

Invitation to Bid

Project: Mission Avenue Water Main Improvements

Release: March 10, 2022

Last day for Questions: March 21, 2022 by 5:00 PM

Bids Due Date: March 31, 2022, no later than 2:00 PM Kenai City Hall 210 Fidalgo Avenue Kenai, AK 99611 ATTN: Director of Public Works

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ADVERTISEMENT FOR BID



Construction: Mission Avenue Water Main Improvements Last Day for Questions: March 21, 2022 by 5:00 PM Bid Due Date and Time: March 31, 2022 by 2:00 PM

Scope of Work: Decommission a portion of water main along Mission Avenue, including: furnishing and installing gate valves, fire hydrant assemblies, one (1) water service, and other appurtenant equipment, as more fully described in the Contract Documents.

Bidders should contact the Public Works Department at (907) 283-8236 to be placed on the plans holders list. Questions may be submitted to <u>publicworks@kenai.city</u>.

A pre-bid conference will be held at 2PM local time on March 17, 2022 via electronic methods. Meeting information will only be provided to those on the current plan holder's list.

Bids must be delivered in a sealed envelope clearly marked with the project name to the Public Works Department at the address above. Bid documents can be obtained on City of Kenai website at <u>www.kenai.city</u> or at City Hall for a non-refundable fee of \$60.00 including sales tax for each set of documents.

Publish: <u>Anchorage Daily News</u> – March 10, 2022 <u>Peninsula Clarion</u> – March 10, 2022

INSTRUCTIONS TO BIDDERS

CITY OF KENAI INSTRUCTIONS TO BIDDER

1. GENERAL

These instructions specify the form and procedures for the submission of a complete and acceptable bid. To obtain addenda in a timely manner, you should be on the City of Kenai's plan holder's list. Downloading project specifications and drawings from the City website or other online plans rooms does not place you on the City's plan holder's list. To be added to the plan holder's list, please contact the Public Works Department Administrative Assistant by phone (907) 283-8236 or by email at PublicWorks@kenai.city.

Project Name: Mission Avenue Water Main Improvements Last Day for Questions: March 21, 2022 by 5PM Bid Due Date and Time: March 31, 2022 by 2PM

2. EVIDENCE OF QUALIFICATIONS

Upon request of the City, a Bidder whose bid is under consideration for the award of the Agreement, shall submit promptly to the City, satisfactory evidence of the Bidder's financial resources, their experience, their performance in completing other projects of a similar nature, and the organization and equipment they have available for the performance of the Agreement.

3. BIDDER QUALIFICATIONS

Before the bid is considered for award, the City reserves the right to determine whether or not a Bidder is responsible and to require the Bidder to complete a Bidder Qualification Form and/or provide a current financial statement prepared by a Certified Public Accountant. The City shall determine whether a Bidder is responsible on the basis of the following criteria:

- The skill and experience demonstrated by the Bidder in performing Agreements of a similar nature.
- The Bidder's record for honesty and integrity.
- The Bidder's capacity to perform in terms of facilities, personnel, and financing.
- The Bidder's past performance under City Agreements. If the Bidder has failed in any material way to perform its obligations under any Agreement with the City, the Bidder may be determined as a non-responsible Bidder.
- A Bidder's representations concerning their qualifications will be construed as a covenant under the Agreement. Should it appear that the Bidder has made a material misrepresentation, the City shall have the right to terminate the Agreement for the Contractor's breach, and the City may then pursue such remedies as provided in the Agreement Documents or as provided by state statute, City code, or as appropriate.

Any final determination that a Bidder is non-responsible will be made by the City Manager. Such determination will be made in writing to the Bidder setting forth the reasons for such determination.

4. CONDITIONS AFFECTING THE WORK

The City assumes no responsibility for any understanding or representations concerning conditions made by any of its officers, agents, or employees prior to the execution of this Agreement, unless such understanding or representations are expressly stated in the bid documents or Addenda.

The Bidder shall include in their bid, sufficient sums to cover all items required by the Agreement and the conditions of the site(s), and shall rely entirely upon their own examination in making their bid. The submission of a bid shall be taken as prima facie evidence of compliance with this paragraph.

If information or documentation required for submitting an accurate and complete bid is absent from these documents, the Bidder is required to notify the Public Works Director by facsimile (907) 283-3014, or by e-mail to PublicWorks@kenai.city.

5. SECURITY TO BE FURNISHED BY BIDDER

If the bid exceeds \$100.000, a certified check, bank cashier's check, or bid bond, made payable to the City of Kenai amount equal to five (5%) percent of the total bid, shall accompany each bid as evidence of good faith, a guarantee that if awarded the agreement, the Bidder will execute the agreement and give bond as required. All Bidder's checks or bid bonds will be retained until the successful Bidder has entered into a satisfactory agreement and furnished bonds, as required. The successful Bidder shall furnish the City a Performance and Payment bond in the full amount of the Agreement and shall maintain the Bond in force during the continuance of the Agreement. The bonds must be furnished prior to the City's execution of the Agreement. The Bond shall be for the faithful performance of the Agreement in all respects including, but not limited to, payments for all materials and labor. All alterations, extensions of time, additional work, and other changes authorized by the Agreement Documents may be made without securing the consent of the Surety or Sureties. Power-of-Attorney for the person signing the Bond for the Surety must be submitted with the Bond. These bonds, in whatever amount required by the specific agreement, shall be administered and deemed governed by the provisions of Alaska Statutes Title 36, Chapter 25, and shall comply with all requirements for payment and submission of claims as provided by that chapter.

6. LICENSING

Alaska State Statutes requires that all businesses wishing to engage in business in Alaska obtain license(s). All Bidders are required to furnish with their bid, the applicable, current licenses required to perform the work. Applicable licenses may include the following: Contractor's License, Specialty Contractor License, and Alaska Business License. Failure to submit license(s) with the bid may result in rejection of the Contractor's bid.

7. TAX COMPLIANCE CERTIFICATE

No agreement will be awarded to any individual or entity that is in violation of the tax laws of the City of Kenai or the Kenai Peninsula Borough unless the violation is cured within ten business days of notice. The Tax Compliance Certificate must be signed by the Bidder only and submitted with the bid. The City will obtain verification of tax compliance from the Kenai Peninsula Borough for the successful bidder. Bids submitted without a completed Tax Compliance Certificate may be considered non-responsive.

8. INTERPRETATION OR CORRECTIONS OF BID DOCUMENTS

Bidders shall notify the Public Works Director promptly of any error, omission, or inconsistency that may be discovered during examination of the bid documents and the proposed work site(s). Requests from Bidders for interpretation or clarification of the bid documents shall be made in writing to the Public Works Director and shall arrive no later than the time and date specified in Section 1 of these Instructions to Bidders. Questions may be faxed to (907) 283-3014 or emailed to <u>PublicWorks@kenai.city</u>. The subject line of the email or fax must include the name of the project.

Oral questions may be presented at a pre-bid conference if one is provided for in Section 1 of these Instructions to Bidders. Interpretations, corrections, or changes, if any, to the bid documents shall be made by Addendum. Bidders shall not rely upon interpretations, corrections, and changes made in any other manner, including orally, at the pre-bid conference. Interpretations, corrections, and changes shall not be binding unless included in an Addendum. All Addenda issued during the time of bidding shall become part of the Agreement Documents. Questions or requests for clarifications shall be directed to the Public Works Director. Only written interpretations or corrections by Addendum shall be binding, and no other forms of interpretation or correction will be binding on the City of Kenai.

It is the Bidder's sole responsibility to ascertain that they have received all Addenda issued by the City of Kenai. Addenda will be issued electronically and/or by facsimile. All Addenda must be acknowledged in the space provided on the Bid Form. If no Addenda have been issued, write or type "zero" or "N/A" on the Bid Form in the space provided.

9. PREPARATION AND SUBMISSION OF BIDS

- Bids must be received at City Hall prior to the time and date specified in Section 1 of these Instructions to Bidders.
- Bids must be submitted on the Bid Form furnished. Bids must be completed in ink or by typewriter, and must be manually signed by an authorized person. If erasures or other changes appear on the forms, the person signing the bid must initial each erasure or change in ink.
- Bids shall specify a unit or lump sum price, typed or written in ink in figures, for each bid item called for. In case of error in the extension of prices, the unit price will govern. Bids may be rejected if they show any omissions, alteration of the forms, additions not called for, conditional or alternate bids not called for, qualified bids, or irregularities of any kind.
- It is expressly agreed that the quantities shown in the Bid Form, whether for a "Unit Price Bid" or in connection with a "Lump Sum Bid" on the Bid Form are approximate only for use as a basis for comparison of bids and are not to be taken to be either representations or warranties. The City does not expressly, nor by implication, agree that the actual amount of work will correspond therewith.
- The Bid Form invites bids on definite plans and specifications. Only the amounts and information asked for on the Bid Form will be considered as the bid. Each Bidder shall bid upon the work exactly as specified and as requested on the Bid Form, and Bidders shall bid upon all alternates as indicated. When bidding on an alternate for which there is no charge, Bidder shall write the words "No Charge" in the space provided.

- One (1) complete bid package shall be completely sealed in an envelope clearly marked with the Bidder's company name, and the "Project Name" and "Bid Due Date" specified in Section 1 of these Instructions to Bidders. A complete bid package shall include the following documents:
 - Bid Form
 - Tax Compliance Certificate
 - Applicable Licenses
 - Non-Collusion Affidavit
- Bids received without all the required documents may be considered non-responsive. Bids received after the bid due date and time will be considered non-responsive and will not be accepted.
- No responsibility shall be attached to the City for the premature opening of, or the failure to open a bid not properly addressed and identified.
- Please note that overnight delivery from the Lower 48 States is generally not available. Prospective Bidders should anticipate a minimum of two to three days delivery time for express, priority or expedited delivery services.

10. MODIFICATION OF BIDS

Bid modifications will be accepted by the City at <u>publicworks@kenai.city</u> and binding upon the Bidder where the modification:

- is received at City Hall prior to the time and date specified in Section 1 of these Instructions to Bidders.
- does <u>not</u> identify the adjusted Bid Total price. Only adjustments to the sealed bid will be accepted. For example:
 - CORRECT Decrease the Unit Bid Price of Item 20.22 Leveling Course by \$2.50 per ton and the Bid Total by \$2,500.
 - CORRECT Increase the Unit Bid Price of Item 90.16 Mobilization and Demobilization and the Bid Total by \$5,000.
 - INCORRECT Decrease the Bid Total by \$5,000 for a new Total of \$95,000.
- is signed by the same individual who signed the original bid.

Should there be more than one bid modification from a Bidder, only the last modification received prior to the deadline shall be applied to the bid. All earlier modifications shall be disregarded.

