



**OHIO COUNTY WATER DISTRICT
METER REPLACEMENT BID
2022**

Ohio County Water District
P.O. Box 207
124 East Washington Street
Hartford, KY 42347
Attn: Eric Hickman, P.E. – General Manager
(270)298-7704
ehickman@ocwdky.org

**OHIO COUNTY WATER DISTRICT
METER REPLACEMENT BID
2022**

**BIDDING REQUIREMENT, CONTRACT FORMS AND
CONDITIONS OF THE CONTRACT**

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INVITATION TO BID

The Ohio County Water District (OCWD) will accept sealed bids for 2022 Meter Replacement work until 09:00 a.m. Central Time on the 21st day of September, 2022, at which time all bids will be publicly opened and read aloud in the Conference Room at 124 East Washington Street, Hartford, Kentucky.

Bids shall be delivered to Eric Hickman, P.E., General Manager, P.O. Box 207, 124 East Washington Street, Hartford, KY 42347, prior to the time of opening of the bids. Any questions may be directed to Mr. Hickman by telephone (270) 298-7704 or email at ehickman@ocwdky.org.

The CONTRACT DOCUMENTS may be examined at 124 East Washington Street, Hartford, Kentucky 42347 or requested electronically from Mr. Hickman.

The proposed work consists of installation of approximately 1,200 owner supplied residential water meters at various locations in the Ohio County Water District service area. Locations will be acquired and furnished to the installation contractor by the Ohio County Water District.

Bidders shall provide the following information in the bid package:

- Complete Bid Form
- Faxed or emailed bids will not be accepted.
- Certificate of Insurance
- References
- All bids shall be marked on the outside of the sealed envelope:
“METER REPLACEMENT BID”
- No bidder may withdraw his bid for 30 days, while the Owner considers the bids. Mutually agreed upon time extensions may be made if necessary.
- The Ohio County Water District is an Equal Opportunity Employer.
- The Ohio County Water District reserves the right to accept or reject any and all portions of the bids and to waive all formalities in the award of the bid.
- The Ohio County Water District reserves the right to award portions of the bid to various contractors based on the rate of service for each property.
- The Ohio County Water District will award the lowest responsive and responsible bidder for each location.

OHIO COUNTY WATER DISTRICT

Eric Hickman, P.E.
General Manager

INFORMATION FOR BIDDERS

PREPARATION AND SUBMISSION OF BID FORM

Bidders shall inform themselves fully of all conditions relating to the proposed work.

BIDS will be received by the **OHIO COUNTY WATER DISTRICT** (herein called the "OCWD"), at **124 EAST WASHINGTON STREET, HARTFORD, KENTUCKY** until **09:00 A.M.**, Central Time, this 21st day of September, 2022 and then at said office shall be opened and publicly read aloud in the Conference Room at 124 East Washington Street.

Each BID must be submitted either by hand or by appropriate mail carrier in a sealed envelope, addressed to:

Eric Hickman, P.E. - General Manager

P.O. Box 207

124 East Washington Street

Hartford, KY 42347

Each sealed envelope containing a BID must be plainly marked on the outside as BID for "**Meter Replacement Bid**" and the envelope should bear on the outside the BIDDER'S name.

All BIDS must be made on the required BID form. All blank spaces for BID prices must be filled in, in ink or typewritten, and the BID form must be fully completed and executed when submitted.

Should the Bidder in preparing his Bid find anything necessary for the bidding that is not mentioned in the Contract Documents, he shall notify the General Manager so that such items may be included or corrected.

The OCWD may waive any informalities or minor defects or reject any and all BIDS. Any BID may be withdrawn prior to the above scheduled time for the opening of BIDS or authorized postponement thereof. Any BID received after the time and date specified shall not be considered. No BIDDER may withdraw a BID within 30 days after the actual date of the opening thereof.

Should there be reasons why the contract cannot be awarded within the specified period; the time may be extended by mutual agreement between the OCWD and the BIDDER.

PROJECT SCOPE:

The installation of approximately one thousand two hundred (1,200) 5/8" x 3/4", Owner supplied Sensus SRII water meters including all labor to remove and install new, including cleaning/dewatering of pits and identification of material of service lines (both sides of meter pit); loading, transporting, and unloading existing meters at OCWD's Distribution facility located at 230 East First Street, Beaver Dam, KY 42320; data collection required to register meters in the reading/billing system; cleanup and disposal of debris; complete in place and ready for use. Each bid item shall include any handling fees, fuel surcharges, or any other fees/charges associated with the installation of the products.

WORK HOURS AND SCHEDULE:

Contractor shall establish an overall schedule for installation of the entire project. On the first workday of each week, the Proposer will provide the OCWD an updated schedule of where work is planned for the next 2 weeks.

By 7:30 a.m. CST on the first business day of each week, the Proposer will provide the OCWD a schedule of where work is planned for that day and each subsequent day of that week, to enable coordination and communication between the OCWD and Contractor for the work. If the schedule changes for whatever reason, an updated daily schedule shall be forwarded to OCWD within 24 hours.

Contractor shall propose normal work hours, which must be approved by OCWD. Indicate the number of installers proposed for all installation periods, including those that might be allocated to evenings and weekend times.

PROFILE AND QUALIFICATIONS OF PROPOSING CONTRACTOR:

Include in the Bid Submittal a brief description of the proposer's firm, including firm name, address, phone number, email address, and primary contact person; brief firm history, including

the current permanent staff size as well as local origination structure; and a discussion of the firm's financial stability, capacity, and resources. Additionally, this section shall include a listing of any claim, lawsuit or litigation and the result of that action resulting from (a) any public project undertaken by the Proposer either as contractor or subcontractor or by its subcontractors where litigation is still pending or has occurred within the last five years, or (b) any type of project where claims or settlements were paid by the company or its insurers within the last five years.

The submittal shall include a brief description of the Proposer's qualification and previous experience supplying like services and/or equipment to similar public agencies. Include all areas of expertise, scope of services provided, and relevant experience, including description of each project, role of professional for that project and date completed. Include product provided, the total project cost, the period over which the provision and training was completed, and the name, title, phone number and email address of clients to be contacted for references. Give a brief statement of the firm's adherence to the schedule and budget for each project. Five (5) references from clients with similar projects must be submitted along with the names and telephone numbers of contact persons.

WORK PLAN AND SCHEDULE:

Present a well-articulate work/service plan (Deployment Plan), prior to commencing work. Include a full description of major services provided, tasks, and subtasks. This section of the proposal shall establish that the Proposer understands OCWD's objective and work requirements and Proposer's ability to satisfy those objectives and requirements. Succinctly describe the proposed approach for addressing the required services, and the firm's ability to meet OCWD's schedule, outlining the approach that would be undertaken in providing the requested services. Describe the project understanding, detailed project approach and methodology. List specific proposed services and support and trains services to be provided.

The Deployment Plan should include, at a minimum, the following elements:

1. Door hanger/customer contact prior to meter exchange (contact may be by letter or in person).
2. Address and meter verification

3. Date and time of exchange
4. Digital photo of existing meter
5. Existing meter final reading and recording
6. New meter and endpoint data recording (serial numbers)
7. New meter installation and digital photo
8. GPS locate

A workflow will be established utilizing OCWD's Arc GIS online asset management dashboard for meter changeout. The workflow must be followed by the Contractors personnel in order to collect the needed data for the new meters to be integrated into OCWD's billing system. It is preferred the contractor use an iPad to perform the data collection of the work and attach photos to each meter changeout completed.

Contractor's field personnel shall carry picture identification badges containing Contractor's name, employee name and title while performing contract work. It is preferable for Contractor's employees to wear uniforms or other clearly identifiable logo imprinted clothing (t-shirts, vests, etc.) that distinguish contractor's employees from OCWD employees. Contractor vehicles shall display clearly identifiable signs, logos or decals bearing the name of the company.

INSPECTION AND COMPLETION:

The Owner shall make periodic observations during construction to provide final certification that the improvements were installed in conformance with OCWD standards and the approved construction drawings and/or specifications. In addition to observation by the Owner, a final inspection will be made. Final inspection will be made prior to acceptance of any facilities and only after all construction is complete.

