

PROJECT MANUAL



HB 23-20 CHILKAT CENTER ATTIC INSULATION

Haines Borough, AK

Date of Issue: August 30, 2023

To be used in conjunction with The State of Alaska, Department of Transportation and Public Facilities, Standard Specifications for Highway Construction, 2020 Edition, and the plans for the above referenced project

TABLE OF CONTENTS

DIVISION 0 – BIDDING AND CONTRACT REQUIREMENTS, CONTRACT FORMS AND CONDITIONS OF THE CONTRACT

BIDDING AND CONTRACT REQUIREMENTS	NO. PAGES
SECTION 00030 NOTICE INVITING BIDS	2
SECTION 00100 INSTRUCTIONS TO BIDDERS	9
BID FORMS	
SECTION 00300 BID	3
SECTION 00310 BID SCHEDULE	1
SECTION 00320 BID BOND	1
SECTION 00360 SUBCONTRACTOR REPORT	2
SECTION 00370 CONTRACTOR FINANCIAL RESPONSIBILITY	2
CONTRACT FORMS	
SECTION 00500 AGREEMENT	6
SECTION 00610 PERFORMANCE BOND	2
SECTION 00620 PAYMENT BOND	2
CONDITIONS OF THE CONTRACT	
SECTION 00700 GENERAL CONDITIONS	41
SECTION 00800 SUPPLEMENTARY GENERAL CONDITIONS	8
SECTION 00830 ALASKA LABOR STANDARDS, REPORTING, AND PREVAILING WAGE RATE DETERMINATION	1

**SECTION 00030
NOTICE INVITING BIDS**

OBTAINING CONTRACT DOCUMENTS. The Contract Documents are entitled:

HB 23-20 CHILKAT CENTER ATTIC INSULATION

The Contract Documents may be viewed and submitted on Bid Express at:

<https://www.bidexpress.com/businesses/56935/home>

PRE-BID CONFERENCE. A Pre-Bid Conference will be held for this project at the Chilkat Center on September 7, 2023, at 1:00 PM.

DESCRIPTION OF WORK. The work includes removing and disposing of ceiling batt insulation and furnishing and placing approximately 15,300 board feet of spray foam insulation in the Chilkat Center attic.

SITE OF WORK. The site of the WORK is at the Chilkat Center for the Arts in Haines, Alaska.

COMPLETION OF WORK. The WORK must be completed by November 30, 2023.

BIDDING, CONTRACT, or TECHNICAL QUESTIONS. All communications relative to this WORK, prior to opening Bids, shall be posted through the Bid Express Platform. No in-person, email, or phone questions will be responded to.

DEADLINE FOR BIDDER QUESTIONS. 9/19/2023 at 12 p.m. Alaska Time.

DEADLINE FOR BIDS. Electronic bid documents shall be submitted electronically through Bid Express before 2 p.m. Alaska Time on 9/21/2023 or later as may be announced by addendum at any time before the deadline. Bids will be opened in a publicly posted Zoom meeting immediately after by the Borough Clerk, Public Facilities Director, and Contracts and Grants Administrator unless otherwise specified.

CONTRACTOR'S LICENSE. All contractors are required to have a current Alaska Contractor's License prior to submitting a Bid and a current Haines Borough Business License prior to award.

BID TO REMAIN OPEN. The Bidder shall guarantee the Bid for 60 Days from the date of Bid opening. Any component of the Bid may be awarded anytime during the 60 Days.

OWNER'S RIGHTS RESERVED. The OWNER reserves the right to reject any or all Bids, waive any informality in a Bid, and award the lowest responsive, responsible Bidder as it may best serve the OWNER's interests.

OWNER: Haines Borough

By: _____
Haines Borough Manager

Date

Attest: _____
Borough Clerk

**SECTION 00100
INSTRUCTIONS TO BIDDERS**

1.0 DEFINED TERMS. Terms used in these Instructions to Bidders and the Notice Inviting Bids, which are defined in the General Conditions, have the meanings assigned to them in the General Conditions. The term "Bidder" means one who submits a Bid directly to the OWNER, as distinct from a sub-bidder, who submits a Bid to a Bidder.

2.0 INTERPRETATIONS AND ADDENDA.

- A. INTERPRETATIONS. All questions about the meaning or intent of the Contract Documents are to be directed to the Contracts & Grants Administrator. Interpretations or clarifications considered necessary by the Contracts & Grants Administrator in response to such questions will be issued by Addendum, mailed, faxed, or delivered to all parties recorded by the Contracts & Grants Administrator, or OWNER, as having received the Contract Documents. Questions received less than seven days prior to the Deadline for Bids may not be answered. Only questions answered by a formal written Addendum will be binding. Oral and other interpretations or clarifications will be without legal effect.
- B. ADDENDA. Addenda may be issued to modify the Contract Documents as deemed advisable by the OWNER. Addenda may be faxed or, if addendum format warrants, addenda may be posted to the Haines Borough website. In any event, notification of addendum issuance will be faxed to plan holders. Hard copies are available upon request. The OWNER will make all reasonable attempts to ensure that all plan holders receive notification of the Addenda; however, it is strongly recommended by the OWNER that bidders independently confirm the contents, number, and dates of each Addendum prior to submitting a Bid.

3.0 FAIR COMPETITION. More than one Bid from an individual, firm, partnership, corporation or association under the same or different names will not be considered. If the OWNER believes that any Bidder is interested in more than one Bid for the WORK contemplated, all Bids in which such Bidder is interested will be rejected. If the OWNER believes collusion exists among the Bidders, all Bids will be rejected.

4.0 RESPONSIBILITY OF BIDDERS. Only responsive Bids from responsible Bidders will be considered. A Bid submitted by a Bidder determined to be not responsible may be rejected. The OWNER may find a bidder to be not responsible for any one of the following reasons but is not limited in its responsibility analysis to the following factors:

- A. Evidence of bid rigging or collusion;
- B. Fraud or dishonesty in the performance of previous contracts;
- C. Record of integrity;
- D. More than one bid for the same work from an individual, firm, or corporation under the same or different name;
- E. Unsatisfactory performance on previous or current contracts;
- F. Failure to pay or satisfactorily settle all bills due for labor and material on previous contracts;
- G. Uncompleted work that, in the judgment of the OWNER, might hinder or prevent the bidder's prompt completion of additional work if awarded;
- H. Failure to reimburse the OWNER for monies owed on any previous contracts;

SECTION 00100 – INSTRUCTIONS TO BIDDERS

- I. Default under previous contracts;
- J. Failure to comply with any qualification requirements of the OWNER; special standards for responsibility, if applicable, will be specified. These special standards establish minimum standards or experience required for a responsible Bidder on a specific contract;
- K. Engaging in any activity that constitutes a cause for debarment or suspension under the Haines Borough Purchasing Code 3.60 or submitting a bid during a period of debarment;
- L. Lack of skill, ability, financial resources, or equipment required to perform the contract; or
- M. Lack of legal capacity to contract.
- N. Bidders must be registered as required by law and in good standing for all amounts owed to the OWNER per Paragraph 21.0 of this Section.
- O. Failure to submit all completed documents as required and specified in Section 00300 – Bid.

Nothing in this section deprives the OWNER of its discretion in determining the lowest responsible bidder. Before a Bid is considered for the award, a Bidder may be requested to submit information documenting their ability and competency to perform the WORK according to general standards of responsibility and any special standards which may apply. It is Bidder's responsibility to submit sufficient, relevant, and adequate information. OWNER will make its determination of responsibility and has no obligation to request clarification or supplementary information.

5.0 NON-RESPONSIVE BIDS. Only responsive Bids will be considered. Bids may be considered non-responsive and may be rejected. Some of the reasons a Bid may be rejected for being non-responsive are:

- A. If a Bid is received by the Haines Borough after the Deadline for Bids.
- B. If the Bid is on a form other than that furnished by the OWNER, or legible copies thereof; if the form is altered or any part thereof is detached; or if the Bid is improperly signed.
- C. If there are unauthorized additions, conditional or alternate Bids, or irregularities of any kind which may tend to make the bid incomplete, indefinite, and ambiguous as to its meaning or in conflict with the OWNER's Bid document.
- D. If the Bidder adds any unauthorized conditions, limitations, or provisions reserving the right to accept or reject any award or to enter into a contract pursuant to an award. This does not exclude a Bid limiting the maximum gross amount of awards acceptable to anyone Bidder at any one Bid opening, provided that any selection of awards will be made by the OWNER.
- E. If the Bid does not contain a Unit Price for each pay item listed, except in the case of Authorized alternate pay items.
- F. If the Bidder has not acknowledged receipt of each Addendum.
- G. If the Bidder fails to furnish an acceptable Bid guaranty with the Bid.
- H. If any of the Unit Prices Bid are excessively unbalanced (either above or below the amount of a reasonable Bid) to the potential detriment of the OWNER.
- I. If a Bid modification does not conform to Article 15.0 of this Section.

6.0 BIDDER'S EXAMINATION OF CONTRACT DOCUMENTS AND SITE. It is the responsibility of each Bidder before submitting a Bid:

SECTION 00100 – INSTRUCTIONS TO BIDDERS

- A. To examine thoroughly the Contract Documents and other related data identified in the Bidding documents (including "technical data" referred to below):
 - 1. To visit the site to become familiar with and to satisfy the Bidder as to the general and local conditions that may affect the cost, progress, or performance of the WORK,
 - 2. To consider federal, state, and local laws and regulations that may affect the cost, progress, or performance of the WORK,
 - 3. To study and carefully correlate the Bidder's observations with the Contract Documents and other related data; and
 - 4. To notify the ENGINEER of all conflicts, errors, or discrepancies in or between the Contract Documents and related data.

7.0 REFERENCE IS MADE TO THE SUPPLEMENTARY GENERAL CONDITIONS FOR IDENTIFICATION OF:

- A. Those reports of explorations and tests of subsurface conditions at the site have been utilized by the ENGINEER of Record in the preparation of the Contract Documents. The Bidder may rely upon the accuracy of the technical data contained in such reports; however, the interpretation of such technical data, including any interpolation or extrapolation thereof, together with non-technical data, interpretations, and opinions contained therein or the completeness thereof is the responsibility of the Bidder.
- B. Those Drawings of physical conditions in or relating to existing surface and subsurface conditions (except underground utilities) which are at or contiguous to the site have been utilized by the ENGINEER of Record in the preparation of the Contract Documents. The Bidder may rely upon the accuracy of the technical data contained in such Drawings; however, the interpretation of such technical data, including any interpolation or extrapolation thereof, together with nontechnical data, interpretations, and opinions contained in such Drawings or the completeness thereof is the responsibility of the Bidder.
- C. Copies of such reports and Drawings will be made available by the OWNER to any Bidder on request if said reports and Drawings are not bound herein. Those reports and Drawings are not part of the Contract Documents, but the technical data contained therein upon which the Bidder is entitled to rely, as provided in Paragraph SGC-4.2 of the Supplementary General Conditions, are incorporated herein by reference.
- D. Information and data reflected in the Contract Documents with respect to underground utilities at or contiguous to the site is based upon information and data furnished to the OWNER and the ENGINEER of Record by the owners of such underground utilities or others, and the OWNER does not assume responsibility for the accuracy or completeness thereof unless it is expressly provided otherwise in the Supplementary General Conditions, or in Section 01530 - Protection and Restoration of Existing Facilities of the General Requirements.
- E. Provisions concerning responsibilities for the adequacy of data furnished to prospective Bidders on subsurface conditions, underground utilities, and other physical conditions, and possible changes in the Contract Documents due to differing conditions appear in Paragraphs 4.2, 4.3, and 4.4 of the General Conditions.
- F. Before submitting a Bid, each Bidder will, at Bidder's own expense, make or obtain any additional examinations, investigations, explorations, tests, and studies and obtain any

SECTION 00100 – INSTRUCTIONS TO BIDDERS

additional information and data which pertain to the physical conditions (surface, subsurface, and underground utilities) at or contiguous to the site or otherwise which may affect cost, progress, or performance of the WORK and which the Bidder deems necessary to determine its Bid for performing the WORK in accordance with the time, price, and other terms and conditions of the Contract Documents.

- G. On request in advance, the OWNER will provide each Bidder access to the site to conduct such explorations and tests as each Bidder deems necessary for submission of a Bid. The bidder shall fill all holes and clean up and restore the site to its former condition upon completion of such explorations.
- H. The lands upon which the WORK is to be performed, rights-of-way and easements for access thereto, and other lands designated for use by the CONTRACTOR in performing the WORK are identified in the Contract Documents. All additional lands and access thereto required for temporary construction facilities or storage of materials and equipment are to be provided by the CONTRACTOR. Easements for permanent structures or permanent changes in existing structures are to be obtained and paid for by the OWNER unless otherwise provided in the Contract Documents.
- I. The submission of a Bid will constitute an incontrovertible representation by the Bidder that the Bidder has complied with every requirement of Article 6.0, "Bidder's Examination of Contract Documents and Site" herein, that without exception, the Bid is premised upon performing the WORK required by the Contract Documents and such means, methods, techniques, sequences, or procedures of construction as may be indicated in or required by the Contract Documents, and that the Contract Documents are sufficient in scope and detail to indicate and convey an understanding of all terms and conditions for performance of the WORK.

8.0 BID FORM.

- A. The Bid shall be made on the Bid Schedule(s) bound herein, or on legible and complete copies thereof, and shall contain the following: Sections 00300, 00310, the required Bid Security, and any other documents required in Section 00300 – Bid.
- B. All blanks on the Bid Form and Bid Schedule must be completed in ink or typed.
- C. Bids by corporations must be executed in the corporate name by the president, a vice president (or another corporate officer). The corporate address and state of incorporation must appear below the signature.
- D. Bids by partnerships must be executed in the partnership name and be signed by a managing partner, and the official address of the partnership must appear below the signature.
- E. The Bidder's Bid must be signed. All names must be printed or typed below the signature.
- F. The Bid shall contain an acknowledgment of receipt of all Addenda, the numbers of which shall be filled in on the Bid form. Failure to acknowledge Addenda may render Bid non-responsive and may cause its rejection.
- G. The address to which communications regarding the Bid are to be directed must be shown.

9.0 QUANTITIES OF WORK. The quantities of WORK, or material, stated in Unit Price items of the Bid are supplied only to give an indication of the general scope of the WORK; the OWNER does

SECTION 00100 – INSTRUCTIONS TO BIDDERS

not expressly or by implication agree that the actual amount of WORK, or material, will correspond therewith, and reserves the right after award to increase or decrease the amount of any Unit Price item of the WORK by an amount up to and including 25 percent of any Bid item, without a change in the Unit Price, and shall include the right to delete any Bid item in its entirety, or to add additional Bid items up to and including an aggregate total amount not to exceed 25 percent of the Contract Price (see Section 00700 - General Conditions, Article 10 Changes In the WORK).

- 10.0 SUBSTITUTE OR "OR-EQUAL" ITEMS.** Substitution requests are not accepted during the bidding process. The procedure for the submittal of substitute or "or-equal" products is specified in Section 01300 – Contractor Submittals.
- 11.0 SUBMISSION OF BIDS.** The Bid shall be delivered by the time and to the place stipulated in Section 00030 - Notice Inviting Bids. It is the Bidder's sole responsibility to see that its Bid is received in proper time. Oral, telegraphic, or faxed Bids will not be considered. The envelope enclosing the sealed Bids shall be plainly marked in the upper left-hand corner with the name and address of the Bidder and shall also include the label included in Section 00030 – Notice Inviting Bids. The Bid Security shall be enclosed in the same envelope as the Bid.
- 12.0 BID SECURITY, BONDS, AND INSURANCE.** Each Bid shall be accompanied by a certified or cashier's check or approved Bid Bond of at least 5 percent of the total Bid price. The "total Bid price" is the amount of the Base Bid, plus the number of alternate Bids, if any, which total the maximum amount for which the CONTRACT could be awarded. Said check or Bond shall be made payable to the OWNER and shall be given as a guarantee that the Bidder, if offered the WORK, will enter into an Agreement with the OWNER and will furnish the necessary insurance certificates, Payment Bond, and Performance Bond; each of said Bonds, if required, and insurance amounts shall be as stated in the Supplementary General Conditions. In case of refusal or failure to enter into said Agreement, the check or Bid Bond, as the case may be, may be forfeited to the OWNER. If the Bidder elects to furnish a Bid Bond as its Bid security, the Bidder shall use the Bid Bond form bound herein or one conforming substantially to it in form. Bid Bonds must be accompanied by a legible Power of Attorney.
- 13.0 RETURN OF BID SECURITY.** The OWNER will return all Bid security checks (certified or cashier's) accompanying such of the Bids as are not considered in making the award. All other Bid securities will be held until the Agreement has been executed. Following the execution of the Agreement, all other Bid security checks will be returned to the respective Bidders whose Bids they accompanied, and Bid security bonds will be appropriately discarded.
- 14.0 DISCREPANCIES IN BIDS.** In the event there is more than one Pay Item in a Bid Schedule, the Bidder shall furnish a price for all Pay Items in the schedule, and failure to do so may render the Bid non-responsive and cause its rejection. In the event that there are Unit Price Pay Items in a Bid Schedule and the "amount" indicated for a Unit Price Bid Item does not equal the product of the Unit Price and quantity, the Unit Price shall govern, and the amount will be corrected accordingly, and the Bidder shall be bound by said correction. In the event that there is more than one Pay Item in a Bid Schedule and the total indicated for the schedule does not agree with the sum of the prices Bid on the individual items, the prices Bid on the individual items shall govern, and the total for the schedule will be corrected accordingly, and the Bidder shall be bound by said correction.
- 15.0 BID MODIFICATIONS AND UNAUTHORIZED ALTERNATIVE BIDS.**
- A. Any bidder may make a modification to a bid using Bid Express no later than the deadline for bids. The bid modifications on Bid Express can be performed live until the bid closes. If you modify your bid, you will need to resubmit your bid; however, you will not need to pay the fee again.

SECTION 00100 – INSTRUCTIONS TO BIDDERS

The **Bid Modification Form** is located at the end of this Section and is not needed. Submittal of any other form by the vendor may deem the modification unacceptable by the OWNER.

16.0 WITHDRAWAL OF BID. Prior to the Deadline for Bids, the Bid may be withdrawn by the Bidder by means of a written request signed by the Bidder or its properly authorized representative. The written request must be delivered to the place stipulated in the Notice Inviting Bids for receipt of Bids.

17.0 AWARD OF CONTRACT.

- A. Award of a contract, if it is awarded, will be on the basis of materials and equipment described in the Drawings or specified in the Technical Specifications and will be made to the lowest responsive, responsible Bidder whose Bid complies with all the requirements prescribed. Unless otherwise specified, any such award will be made within the period stated in the Notice Inviting Bids that the Bids are to remain open. Unless otherwise indicated, a single award will be made for all the Bid items in an individual Bid Schedule.
- B. If the OWNER has elected to advertise this Project with a Base Bid and Alternates, the OWNER may elect to award the contract for the Base Bid or the Base Bid in combination with one or more Alternates selected by the OWNER. In either case, the award shall be made to the responsive, responsible bidder offering the lowest total Bid for the WORK to be awarded.
- C. Low Bidder will be determined on the basis of the lowest total of the Base Bid plus combinations of Alternates if funding allows, as selected by the Selection Committee through the process described below.
 - 1. Prior to the Deadline for Bids, a Selection Committee will be appointed by the Owner.
 - 2. The Selection Committee will be sequestered in a conference room apart from the bid opening room at the time of bid opening.
 - 3. The Haines Borough staff will open bids. A bid summary sheet will be compiled without bidder identification so that the Selection Committee will have no knowledge of which bids were made by which bidders.
 - 4. The bid summary sheet will be delivered to the Selection Committee by the Haines Borough Clerk.
 - 5. The Selection Committee will choose the low bid comprised of the Base Bid and those Alternates deemed to be in the best interest of the project and within the approved construction budget. For award purposes, the Haines Borough will add any alternate to the Total Base Bid Amount in Section 00310 – Bid Schedule.
 - 6. The Selection Committee will identify low to high bids received for the project, and the results will be posted.

18.0 EXECUTION OF AGREEMENT.

- A. All Bids of value greater than \$25,000 must be approved by the Haines Assembly. After the Board has approved the award and after the Bid protest period, the OWNER will issue a Notice of Intent to Award to the approved Bidder. The Bidder to whom the award is made shall execute a written Agreement with the OWNER on the Agreement form, Section 00500, collect insurance, and shall furnish all certificates and Bonds required by

SECTION 00100 – INSTRUCTIONS TO BIDDERS

the Contract Documents within 10 Days (calendar) from the date of the Notice of Intent to Award letter.

- B. Failure or refusal to enter into the Agreement as herein provided or to conform to any of the stipulated requirements in connection therewith shall be just cause for annulment of the award and forfeiture of the Bid security. If the lowest responsive, responsible Bidder refuses or fails to execute the Agreement, and the OWNER may award the contract to the second lowest responsive, responsible Bidder. If the second lowest responsive, responsible Bidder refuses or fails to execute the Agreement, and the OWNER may award the contract to the third lowest responsive, responsible Bidder. On the failure or refusal of such second or third lowest Bidder to execute the Agreement, each Bidder's Bid securities shall be likewise forfeited to the OWNER.

19.0 LIQUIDATED DAMAGES. Provisions for liquidated damages, if any, are set forth in Section 00500 - Agreement.

20.0 FILING A PROTEST.

- A. A Bidder may protest the proposed award of a competitive sealed Bid. The protest shall be executed in accordance with the following:
1. A party may protest the award to any other party of a competitive sealed bid or competitive sealed proposal, but such protest shall be heard only if protests have also been filed against the award recommended by the Borough and against any other bid or proposal having a higher ranking than that of the party filing the protest.
 2. A party shall provide written notice of intent to protest. Notice of intent to protest shall be delivered to the purchasing officer by 4:30 p.m. Alaska time the working day following posting by the Borough of a notice of apparent low bidder or successful proposer. Late notices of intent to protest shall not be considered. The notice of intent to protest shall include the name and address of the protestor and a brief description of the grounds for the protest.
 3. A written protest shall be filed with the Borough Manager within five working days after posting notice of the apparent low bidder or successful proposer.
 4. A written protest shall, at a minimum, contain the following:
 - i. The name, address, and telephone number of the interested party filing the protest;
 - ii. The signature of the interested party or the interested party's representative;
 - iii. Identification of the proposed award at issue;
 - iv. A statement of the legal or factual grounds for the protest;
 - v. Copies of all relevant documents;
 5. The Borough Manager shall reject an untimely or incomplete protest.
 6. If a timely and complete protest is filed, the award of the contract shall be stayed until the protest is resolved unless the Borough Manager determines in writing that the award of the contract pending resolution of the protest is in the best interests of the Borough.
 7. The Borough Manager shall issue a written response to the protestor within ten working days of the date the protest is filed. If multiple protests have been filed, they may be consolidated for the response. Copies of the response shall be provided to any other protestor requesting one. The response may include an amendment of all or any part of the recommended award. The manager may, upon written request of the purchasing officer, for good cause shown, extend the date for the purchasing officer's response for an additional period as may be necessary.

SECTION 00100 – INSTRUCTIONS TO BIDDERS

8. A protestor aggrieved by the Borough Manager's response pursuant to subsection 7. May request a review by the Borough Assembly.
9. The protestor may seek a review of the Borough Manager's response by providing written notice of intent to request review. The protestor shall notify the Borough Manager of the intent to request a review by 4:30 p.m. Alaska time the working day following the Borough Manager's response issuance. Late notices shall not be considered. A written request for review shall be filed within five working days after the purchasing officer issues the response. The notice of intent to request review and the written request for review shall be in the same form as provided in subsections 2. 3., and 4. of this section.
 10. Upon receipt of a timely and complete request for review of the Borough Manager's response, the matter shall be forwarded to the Borough Assembly, and a hearing date shall be established. Once the hearing date has been established, all bidders or proposers shall be notified of the hearing in writing.
 11. The Borough Assembly shall conduct a hearing and issue a recommendation within seven calendar days of the date the referral is made to the Assembly. The Borough Assembly may, by written notice to all bidders or proposers, extend this seven-day period to a maximum of 30 days. Hearings shall be conducted informally, with due regard for the parties' rights. Hearings shall be recorded.
 12. The Borough Assembly's recommendation shall be based on the provisions of the Contract Documents interpreted in light of applicable state case law and generally accepted principles of government purchasing as set forth in standard treatises, decisions of the United States Comptroller General, and similar authorities. The recommendation shall contain findings of fact and conclusions of law.
 13. The recommendation:
 - i. May include the following:
 - a. A recommendation that a designated bid in a competitive sealed bid or proposal process be accepted as the lowest qualified bid or proposal; or
 - b. A recommendation that one or more bids or proposals be considered or rejected or that the procurement process at issue be canceled;
 - ii. Shall not, except to the extent necessary to correct a failure to follow the procedures required by this chapter, including a recommendation for:
 - a. An amendment of the specifications for a bid or request for proposals;
 - b. A change in the criteria for the selection of a proposal; or
 - c. An amendment, reordering, or reassessment of any qualitative judgment in the rating of a proposal;
 - iii. Shall not include a recommendation for:
 - a. Selection or rejection of any additive or deductive alternate; or
 - b. The payment of money, including attorney's fees, by the Borough or any party, provided that the recommendation may recommend a refund of protest fees or payment of bid preparation costs by the Borough to one or more bidders or proposers;
 - iv. Shall be forwarded to the Borough Manager or Borough Assembly, as appropriate, for consideration in the award of the contract.