Any modification which fails to meet any requirement of this section shall be rejected, and the bid shall be considered as if no modification had been attempted.

It is the Bidder's responsibility to confirm the City's receipt of any bid modification.

11. WITHDRAWAL OF BID

At any time prior to scheduled closing time for receipt of bids, any Bidder may withdraw their bid, either personally or by written request.

After the scheduled closing time for receipt of bids, no Bidder will be permitted to withdraw their bid unless Notice of Award is delayed for a period exceeding forty-five (45) days.

A bid may not be withdrawn after opening without the written consent of the City.

12. ACCEPTANCE – REJECTION OF BIDS

The City reserves the right to reject any or all bids, to waive minor irregularities in any bids or in the bidding procedure, and to accept any bid presented which meets or exceeds said specifications and which is deemed to be in the best interest of the City. However, the requirements for timeliness and manual signatures shall not be waived. The City is not obligated to accept the lowest bid and is not responsible for bid preparation costs. AIP Grant requirements do require acceptance of the lowest bid, if the City chooses to move forward with the Project as Bid.

13. EXECUTION OF AGREEMENTS

The successful Bidder shall be required to execute an Agreement for the work within ten (10) days after receiving the Notice of Award and Agreement documents from City; if Contractor does not return executed copies within this time, then, at the option of City, the bid may be rejected.

14. AWARD OF AGREEMENT

It is the intent of the City to award the bid to the lowest, qualified, responsive and responsible Bidder. Unless otherwise stated in the bid documents, the Agreement, if awarded, shall be awarded to the responsible Bidder who submits the lowest responsive bid. When bid documents contain a base bid and alternates, only the total of the base bid and the alternates to be awarded shall be used to determine the low Bidder.

The amount of the Agreement shall be the total sum of the amounts computed from the estimated quantities and unit prices and/or the lump sum awarded by the City and specified in the Agreement.

On all bids, Notice of Award or rejection will be given within forty-five (45) days of bid opening. The notice will be in writing and signed by the Public Works Director. A Notice of Intent to Award, and no other act of the City of Kenai or its representatives, constitutes an acceptance of a bid. The acceptance of a bid shall bind the successful Bidder to execute the Agreement.

15. AGREEMENT AND PERFORMANCE AND PAYMENT BOND SIGNATURE INSTRUCTIONS WHEN BONDS ARE REQUIRED

The successful Bidder shall insert the full name and business of the Contractor in the Agreement and on the Performance and Payment Bond, hereinafter the Bond.

If the Contractor is a partnership or joint venture, all partners or joint ventures shall sign the Agreement and the Bond except that one partner or one joint venturer may sign for the partnership or joint venture when all other partners or joint venturers have executed a Power-of-Attorney authorizing one partner or joint venturer to sign. The Power-of-Attorney shall accompany the executed Agreement and the Bond.

If the Contractor is a Limited Liability Company (LLC), a person with appropriate authority to bind the LLC shall execute the Agreement and Bond unless a Power-of-Attorney or Corporate Resolution accompanies the executed Agreement and Bond.

If the Contractor is a corporation, the President or Vice-President and Secretary or Treasurer of the corporation shall execute the Agreement and the Bond unless a Power-of-Attorney or Corporate Resolution accompanies the executed Agreement and Bond.

The Bond shall be returned undated as to Agreement Date. The Agreement Date shall be inserted on the Agreement when the City signs the Agreement and the Bond shall be dated the same as the Agreement Date.

16. SPECIAL PROVISIONS

If funded in part or in whole by a grant or grants, the contractor and their subcontractors will be required to comply with the requirements of these grants, including insurance and purchasing requirements, if any. If any permits are included with the bid documents, e.g. a U.S Corp of Engineers wetland permit, all conditions of this permit must be met by the Contractor and their Subcontractors.

17. APPEAL PROCEDURE

KMC 7.15.120 Appeal procedures.

(a) Any party submitting a bid or proposal for a contract with the City and who believes that they are adversely affected by the City's relevant ordinances, regulations, procurement process, or by any acts of the City in connection with the award of a City contract, may file a protest appeal with the City Clerk. All protest appeals must be to the City within five (5) calendar days of the issuance of the City's notice of its intent to award the contract. The appeal must be hand delivered, delivered by mail, or by facsimile and must comply with all requirements of this section. If the fifth day is a City-recognized holiday or a weekend, the deadline for appeal shall be the next work day. It is up to the protester to choose a method of delivery to assure timely receipt by the City.

(b) Rejection of Appeal. The Clerk shall reject an untimely or incomplete appeals. Such rejection shall be final and may be appealed to the Superior Court pursuant to the Court Rules of Appellate Procedure.

(c) The protest appeal must be in writing and shall include the following information:

(1) The name, address, e-mail, and telephone (and facsimile if available) numbers of the protester;

(2) The signature of the protester or the protester's representative;

(3) Identification of the contracting agency and the solicitation or contract at issue;

(4) A statement of the legal and factual grounds of the protest, including copies of relevant documents; and

(5) The form of relief requested.

(d) Stay of Award. If a timely and complete protest appeal is filed, the award of the contract shall be stayed until all administrative remedies have been exhausted, unless the City Manager determines in writing that award of the contract pending resolution of the appeal is in the best interests of the City.

(e) Notice and Response. Notice of the stay and protest appeal shall be delivered to any party who may be adversely affected by the City Manager's decision by facsimile, first class mail or in person within three (3) business days of receipt of a properly filed appeal.

(f) City Manager Decision. The City Manager shall issue a written decision to the appellant within ten (10) business days of the date the appeal is filed. If multiple appeals have been filed, they may be consolidated for purposes of the decision. Copies of the appeal and decision shall be

provided to any interested party requesting one. The decision may include any lawful action, including without limitation an amendment of all or any part of the recommended award. For good cause shown, the City Manager may extend the date for the decision for such additional period as may be necessary.

(g) If the City Manager sustains a protest in whole or in part, the City Manager shall implement an appropriate remedy. In determining an appropriate remedy, the City Manager shall consider the circumstances surrounding the solicitation or procurement including the seriousness of the procurement deficiencies, the degree of prejudice to other interested parties or to the integrity of the procurement system, the good faith of the parties, the extent the procurement has been accomplished, costs to the agency and other impacts on the agency of a proposed remedy, and the urgency of the procurement to the welfare of the City.

(h) Notwithstanding subsections (a) and (b) immediately above, if the City Manager sustains a bid protest appeal in whole or part, the protester's damages shall not exceed the reasonable bid or proposal preparation costs.

(i) Appeal to Superior Court. Appeals may be taken from the written decision of the City Manager within thirty (30) days of the date of the decision pursuant to Part VI of the Alaska Rules of Appellate Procedure.

(Ord. 2852-2015)

18. COMPLIANCE OR ACCEPTED ALTERNATES TO SPECIFICATIONS

Bidder hereby agrees that the material offered will meet all the requirements of the specifications in this solicitation unless alternates have been deemed acceptable by the City. Manufacturer's names, trade names, brand names, model and catalog numbers used in these specifications are for the purpose of describing and establishing general quality levels. Such references are not intended to be restrictive. Alternates will be approved via addenda, and only via addenda. Request for alternates must be submitted no later than the Last Day for Questions in the Advertisement for Bid. An alternate must be requested via email sent to the addresses in section 1 with an explanation giving in detail the extent of the alternate, the reason for which it is requested, and why the City should approve the alternate. Provide as much detail as possible. If multiple models or options are provided with your submittal data clearly indicate which you are requesting. The City of Kenai will be the sole judge of whether an alternative is acceptable to the items specified.

BID FORM

CITY OF KENAI BID FORM

TO: CITY OF KENAl Public Works Department 210 Fidalgo Avenue Kenai, Alaska 99611-7794

From:

Name of bidder's Company or Business Entity

BIDDER'S DECLARATION & UNDERSTANDING

The undersigned, hereinafter called the Bidder, declares that the Bidder has carefully examined the Addenda, Specifications and Drawings, Agreement, General Conditions, and Instructions to Bidders (hereinafter called "Bid Documents"), and the location(s) where work is to be performed for the project, and that the Bidder has satisfied themselves as to the quantity and condition of work involved.

It is expressly agreed that the quantities shown in the Bid Form, whether for a "Unit Price Bid" or in connection with a "Lump Sum Bid" on the Bid Form are approximate only for use as a basis for comparison of Bids and are not to be taken to be either representations or warranties. The City does not expressly, nor by implication, agree that the actual amount of work will correspond therewith.

The Bidder further declares that the only person or parties interested in the Bid are those named herein, that this Bid is, in all respects, fair and without fraud, that it is made without collusion with any official of the City of Kenai, and that the Bid is made without any connection or collusion with any person submitting another Bid.

The Bidder agrees not to withdraw this bid within forty-five (45) days after the actual date of the bid opening.

DOCUMENTS TO SUBMIT WITH THIS BID

- 1. Bid Form (<u>4</u> Pages)
- 2. Tax Compliance Certificate
- 3. Applicable Licenses
- 4. Non-Collusion Affidavit
- 5. Bid Bond with Power-of-Attorney (If Bid exceeds \$100,000.00)

DOCUMENTS THE CITY OF KENAI IS TO RECEIVE WITHIN 10 DAYS AFTER NOTICE OF AWARD

The Bidder agrees that if this Bid is accepted he will deliver to the City of Kenai, within ten (10) calendar days of Notice of Award, the following:

- 1. Executed Agreement
- 2. Certificate(s) of Insurances*
- 3. Construction Schedule
- 4. List of Subcontracotrs
- 5. Performance and Payment Bond
- 6. Power of Attorney and/or Corporate Resolution (See Instructions to Bidders)

*The City shall be named as an additional insured on General Liability and Automobile Liability insurances with respect to the performance or failure to perform under this Agreement.

TIME OF COMPLETION AND LIQUIDATED DAMAGES

Bidder agrees to commence and complete work as follows:

MISSION AVENUE WATER MAIN IMPROVMENTS

All work, including administrative submittals must be 100% complete on or before August 15, 2022.

TIME OF COMMENCEMENT AND COMPLETION: Work shall commence upon receipt of the Notice to Proceed (NTP). A Notice of Award (NOA) is anticipated on April 7 but may not be issued until as late as April 21, 2022. The contractor has ten days after NOA to provide the required paperwork per the bid documents. The NTP will be issued within 5 business days after receipt of contractor's paperwork. All work must be substantially completed on or before July 31, 2022. Liquidated damages will be charged against the Contractor as provided below.

LIQUIDATED DAMAGES. Liquidated damages will be charged as provided for in the Agreement Documents in the amount of Five Hundred Dollars (\$500.00) for each calendar day.

BID TABULATION AND SUMMARY

Bidder agrees to perform all of the work described and per the conditions in the Bid Documents for the prices stated on this Bid Form.