The project will be considered complete conditioned on the following:

1. Electronic submission of a list of completed installations containing for each installation the premise street address, meter serial number, meter reading, endpoint serial number, meter pit GPOS coordinates or location description, installer's name, and all other relevant to the installation;
2. Receipt or access to required digital photographs taken before and after installation;

3. Satisfactory inspection by Contractor and OCWD in the case if anomalies or leaks. Leak inspections of each meter will occur within thirty (30) days of installation;
4. Confirmation that meter and endpoint serial numbers and other information have been correctly captured in OCWD's asset management database for each customer's premises; and
5. In order for an install to be considered complete, accepted, and paid by OCWD, the endpoint must be able to be read by the drive-by AMR system.

BID PRICES - UNIT PRICES:

The unit price for each of the items in the Proposal of each Bidder shall include its pro-rata share of overhead and profit. Bid Prices shall include any and all delivery transportation charges, handling charges, FOB destination, fees, taxes, labor, materials, equipment, water, fuel, tools and services necessary for complete manufacture, delivery or pick-up. No additional charges shall be added to the invoice. Bid Prices shall begin upon execution of the contract and end once the project is completed.

PROPOSAL TERMS:

The Bidder agrees that no minimum amount of contract work shall be required for the unit prices as quoted.

CONTRACT TIME:

The contract shall be binding upon the Ohio County Water District and the Successful Bidder, his partners, successors, assigns, and legal representatives for calendar year 2022-2023 ending December 31, 2023. Neither the Owner nor the successful Bidder shall have the right to assign, transfer, or sublet their interests or obligations hereunder without consent of the other party. However, in the event of default by the successful Bidder, the Ohio County Water District shall have the right to terminate this Contract after giving five (5) days written notice of termination to the successful Bidder.

The term of the contract may be renewable for an additional one-year term, ending **December 31, 2024**, upon the mutual agreement of both parties. The General Manager, acting as agent for the

Owner, shall determine, in his sole discretion, the option to renewal. This renewal option shall be exercised by both parties executing and delivering the written One-Year Renewal Agreement. The OCWD reserves the right to have the OCWD meter replacement work performed at the quoted prices until the One-Year Renewal Agreement has been executed by the parties. However, in no case shall the Vendor be bound to maintain these prices past **December 31, 2023**.

INSURANCE:

The CONTRACTOR shall purchase and maintain such insurance as will protect him from claims set forth below which may arise out of, or result from the CONTRACTOR'S execution of the WORK, whether such execution be by the CONTRACTOR, any SUBCONTRACTOR, or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable.

The CONTRACTOR'S General Public Liability and Property Damage Insurance including vehicle coverage issued to the CONTRACTOR and protecting the CONTRACTOR from all claims for personal injury, including death, and all claims for destruction of or damage to property, arising out of or in connection with any operations under the CONTRACT DOCUMENTS, whether such operations be by the CONTRACTOR or by any SUBCONTRACTOR employed by the CONTRACTOR or anyone directly or indirectly employed by the CONTRACTOR or by a SUBCONTRACTOR employed by the CONTRACTOR. Insurance shall be written with a limit of liability of not less than \$1,000,000 for all damages arising out of bodily injury, including death, at any time resulting there from, sustained by any one person in any one accident; and a limit of liability of not less than \$1,000,000 aggregate for any such damages sustained by two or more persons in any one accident. Insurance shall be written with a limit of liability of not less than \$1,000,000 for all property damage sustained by any one person in any one accident; and a limit of liability of not less than \$1,000,000 aggregate for any such damage sustained by two or more persons in any one accident.

The necessary AGREEMENT shall accompany the NOTICE OF AWARD.

Responsiveness of bidder will be defined by:

- The completeness and regularity of Bid Form.
- A Bid Form without exclusions or special conditions.
- A Bid Form having no alternative bids for any items unless requested.

Responsibility will be based on whether the bidder:

1. Maintains a permanent place of business
2. Has required liability insurance
3. Has a satisfactory performance record by submitting references
4. Has the appropriate equipment and personnel to complete the job

All applicable laws, ordinances, and the rules and regulations of all authorities having jurisdiction over construction of the PROJECT shall apply throughout the contract.

BID

PROPOSAL of _____

(hereinafter called "BIDDER"), organized and existing under the Laws of the State of Kentucky doing business in Kentucky as _____.

To **Ohio County Water District** (hereinafter called "OCWD").

In compliance with your Advertisement for Bids, BIDDER hereby proposes to provide LABOR for the "METER REPLACEMENT BID" as noted in the Contract Documents.

"METER REPLACEMENT BID" in strict accordance with the CONTRACT DOCUMENTS, within the time set forth therein, and at the prices stated below. By submission of this BID, each BIDDER certifies, and in the case of a joint BID each party thereto certifies as to its own organization, that this BID has been arrived at independently, without consultation, communication, or agreement as to any matter relating to the BID with any other BIDDER or with any competitor.

The BIDDER declares he has examined these Contract Documents for the bid and has read all special provisions furnished prior to the opening of bids; and that he has satisfied himself relative to the work to be performed. The BIDDER further declares that he understands the unit price work is subject to increase or decrease. Should the quantities be decreased, the undersigned will make no claim for anticipated profits.

BIDS shall include sales tax and all other applicable taxes and fees. The OCWD **will not be** responsible for any sales tax.

The BIDDER understands that the Owner reserves the right to accept or reject any portion or all bids and to waive any informalities in the bidding.

The BIDDER agrees that his Bid shall be good and may not be withdrawn for period of 30 calendar days after the scheduled closing time for receiving bids.

BID FORM:

METER REPLACEMENT BID

ITEM NO	DESCRIPTION	UNIT	UNIT BID PRICE
1	5/8" X 3/4" Sensus SR II Meter Install	EA	\$ _____
2	Service Line Replacement 3/4"	LF	\$ _____
3	Meter Lid Box Replacement	EA	\$ _____

Completion Schedule:

Number of days from Notice of Award to begin work: _____ days

Number of days to changeout approximately 1,200 meters: _____ days

BID FORM (Continued)

THE ABOVE PROPOSAL IS HEREBY RESPECTFULLY SUBMITTED BY:

BIDDER: _____

BY: _____ DATE: _____

TITLE: _____

ADDRESS: _____

PHONE: _____ FAX: _____

CELL PHONE: _____ E-MAIL: _____

FEDERAL TAXPAYER IDENTIFICATION NUMBER: _____

AGREEMENT

THIS AGREEMENT, made this _____ day of _____ 2022, by and between the **Ohio County Water District**, hereinafter called "OCWD", and _____ doing business in Kentucky as _____, hereinafter called "CONTRACTOR". WITNESSETH: That for and in consideration for the payments and agreements hereinafter mentioned:

1. The CONTRACTOR will perform work consisting of the installation of water lines, water meters, fire hydrants, emergency work, and all other general contract work associated with the operation and maintenance of OCWD's distribution system in accordance with OCWD specifications. All materials will be furnished by the OCWD
2. The term "CONTRACT DOCUMENTS" means and includes the following:
 - A. INVITATION TO BID
 - B. INFORMATION FOR BIDDERS
 - C. BID
 - D. BID FORM
 - E. AGREEMENT
 - F. NOTICE OF AWARD
3. The CONTRACTOR agrees to perform all of the WORK described in the CONTRACT DOCUMENTS and comply with the terms therein as shown in the BID FORM.
4. This Agreement shall be binding upon all parties hereto and their respective heirs, executors, administrators, successors and assigns.

IN WITNESS WHEREOF, the parties hereto have executed or caused to be executed by their duly authorized official, this Agreement in (2) two copies each of which shall be deemed an original on the date first above written.

OWNER: **Ohio County Water District** _____

ATTEST: _____

BY: _____

Eric J. Hickman, P.E. - General Manager

CONTRACTOR: _____

ATTEST: _____

as _____

NAME: _____

Please Print

BY: _____

Sign

ADDRESS: _____

NOTICE OF AWARD

TO:

PROJECT: METER REPLACEMENT BID

The OCWD has considered the BID submitted by you for the above-described WORK in response to its Advertisement for Bids and Information for Bidders, with bids opened on this ____ day of _____, 2022.

You are hereby notified that your BID has been accepted.

You are required by the Information for Bidders to execute the Agreement within ten (10) calendar days from the date of this Notice to you. If you fail to execute said Agreement the OCWD will be entitled to consider all your rights arising out of the OCWD'S acceptance of your BID as abandoned. The OCWD will be entitled to such other rights as may be granted by law.

You are required to return an acknowledged copy of this NOTICE OF AWARD to the OCWD.

