract is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Contract did not contain the particular term or provision held invalid.
- 38. Merger Clause.** This Contract and the attached exhibits constitute the entire agreement between the parties. All understandings and agreements between the parties and representations by either party concerning this Contract are contained in this Contract. No waiver, consent, modification, or change in the terms of this Contract shall bind either party unless in writing signed by both parties. Any written waiver, consent, modification, or change shall be effective only in the specific instance and for the specific purpose given.
- 39. Anti-discrimination Clause.** Contractor must comply with all applicable requirements of federal and state civil rights law and rehabilitation statutes and shall not discriminate based on race, religion, color, sex, sexual orientation, marital status, familial status, national origin, age, mental or physical disability, or political affiliation in programs, activities, services, benefits, or employment.
- 40. Attorney Fees.** If a suit or action is filed to enforce any of the terms of this Contract, including a request for arbitration under Section 33 of this Contract, the prevailing party shall be entitled to recover from the other party, in addition to costs and disbursements provided by statute, any sum that a court, including any appellate court, or arbitrator may adjudge reasonable as attorney fees. In the event the prevailing party is represented by "in-house" counsel, the prevailing party shall nevertheless be entitled to recover reasonable attorney fees based on the reasonable time incurred and the attorney fee rates and charges reasonably and generally accepted in the metropolitan Portland, Oregon, area for the type of legal services performed.
- 41. Rule of Construction.** The rule of construction that a contract is construed against the drafter shall not apply to any dispute over the interpretation of application of the Contract.
- 42. Removal of Debris.** Contractor shall remove all trash and debris from the site for disposal. Contractor shall clean the work area and remove all trash, debris, and tools at least daily prior to leaving the job site and as needed to maintain a safe work area.

EXHIBIT 2
GRESHAM-BARLOW SCHOOL DISTRICT NO. 10JT
SMALL CONSTRUCTION PROJECTS CONTRACT
STATEMENT OF WORK, COMPENSATION,
PAYMENT, and RENEWAL TERMS

1. Contractor shall perform the following Work:
 - a. Bid Documents issued April 28, 2025
 - b. Addendum 1 issued May 6, 2025
 - c. Addendum 2 issued May 8, 2025
2. The total Contract Price shall be:
 - a. Sam Barlow High School – 581,592.00 (Includes base bid and alternate 2)
3. District shall pay Contractor as described in Section 10 of the Contract.

Payments shall be made to the address below:

Name: Perlo Construction
Title: GBSD Kitchen Projects
Address: 11450 SW Amu St, Tualatin, OR, 97062

4. Contractor will invoice District for the Work as follows:

Invoices shall be submitted to the address below:

Name: Gresham-Barlow School District No. 10JT
Title: _____
Address: ap@gresham.k12.or.us