Prices are to be shown in both words and figures. In case of discrepancy, the amount shown in words will govern. In case of error in the extension of prices, the unit price will govern. Bidder understands that the City reserves the right to reject any or all bids and to waive irregularities in the bidding.

BID GUARANTEE: The Undersigned further agrees that the check or bid bond accompanying the bid is left in escrow with the City, that the amount of the check or bond is the measure of damages which the City will sustain by failure of the Undersigned to deliver said documents within ten (10) days after written notice of the award of contract to him or her, and that check shall become the property of the City, or the bid bond shall remain in full effect, should he or she so fail. But if this bid is not accepted within forty-five (45) days of the date set for the opening thereof, or if accepted and the Undersigned delivers said Agreement, and performance, and labor, and material payment bonds as required, the check shall be returned to him or her and the bid bond shall become void.

EXECUTION OF BID

Bidder shall complete and submit all pages of the Bid Form.

I have received the Bid Documents for the Project: **MISSION AVENUE WATER MAIN IMPROVMENTS**

I have received Addenda No(s)______and have included there provisions in my proposal.

I have examined both the Bid Documents and the work locations, and submit the following bid with the understanding that I agree:

- 1. To hold my bid open forty-five (45) consecutive calendar days.
- 2. To accept the provisions of the Bid Documents.
- 3. To enter into and execute an Agreement, if awarded, on the basis of my Bid.
- 4. To furnish all labor and materials and to accomplish the work in accordance with the Bid Documents.
- 5. To complete the project as specified above in TIME OF COMPLETION.

BASE BID – MISSION AVENUE WATER MAIN IMPROVEMENTS: (All work as required in Schedule A in accordance with Specifications and Drawings)

Item			Estimated	Unit Bid Price	Amount Bid	
Number	Pay Item Description	Unit	Quantity	(Figures only)	(Figures only)	
A-1	Work Area 1	Lump Sum	1			
A-2	Work Area 2	Lump Sum	1			
A-3	Work Area 3	Lump Sum	1			
				<u>\$</u> (In fi	gures)	
\$					Dollars	
(Amount Written in Words)						

An Agreement shall not be formed and no rights shall exist under the Agreement until the final Agreement is fully executed by all parties. Bidder agrees to commence work immediately upon full execution of the Agreement or such later time as defined in a Notice To Proceed.

If provided a Notice of Award, Bidder agrees to execute and perform the Agreement in accordance with the Bid Documents.

By executing this Bid I certify that I have authority to bind the Company or Business Entity submitting this bid.

Name of Company or Business Entitiy	Date
Signature	Title
Print Name	Phone
Address	Fax
Address	Email address

KENAI PENINSULA BOROUGH TAX COMPLIANCE CERTIFICATION

Kena	mpliance Ce i Peninsula E	Boroug				
FI 144 N. Binkley Street Soldotna, Alaska 99669-7. www.kpb.us	nance Departr ⁵⁹⁹	Phor	ne: (907) 714- or: (907) 714- ax: (907) 714-	2175		
1.) Fill in all information requeste	d. 2.) Sign and date. 3	.) Submit wit	h solicitation, or	other.	For Official Use Only	
Reason for Certificate:			For Departm	ent:		
Solicitation Othe	er:		Dept. Conta	ct:		
Business Name:						
Business Type:	🗌 Individual 🗌	Corporatio	on 🗌 Partne	rship 🗌 Ot	her:	
Owner Name(s):						
Business Mailing Address:						
Business Telephone:			Business Fax:			
Email:						
REAL/PERSONAL/BUSINESS I	ACCT. NAME		TAX ACCOL YEAR LAST P		BE COMPLETED BY KPB) BALANCE DUE	
KPB Finance Department (signat	lure required)		ate	🗌 In Compli	ance 🗌 Not in Compliance	
SALES TAX ACCOUNTS			TAX ACCOUNTS/STATUS (TO BE COMPLETED BY KPB)			
ACCT. NO.	ACCT. NAME		FILED THRU	M/F's	BALANCE DUE	
KPB Sales Tax Division (signature	e required)		ate	_ 🗌 In Compli	ance 🗌 Not in Compliance	
	me of Applicant)		(Title)	, h	ereby certify that, to the	
best of my knowledge, the abo	ve information is correc		Date)	Signature of A	Applicant (Required)	

IF ANY BUSINESS IS CONDUCTED OR IS AWARDED A BID WITHIN THE KENAI PENINSULA BOROUGH YOU MUST BE REGISTERED TO COLLECT SALES TAX. THE SALES TAX DEPARTMENT CAN BE REACHED AT (907) 714-2175.

NON-COLLUSION AFFIDAVIT

NON – COLLUSION AFFIDAVIT

(To be executed and submitted with Bid Proposal)

I, _____of _____ Firm Name

being duly sworn, do depose and state:

I, or the firm, association, or corporation of which I am a member, who bid on the Contract to be executed by the City of Kenai, for the construction of that certain construction project designated as:

Mission Avenue Water Main Improvements

located at Kenai, Alaska in the State of Alaska, have not, either directly or indirectly, entered into any agreement, participated in any collusion, or otherwise taken any action in restraint of free competitive bidding in connection with such Contract.

	Signature
	Name
	Title
	Date
ACKNOWLE	DGMENT
STATE OF ALASKA	
)ss THIRD JUDICIAL DISTRICT)	
The foregoing instrument was ac , 202, by	knowledged before me this day of
	NOTARY PUBLIC for State of Alaska My Commission Expires:

REQUEST FOR CONSIDERATION AS LOCAL BIDDER

REQUEST FOR CONSIDERATION AS LOCAL BIDDER

I declare that _____ meets the criteria listed below and therefore qualifies as "Local Bidder":

LOCAL PREFERENCE

- 1. In awarding competitive bid purchases or construction contracts under KMC 7.15.045, preference may be given to an otherwise qualified "local bidder" unless such preference is prohibited by the funding source.
- 2. For purpose of this section, a "local bidder" is a person who:
 - a. Holds a current state business license, and in addition for construction contracts, holds a current, appropriate state contractor's registration certificate;
 - b. Submits a bid for a competitive purchase or construction contract under the name as appearing on the person's license and, where applicable, a certificate;
 - c. Has continuously maintained a physical place of business within the Kenai Peninsula Borough staffed by the bidder or an employee of the bidder for a period of one hundred eighty (180) days immediately preceding the date of the bid opening. Bidder must prove compliance with this requirement to the City's satisfaction. Mere maintenance of a mail box or telephone answering service, for example, is not sufficient to comply with this provision; and
 - d. If a joint venture, is composed entirely of venturers that qualify under this section.
- 3. An award shall be made to the lowest responsible bidder pursuant to KMC 7.15.045 except that a bid may be awarded to a local bidder if the local bidder's bid is not more than five percent higher than the lowest responsible non-local bidder's bid; provided, however, such preference shall never exceed twenty-five thousand dollars, and further provided that the other provisions of KMC 7.15.045 of this chapter as applicable, have been met and the City chooses to award the bid.
- 4. The City may require a bidder to provide additional information regarding his qualifications as a "Local Bidder."

COMPANY NAME	PRINTED NAME
ADDRESS	SIGNATURE
	DATE

BID BOND AND POWER OF ATTORNEY

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BID BOND

KNOW ALL MEN BY THESE PRESENTS, that we, the undersigned,	
as Principal, and	
as Surety, are hereby held and firmly bound unto	
as the OWNER, in the penal sum of	
Signed this day of, 2022. The Principal has submitted to	
, a certain BID, attached hereto and hereby made a part	
hereof, to enter into a contract in writing for the	

NOW, THEREFORE,

(a) If said BID shall be rejected, or

(b) If said BID shall be accepted and the principal shall execute and deliver a contract in the Form of Contract attached hereto (properly completed in accordance with said BID), and shall furnish a BOND for his faithful performance of said contract, and for the payment of all persons performing labor or furnishing materials in connection therewith, and shall in all other respects perform the agreement created by the acceptance of said BID, then this obligation shall be void, otherwise the same shall remain in force and effect; it being expressly understood and agreed the liability of the Surety for any and all claims hereunder shall, in no event, exceed the penal amount of this obligation as herein stated.

The Surety, for value received, hereby stipulates and agree that the obligations of said Surety and its BOND shall be in no way impaired or affected by any extension of the time within which the OWNER may accept such BID; and said Surety does hereby waive notice of any such extension.

IN WITNESS WHEREOF, the Principal and the Surety have hereunto set their hands and seals, and such of them as are corporations have caused their corporate seals to be hereto affixed and these presents to be signed by their proper officers, the day and year first set forth above.

Principal

_____L.S.)

Surety

Ву: _____

IMPORTANT- - Surety companies executing BONDS must appear on the Treasury Department's most current list (Circular 570 as amended) and be authorized to transact business in the state where the project is located.

Bid Bond

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AGREEMENT

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CITY OF KENAI AGREEMENT BETWEEN OWNER AND CONTRACTOR

MADE AS OF THE _____ DAY OF _____ 202_.

BETWEEN the OWNER:

CITY OF KENAI 210 Fidalgo Avenue Kenai, Alaska 99611-7794

AND the CONTRACTOR:

FOR the PROJECT: Mission Avenue Water Main Improvements

The Owner and Contractor agree as set forth below.

ARTICLE 1 THE WORK

The Contractor shall perform all the work required by the contract documents.

ARTICLE 2 ENUMERATION OF THE CONTRACT DOCUMENTS

The additional documents which are specifically incorporated into this Agreement by reference and which form the contract documents are:

- A. Any and all later modifications, change orders, and written interpretations of the contract documents issued by the Owner
- B. This Agreement
- C. Addenda
- D. Supplemental General Conditions (if any)
- E. General Conditions
- F. Drawings and Specifications Provided by Engineer. In the case of an inconsistency between Drawings and Specifications or within either Document not clarified by addendum, the better quality or greater quantity of Work shall be provided.
- G. Drawings and Specifications in the latest edition of the Municipality of Anchorage Standard Specifications (M.A.S.S.) In the case of an inconsistency between Drawings and Specifications or within either Document not clarified by addendum, the better quality or greater quantity of Work shall be provided. Contractor is responsible for obtaining the latest edition of the M.A.S.S
- H. The Request for Proposals / Invitation to Bid
- I. The Contractor's bid/proposal.

Any other attachments to this Agreement do not form a part of the Agreement but are for reference or proof of compliance with the requirements of the Agreement, except where the provisions of this Agreement provide such attachments will be or are a part of the Agreement.

These form the contract and what is required by any of the documents shall be as binding as if required by all. The intention of the contract documents is to require the furnishing of all labor, material, equipment, and other items necessary for the proper execution and completion of the work and to prescribe the terms and conditions of the contract and payment, so as to include work and materials which may be necessary to produce the intended results.