SECTION 00100 – INSTRUCTIONS TO BIDDERS

14. The protest procedures established by this section may be adapted for procurement as necessary to maintain eligibility for state or federal funding for that procurement, provided that no such adaptation may authorize the Borough Assembly to grant a form of relief prohibited by subsection 13. iii. of this section.

- 21.0 CONTRACTOR'S GOOD STANDING WITH BOROUGH FINANCE DEPARTMENT.** Contractors must be in good standing with the Borough prior to award and any contract renewals, and in any event, no later than seven business days following notification by the Borough of intent to award as indicated in the Posting Notice of Bids. Good standing means: all amounts owed to the Borough are current, and the Contractor is not delinquent with respect to any taxes, fees, assessment, or other monies due and owed the Borough or a Confession of Judgment has been executed and the Contractor is in compliance with the terms of any stipulation associated with the Confession of Judgment, including being current as to any installment payments due; and Contractor is current in all Borough reporting obligations (such as sales tax registration and reporting and business personal property declarations). Failure to meet these requirements may be cause for rejection of your bid. To determine if your business is in good standing or for further information, contact the Borough Finance Department's Sales Tax Division at (907) 766-6406 for sales tax issues, Assessor's Office at (907)766-6430 for business personal property issues.
- 22.0 PERMITS AND LICENSES.** The CONTRACTOR is responsible for all WORK associated with meeting any local, state, and/or federal permit and licensing requirements.
- 23.0 LOCAL BIDDER PREFERENCE. (VACANT)**

HAINES BOROUGH CLERK'S OFFICE

BID MODIFICATION FORM

Modification Number: _____ Modification Page _____ of _____.

Note: All modifications shall be made to the original bid amount(s). If any one bidder submits more than one Modification form, changes from all Modification forms submitted will be combined and applied to the original bid. The OWNER will calculate changes to the modified Bid amounts. Bidder may use multiple modification pages if required.

PAY ITEM NO.	PAY ITEM DESCRIPTION	MODIFICATIONS TO UNIT PRICE OR LUMP SUM (<i>indicate +/-</i>)

Base (or Additive Alternate) Bid Total Increase or Decrease: \$ _____

Name of Bidding Firm

Responsible Party Signature

Printed Name (must be an authorized signatory for Bidding Firm)

**SECTION 00300
BID**

BID TO: THE HAINES BOROUGH

1. The undersigned Bidder proposes and agrees, if this Bid is accepted, to enter into an Agreement with the OWNER in the form included in the Contract Documents (as defined in Article 7 of Section 00500 - Agreement) to perform the WORK as specified or indicated in said Contract Documents entitled

HB 23-20 CHILKAT CENTER ATTIC INSULATION

2. Bidder accepts all of the terms and conditions of the Contract Documents, including without limitation those in the "Notice Inviting Bids" and "Instructions to Bidders," dealing with the disposition of the Bid Security.
3. This Bid will remain open for the period of time stated in the "Notice Inviting Bids" unless otherwise required by law. Bidder will enter into an Agreement within the time and in the manner required in the "Notice Inviting Bids" and the "Instructions to Bidders," and will furnish insurance certificates, Payment Bond, Performance Bond, and any other documents as may be required by the Contract Documents.
4. Bidder has familiarized itself with the nature and extent of the Contract Documents, WORK, site, locality where the WORK is to be performed, the legal requirements (federal, state and local laws, ordinances, rules, and regulations), and the conditions affecting cost, progress or performance of the WORK and has made such independent investigations as Bidder deems necessary.
5. This Bid is genuine and not made in the interest of or on behalf of any undisclosed person, firm or corporation and is not submitted in conformity with any agreement or rules of any group, association, organization or corporation; Bidder has not directly or indirectly induced or solicited any other Bidder to submit a false or sham Bid; Bidder has not solicited or induced any person, firm or corporation to refrain from bidding; and Bidder has not sought by collusion to obtain for itself any advantage over any other Bidder or over OWNER.
6. To all the foregoing, and including all Bid Schedule and information required of Bidder contained in this Bid Form, said Bidder further agrees to complete the WORK required under the Contract Documents within the Contract Time stipulated in said Contract Documents, and to accept in full payment therefore the Contract Price based on the total bid price(s) named in the aforementioned Bid Schedule.
7. Bidder has examined copies of all the Contract Documents including the following Addenda (receipt of all of which is hereby acknowledged by the Undersigned):

Addenda No. ____	Date Issued _____	Addenda No. ____	Date Issued _____
Addenda No. ____	Date Issued _____	Addenda No. ____	Date Issued _____
Addenda No. ____	Date Issued _____	Addenda No. ____	Date Issued _____
Addenda No. ____	Date Issued _____	Addenda No. ____	Date Issued _____

Give number and date of each addenda above. Failure to acknowledge receipt of all Addenda may cause the Bid to be non-responsive and may cause its rejection.

SECTION 00300 – BID

8. The Bidder has read this Bid and agrees to the conditions as stated herein by signing his/her signature in the space provided below.

Dated: _____	Bidder: _____ (Company Name)
Alaska CONTRACTOR's Business License No: _____	By: _____ (Signature)
Alaska CONTRACTOR's License No: _____	Printed Name: _____ Title: _____
Telephone No: _____	Address: _____ (Street or P.O. Box)
Fax No: _____	_____
Email: _____	(City, State, Zip Code)

9. TO BE CONSIDERED, ALL BIDDERS MUST COMPLETE AND INCLUDE THE FOLLOWING AT THE TIME OF THE DEADLINE FOR BIDS. MISSING DOCUMENTS WILL DEEM THIS BID NON-RESPONSIVE:
- > Bid, Section 00300 (includes addenda receipt statement)
 - > Completed Bid Schedule, Section 00310
 - > Bid Security (Bid Bond, Section 00320, or by a certified or cashier's check as stipulated in the Notice Inviting Bids, Section 00030)
 - > Contractor Financial Responsibility, Section 00370
10. The apparent low Bidder is required to complete and submit the following documents by 4:30 p.m. on the ***fifth business day*** following the date of the Posting Notice.
- > Subcontractor Report, Section 00360
- The apparent low Bidder who fails to submit the completed Subcontractor Report within the time specified in Section 00360 – Subcontractor Report, may be found to be not a responsible Bidder and may be required to forfeit the Bid security. The OWNER may then consider the next lowest Bidder for award of the contract.
11. The successful Bidder will be required to submit, ***within ten Days (calendar)*** after the date of the "Notice of Intent to Award" letter, the following executed documents:
- > Agreement Forms, Section 00500
 - > Performance Bond, Section 00610
 - > Payment Bond, Section 00620
 - > Certificates of Insurance, (CONTRACTOR) Section 00700 and Section 00800

**SECTION 00310
BID SCHEDULE**

Complete and submit the following Bid Schedule(s) for the construction:

HB 23-20 CHILKAT CENTER ATTIC INSULATION

Furnish all labor, equipment, and materials for the following work as defined in the Contract Documents:

BASE BID Schedule

Pay Item No.	Pay Item Description	Unit	Quantity	Unit Price	Amount
1		LS			

Total Base Bid Amount in Figures: \$ _____

Total Base Bid Amount in Words: _____

Date: _____ Bidder: _____
(Company Name)

**SECTION 00320
BID BOND**

KNOW ALL PERSONS BY THESE PRESENT, that _____

as Principal, and _____ as Surety,
are held and firmly bound unto **THE BOROUGH OF HAINES** hereinafter called "OWNER," in the sum of

_____ dollars (not less than five percent of the total amount of the Bid) for the payment of which sum, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

WHEREAS said Principal has submitted a Bid to said OWNER to perform the WORK required under the Bid Schedule of the OWNER's Contract Documents entitled:

HB 23-20 CHILKAT CENTER ATTIC INSULATION

NOW THEREFORE, if said Principal is awarded a contract by said OWNER and, within the time and in the manner required in the "Notice Inviting Bids" and the "Instructions to Bidders," enters into a written Agreement on the form of Agreement bound with said Contract Documents, furnishes the required certificates of insurance, and furnishes the required Performance Bond and Payment Bond, then this obligation shall be null and void; otherwise, it shall remain in full force and effect. In the event suit is brought upon this bond by said OWNER and OWNER prevails, said Surety shall pay all costs incurred by said OWNER in such suit, including a reasonable attorney's fee to be fixed by the court.

SIGNED AND SEALED, this _____ day of _____, 20____.

(SEAL) _____
(Principal)

By: _____
(Signature)

(SEAL) _____
(Surety)

By: _____
(Signature)

**SECTION 00320
BID BOND**

KNOW ALL PERSONS BY THESE PRESENT, that _____

as Principal, and _____ as Surety,
are held and firmly bound unto **THE BOROUGH OF HAINES** hereinafter called "OWNER," in the sum of

_____ dollars (not less than five percent of the total amount of the Bid) for the payment of which sum, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

WHEREAS said Principal has submitted a Bid to said OWNER to perform the WORK required under the Bid Schedule of the OWNER's Contract Documents entitled:

HB 23-20 CHILKAT CENTER ATTIC INSULATION

NOW THEREFORE, if said Principal is awarded a contract by said OWNER and, within the time and in the manner required in the "Notice Inviting Bids" and the "Instructions to Bidders" enters into a written Agreement on the form of Agreement bound with said Contract Documents, furnishes the required certificates of insurance, and furnishes the required Performance Bond and Payment Bond, then this obligation shall be null and void; otherwise it shall remain in full force and effect. In the event suit is brought upon this bond by said OWNER and OWNER prevails, said Surety shall pay all costs incurred by said OWNER in such suit, including a reasonable attorney's fee to be fixed by the court.

SIGNED AND SEALED, this _____ day of _____, 20____.

(SEAL) _____
(Principal)

By: _____
(Signature)

(SEAL) _____
(Surety)

By: _____
(Signature)

**SECTION 00360
SUBCONTRACTOR REPORT**

LIST OF SUBCONTRACTORS (AS 36.30.115)

The apparent low Bidder must submit a list of Subcontractors that the Bidder proposes to use in the performance of this contract **on the fifth business day** following the Posting Notice of Bids. If the fifth day falls on a weekend or holiday, the report is due by close of business on the next business Day following the weekend or holiday. The Subcontractor Report list must include each Subcontractor's name, address, location, evidence of valid Alaska Business License, and valid Alaska Contractor's Registration under AS 08.18. **If no Subcontractors are to be utilized in the performance of the WORK, write in ink or type "NONE" on line (1) below:**

Subcontractor Name and Address	AK Contractor License No. & AK Business License No.	Contact Name & Phone Number	Type of Work	Contract Amount (\$)	DBE? (Y/N)
1.					
2.					
3.					
4.					

I certify that the above listed Alaska Business License(s) and CONTRACTOR Registration(s), if applicable, were valid at the time Bids were opened for this Project.

CONTRACTOR, Authorized Signature

CONTRACTOR, Printed Name

COMPANY

SECTION 00360 – SUBCONTRACTOR REPORT

- A. A Bidder may replace a listed Subcontractor if the Subcontractor:
1. fails to comply with AS 08.18;
 2. files for bankruptcy or becomes insolvent;
 3. fails to execute a contract with the Bidder involving the performance of the WORK for which the Subcontractor was listed and the Bidder acted in good faith;
 4. fails to obtain bonding;
 5. fails to obtain insurance acceptable to the OWNER;
 6. fails to perform the contract with the Bidder involving work for which the Subcontractor was listed;
 7. must be substituted in order for the CONTRACTOR to satisfy required state and federal affirmative action requirements;
 8. refuses to agree or abide by the Bidder's labor agreement; or
 9. is determined by the OWNER not to be responsible.
 10. is not in "Good Standing" with the OWNER as required in Article 21.0 in Section 00100–Instructions to Bidders.
- B. If a Bidder fails to list a Subcontractor or lists more than one Subcontractor for the same portion of WORK, the Bidder shall be considered to have agreed to perform that portion of WORK without the use of a Subcontractor and to have represented the Bidder to be qualified to perform that WORK.
- C. A Bidder who attempts to circumvent the requirements of this section by listing as a Subcontractor another contractor who, in turn, sublets the majority of the WORK required under the contract violates this section.
- D. If a contract is awarded to a Bidder who violates this section, the OWNER may:
1. cancel the contract; or
 2. after notice and a hearing, assess a penalty on the Bidder in an amount that does not exceed 10 percent of the value of the subcontract at issue.
- E. On the Subcontractor Report, the apparent low Bidder must list any Subcontractors anticipated to perform WORK with a value of greater than one-half of one percent of the intended award amount, or \$2,000, whichever is less.
- F. An apparent low Bidder who fails to submit a completed Subcontractor Report within the time specified in this section may be found to be not a responsible Bidder and may be required to forfeit the Bid security. The OWNER will then consider the next lowest Bidder for award of the

**SECTION 00370
CONTRACTOR FINANCIAL RESPONSIBILITY**

To be considered, all bidders must complete and include this form **at the deadline for bids**. Attach additional sheets as necessary to respond to questions.

Project: HB 23-20 CHILKAT CENTER ATTIC INSULATION

As the General Contractor on this project, I intend to subcontract _____% of the total value of this contract.

A. EXPERIENCE

1. Have you ever failed to complete a contract due to insufficient resources?

No Yes If YES, explain:

2. Describe arrangements you have made to finance this work:

3. Have you had previous construction contracts or subcontracts with the Haines Borough?

No Yes

4. Describe your most recent or current contract, its completion date, and scope of work:

5. List below, and/or as an attachment to this questionnaire, other construction projects you have completed, dates of completion, scope of work, and total contract amount for each project completed in the past twelve months.

6. Per Alaska Statute 36.90.210, on previous public contracts, have you ever failed to pay a subcontractor within eight working days after receiving payment from the Owner (for projects occurring within the last 3 years)?

No Yes If YES, please attach a detailed explanation of each occurrence.

SECTION 00370 – CONTRACTOR FINANCIAL RESPONSIBILITY

B. EQUIPMENT

1. Describe below, and/or as an attachment, the equipment you have available and intend to use for this project.

ITEM	QUANTITY	MAKE	MODEL	SIZE/CAPACITY	PRESENT MARKET VALUE

2. Do you propose to purchase any equipment for use on this project not listed in table B-1?
 No Yes If YES, describe the type, quantity, and approximate cost:

3. Do you propose to rent any equipment for this work not listed on table B-1?
 No Yes If YES, describe type and quantity:

4. Is your bid based on firm offers for all materials necessary for this project?
 No Yes If NO, please explain:

I hereby certify that the above statements are true and complete.

 Contractor

 Name and Title of Person Signing

 Signature

 Date

**SECTION 00500
AGREEMENT**

THIS AGREEMENT is between The Borough of Haines (hereinafter called OWNER) and _____ (hereinafter called CONTRACTOR). OWNER and CONTRACTOR, in consideration of the mutual covenants hereinafter set forth, agree as follows:

ARTICLE 1. WORK.

CONTRACTOR shall complete the WORK as specified or as indicated under the Bid Schedule(s) of the OWNER's Contract Documents entitled:

HB 23-20 CHILKAT CENTER ATTIC INSULATION

The WORK is generally described as follows: The work includes removing and disposing of ceiling batt insulation and furnishing and placing approximately 15,300 board feet of spray foam insulation in the Chilkat Center attic.

ARTICLE 2. CONTRACT COMPLETION TIME.

- All WORK must be completed by November 30, 2023.

ARTICLE 3. DATE OF AGREEMENT.

The date of this agreement will be the date of the last signature on page three of this section.

ARTICLE 4. LIQUIDATED DAMAGES. Not applicable to this agreement.

ARTICLE 5. CONTRACT PRICE.

OWNER shall pay CONTRACTOR for completion of the WORK in accordance with the Contract Documents in current funds the amount set forth in the Bid Schedule. The CONTRACTOR agrees to accept as full and complete payment for all WORK to be done in this contract for **HB 23-20 CHILKAT CENTER ATTIC INSULATION** those Unit Price amounts as set forth in the Bid Schedule in the Contract Documents for this Project.

The total amount of this contract shall be _____ (\$ _____), except as adjusted in accordance with the provisions of the Contract Documents.

ARTICLE 6. PAYMENT PROCEDURES.

CONTRACTOR shall submit Applications for Payment in accordance with Article 14 of the General Conditions. Applications for Payment will be processed by the ENGINEER as provided in the General Conditions.

Progress payments will be paid in full in accordance with Article 14 of the General Conditions until ninety (90) percent of the Contract Price has been paid. The remaining ten (10) percent of the Contract Price may be retained, in accordance with applicable Alaska State Statutes, until final inspection, completion, and acceptance of the Project by the OWNER.

ARTICLE 7. CONTRACT DOCUMENTS.

The Contract Documents, which comprise the entire Agreement between OWNER and CONTRACTOR

SECTION 00500 – AGREEMENT

concerning the WORK, consist of this Agreement and the following sections of the Contract Documents:

- Table of Contents.
- Notice Inviting Bids.
- Instructions to Bidders.
- Bid.
- Bid Schedule.
- Bid Bond.
- Subcontractor Report.
- Contractor Financial Responsibility.
- Performance Bond.
- Payment Bond.
- Insurance Certificate(s).
- General Conditions.
- Supplementary General Conditions.
- Alaska Labor Standards, Reporting, and Prevailing Wage Determination.
- Drawings consisting of X sheets.
- Addenda numbers _____ to _____, inclusive.
- Change Orders which may be delivered or issued after the Date of the Agreement and which are not attached hereto.

There are no Contract Documents other than those listed in this Article 7. The Contract Documents may only be amended by Change Order as provided in Paragraph 3.3 of the General Conditions.

ARTICLE 8. MISCELLANEOUS.

Terms used in this Agreement defined in Article 1 of the General Conditions will have the meanings indicated in the General Conditions.

No assignment by a party hereto of any rights under or interests in the Contract Documents will be binding on another party hereto without the written consent of the party sought to be bound; and specifically but without limitation, monies that may become due and monies that are due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under the Contract Documents.

OWNER and CONTRACTOR each bind itself, its partners, successors, assigns, and legal representatives to the other party hereto, its partners, successors, assigns, and legal representatives in respect of all covenants, agreements, and obligations contained in the Contract Documents. This Agreement shall be governed by the laws of the State of Alaska. Jurisdiction shall be in the State of Alaska, First Judicial District.

IN WITNESS WHEREOF, OWNER and CONTRACTOR have caused this Agreement to be executed on the date listed below, signed by OWNER.

OWNER:

CONTRACTOR:

_____ Haines Borough _____

_____ (Company Name) _____

_____ (Signature) _____

_____ (Signature) _____

SECTION 00500 – AGREEMENT

By: _____
(Printed Name, Title)

By: _____
(Printed Name, Title)

Date: _____

Date: _____

OWNER's address for giving notices:

CONTRACTOR'S address for giving notices:

103 Third Avenue S.

Haines, AK 99827

907-766-6400 907-766-2716

(Phone) (Fax)

(Phone) (Fax)

(E-mail address)

Contractor's License No.

SECTION 00500 – AGREEMENT

CERTIFICATE
(if Corporation)

STATE OF)
) SS:
COUNTY OF)

I HEREBY CERTIFY that a meeting of the Board of Directors of the _____ a corporation existing under the laws of the State of _____, held on _____, 20_____, the following resolution was duly passed and adopted:

“RESOLVED, that _____, as _____ President of the Corporation, be and is hereby authorized to **execute the Agreement** with the HAINES BOROUGH and this corporation and that the execution thereof, attested by the Secretary of the Corporation, and with the Corporate Seal affixed, shall be the official act and deed of this Corporation.”

I further certify that said resolution is now in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the corporation this _____ day of _____, 20_____.

Secretary: _____

(SEAL)

SECTION 00500 – AGREEMENT

CERTIFICATE
(if Partnership)

STATE OF)
)
COUNTY OF) SS:

I HEREBY CERTIFY that a meeting of the Partners of _____ a partnership existing under the laws of the State of _____, held on _____, 20_____, the following resolution was duly passed and adopted:

“RESOLVED, that _____, as _____ of the Partnership, be and is hereby authorized to **execute the Agreement** with the HAINES BOROUGH and this partnership and that the execution thereof, attested by the _____ shall be the official act and deed of this Partnership.”

I further certify that said resolution is now in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand this _____ day of _____, 20_____.

Secretary: _____

(SEAL)

SECTION 00500 – AGREEMENT

CERTIFICATE
(if Joint Venture)

STATE OF)
) SS:
COUNTY OF)

I HEREBY CERTIFY that a meeting of the Principals of _____ a joint venture existing under the laws of the State of _____, held on _____, 20 _____, the following resolution was duly passed and adopted:

"RESOLVED, that _____, as _____ of the Joint Venture, be and is hereby authorized to **execute the Agreement** with the HAINES BOROUGH and this joint venture and that the execution thereof, attested by the _____ shall be the official act and deed of this joint venture."

I further certify that said resolution is now in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand this _____ day of _____, 20 _____.

Secretary: _____

(SEAL)

**SECTION 00610
PERFORMANCE BOND**

KNOW ALL PERSONS BY THESE PRESENTS: That we _____
(Name of Contractor)

_____ a _____
(Corporation, Partnership, Individual)

Herein after called "PRINCIPAL" and

of _____, State of _____, hereinafter called the "SURETY," are held and firmly bound to the **HAINES BOROUGH of HAINES, ALASKA**, hereinafter called "OWNER," for the penal

the sum of _____ dollars
(\$ _____) in lawful money of the United States, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, and successors, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION is such that whereas the CONTRACTOR has entered into a certain contract with the OWNER, the effective date of which is (The Haines Borough to fill in (Effective date) _____, a copy of which is hereto attached and made a part hereof for the construction of:

HB 23-20 CHILKAT CENTER ATTIC INSULATION

NOW, THEREFORE, if the Principal shall truly and faithfully perform its duties, all the undertakings, covenants, terms, conditions, and agreements of said contract during the original term thereof, and any extensions thereof, which may be granted by the OWNER, with or without notice to the Surety, and if it shall satisfy all claims and demands incurred under such contract, and shall fully indemnify and save harmless the OWNER from all costs and damages which it may suffer by reason of failure to do so, and shall reimburse and repay the OWNER all outlay and expense which the OWNER may incur in making good any default, then this obligation shall be void; otherwise to remain in full force and effect.

PROVIDED, FURTHER, that the said Surety, for value received hereby, stipulates and agrees that no change, extension of time, alteration, or addition to the terms of the contract or to the WORK to be performed thereunder or the specifications accompanying the same shall in any wise affect its obligation on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the contract or to the WORK or to the Specifications.

SECTION 00610 – PERFORMANCE BOND

PROVIDED, FURTHER, that no final settlement between the OWNER and the Principal shall abridge the right of any beneficiary hereunder whose claim may be unsatisfied.

HB 23-20 CHILKAT CENTER ATTIC INSULATION

IN WITNESS WHEREOF, this instrument is issued in two (2) identical counterparts, each one of which shall be deemed an original.

CONTRACTOR:

By: _____
(Signature)

(Printed Name)

(CompanyName)

(Mailing Address)

(City, State, Zip Code)

SURETY:

By: _____
(Signature of Attorney-in-Fact)

Date Issued: _____

(Printed Name)

(CompanyName)

(Mailing Address)

(City, State, Zip Code)

(AFFIX SURETY'S SEAL)

NOTE: If CONTRACTOR is Partnership, all Partners must execute bond.