Dated this ____ day of _____, 2022.

OHIO COUNTY WATER OCWD.

BY: _____ TITLE: _____

(Eric J. Hickman, P.E.)

General Manager

MEASUREMENTS and PAYMENTS

REQUESTS FOR PAYMENT

The Contractor may submit each month, and no more than once a month, a Request for Payment for work completed. The Contractor shall furnish the Owner all reasonable facilities required for obtaining the necessary information relative to the progress and execution of the work. **Each monthly payment will be made based on the work complete to the end of the month only. Payments for items partially complete shall not be allowed.** The Owner will make partial payments on or about **thirty (30) days** after submission of a properly completed invoice and approval of the completed work. **Any oversight of work not included in a scheduled monthly payment will be included with the following monthly payment.** At the OCWD's discretion, a ten percent (**10%**) retainage may be held until final completion and acceptance of the work.

OWNER'S ACTION ON A REQUEST FOR PAYMENT

Within thirty (30) days from the date of a Request for Payment, the Owner will:

- a. Pay the request for Payment, or
- b. Pay such other amount as he may decide is due the Contractor, informing the Contractor in writing of his reasons for paying the amended amount, or
- c. Withhold payment informing the Contractor of his reasons for withholding payment.

OWNER'S RIGHT TO WITHHOLD

The Owner may withhold payment in whole or in part to the extent necessary to protect himself from loss on account of any of the following causes discovered subsequent to approval of a Request for Payment by the Engineer.

- a. Defective work.
- b. Evidence indicating the probable filing of claims by other parties against the Contractor.
- c. Failure of the Contractor to make payments to subcontractors, material supplier or labor.
- d. Damage to another contractor.

PAYMENTS FOR EXTRA WORK

Written notice of claims for payments for extra work shall be given by the Contractor within ten (10) days after receipt of instructions from the Owner to proceed with the extra work, and also before any work is commenced, except in emergency endangering life or property. No claim shall be valid unless so made. In all cases, the Contractor's itemized estimate sheets showing all labor and materials shall be submitted to the Owner. The Owner's order for extra work shall specify any extension of the Contract time and one of the following methods of payment:

- A. Unit Prices
 - a. Unit Prices or combinations of unit prices which formed the basis of the original Contract.
- B. Lump Sum
 - a. A lump sum based on the Contractor's estimate, accepted by the Owner, and approved by the Engineer.
- C. Cost Plus Multiplier
 - a. Actual cost plus a fixed fee, not to exceed fifteen percent (15%) of the cost of the work. The "cost of the work" shall be the actual cost of the following:
 1. Labor, including foremen.
 2. Materials entering permanently into the work.
 3. The ownership or rental cost of construction plant and equipment during the time of use on the extra work.
 4. Power and consumable supplies for the operation of power equipment.

5. Insurance.
 6. Social Security, FICA and unemployment contributions.
- D. Negotiated Agreement
- a. Supplemental agreement between the Owner and Contractor.

CORRECTION OF FAULTY WORK AFTER FINAL PAYMENT

The approval of the final Request for Payment by the Engineer and the making of the final payment by the Owner to the Contractor shall not relieve the Contractor of responsibility for faulty materials or workmanship. The Owner will promptly give notice of faulty materials or workmanship and the Contractor shall promptly replace any such defects discovered within **one (1) year** from the date of written acceptance of the work. The Engineer will decide all questions arising under this paragraph, and all such decisions will be subject to arbitration.

GENERAL CONDITIONS

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GENERAL CONDITIONS

1. DEFINITIONS

- 1.1 Wherever used in the CONTRACT DOCUMENTS, the following terms shall have the meanings indicated and shall be applicable to both the singular and plural thereof:
- 1.2 ADDENDA – Written or graphic instruments issued prior to the execution of the **Agreement** which modify or interpret the CONTRACT DOCUMENTS, DRAWINGS and SPECIFICATIONS, by additions, deletions, clarifications or corrections.
- 1.3 BID – The offer or proposal of the BIDDER submitted on the prescribed form setting forth the prices for the WORK to be performed.
- 1.4 BIDDER – Any person, firm or corporation submitting a BID for the WORK.
- 1.5 BONDS – BID, PERFORMANCE, and PAYMENT BONDS and other instruments of security, furnished by the CONTRACTOR and the CONTRACTOR'S surety in accordance with the CONTRACT DOCUMENTS.
- 1.6 CHANGE ORDER – A written order to the CONTRACTOR authorizing an addition, deletion or revision in the WORK within the general scope of the CONTRACT DOCUMENTS, or authorizing an adjustment in the CONTRACT PRICE or CONTRACT TIME.
- 1.7 CONTRACT DOCUMENTS – The CONTRACT, including ADVERTISEMENT for BIDS, Information for BIDDERS, BID, BID BOND, AGREEMENT, PAYMENT BOND, PERFORMANCE BOND, NOTICE of AWARD, NOTICE to PROCEED, CHANGE ORDER, DRAWINGS, SPECIFICATIONS, and ADDENDA.
- 1.8 CONTRACT PRICE – The total monies payable to the CONTRACTOR under the terms and conditions of the CONTRACT DOCUMENTS.
- 1.9 CONTRACT TIME – The number of calendar days stated in the CONTRACT DOCUMENTS for the completion of the WORK.
- 1.10 CONTRACTOR – The person, firm or corporation with whom the OWNER has executed the AGREEMENT.
- 1.11 DRAWINGS – The part of the CONTRACT DOCUMENTS which show the characteristics and scope of the WORK to be performed and which have been prepared or approved by the OWNER
- 1.12 ENGINEER – The person, firm or corporation named as such in the CONTRACT DOCUMENTS.
- 1.13 FIELD ORDER – A written order effecting a change in the WORK not involving an adjustment in the CONTRACT PRICE or an extension of the CONTRACT TIME, issued by the OWNER to the CONTRACTOR during construction.

- 1.14 NOTICE OF AWARD – The written notice of the acceptance of the BID from the OWNER to the successful BIDDER.
- 1.15 NOTICE TO PROCEED – Written communication issued by the OWNER to the CONTRACTOR authorizing him to proceed with the WORK and establishing the date of the commencement of the WORK.
- 1.16 OWNER – A public or quasi-public body or authority, corporation, association, partnership, or an individual for whom the WORK is to be performed.
- 1.17 PROJECT – The undertaking to be performed as provided in the CONTRACT DOCUMENTS.
- 1.18 RESIDENT PROJECT REPRESENTATIVE – The authorized representative of the OWNER who is assigned to the PROJECT site or any part thereof.
- 1.19 SHOP DRAWINGS – All drawings, diagrams, illustrations, brochures, schedules and other data which are prepared by the CONTRACTOR, a SUBCONTRACTOR, MANUFACTURER, SUPPLIER OR DISTRIBUTOR, which illustrate how specific portions of the WORK shall be fabricated or installed.
- 1.20 SPECIFICATIONS – a part of the CONTRACT DOCUMENTS consisting of written descriptions of a technical nature of materials, equipment, construction systems, standards and workmanship.
- 1.21 SUBCONTRACTOR – An individual, firm, or corporation having a direct CONTRACT with CONTRACTOR or with any other SUBCONTRACTOR for the performance of a part of the WORK at the site.
- 1.22 SUBSTANTIAL COMPLETION – That date as certified by the OWNER when the CONSTRUCTION of the PROJECT or a specified part thereof is sufficiently completed, in accordance with the CONTRACT DOCUMENTS, so that the PROJECT or specified part can be utilized for the purposes for which it is intended.
- 1.23 SUPPLEMENTAL GENERAL CONDITIONS – Modifications to GENERAL CONDITIONS required by a Federal Agency for participation in the PROJECT and approved by the agency in writing prior to inclusion in the CONTRACT DOCUMENTS, or such requirements that may be imposed by applicable State Laws.
- 1.24 SUPPLIER – Any person or organization who supplies materials or equipment for the WORK, including that fabricated to a special design, but who does not perform labor at the site.
- 1.25 WORK – All labor necessary to produce the CONSTRUCTION required by the CONTRACT DOCUMENTS, and all materials and equipment incorporated or to be incorporated in the PROJECT.
- 1.26 WRITTEN NOTICE – Any notice to any party of the AGREEMENT relative to any part of this Agreement in writing and considered delivered and the service thereof completed,

when posted by certified or registered mail to the said party at his last given address or delivered in person to said party or his authorized representative on the WORK.