M.A.S.S. is the Municipality of Anchorage Standard Specifications, and Divisions 20 through 80 are hereby incorporated into these Contract Documents. Division 10 is specifically excluded. The Contractor is responsible for checking <u>www.muni.org/projectmgmt/publications.cfm</u> to ensure they have the most current version. Specifications, drawings, and general provisions provided by the Owner (City of Kenai) or their Agents (Engineers, Architects, or others as appointed by the City) take precedence over the M.A.S.S.

ARTICLE 3 TIME OF COMMENCEMENT AND COMPLETION

Work shall commence upon receipt of the Notice to Proceed. All work must be substantially completed within _____ days after the date of the notice to proceed. Liquidated damages will be charged against the Contractor as provided below.

ARTICLE 4 CONTRACT SUM

The Owner shall pay the Contractor as provided in this contract the total sum price of for the successful completion of the specified work.

ARTICLE 5 PROGRESS PAYMENT

Progress payments shall be made per the General Conditions.

ARTICLE 6 FINAL PAYMENT

Final payment shall be made per the General Conditions. The Contractor shall request the final inspection at least five (5) days in advance of the anticipated date of inspection. If all work has not been satisfactorily completed, the Contractor shall be liable for all costs incurred by the Owner in making such inspection.

ARTICLE 7

NOTICES

All legal notices relating to this contract, including changes of address, shall be mailed to the Owner and the Contractor at the following addresses:

CONTRACTOR

OWNER CITY OF KENAI Public Works Director 210 Fidalgo Avenue Kenai, AK 99611

ARTICLE 8 INDEMNIFICATION

No provision in the contract documents lessens, alters, or makes inapplicable the requirement for indemnification stated in the General Conditions or other documents incorporated into the contract by this Agreement.

ARTICLE 9 JURISDICTION: CHOICE OF LAW

This contract shall be governed by the laws of the State of Alaska, and any lawsuit brought thereon shall be filed in the Third Judicial District at Kenai, Alaska.

ARTICLE 10 ATTACHMENTS

In the event there is any difference between an attachment to the original of this Agreement on file with the City of Kenai Public Works Department and any attachment to a copy of the Agreement, the attachments to the original filed with the Public Works Department shall control.

ARTICLE 11 LIQUIDATED DAMAGES

Owner and Contractor recognize that time is of the essence in performance of this contract and the Owner will suffer financial loss if the work is not substantially complete within the time specified above, plus any extensions thereof allowed in accordance with contract documents. They also recognize the delays, expense and difficulties involved in proving the actual loss suffered by Owner if the work is not substantially complete on time. Accordingly, instead of requiring any such proof, Owner and Contractor agree that as liquidated damages for delay (but not as a penalty) Contractor shall pay Owner Five Hundred Dollars (\$500.00) for each calendar day that expires after the contract time required for substantial completion to the actual date of substantial completion determined as set out in the Contract Documents. The Owner and Contractor agree that this amount is a reasonable forecast of just compensation for the harm that is caused by the delay.

ARTICLE 12 NO THIRD-PARTY BENEFICIARY

This Agreement is intended solely for the benefit of each party hereto. Nothing contained herein shall be construed or deemed to confer any benefit or right upon any third party.

OWNER and CONTRACTOR each binds themselves, their partners, successors, assigns and legal representatives in respect to all covenants, Agreements and obligations contained in the Contract Documents.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed in their respective names or by their duly authorized representatives as of the date and year above written.

OWNER:	CONTRACTOR:
CITY OF KENAI	
By:	By:
Name:	Name:
Title:	Title:
STATE OF ALASKA))ss.	STATE OF ALASKA))ss.
THIRD JUDICIAL DISTRICT)	THIRD JUDICIAL DISTRICT)
THIS IS TO CERTIFY that on this day of, 202_	THIS IS TO CERTIFY that on this day of, 202_
Paul Ostrander, City Manager, City of Kenai, Alaska, being personally known to me or having produced	(title)' of being personally
satisfactory evidence of identification, appeared before me and acknowledged	satisfactory evidence of identification,
the voluntary and authorized execution of the foregoing instrument on behalf of said City.	appeared before me and acknowledged the voluntary and authorized execution of the foregoing instrument on behalf of said corporation.
NOTARY PUBLIC FOR ALASKA	
My Commission Expires:	NOTARY PUBLIC FOR ALASKA My Commission Expires:
Approved by Legal: Approved by Finance:	

GENERAL CONDITIONS TO THE CONTRACT

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GENERAL CONDITIONS OF THE CONTRACT BETWEEN OWNER AND CONTRACTOR

ARTICLE 1 CONTRACT DOCUMENTS

- 1.1 The contract documents enumerated in the Agreement between Owner and Contractor form the final and completely integrated contract between the parties and supersede any prior statements, negotiations, agreements, documents or representations, written or oral. What is required by any one contract document is deemed to be required by all documents.
- 1.2 The contract documents consist of documents designated as contract documents and enumerated in the Agreement between Owner and Contractor.
- 1.3 The contract documents do not include any documents unless specifically enumerated in Agreement between Owner and Contractor.
- 1.4 Unless specifically provided otherwise in the contract documents the parties to this agreement intend that Contractor will obtain all permits, inspections, tests, bonds, and insurance required by state or federal law, rule, regulation or order, or local ordinance or rule or regulation or the contract documents, whichever requirement is greater, and provide all labor, equipment, transportation, water, heat, utilities, tools, scaffolding, materials, supplies, facilities, and services necessary for performance of the contract and that the cost of these requirements be included within the contract price. The parties further intend that the cost of all overhead, supervision, and other incidental expenses required or occasioned by the contract is included in the contract price. The parties also intend that minor items required to produce complete functional system(s) and sub-system(s) are deemed to be required by the contract documents at the contract price whether or not specifically expressed. The requirements stated in this provision apply whether or not the execution or completion of the work is temporary or permanent and whether or not it is incorporated or to be incorporated in the work or final product.
- 1.5 The requirements of the contract documents and the duties and rights of each party may be amended subsequent to execution of this contract only by:
 - 1. A written amendment to the contract signed by both parties; or,
 - 2. A change order issued pursuant to ARTICLE 9.1
- 1.6 The term "Work" includes all procurement, labor, materials, products, equipment, erection, installation, and alterations necessary to complete the construction envisioned by this contract. The term "Project" refers to the overall construction, of which the work required by the contract may be the whole or may be a part. The term "Architect" also refers to Registered Engineers as appropriate.
- 1.7 The contract between Owner and Contractor shall be executed and returned by Contractor within the time required in the instructions to bidders. A written Notice to Proceed with the work will be issued to Contractor within five (5) days after Owner has executed the contract, except as provided in ARTICLE 4.1.3.
- 1.8 Should any provision or requirement of one portion of the contract documents conflict with any other portion of the contract documents, unless otherwise provided herein, the conflict will be resolved by reference to the contract documents in the following order of priority:
 - A. Any and all later modifications, Change Orders, and written interpretations of the Contract Documents issued by the Owner
 - B. The Agreement
 - C. Addenda
 - D. Supplemental General Conditions (if any)
 - E. General Conditions

¹ Unless otherwise stated, all references to an ARTICLE refer to the articles of these general conditions.

- F. Drawings and Specifications Provided by Engineer. In the case of an inconsistency between Drawings and Specifications or within either Document not clarified by addendum, the better quality or greater quantity of Work shall be provided.
- G. Drawings and Specifications in the latest edition of the Municipality of Anchorage Standard Specifications (M.A.S.S.) In the case of an inconsistency between Drawings and Specifications or within either Document not clarified by addendum, the better quality or greater quantity of Work shall be provided. Contractor is responsible for obtaining the latest edition of the M.A.S.S.
- H. The Request for Proposals / Invitation to Bid
- I. The contractor's bid/proposal.
- 1.9 In case of difference between small and large scale drawings, the large scale drawings shall govern. Schedules on any contract drawing shall take precedence over conflicting information on that or any other contract drawing. On any of the drawings where a portion of the work is detailed or drawn out and the remainder is shown in outline, the parts detailed or drawn out shall apply also to all other like portions of the work.
- 1.10 In the event Contractor believes a discrepancy exists in the contract documents, Contractor shall submit the issue to the Project Representative together with Contractor's proposed course of action for performance of the work. Project Representative shall respond within seven (7) working days or advise Contractor that a response cannot be given within that time. If response will take more than seven (7) working days, Project Representative shall take steps to provide a response within a reasonable time. Any action taken by Contractor prior to or without Owner's response shall be at Contractor's own risk and expense.
- 1.11 Words and abbreviations which are not defined in the contract documents, but which have well known technical or trade meanings, shall be construed in accordance with the common meaning established by sound architectural or engineering practice in the State of Alaska.
- 1.12 Drawings, Specifications, other documents prepared for this project, and copies of them that are furnished by Owner and/or Architect or Consultant for this project, whether or not the documents or project are completed, shall be the property of Owner. All rights of use are reserved to Owner for this project and any subsequent project in which Owner participates in construction. Owner specifically relieves Architect or Consultant of any responsibility or liability pertaining to any subsequent use of the documents, in whole or in part, where those documents bear the stamp of a subsequent Architect or Consultant and are used for a subsequent project.
- 1.13 An electronic version of contract documents, typically in pdf format on a disc, will be furnished to the Contractor without charge. Contractor shall check all documents furnished immediately upon receipt and shall promptly notify Owner of any discrepancies.
- 1.14 The contract documents shall not be construed in any way as limiting Contractor's responsibility to perform the work completely, nor shall any prior customs or trade practices be held to constitute a waiver of the requirements of the contract documents or any portion of them.
- 1.15 The individual(s) executing the contract represent that they have the legal authority to execute the contract as or on behalf of Contractor in accordance with the bid instructions and the contract documents.
- 1.16 Execution of the contract by Contractor is a representation that Contractor has visited the site, become familiar with the local conditions under which the work is to be performed, has correlated personal observations with the requirements of the contract documents and enters this contract with knowledge of those conditions.

ARTICLE 2 ADMINISTRATION OF THE CONTRACT

2.1 The term "Project Representative" shall mean a person or entity employed by or under contract to Owner to be Owner's on-site designated representative. The term Project Representative shall include the Project Representative's employees.