**SECTION 00620
PAYMENT BOND**

KNOW ALL PERSONS BY THESE PRESENTS: That we _____
(Name of Contractor)

_____ a _____
(Corporation, Partnership, Individual)

Herein after called "PRINCIPAL" and

of _____, State of _____ hereinafter called the "SURETY", are held and firmly bound to the **HAINES BOROUGH of HAINES, ALASKA** hereinafter called "OWNER", for the penal

sum of _____ dollars (\$_____)

in lawful money of the United States, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, and successors, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION is such that whereas the CONTRACTOR has entered into a certain contract with the OWNER, the effective date of which is (The Haines Borough to fill in effective date) _____, a copy of which is hereto attached and made a part hereof for the construction of:

HB 23-20 CHILKAT CENTER ATTIC INSULATION

NOW, THEREFORE, if the Principal shall promptly make payment to all persons, firms, Subcontractors, and corporations furnishing materials for or performing labor in the prosecution of the WORK provided for in such contract, and any authorized extension or modification thereof, including all amounts due for materials, lubricants, oil, gasoline, coal and coke, repairs on machinery, equipment, and tools, consumed or used in connection with the construction of such WORK, and all insurance premiums on said work, and for all labor performed in such WORK, whether by Subcontractor or otherwise, then this obligation shall be void; otherwise to remain in full force and effect.

PROVIDED, FURTHER, that the said Surety, for value received hereby, stipulates and agrees that no change, extension of time, alteration, or addition to the terms of the contract or to the WORK to be performed thereunder or the specifications accompanying the same shall in any wise affect its obligation on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the contract or to the WORK or to the Specifications.

PROVIDED, FURTHER, that no final settlement between the OWNER and the Principal shall abridge the right of any beneficiary hereunder whose claim may be unsatisfied.

SECTION 00620 – PAYMENT BOND

HB 23-20 CHILKAT CENTER ATTIC INSULATION

IN WITNESS WHEREOF, this instrument is issued in two (2) identical counterparts, each one of which shall be deemed an original.

CONTRACTOR:

By: _____
(Signature)

(Printed Name)

(CompanyName)

(Mailing Address)

(City, State, Zip Code)

SURETY:

By: _____
(Signature of Attorney-in-Fact)

Date Issued: _____

(Printed Name)

(CompanyName)

(Mailing Address)

(City, State, Zip Code)

(AFFIX SURETY’S SEAL)

NOTE: If CONTRACTOR is Partnership, all Partners must execute the bond.

**SECTION 00700
GENERAL CONDITIONS**

ARTICLE 1. DEFINITIONS AND TERMS

The following terms and definitions apply in these Specifications. If a term is not defined, the ordinary, technical, or trade meanings for that term shall apply, within the context in which it is used.

Titles and headings of sections, subsections, and subparts are intended for convenience of reference and will not govern their interpretation.

Cited publications refer to the most recent issue, including interim publications, in effect on the date of the Invitation To Bid, unless specified by year or date.

These Specifications are written to the Bidder or Contractor. Unless otherwise noted, all actions required by the specifications are to be performed by the Bidder, the Contractor, or the Contractor's agent.

Beginning in Division 200 we use imperative mood and active voice to communicate the Contractor's responsibilities in a direct and concise manner. Omission of words or phrases such as "a," "an," "the," "the Contractor shall," "unless otherwise specified," or "unless otherwise directed" is intentional. Interpret the Contract as if they were included.

Beginning in Division 200 whenever anything is, or is to be, done, if, as, or, when, or where "acceptable, accepted, approved, authorized, determined, designated, directed, disapproved, ordered, permitted, rejected, required, satisfactory, specified, submit, sufficient, suitable, suspended, unacceptable, unsatisfactory, or unsuitable," the expression is to be interpreted as if it were followed by the words "by the Engineer" or "to the Engineer."

1.1 ACRONYMS.

Acronyms used in the Contract include the following (publications and plans are italicized):

AAC	<i>Alaska Administrative Code</i>
AASHTO	American Association of State Highway and Transportation Officials
ACI	American Concrete Institute
AITC	American Institute of Timber Construction
ANSI	American National Standards Institute
AKOSH	Alaska Occupational Safety and Health
AS	<i>Alaska Statute</i>
ASDS	<i>Alaska Sign Design Specifications</i>
ASME	American Society of Mechanical Engineers
ASTM	American Society for Testing & Materials
ATM	<i>Alaska Test Method (see Alaska Test Methods Manual)</i>
ATSSA	American Traffic Safety Services Association
AWPA	American Wood Protection Association
AWG	American Wire Gage
AWS	American Welding Society
AWWA	American Water Works Association
CFR	<i>Code of Federal Regulations</i>
CRSI	Concrete Reinforcing Steel Institute
CSUM	Contingent Sum
CY	Cubic Yard
DEC	Alaska Department of Environmental Conservation
DOLWD	Alaska Department of Labor and Workforce Development
DOT&PF	Alaska Department of Transportation and Public Facilities

SECTION 00700 – GENERAL CONDITIONS

EEI	Edison Electrical Institute
EIA	Electronic Industries Association
FHWA	Federal Highway Administration
FM	Factory Mutual
FOP	Field Operating Procedure (see Alaska Test Methods Manual)
FSS	Federal Specifications and Standards, General Services Administration
HB	Haines Borough
IMSA	International Municipal Signal Association
ICEA	Insulated Cable Engineers Association
ITE	Institute of Transportation Engineers
LS	Lump Sum
MRP	<i>Mining and Reclamation Plan</i>
MUTCD	<i>Manual on Uniform Traffic Control Devices</i>
NEC	<i>National Electrical Code</i>
NESC	<i>National Electrical Safety Code</i>
NEMA	National Electrical Manufacturers Association
PCB	Polychlorinated biphenyls.
SAE	Society of Automotive Engineers
SF	Square Foot
SSHC	<i>DOT&PF Standard Specifications for Highway Construction</i>
SSPC	Steel Structures Painting Council
SWPPP	<i>Storm Water Pollution Prevention Plan</i>
SY	Square Yard
UL	Underwriters Laboratory
VAC	Voltage Alternating Current
WAQTC	Western Alliance for Quality Transportation Construction (see ATM)

1.2 DEFINITIONS

Wherever used in these General Conditions or in the Contract Documents the following terms have the meanings indicated which are applicable to both the singular and plural thereof. Where an entire word is capitalized in the definitions and is found not capitalized in the Contract Documents it has the ordinary dictionary definition.

Wherever used in these General Conditions or in the Contract Documents the following terms have the meanings indicated which are applicable to both the singular and plural thereof. Where a word is capitalized in the definitions and is found not capitalized in the Contract Documents it has the ordinary dictionary definition.

Addenda - Written or graphic instruments issued prior to the opening of Bids that make additions, deletions, or revisions to the Contract Documents.

Advertisement - The public announcement, as required by law, inviting bids for specified work or materials.

Agreed Price - An amount negotiated between the Department and the Contractor after the Contract award for additional work performed or additional materials supplied under the Contract.

Agreement - The written contract between the Owner and the Contractor covering the Work to be performed; other documents are attached to the Agreement and made a part thereof as provided therein.

Application for Payment - The form furnished by the Engineer which is to be used by the Contractor to request progress or final payment and which is to be accompanied by such supporting documentation as is required by the Contract Documents.

SECTION 00700 – GENERAL CONDITIONS

Asbestos - Any material that contains more than one percent asbestos and is friable or is releasing asbestos fibers into the air above current action levels established by the United States Occupational Safety and Health Administration.

Award - Acceptance of the successful bid by the Department. The award is effective upon execution of the Contract by the Contracting Officer.

Base Course - One or more layers of specified material placed on a subbase or subgrade to support a surface course.

Bid - The bidder's offer, on the prescribed forms, to perform the specified work at the prices quoted. Also includes the definition of "proposal".

Bid Bond - A type of bid guaranty. Also includes the definition of "Bid Guaranty".

Bidder - An individual, firm, corporation, joint venture, or any acceptable combination of individuals and entities submitting a bid for the advertised work.

Bid Forms - Department-furnished forms that a bidder must complete and submit when making a bid in response to an advertised project. Bid forms may include a bid schedule, certification forms, acknowledgment forms, and other documents.

Bid Guaranty - See "Bid Bond"

Bonds - Bid, Performance, and Payment Bonds and other instruments which protect against loss due to the inability or refusal of the Contractor to perform its contract.

Borough – Haines Borough, or the Borough of Haines.

Borough Project Manager - The authorized representative of the Borough Public Facilities Department, as Owner, who is responsible for the administration of the contract.

Calendar Day – Every day is shown on the calendar, beginning and ending at midnight. Also includes the definition of "Day".

Change Order - A document recommended by the Engineer, which is signed by the Contractor and the Owner and authorizes an addition, deletion, or revision in the Work, or an adjustment in the Contract Price or the Contract Time, issued on or after the Effective Date of the Agreement.

Completion Date - The date on which all Contract work is specified to be completed

Construction Work - The construction, rehabilitation, alteration, conversion, extension, demolition, or repair of buildings, highways, or other changes or improvements to real property, including facilities providing utility services. The term also includes the supervision, inspection, and other on-site functions incidental to the construction.

Contract - The written agreement between the Department and the Contractor setting forth the obligations of the parties for the performance and completion of the work.

The Contract includes the Invitation To Bid, Bid Form, Standard Specifications, Standard Modifications, Special Provisions, Plans, Bid Schedule, Contract Forms, Contract Bonds, Addenda, and any Change Orders, Interim Work Authorizations, Directives, or Supplemental Agreements that are required to complete the work in an acceptable manner, all of which constitute one instrument.

SECTION 00700 – GENERAL CONDITIONS

Contract Documents - The Table of Contents, Notice Inviting Bids, Instructions to Bidders, Bid Forms (including the Bid, Bid Schedule(s), Information Required of Bidder, Bid Bond, and all required certificates and affidavits), Agreement, Performance Bond, Payment Bond, General Conditions, Supplementary General Conditions, Technical Specifications, Drawings, Permits, and all Addenda, Field Orders and Change Orders executed pursuant to the provisions of the Contract Documents.

Contract Item (Pay Item) - A specifically described item of Contract work listed on the Bid Schedule or in a Change Order.

Contract Price - The total monies payable by the Owner to the Contractor under the terms and conditions of the Contract Documents.

Contract Time - The number of successive calendar Days or the specific date stated in the Contract Documents for the completion of the Work, including authorized time extensions.

Contracting Officer (Procurement Officer) - The person authorized by the Commissioner of the Department to enter into and administer the Contract on behalf of the Department. The Contracting Officer has the authority to make findings, determinations, and decisions with respect to the Contract and, when necessary, to modify or terminate the Contract. The Contracting Officer is identified on the Invitation To Bid.

Contractor - The individual, partnership, corporation, joint venture, or other legal entity with whom the Owner has executed the Agreement.

Controlling Item - Any feature of the work considered at the time by the Engineer: (1) essential to the orderly completion of the work and (2) a feature which, if delayed, will delay the time of completion of the Contract (such as an item of work on the critical path of a network schedule).

Cost - Amounts actually incurred by the Contractor in the performance of the Contract that is (a) actually reflected in contemporaneously maintained accounting or other financial records and (b) supported by original source documentation. Costs are to be stated in U.S. dollars.

Culvert - Any structure not classified as a bridge that provides an opening under the embankment.

Day – See “Calendar Day”

Defective Work - WORK that is unsatisfactory, faulty, or deficient; or that does not conform to the Contract Documents; or that does not meet the requirements of any inspection, reference standard, test, or approval referred to in the Contract Documents; or WORK that has been damaged prior to the Engineer's recommendation of final payment.

Department - The Haines Borough.

Digital Signature - An electronic signature that conforms to the Uniform Electronic Transactions Act, AS 09.80.010 et seq.

Directive - A written communication to the Contractor from the Engineer enforcing or interpreting a Contract requirement or ordering the commencement or suspension of an item of work already established in the Contract.

Drawings - The drawings, plans, maps, profiles, diagrams, and other graphic representations which indicate the character, location, nature, extent, and scope of the WORK and which have been prepared by the Engineer of Record and are referred to in the Contract Documents. Shop Drawings are not within the meaning of this paragraph. Also includes the definition of “Plans”.

SECTION 00700 – GENERAL CONDITIONS

Effective Date of the Agreement - The date indicated in the Agreement on which it becomes effective, but if no such date is indicated it means the date on which the Agreement is signed and delivered by the last of the two parties to sign and deliver.

Electronic Bid - A bid that a bidder (i) prepares on the Department's bid forms accessed through the Department's approved online bidding service and (ii) submits to the Department through use of that bidding service's online submittal process.

Electronic Mail (Email) - A system for sending messages from one person to another via telecommunications links between computers or terminals using dedicated software.

Engineer - The Engineer is the firm or person(s) selected by the Haines Borough to perform the duties of project inspection and management. HB will inform the Contractor of the identity of the Engineer at or before the Notice to Proceed.

Engineer of Record – The individual, partnership, corporation, joint venture, or other legal entity legally responsible for the preparation of Design and Construction Documents for the project.

Equipment - All machinery, tools, apparatus, and supplies necessary to preserve, maintain, construct, and complete the work.

Equitable Adjustment - An increase or decrease in Contract price or time calculated according to the terms of this Contract.

Extra Work - An item of work not provided for in the Contract as awarded but found essential by the Engineer for the satisfactory completion of the Contract within its intended scope.

Federally Assisted Construction Contract - Any agreement or modification thereof between any applicant and a person for construction work which is paid for in whole or in part with funds obtained from the Government or borrowed on the credit of the Government pursuant to any federal program involving a grant, contract, loan, insurance or guarantee, or undertaken pursuant to any federal program involving such grant, contract, loan, insurance, or guarantee, or any application or modification thereof approved by the Government for a grant, contract, loan, insurance, or guarantee under which the applicant itself participates in the construction work.

Field Order - A written order issued by the Engineer that may or may not involve a change in the WORK.

General Requirements - Division 1 of the Technical Specifications.

Hazardous Waste - The term Hazardous Waste shall have the meaning provided in Section 1004 of the Solid Waste Disposal Act (42 USC Section 9603) as amended from time to time.

HB Public Facilities Director - The authorized representative of the Haines Borough, as Owner, who is responsible for the administration of the contract.

Highway, Street, Or Road - A general term denoting a public way used by vehicles and pedestrians, including the entire area within the right-of-way.

Holidays - The Haines Borough legal holidays occur on:

- A. New Year's Day - January 1
- B. President's Day - Third Monday in February
- C. Memorial Day - Last Monday in May
- D. Independence Day - July 4
- E. Labor Day - First Monday in September

SECTION 00700 – GENERAL CONDITIONS

- F. Alaska Day - October 18
- G. Veteran's Day - November 11
- H. Thanksgiving Day - Fourth Thursday and the following Friday in November
- I. Christmas Eve – December 24
- J. Christmas Day - December 25

If any holiday listed above falls on a Saturday, Saturday and the preceding Friday are legal holidays. If the holiday should fall on a Sunday, Sunday and the following Monday are both legal holidays.

Inspector - The authorized representative of the Engineer assigned to make detailed inspections for conformance to the Contract Documents. Any reference to the Resident Project Representative in this document shall mean the Inspector.

Interim Work Authorization - A written order by the Engineer initiating changes to the Contract within its general scope until a subsequent Change Order is executed.

Invitation To Bid - The advertisement for bids for all work or materials on which bids are required.

Laws and Regulations; Laws or Regulations - Any and all applicable laws, rules, regulations, ordinances, codes, and/or orders of any and all governmental bodies, agencies, authorities, and courts having jurisdiction.

Major Contract Item - A Contract item for which the Contractor's bid amount is 5 percent or more of the total Contract award amount. Determination of a Major Contract Item is made at the time of Award.

Manual Bid - A bid that a bidder (i) prepares on the Department's bid forms accessed either through the Department's approved online bidding service or obtained from the Department's Regional Contracts Office and (ii) submits to the Department in physical paper form by hand delivery, U.S. Mail, or courier service.

Materially Unbalanced Bid - A mathematically unbalanced bid that either (a) gives rise to a reasonable doubt that it will ultimately result in the lowest overall cost to the Department, even though it may be the lowest bid, or (b) is so unbalanced as to be tantamount to allowing a significant advance payment.

Materials - Substances specified for use in the construction of the project.

Mathematically Unbalanced Bid - A bid (a) where each pay item fails to carry its share of the cost of the work plus the bidder's overhead and profit, or (b) based on nominal prices for some pay items and enhanced prices for other pay items.

Mechanic's Lien - A form of security, an interest in real property, which is held to secure the payment of an obligation. When referred to in these Contract Documents, "Mechanic's Lien" or "lien" means "Stop Notice".

Milestone - A principal event specified in the Contract Documents relating to an intermediate completion date of a portion of the work or a period of time within which the portion of the work should be performed prior to Substantial Completion of all the Work.

MINOR CONTRACT ITEM. A Contract item with a total value of less than 5 percent of the Contract award amount.

Notice of Intent to Award - The written notice by the Owner to the apparent successful bidder stating that upon compliance by the apparent successful bidder with the requirements listed therein, within the time specified, the Owner will enter into an Agreement.

Notice of Award - The written notice by the Owner to the apparent successful bidder stating that the

SECTION 00700 – GENERAL CONDITIONS

apparent successful bidder has complied with all conditions for the award of the contract.

Notice of Completion - A form signed by the Engineer and the Contractor recommending to the Owner that the Work is Substantially Complete and fixing the date of Substantial Completion. After acceptance of the Work by the Owner's governing body, the form is signed by the Owner. This filing starts the 30-day lien filing period on the Work.

Notice to Proceed - The written notice issued by the Owner to the Contractor authorizing the Contractor to proceed with the Work and establishing the date of commencement of the Contract Time.

Original Ground (Og) - The ground surface prior to the start of work.

Owner - The Haines Borough, acting through its legally designated officials, officers, or employees.

Partial Utilization - Use by the Owner of a substantially completed part of the Work for the purpose for which it is intended prior to Substantial Completion of all the Work.

Pathway - A paved or unpaved path for multiple uses.

Pavement Structure - The combination of subbase, base course, and surface course placed on a subgrade to support the traffic load and distribute the traffic load to the roadbed.

Payment Bond - The security furnished by the Contractor and the Contractor's Surety to guarantee payment of all persons who supply labor and material in the prosecution of the work provided for in the contract.

Performance Bond - The security furnished by the Contractor and the Contractor's Surety to guarantee performance and completion of the work provided for in the contract.

Petroleum - Petroleum, including crude oil or any fraction thereof which is liquid at standard conditions of temperature and pressure (60 degrees Fahrenheit and 14.7 pounds per square inch absolute), such as oil, petroleum, fuel oil, oil sludge, oil refuse, gasoline, kerosene, and oil mixed with other non-Hazardous Wastes and crude oils.

Plans - See "Drawings".

Preconstruction Conference - A meeting between the Contractor and the Engineer to discuss the project before the Contractor begins the work.

Profile - The vertical elevation of the surface of the layer at the location indicated. On a roadbed, it is typically indicated at the longitudinal centerline of the top layer of pavement. On a material or fabrication, it may be used to indicate the thickness of the material or the thickness of a coating.

Project - The total construction of the Work to be provided under the Contract Documents may be the whole or a part as indicated elsewhere in the Contract Documents.

Proposal - See "Bid".

Radioactive Material - Source, special nuclear, or byproduct material as defined by the Atomic Energy Act of 1954 (42 USC Section 2011 et seq.) as amended from time to time.

Resources - Labor, equipment, materials, supplies, tools, transportation, and supervision necessary to perform the work.

Responsible Bidder - A bidder that the Department determines has the skill, ability, financial resources,

SECTION 00700 – GENERAL CONDITIONS

legal capacity to contract, equipment, required licenses, integrity, a satisfactory record of performance and that is otherwise fully capable of performing the Contract.

Responsive Bid - A bid that the Department determines conforms in all material respects with the solicitation for bids.

Retainage - A percentage of a payment established in advance under a contract or subcontract to be withheld from a progress payment due on the contract or subcontract. Payment or a percentage of payment withheld for unsatisfactory performance is not retainage.

Right-Of-Way - Land or property or an interest in property available for a project. The uses allowed in portions of right-of-way may be restricted.

Roadbed - Graded portion of a highway within top and side slopes, prepared as a foundation for the pavement structure and shoulders.

Roadside - A general term denoting the area adjoining the outer edge of the roadway. Extensive areas between the roadways of a divided highway may also be considered roadside.

Roadway - Portion of a highway including shoulders, for vehicular use.

Shop Drawings - All drawings, diagrams, illustrations, schedules, and other data which are specifically prepared by or for the Contractor and submitted by the Contractor to the Engineer to illustrate some portion of the Work.

Shoulder - Portion of the roadway adjacent to the traveled way for accommodation of stopped vehicles for emergency use and for lateral support of base and surface courses.

Sidewalk – A portion of the project constructed for the exclusive use of pedestrians.

Special Provision - Addition or revision that amends or supersedes the Standard Specifications or Standard Modifications and is applicable to an individual project.

Specialty Item - A Contract item identified in the Contract that requires highly specialized knowledge, abilities, or equipment not ordinarily available in the type of contracting organizations qualified and expected to bid on the contract.

Specifications - See "Technical Specifications".

State - The Haines Borough, acting through its authorized representative.

Station - A distance of 100 feet measured horizontally, usually along the centerline.

Stop Notice - A legal remedy for subcontractors and suppliers who contribute to public works but who are not paid for their work, which secures payment from construction funds possessed by the Owner. For public property, the Stop Notice remedy is designed to substitute for the mechanic's lien rights.

Structure - Bridge, culvert, catch basin, drop inlet, retaining wall, cribbing, manhole, end wall, building, sewer, service pipe, underdrain, foundation drain, or other similar features that may be encountered in the work.

Subbase - Layer of specified material between the subgrade and base course.

Sub-Consultant - The individual, partnership, corporation, joint venture, or other legal entity having a direct contract with Engineer of Record, or with any of its Consultants to furnish services with respect to the Project.

SECTION 00700 – GENERAL CONDITIONS

Subcontractor - An individual, partnership, corporation, joint-venture or other legal entity having a direct contract with the Contractor, or with any of its Subcontractors, for the performance of a part of the WORK at the site.

Subgrade - The soil or embankment upon which the pavement structure is constructed.

Subsidiary - Work or material not measured or paid for directly. Compensation for such work is included in the payment for other items of work.

Substantial Completion - Refers to when the Work has progressed to the point where, in the opinion of the Engineer as evidenced by Notice of Completion as applicable, it is sufficiently complete, in accordance with the Contract Documents, so that the Work can be utilized for the purposes for which it is intended; or if no such notice is issued, when final payment is due in accordance with Paragraph 14.8. The terms "substantially complete" and "substantially completed" as applied to any Work refer to Substantial Completion thereof.

Superintendent - The Contractor's authorized representative in responsible charge of the work.

Supplemental Agreement - Negotiated written agreement between the Department and the Contractor authorizing performance of work beyond the general scope of, but in conjunction with, the original Contract. Supplemental agreements are new procurements under the State Procurement Code, AS 36.30.

Supplementary General Conditions - The part of the Contract Documents which make additions, deletions, or revisions to these General Conditions.

Supplier - A manufacturer, fabricator, supplier, distributor, material man, or vendor.

Surety - Corporation, partnership, or individual, other than the Contractor, executing a bond furnished by the Contractor.

Surface Course - Top homogenous layer of the pavement structure. It is designed to withstand the wear of traffic and the disintegrating effects of climate. Sometimes called the wearing course.

Technical Specifications - Divisions 1 through 16 of the Contract Documents consisting of the General Requirements and written technical descriptions of products and execution of the Work. Also includes the definition of "Specifications".

Traffic Control Plan (TCP) - One or more project-specific plans detailing the routing of vehicular or pedestrian traffic through or around a construction area including the location of all traffic control devices. TRAIL. An unpaved path for multiple uses.

Traveled Way - Portion of the roadway designed for vehicle use, excluding shoulders.

Utility - Line, facility, or system for producing, transmitting, or distributing communications, power, electricity, light, heat, gas, oil, crude products, water, steam, waste, storm water not connected with highway drainage, or other similar commodity, including a publicly owned fire or police signal system, street lighting system, or railroad which directly or indirectly serves the public. Also means a utility company, inclusive of any subsidiary.