2. ADDITIONAL INSTRUCTIONS AND DETAIL DRAWINGS

2.1 The CONTRACTOR may be furnished additional instructions and detail drawings, by the OWNER, as necessary to carry out the WORK required by the CONTRACT DOCUMENTS.

2.1.1 The additional DRAWINGS and instructions thus supplied will become a part of the CONTRACT DOCUMENTS. The CONTRACTOR shall carry out the WORK in accordance with the additional DETAILED DRAWINGS and instructions.

3. SCHEDULES, REPORTS AND RECORDS

3.1 The CONTRACTOR shall submit to the OWNER such schedule of quantities and costs, progress schedules, payrolls, reports, estimates, records and other data where applicable as are required by the CONTRACT DOCUMENTS for the WORK to be performed.

3.2 Prior to the first partial payment estimate the CONTRACTOR shall submit CONSTRUCTION progress schedules showing the order in which the CONTRACTOR proposes to carry on the WORK, including dates at which the various parts of the WORK will be started, estimated date of completion of each part and, as applicable:

3.2.1 The dates at which special DETAIL DRAWINGS will be required; and

3.2.2 Respective dates for submission of SHOP DRAWINGS, the beginning of manufacture, the testing and the installation of materials, supplies and equipment.

3.3 The CONTRACTOR shall also submit a schedule of payments that the CONTRACTOR anticipates he will earn during the course of the WORK.

4. DRAWINGS AND SPECIFICATIONS

4.1 The intent of the DRAWINGS and SPECIFICATIONS is that the CONTRACTOR shall furnish all labor, materials, tools, equipment, and transportation necessary for the proper execution of the WORK in accordance with the CONTRACT DFOCUMENTS and all incidental work necessary to complete the PROJECT in an acceptable manner, ready for use, occupancy or operation by the OWNER.

4.2 In case of conflict between the DRAWINGS and SPECIFICATIONS, the SPECIFICATIONS shall govern. Figure dimensions on DRAWINGS shall govern over scale dimensions, and detailed DRAWINGS shall govern over general DRAWINGS.

- 4.3 Any discrepancies found between the DRAWINGS and SPECIFICATIONS, and site conditions or any inconsistencies or ambiguities in the DRAWINGS or SPECIFICATIONS shall be immediately reported to the OWNER, in writing, who shall promptly correct such inconsistencies or ambiguities in writing. WORK done by the CONTRACTOR after his discovery of such discrepancies, inconsistencies or ambiguities shall be done at the CONTRACTOR'S risk.

5. SHOP DRAWINGS

- 5.1 The CONTRACTOR shall provide SHOP DRAWINGS as may be necessary for the prosecution of the WORK as required by the CONTRACT DOCUMENTS. The OWNER shall promptly review all SHOP DRAWINGS. The OWNER'S approval of any SHOP DRAWINGS shall not release the CONTRACTOR from responsibility for deviations from the CONTRACT DOCUMENTS. The approval of any SHOP DRAWING which substantially deviates from the requirement of the CONTRACT DOCUMENTS shall be evidenced by a CHANGE ORDER.
- 5.2 When submitted for the OWNER'S review, SHOP DRAWINGS shall bear the CONTRACTOR'S certification that he has reviewed; checked and approved the SHOP DRAWINGS and those they are in conformance with the requirements of the CONTRACT DOCUMENTS.
- 5.3 Portions of the WORK requiring a SHOP DRAWING or sample submission shall not begin until the OWNER has approved the SHOP DRAWING or submission. A copy of each approved SHOP DRAWING and each approved sample shall be kept in good order by the CONTRACTOR at the site and shall be available to the OWNER.

6. MATERIALS, SERVICES AND FACILITIES

- 6.1 It is understood that, except as otherwise specifically stated in the CONTRACT DOCUMENTS, the CONTRACTOR shall provide and pay for all materials, labor, tools, equipment, water, light, power, transportation, supervision, temporary construction of any nature, and all other services and facilities of any nature whatsoever necessary to execute, complete, and deliver the WORK within the specified time.
- 6.2 Materials and equipment shall be so stored as to insure the preservation of their quality and fitness for the WORK. Stored materials and equipment to be incorporated in the WORK shall be located so as to facilitate prompt inspection.
- 6.3 Manufactured articles, materials and equipment shall be applied, installed, connected, erected, used, cleaned and conditioned as directed by the manufacturer.
- 6.4 Materials, supplies, and equipment shall be in accordance with samples submitted by the CONTRACTOR and approved by the OWNER.

6.5 Materials, supplies or equipment to be incorporated in the WORK shall not be purchased by the CONTRACTOR or the SUBCONTRACTOR subject to a chattel mortgage or under a conditional sale contract or other agreement by which an interest is retained by the seller.

7. INSPECTION AND TESTING

7.1 All materials and equipment used in the CONSTRUCTION of the PROJECT shall be subject to adequate inspection and testing in accordance with generally accepted standards, as required and defined in the CONTRACT DOCUMENTS.

7.2 The OWNER shall provide all inspection and testing services not required by the CONTRACT DOCUMENTS.

7.3 The CONTRACT shall provide at the CONTRACTOR'S expense the testing and inspection services required by the CONTRACT DOCUMENTS.

7.4 If the CONTRACT DOCUMENTS, laws, ordinances, rules, regulations or orders of any public authority having jurisdiction require any WORK to specifically be inspected, tested, or approved by someone other than the CONTRACTOR, the CONTRACTOR will give the OWNER timely notice of readiness. The CONTRACTOR will then furnish the OWNER the required certificates of inspection, testing or approval.

7.5 Inspections, tests or approvals by the OWNER or others shall not relieve the CONTRACTOR from his obligations to perform the WORK in accordance with the requirements of the CONTRACT DOCUMENTS.

7.6 The OWNER and the OWNER'S representative will at all times have access to the WORK. In addition, authorized representatives and agents of any participating Federal or State agency shall be permitted to inspect all WORK, materials, payrolls, and records of personnel, invoices of materials, and other relevant data and records. The CONTRACTOR will provide proper facilities for such access and observation of the WORK and also for any inspection or testing thereof.

7.7 If any WORK is covered contrary to the written instructions to the OWNER, it must, if requested by the OWNER, be uncovered for the OWNER'S observation and replaced at the CONTRACTOR'S expense.

7.8 If the OWNER considers it necessary or advisable that covered WORK be inspected or tested by others, the CONTRACTOR, at the OWNER'S request, will uncover, expose or otherwise make available for observation, inspection or testing as the OWNER may require, that portion of the WORK in question, furnishing all necessary labor, materials, tools, and equipment. If it is found that such WORK is defective, the CONTRACTOR will bear all the expenses of such uncovering, exposure, observation, inspection and testing and of satisfactory reconstruction. If, however, such WORK is not found to be defective, the CONTRACTOR will be allowed an increase in the CONTRACT PRICE or an extension of the

CONTRACT TIME, or both, directly attributable to such uncovering, exposure, observation, inspection, testing and reconstruction and an appropriate CHANGE ORDER shall be issued.

8. SUBSTITUTIONS

- 8.1 Whenever a material, article, or piece of equipment is identified on the DRAWINGS or SPECIFICATIONS by reference to brand name or catalogue numbers, it shall be understood that this is referenced for the purpose of defining the performance or other salient requirements and that other products of equal capacities, quality and function shall be considered. The CONTRACTOR may recommend the substitution of a material, article, or piece of equipment of equal substances and function for those referred to in the CONTRACT DOCUMENTS by reference to brand name or catalogue number, and if, in the opinion of the OWNER, such material, article, or piece of equipment is of equal substance and function to that specified, the OWNER may approve its substitution and use by the CONTRACTOR. Any cost differential shall be deductible from the CONTRACT PRICE and the CONTRACT DOCUMENTS shall be appropriately modified by CHANGE ORDER. The CONTRACTOR warrants that if substitutions are approved, no major changes in the function or general design of the PROJECT will result. Incidental changes or extra component parts required to accommodate the substitute will be made by the CONTRACTOR without a change in the CONTRACT PRICE or CONTRACT TIME.