- 2.2 The terms "Architect" or "Engineer" (hereinafter used interchangeably) shall mean the person or entity contracted by the City of Kenai to provide design services for the project. Architect or Engineer also includes employees of the Architect or Engineer. Architect shall provide professional services during construction as described herein below or as authorized by Owner.
- 2.3 Project Representative will provide administration of this contract and all communication made to Owner, Architect or Engineer by Contractor shall be made through Project Representative.
- 2.4 Project Representative will be Owner's primary representative during construction until final payment has been made and the project has been closed out. Owner's instructions to Contractor shall be made through Project Representative, who shall have authority to act on behalf of Owner to the extent set forth in this contract.
- 2.5 Project Representative shall not have the authority to require additional work, changes in the work, modifications or waivers of the rights, work or duties required by the contract documents or the right to bind Owner to any change in specifications or drawings without the written consent of Owner except as provided herein.
- 2.6 Project Representative shall have authority to allow minor deviation in the requirements of the contract documents by Field Order to a maximum cumulative amount of \$5,000.00 per each additional work item, change in work, modification or waiver in the work. Field Orders are to be incorporated into a subsequent Change Order.
- 2.7 Project Representative will render interpretations of the contract documents necessary for the proper execution or progress of the project. All interpretations and decisions of Project Representative shall be consistent with the intent of the contract documents and shall be in writing.
- 2.8 Matters relating to design intent will be referred to the design Architect whose decisions will be final, consistent with the intent of the contract documents.
- 2.9 Project Representative, Architect, and authorized representatives of Owner shall have access to the project site and to the work at all times and shall be afforded every reasonable facility for ascertaining whether or not the work is in accordance with the requirements and intent of the contract documents.
- 2.10 All claims, disputes and other matters in question between Contractor and Owner relating to the execution or progress of the work shall be resolved pursuant to ARTICLE 12.
- 2.11 Project Representative shall have the authority: 1) to reject work which does not conform to the contract documents; 2) to require additional inspections or testing of any work during, prior to, or after fabrication, installation, or completion; 3) to specify both remedial work necessary to correct defective work and the time within which such work must be performed.
- 2.12 On the basis of on-site observations and inspections Project Representative will keep Owner informed of the progress of the work, and will endeavor to guard Owner against defects and deficiencies in the work. If Project Representative determines that any construction method, sequence, material, technique, safety precaution, act or omission of Contractor, Contractor's subcontractors, suppliers, or any of their agents, is detrimental to the progress, quality or safety of the work or to Owner's interest, then Project Representative shall inform Owner promptly, and Owner may, among other things, stop the work and order remedial measures. This provision shall not eliminate or reduce the responsibilities or requirements placed upon contractor and/or subcontractors by the contract documents and shall not place any liability upon the owner for action or omission in regard to this provision.
- 2.13 In accordance with the requirements of ARTICLE 8.5, Project Representative will determine amounts owing to Contractor and will recommend that Owner issue payment in the amount determined due.
- 2.14 Project Representative, with the concurrence of Owner, will determine the dates of Substantial Completion and Final Completion. The Architect will receive and forward to Owner for Owner's review, written warranties and related documents required by the contract and assembled by Contractor.

2.15 Project Representative's duties, responsibilities, and limitations of authority will not be modified without written consent of Owner and Project Representative.

ARTICLE 3 OWNER GENERAL RIGHTS AND DUTIES

- 3.1 At Owner's option, Owner may undertake any or all tasks of Project Representative described in ARTICLE 2.
- 3.2 Owner's directions to Contractor will be made in writing either directly or through Project Representative in accordance with ARTICLE 2. No verbal representation shall be binding upon any party unless confirmed in writing.
- 3.3 Owner shall have the right to perform work related to the project under separate contract(s) in accordance with the provisions of ARTICLE 6.
- 3.4 Owner shall have the right to issue change orders from time to time which may alter the scope of work required by the contract documents. All change orders will be subject to provisions of ARTICLE 9.
- 3.5 Owner will have the authority to reject work which does not conform to the requirements of the contract documents and to require such remedial work at no charge to Owner as is necessary to correct the defective work. Where defective work is being performed by Contractor and Contractor fails to correct the defective work within a reasonable period of time as set out in ARTICLE 10, or repeatedly fails to carry out the work in accordance with the contract documents, Owner shall have the authority to order an immediate halt to all defective work. Any losses suffered by Contractor as a result of the halt shall be borne by Contractor without recourse to Owner. Issuance of a stop-work order shall not be construed as constituting a breach of the agreement nor authorize Contractor to refuse to perform other portions of the work which Owner has not halted.
- 3.6 Owner shall have the right to terminate the contract or suspend performance of the contract as set out in these general conditions or other contract documents.
- 3.7 Owner shall promptly pay Contractor all sums properly due as provided by ARTICLE 8. If Owner fails to issue payment for a period of forty-five (45) days after the certificate of payment has been approved by Project Representative, without a written statement indicating why payment is being withheld, then Contractor may terminate the contract upon seven (7) days written notice to Owner and may recover from Owner payment for all work executed and for any proven losses sustained upon any materials, equipment and tools, including a reasonable profit and overhead.
- 3.8 Owner and Contractor warrant that neither party will maintain an action against the other for punitive or exemplary damages.

ARTICLE 4 CONTRACTOR'S GENERAL RIGHTS AND DUTIES

4.1 EXAMINATION OF SITE AND CONTRACT DOCUMENTS

- 4.1.1 The term "Contractor" means the person or entity identified in the Agreement which has contracted with Owner to perform the work of the contract. This definition includes a responsible officer of Contractor's organization or its authorized representative who shall be made known to Owner.
- 4.1.2 Contractor represents by execution of the Agreement that Contractor has carefully examined the contract documents and the site upon which the work is to be performed and has developed familiarity with the nature, extent, site access, and risks involved in the work and with all local conditions and applicable statutes, ordinances and regulations that may affect the performance of the work. Contractor assumes full responsibility for having correlated Contractor's study of the contract documents and observation of the site. Contractor represents that Contractor has studied all available surveys and investigation reports of subsoil and latent physical conditions of the site and has made such additional surveys and investigations as Contractor deemed necessary for the performance of the work at the contract price, within the time specified and in accordance with the requirements of the contract documents.

- 4.1.3 Contractor shall not begin work until given a Notice to Proceed, which will be issued as promptly as possible after the Agreement has been executed by all parties. If Owner is required to delay issuance of a Notice to Proceed for more than five (5) working days because of fault of Contractor or other reasons which Owner deems sufficient, then Contractor shall be notified in writing of the delay and when issuance of the Notice to Proceed is anticipated.
- 4.1.4 Before commencing any part of the work, and prior to undertaking each subsequent phase of the work, Contractor shall carefully study the plans and specifications and check and verify all previous work and pertinent dimensions, figures and amounts shown in them and shall make all applicable field measurements. Contractor shall at once report in writing to Owner any apparent conflict, ambiguity, discrepancy, error or other omissions which Contractor may discover. Contractor shall be liable to Owner for failure to notify Owner of any conflict, ambiguity, discrepancy, error or other omissions which Contractor discovered, but failed to report to Owner and shall be responsible for providing a remedy.
- 4.1.5 Contractor shall lay out the work from established base lines and bench marks indicated on the drawings and shall be responsible for all measurements in connection therewith. Contractor will be held responsible for the execution of the work to such lines and grades. It shall be the responsibility of Contractor to maintain, preserve, or replace all stakes and other marks.
- 4.1.6 Drawings showing location of equipment, piping, etc., are diagrammatic and job conditions will not always permit installation in the location shown. If a situation occurs which may require relocation of an item or system which substantially differs from the location called for in the contract documents, it shall be brought to Owner's attention immediately and the relocation determined with the concurrence of Architect or Engineer. If Contractor relocates such items without approval, Contractor will be responsible for any cost or expense for removal or further relocation necessitated by installation without approval.

4.2 SUBMITTALS

- 4.2.1 Within 10 days after the effective date of the notice to proceed and prior to commencement of work, Contractor shall submit to Owner the construction progress schedule and schedule of values required in Articles 4.2.2, 4.2.3 and 4.2.4. The schedule of values and progress schedule must be acceptable to owner and provide reasonable divisions of contract work with corresponding payment. No payment will be made under this contract prior to completion of this requirement. In cases of a unit bid project, the bid schedule on the bid form will be the schedule of values.
- 4.2.2 In accordance with the requirements governing submittals as provided in the contract documents, Contractor shall prepare and submit to Owner a detailed progress schedule for the work which reveals and identifies the critical path of progress, which is consistent with the work and time required by the contract, and which shall provide for the most expeditious and practicable execution of the work. Float time between work items is part of the project and not property of the Contractor. Float time is defined as the amount of time that spans from completion of one previously scheduled activity and extends to the point at which the next scheduled activity is set to begin.
- 4.2.3 Contractor shall also provide Owner with a proposed schedule of values upon submittal of a detailed progress schedule for the work. The schedule of values shall be allocated to various portions of the work and be prepared in such a form and supported by such data to substantiate its accuracy as reasonably required by Owner. Each item of work shall include all applicable profit and overhead. This schedule of values, unless objected to by owner shall be the basis for progress payments made to Contractor and shall include specific lump sum amounts for "Final Payment." This line item shall be in conformance with guidelines specified in ARTICLE 8. Contractor, at the request of Owner, shall amend the progress schedule and the schedule of values as the work progresses.
- 4.2.4 The schedule of values must show a complete breakdown of all phases of the work required by the contract documents. Payment will be in accordance with ARTICLE 8. Pay requests, schedules of value and progress schedules must correspond.
- 4.2.5 Contractor shall submit for Architect's and Owner's approval all product data required by the contract documents in conformance with the dates specified in the detailed progress schedule. Such data include illustrations, standards, schedules, performance charts, instructions, brochures, diagrams, or other

information necessary to assist Architect in determining whether a proposed product meets the intent of the contract documents.

- 4.2.6 Contractor shall also submit physical samples of materials, equipment or workmanship where required by the contract documents. After approval by Owner and Architect, the sample shall be established as the minimum standard of work, material, equipment or other quality which will be acceptable for work of which the sample is representative.
- 4.2.7 Submittal of shop drawings by contractor constitutes a representation by contractor that the submittal and work, or products required or to be used in accordance with that submittal, will meet or exceed the criteria and conditions of the contract documents and that performance of the work identified in those submittals will meet the progress schedule.
- 4.2.8 Before initiating any work for which shop drawings are required, Contractor shall obtain Architect's approval of the shop drawings, which include drawings, diagrams, schedules and other data specially prepared by Contractor, a subcontractor, a manufacturer, a supplier or distributor to illustrate in detail that portion of the work. Contractor shall review, approve, and submit all shop drawings, whether prepared by himself/herself or subcontractor or supplier. It shall be the duty of Contractor to provide a whole or complete system and to coordinate all work depicted by a particular shop drawing with the work required by other shop drawings for that portion of the work.
- 4.2.9 Contractor shall provide a copy of all transmittal letters to Project Representative at the time the submittal is made to Architect. Architect will review Contractor's submittals only for conformance with the design concept of the work and the information given in the contract documents. Architect's approval of a specific item shall not indicate approval of an assembly of which the item is a component. Architect will return reviewed submittals to Contractor with written comments and forward one set to Project Representative with reasonable promptness so as to cause no delay. A minimum of five (5) sets of submittals shall be required.
- 4.2.10 Should Architect reject any proposed shop drawings, product data or sample, Contractor shall resubmit revised drawings, samples or product data and draw Architect's attention to any deviation or revisions other than those requested by Architect.
- 4.2.11 All of Contractor's submittals shall be made in conformance with the dates specified in the detailed progress schedule with reasonable promptness and in such sequence as to cause no delay in the work of Owner or any separate contractor.
- 4.2.12 The Contractor shall provide two (2) hard copies and an electronic .PDF file of the operation and maintenance manuals for equipment and systems incorporated in the work.