Underground Utilities - All pipelines, conduits, ducts, cables, wires, manholes, vaults, tanks, tunnels, or other such facilities or attachments, and any encasements containing such facilities which have been installed underground to furnish any of the following services or materials: water, sewage and drainage removal, electricity, gases, steam, liquid petroleum products, telephone or other communications, cable

SECTION 00700 – GENERAL CONDITIONS

television, traffic, or other control systems.

Warranty - A guarantee or promise by the Contractor, written or implied and issued to the Owner, promising to repair or replace deficient Work within a specified period of time.

Work - The entire completed construction or the various separately identifiable parts thereof required to be furnished under the Contract Documents. Work is the result of performing or furnishing labor and furnishing and incorporating materials and equipment into the construction, and performing or furnishing services and furnishing documents, all as required by the Contract Documents.

Working Days - Calendar days, except Saturdays and state holidays.

Working Drawings - Stress sheets, shop drawings, erection plans, falsework plans, framework plans, cofferdam plans, bending diagrams for reinforcing steel, wiring diagrams and schematics, traffic control plans, night work lighting plans, or any other supplementary plans or similar data which the Contractor is required to submit to the Engineer for approval.

ARTICLE 2. PRELIMINARY MATTERS.

- 2.1 DELIVERY OF BONDS/INSURANCE CERTIFICATES. When the CONTRACTOR delivers the signed Agreements to the OWNER, the CONTRACTOR shall also deliver to the OWNER such Bonds and Insurance Policies and Certificates as the CONTRACTOR may be required to furnish in accordance with the Contract Documents.
- 2.2 COPIES OF DOCUMENTS. The OWNER shall furnish to the CONTRACTOR the required number of copies of the Contract Documents specified in the Supplementary General Conditions.
- 2.3 COMMENCEMENT OF CONTRACT TIME; NOTICE TO PROCEED. The Contract Time will start to run on the commencement date stated in the Notice to Proceed. If no date is stated, Contract Time shall commence upon the date of the Notice to Proceed is issued.
- 2.4 STARTING THE WORK
 - A. The CONTRACTOR shall begin to perform the WORK within 10 days after the commencement date stated in the Notice to Proceed, but no WORK shall be done at the site prior to said commencement date.
 - B. Before undertaking each part of the WORK, the CONTRACTOR shall carefully study and compare the Contract Documents and check and verify pertinent figures shown thereon and all applicable field measurements. The CONTRACTOR shall promptly report in writing to the ENGINEER any conflict, error, or discrepancy which the CONTRACTOR may discover and shall obtain a written interpretation or clarification from the ENGINEER before proceeding with any WORK affected thereby.
 - C. The CONTRACTOR shall submit to the ENGINEER for review those documents necessary to confirm the conformance of Work or materials to the Contract Documents.
- 2.5 PRE-CONSTRUCTION CONFERENCE. The CONTRACTOR is required to attend a Pre-Construction Conference. This conference will be attended by the ENGINEER and others as appropriate in order to discuss the WORK as required below:
 - A. Pre-Construction Conference
 1. Prior to the commencement of WORK at the site, a Pre-Construction Conference will be held at a mutually agreed time and place which shall be attended by the

SECTION 00700 – GENERAL CONDITIONS

CONTRACTOR's Project Manager, its superintendent, and its Subcontractors as the CONTRACTOR deems appropriate. Other attendants will be:

- a. ENGINEER and Inspector.
 - b. Representatives of OWNER.
 - c. Governmental representatives as appropriate.
 - d. Others as requested by CONTRACTOR, OWNER, or ENGINEER.
2. Unless previously submitted to the ENGINEER, the CONTRACTOR shall bring to the Pre-Construction Conference one copy each of the following:
- a. Plan of Operation.
 - b. Project Schedule in a format accepted by the ENGINEER.
 - c. Procurement schedule of major equipment and materials and items requiring long lead time.
 - d. Shop Drawing/Sample/Substitute or "Or Equal" submittal schedule.
 - e. Name and telephone number of CONTRACTOR's Project Superintendent.
 - f. Traffic Control Plan(s) and Phasing Plans (if applicable).
3. The purpose of the Pre-Construction Conference is to designate responsible personnel and establish a working relationship. Matters requiring coordination will be discussed and procedure for handling such matters established. The complete agenda will be furnished to the CONTRACTOR prior to the meeting date. The CONTRACTOR should be prepared to discuss all of the items listed below:
- a. Status of CONTRACTOR's insurance and bonds.
 - b. CONTRACTOR's tentative schedules.
 - c. Transmittal, review, and distribution of CONTRACTOR's submittals.
 - d. Processing applications for payment.
 - e. Maintaining record documents.
 - f. Critical WORK sequencing and long lead time items.
 - g. Field decisions and Change Orders.
 - h. Use of Project site, office and storage areas, security, housekeeping, and OWNER's needs.
 - i. Major equipment deliveries and priorities.
 - j. CONTRACTOR's assignments for safety and first aid.
4. The OWNER will preside at the Pre-Construction Conference and will arrange for keeping and distributing the minutes to all persons in attendance.
5. The CONTRACTOR and its Subcontractors should plan on the conference taking no longer than three hours. Items listed in paragraph 3 will be covered as well as a review of the Drawings and Specifications with the ENGINEER and OWNER.

2.6 FINALIZING CONTRACTOR SUBMITTALS. At least 7 days before submittal of the first Application for Payment a conference attended by the CONTRACTOR, the ENGINEER and others as appropriate will be held to finalize the initial CONTRACTOR submittals in accordance with the General Requirements. As a minimum the CONTRACTOR's representatives should include its project manager and schedule expert. The CONTRACTOR should plan on this meeting taking no less than 8 hours. If the submittals are not finalized at the end of the meeting, additional meetings will be held so that the submittals can be finalized prior to the submittal of the first Application for Payment. No Application for Payment will be processed until CONTRACTOR submittals are finalized.

ARTICLE 3. CONTRACT DOCUMENTS: INTENT, AMENDING, REUSE.

SECTION 00700 – GENERAL CONDITIONS

3.1 INTENT

- A. The Contract Documents comprise the entire agreement between the OWNER and the CONTRACTOR concerning the WORK. The Contract Documents shall be construed as a whole in accordance with Alaska Law.
- B. It is the intent of the Contract Documents to describe the WORK, functionally complete, to be constructed in accordance with the Contract Documents. Any WORK, materials, or equipment that may reasonably be inferred from the Contract Documents as being required to produce the intended result shall be supplied whether or not specifically called for. When words or phrases which have a well-known technical or construction industry or trade meaning are used to describe WORK, materials, or equipment such words or phrases shall be interpreted in accordance with that meaning, unless a definition has been provided in Article 1 of the General Conditions. Reference to standard specifications, manuals, or codes of any technical society, organization, or association, or to the Laws or Regulations of any governmental authority, whether such reference be specific or by implication, shall mean the latest standard specification, manual, code, or Laws or Regulations in effect at the time of opening of Bids, except as may be otherwise specifically stated. However, no provision of any referenced standard specification, manual, or code (whether or not specifically incorporated by reference in the Contract Documents) shall be effective to change the duties and responsibilities of the ENGINEER, OWNER, the CONTRACTOR, or the ENGINEER of Record or any of their consultants, agents, or employees from those set forth in the Contract Documents.
- C. If, during the performance of the WORK, CONTRACTOR discovers any conflict, error, ambiguity or discrepancy within the Contract Documents or between the Contract Documents and any provision of any such Law or Regulation applicable to the performance of the WORK or of any such standard, specification, manual or code or of any instruction of any Supplier referred to in paragraph 6.5, the CONTRACTOR shall report it to the ENGINEER in writing at once, and the CONTRACTOR shall not proceed with the WORK affected thereby (except in an emergency as authorized by the ENGINEER) until a clarification Field Order, or Change Order to the Contract Documents has been issued.

3.2 ORDER OF PRECEDENCE OF CONTRACT DOCUMENTS

- A. In resolving conflicts resulting from, errors, or discrepancies in any of the Contract Documents, the order of precedence shall be as follows:
 - 1. Permits from other agencies as may be required by law, excepting the definition of "Permittee" in these permits.
 - 2. Field Orders
 - 3. Change Orders
 - 4. ENGINEER's written interpretations and clarifications.
 - 5. Agreement
 - 6. Addenda
 - 7. CONTRACTOR's Bid (Bid Form)
 - 8. Supplementary General Conditions
 - 9. Notice Inviting Bids
 - 10. Instructions to Bidders
 - 11. General Conditions
 - 12. Technical Specifications
 - 13. Drawings
- B. With reference to the Drawings the order of precedence is as follows:

SECTION 00700 – GENERAL CONDITIONS

1. Figures govern over scaled dimensions
2. Detail drawings govern over general drawings
3. Addenda/Change Order drawings govern over contract Drawings
4. Contract Drawings govern over standard details

3.3 AMENDING AND SUPPLEMENTING CONTRACT DOCUMENTS. The Contract Documents may be amended to provide for additions, deletions, and revisions in the WORK or to modify the terms and conditions thereof by a Change Order (pursuant to Article 10 CHANGES IN THE WORK).

3.4 REUSE OF DOCUMENTS. Neither the CONTRACTOR, nor any Subcontractor or Supplier, nor any other person or organization performing any of the WORK under a contract with the OWNER shall have or acquire any title to or ownership rights in any of the Drawings, Technical Specifications, or other documents used on the WORK, and they shall not reuse any of them on the extensions of the Project or any other project without written consent of the OWNER.

ARTICLE 4. AVAILABILITY OF LANDS; PHYSICAL CONDITIONS; REFERENCE POINTS.

4.1 AVAILABILITY OF LANDS. The OWNER shall furnish, as indicated in the Contract Documents, the lands upon which the WORK is to be performed, rights-of-way and easements for access thereto, and such other lands which are designated for the use of the CONTRACTOR. Easements for permanent structures or permanent changes in existing facilities will be obtained and paid for by the OWNER, unless otherwise provided in the Contract Documents. Nothing contained in the Contract Documents shall be interpreted as giving the CONTRACTOR exclusive occupancy of the lands or rights-of-way provided. The CONTRACTOR shall provide for all additional lands and access thereto that may be required for temporary construction facilities or storage of materials and equipment; provided, that the CONTRACTOR shall not enter upon nor use any property not under the control of the OWNER until a written temporary construction easement, lease or other appropriate agreement has been executed by the CONTRACTOR and the property owner, and a copy of said agreement furnished to the ENGINEER prior to said use; and, neither the OWNER nor the ENGINEER shall be liable for any claims or damages resulting from the CONTRACTOR's unauthorized trespass or use of any such properties.

4.2 PHYSICAL CONDITIONS - SUBSURFACE AND EXISTING STRUCTURES

A. Explorations and Reports. Reference is made to SGC 4.2 Physical Conditions of the Supplementary General Conditions for identification of those reports of explorations and tests of sub-surface conditions at the site that have been utilized by the ENGINEER of Record in the preparation of the Contract Documents. The CONTRACTOR may rely upon the accuracy of the technical data contained in such reports, however, reports are not to be considered complete or comprehensive and nontechnical data, interpretations, and opinions contained in such reports are not to be relied on by the CONTRACTOR. The CONTRACTOR is responsible for any further explorations or tests that may be necessary and any interpretation, interpolation, or extrapolation that it makes of any information shown in such reports.

B. Existing Structures. Reference is made to SGC 4.2 Physical Conditions of the Supplementary General Conditions for identification of those drawings of physical conditions in or relating to existing surface and subsurface structures (except Underground Utilities referred to in Paragraph 4.4 herein) which are at or contiguous to the site that have been utilized by the ENGINEER of Record in the preparation of the Contract Documents. The CONTRACTOR may rely upon the accuracy of the technical data contained in such drawings, however, nontechnical data, interpretations, and opinions contained in such drawings are not to be relied on by the CONTRACTOR. The CONTRACTOR is also responsible for any interpretation, interpolation, or extrapolation that it makes of any information shown in such drawings.

4.3 DIFFERING SITE CONDITIONS

SECTION 00700 – GENERAL CONDITIONS

- A. The CONTRACTOR shall promptly upon discovery (but in no event later than 14 days thereafter) and before the following conditions are disturbed, notify the ENGINEER, in writing of any:
1. Material that the CONTRACTOR believes may be material that is hazardous waste, as defined in Article 1 of these General Conditions, or asbestos, PCB's, petroleum or any other substance or material posing a threat to human or to the environment.
 2. Subsurface or latent physical conditions at the site differing from those indicated.
 3. Unknown physical conditions at the site of any unusual nature, different materially from those ordinarily encountered and generally recognized as inherent in WORK of the character provided for in the contract.
- B. The ENGINEER shall promptly investigate the conditions, and if it finds that the conditions do materially so differ, or do involve hazardous waste, and cause a decrease or increase in the CONTRACTOR's cost of, or the time required for, performance of any part of the WORK shall issue a Change Order under the procedures described in the contract.
- C. In the event that a dispute arises between the ENGINEER and the CONTRACTOR whether the conditions materially differ, or involved hazardous waste or other materials listed above, or cause a decrease or increase in the CONTRACTOR's cost of, or time required for, performance of any part of the WORK, the CONTRACTOR shall not be excused from any scheduled completion date provided for by the contract, but shall proceed with all WORK to be performed under the contract. The CONTRACTOR shall retain any and all rights provided either by contract or by Law which pertain to the resolution of disputes and protests between the contracting parties.

4.4 PHYSICAL CONDITIONS - UNDERGROUND UTILITIES

- A. Indicated. The information and data indicated in the Contract Documents with respect to existing Underground Utilities at or contiguous to the site are based on information and data furnished to the OWNER or the ENGINEER of Record by the owners of such Underground Utilities or by others. Unless it is expressly provided in the Supplementary General Conditions and/or Section 01530 - Protection and Restoration of Existing Facilities, the OWNER and the ENGINEER of Record shall not be responsible for the accuracy or completeness of any such information or data, and the CONTRACTOR shall have full responsibility for reviewing and checking all such information and data, for locating all Underground Utilities indicated in the Contract Documents, for coordination of the WORK with the owners of such Underground Utilities during construction, for the safety and protection thereof and repairing any damage thereto resulting from the WORK, the cost of which will be considered as having been included in the Contract Price.
- B. Not Indicated. If an Underground Utility is uncovered or revealed at or contiguous to the site which was not indicated in the Contract Documents and which the CONTRACTOR could not reasonably have been expected to be aware of, the CONTRACTOR shall identify the owner of such Underground Utility and give written notice thereof to that owner and shall notify the ENGINEER in accordance with the requirements of the Supplementary General Conditions and Section 01530 - Protection and Restoration of Existing Facilities of the General Requirements.

4.5 REFERENCE POINTS

- A. The ENGINEER will provide one benchmark, near or on the site of the WORK, and will provide two points near or on the site to establish a base line for use by the CONTRACTOR for alignment control. Unless otherwise specified in the General Requirements, the CONTRACTOR shall furnish all other lines, grades, and benchmarks required for proper execution of the WORK.
- B. The CONTRACTOR shall preserve all bench marks, stakes, and other survey marks, and in case of their removal or destruction by its own employees or by its subcontractor's employees, the CONTRACTOR shall be responsible for the accurate replacement of such reference points by

SECTION 00700 – GENERAL CONDITIONS

personnel qualified under the Alaska Statute governing the licensing of ENGINEERS, engineers, and land surveyors.

ARTICLE 5. BONDS AND INSURANCE.

5.1 PERFORMANCE, PAYMENT, AND OTHER BONDS

- A. The CONTRACTOR shall furnish Performance and Payment Bonds, each in the amount set forth in the Supplementary General Conditions as security for the faithful performance and payment of all the CONTRACTOR's obligations under the Contract Documents. These bonds shall remain in effect at least until one year after the date of Substantial Completion except as otherwise provided by Law or Regulation or by the Contract Documents. The CONTRACTOR shall also furnish such other Bonds as are required by the Supplementary General Conditions. All Bonds shall be in the form prescribed by the Contract Documents except as provided otherwise by Laws or Regulations, and shall be executed by such sureties as are named in the current list of "Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies" as published in Circular 570 (amended) by the Audit Staff, Bureau of Government Financial Operations, U.S. Treasury Department. All Bonds signed by an agent must be accompanied by a certified copy of such agent's authority to act.
- B. If the surety on any Bond furnished by the CONTRACTOR is declared bankrupt or becomes insolvent or its right to do business is terminated in any state where any part of the WORK is located, the CONTRACTOR shall within 7 days thereafter substitute another Bond and Surety, which must be acceptable to the OWNER.
- C. All Bonds required by the Contract Documents to be purchased and maintained by CONTRACTOR shall be obtained from surety companies that are duly licensed or authorized in the State of Alaska to issue Bonds for the limits so required. Such surety companies shall also meet such additional requirements and qualifications as may be provided in the Supplementary General Conditions.

5.2 INSURANCE

- A. The CONTRACTOR shall purchase and maintain the insurance required under this paragraph. Such insurance shall include the specific coverages set out herein and be written for not less than the limits of liability and coverages provided in the Supplementary General Conditions, or required by law, whichever are greater. All insurance shall be maintained continuously during the life of the Agreement up to the date of Final Completion and at all times thereafter when the CONTRACTOR may be correcting, removing, or replacing Defective WORK in accordance with Paragraph 13.6, but the CONTRACTOR's liabilities under this Agreement shall not be deemed limited in any way to the insurance coverage required.
- B. All insurance required by the Contract Documents to be purchased and maintained by the CONTRACTOR shall be obtained from insurance companies that are duly licensed or authorized in the State of Alaska to issue insurance policies for the limits and coverages so required. Such insurance companies shall have a current Best's Rating of at least an "A" (Excellent) general policy holder's rating and a Class VII financial size category and shall also meet such additional requirements and qualifications as may be provided in the Supplementary General Conditions.
- C. The CONTRACTOR shall furnish the OWNER with certificates showing the type, amount, class of operations covered, effective dates and dates of expiration of policies. All of the policies of insurance so required to be purchased and maintained (or the certificates or other evidence thereof) shall contain a provision or endorsement that the coverage afforded will not be cancelled, reduced in coverage, or renewal refused until at least 30 days' prior written notice has been given to the OWNER by certified mail. All such insurance required herein (except for Workers' Compensation and Employer's Liability) shall name the OWNER, its Consultants and subconsultants and their officers, directors, agents, and

SECTION 00700 – GENERAL CONDITIONS

employees as "additional insureds" under the policies. The CONTRACTOR shall purchase and maintain the following insurance:

1. Workers' Compensation and Employer's Liability. This insurance shall protect the CONTRACTOR against all claims under applicable state workers' compensation laws. The CONTRACTOR shall also be protected against claims for injury, disease, or death of employees which, for any reason, may not fall within the provisions of a Workers' Compensation law. This policy shall include an "all states" endorsement. The CONTRACTOR shall require each Subcontractor similarly to provide Workers' Compensation Insurance for all of the latter's employees to be engaged in such work unless such employees are covered by the protection afforded by the CONTRACTOR's Workers' Compensation Insurance. In case any class of employees is not protected, under the Workers' Compensation Statute, the CONTRACTOR shall provide and shall cause each subcontractor to provide adequate employer's liability insurance for the protection of such of its employees as are not otherwise protected.
2. Commercial General Liability. This insurance shall be written in comprehensive form and shall protect the CONTRACTOR against all claims arising from injuries to persons other than its employees or damage to property of the OWNER or others arising out of any act or omission of the CONTRACTOR or its agents, employees, or Subcontractors. The policy shall contain no exclusions for any operations within the scope of this contract.
3. Comprehensive Automobile Liability. This insurance shall be written in comprehensive form and shall protect the CONTRACTOR against all claims for injuries to members of the public and damage to property of others arising from the use of motor vehicles, and shall cover operation on or off the site of all motor vehicles licensed for highway use, whether they are owned, non-owned, or hired. Coverage for hired motor vehicles should include endorsement covering liability assumed under this contract.
4. Subcontractor's Public Liability and Property Damage Insurance and Vehicle Liability Insurance. The CONTRACTOR shall either require each of its Subcontractors to procure and to maintain Subcontractor's Commercial General Liability and Property Damage Insurance and Vehicle Liability Insurance of the type and in the amounts specified in the Supplementary General Conditions or insure the activities of its subcontractors in the CONTRACTOR's own policy, in like amount.
5. Builder's Risk. This insurance shall be of the "all risks" type, shall be written in completed value form, and shall protect the CONTRACTOR, the OWNER, and the ENGINEER, against risks of damage to buildings, structures, and materials and equipment. The amount of such insurance shall be not less than the insurable value of the WORK at completion. Builder's risk insurance shall provide for losses to be payable to the CONTRACTOR and the OWNER, as their interests may appear. The policy shall contain a provision that in the event of payment for any loss under the coverage provided, the insurance company shall have no rights of recovery against the CONTRACTOR, the OWNER, and the ENGINEER. The Builder's Risk policy shall insure against all risks of direct physical loss or damage to property from any external cause including flood and earthquake. Allowable exclusions, if any, shall be as specified in the Supplementary General Conditions.

ARTICLE 6. CONTRACTOR'S RESPONSIBILITIES.

6.1 SUPERVISION AND SUPERINTENDENCE

- A. The CONTRACTOR shall supervise, inspect, and direct the WORK competently and efficiently, devoting such attention thereto and applying such skills and expertise as may be necessary to perform the WORK in accordance with the Contract Documents. The CONTRACTOR shall be solely responsible for the means, methods, techniques, sequences, and procedures of construction and

SECTION 00700 – GENERAL CONDITIONS

safety precautions and programs incidental thereto. The CONTRACTOR shall be responsible to see that the completed WORK complies accurately with the Contract Documents.

- B. The CONTRACTOR shall designate in writing and keep on the work site at all times during its progress a technically qualified, English-speaking superintendent, who is an employee of the CONTRACTOR and who shall not be replaced without written notice to the OWNER and the ENGINEER. The superintendent will be the CONTRACTOR's representative at the site and shall have authority to act on behalf of the CONTRACTOR. All communications given to the superintendent shall be as binding as if given to the CONTRACTOR. The CONTRACTOR shall issue all its communications to the OWNER through the ENGINEER and the ENGINEER only.
- C. The CONTRACTOR's superintendent shall be present at the site of the WORK at all times while WORK is in progress. Failure to observe this requirement shall be considered suspension of the WORK by the CONTRACTOR until such time as such superintendent is again present at the site.

6.2 LABOR, MATERIALS, AND EQUIPMENT

- A. The CONTRACTOR shall provide competent, suitably qualified personnel to survey and lay out the WORK and perform construction as required by the Contract Documents. The CONTRACTOR shall furnish, erect, maintain, and remove the construction plant and any temporary works as may be required. The CONTRACTOR shall at all times maintain good discipline and order at the site. Except in connection with the safety or protection of persons or the WORK or property at the site or adjacent thereto, and except as otherwise indicated in the Contract Documents, all WORK at the site shall be performed during regular working hours, and the CONTRACTOR will not permit overtime WORK or the performance of WORK on Saturday, Sunday, or any legal holiday without the OWNER's written consent. The CONTRACTOR shall apply for this consent through the ENGINEER.
- B. Except as otherwise provided in this Paragraph, the CONTRACTOR shall receive no additional compensation for overtime WORK, i.e., work in excess of 8 hours in anyone calendar day or 40 hours in any one calendar week, even though such overtime WORK may be required under emergency conditions and may be ordered by the ENGINEER in writing. Additional compensation will be paid the CONTRACTOR for overtime WORK only in the event extra WORK is ordered by the ENGINEER and the Change Order specifically authorizes the use of overtime WORK and then only to such extent as overtime wages are regularly being paid by the CONTRACTOR for overtime WORK of a similar nature in the same locality.
- C. All costs of inspection and testing performed during overtime WORK by the CONTRACTOR which is allowed solely for the convenience of the CONTRACTOR shall be borne by the CONTRACTOR. The ENGINEER shall have the authority to deduct the cost of all such inspection and testing from any partial payments otherwise due to the CONTRACTOR.
- D. Unless otherwise specified in the Contract Documents, the CONTRACTOR shall furnish and assume full responsibility for all materials, equipment, labor, transportation, construction equipment and machinery, tools, appliances, fuel, power, light, heat, telephone, water, sanitary facilities, and all other facilities and incidentals necessary for the furnishing, performance, testing, start-up, and completion of the WORK.
- E. All materials and equipment to be incorporated into the WORK shall be of good quality and new, except as otherwise provided in the Contract Documents. All warranties and guarantees specifically called for by the Specifications shall expressly run to the benefit of the OWNER. If required by the ENGINEER, the CONTRACTOR shall furnish satisfactory evidence (including reports of required tests) as to the kind and quality of materials and equipment. All materials and equipment shall be applied, installed, connected, erected, used, cleaned, and conditioned in accordance with the instructions of the applicable Supplier except as otherwise provided in the Contract Documents; but no provisions of any such instructions will be effective to assign to the ENGINEER, or any of the

SECTION 00700 – GENERAL CONDITIONS

ENGINEER's of Record consultants, agents, or employees, any duty or authority to supervise or direct the furnishing or performance of the WORK or any duty or authority to undertake responsibility contrary to the provisions of Paragraphs 9.9C and 9.9D.