9. PATENTS

- 9.1 The CONTRACTOR shall pay all applicable royalties and license fees. He shall defend all suits or claims for infringement of any patent rights and save the OWNER and ENGINEER harmless from loss on account thereof, except that the OWNER shall be responsible for any such loss when a particular process, design, or product of a particular manufacturer or manufacturers is specified. However, if the CONTRACTOR has reason to believe that the design, process or product specified is an infringement of a patent, the CONTRACTOR shall be responsible for such loss unless the CONTRACTOR promptly gives such information to the OWNER.

10. SURVEYS, PERMITS, REGULATIONS

- 10.1 The OWNER shall furnish all boundary surveys and establish all base lines for locating the principal component parts of the WORK together with a suitable number of bench marks adjacent to the WORK as shown in the CONTRACT DOCUMENTS. From the information provided by the OWNER, unless otherwise specified in the CONTRACT DOCUMENTS, the CONTRACTOR shall develop and make all detail surveys needed for CONSTRUCTION such as

slope stakes, batter boards, stakes for pile locations and other working points, lines, elevations and out sheets.

- 10.2 The CONTRACTOR shall carefully preserve bench marks, reference points and stakes and, in case of willful or careless destruction, shall be charged with the resulting expense and shall be responsible for any mistake that may be caused by their unnecessary less or disturbance.
- 10.3 Permits and licenses of a temporary nature necessary for the prosecution of the WORK shall be secured and paid for by the CONTRACTOR unless otherwise stated in the SUPPLEMENTAL GENERAL CONDITIONS. Permits, licenses and easements for permanent structures or permanent changes in existing facilities shall be secured and paid for by the OWNER, unless otherwise specified. The CONTRACTOR shall give all notices and comply with all laws, ordinances, rules and regulations bearing on the conduct of the WORK as drawn and specified. If the CONTRACTOR observes that the CONTRACT documents are at variance therewith, the CONTRACTOR shall promptly notify the OWNER in writing, and any necessary changes shall be adjusted as provided in Section 13, CHANGES IN THE WORK.

11. PROTECTION OF WORK, PROPERTY AND PERSONS

- 11.1 The CONTRACTOR will be responsible for initiating, maintaining and supervising all safety precautions and programs in connection with the WORK. The CONTRACTOR will take all necessary precautions for the safety of, and will provide the necessary protection to prevent damage, injury or loss to all employees on the WORK and other persons who may be affected thereby, all the WORK and all materials or equipment to be incorporated therein, whether in storage on or off the site, and other property at the site or adjacent thereto, including trees, shrubs, lawns, walks, pavements, roadways, structures and utilities not designated for removal, relocation or replacement in the course of CONSTRUCTION.
- 11.2 The CONTRACTOR will comply with all applicable laws, ordinances, rules, regulations and orders of any public body having jurisdiction. The CONTRACTOR will erect and maintain, as required by the conditions and progress of the WORK, all necessary safeguards for safety and protection. The CONTRACTOR will notify owners of adjacent utilities when prosecution of the WORK may affect them. The CONTRACTOR will remedy all damage, injury or loss to any property caused, directly or indirectly, in whole or in part, by the CONTRACTOR, any SUBCONTRACTOR, or anyone directly or indirectly employed by any of them or anyone of whose acts any of them be liable, except damage or loss attributable to the fault of the CONTRACT DOCUMENTS or to the acts or omissions of the OWNER or the ENGINEER or anyone or to the acts or omissions of the OWNER or the ENGINEER or anyone employed by either of them or anyone for whose acts either of them may be liable, and not attributable, directly or indirectly, in whole or in part, to the fault or negligence of the CONTRACTOR.

11.3 In emergencies affecting the safety of persons or the WORK or property at the site or adjacent thereto, the CONTRACTOR, without special instructions or authorization from the ENGINEER or OWNER, shall act to prevent threatened damage, injury or loss. The CONTRACTOR will give the OWNER prompt WRITTEN NOTICE of any significant changes in the WORK or deviations from the CONTRACT documents cause thereby, and a CHANGE ORDER shall there upon be issued covering the changes and deviations involved.

12. SUPERVISION BY CONTRACTOR

12.1 The CONTRACTOR will supervise and direct the WORK. He will be solely responsible for the means, methods, techniques, safety, sequences and procedures of CONSTRUCTION. The CONTRACTOR will employ and maintain on the WORK a qualified SUPERVISOR or SUPERINTENDENT who shall have been designated in writing by the CONTRACTOR as the CONTRACTOR'S representative at the site. The SUPERVISOR shall have full authority to act on behalf of the CONTRACTOR and all communications given to the SUPERVISOR shall be as binding as if given to the CONTRACTOR. The SUPERVISOR shall be present on the site at all times as required to perform adequate supervision and coordination of the WORK

13. CHANGES IN THE WORK

13.1 The OWNER may at any time, as the need arises, order changes within the scope of the WORK without invalidating the AGREEMENT. If such changes increase or decrease the amount due under the CONTRACT DOCUMENTS, or in the time required for performance of the WORK, an equitable adjustment shall be authorized by CHANGE ORDER.

13.2 The OWNER, also, may at any time, by issuing a FIELD ORDER, make changes in the details of the WORK. The CONTRACTOR shall proceed with the performance of any changes in the WORK so ordered by the OWNER unless the CONTRACTOR believes that such FIELD ORDER entitles the CONTRACTOR to a change in CONTRACT PRICE or TIME, or both, in which event the CONTRACTOR shall give the OWNER WRITTEN NOTICE thereof within seven (7) days after the receipt of the ordered change. Thereafter the CONTRACTOR shall document the basis for the change in CONTRACT PRICE or TIME within thirty (30) days. The CONTRACTOR shall not execute such changes pending the receipt of an executed CHANGE ORDER or further instruction from the OWNER.

14. CHANGES IN CONTRACT PRICE

14.1 The CONTRACT price may be changed only by a CHANGE ORDER. The value of any WORK covered by a CHANGE ORDER or of any claim for increase or decrease in the CONTRACT PRICE shall be determined by one or more of the following methods in the order of precedence listed below:

- a. Unit prices previously approved.
- b. An agreed lump sum.
- c. The actual cost for labor, direct overhead, materials, supplies, equipment, and other services necessary to complete the WORK. In addition, there shall be added an amount to be agreed upon but not to exceed fifteen (15) percent of the actual cost of the WORK to cover the cost of general overhead and profit.

15. TIME FOR COMPLETION AND LIQUIDATED DAMAGE

- 15.1 The date of beginning and the time for completion of the WORK are essential conditions of the CONTRACT DOCUMENTS and the WORK embraced shall be commenced on a date specified in the NOTICE TO PROCEED.
- 15.2 The CONTRACTOR will proceed with the WORK at such rate of progress to insure full completion within the CONTRACT TIME. It is expressly understood and agreed, by and between the CONTRACTOR and the OWNER, that the CONTRACT TIME for the completion of the WORK described herein is a reasonable time, taking into consideration the average climatic and economic conditions and other factors prevailing in the locality of the WORK.
- 15.3 If the CONTRACTOR shall fail to complete the WORK within the CONTRACT TIME, or extension of time granted by the OWNER, then the CONTRACTOR will pay to the OWNER the amount for liquidated damages as specified in the BID for each calendar day that the CONTRACTOR shall be in default after the time stipulated in the CONTRACT DOCUMENTS.
- 15.4 The CONTRACTOR shall not be charged with liquidated damages or any excess cost when the delay in completion of the WORK is due to the following, and the CONTRACTOR has promptly given WRITTEN NOTICE of such delay to the OWNER or ENGINEER.
- 15.4.1 Any preference, priority or allocation order duly issued by the OWNER.
 - 15.4.2 Unforeseeable causes beyond the control and without the fault or negligence of the CONTRACTOR, including but not restricted to, acts of God, or of the public enemy, acts of the OWNER, acts of another CONTRACTOR in the performance of a CONTRACT with the OWNER, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and abnormal and unforeseeable weather; and
 - 15.4.3 Any delays of SUBCONTRACTORS occasioned by any of the causes specified in paragraphs 15.4.1 and 15.4.2 of this article.

16. CORRECTION OF WORK

- 16.1 The CONTRACTOR shall promptly remove from the premises all WORK rejected by the OWNER for failure to comply with the CONTRACT DOCUMENTS, whether incorporated in the CONSTRUCTION or not, and the CONTRACTOR shall promptly replace and re-execute the WORK in accordance with the CONTRACT DOCUMENTS and without expense to the

OWNER and shall bear the expense of making good all WORK of other CONTRACTORS destroyed or damaged by such removal or replacement.