4.3 SAFETY AND CONTROL OF SITE

- 4.3.1 Contractor is deemed to be in physical control of the work site. Contractor shall confine Contractor's operations at the site to those areas described in the contract documents or permitted by applicable statutes, ordinances or permits.
- 4.3.2 Contractor shall not unreasonably encumber the site with materials, equipment or ancillary construction. Contractor shall be responsible for eliminating or minimizing to the extent reasonably possible, public hazards and inconveniences which might result from this work.
- 4.3.3 Contractor shall at all times keep the premises free from accumulation of excess snow, waste materials or rubbish and shall keep adjacent public road clear of mud and dust caused by Contractor's activities. At the completion of the work, Contractor shall remove all waste materials and rubbish from the project as well as Contractor's tools, equipment and surplus materials. The removal and disposal of waste materials, rubbish, or other material, shall be accomplished in accordance with all local, state and federal requirements.
- 4.3.4 Contractor shall be responsible for initiating, maintaining and supervising all necessary safety precautions in connection with this work and shall be responsible for ascertaining and adhering to all applicable federal, state, and local standards, laws, ordinances, regulations, requirements and any lawful order of any public authority bearing on the safety of persons or property or their protection from damage, injury, or loss.

- 4.3.5 Contractor's duty to maintain a safe and secure project site shall include all precautions necessary to assure the safety and protection against injury and damage, of all employees engaged in the work and any other person who may be affected by the work including Owner's agents and employees; Contractor's agents and employees; and members of the general public. Contractor shall assure the safety and protection of all work, materials and equipment which may be upon the site; utilities and other property of Owner including portions of structures and utilities not designated for removal or relocation, trees, shrubs, lawns, walks, pavements and roadways. Contractor duties include but are not limited to protection of project site from vandalism. Such precautions shall further include but not be limited to protection from dangers from hazardous materials.
- 4.3.6 Contractor shall take all necessary measures to prevent members of the general public from entering upon the site without the permission of Owner or Contractor.
- 4.3.7 Contractor shall comply with all OSHA requirements, give all safety notices, erect and maintain all reasonable safeguard notices and barriers, including danger signs and fences which may be required to protect the site and limit access to it.
- 4.3.8 In the event of an emergency, the Contractor will take all means necessary to minimize all damage to or exposure from effects of a catastrophic event. In such case, the Contractor may consult with Owner or seek Owner's assistance. The responsibility for protection of the site, work, and all material remains with the Contractor.
- 4.3.9 Contractor shall designate a person in Contractor's employ at the site to be primarily responsible for the prevention of accidents, identification of all applicable safety standards, statutes and regulations, including but not limited to those addressing hazardous material, and full compliance therewith. This person shall be Contractor's Superintendent unless otherwise designated by Contractor in writing to Owner.
- 4.3.10 Should Project Representative or other representative of Owner ascertain that a safety danger exists, Project Representative or Owner may order an immediate cessation of all dangerous activity and a correction of any safety hazard. Written notice of the order to stop work or to correct the safety hazard shall be made to Contractor as soon as practicable. Contractor shall have no recourse against Owner for any alleged losses or delays arising from this section unless the order to stop work or correct safety deficiency is wholly without basis.
- 4.3.11 Should Contractor elect to utilize explosives or other hazardous materials or equipment, or should Contractor be required to do so for the execution of the work, Contractor shall first give jurisdictional authorities and Owner notice of the intention to utilize hazardous materials, explosives or equipment at a particular time and date. Contractor shall use the utmost care in utilizing such materials and shall use only properly qualified and licensed personnel.
- 4.3.12 Contractor shall correct any damage to the property of Owner or other parties which arises out of the activities or omissions of Contractor, Contractor's agents, subcontractors, employees, personnel or suppliers. Contractor shall commence remedial activities within seven (7) days from the date of the damage. If Contractor fails to do so, Owner or the affected party may utilize his own forces to correct or replace the damaged property and Contractor shall promptly reimburse Owner or the affected party for all losses and costs thereupon. In the event Contractor fails to reimburse Owner as set forth herein, Owner may set off the amount due Owner from any amount due Contractor.

4.4 SUPERVISION AND QUALITY OF THE WORK

4.4.1 Contractor shall supervise and direct the work using the best skill and attention. Contractor is responsible for, and agrees to comply with all applicable local, state and federal ordinances, laws, regulations and statutes. Contractor shall be solely responsible for all construction means, methods, techniques, sequences and procedures, and for the schedule and coordination of all portions of the work to be performed under the contract. Contractor shall also be required to coordinate the work with that of any other contractor working on the project so as to minimize delay, inconvenience, and expense to both. Where identified in writing by Owner at any time, Contractor shall be required to coordinate the work with any partial use of the site that Owner deems necessary.

- 4.4.2 All materials and equipment shall be applied, installed, connected, erected, used, cleaned, prepared or conditioned in accordance with the instructions of the applicable manufacturer, fabricator or processor except as otherwise provided in the plans and specifications.
- 4.4.3 Contractor shall keep on the job site at all times during work progress, a competent resident superintendent capable of reading and thoroughly understanding the plans and specifications. The superintendent will be Contractor's representative at the site and all communications given to the superintendent shall be as binding as if given to Contractor directly. In the event Contractor decides to replace the superintendent, Contractor shall submit to Owner a written notice including the proposed new superintendent's qualifications. The superintendent shall not be replaced without this written notice and a statement of non-objection by the Owner.
- 4.4.4 Contractor shall provide sufficient, competent, and suitable qualified personnel to survey and lay out the work and to perform all construction required by the contract documents. Contractor is responsible for maintaining good discipline and order at the job site at all times and shall not employ any unfit person or anyone not skilled in the task assigned to that person.
- 4.4.5 Contractor shall be fully responsible to Owner for the acts and omissions of Contractor's employees and agents, Contractor's subcontractors and their employees and agents, and any other persons performing any of the work for the benefit of Contractor.
- 4.4.6 Contractor shall not permit the possession or use of alcohol or controlled substances on the site, and shall remove from the site any person who possesses, uses, or is under the influence of alcohol or controlled substances. Contractor shall require all Contractor's agents, subcontractors, employees or suppliers who perform work on site to sign a statement that they have been informed and will abide by the above policy. A copy of all such statements shall be kept at the job site throughout the duration of Contractor's work.
- 4.4.7 Contractor warrants to Owner that all work will be free from faults and defects and meeting or exceeding the requirements of the contract documents and all local, state, and federal legal requirements. All work not so conforming to these standards will be considered defective, and Owner may require its correction.

4.5 DIVISION OF THE WORK

4.5.1 The division of the work into various specialties and divisions in the contract specifications and drawings shall not bind Contractor in apportioning the work among various subcontractors, specialty contractors or workers, and Contractor's own employees.

4.6 TITLE 36 AND OTHER STATUTORY REQUIREMENTS

- 4.6.1 Contractor shall give and post all notices and comply with all federal, state, and local laws, ordinances, regulations, requirements and any lawful order of any public authority bearing on the performance of the work, and shall notify Owner in writing if the drawings and specifications or the contract documents are at variance therewith. If Contractor knows or should know that Contractor is performing work contrary to such legal requirements without giving written notice to Owner in time for Owner to give a stop work order, the Contractor shall bear all costs to remedy that work and to bring it into conformance with the applicable requirements. In the event Contractor fails to reimburse Owner as set forth herein, Owner may set off the amount due Owner from any amount due Contractor. This requirement does not lessen or alter the requirement for indemnification stated in ARTICLE 4.13.
- 4.6.2 Contractor and subcontractors shall strictly comply with all requirements of Title 8, Chapter 30 of the Alaska Administrative Code and Title 36 of the Alaska Statutes as applicable to this contract.
- 4.6.3 Contractor or subcontractors of the contractor shall pay all employees unconditionally as required by AS 36.05.040 and any other applicable laws or regulations. Wages may not be less than those stated in the advertised specifications, regardless of the contractual relationship between the Contractor or subcontractors and laborers, mechanics, or field surveyors. The wages are determined for the region in which the work is done and the rates are issued by the Alaska State Department of Labor (see attached Title 36 wage schedule). The scale of wages to be paid shall be posted by Contractor in a prominent and easily accessible place at the site of the work. 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 of wages less than the rate

of wages required by this contract, Owner may, on written notice to Contractor hold Contractor in immediate default and terminate Contractor's right to proceed with the work or that part of the work for which there is a failure to pay the required wages, and Owner may prosecute the remaining work to completion by contract or otherwise, holding Contractor and Contractor's sureties liable for any costs in excess of the contract price. In the event Owner permits Contractor to pursue further work under the contract, Owner shall withhold so much of the accrued payments as is necessary to pay to laborers, mechanics, or field surveyors employed by the Contractor or subcontractors the difference between the rates of wages required by the contract to be paid laborers, mechanics, or field surveyors.

4.6.4 A copy of certified payrolls shall be provided to the Project Representative with each Progress Payment Request.

4.7 **PROJECT RECORDS**

- 4.7.1 Contractor shall maintain at the project site copies of plans and technical specifications, approved shop drawings and manufacturers' information sheets, and other contractor documents which are necessary for the expeditious and correct execution of the work.
- 4.7.2 Contractor shall maintain at the project site a complete daily job report showing job conditions, work activities started, in progress, interrupted and completed; work force, including identification and number of Contractor's employees and subcontractors by craft; receipt and disposition of materials and equipment; tests performed, visiting personnel and any accidents on a particular day. Owner shall have access to the daily report at all times. A copy of each daily report shall be provided to Project Representative at the end of each week.
- 4.7.3 Contractor shall keep one record copy of all specifications, drawings, addenda, modifications, and shop drawings at the job site in good order and annotated to show all changes made during the construction process. These shall be available to Owner during construction and turned over to Owner prior to final completion of the work.