- F. The CONTRACTOR shall at all times employ sufficient labor and equipment for prosecuting the several classes of WORK to full completion in the manner and time set forth in and required by these specifications. All workers shall have sufficient skill and experience to properly perform the WORK assigned to them. Workers engaged in special WORK, or skilled WORK, shall have sufficient experience in such WORK and in the operation of the equipment required to perform all WORK, properly and satisfactorily.
- G. Any person employed by the CONTRACTOR or by any SUBCONTRACTOR who, in the opinion of the ENGINEER, does not perform the WORK in a proper and skillful manner, or is intemperate or disorderly shall, at the written request of the ENGINEER, be removed forthwith by the CONTRACTOR or Subcontractor employing such person, and shall not be employed again in any portion of the WORK without the approval of the ENGINEER. Should the CONTRACTOR fail to remove such person or persons as required above, or fail to furnish suitable and sufficient personnel for the proper prosecution of the WORK, the ENGINEER may suspend the WORK by written notice until such orders are complied with.

6.3 ADJUSTING PROGRESS SCHEDULE. The CONTRACTOR shall submit monthly updates of the progress schedule to the ENGINEER for acceptance in accordance with the Contract Documents

6.4 SUBSTITUTES OR "OR-EQUAL" ITEMS. The CONTRACTOR shall submit proposed substitutes or "or-equal" items in accordance with the Contract Documents.

6.5 CONCERNING SUBCONTRACTORS, SUPPLIERS, AND OTHERS. The CONTRACTOR shall be responsible to the OWNER and the ENGINEER of Record for the acts and omissions of its subcontractors and their employees to the same extent as CONTRACTOR is responsible for the acts and omissions of its own employees. Nothing contained in this Paragraph shall create any contractual relationship between any subcontractor and the OWNER or the ARCHTIECT nor relieve the CONTRACTOR of any liability or obligation under the contract.

6.6 PERMITS

- A. Unless otherwise provided in the Supplementary General Conditions, the CONTRACTOR shall obtain and pay for all construction permits and licenses from the agencies having jurisdiction, including the furnishing of insurance and Bonds if required by such agencies. The enforcement of such requirements under this contract shall not be made the basis for claims for additional compensation. The OWNER shall assist the CONTRACTOR, when necessary, in obtaining such permits and licenses. The CONTRACTOR shall pay all governmental charges and inspection fees necessary for the prosecution of the WORK, which are applicable at the time of opening of Bids. The CONTRACTOR shall pay all charges of utility owners for connections to the WORK.
- B. These Contract Documents may require that the WORK be performed within the conditions and/or requirements of local, state and/or federal permits. These permits may be bound within the Contract Documents, included within the Contract Documents by reference, or included as part of the WORK, as designated in this Section. The CONTRACTOR is responsible for completing the WORK required for compliance with all permit requirements; this WORK is incidental to other items in the Contract Documents. Any reference to the PERMITTEE in the permits shall mean the CONTRACTOR. If any permits were acquired by the OWNER, this action was done to expedite the start of construction. If the CONTRACTOR does not complete the WORK within the specified permit window, the CONTRACTOR shall be responsible for the permit extension, and for completing any additional requirements placed upon the permit.

SECTION 00700 – GENERAL CONDITIONS

- 6.7 PATENT FEES AND ROYALTIES. The CONTRACTOR shall pay all license fees and royalties and assume all costs incident to the use in the performance of the WORK or the incorporation in the WORK of any invention, design, process, product, software or device which is the subject of patent rights or copyrights held by others. If a particular invention, design, process, product, or device is specified in the Contract Documents for use in the performance of the WORK and if to the actual knowledge of the OWNER or the ENGINEER of Record its use is subject to patent rights or copyrights calling for the payment of any license fee or royalty to others, the existence of such rights shall be disclosed by the OWNER in the Contract Documents. The CONTRACTOR shall indemnify, defend and hold harmless the OWNER and the ENGINEER of Record and anyone directly or indirectly employed by either of them from and against all claims, damages, losses, and expenses (including attorneys' fees and court costs) arising out of any infringement of patent rights or copyrights incident to the use in the performance of the WORK or resulting from the incorporation in the WORK of any invention, design, process, product, or device not specified in the Contract Documents, and shall defend all such claims in connection with any alleged infringement of such rights.
- 6.8 LAWS AND REGULATIONS. The CONTRACTOR shall observe and comply with all federal, state, and local laws, ordinances, codes, orders, and regulations which in any manner affect those engaged or employed on the WORK, the materials used in the WORK, or the conduct of the WORK. If any discrepancy or inconsistency should be discovered in this contract in relation to any such law, ordinance, code, order, or regulation, the CONTRACTOR shall report the same in writing to the ENGINEER. The CONTRACTOR shall indemnify, defend, and hold harmless the OWNER, the ENGINEER of Record, and their officers, agents, and employees against all claims or liability arising from violation of any such law, ordinance, code, order, or regulation, whether by CONTRACTOR or by its employees, Subcontractors, or third parties. Any particular law or regulation specified or referred to elsewhere in the Contract Documents shall not in any way limit the obligation of the CONTRACTOR to comply with all other provisions of federal, state, and local laws and regulations.
- 6.9 TAXES. The CONTRACTOR shall pay all sales, consumer, use, and other similar taxes required to be paid by the CONTRACTOR in accordance with the Laws and Regulations of the place of the Project which are applicable during the performance of the WORK.
- 6.10 USE OF PREMISES. The CONTRACTOR shall confine construction equipment, the storage of materials and equipment, and the operations of workers to (1) the Project site, (2) the land and areas identified in and permitted by the Contract Documents, and (3) the other land and areas permitted by Laws and Regulations, rights-of-way, permits, leases and easements. The CONTRACTOR shall assume full responsibility for any damage to any such land or area, or to the owner or occupant thereof or of any land or areas contiguous thereto, resulting from the performance of the WORK. Should any claim be made against the OWNER or the ENGINEER of Record by any such owner or occupant because of the performance of the WORK, the CONTRACTOR shall promptly attempt to settle with such other party by agreement or otherwise resolve the claim through litigation. The CONTRACTOR shall, to the fullest extent permitted by Laws and Regulations, indemnify, defend, and hold the OWNER and the ENGINEER of Record harmless from and against all claims, damages, losses, and expenses (including, but not limited to, fees of ENGINEER's of Records attorneys, and other professionals and court costs) arising directly, indirectly, or consequentially out of any action, legal or equitable, brought by any such owner or occupant against the OWNER, the ENGINEER of Record, their consultants, sub-consultants, and the officers, directors, employees and agents of each and any of them to the extent caused by or based upon the CONTRACTOR's performance of the WORK.
- 6.11 SAFETY AND PROTECTION
- A. The CONTRACTOR shall be responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the WORK. The CONTRACTOR shall take all necessary precautions for the safety of, and shall provide the necessary protection to prevent damage, injury or loss to:

SECTION 00700 – GENERAL CONDITIONS

1. all employees on the WORK and other persons and organizations who may be affected thereby;
 2. all the WORK and materials and equipment to be incorporated therein, whether in storage on or off the site; and
 3. 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.
- B. The CONTRACTOR shall comply with all applicable Laws and Regulations whether referred to herein or not) of any public body having jurisdiction for the safety of persons or property or to protect them from damage, injury, or loss and shall erect and maintain all necessary safeguards for such safety and protection. The CONTRACTOR shall notify owners of adjacent property and utilities when prosecution of the WORK may affect them, and shall cooperate with them in the protection, removal, relocation, and replacement of their property.
- C. The CONTRACTOR shall designate a qualified and experienced safety representative at the site whose duties and responsibilities shall be the prevention of accidents and the maintaining and supervising of safety precautions and program.
- D. Materials that contain hazardous substances or mixtures may be required on the WORK. A Material Safety Data Sheet (MSDS) shall be requested by the CONTRACTOR from the manufacturer of any hazardous product used.
- E. Material usage shall be accomplished with strict adherence to all safety requirements and all manufacturer's warnings and application instructions listed on the Material Safety Data Sheet and on the product container label.
- F. The CONTRACTOR shall be responsible for coordinating communications on any exchange of Material Safety Data Sheets or other hazardous material information that is required to be made available to, or exchanged between, or among, employers at the site in accordance with Laws or Regulations.
- G. The CONTRACTOR shall notify the ENGINEER if it considers a specified product or its intended usage to be unsafe. This notification must be given to the ENGINEER prior to the product being ordered, or if provided by some other party, prior to the product being incorporated in the WORK.

6.12 SHOP DRAWINGS AND SAMPLES

- A. After checking and verifying all field measurements and after complying with applicable procedures specified in the General Requirements, the CONTRACTOR shall submit to the ENGINEER for review, all Shop Drawings necessary to demonstrate the conformance of materials or Work with the Contract Documents to the satisfaction of the ENGINEER.
- B. The CONTRACTOR shall also submit to the ENGINEER for review all samples necessary to demonstrate conformance of materials or Work with the Contract Documents to the satisfaction of the ENGINEER.
- C. Before submittal of each Shop Drawing or sample, the CONTRACTOR shall have determined and verified all quantities, dimensions, specified performance criteria, installation requirements, materials, catalog numbers, and similar data with respect thereto and reviewed or coordinated each Shop Drawing or sample with other Shop Drawings and samples and with the requirements of the WORK and the Contract Documents.

6.13 CONTINUING THE WORK. The CONTRACTOR shall carry on the WORK and adhere to the progress schedule during all disputes or disagreements with the OWNER. No WORK shall be delayed or postponed pending resolution of any disputes or disagreements, except as the CONTRACTOR and the OWNER

SECTION 00700 – GENERAL CONDITIONS

may otherwise agree in writing.

6.14 INDEMNIFICATION

- A. To the fullest extent permitted by Laws and Regulations, the CONTRACTOR shall indemnify, defend, and hold harmless the OWNER, the ENGINEER of Record, their consultants, sub-consultants and the officers, directors, employees, and agents of each and any of them, against and from all claims and liability arising under, by reason of or incidentally to the contract or any performance of the WORK, but not from the sole negligence or willful misconduct of the OWNER, and the ENGINEER of Record. Such indemnification by the CONTRACTOR shall include but not be limited to the following:
1. Liability or claims resulting directly or indirectly from the negligence or carelessness of the CONTRACTOR, its employees, or agents in the performance of the WORK, or in guarding or maintaining the same, or from any improper materials, implements, or appliances used in its construction, or by or on account of any act or omission of the CONTRACTOR, its employees, agents, or third parties;
 2. Liability or claims arising directly or indirectly from bodily injury, occupational sickness or disease, or death of the CONTRACTOR's or Subcontractor's own employees engaged in the WORK resulting in actions brought by or on behalf of such employees against the OWNER, or the ENGINEER of Record;
 3. Liability or claims arising directly or indirectly from or based on the violation of any law, ordinance, regulation, order, or decree, whether by the CONTRACTOR, its employees, or agents;
 4. Liability or claims arising directly or indirectly from the use or manufacture by the CONTRACTOR, its employees, or agents in the performance of this contract of any copyrighted or non-copyrighted composition, secret process, patented or non-patented invention, computer software, article, or appliance, unless otherwise specifically stipulated in this contract.
 5. Liability or claims arising directly or indirectly from the breach of any warranties, whether express or implied, made to the ENGINEER, OWNER or any other parties by the CONTRACTOR, its employees, or agents;
 6. Liabilities or claims arising directly or indirectly from the willful or criminal misconduct of the CONTRACTOR, its employees, or agents; and,
 7. Liabilities or claims arising directly or indirectly from any breach of the obligations assumed herein by the CONTRACTOR.
- B. The CONTRACTOR shall reimburse the OWNER and the ENGINEER of Record for all costs and expenses, (including but not limited to fees and charges of ENGINEERS of Record, attorneys, and other professionals and court costs including all costs of appeals) incurred by the OWNER, and the ENGINEER of Record in enforcing the provisions of this Paragraph 6.14.
- C. The indemnification obligation under this Paragraph 6.14 shall not be limited in any way by any limitation of the amount or type of damages, compensation, or benefits payable by or for the CONTRACTOR or any such Subcontractor or other person or organization under workers' compensation acts, disability benefit acts, or other employee benefit acts.
- 6.15 CONTRACTOR'S DAILY REPORTS. The CONTRACTOR shall complete a daily report indicating total manpower for each construction trade, major equipment on site, each Subcontractor's manpower, weather conditions, etc., involved in the performance of the WORK. The daily report shall be completed on forms provided by the ENGINEER and shall be submitted to the ENGINEER at the conclusion of each WORK day. The report should comment on the daily progress and status of the WORK within each major component of the WORK. These components will be decided by the ENGINEER. The CONTRACTOR shall record the name, affiliation, time of arrival and departure, and reason for visit for all visitors to the location of the WORK.

SECTION 00700 – GENERAL CONDITIONS

- 6.16 ASSIGNMENT OF CONTRACT. The CONTRACTOR shall not assign, sublet, sell, transfer, or otherwise dispose of the contract or any portion thereof, or its right, title, or interest therein, or obligations thereunder, without the written consent of the OWNER except as imposed by law. If the CONTRACTOR violates this provision, the contract may be terminated at the option of the OWNER. In such event, the OWNER shall be relieved of all liability and obligations to the CONTRACTOR and to its assignee or transferee, growing out of such termination.
- 6.17 CONTRACTOR'S RESPONSIBILITY FOR UTILITY PROPERTY AND SERVICES. It is understood that any turn-on, or turn-off line locates and any other WORK or assistance necessary by the Haines Borough Water Utilities Division, will be at the CONTRACTOR's expense unless otherwise stated in the bid documents. All cost must be agreed to prior to any related actions and will be considered incidental to the Project cost. Billing to the CONTRACTOR will be direct from the Haines Borough Water Utilities Division.
- 6.18 OPERATING WATER SYSTEM VALVES
- A. The CONTRACTOR shall submit a written request, to the ENGINEER, for approval to operate any valve on any in-service section of the Haines Borough water system. The request must be submitted at least 24- hours prior to operating any valves. The Haines Borough Utilities Department reserves the right to approve or deny the request. The request shall specifically identify each valve to be operated, the time of operation, and the operation to be performed. The CONTRACTOR shall obtain the written approval of the ENGINEER for any scheduled operation before operating any valve.
- B. The CONTRACTOR shall be responsible for all damages, both direct and consequential, to the OWNER or any other party, caused by unauthorized operation of any valve of the Haines Borough water system.
- 6.19 CONTRACTOR'S WORK SCHEDULE LIMITATIONS. Construction of Buildings and Projects. It is not permitted to operate any pile driver, power shovel, pneumatic hammer, derrick, power hoist, or similar heavy construction equipment before 7:00 a.m. or after 10:00 p.m., Monday through Friday, or before 8:00 a.m. or after 10:00 p.m., Saturday and Sunday, unless written approval is first granted by a Borough Official or the ENGINEER.

ARTICLE 7. OTHER WORK.

7.1 RELATED WORK AT SITE

- A. The OWNER may perform other work related to the Project at the site by the OWNER's own forces, have other work performed by utility owners, or let other direct contracts therefor which may contain General Conditions similar to these. If the fact that such other work is to be performed was not noted in the Contract Documents, written notice thereof will be given to the CONTRACTOR prior to starting any such other work.
- B. The CONTRACTOR shall afford each other contractor who is a party to such a direct contract and each utility owner (or the OWNER, if the OWNER is performing the additional work with the OWNER's employees) proper and safe access to the site and a reasonable opportunity for the introduction and storage of materials and equipment and the execution of such work, and shall properly connect and coordinate with their WORK. The CONTRACTOR shall do all cutting, fitting, and patching of the WORK that may be required to make its several parts come together properly and integrate with such other work. The CONTRACTOR shall not endanger any work of others by cutting, excavating, or otherwise altering their work and will only cut or alter their work with the written consent of the ENGINEER and the others whose work will be affected.
- C. If the proper execution or results of any part of the CONTRACTOR's WORK depends upon

SECTION 00700 – GENERAL CONDITIONS

the work of any such other contractor or utility owner (or OWNER), the CONTRACTOR shall inspect and report to the ENGINEER in writing any delays, defects, or deficiencies in such other work that render it unavailable or unsuitable for such proper execution and results. The CONTRACTOR's failure to report such delays, defects, or deficiencies will constitute an acceptance of the other work as fit and proper for integration with the CONTRACTOR's WORK except for latent or non- apparent defects and deficiencies in the other work.

7.2 COORDINATION. If the OWNER contracts with others for the performance of other work on the Project at the site, the person or organization who will have authority and responsibility for coordination of the activities among the various prime contractors will be identified in the Supplementary General Conditions, and the specific matters to be covered by such authority and responsibility will be itemized and the extent of such authority and responsibilities will be provided in the Supplementary General Conditions.

ARTICLE 8. OWNER'S RESPONSIBILITIES.

8.1 COMMUNICATIONS

A. The OWNER shall issue all its communications to the CONTRACTOR through the ENGINEER.

B. The CONTRACTOR shall issue all its communications to the OWNER through the ENGINEER.

8.2 PAYMENTS. The OWNER shall make payments to the CONTRACTOR as provided in Paragraphs 14.5, 14.8, 14.9 and 14.10.

8.3 LANDS, EASEMENTS, AND SURVEYS. The OWNER's duties in respect of providing lands and easements and providing surveys to establish reference points are set forth in Paragraphs 4.1 and 4.5.

8.4 CHANGE ORDERS. The OWNER shall execute Change Orders as indicated in Paragraph 10.1F.

8.5 INSPECTIONS AND TESTS. The OWNER's responsibility in respect of inspections, tests, and approvals is set forth in Paragraph 13.3.

8.6 SUSPENSION OF WORK. In connection with the OWNER's right to stop WORK or suspend WORK, see Paragraphs 13.4 and 15.1.

8.7 TERMINATION OF AGREEMENT. Paragraphs 15.2 and 15.3 deal with the OWNER's right to terminate services of the CONTRACTOR.

ARTICLE 9. ENGINEER'S STATUS DURING CONSTRUCTION.

9.1 OWNER'S REPRESENTATIVE. The ENGINEER will be the OWNER's representative during the construction period. The duties and responsibilities and the limitations of authority of the ENGINEER as the OWNER's representative during construction are set forth in the Contract Documents.

9.2 VISITS TO SITE. The ENGINEER will make visits to the site during construction to observe the progress and quality of the WORK and to determine, in general, if the WORK is proceeding in accordance with the Contract Documents. Exhaustive or continuous on-site inspections to check the quality or quantity of the WORK will not be required of the ENGINEER. The ENGINEER will not, during such visits, or as a result of such observations of the CONTRACTOR's WORK in progress, supervise, direct, or have control over the CONTRACTOR's WORK.

9.3 PROJECT REPRESENTATION. The ENGINEER may furnish an Inspector to assist in observing the performance of the WORK. The duties, responsibilities, and limitations of authority of any such Inspector

SECTION 00700 – GENERAL CONDITIONS

and assistants will be as provided in the Supplementary General Conditions.

9.4 CLARIFICATIONS AND INTERPRETATIONS. The ENGINEER will issue with reasonable promptness such written clarifications or interpretations of the requirements of the Contract Documents (in the form of Drawings or otherwise) as the ENGINEER may determine necessary, which shall be consistent with or reasonably inferable from the overall intent of the Contract Documents.

9.5 AUTHORIZED VARIATIONS IN WORK. The ENGINEER may authorize variations in the WORK from the requirements of the Contract Documents. These may be accomplished by a Field Order and will require the CONTRACTOR to perform the WORK involved in a manner that minimizes the impact to the WORK and the contract completion date. If the CONTRACTOR believes that a Field Order justifies an increase in the Contract Price or an extension of the Contract Time, the CONTRACTOR may make a claim therefor as provided in Article 11 or 12.

9.6 REJECTING OR ACCEPTING DEFECTIVE WORK. The ENGINEER will have authority to reject or accept WORK which the ENGINEER believes to be defective and will also have authority to require special inspection or testing of the WORK as provided in Paragraph 13.3G, whether or not the WORK is fabricated, installed, or completed.

9.7 CONTRACTOR SUBMITTALS, CHANGE ORDERS, AND PAYMENTS

- A. In accordance with the procedures set forth in the General Requirements, the ENGINEER will review all CONTRACTOR submittals, including Shop Drawings, samples, substitutes, or "or equal" items, etc., in order to determine if the items covered by the submittals will, after installation or incorporation in the WORK, conform to the requirements of the Contract Documents and be compatible with the design concept of the completed Project as a functioning whole as indicated by the Contract Documents. The ENGINEER's review will not extend to means, methods, techniques, sequences or procedures of construction or to safety precautions or programs incident thereto.
- B. In connection with the ENGINEER's responsibilities as to Change Orders, see Articles 10, 11, and 12.
- C. In connection with the ENGINEER's responsibilities in respect of Applications for Payment, see Article 14.

9.8 DECISIONS ON DISPUTES

- A. The ENGINEER will be the initial interpreter of the requirements of the Contract Documents and judge of the acceptability of the WORK thereunder. Claims, disputes, and other matters relating to the acceptability of the WORK; the interpretation of the requirements of the Contract Documents pertaining to the performance of the WORK; and those claims under Articles 11 and 12 in respect to changes in the Contract Price or Contract Time will be referred initially to the ENGINEER in writing with a request for formal decision in accordance with this paragraph, which the ENGINEER will render in writing within 30 days of receipt of the request. Written notice of each such claim, dispute, and other matter will be delivered by the CONTRACTOR to the ENGINEER promptly (but in no event later than 30 days) after the occurrence of the event giving rise thereto. Written supporting data will be submitted to the ENGINEER within 60 days after such occurrence unless the ENGINEER allows an additional period of time to ascertain more accurate data in support of the claim.
- B. The rendering of a decision by the ENGINEER with respect to any such claim, dispute, or other matter (except any which have been waived by the making or acceptance of final payment as provided in Paragraph 14.12) will be a condition precedent to any exercise by the OWNER or the CONTRACTOR of such rights or remedies as either may otherwise have under the Contract Documents or by Law or Regulations in respect of any such claim, dispute, or other matter.

SECTION 00700 – GENERAL CONDITIONS

9.9. LIMITATION ON ENGINEER'S RESPONSIBILITIES

- A. Neither the ENGINEER's authority to act under this Article or other provisions of the Contract Documents nor any decision made by the ENGINEER in good faith either to exercise or not exercise such authority shall give rise to any duty or responsibility of the ENGINEER to the CONTRACTOR, any Subcontractor, any Supplier, any surety for any of them, or any other person or organization performing any of the WORK.
- B. Whenever in the Contract Documents the terms "as ordered," "as directed," "as required," "as allowed," "as reviewed," "as approved," or terms of like effect or import are used, or the adjectives "reasonable," "suitable," "acceptable," "proper," or "satisfactory" or adjectives of like effect or import are used to describe a requirement, direction, review, or judgment of the ENGINEER as to the WORK, it is intended that such requirement, direction, review, or judgment will be solely to evaluate the WORK for compliance with the requirements of the Contract Documents, and conformance with the design concept of the completed Project as a functioning whole as indicated by the Contract Documents, unless there is a specific statement indicating otherwise. The use of any such term or adjective shall not be effective to assign to the ENGINEER any duty or authority to supervise or direct the performance of the WORK or any duty or authority to undertake responsibility contrary to the provisions of Paragraph 9.9C or 9.9D.
- C. The ENGINEER will not supervise, direct, control, or have authority over or be responsible for the CONTRACTOR's means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or for any failure of the CONTRACTOR to comply with Laws and Regulations, applicable to the performance of the WORK. The ENGINEER will not be responsible for the CONTRACTOR's failure to perform the WORK in accordance with the Contract Documents.
- D. The ENGINEER will not be responsible for the acts or omissions of the CONTRACTOR nor of any Subcontractor, Supplier, or any other person or organization performing any of the WORK.