- 16.2 All removal and replacement WORK shall be done at the CONTRACTOR'S expense. If the CONTRACTOR does not take action to remove such rejected WORK within ten (10) days after receipt of WRITTEN NOTICE, the OWNER may remove such WORK and store the materials at the expense of the CONTRACTOR.

17. SUBSURFACE CONDITIONS

- 17.1 The CONTRACTOR shall promptly, and before such conditions are disturbed, except in the event of an emergency, notify the OWNER by WRITTEN NOTICE of;

17.1.1 Subsurface or latent physical conditions at the site differing materially from those indicated in the CONTRACT DOCUMENTS:

17.1.2 Unknown physical conditions at the site, of an unusual generally recognized as inherent in WORK of the character provided for in the CONTRACT DOCUMENTS.

- 17.2 The OWNER shall promptly investigate the conditions, and if it is found that such conditions do so materially differ and cause an increase or decrease in the cost of, or in the time required for, performance of the WORK, an equitable adjustment shall be made and the CONTRACT DOCUMENTS shall be modified by a CHANGE ORDER. Any claim of the CONTRACTOR for adjustment hereunder shall not be allowed unless the required WRITTEN NOTICE has been given, provided that the OWNER may, if the OWNER determines the facts so justify, consider and adjust any such claims asserted before the date of final payments.

- 17.3 The OWNER shall promptly investigate the conditions, and if it is found that such conditions do so materially differ and cause an increase or decrease in the cost of, or in the time required for, performance of the WORK, an equitable adjustment shall be made and the CONTRACT DOCUMENTS shall be modified by a CHANGE ORDER. Any claim of the CONTRACTOR for adjustment hereunder shall not be allowed unless the required WRITTEN NOTICE has been given, provided that the OWNER may, if the OWNER determines the facts so justify, consider and adjust any such claims asserted before the date of final payments.

18. SUSPENSION OF WORK, TERMINATION AND DELAY

- 18.1 The OWNER may suspend the WORK or any portion thereof for a period of not more than ninety days or such further time as agreed upon by the CONTRACTOR, by WRITTEN NOTICE to the CONTRACTOR and the OWNER which shall fix the date on which WORK shall be resumed. The CONTRACTOR will resume that WORK on the date so fixed. The CONTRACTOR will be allowed an increase in the CONTRACT PRICE or an extension of the CONTRACT TIME, or both, directly attributable to any suspension.
- 18.2 If the CONTRACTOR is adjudged a bankrupt or insolvent, or makes a general assignment for the benefit of its creditors, or if trustee or receiver is appointed for the CONTRACTOR or for any of his property, or if the CONTRACTOR files a petition to take advantage of any debtor's

act, or to reorganize under the bankruptcy or applicable laws, or repeatedly fails to supply sufficient skilled workmen or suitable materials or equipment, or repeatedly fails to make prompt payments to SUBCONTRACTORS or for labor, materials or equipment or disregards laws, ordinances, rules, regulations or orders of any public body having jurisdiction of the WORK or disregards the authority of the OWNER, or otherwise violates any provision of the CONTRACT DOCUMENTS, then the OWNER may, without prejudice to any other right or remedy and after giving the CONTRACTOR and his surety a minimum of ten (10) days from delivery of a WRITTEN NOTICE, terminate the services of the CONTRACTOR and take possession of the PROJECT and of all materials, equipment, tools, construction equipment and machinery thereon owned by the CONTRACTOR, and finish the WORK BY whatever method the OWNER may deem expedient. In such case the CONTRACTOR shall not be entitled to receive any further payment until the WORK is finished. If the unpaid balance of the CONTRACT PRICE exceeds the direct and indirect costs of completing the PROJECT, including compensation for additional professional services, such excess shall be paid to the CONTRACTOR. If such costs exceed unpaid balance, the CONTRACTOR will pay the difference to the OWNER. Such costs incurred by the OWNER will be determined by the OWNER and incorporated in a CHANGE ORDER.

- 18.3 Where the CONTRACTOR'S services have been so terminated by the OWNER, said termination shall not affect any right of the OWNER against the CONTRACTOR then existing or which may thereafter accrue. Any retention or payment of monies by the OWNER due the CONTRACTOR will not release the CONTRACTOR from compliance with the CONTRACT DOCUMENTS.
- 18.4 After ten (10) days from delivery of a WRITTEN NOTICE to the CONTRACTOR and the OWNER, the OWNER may, without cause and without prejudice to any other right or remedy, elect to abandon the PROJECT and terminate the CONTRACT. In such case the CONTRACTOR shall be paid for all WORK executed and any expense sustained plus reasonable profit.
- 18.5 If, through no act or fault of the CONTRACTOR, the WORK is suspended for a period of more than ninety (90) days by the OWNER or under an order of court or other public authority, or the OWNER fails to act on any request for payment within thirty (30) days after it is submitted, or the OWNER fails to pay the CONTRACTOR substantially the sum approved by the OWNER or awarded by arbitrators within thirty (30) days of its approval and presentation, then the CONTRACTOR may, after ten (10) days from delivery of a WRITTEN NOTICE to the OWNER and the ENGINEER, terminate the CONTRACT and recover from the OWNER payment for all WORK executed and all expenses sustained. In addition and in lieu of terminating the CONTRACT, if the OWNER has failed to act on a request for payment or if the OWNER has failed to make any payment as aforesaid, the CONTRACTOR may, upon ten (10) days WRITTEN NOTICE to the OWNER and the ENGINEER, stop the WORK until paid all amounts then due, in which event and upon resumption of the WORK CHANGE ORDERS shall be issued for adjusting the CONTRACT PRICE or extending the CONTRACT TIME or both to compensate for the costs and delays attributable to the stoppage of the WORK.
- 18.6 If the performance of all or any portion of the WORK is suspended, delayed, or interrupted as a result of a failure of the OWNER or ENGINEER to act within the time specified in the

CONTRACT DOCUMENTS, or if not time is specified, within a reasonable time, an adjustment in the CONTRACT PRICE or an extension of the CONTRACT TIME, or both, shall be made by CHANGE ORDER to compensate the CONTRACTOR for the costs and delays necessarily caused by the failure of the OWNER or ENGINEER.

19. PAYMENTS TO CONTRACTOR

- 19.1 At least ten (10) days before each progress payment falls due (but not more often than once a month), the CONTRACTOR will submit to the OWNER a partial payment estimate filled out and signed by the CONTRACTOR covering the WORK performed during the period covered by the partial payment estimate and supported by such data as the OWNER may reasonably require. If payment is requested on the basis of materials and equipment not incorporated in the WORK but delivered and suitably stored at or near the site, the partial payment estimate shall also be accompanied by such supporting data, satisfactory to the OWNER, as will establish the OWNER'S interest therein, including applicable insurance. The OWNER will, within ten (10) days after receipt of each partial payment estimate, either indicate in writing approval of payment, and present the partial payment estimate to the OWNER, or return the partial payment estimate to the CONTRACTOR indicating in writing the reasons for refusing to approve payment. In the latter case, the CONTRACTOR may make the necessary corrections and resubmit the partial payment estimate. The OWNER will, within ten (10) days of presentation to the OWNER of an approved partial payment estimate, pay the CONTRACTOR a progress payment on the basis of the approved partial payment estimate. The OWNER shall retain ten (10) percent of the amount of each payment until final completion and acceptance of all WORK covered by the CONTRACT DOCUMENTS. The OWNER at any time, however, after fifty (50) percent of the WORK has been completed, if he finds that satisfactory progress is being made, may reduce retainage to five (5) percent on the current and remaining estimates. When the WORK is substantially complete (operational or beneficial occupancy), the retained amount may be further reduced below five (5) percent to only that amount necessary to assure completion. On completion and acceptance of a part of the WORK on which the price is stated separately in the CONTRACT DOCUMENTS, payment may be made in full, including retained percentages, less authorized deductions.
- 19.2 The request for payment may also include an allowance for the cost of such major materials and equipment, which are suitably stored either at or near the sites.
- 19.3 Prior to SUBSTANTIAL COMPLETION, the OWNER, with the approval of the OWNER and with the concurrence of the CONTRACTOR, may use any completed or substantially completed portions of the WORK. Such use shall not constitute an acceptance of such portions of the WORK.