4.8 ALLOWANCES

4.8.1 Contractor shall include in the contract sum all allowances stated in the specifications or plans, and all items covered by these allowances shall be supplied in such amounts, or by such a person, as Owner may direct. The allowance shall include the cost to Contractor, less applicable trade discounts, of materials and equipment required by the allowance; delivery at the site, applicable taxes; Contractor's cost for unloading and handling on the site, for labor, installation, overhead, profit and other expenses incurred by Contractor. Whenever the cost of the allowed item exceeds or is less than the allowance, the contract sum shall be adjusted equitably by change order.

4.9 NONDISCRIMINATION

- 4.9.1 Contractor must comply with all federal and state laws, rules, regulations and orders, and all local ordinances, regulations and rules concerning wages, taxes, social security, workers' compensation, nondiscrimination, licenses, registration requirements, and similar provisions governing employment of individuals.
- 4.9.2 Contractor will not discriminate against any employee or applicant for employment or refuse employment to a person, or bar a person from employment, or discriminate against a person in compensation or in a term, condition, or privilege of employment because of the person's race, religion, color, or national origin, or because of the person's age, physical or mental disability, sex, marital status, changes in marital status, pregnancy, or parenthood when the reasonable demands of the position do not require distinction on the basis of age, physical or mental disability, sex, marital status, changes in marital status, pregnancy, or political affiliation. Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause. Contractor further agrees to insert this provision in all subcontracts hereunder and to require the subcontractors to insert this provision in their subcontracts.

Notwithstanding the prohibition against employment discrimination on the basis of marital status or parenthood stated above, an employer may, without violating this provision, provide greater health and retirement benefits to employees who have a spouse or dependent children than are provided to other employees.

- 4.9.3 Contractor shall state, in all solicitations or advertisements for employees to work on contract jobs, that all qualified applicants will receive consideration for employment in accordance with the above referenced nondiscrimination clause.
- 4.9.4 Contractor shall comply with the reporting requirements which the State of Alaska may establish by regulation.
- 4.9.5 Contractor shall include the provisions of these paragraphs in this section in every subcontract or purchase order under this contract so as to be binding upon every such subcontractor or vendor of Contractor under this contract.

4.10 TAXES

- 4.10.1 Contractor shall pay all sales, consumer, use and other taxes for the work or portions thereof provided by Contractor which are legally enacted at the time bids are received, whether or not yet effective.
- 4.10.2 Contractor shall comply with Owner's requirements for payment of taxes. This contract is specifically subject to the provisions of City of Kenai Code, as it now stands or as it may be amended, including but not limited to termination of the contract for non-compliance. If the violation arises from failure to file or remit sales taxes, no payment will be made to Contractor until all filings have been made and all amounts due are paid.

4.11 PERMITS, FEES, AND NOTICES

- 4.11.1 Contractor shall secure the building permit from the City of Kenai at no cost. Unless otherwise provided in contract documents, Contractor shall secure and pay for all other legally required permits and government fees, licenses and inspections necessary for the proper execution and completion of the work. These are customarily secured after execution of the contract. These costs are part of the contract price. This provision does not lessen the requirements set out in ARTICLE 1.4.
- 4.11.2 Contractor is required to comply with all permits obtained by Owner for project, if any. Contractor is responsible for requesting information from Owner regarding any applicable permits obtained by Owner.

4.12 ROYALTIES AND PATENTS

4.12.1 Contractor shall pay for all royalties and license fees. Contractor shall defend all suits or claims for infringement of any patent rights and shall save Owner harmless from loss on account thereof.

4.13 INDEMNIFICATION

4.13.1 The contractor shall indemnify, hold harmless, and defend the City at its own expense from and against any and all claims, losses, damages or expenses, including reasonable attorney's fees, of, or liability for, any wrongful or negligent acts, errors, or omissions of the contractor, its officers, agents or employees, or any subcontractor under this contract. The contractor shall not be required to defend or indemnify the City for any claims of, or liability for, any wrongful or negligent act, error, or omission solely due to the independent negligence of the City. If there is a claim of, or liability for, the joint negligence of the contractor and the independent negligence of the City, the indemnification and hold harmless obligation shall be apportioned on a comparative fault basis. Apportionment shall be determined upon final determination of percentage of fault. If any such determination is by settlement, the percentage of fault attributed to each party for purposes of this indemnification provision shall only be binding upon the parties included in the settlement agreement. "Contractor" and "City" as used in this article include the employees, agents, officers, directors, and other contractors who are directly responsible, respectively, to each. The term "independent negligence of the City" is negligence other than in the City's selection, administration, monitoring, or controlling of the contractor and in approving or accepting the contractor's work.

ARTICLE 5 SUBCONTRACTORS AND SUPPLIERS

5.1 DEFINITIONS AND RESPONSIBILITIES

- 5.1.1 A subcontractor is a person or entity having a direct contractual relationship with Contractor, or with one of Contractor's subcontractors, to perform any of the work at the site. A supplier is any manufacturer or person or firm providing materials, equipment or assemblies to Contractor or to one of the subcontractors for inclusion in this project.
- 5.1.2 All contracts between Contractor, subcontractors and suppliers (whether or not in privity with Contractor) shall be in accordance with the terms of this contract and shall incorporate the General Conditions of this contract. Contractor shall include in such contracts, and require its inclusion in any subcontracts, a provision holding any subcontractor or supplier (whether or not in privity with Contractor) directly accountable to Owner for work which fails to meet the requirements of the contract documents, or which prevents Contractor or any subcontractor from performing work. This direct accountability to the Owner shall be in addition to Contractor's liability for any such failure.
- 5.1.3 The provisions in this ARTICLE shall not be construed as creating a right of recourse, or any direct contractual relationship, between Owner or Owner's agents and any subcontractor, supplier, or manufacturer (whether or not in privity with Contractor).
- 5.1.4 Contractor shall make all necessary copies of these contract documents available to Owner and to each subcontractor and shall require each subcontractor to make copies of these contract documents available to each of Contractor's subcontractors, if any.
- 5.1.5 Contractor shall be fully responsible for enforcing discipline among subcontractors, their employees and their subcontractors, and for insuring that each subcontractor performs the work in accordance with the contract documents and all safety regulations.
- 5.1.6 Contractor shall have the discretion to require subcontractor(s) to provide payment or performance bonds for work of the subcontractor(s).

5.2 AWARDS TO SUBCONTRACTORS AND SUPPLIERS

- 5.2.1 At Owner's request Contractor shall submit to Owner a list of all principal subcontractors and material suppliers and shall not contract with any proposed person or organization to whom Owner voices a reasonable objection. This provision applies to substitution of subcontractors or suppliers subsequent to Owner's initial objection to a proposed person or entity. Such list shall be submitted in accordance with Division 1 requirements as provided in the contract specifications.
- 5.2.2 Rejection of a proposed subcontractor or material supplier shall not entitle Contractor to any increase in the contract sum or time.
- 5.2.3 At Owner's request Contractor shall submit to Owner a copy of any subcontract and any purchase orders for materials and equipment prior to purchase of such items.

5.3 CONTRACTOR PAYMENTS TO SUBCONTRACTORS AND SUPPLIERS

- 5.3.1 Recognizing the importance of maintaining the integrity of a public contract, Contractor warrants that Contractor will pay all subcontractors and material suppliers at least monthly on or about the 20th day of each month upon approval of the subcontractors' and materials suppliers' billing, for all apparently acceptable work performed on the site during the preceding month and for all apparently acceptable material incorporated into the project or delivered and properly stored at the site during any month for which Contractor has received payment from Owner. If Owner retains a percentage of sums due, Contractor may retain a like percentage, but when retainage is paid, Contractor must pay to the subcontractor or supplier interest on retainage equal to interest rate paid to Contractor by Owner.
- 5.3.2 In furtherance of Contractor's warranty under this ARTICLE and ARTICLE 8, Owner, may require Contractor to declare Contractor's status of accounts with any or all the subcontractors and suppliers. A proof of payment to subcontractors and suppliers shall be made in a form acceptable to Owner. If Contractor

breaches this warranty and fails to pay each subcontractor and materials supplier within 45 days after a monthly billing has been presented, then Owner reserves the right to withhold sufficient sums from Progress Payments due to Contractor and to issue payment to the subcontractors or material suppliers directly. This ARTICLE shall not be construed as creating a right in the subcontractors or material suppliers to have direct recourse against Owner for payment. Contractor expressly agrees that Owner will not be liable for any exercise of Owner's discretionary right under this section, and Contractor agrees to release and indemnify Owner for any claims arising therefrom, either by Contractor directly or by any subcontractor or material supplier. Likewise, this ARTICLE shall not be construed as creating a right in Contractor's surety or any other subrogated party to have direct recourse against Owner for failure to withhold sums pursuant to this section.

ARTICLE 6 SEPARATE CONTRACTS

- 6.1 Owner has the right to award separate contracts for work on the project that is not included in this contract.
- 6.2 When separate contracts are awarded for different portions of the Project or other work on the site, the term Contractor in the contract documents in each case shall mean the Contractor who executes each separate contract.
- 6.3 Contractor shall afford other contractors and Owner's own forces reasonable opportunity for the introduction and storage of materials and equipment and for the execution of their work and shall properly connect and coordinate Contractor's work with theirs as required by the contract documents.
- 6.4 Any costs caused by defective or ill-timed work under separate contracts shall be borne by the party responsible thereof and shall be paid promptly.
- 6.5 When separate contracts are let within the limits of any one project, each Contractor shall conduct the work so as not to interfere with or hinder the progress of completion of the work being performed by other Contractors. Contractors working on the same project shall cooperate with each other as directed.

Each Contractor involved shall assume all liability, financial or otherwise, in connection with his or her contract and shall protect and save harmless the Owner from any and all damages or claims that may arise because of inconvenience, delays, or loss experienced because of the presence and operations of other Contractors working within the limits of the same project.

- 6.6 If any part of Contractor's work depends upon work performed by Owner or any separate contractor, prior to proceeding with the work, Contractor is required to report to Owner any apparent discrepancies, defects or delays in the other work which impede proper execution of the work required by this contract. If Contractor fails to report such unsuitable work by another contractor to Owner, then Contractor shall be deemed to have accepted the unsuitable work and any liability for all deficiencies, damages and costs which arise as a result of the defective work or of Contractor's use or covering of the unsuitable work.
- 6.7 Should Contractor or any subcontractor delay or cause damage to the work or property of any other contractor or person, Contractor shall repair the damage or settle the claim and shall further, to the extent allowed by law, indemnify, defend, and hold Owner harmless from any and all claims, costs, expenses, injury, damages, or loss of any kind, including attorneys' fees, court costs, or arbitration costs, which arise out of such delay or damage.
- 6.8 Should a dispute arise between Contractor and separate contractors as to the responsibility for completing, finishing or cleaning up particular work or a portion of the work, Owner may complete, finish or clean up the disputed portion and apportion the cost among Contractors responsible as Owner shall determine to be equitable.