ARTICLE 10. CHANGES IN THE WORK.

10.1 GENERAL

- A. Without invalidating the Agreement and without notice to any surety, the OWNER may at any time or from time to time, order additions, deletions, or revisions in the WORK; these will be authorized by a written Field Order and/or a Change Order issued by the ENGINEER.
- B. If the CONTRACTOR believes that it is entitled to an increase or decrease in the Contract Price, or an extension or shortening in the Contract Time as the result of a Field Order, a claim may be made as provided in Articles 11 and 12.
- C. If the OWNER and CONTRACTOR agree on the value of any WORK, or the amount of Contract Time that should be allowed as a result of a Field Order, upon receiving written notice from the ENGINEER, the CONTRACTOR shall proceed so as to minimize the impact on and delays to the WORK pending the issuance of a Change Order.
- D. If the OWNER and the CONTRACTOR are unable to agree as to the extent, if any, of an increase or decrease in the Contract Price or an extension or shortening of the Contract Time that should be allowed as a result of a Field Order, the ENGINEER can direct the CONTRACTOR to proceed on the basis of Time and Materials so as to minimize the impact on and delays to the WORK, and a claim may be made therefor as provided in Articles 11 and 12.
- E. The CONTRACTOR shall not be entitled to an increase in the Contract Price nor an extension of the Contract Time with respect to any WORK performed that is not required by the Contract Documents

SECTION 00700 – GENERAL CONDITIONS

as amended, modified, supplemented by Change Order, except in the case of an emergency and except in the case of uncovering WORK as provided in Paragraph 13.3G.

- F. The OWNER and the CONTRACTOR shall execute appropriate Change Orders covering:
1. changes in the WORK which are ordered by the OWNER pursuant to Paragraph 10.1A;
 2. changes required because of acceptance of Defective WORK under Paragraph 13.7;
 3. changes in the Contract Price or Contract Time which are agreed to by the parties; or
 4. changes in the Contract Price or Contract Time which embody the substance of any written decision rendered by the ENGINEER pursuant to Paragraph 9.8.
- G. If notice of any change is required by the provisions of any Bond to be given to a surety, the giving of any such notice will be the CONTRACTOR's responsibility, and the amount of each applicable Bond shall be adjusted accordingly.

10.2 ALLOWABLE QUANTITY VARIATIONS

- A. In the event of an increase or decrease in bid item quantity of a unit price contract, the total amount of WORK actually done or materials or equipment furnished shall be paid for according to the unit price established for such WORK under the Contract Documents, wherever such unit price has been established; provided, that an adjustment in the Contract Price may be made for changes which result in an increase or decrease in excess of 25% of the estimated quantity of any major item of the WORK. Major Item is defined as any bid item amount that is ten percent (10%) or more of the total contract amount.
- B. In the event a part of the WORK is to be entirely eliminated and no lump sum or unit price is named in the Contract Documents to cover such eliminated WORK, the price of the eliminated WORK shall be agreed upon in writing by the OWNER and the CONTRACTOR. If the OWNER and the CONTRACTOR fail to agree upon the price of the eliminated WORK, said price shall be determined in accordance with the provisions of Article 11.

ARTICLE 11. CHANGE OF CONTRACT PRICE.

11.1 GENERAL

- A. The Contract Price constitutes the total compensation payable to the CONTRACTOR for performing the WORK. All duties, responsibilities, and obligations assigned to or undertaken by the CONTRACTOR to complete the WORK shall be at its expense without change in the Contract Price.
- B. The Contract Price may only be changed by a Change Order. Any claim for an increase in the Contract Price shall be based on written notice delivered by the CONTRACTOR to the ENGINEER promptly (but in no event later than 30 days) after the start of the occurrence or the event giving rise to the claim and stating the general nature of the claim. Notice of the amount of the claim with supporting data shall be delivered within 60 days after such occurrence (unless the ENGINEER allows an additional period of time to ascertain more accurate data in support of the claim) and shall be accompanied by the CONTRACTOR's written statement that the amount claimed covers all known amounts (direct, indirect, and consequential) to which the CONTRACTOR is entitled as a result of said occurrence or event. All claims for adjustment in the Contract Price shall be determined by the ENGINEER in accordance with Paragraph 9.8A if the OWNER and the CONTRACTOR cannot otherwise agree on the amount involved. No claim for an adjustment in the Contract Price will be valid if not submitted in accordance with this Paragraph 11.1B.
- C. The value of any WORK covered by a Change Order or of any claim for an increase or decrease in the Contract Price shall be determined in one of the following ways:

SECTION 00700 – GENERAL CONDITIONS

1. Where the WORK involved is covered by unit prices contained in the Contract Documents, by application of unit prices to the quantities of the items involved.
2. By mutual acceptance of a lump sum, which may include an allowance for overhead and profit not necessarily in accordance with Paragraph 11.4.
3. On the basis of the "Cost of WORK" (determined as provided in Paragraphs 11.3) plus a CONTRACTOR's fee for overhead and profit (determined as provided in Paragraph 11.4).

11.2 COSTS RELATING TO WEATHER. The CONTRACTOR shall have no claims against the OWNER for damages for any injury to WORK, materials, or equipment, resulting from the action of the elements. If, however, in the opinion of the ENGINEER, the CONTRACTOR has made all reasonable efforts to protect the materials, equipment and WORK, the CONTRACTOR may be granted a reasonable extension of Contract Time to make proper repairs, renewals, and replacements of the WORK, materials, or equipment.

11.3 COST OF WORK (BASED ON TIME AND MATERIALS)

- A. General. The term "Cost of WORK" means the sum of all costs necessarily incurred and paid by the CONTRACTOR for labor, materials, and equipment in the proper performance of extra WORK. Except as otherwise may be agreed to in writing by the OWNER, such costs shall be in amounts no higher than those prevailing in the locality of the Project; shall include only the following items, and shall not include any of the costs itemized in Paragraph 11.5 EXCLUDED COSTS.
- B. Labor. The costs of labor will be the actual cost for wages prevailing for each craft or type of workers performing the extra WORK at the time the extra WORK is done, plus employer payments of payroll taxes, worker's compensation insurance, liability insurance, health and welfare, pension, vacation, apprenticeship funds, and other direct costs resulting from Federal, State or local laws, as well as assessments or benefits required by lawful collective bargaining agreements. Labor costs for equipment operators and helpers shall be paid only when such costs are not included in the invoice for equipment rental. The labor costs for forepersons shall be proportioned to all of their assigned WORK and only that applicable to extra WORK shall be paid. Non-direct labor costs including superintendence shall be considered part of the mark-up set out in paragraph 11.4.
- C. Materials. The cost of materials reported shall be at invoice or lowest current price at which materials are locally available and delivered to the job in the quantities involved, plus the cost of freight, delivery and storage, subject to the following:
 1. Trade discounts available to the purchaser shall be credited to the OWNER notwithstanding the fact that such discounts may not have been taken by the CONTRACTOR.
 2. For materials secured by other than a direct purchase and direct billing to the purchaser, the cost shall be deemed to be the price paid to the actual supplier as determined by the ENGINEER. Mark-up except for actual costs incurred in the handling of such materials will not be allowed.
 3. Payment for materials from sources owned wholly or in part by the purchaser shall not exceed the price paid by the purchaser for similar materials from said sources on extra WORK items or the current wholesale price for such materials delivered to the WORK site, whichever price is lower.
 4. If in the opinion of the ENGINEER the cost of material is excessive, or the CONTRACTOR does not furnish satisfactory evidence of the cost of such material, then the cost shall be deemed to be the lowest current wholesale price for the quantity concerned delivered to the WORK site less trade discount. The OWNER reserves the right to furnish materials

SECTION 00700 – GENERAL CONDITIONS

for the extra WORK and no claim shall be allowed by the CONTRACTOR for costs and profit on such materials.

D. Equipment. The CONTRACTOR will be paid for the use of equipment at the rental rate listed for such equipment specified in the Supplementary General Conditions. Such rental rate will be used to compute payments for equipment whether the equipment is under the CONTRACTOR's control through direct ownership, leasing, renting, or another method of acquisition. The rental rate to be applied for use of each item of equipment shall be the rate resulting in the least total cost to the OWNER for the total period of use. If it is deemed necessary by the CONTRACTOR to use equipment not listed in the publication specified in the Supplementary General Conditions, an equitable rental rate for the equipment will be established by the ENGINEER. The CONTRACTOR may furnish cost data which might assist the ENGINEER in the establishment of the rental rate.

1. All equipment shall, in the opinion of the ENGINEER, be in good working condition and suitable for the purpose for which the equipment is to be used.
2. Before construction equipment is used on the extra WORK, the CONTRACTOR shall plainly stencil or stamp an identifying number thereon at a conspicuous location, and shall furnish to the ENGINEER, in duplicate, a description of the equipment and its identifying number.
3. Unless otherwise specified, manufacturer's ratings and manufacturer approved modifications shall be used to classify equipment for the determination of applicable rental rates. Equipment which has no direct power unit shall be powered by a unit of at least the minimum rating recommended by the manufacturer.
4. Individual pieces of equipment or tools having a replacement value of \$200 or less, whether or not consumed by use, shall be considered to be small tools and no payment will be made therefor.
5. Rental time will not be allowed while equipment is inoperative due to breakdowns.
6. Equipment. Unless otherwise agreed to in writing, the CONTRACTOR will be paid for the use of equipment at the rental rate listed for such equipment specified in the current edition of the following reference publication: "Rental Rate Blue Book" available on-line at <http://www.equipmentwatch.com/rrbb.htm> or contact Equipment Watch at (800) 669-3282.

E. Equipment on the WORK Site. The rental time to be paid for equipment on the WORK site shall be the time the equipment is in productive operation on the extra WORK being performed and, in addition, shall include the time required to move the equipment to the location of the extra WORK and return it to the original location or to another location requiring no more time than that required to return it to its original location; except, that moving time will not be paid if the equipment is used on other than the extra WORK, even though located at the site of the extra WORK. Loading and transporting costs will be allowed, in lieu of moving time, when the equipment is moved by means other than its own power, except that no payment will be made for loading and transporting costs when the equipment is used at the site of the extra WORK on other than the extra WORK. The following shall be used in computing the rental time of equipment on the WORK site.

1. When hourly rates are listed, any part of an hour less than 30 minutes of operation shall be considered to be 1/2-hour of operation, and any part of an hour in excess of 30 minutes will be considered one hour of operation.
2. When daily rates are listed, any part of a day less than 4 hours operation shall be considered to be 1/2-day of operation. When owner-operated equipment is used to perform extra WORK to be paid for on a time and materials basis, the CONTRACTOR will be paid for the equipment and operator, as set forth in Paragraphs (3), (4), and (5), following.
3. Payment for the equipment will be made in accordance with the provisions in Paragraph 11.3D, herein.
4. Payment for the cost of labor and subsistence or travel allowance will be made at the rates

SECTION 00700 – GENERAL CONDITIONS

paid by the CONTRACTOR to other workers operating similar equipment already on the WORK site, or in the absence of such labor, established by collective bargaining agreements for the type of worker and location of the extra WORK, whether or not the operator is actually covered by such an agreement. A labor surcharge will be added to the cost of labor described herein in accordance with the provisions of Paragraph 11.3B, herein, which surcharge shall constitute full compensation for payments imposed by state and federal laws and all other payments made to or on behalf of workers other than actual wages.

- 5. To the direct cost of equipment rental and labor, computed as provided herein, will be added the allowances for equipment rental and labor as provided in Paragraph 11.4, herein.

F. Specialty WORK. Specialty WORK is defined as that WORK characterized by extraordinary complexity, sophistication, or innovation or a combination of the foregoing attributes which are unique to the construction industry. The following shall apply in making estimates for payment for specialty WORK:

- 1. Any bid item of WORK to be classified as Specialty WORK shall be listed as such in the Supplementary General Conditions. Specialty WORK shall be performed by an entity especially skilled in the work to be performed. After validation of invoices and determination of market values by the ENGINEER, invoices for Specialty WORK based upon the current fair market value thereof may be accepted without complete itemization of labor, material, and equipment rental costs.
- 2. When the CONTRACTOR is required to perform WORK necessitating special fabrication or machining process in a fabrication or a machine shop facility away from the job site, the charges for that portion of the WORK performed at the off-site facility may, by agreement, be accepted as Specialty WORK and accordingly, the invoices for the WORK may be accepted without detailed itemization.
- 3. All invoices for specialty WORK will be adjusted by deducting all trade discounts offered or available, whether the discounts were taken or not. In lieu of the allowances for overhead and profit specified in Paragraph 11.4, herein, an allowance of 5 percent will be added to invoices for specialty WORK.

G. Sureties. All WORK performed hereunder shall be subject to all of the provisions of the Contract Documents and the CONTRACTOR's sureties shall be bound with reference thereto as under the original Agreement. Copies of all amendments to surety Bonds or supplemental surety Bonds shall be submitted to the OWNER for review prior to the performance of any WORK hereunder.

11.4 CONTRACTOR'S FEE

D. Extra WORK ordered on the basis of time and materials will be paid for at the actual necessary cost as determined by the ENGINEER, plus allowances for overhead and profit. The allowance for overhead and profit shall include full compensation for superintendence, Bond and insurance premiums, taxes, field office expense, extended overhead, home office overhead, and all other items of expense or cost not included in the cost of labor, materials, or equipment provided for under Paragraph 11.3. The allowance for overhead and profit will be made in accordance with the following schedule:

Actual Overhead and Profit Allowance

- Labor..... 15%
- Materials..... 10%
- Equipment..... 10%

SECTION 00700 – GENERAL CONDITIONS

To the sum of the costs and mark-ups provided for in this Article, one (1) percent shall be added as compensation for Bonds.

- E. It is understood that labor, materials, and equipment may be furnished by the CONTRACTOR or by the Subcontractor on behalf of the CONTRACTOR. When all or any part of the extra WORK is performed by a Subcontractor, the allowance specified herein shall be applied to the labor, materials, and equipment costs of the Subcontractor, to which the CONTRACTOR may add five (5) percent of the Subcontractor's total cost for the extra WORK. Regardless of the number of hierarchical tiers of Subcontractors, the five (5) percent increase above the Subcontractor's total cost which includes the allowances for overhead and profit specified herein may be applied one time only.

11.5 EXCLUDED COSTS.

A. The term "Cost of the WORK" shall not include any of the following:

1. Payroll costs and other compensation of CONTRACTOR's officers, executives, principals (of partnership and sole proprietorships), general managers, ENGINEERS, estimators, attorneys' auditors, accountants, purchasing and contracting agents, expenditures, timekeepers, clerks and other personnel employed by CONTRACTOR whether at the site or in CONTRACTOR's principal or a branch office for general administration of the WORK, or not specifically covered by paragraph 11.3, all of which are to be considered administrative costs covered by the CONTRACTOR's fee.
2. Expenses of CONTRACTOR's principal and branch offices other than CONTRACTOR's office at the site.
3. Any part of CONTRACTOR's capital expenses, including interest on CONTRACTOR's capital employed for the WORK and charges against CONTRACTOR for delinquent payments.
4. Cost of premiums for all Bonds and for all insurance whether or not CONTRACTOR is required by the Contract Documents to purchase and maintain the same (except for the cost of premiums covered by paragraph 11.4 above).
5. Costs due to the negligence of CONTRACTOR, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable, including but not limited to, the correction of Defective WORK, disposal of materials or equipment wrongly supplied and making good any damage to property.
6. Other overhead or general expense costs of any kind and the cost of any item not specifically and expressly included in paragraph 11.4.

ARTICLE 12. CHANGE OF CONTRACT TIME.

12.1 GENERAL

- A. The Contract Time may only be changed by a Change Order. Any claim for an extension of the Contract Time (or Milestones) shall be based on written notice delivered by the CONTRACTOR to the ENGINEER promptly (but in no event later than 30 days) after the occurrence of the event giving rise to the claim and stating the general nature of the claim. Notice of the extent of the claim with supporting data shall be delivered within 60 days after such occurrence (unless the ENGINEER allows an additional period of time to ascertain more accurate data in support of the claim) and shall be accompanied by the CONTRACTOR's written statement that the adjustment claimed is the entire adjustment to which the CONTRACTOR has reason to believe it is entitled as a result of the occurrence of said event. All claims for adjustment in the Contract Time shall be determined by the ENGINEER in accordance with Paragraph 9.8 if the OWNER and the CONTRACTOR cannot otherwise agree. No claim for an adjustment in the Contract Time will be valid if not submitted in accordance with the requirements of this paragraph. An increase in Contract Time does not mean that

SECTION 00700 – GENERAL CONDITIONS

the CONTRACTOR is due an increase in Contract Price. Only Compensable time extensions will result in an increase in Contract Price.

- B. All time limits stated in the Contract Documents are of the essence of the Agreement.
 - C. Where CONTRACTOR is prevented from completing any part of the WORK within the Contract Times (or Milestones) due to delay beyond the control of CONTRACTOR, the Contract Times (or Milestones) will be extended in an amount equal to the time lost on the critical path of the Project due to such delay if a claim is made therefor as provided in paragraph 12.1. Delays beyond the control of CONTRACTOR shall include, but not be limited to, acts or neglect by OWNER, acts or neglect of utility owners or other contractors performing other work as contemplated by Article 7, fires, floods, epidemics, unprecedented weather conditions or acts of God. Delays attributable to and within the control of a Subcontractor or Supplier shall be deemed to be delays within the control of CONTRACTOR.
 - D. Where CONTRACTOR is prevented from completing any part of the WORK within the Contract Times (or Milestones) due to delay beyond the control of both OWNER and CONTRACTOR, an extension of the Contract Times (or Milestones) in an amount equal to the time lost on the critical path of the Project due to such delay shall be CONTRACTOR's sole and exclusive remedy for such delay. In no event shall the OWNER be liable to CONTRACTOR, any Subcontractor, any Supplier, or any other person or organization, or to any surety for or employee or agent of any of them, for damages arising out of or resulting from (i) delays caused by or within the control of CONTRACTOR, or (ii) delays beyond the control of both parties including but not limited to fires, floods, epidemics abnormal weather conditions, acts of God or acts or neglect by utility owners or other contractors performing other work as contemplated by Article 7.
- 12.2 EXTENSIONS OF TIME FOR DELAY DUE TO WEATHER. Contract time may be extended by the ENGINEER because of delays in completion of the WORK due to unusually severe weather, provided that the CONTRACTOR shall, within 10 days of the beginning of any such delay, notify the ENGINEER in writing of the cause of delay and request an extension of contract time. The ENGINEER will ascertain the facts and the extent of the delay and extend the time for completing the WORK when, in the ENGINEER's judgment, the findings of fact justify such an extension. Unprecedented, abnormal, or unusually severe weather will be defined as an event, or events, with a greater than 50-year recurrence interval, as determined by the National Weather Service, or equivalent state or federal agency.

ARTICLE 13. WARRANTY AND GUARANTEE; TESTS AND INSPECTIONS; CORRECTION, REMOVAL, OR ACCEPTANCE OF DEFECTIVE WORK.

- 13.1 WARRANTY AND GUARANTEE. The CONTRACTOR warrants and guarantees to the OWNER and the ENGINEER that all WORK will be in accordance with the Contract Documents and will not be defective. Prompt notice of defects known to the OWNER or ENGINEER shall be given to the CONTRACTOR. All Defective WORK, whether or not in place, may be rejected, corrected, or accepted as provided in this Article 13.
- 13.2 ACCESS TO WORK. The OWNER, ENGINEER of Record, their consultants, sub- consultants, other representatives and personnel of OWNER, independent testing laboratories and governmental agencies with jurisdictional interests will have access to the WORK at reasonable times for their observation, inspecting and testing. CONTRACTOR shall provide them proper and safe conditions for such access and advise them of CONTRACTOR's site safety procedures and programs so that they may comply therewith as applicable.
- 13.3 INSPECTIONS AND TESTS
 - A. The CONTRACTOR shall give the ENGINEER timely notice of readiness of the WORK for all

SECTION 00700 – GENERAL CONDITIONS

required inspections, tests, or approvals, and shall cooperate with inspection and testing personnel to facilitate required inspections or tests.

- B. If Laws or Regulations of any public body having jurisdiction other than the OWNER require any WORK to specifically be inspected, tested, or approved, the CONTRACTOR shall pay all costs in connection therewith. The CONTRACTOR shall also be responsible for and shall pay all costs in connection with any inspection or testing required in connection with the OWNER's or the ENGINEER's acceptance of a Supplier of materials or equipment proposed as a substitution or (or-equal) to be incorporated in the WORK, or of materials or equipment submitted for review prior to the CONTRACTOR's purchase thereof for incorporation in the WORK. The cost of all inspections, tests, and approvals in addition to the above which are required by the Contract Documents shall be paid by the OWNER (unless otherwise specified).
 - C. The ENGINEER will make, or have made, such inspections and tests as the ENGINEER deems necessary to see that the WORK is being accomplished in accordance with the requirements of the Contract Documents. Unless otherwise specified in the Supplementary General Conditions, the cost of such inspection and testing will be borne by the OWNER. In the event such inspections or tests reveal non-compliance with the requirements of the Contract Documents, the CONTRACTOR shall bear the cost of corrective measures deemed necessary by the ENGINEER, as well as the cost of subsequent re-inspection and retesting. Neither observations by the ENGINEER nor inspections, tests, or approvals by others shall relieve the CONTRACTOR from the CONTRACTOR's obligation to perform the WORK in accordance with the Contract Documents.
 - D. All inspections, tests, or approvals other than those required by Laws or Regulations of any public body having jurisdiction shall be performed by organizations acceptable to the ENGINEER and the CONTRACTOR.
 - E. If any WORK (including the work of others anticipated under paragraph 7.1) that is to be inspected, tested, or approved is covered without written concurrence of the ENGINEER, it must, if requested by the ENGINEER, be uncovered for observation. Such uncovering shall be at the CONTRACTOR's expense unless the CONTRACTOR has given the ENGINEER timely notice of the CONTRACTOR's intention to perform such test or to cover the same and the ENGINEER has not acted with reasonable promptness in response to such notice.
 - F. If any WORK is covered contrary to the written request of the ENGINEER, it must, if requested by the ENGINEER, be uncovered for the ENGINEER's observation and recovered at the CONTRACTOR's expense.
 - G. If the ENGINEER considers it necessary or advisable that covered WORK be observed by the ENGINEER or inspected or tested by others, the CONTRACTOR, at the ENGINEER's request, shall uncover, expose, or otherwise make available for observation, inspection, or testing as the ENGINEER may require, that portion of the WORK in question, furnishing all necessary labor, material, and equipment. If it is found that such WORK is defective, the CONTRACTOR shall bear all direct, indirect, and consequential costs and damages of such uncovering, exposure, observation, inspection, and testing and of satisfactory reconstruction, including but not limited to fees and charges of ENGINEERS of Record, attorneys, and other professionals. However, if such WORK is not found to be defective, the CONTRACTOR shall 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, if the parties are unable to agree as to the amount or extent thereof, the CONTRACTOR may make a claim therefor as provided in Articles 11 and 12.
- 13.4 OWNER MAY STOP THE WORK. If the WORK is defective, or the CONTRACTOR fails to perform WORK in such a way that the completed WORK will conform to the Contract Documents, the OWNER may order the CONTRACTOR to stop the WORK, or any portion thereof, until the cause for such

SECTION 00700 – GENERAL CONDITIONS

order has been eliminated; however, this right of the OWNER to stop the WORK shall not give rise to any duty on the part of the OWNER to exercise this right for the benefit of the CONTRACTOR or any other party.

13.5 CORRECTION OR REMOVAL OF DEFECTIVE WORK. If required by the ENGINEER, the CONTRACTOR shall promptly, either correct all Defective WORK, whether or not fabricated, installed, or completed, or, if the WORK has been rejected by the ENGINEER, remove it from the site and replace it with non-defective WORK. The CONTRACTOR shall bear all direct, indirect and consequential costs and damages of such correction or removal, including but not limited to fees and charges of ENGINEERS of Record, attorneys, and other professionals made necessary thereby.