- 19.4 The OWNER shall have the right to enter the premises for the purpose of doing WORK not covered by the CONTRACT DOCUMENTS. This provision shall not be construed as relieving the CONTRACTOR of the sole responsibility for the care and protection of the WORK, or the restoration of any damaged WORK except such as may be caused by agents or employees of the OWNER.
- 19.5 Upon completion and acceptance of the WORK, the OWNER shall issue a certificate attached to the final payment request that the WORK has been accepted by the OWNER under the conditions of the CONTRACT DOCUMENTS. The entire balance found to be due the CONTRACTOR, including the retained percentages, but except such sums as may be lawfully retained by the OWNER, shall be paid to the CONTRACTOR within thirty (30) days of completion and acceptance of the WORK.
- 19.6 The CONTRACTOR will indemnify and save the OWNER or the OWNER'S agents harmless from all claims growing out of the lawful demand of SUBCONTRACTORS, laborers, workmen, mechanics, material, men and furnishers of machinery and parts thereof, equipment, tools, and all supplies, incurred in the furtherance of the performance of the WORK. The CONTRACTOR shall, at the OWNERS request, furnish satisfactory evidence that all obligations of the nature designated above have been paid, discharged, or waived. If the CONTRACTOR fails to do so the OWNER may, after having notified the CONTRACTOR, either pay unpaid bills or withhold from the CONTRACTOR'S unpaid compensation a sum of money deemed reasonably sufficient to pay any and all such lawful claims until satisfactory evidence is furnished that all liabilities have been fully discharged whereupon payment to the CONTRACTOR shall be resumed, in accordance with the terms of the CONTRACT DOCUMENTS, but in no event shall the provisions of this sentence be construed to impose any obligations upon the OWNER to either the CONTRACTOR, his surety, or any third party. In paying any unpaid bill of the CONTRACTOR, any payment so made by the OWNER shall be considered as a payment made under the CONTRACT DOCUMENTS by the OWNER to the CONTRACTOR and the OWNER shall not be liable to the CONTRACTOR for such payments made in good faith.
- 19.7 If the OWNER fails to make payment thirty (30) days after approval by the OWNER, in addition to other remedies available to the CONTRACTOR, there shall be added to each such payment interest at the maximum legal rate commencing on the first day after said payment is due and continuing until the payment is received by the CONTRACTOR.

20. ACCEPTANCE OF FINAL PAYMENT AS RELEASE

- 20.1 The acceptance by the CONTRACTOR of final payment shall be and shall operate as a release to the OWNER of all claims and all liability to the CONTRACTOR other than claims in stated amounts as may be specifically excepted by the CONTRACTOR for all things done or furnished in connection with this WORK and for every act and neglect of the OWNER and others relating to or arising out of this WORK. Any payment, however, final or otherwise, shall not release the CONTRACTOR or his sureties from any obligations under the CONTRACT DOCUMENTS or the PERFORMANCE BOND and PAYMENT BONDS.

21. INSURANCE

21.1 The CONTRACTOR shall purchase and maintain such insurance as will protect him from claims set forth below which may arise out of, or result from the CONTRACTOR'S execution of the WORK, whether such execution be by the CONTRACTOR, any SUBCONTRACTOR, or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable:

21.1.1 Kentucky Workmen's Compensation Insurance: The Contractor shall furnish evidence of coverage of all employees by executing and delivering to the Owner the Form included in the specifications.

21.1.2 Commercial General Liability-Occurrence:

- 21.1.2.1 \$2,000,000 Minimum General Aggregate,
- 21.1.2.2 \$2,000,000 Products & Complete Aggregate,
- 21.1.2.3 \$1,000,000 Personal & Advertising,
- 21.1.2.4 \$1,000,000 each occurrence.

21.1.3 Automobile Liability: \$1,000,000 per accident

- 21.1.3.1 Liability shall include all owned, non-owned, and hired vehicles in connection with this project

21.1.4 Employers Liability:

- 21.1.4.1 \$1000,000 Each Accident Bodily Injury
- 21.1.4.2 \$500,000 Policy limit Bodily Injury by Disease
- 21.1.4.3 \$100,000 Each Employee bodily Injury by Disease

21.1.5 The insurance required above must be evidenced by a Certificate of Insurance and this Certificate of Insurance must contain one of the following statements:

- 21.1.5.1 Policy contains no deductible clauses -or-
- 21.1.5.2 Policy contains \$_____ deductible property damage clause; however, Company will pay claim and collect the deductible from the Insured.

The Contractor shall obtain in the name of the Owner and shall maintain and pay the premiums for such insurance in such amount and with such provisions as will protect the Owner, its agents and employees, from contingent liability under this Contract and a copy of such insurance policy or policies shall be delivered to the Owner.

21.2 Certificates of Insurance acceptable to the OWNER shall be filed with the OWNER prior to commencement of the WORK. These Certificates shall contain a provision that coverages afforded under the policies will not be cancelled unless at least fifteen (15) days prior WRITTEN NOTICE has been given to the OWNER.

21.3 The CONTRACTOR shall procure and maintain, at the CONTRACTOR'S own expense, during the CONTRACT TIME, liability insurance as hereinafter specified:

21.3.1 CONTRACTOR'S General Public Liability and Property Damage Insurance including vehicle coverage issued to the CONTRACTOR and protecting the CONTRACTOR from all claims for personal injury, including death, and all claims for destruction of or damage to property, arising out of or in

connection with any operations under the CONTRACT DOCUMENTS, whether such operations be by the CONTRACTOR or by any SUBCONTRACTOR employed by the CONTRACTOR or anyone directly or indirectly employed by the CONTRACTOR or by a SUBCONTRACTOR employed by the CONTRACTOR. Insurance shall be written with a limit of liability of not less than \$1,000,000 for all damages arising out of bodily injury, including death, at any time resulting there from, sustained by any one person in any one accident; and a limit of liability of not less than \$1,000,000 aggregate for any such damages sustained by two or more persons in any one accident. Insurance shall be written with a limit of liability of not less than \$1,000,000 for all property damage sustained by any one person in any one accident; and a limit of liability of not less than \$1,000,000 aggregate for any such damage sustained by two or more persons in any one accident.

21.3.2 The CONTRACTOR shall acquire and maintain, if applicable, Fire and Extended Coverage Insurance upon the PROJECT to the full insurable value thereof for the benefit of the OWNER, the CONTRACTOR, and SUBCONTRACTORS as their interest may appear. This provision shall in no way release the CONTRACTOR or CONTRACTOR'S surety from obligations under the CONTRACT DOCUMENTS to fully complete the PROJECT.

21.4 The CONTRACTOR shall procure and maintain, at the CONTRACTOR'S own expense, during the CONTRACT TIME, in accordance with the provisions of the laws of the state in which the WORK is performed, Workmen's Compensation Insurance, including occupation disease provisions, for all of the CONTRACTOR'S employees at the site of the PROJECT and in case any WORK is sublet, the CONTRACTOR shall require such SUBCONTRACTOR similarly to provide Workmen's Compensation Insurance, including occupational disease provisions for all of the latter's employees unless such employees are covered by the protection afforded by the CONTRACTOR. In case any class of employees engaged in hazardous work under this CONTRACT at the site of the PROJECT is not protected under Workmen's Compensation statute, the CONTRACTOR shall provide, and shall cause each SUBCONTRACTOR to provide, adequate and suitable insurance for the protection of his employees not otherwise protected.

21.5 The CONTRACTOR shall secure, if applicable, "All Risk" type Builder's Risk Insurance for WORK to be performed. Unless specifically authorized by the OWNER, the amount of such insurance shall not be less than the CONTRACT PRICE totaled in the BID. The policy shall cover not less than the losses due to fire, explosion, hail, lightning, vandalism, malicious mischief, wind, collapse, riot, aircraft, and smoke during the CONTRACT TIME, and until the WORK is accepted by the OWNER. The policy shall name as the insured the CONTRACTOR, the ENGINEER, and the OWNER.

