**PN 015 – 04/17/2020 - CONTRACT PROVISIONS FOR FEDERAL-AID CONSTRUCTION CONTRACTS**

The required contract provisions for federal-aid construction contracts (contained in Form FHWA 1273 revised May 2012 and located [here](https://www.fhwa.dot.gov/programadmin/contracts/1273/1273.pdf%20)) are hereby incorporated by reference as if rewritten herein. Form FHWA-1273 shall be physically incorporated in all contracts, subcontracts and lower-tier subcontracts (excluding purchase orders, rental agreements and other agreement for supplies or services related to a construction contract). The prime contractor shall be responsible for ensuring that the FHWA-1273 is physically incorporated into all lower-tier subcontracts.

**SANCTIONS AND ADMINISTRATIVE REMEDIES**

Failure by the prime contractor to include the provisions of FHWA-1273 in their contract or in their lower-tier subcontracts may result in the issuance of sanctions as follows:

1 st Tier: Letter of Reprimand

2 nd Tier: Damages equivalent to the daily liquidated damages amount found in section 108.07 for each incident of non-compliance

3 rd Tier: If a pattern of paying damages persists or the Contractor has falsified, misrepresented or withheld information, ODOT can pursue other remedies available by law including suspension, revocation, and/or debarment.

Factors to be considered in issuing sanctions may include, but are not limited to the following:

· the magnitude and the type of offense;

· the degree of the Contractor’s culpability;

· any steps taken to rectify; and

· the Contractor’s record of performance on other projects

· the number of times the Contractor has been previously sanctioned by ODOT.