13.6 ONE YEAR CORRECTION PERIOD

A. If within one year after the date of Substantial Completion or such longer period of time as may be prescribed by Laws or Regulations or by the terms of any applicable special guarantee required by the Contract Documents or by any specific provision of the Contract Documents, any WORK is found to be defective, the CONTRACTOR shall promptly, without cost to the OWNER and in accordance with OWNER's written notification, (i) correct such Defective WORK, or, if it has been rejected by the OWNER, remove it from the site and replace it with non-defective WORK, and (ii) satisfactorily correct or remove and replace any damage to other work of others resulting therefrom. If the CONTRACTOR does not promptly comply with such notification, or in an emergency where delay would cause serious risk of loss or damage, the OWNER may have the Defective WORK corrected or the rejected WORK removed and replaced, and all direct, indirect, and consequential costs and damages of such removal and replacement including but not limited to fees and charges of ENGINEERS of Record, attorneys and other professionals will be paid by the CONTRACTOR.

B. Where Defective WORK (and damage to other WORK resulting therefrom) has been corrected, removed or replaced under this paragraph 13.6, the correction period hereunder with respect to such WORK will be extended for an additional period of one year after such correction or removal and replacement has been satisfactorily completed.

13.7 ACCEPTANCE OF DEFECTIVE WORK. If, instead of requiring correction or removal and replacement of Defective WORK, the OWNER prefers to accept the WORK, the OWNER may do so. The CONTRACTOR shall bear all direct, indirect, and consequential costs attributable to the OWNER's evaluation of and determination to accept such Defective WORK. If any such acceptance occurs prior to final payment, a Change Order will be issued incorporating the necessary revisions in the Contract Documents with respect to the WORK, and the OWNER shall be entitled to an appropriate decrease in the Contract Price.

ARTICLE 14. PAYMENTS TO CONTRACTOR AND COMPLETION.

14.1 SCHEDULE OF VALUES (LUMP SUM PRICE BREAKDOWN). The Schedule of Values or lump sum price breakdown established as provided in the General Requirements shall serve as the basis for progress payments and will be incorporated into a form of Application for Payment acceptable to the ENGINEER.

14.2 UNIT PRICE BID SCHEDULE. Progress payments on account of Unit Price WORK will be based on the number of units completed.

14.3 APPLICATION FOR PROGRESS PAYMENT

A. Unless otherwise prescribed by law, on the 25th of each month, the CONTRACTOR shall submit to the ENGINEER for review, an Application for Payment filled out and signed by the CONTRACTOR covering the WORK completed as of the date of the Application and accompanied

SECTION 00700 – GENERAL CONDITIONS

by such supporting documentation as is required by the Contract Documents.

- B. The Application for Payment shall identify, as a sub-total, the amount of the CONTRACTOR's Total Earnings to Date, plus the Value of Materials Stored at the Site which have not yet been incorporated in the WORK, and less a deductive adjustment for materials installed which were not previously incorporated in the WORK, but for which payment was allowed under the provisions for payment for Materials Stored at the Site, but not yet incorporated in the WORK.
- C. The Net Payment Due the CONTRACTOR shall be the above-mentioned subtotal from which shall be deducted the total amount of all previous payments made to the CONTRACTOR. Progress payments will be paid in full in accordance with Article 14 of the General Conditions until 90% of the contract amount has been paid. The remaining 10% of the contract amount shall be retained until:
 - 1. final inspection has been made;
 - 2. completion of the project;
 - 3. acceptance of the project by the OWNER and;
 - 4. the OWNER has received notification from the Alaska Department of Labor that the CONTRACTOR has no outstanding wage/hour violations.
- D. The Value of Materials Stored at the Site shall be an amount equal to the specified percent of the value of such materials as set forth in the Supplementary General Conditions. Said amount shall be based upon the value of all acceptable materials and equipment not incorporated in the WORK but delivered and suitably stored at the Project site or at another location agreed to in writing; provided, each such individual item has a value of more than \$5000 and will become a permanent part of the WORK. The Application for Payment shall also be accompanied by a bill of sale, invoice, or other documentation warranting that the CONTRACTOR has received the materials and equipment free and clear of all liens, charges, security interests, and encumbrances (which are hereinafter in these General Conditions referred to as "Liens") and evidence that the materials and equipment are covered by appropriate property insurance and other arrangements to protect the OWNER's interest therein, all of which will be satisfactory to the OWNER.

14.4 CONTRACTOR'S WARRANTY OF TITLE. The CONTRACTOR warrants and guarantees that title to all WORK, materials, and equipment covered by an Application for Payment, whether incorporated in the WORK or not, will pass to the OWNER no later than the time of payment free and clear of all liens.

14.5 REVIEW OF APPLICATIONS FOR PROGRESS PAYMENT

- A. The ENGINEER will, within seven (7) days after receipt of each Application for Payment, either indicate in writing a recommendation of payment and present the Application to the OWNER, or return the Application to the CONTRACTOR indicating in writing the ENGINEER's reasons for refusing to recommend payment. In the latter case, the CONTRACTOR may make the necessary corrections and resubmit the Application. If the ENGINEER still disagrees with a portion of the Application, it will submit the Application recommending the undisputed portion of the Application to the OWNER for review and provide reasons for recommending non-payment of the disputed amount. Thirty days after presentation of the Application for Payment with the ENGINEER's recommendation, the amount recommended will (subject to the provisions of Paragraph 14.5B) become due and when due will be paid by the OWNER to the CONTRACTOR.
- B. The OWNER may refuse to make payment of the full amount recommended by the ENGINEER because claims have been made against the OWNER on account of the CONTRACTOR's performance of the WORK or Liens have been filed in connection with the WORK or there are other items entitling the OWNER to a credit against the amount recommended, but the OWNER must give the CONTRACTOR written notice within seven (7) days (with a copy to the ENGINEER) stating

SECTION 00700 – GENERAL CONDITIONS

the reasons for such action.

14.6 PARTIAL UTILIZATION

- A. The OWNER shall have the right to utilize or place into service any item of equipment or other usable portion of the WORK prior to completion of the WORK. Whenever the OWNER plans to exercise said right, the CONTRACTOR will be notified in writing by the OWNER, identifying the specific portion or portions of the WORK to be so utilized or otherwise placed into service.
- B. It shall be understood by the CONTRACTOR that until such written notification is issued, all responsibility for care and maintenance of all of the WORK shall be borne by the CONTRACTOR. Upon issuance of said written notice of partial utilization, the OWNER will accept responsibility for the protection and maintenance of all such items or portions of the WORK described in the written notice.
- C. The CONTRACTOR shall retain full responsibility for satisfactory completion of the WORK, regardless of whether a portion thereof has been partially utilized by the OWNER and the CONTRACTOR's one year correction period shall commence only after the date of Substantial Completion for the WORK.

14.7 SUBSTANTIAL COMPLETION. When the CONTRACTOR considers the WORK ready for its intended use the CONTRACTOR shall notify the OWNER and the ENGINEER in writing that the WORK is substantially complete. The CONTRACTOR will attach to this request a list of all WORK items that remain to be completed and a request that the ENGINEER prepare a Notice of Completion. Within a reasonable time thereafter, the OWNER, the CONTRACTOR, and the ENGINEER shall make an inspection of the WORK to determine the status of completion. If the ENGINEER does not consider the WORK substantially complete, or the list of remaining WORK items to be comprehensive, the ENGINEER will notify the CONTRACTOR in writing giving the reasons thereof. If the ENGINEER considers the WORK substantially complete, the ENGINEER will prepare and deliver to the OWNER, for its execution and recording, the Notice of Completion signed by the ENGINEER and CONTRACTOR, which shall fix the date of Substantial Completion.

14.8 FINAL APPLICATION FOR PAYMENT. After the CONTRACTOR has completed all of the remaining WORK items referred to in Paragraph 14.7 and delivered all maintenance and operating instructions, schedules, guarantees, Bonds, certificates of inspection, record as-built documents (as provided in the General Requirements) and other documents, all as required by the Contract Documents, and after the ENGINEER has indicated that the WORK is acceptable, the CONTRACTOR may make application for final payment following the procedure for progress payments. The final Application for Payment shall be accompanied by all documentation called for in the Contract Documents, together with complete and legally effective releases or waivers (satisfactory to the OWNER) of all liens arising out of or filed in connection with the WORK.

14.9 FINAL PAYMENT AND ACCEPTANCE

- A. If, on the basis of the ENGINEER's observation of the WORK during construction and final inspection, and the ENGINEER's review of the final Application for Payment and accompanying documentation, all as required by the Contract Documents, the ENGINEER is satisfied that the WORK has been completed and the CONTRACTOR's other obligations under the Contract Documents have been fulfilled, the ENGINEER will, within 14 days after receipt of the final Application for Payment, indicate in writing the ENGINEER's recommendation of payment and present the Application to the OWNER for payment.
- B. After acceptance of the WORK by the OWNER's governing body, the OWNER will make final payment to the CONTRACTOR of the amount remaining after deducting all prior payments and all amounts to be kept or retained under the provisions of the Contract Documents, including the

SECTION 00700 – GENERAL CONDITIONS

following items:

1. Liquidated damages, as applicable.
2. Two times the value of outstanding items of correction WORK or punch list items yet uncompleted or uncorrected, as applicable. All such WORK shall be completed or corrected to the satisfaction of the OWNER within the time stated on the Notice of Completion, otherwise the CONTRACTOR does hereby waive any and all claims to all monies withheld by the OWNER to cover the value of all such uncompleted or uncorrected items.

14.10 RELEASE OF RETAINAGE AND OTHER DEDUCTIONS

- A. After executing the necessary documents to initiate the lien period, and not more than 45 days thereafter (based on a 30-day lien filing period and 15-day processing time), the OWNER will release to the CONTRACTOR the retainage funds withheld pursuant to the Agreement, less any deductions to cover pending claims against the OWNER pursuant to Paragraph 14.5B.
- B. After filing of the necessary documents to initiate the lien period, the CONTRACTOR shall have 30 days to complete any outstanding items of correction WORK remaining to be completed or corrected as listed on a final punch list made a part of the Notice of Completion. Upon expiration of the 45 days, referred to in Paragraph 14.10A, the amounts withheld pursuant to the provisions of Paragraph 14.9B herein, for all remaining WORK items will be returned to the CONTRACTOR; provided, that said WORK has been completed or corrected to the satisfaction of the OWNER within said 30 days. Otherwise, the CONTRACTOR does hereby waive any and all claims for all monies withheld by the OWNER under the contract to cover 2 times the value of such remaining uncompleted or uncorrected items.

14.11 CONTRACTOR'S CONTINUING OBLIGATION. The CONTRACTOR's obligation to perform and complete the WORK in accordance with the Contract Documents shall be absolute. Neither recommendation of any progress or final payment by the ENGINEER, nor the issuance of a Notice of Completion, nor any payment by the OWNER to the CONTRACTOR under the Contract Documents, nor any use or occupancy of the WORK or any part thereof by the OWNER, nor any act of acceptance by the OWNER nor any failure to do so, nor any review of a Shop Drawing or sample submittal, will constitute an acceptance of WORK not in accordance with the Contract Documents or a release of the CONTRACTOR's obligation to perform the WORK in accordance with the Contract Documents.

14.12 FINAL PAYMENT TERMINATES LIABILITY OF OWNER. Final payment is defined as the last progress payment made to the CONTRACTOR for earned funds, less monies withheld as applicable, pursuant to Paragraph 14.10A. The acceptance by the CONTRACTOR of the final payment referred to in Paragraph 14.9 herein, shall be a release of the OWNER and its agents from all claims of liability to the CONTRACTOR for anything done or furnished for, or relating to, the WORK or for any act of neglect of the OWNER or of any person relating to or affecting the WORK, except demands against the OWNER for the remainder, if any, of the amounts kept or retained under the provisions of Paragraph 14.9 herein; and excepting pending, unresolved claims filed prior to the date of the Notice of Completion.

ARTICLE 15. SUSPENSION OF WORK AND TERMINATION.

15.1 SUSPENSION OF WORK BY OWNER. The OWNER, acting through the ENGINEER, may, at any time and without cause, suspend the WORK or any portion thereof for a period of not more than 90 days by notice in writing to the CONTRACTOR. The CONTRACTOR shall resume the WORK on receipt from the ENGINEER of a notice of resumption of WORK. The CONTRACTOR shall be allowed an increase in the Contract Price or an extension of the Contract Time, or both, directly attributable to any suspension if the CONTRACTOR makes an approved claim therefor as provided in Articles 11 and 12.

SECTION 00700 – GENERAL CONDITIONS

15.2 TERMINATION OF AGREEMENT BY OWNER (CONTRACTOR DEFAULT)

- A. In the event of default by the CONTRACTOR, the OWNER may give 10 days written notice to the CONTRACTOR of OWNER's intent to terminate the Agreement and provide the CONTRACTOR an opportunity to remedy the conditions constituting the default. It shall be considered a default by the CONTRACTOR whenever CONTRACTOR shall: (1) declare bankruptcy, become insolvent, or assign its assets for the benefit of its creditors; (2) fail to provide materials or quality of WORK meeting the requirements of the Contract Documents; (3) disregard or violate provisions of the Contract Documents or ENGINEER's instructions; (4) fail to prosecute the WORK according to the approved progress schedule; or, (5) fail to provide a qualified superintendent, competent workers, or materials or equipment meeting the requirements of the Contract Documents. If the CONTRACTOR fails to remedy the conditions constituting default within the time allowed, the OWNER may then issue the Notice of Termination.
- B. In the event the Agreement is terminated in accordance with Paragraph 15.2A, herein, the OWNER may take possession of the WORK and may complete the WORK by whatever method or means the OWNER may select. The cost of completing the WORK shall be deducted from the balance which would have been due the CONTRACTOR had the Agreement not been terminated and the WORK completed in accordance with the Contract Documents. If such cost exceeds the balance which would have been due, the CONTRACTOR shall pay the excess amount to the OWNER. If such cost is less than the balance which would have been due, the CONTRACTOR shall not have claim to the difference.

15.3 TERMINATION OF AGREEMENT BY OWNER (FOR CONVENIENCE). The OWNER may terminate the Agreement at any time if it is found that reasons beyond the control of either the OWNER or CONTRACTOR make it impossible or against the OWNER's interests to complete the WORK. In such a case, the CONTRACTOR shall have no claims against the OWNER except: (1) for the value of WORK performed up to the date the Agreement is terminated; and, (2) for the cost of materials and equipment on hand, in transit, or on definite commitment, as of the date the Agreement is terminated, which would be needed in the WORK and which meet the requirements of the Contract Documents. The value of WORK performed and the cost of materials and equipment delivered to the site, as mentioned above, shall be determined by the ENGINEER in accordance with the procedure prescribed for the making of the final Application for Payment and payment under Paragraphs 14.8 and 14.9.

15.4 TERMINATION OF AGREEMENT BY CONTRACTOR. The CONTRACTOR may terminate the Agreement upon 10 days written notice to the OWNER, whenever: 1) the WORK has been suspended under the provisions of Paragraph 15.1, herein, for more than 90 consecutive days through no fault or negligence of the CONTRACTOR, and notice to resume WORK or to terminate the Agreement has not been received from the OWNER within this time period; or, 2) the OWNER should fail to pay the CONTRACTOR any monies due to the CONTRACTOR in accordance with the terms of the Contract Documents and within 60 days after presentation to the OWNER by the CONTRACTOR of a request therefor, unless within said 10-day period the OWNER shall have remedied the condition upon which the payment delay was based. In the event of such termination, the CONTRACTOR shall have no claims against the OWNER except for those claims specifically enumerated in Paragraph 15.3, herein, and as determined in accordance with the requirements of said paragraph.

ARTICLE 16. MISCELLANEOUS.

16.1 GIVING NOTICE. Whenever any provision of the Contract Documents requires the giving of written notice, it will be deemed to have been validly given if delivered in person to the individual or to a member of the firm or to an officer of the corporation for whom it is intended, or if delivered at or sent by registered or certified mail, postage prepaid, to the last business address known to the giver of the notice.

16.2 RIGHTS IN AND USE OF MATERIALS FOUND ON THE WORK

SECTION 00700 – GENERAL CONDITIONS

- A. The CONTRACTOR may use on the Project, with ENGINEER's approval, such stone, gravel, sand, or other material determined suitable by the ENGINEER, as may be found in the excavation. The CONTRACTOR will be paid for the excavation of such material at the corresponding contract unit price. No additional payment will be made for utilizing the material from excavation as borrow, or select borrow.
 - B. The CONTRACTOR shall replace, at its own expense, with other acceptable material, all of that portion of the excavated material so removed and used which was needed for use on the Project. No charge for the materials so used will be made against the CONTRACTOR except that the CONTRACTOR shall be responsible for payment of any royalties required.
 - C. The CONTRACTOR shall not excavate or remove any material from within the Project location which is not within the grading limits, as indicated by the slope and grade lines, without written authorization from the ENGINEER.
 - D. In the event the CONTRACTOR has processed materials from OWNER-furnished sources in excess of the quantities required for performance of this contract, including any waste material produced as a by-product, the Haines Borough may retain possession of such materials without obligation to reimburse the CONTRACTOR for the cost of their production. When such materials are in a stockpile, the ENGINEER may require: that it remain in stockpile; the CONTRACTOR level such stockpile(s); or that the CONTRACTOR remove such materials and restore the premises to a satisfactory condition at the CONTRACTOR's expense. This provision shall not preclude the Haines Borough from arranging with the CONTRACTOR to produce material over and above the contract needs, payment for which shall be by written agreement between the Haines Borough and the CONTRACTOR.
 - E. Unless otherwise provided, the material from any existing old structure may be used temporarily by the CONTRACTOR in the erection of the new structure. Such material shall not be cut or otherwise damaged except with the approval of the ENGINEER.
- 16.3 RIGHT TO AUDIT. If the CONTRACTOR submits a claim to the OWNER for additional compensation, the OWNER shall have the right, as a condition to considering the claim, and as a basis for evaluation of the claim, and until the claim has been settled, to audit the CONTRACTOR's books to the extent they are relevant. This right shall include the right to examine books, records, documents, and other evidence and accounting procedures and practices, sufficient to discover and verify all direct and indirect costs of whatever nature claimed to have been incurred or anticipated to be incurred and for which the claim has been submitted. The right to audit shall include the right to inspect the CONTRACTOR's plants, or such parts thereof, as may be or have been engaged in the performance of the WORK. The CONTRACTOR further agrees that the right to audit encompasses all subcontracts and is binding upon Subcontractors. The rights to examine and inspect herein provided for shall be exercisable through such representatives as the OWNER deems desirable during the CONTRACTOR's normal business hours at the office of the CONTRACTOR. The CONTRACTOR shall make available to the OWNER for auditing, all relevant accounting records and documents, and other financial data, and upon request, shall submit true copies of requested records to the OWNER.
- 16.4 ARCHAEOLOGICAL OR HISTORICAL DISCOVERIES. When the CONTRACTOR's operation encounters prehistoric artifacts, burials, remains of dwelling sites, paleontological remains, such as shell heaps, land or sea mammal bones or tusks, or other items of historical significance, the CONTRACTOR shall cease operations immediately and notify the ENGINEER. No artifacts or specimens shall be further disturbed or removed from the ground and no further operations shall be performed at the site until so directed. Should the ENGINEER order suspension of the CONTRACTOR's operations in order to protect an archaeological or historical finding, or order the CONTRACTOR to perform extra WORK, such order(s) shall be covered by an appropriate contract change document.

SECTION 00700 – GENERAL CONDITIONS

- 16.5 CONSTRUCTION OVER OR ADJACENT TO NAVIGABLE WATERS. All WORK over, on, or adjacent to navigable waters shall be so conducted that free navigation of the waterways will not be interfered with and the existing navigable depths will not be impaired, except as allowed by permit issued by the U.S. Coast Guard and/or the U.S. Army Corps of Engineers, as applicable.
- 16.6 GRATUITY AND CONFLICT OF INTEREST. The CONTRACTOR agrees to not extend any loan, gratuity or gift of money of any form whatsoever to any employee or elected official of the OWNER, nor will the CONTRACTOR rent or purchase any equipment or materials from any employee or elected official of the OWNER, or to the best of the CONTRACTOR's knowledge, from any agent of any employee or elected official of the OWNER. Before final payment, the CONTRACTOR shall execute and furnish the OWNER an affidavit certifying that the CONTRACTOR has complied with the above provisions of the contract.
- 16.7 SUITS OF LAW CONCERNING THE WORK
- A. Should a suit of law be entered into, either by the CONTRACTOR (or the CONTRACTOR's surety) against the OWNER, or by the OWNER against the CONTRACTOR (or the CONTRACTOR's surety), the suit of law shall be tried in the First Judicial District of Alaska.
 - B. If one of the questions at issue is the satisfactory performance of the WORK by the CONTRACTOR and should the appropriate court of law judge the WORK of the CONTRACTOR to be unsatisfactory, then the CONTRACTOR (or the CONTRACTOR's surety) shall reimburse the OWNER for all legal and all other expenses (as may be allowed and set by the court) incurred by the OWNER because of the suit of the law and, further, it is agreed that the OWNER may deduct such expense from any sum or sums then, or any that become due the CONTRACTOR under the contract.
- 16.8 CERTIFIED PAYROLLS
- A. All CONTRACTORS or Subcontractor who perform work on a public construction contract for the OWNER shall file a Certified Payroll with the Alaska Department of Labor every two weeks. Before the second Friday, each CONTRACTOR and Subcontractor must file Certified Payrolls with Statements of Compliance for the previous two weeks. (Section 14-2-4 ACLA 1949; am Section 4 ch 142 SLA 1972). Additionally, copies of Certified Payroll filed with Alaska Department of Labor shall be submitted to the ENGINEER.
 - B. In lieu of submitting the State payroll form, the CONTRACTOR's standard payroll form may be submitted, provided it contains the information required by AS 36.05.040 and a statement that the CONTRACTOR is complying with AS 36.10.010.
 - C. Any CONTRACTOR or Subcontractor, who performs work on public construction in the State, as defined by AS 36.95.010(3), shall pay not less than the current prevailing rate of wages as issued by the Alaska Department of Labor before the end of the pay period. (AS 36.05.010). The current federal prevailing wage rate must also be reviewed, if there is a discrepancy between state and federal prevailing wage rates, then the higher rate must be paid.
- 16.9 PREVAILING WAGE RATES
- A. Wage rates for Laborers and Mechanics on Public Contracts, AS 36.05.070. The CONTRACTOR, or Subcontractors, shall pay all employees unconditionally and not less than once a week. Wages may not be less than those stated in Paragraph 16.8C, regardless of the contractual relationship between the CONTRACTOR or Subcontractors and laborers, mechanics, or field surveyors. The scale of wages to be paid shall be posted by the CONTRACTOR in a prominent, easily accessible place at the site of the WORK.

SECTION 00700 – GENERAL CONDITIONS

- B. Failure to Pay Agreed Wages, AS 36.05.080. If it is found that a laborer, mechanic, or field surveyor employed by the CONTRACTOR or Subcontractor has been, or is being, paid a rate or wages less than the established rate, the OWNER may, by written notice, terminate the CONTRACTOR or Subcontractors right to proceed with the WORK. The OWNER may prosecute the WORK to completion by contract or otherwise, and the CONTRACTOR and sureties will be held liable to the OWNER for excess costs for completing the WORK. (Section 2 ch 52 SLA 1959).
- C. Listing CONTRACTORS Who Violate contracts, AS 36.05.090. In addition, a list giving the names of persons who have disregarded the rights of their employees shall be distributed to all departments of State government and all political subdivisions. No person appearing on this list, and no firm, corporation, partnership or association in which the person has an interest, may WORK as a CONTRACTOR or Subcontractor on a public construction contract for the State, or a political subdivision of the state, until three years after the date of publication of the list. (Section 3 ch 52 SLA 1959; am Section 9 ch 142 SLA).

16.10 EMPLOYMENT REFERENCE. Workers employed in the execution of the contract by the CONTRACTOR or by any Subcontractor under this contract shall not be required or permitted to labor more than 8 hours a day or 40 hours per week in violation of the provisions of the Alaska Wage and Hour Act, Section 23.10.060.