22. CONTRACT SECURITY

22.1 The CONTRACTOR shall within ten (10) days after the receipt of the NOTICE OF AWARD furnish the OWNER with a PERFORMANCE BOND and a PAYMENT BOND in penal sums equal to the amount of the CONTRACT PRICE, conditioned upon the performance by the CONTRACTOR of all undertakings, covenants, terms, conditions and agreements of the CONTRACT DOCUMENTS, and upon the prompt payment by the CONTRACTOR all persons supplying labor and materials in the prosecution of the WORK provided by the CONTRACT DOCUMENTS. Such BONDS shall be executed by the CONTRACTOR and a corporate bonding company licensed to transact such business in the State in which the WORK is to be performed and named on the current list of "Surety Companies Acceptable on Federal Bonds" as published in the Treasury Department Circular Number 570. The expense of these BONDS shall be borne by the CONTRACTOR. If at any time a surety on any such BOND is declared a bankrupt or loses its right to do business in the State in which the WORK is to be performed or is removed from the list of Surety Companies accepted on Federal Bonds, CONTRACTOR shall within ten (10) days after notice from the OWNER to do so, substitute an acceptable BOND(S) in such form and sum and signed by such other surety or sureties as may be satisfactory to the OWNER. The premiums on such BOND shall be paid by the CONTRACTOR. No further payment shall be deemed due nor shall be made until the new surety or sureties shall have furnished an acceptable BOND to the OWNER.

23. ASSIGNMENTS

23.1 Neither the CONTRACTOR nor the OWNER shall sell, transfer, assign, or otherwise dispose of the CONTRACT or any portion thereof or of any right, title or interest therein, or any obligations there under, without written consent of the other party.

24. INDEMNIFICATION

24.1 The CONTRACTOR will indemnify and hold harmless the OWNER and the OWNER and their agents and employees from and against all claims, damages, losses, and expenses including attorney's fees arising out of or resulting from the performance of the WORK, provided that any such claims, damage, loss or expense is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property including the loss of use resulting there from; and is caused in whole or in part by any negligent or willful act or omission of the CONTRACTOR, and SUBCONTRACTOR, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable.

24.2 In any and all claims against the OWNER or the ENGINEER, or any of their agents or employees, by any employee of the CONTRACTOR any SUBCONTRACTOR, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable, the indemnification obligation shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the CONTRACTOR

or any SUBCONTRACTOR under Workmen's Compensation acts, disability benefit acts or other employee benefit acts.

- 24.3 The obligation of the CONTRACTOR under this paragraph shall not extend to the liability of the ENGINEER, its agents or employees arising out of the preparation or approval of MAPS, DRAWINGS, OPINIONS, REPORTS, SURVEYS, CHANGE ORDERS, DESIGNS or SPECIFICATIONS.

25. SEPARATE CONTRACTS

- 25.1 The OWNER reserves the right to let other CONTRACTS in connection with this PROJECT. The CONTRACTOR shall afford other CONTRACTORS reasonable opportunity for the introduction and storage of their materials and the execution of their WORK, and shall properly connect and coordinate his WORK with theirs. If the proper execution or results of any part of the CONTRACTOR'S WORK depends upon the WORK of any other CONTRACTOR, the CONTRACTOR shall inspect and promptly report to the OWNER any defects in such WORK that render it unsuitable for such proper execution and results.
- 25.2 The OWNER may perform additional WORK related to the PROJECT or the OWNER may let other CONTRACTS containing provisions who are parties to such CONTRACTS (or the OWNER, if the OWNER is performing the additional WORK) reasonable opportunity for the introduction and storage of materials and equipment and the execution of WORK, and shall properly connect and coordinate the WORK with theirs.
- 25.3 If the performance of additional WORK by other CONTRACTORS or the OWNER is not noted in the CONTRACT DOCUMENTS prior to the execution of the CONTRACT, written notice thereof shall be given to the CONTRACTOR prior to starting any such additional WORK. If the CONTRACTOR believes that the performance of such additional WORK by the OWNER or others involves the CONTRACTOR in additional expense or entitles the CONTRACTOR to an extension of the CONTRACT TIME, the CONTRACTOR may make a claim therefore as provided in Sections 14 and 15.

26. SUBCONTRACTING

- 26.1 The CONTRACTOR may utilize the services of specialty SUBCONTRACTORS on those parts of the WORK which, under normal contracting practices, are performed by specialty SUBCONTRACTORS.
- 26.2 The CONTRACTOR may utilize the services of specialty SUBCONTRACTORS on those parts of the WORK which, under normal contracting practices, are performed by specialty SUBCONTRACTORS.
- 26.3 The CONTRACTOR shall be fully responsible to the OWNER for the acts and omissions of its SUBCONTRACTORS, and of persons either directly or indirectly employed by them, as the CONTRACTOR is for the acts and omissions of persons directly employed by the CONTRACTOR.

26.4 The CONTRACTOR shall cause appropriate provisions to be inserted in all SUBCONTRACTS relative to the WORK to bind SUBCONTRACTORS to the CONTRACTOR by the terms of the CONTRACT DOCUMENTS insofar as applicable to the WORK of SUBCONTRACTORS and to give the CONTRACTOR the same power as regards terminating any SUBCONTRACT that the OWNER may exercise over the CONTRACTOR under any provision of the CONTRACT DOCUMENTS.

26.5 Nothing contained in this CONTRACT shall create any contractual relationship between any SUBCONTRACTOR and the OWNER.

27. ENGINEER'S AUTHORITY

27.1 The ENGINEER shall act as the OWNER'S representative during the construction period, shall decide questions which may arise as to quality and acceptability of materials furnished and WORK performed, and shall interpret the intent of the CONTRACT DOCUMENTS in a fair and unbiased manner. The OWNER will make visits to the site and determine if the WORK is proceeding in accordance with the CONTRACT DOCUMENTS.

27.2 The CONTRACTOR will be held strictly to the intent of the CONTACT DOCUMENTS in regard to the quality of materials, workmanship, and execution of the WORK. Inspections may be made at the factory or fabrication plant of the source of material supply.

27.3 The OWNER will not be responsible for the construction means, controls, techniques, sequences, procedures, or construction safety.

27.4 The OWNER shall promptly make decisions relative to interpretation of the CONTRACT DOCUMENTS.

28. LAND AND RIGHTS-OF-WAY

28.1 Prior to issuance of NOTICE TO PROCEED, the OWNER shall obtain all land and rights-of-way necessary for carrying out and for the completion of the WORK to be performed pursuant to the CONTRACT DOCUMENTS, unless otherwise mutually agreed.

28.2 The OWNER shall provide to the CONTRACTOR information that delineates and describes the lands owned and rights-of-way acquired.

28.3 The CONTRACTOR shall provide at the CONTRACTOR'S expense and without liability to the OWNER any additional land and access thereto that the CONTRACTOR may desire for temporary construction facilities, or for storage of materials.

29. GUARANTEE

29.1 The CONTRACTOR shall guarantee all materials and equipment furnished and WORK performed for a period of one (1) year from the date of SUBSTANTIAL COMPLETION. The CONTRACTOR warrants and guarantees for a period of one (1) year from the date of SUBSTANTIAL COMPLETION of the system that the completed system is free from all defects due to faulty materials or workmanship and the CONTRACTOR shall promptly make sure corrections as may be necessary by reason the system resulting from such defects. The OWNER will give notice of observed defects with reasonable promptness. In the event that the CONTRACTOR should fail to make sure repairs, adjustments, or other WORK that may be made necessary by such defeats, the OWNER may do so and charge the CONTRACTOR the cost thereby incurred. The PERFORMANCE BOND shall remain in full force and effect through the guarantee period.

30. ARBITRATION

30.1 All claims, disputes and other matters in question arising out of, or relating to, the CONTRACT DOCUMENTS or the breach thereof, except for claims which have been waived by making an acceptance of final payment as provided by Section 20, shall be decided by arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association. This agreement to arbitrate shall be specifically enforceable under the prevailing Arbitration Law. The award rendered by the arbitrators shall be final, and judgment may be entered upon it in any court having jurisdiction thereof.

30.2 NOTICE OF THE DEMAND for arbitration shall be filed in writing with the other party to the CONTRACT DOCUMENTS and with the American Arbitration Association, and a copy shall be filed with the OWNER. DEMAND for arbitration shall in no event be made on any claim, dispute, or other matter in question which would be barred by the applicable statute of limitations.

30.3 The CONTRACTOR will carry on the WORK and maintain the progress schedule during any arbitration proceedings, unless otherwise mutually agreed in writing.

31. TAXES

31.1 The CONTRACTOR will pay all sales, consumer, use, and other similar taxes required by the Law of the place where the WORK is performed.

ATTACHMENT 1 - OCWD SPECIFICATIONS