16.11 COST REDUCTION INCENTIVE

- A. At any time within 45 days after the date of the Notice of Award, the CONTRACTOR may submit to the ENGINEER in writing, proposals for modifying the plans, specifications, or other requirements of this contract for the sole purpose of reducing the total cost of construction. The cost reduction proposal shall not impair in any manner the essential functions or characteristics of the project, including but not limited to, service life, economy of operation, ease of maintenance, desired appearance or design and safety standards.
- B. The cost reduction proposal shall contain the following information:
 - 1. Description of both the existing contract requirements for performing the WORK and the proposed changes.
 - 2. An itemization of the contract requirements that must be changed if the proposal is adopted.
 - 3. A detailed estimate of the time required and the cost of performing the WORK under both the existing contract and the proposed change.
 - 4. A statement of the date by which the CONTRACTOR must receive the decision from the OWNER on the cost reduction proposal.
 - 5. The contract items of WORK effected by the proposed changes including any quantity variations.
 - 6. A description and estimate of costs the OWNER may incur in implementing the proposed changes, such as test and evaluation and operating and support costs.
 - 7. A prediction of any effects the proposed change would have on future operations and maintenance costs to the OWNER.
- C. The provisions of this section shall not be construed to require the OWNER to consider any cost reduction proposal which may be submitted; nor will the OWNER be liable to the CONTRACTOR for failure to accept or act upon any cost reduction proposal submitted, or for delays to the WORK attributable to the consideration or implementation of any such proposal.
- D. If a cost reduction proposal is similar to a change in the plans or Specifications for the Project under consideration by the OWNER at the time the proposal is submitted, the OWNER will not accept such proposal and reserves the right to make such changes without compensation to the

SECTION 00700 – GENERAL CONDITIONS

CONTRACTOR under the provisions of this section.

- E. The CONTRACTOR shall continue to perform the WORK in accordance with the requirements of the contract until an executed Change Order incorporating the cost reduction proposal has been issued. If any executed Change Order has not been issued by the date upon which the CONTRACTOR's cost reduction proposal specifies that a decision should be made by the OWNER, in writing, the cost reduction proposal shall be considered rejected.
- F. The OWNER, shall be the sole judge of the acceptability of a cost reduction proposal and of the estimated net savings in Contract Time and construction costs resulting from the adoption of all or any part of such proposal. Should the CONTRACTOR disagree with OWNER's decision on the cost reduction proposal, there is no further consideration. The OWNER reserves the right to make final determination.
- G. If the CONTRACTOR's cost reduction proposal is accepted in whole or in part, such acceptance will be made by a Contract Change Order, which specifically states that the change is executed pursuant to this cost reduction proposal section. Such Change Order shall incorporate the changes in the plans and Specifications which are necessary to permit the cost reduction proposal or such part of it as has been accepted to be put into effect and shall include any conditions upon which the OWNER's approval is based, if such approval is conditional. The Change Order shall also describe the estimated net savings in the cost of performing the WORK attributable to the cost reduction proposal, and shall further provide that the contract cost be adjusted by crediting the OWNER with the estimated net savings amount.
- H. Acceptance of the cost reduction proposal and performance of the WORK does not extend the time of completion of the contract, unless specifically provided in the Change Order authorizing the use of the submitted proposal. Should the adoption of the cost reduction proposal result in a Contract Time savings, the total Contract Time shall be reduced by an amount equal to the time savings realized.
- I. The amount specified to the CONTRACTOR in the Change Order accepted in the cost reduction proposal shall constitute full compensation for the performance of WORK. No claims for additional costs as a result of the changes specified in the cost reduction proposal shall be allowed.
- J. The OWNER reserves the right to adopt and utilize any approved cost reduction proposal for general use on any contract administered when it is determined suitable for such application. Cost reduction proposals identical, similar, or previously submitted will not be accepted for consideration if acceptance and compensation has previously been approved. The OWNER reserves the right to use all or part of any cost reduction proposal without obligation or compensation of any kind to the CONTRACTOR.
- K. The CONTRACTOR shall bear the costs, if any, to revise all Bonds and insurance requirements for the Project, to include the cost reduction WORK.

**SECTION 00800
SUPPLEMENTARY GENERAL CONDITIONS**

GENERAL. These Supplementary General Conditions make additions, deletions, or revisions to the General Conditions as indicated herein. All provisions which are not so added, deleted, or revised remain in full force and effect. Terms used in these Supplementary General Conditions defined in the General Conditions have the meanings assigned to them in the General Conditions.

SGC 1 DEFINITIONS. *Remove* the definition for Contract Documents and *replace* it with the following:

Contract Documents – The Table of Contents, Notice Inviting Bids, Instructions to Bidders, Bid Forms (including the Bid, Bid Schedule(s), Subcontractor Report, Bid Bond, and all required certificates and affidavits), Agreement, Performance Bond, Payment Bond, General Conditions, Supplementary General Conditions, Alaska Labor Standards, Reporting, and Prevailing Wage Rate Determination, Special Provisions, Alaska Department of Transportation and Public Facilities Standard Specifications for Highway Construction (2020 Edition), Technical Specifications, American Iron and Steel Requirements, Anti-Discrimination Clause, EEO, and Debarment Certifications, Drawings, Permits, all Addenda, and Change Orders executed pursuant to the provisions of the Contract Documents.

SGC 2.2 COPIES OF DOCUMENTS. *Add* the following:

The OWNER shall furnish the CONTRACTOR up to two (2) copies of the Contract Documents, which may include bound half-size Drawings, if any. Additional quantities of the Contract Documents and full-scale Drawings will be furnished at reproduction cost.

SGC 3.2 ORER OF PRECEDENCE OF CONTRACT DOCUMENTS. *Remove* No. 12. Technical Specifications and No. 13 Drawings, and *add* the following:

12. Special Provisions
13. Drawings
14. Alaska Department of Transportation and Public Facilities Standard Specifications for Highway Construction, 2020 Edition

SGC 4.2 PHYSICAL CONDITIONS - SUBSURFACE AND EXISTING STRUCTURES. *Add* the following:

- C. In the preparation of the Contract Documents, the Engineer of Record has relied upon:
1. Field measurements and visual inspection of the existing structures and surface conditions.
 2. Utility locates provided by the Haines Borough.

SGC 4.4 PHYSICAL CONDITIONS - UNDERGROUND UTILITIES: *Add* the following:

- C. Bid Considerations. Bidders shall include in their bid the cost of:
1. All utility work that is specified in the Contract as work to be performed by the Contractor;
 2. Working around or through all permanent and temporary utilities shown on the Plans in both their present and adjusted positions;
 3. Accommodating the removal, adjustment, or relocation of utilities shown on the Plans by entities other than the Contractor;
 4. Construction and removal of temporary utilities, to provide temporary utility service during the construction or repair of a permanent utility; and
 5. Other utility work not specifically identified as compensable in Subparagraph 4 Compensation.

SECTION 00800 – SUPPLEMENTARY GENERAL CONDITIONS

The Department will show the approximate locations of utilities it knows to be within the work zone on the Plans. Bidders shall expect that the location, elevation, and nature of utilities may vary from what is shown on the Plans and shall factor those contingencies into the bid price. Additional utilities may exist that are not shown on the Plans. Compensation related to utilities not shown on the plans will only be available in accordance with Subparagraph 4 Compensation.

When an entity other than the Contractor is to remove, adjust, or relocate any utility or perform other utility-related work within the project boundaries, the applicable completion dates or specific calendar days to complete the removal, adjustment, relocation, or other utility-related work may be stated in Section 651. If no date is stated, the Contractor shall work cooperatively with the utility owner during the Project.

- D. Cooperation with Utility Owners. The Contractor assumes the obligation of coordinating their activities with utility owners and shall cooperate with utility owners to facilitate removal, adjustment, or relocation operations, avoid duplication of work, and prevent unnecessary interruption of services. When a utility owner is identified in the Contract as responsible for removing, adjusting, or relocating a utility, the Contractor shall give the utility owner 15 days advance written notice regarding the dates when the utility owner is required to begin and end operations.

The Contractor shall cooperate with utility owners to determine a utility progress schedule for all parties' utility work. The Contractor shall submit the schedule to the Engineer before beginning that portion of utility work. The Contractor shall update the utility progress schedule monthly and note time delays and their cause.

Utility owners are not required to work in more than one location at a time and shall be allowed to complete a specific section of work prior to commencing another section. Utility owners will not normally perform adjustments or relocation of underground utilities when the ground is frozen. Utility owners may prohibit the Contractor, through the Engineer, from working near utilities when the ground is frozen.

The Department has sole discretion to grant permits for utility work within the state right-of-way. The Contractor shall allow parties with utility permits to work and make excavations in the project.

If utility owners do not complete their work in a timely manner, the Engineer may direct the Contractor to temporarily relocate the utilities, construct new utilities, or make necessary repairs to complete the utility work.

- E. Utility Work. The Contractor shall:

1. Make all necessary arrangements with utility owners to locate all utilities that may be within an area of work before excavation in that area, in accordance with AS 42.30.400;
2. Provide right-of-way staking and construction staking with lines and grades before excavation in that area;
3. Prevent damage to utilities or utility property within or adjacent to the project;
4. Carefully uncover utilities where they intersect the work;
5. Immediately stop excavating in the vicinity of a utility and notify the Engineer and the utility owner if an underground utility is discovered that was not field marked or was inaccurately field marked;

SECTION 00800 – SUPPLEMENTARY GENERAL CONDITIONS

6. Promptly notify the utility owner and the Engineer in the event of accidental interruption of utility service, and cooperate with the utility owner and the Engineer until service is restored;
7. Take all precautions necessary to protect the safety of workers and the public when performing work involving utilities;
8. Follow an approved traffic control plan;
9. Keep the length of open trench excavation to a minimum; backfill trenches as work is completed;
10. Cover open trenches with metal plates capable of bearing traffic where traffic will cross trenches;
11. Maintain continuous utility service and install temporary utility systems where needed;
12. Ensure all excavation conforms to AS 42.30.400 – 42.30.490;
13. Ensure all excavation and utility work conforms to excavation requirements in 29 CFR 1926, Subpart P, and confined space requirements in 29 CFR 1926.21(b)(6);
14. Ensure all work undertaken near energized high voltage overhead electrical lines or conductors conforms to AS 18.60.670, AS 18.60.675, AS 18.60.680, or other applicable laws;
15. Ensure all work undertaken near energized high voltage underground electric lines or conductors conforms to all applicable laws and safety requirements of the utility owner;
16. When required by the utility owner, provide for a cable watch of overhead power, underground power, telephone, and gas;
17. Obtain plan approval from the local fire authority, and provide for the continued service of fire hydrants before working around fire hydrants;
18. Do all pressure testing or camera testing required to verify utility acceptance in a timely manner; and
19. Coordinate the Storm Water Pollution Prevention Plan (SWPPP) (Section 641) with their work and the utility company's work.

F. Compensation.

1. Except as otherwise specifically provided in this Subparagraph 4, no equitable adjustment will be paid by the Department:
 - a. Due to any variations in location, elevation, and nature of utilities shown on the Plans or the operation of removing, adjusting, or relocating them;
 - b. For any delays, inconvenience, or damage sustained as a result of interference from utility owners, interference from utilities, or interference from the operation of removing, adjusting, or relocating utilities; or
 - c. Any adjustments or relocations of utilities requested for the Contractor's convenience.
2. Except as otherwise specifically provided in this Subparagraph 4, the Engineer will issue a Change Order with equitable adjustment if:
 - a. Utilities not shown on the Plans require removal, adjustment, or relocation;
 - b. Conflicts occur between utilities not shown on the Plans and other necessary work; or
 - c. Conflicts due to the required elevation of a utility occur between new and existing utilities shown on the Plans.

SECTION 00800 – SUPPLEMENTARY GENERAL CONDITIONS

3. When the Contractor damages utilities, the utility owner may choose to repair the damage or require the Contractor to repair the damage. When the Contractor damages utilities:
 - a. No equitable adjustment will be paid by the Department, and the Contractor shall be solely responsible for repair costs and expenses when:
 - i. The Contractor failed to obtain field locates before performing the work that resulted in the damage;
 - ii. The utility was field located by the utility owner or operator, and the field locate is accurate within 24 horizontal inches if the utility is buried 10 feet deep or less, or the field locate is accurate within 30 horizontal inches if the utility is buried deeper than 10 feet;
 - iii. The plan profile or the field locate does not indicate or inaccurately indicates the elevation of a buried utility;
 - iv. The utility is visible in the field; or
 - v. The Contractor could otherwise reasonably have been aware of the utility.
 - b. The Engineer will issue a Change Order with an equitable adjustment for the cost of repairing damage if:
 - i. The field locate by the owner or operator of a buried utility erred by more than 24 horizontal inches if the utility is buried 10 feet deep or less, or 30 horizontal inches if the utility is buried deeper than 10 feet;
 - ii. The utility was not shown on the Plans or other Contract documents, and the Contractor could not reasonably have been expected to be aware of the utility's existence; or
 - iii. The Contractor made a written request for a field locate in accordance with AS 42.30.400, the utility owner did not locate the utility in accordance with AS 42.30.410, and the Contractor could not reasonably have been expected to be aware of the utility's existence or location.
4. If a utility owner causes a delay, is beyond the control of the Contractor, and is not the result of the Contractor's fault or negligence, the Engineer may issue a Change Order with an equitable adjustment to contract time, but no equitable adjustment will be made for the cost of delay, inconvenience or damage. Additional contract time may be granted if the cause of delay is because a utility owner is to perform utility work:
 - a. By dates stated in the Special Provisions, and the utility work is not completed by the dates stated; or
 - b. In cooperation with the Contractor, the utility owner does not complete the work in a timely manner, based on a written progress schedule agreed upon by the Contractor and the utility owner.
5. If the Engineer orders the Contractor to make necessary construction or repairs due to incomplete utility work by utility owners, the Contractor will be paid as specifically provided for in the Contract, or the Engineer will issue a Change Order with equitable adjustment.

SECTION 00800 – SUPPLEMENTARY GENERAL CONDITIONS

SGC 5.2 INSURANCE AMOUNTS. The limits of liability for the insurance required by Paragraph 5.2 of the General Conditions shall provide coverage for not less than the following amounts or greater where required by Laws and Regulations:

A. Workers' Compensation: (under Paragraph 5.2C.1 of the General Conditions) as in accordance with AS 23.30.045:

1. State: Statutory
2. Applicable Federal (e.g., Longshore): Statutory

Note: If the WORK called for in the Contract Documents involves work in or on any navigable waters, the CONTRACTOR shall provide Workers' Compensation coverage which shall include coverage under the Longshore and Harbor Workers' Compensation Act, the Jones Act, and any other coverage required under Federal or State laws pertaining to workers in or on navigable waters.

3. Employers Liability

Bodily Injury by Accident:	\$100,000.00 Each Accident
Bodily Injury by Disease:	\$100,000.00 Each Employee
Bodily Injury by Disease:	\$500,000.00 Policy Limit

- a. CONTRACTOR agrees to waive all rights of subrogation against the OWNER for WORK performed under the Contract.
- b. If CONTRACTOR directly utilizes labor outside of the State of Alaska in the prosecution of the WORK, "Other States" endorsement shall be required as a condition of the contract.

B. Commercial General Liability: (under Paragraph 5.2C.2 of the General Conditions):

1. General Policy

\$1,000,000.00 Each Occurrence
\$2,000,000.00 Annual Aggregate
2. Products/Completed Operations

\$1,000,000.00 Each Occurrence
\$2,000,000.00 Annual Aggregate
3. Personal Injury

\$1,000,000.00 Each Occurrence

C. Commercial Automobile Liability: (under Paragraph 5.2C.3 of the General Conditions) including Owned, Hired, and Non-Owned Vehicles:

Combined Single Limit, Bodily Injury, and Property Damage \$1,000,000.00

D. Builder's Risk: Builder's risk does not apply to this project.

E. Policies shall also specify that insurance provided by CONTRACTOR will be considered primary and not contributory to any other insurance available to the OWNER.

F. All policies will provide for 30 Days written notice prior to any cancellation or nonrenewal of insurance policies required under the Contract. "Will endeavor" and "but failure to mail such notice shall impose no obligation or liability of any kind upon the Company, its agents or representatives" wording will be deleted from certificates.

G. The Haines Borough shall be named as an "Additional Insured" under all liability coverages listed in this Section, except for workers' compensation insurance.

SECTION 00800 – SUPPLEMENTARY GENERAL CONDITIONS

SGC 6.1 SUPERVISION AND SUPERINTENDENCE. *Add* the following to paragraph A:

The Contractor shall give the work the constant attention necessary for its progress and shall cooperate fully with the Engineer, Department staff, and other contractors in every way possible.

Add the following to paragraph C:

The Contractor shall provide 24-hour contact information for the Superintendent. The Contractor shall ensure that the superintendent is available at all times to receive and execute Directives and other instructions from the Engineer, to supervise workers, and to coordinate the work of subcontractors.

SGC 6.2 LABOR, MATERIALS, AND EQUIPMENT. *Add* the following paragraph:

- A. Work performed and materials furnished shall conform to the Plans and Specifications and approved Working Drawings and be within specified tolerances. When tolerances are not specified, the Engineer will determine the limits allowed in each case.

All work or material not conforming to the Plans and Specifications and approved Working Drawings is considered unacceptable unless the Engineer finds that reasonably acceptable work has been produced. In this event, the Engineer may allow non-conforming work or material to remain in place but at a reduced price. The Engineer will document the basis of acceptance and payment by Change Order unless the contract specifies a method to adjust the price of that item.

The failure of the Department to strictly enforce the Contract in one or more instances does not waive its right to do so in other or future instances.

SGC 6.6 PERMITS. *Add* the following paragraph:

- C. The Contractor shall abide by the requirements of the following Permits, included in Appendix B of the Project Manual and listed in section 00852

Add the following Supplementary General Condition:

SGC 6.20 ANTIDISCRIMINATION CLAUSE.

The contractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 40 CFR part 33 in the award and administration of contracts awarded under EPA financial assistance agreements. Failure by the contractor to carry out these requirements is a material breach of this contract which may result in the termination of this contract or other legally available remedies.

Add the following Supplementary General Condition:

SGC 6.21 MAINTENANCE DURING CONSTRUCTION.

The Contractor shall maintain the entire highway and related highway facilities located within the project (between the beginning of the project and the end of the project shown on the Plans) from the date construction begins until the Contractor receives a letter of project completion. The Contractor shall maintain these areas continually and effectively on a daily basis, with adequate resources to keep them in satisfactory condition at all times. The Contractor shall maintain those areas outside the project that are affected by the work, such as haul routes, detour routes, structures, material sites, and equipment storage sites during periods of their use.

The Engineer may relieve the Contractor of this maintenance responsibility for specified portions of the project for any of the following:

SECTION 00800 – SUPPLEMENTARY GENERAL CONDITIONS

- a. During a seasonal suspension of work (Subsection 643-3.07)
- b. Following partial completion.
- c. Following project completion.

The Department is responsible for routine snow removal and ice control only on those portions of the project that the Department accepts for maintenance and are open for public use.

The Contractor shall maintain previously constructed work until a subsequent course, layer, or structure covers that work. The Contractor shall repair the damage done to the work as described in Subsection 107-1.15.

All costs of maintenance work shall be subsidiary to the prices bid on the various contract items, and the Contractor will not be paid an additional amount for such work.

If in the Engineer's opinion, the Contractor at any time fails to provide adequate maintenance, the Engineer will notify the Contractor of such noncompliance. The notification will specify the areas or structures for which there is inadequate maintenance, the corrective maintenance required, and the time allowed to complete corrective maintenance. If the Contractor fails to take the corrective action within the specified time, the Engineer may:

- a. Suspend the work until corrective maintenance is completed;
- b. Assess a traffic price adjustment against the Contract Amount when an adjustment rate is specified in the Contract; and
- c. Employ others for corrective maintenance and deduct the cost from the Contract amount.

SGC 9.2 VISITS TO SITE. *Add* the following:

The Engineer may, at reasonable times, inspect any part of the plant or place of business of the Contractor or any subcontractor that is related to Contract performance, including private or commercial plants, shops, offices, or other places of business.

The Engineer may audit all books and records related to the performance of the Contract, whether kept by the Contractor or a subcontractor, including cost or pricing data

SGC 9.3 PROJECT REPRESENTATION. *Add* the following:

The Department's inspectors are authorized to examine all work done and materials furnished but cannot approve work or materials. Only the Engineer can approve work or materials. The inspectors can reject work or materials until any issues can be referred to and decided by the Engineer. The inspectors may not alter or waive any Contract requirements, issue instructions contrary to the Contract or act as foremen for the Contractor.

SGC 9.9 AUTHORIZED VARIATIONS IN WORK. *Add* the following:

The ENGINEER may issue directives enforcing or interpreting a Contract requirement or ordering the commencement or suspension of an item of work already established in the Contract.

SGC 14.3 APPLICATION FOR PROGRESS PAYMENT. *Add* the following to Paragraph D.

- D. The Value of Materials Stored at the site shall be an amount equal to 85%.

SGC 14.9 FINAL PAYMENT AND ACCEPTANCE. *Add* the following paragraph:

SECTION 00800 – SUPPLEMENTARY GENERAL CONDITIONS

- B. Prior to the final payment, the CONTRACTOR shall contact the Alaska Department of Labor (ADOL) and provide the OWNER with clearance from the ADOL for the CONTRACTOR and all Subcontractors that have worked on the Project. This clearance shall indicate that all Employment Security Taxes have been paid. A sample letter for this purpose is at the end of this section.

SGC 15.1 SUSPENSION OF WORK BY OWNER. *Add the following:*

The Engineer has the authority to suspend work for reasons listed under articles 9 and 15. If the suspension of work is to protect the traveling public from imminent harm, the Engineer may orally order the suspension of work. Following an oral order of suspension, the Engineer will promptly give written notice of suspension to the Contractor. In other circumstances, the Engineer will give the Contractor written notice of suspension before the suspension of work. A notice of suspension will state the defects or reasons for a suspension, the corrective actions required to stop suspension, and the time allowed to complete corrective actions. If the Contractor fails to take the corrective action within the specified time, the Engineer may:

1. Suspend the work until it is corrected; and
2. Employ others to correct the condition and deduct the cost from the Contract amount.

Add the following Supplementary General Conditions:

SGC 17 GENERAL INFORMATION. This Project is currently funded by grants and loans from the U.S. Environmental Protection Agency and the State of Alaska (Alaska Department of Environmental Conservation).

SGC 18 TAX CLEARANCE REQUEST FORM. To ensure compliance with AS 23.20.265, the CONTRACTOR shall complete and submit the following "Tax Clearance Request Form for Contractors" to the Alaska Department of Labor and Workforce Development. Tax Clearance shall be returned to:

Haines Borough Clerk
103 Third Avenue South
Haines, Alaska 99827

SECTION 00830

ALASKA LABOR STANDARDS, REPORTING, AND PREVAILING WAGE RATE DETERMINATION

State of Alaska, Department of Labor, Laborers' and Mechanics' Minimum Rates of Pay, AS 36.05.010 and AS 36.05.050, Wage and Hour Administration Pamphlet No. 600, the latest edition published by the State of Alaska, Department of Labor inclusive, are made a part of this contract by reference. The current federal prevailing wage rate must also be reviewed; if there is a discrepancy between state and federal prevailing wage rates, the higher rate must be paid.

The CONTRACTOR is responsible for contacting the Alaska Department of Labor to determine compliance with current regulations.

Correspondence regarding Title 36 requirements may be submitted electronically, or paper copies can be submitted by mail. To submit Title 36 documents electronically, go to <https://myalaska.state.ak.us/home/app>. If filing electronically, submit certified payrolls to ADOL at the website above and email a copy of all certified payrolls to the ENGINEER. If the Contractor elects to submit paper copies, they should be submitted to the physical addresses below.

Within 10 Days of "Notice of Award/Notice to Proceed," make a list of **all** Subcontractors. Include their name, address, phone, estimated subcontract amount, and estimated start and finish dates. Send this list to the Wage and Hour Section (contact information below).

Certified Payrolls must be submitted every two weeks. Before the second Friday, each CONTRACTOR and Subcontractor must file Certified Payrolls with Statements of Compliance for the previous two weeks. Indicate **"Start"** on your first payroll and **"Final"** on your last payroll for this Project.

As part of the **final payment request package**, CONTRACTOR must submit a "NOTICE OF COMPLETION OF PUBLIC WORKS" form signed by ADOL personnel.

Contact Information:

Wage and Hour Section

State of Alaska
Department of Labor and Workforce Development
Labor Standards and Safety Division and
Wage and Hour Administration
P.O. Box 11149
Juneau, AK 99811-1149
907-465-4842
<http://labor.state.ak.us/lss/home.htm>