ARTICLE 7 BONDS AND INSURANCE

7.1 PERFORMANCE AND PAYMENT BONDS

7.1.1 For contracts with a contract sum of one hundred thousand dollars (\$100,000) or greater, or as otherwise specified in the request for bid, Contractor shall provide as part of the basic contract sum, a performance bond and a payment bond, each in the amount of 100% of the contract amount, prior to Owner's execution

of the contract. Contractor shall have no recourse of any kind against Owner, if Owner declines to award a contract due to Contractor's failure to provide the required bonds. These bonds, in whatever amount required by the specific contract, shall be administered and deemed governed by the provisions of Alaska Statutes Title 36, Chapter 25 and shall comply with all requirements for payment and submission of claims as provided by that chapter.

- 7.1.2 All bonds shall name Owner as the beneficial party and shall protect Owner for a period of at least one year subsequent to the date of final payment upon this contract. All bonds shall be executed upon a form acceptable to Owner and by a surety company licensed to do business within the State of Alaska and acceptable to Owner. The form of the bond shall provide that Owner shall have at least thirty (30) days prior notice of any lapse in bond coverage. The bond payment shall be applicable to all subcontractors or material suppliers (whether or not in privity with Contractor) who might attempt to assert a claim against Owner.
- 7.1.3 Owner may inform the surety as to the general progress and status of the work. A copy of all communications with the surety company shall be provided promptly to Contractor upon request.
- 7.1.4 In the event Contractor refuses, or is unable to make payments to laborers, subcontractors or material suppliers, or to complete the work, or to correct defective work, within the times provided by this contract, Owner may elect to call upon Contractor's surety to rectify Contractor's default. Contractor shall first be given seven (7) calendar days written notice (effective when mailed) of Owner's intentions to call upon the surety company and Owner shall specify to Contractor the basis for the proposed course of action. If Contractor fails to correct the default within the time provided, Owner shall promptly call upon the surety.
- 7.1.5 Prior to final payment or reduction in retainage, Contractor shall provide written consent of each affected surety releasing Owner from any further claims arising from payment to Contractor and obligating the surety company to rectify any default, nonpayment, defective work, error, omission or deficiency of Contractor.
- 7.1.6 Contractor and Owner expressly agree that Owner shall be entitled to retain from payments to Contractor amounts in excess of normal retainage if these additional amounts may be necessary to indemnify Contractor's surety for any payment or corrective work which the surety might be required to undertake. This additional retainage will be made only upon written directive by Contractor's surety specifying the reason for retaining extra amounts, the amounts to be retained and agreement of the surety to reimburse Owner for any interest which may be due Contractor under the provisions of the Alaska Statutes.

7.2 CONTRACTOR'S INSURANCE

- 7.2.1 The services to be rendered under this contract are those of an independent Contractor.
- 7.2.2 Contractor and all subcontractors, if any, shall be responsible for the purchase and maintenance of all insurance required by law and at a minimum purchase the insurance coverage as specified in ARTICLE 7.2.5 and 7.2.6 below, and any other insurance coverage as may be specified in ARTICLE 7.2.11 SUPPLEMENTARY GENERAL CONDITIONS OF INSURANCE, if attached and forming a part of this contract. Such insurance shall be by a company/corporation currently rated "A-" or better by A.M. Best.
- 7.2.3 This insurance coverage required by ARTICLE 7.2.5 and 7.2.6, and ARTICLE 7.2.11 if attached, shall be in acceptable form, and for the amounts specified by the City of Kenai, or as required by law, whichever is greater.
- 7.2.4 The insurance policies shall remain in force for the life of the contract and shall be a part of the contract price.
- 7.2.5 Commercial general liability with minimum coverage of \$1,000,000 and automobile liability insurance with minimum coverage of \$1,000,000 combined single limit bodily injury and property damage per occurrence. This insurance shall be primary and exclusive of any other insurance carried by the City of Kenai. The commercial general liability insurance shall be without limitation on the time within which the resulting loss, damage, or injury is actually sustained.
- 7.2.6 Per Alaska State Statutes, Worker's Compensation and Employers Liability Insurance shall be provided for all employees who are performing work under this contract.

- 7.2.7 Certificate(s) of Insurance shall be provided by Contractor and all subcontractors, or their Insurance Companies and/or their Agents, naming the City of Kenai as an additional insured for the work specified in this contract with a waiver of subrogation for commercial general liability insurance and automobile liability insurance. The certificates of insurance must reference the specific contract by name. Workers compensation insurance must be endorsed for waiver of subrogation against the City. Certificates of Insurance, acceptable in form and content, will be delivered to Owner at the address designated for legal service in the agreement, at or prior to presentation of the contract for execution by owner.
- 7.2.8 There shall be no cancellation or material change of the insurance coverage, or intent not to renew the insurance coverages as specified in this contract, without thirty (30) days prior written notice to the City of Kenai. Notice of cancellation, material change in coverage, or intent not to renew will be delivered to the address designated for legal notice in the agreement.
- 7.2.9 Upon renewal or change in policies during the contract, Certificates of Insurance shall be delivered to the address designated for legal notice in the agreement.
- 7.2.10 Owner shall have the option to purchase and maintain such insurance as will protect Owner against property losses or liability claims, which may arise from operations under the contract. Insurance providing coverage against fire and extended coverage perils, may, at Owner option, provide coverage to the full insurable value of the project and insure the interests of Contractor and all subcontractors as their interests may appear. Any recovery for loss insured pursuant to this General Condition is to be adjusted to Owner and made payable to Owner as trustee for the insured, as their interests may appear. This section does not modify the contractor or subcontractors' responsibility to provide insurance as required in ARTICLE 7.
- 7.2.11 May be added in supplementals as Supplementary General Conditions of Insurance.

ARTICLE 8 MEASUREMENT, PAYMENT AND COMPLETION

8.1 SCOPE OF PAYMENT

8.1.1 Unless altered by change order, Contractor shall be paid only that sum set forth in the agreement between Owner and Contractor as Contractor's compensation for performance of all work required by the contract documents.

8.2 LUMP SUM PAY ITEMS

- 8.2.1 Each bid item is characterized as either a lump sum item or a unit price item in the bid documents. Where the item is bid at a lump sum price, no additional compensation shall be paid to Contractor for additional work required because Contractor failed to include items or quantities in Contractor's estimate or a subcontractor's estimate, or failed to utilize proper construction means, methods, procedures or sequence or by virtue of any decision of Contractor.
- 8.2.2 Contractor is required to provide and pay for all requirements necessary for the proper execution and completion of the contract unless specifically excluded by the contract documents. The costs are part of the contract price. The requirements include but are not limited to the requirements stated in ARTICLE 1.4.
- 8.2.3 All materials and equipment incorporated in the work shall be new except as otherwise provided in the contract documents. All materials and equipment shall meet or exceed the requirements of the plans and specifications and Contractor shall furnish, if requested, satisfactory evidence as to the source, kind and quality of any materials and equipment.

8.3 UNIT COST ITEMS

8.3.1 Quantities appearing in the bid schedule are approximate and are prepared for comparison of bids. Payment to Contractor will be for actual quantities of work performed and materials furnished in accordance with the contract documents. Scheduled quantities of work and materials may be increased, decreased or eliminated as provided herein.

8.4 APPLICATION FOR PAYMENT

- 8.4.1 Applications for payment shall be based on Contractor's submitted schedule of values, as approved by Owner per Section 4.2. Schedule of values shall be prepared in such form and supported by such data as may be required by Owner to substantiate its accuracy prior to Contractor's first application for payment.
- 8.4.2 The schedule of values shall include quantities of work, unit prices and other items comprising the contract price. It shall subdivide the work into each component part in sufficient detail to serve as the basis for progress payments during construction.
- 8.4.3 With each subsequent application for progress payment, Contractor shall provide a schedule of values to Owner showing all work which has been performed to date together with the value thereof, and the percentage of work completed.

8.5 **PROGRESS PAYMENTS**

- 8.5.1 Progress Payments shall be made monthly, based upon the amount of apparently acceptable work performed at the site and apparently acceptable materials purchased for the project and properly stored at the site during the previous month. Disbursement of progress payments will not effect a transfer of the risk of loss from the Contractor to the Owner for invoiced equipment or material. The risk of loss of the work and all material and equipment not yet incorporated in the work is the liability of the Contractor until substantial or final completion, whichever is earlier.
- 8.5.2 The value of work performed and materials stored shall be set forth in Contractor's revised schedule of values. If requested by Owner, Contractor shall promptly provide Owner any additional information necessary to ascertain the value of the work performed or the cost of materials stored at the site during the previous month. Each updated Schedule of Values shall be in the form of a notarized affidavit. Proof of certified payroll shall be provided per ARTICLE 4.
- 8.5.3 By application for payment, Contractor warrants and guarantees to Owner that title to all work, materials, and equipment for which payment is requested will pass to Owner either by incorporation in the construction and after substantial completion or upon receipt of payment, whichever occurs later, that such title will be clear of all liens, claims, security interests, and other encumbrances, except for liens to be released later prior to final payment and specifically identified on the application for payment, and that all such work, materials, and equipment are of acceptable quality.
- 8.5.4 Each application for payment shall be made no later than the tenth day of each month for work performed during the preceding month. Progress Payment requests shall be submitted to Project Representative for analysis and recommendation to Owner.
- 8.5.5 Project Representative will review Contractor's application for payment within seven (7) working days after receipt and if Project Representative ascertains that the amounts set forth therein are properly due and owing to Contractor, then Project Representative shall issue a Certificate of Payment to Owner. If Project Representative determines that only a portion of the sum requested is then properly due and owing to Contractor, then Project Representative may issue a Certificate of Payment in a lesser amount or may reject the application altogether. Project Representative will notify in writing both Contractor and Owner of the reasons for reduction or rejection of any application for Progress Payment.
- 8.5.6 Project Representative's issuance of a Certificate of Payment constitutes a representation that the work has progressed to the point indicated and that to the best of Project Representative's professional knowledge and information, Contractor is entitled to payment in the amounts certified.

8.6 RETAINAGE

8.6.1 After receipt from Project Representative of the Certificate for Payment, Owner shall make payment to Contractor within thirty (30) days. Owner shall have the option to retain up to 10% of the full amount of the Certificate for Payment plus lump sum amounts for material and equipment not properly stored, or subject to damage prior to use. Amounts retained by Owner may be held by Owner until project completion. If the project involves grant money or the City has entered into a written contract with the state to provide state funds, payment will be made in accordance with AS 36.90.200-270.

8.6.2 Owner may withhold additional sums of money from progress payments in an amount sufficient to safeguard and protect Owner against any apparently meritorious claims against Contractor by any party other than Owner, and for any work which Owner ascertains to be defective or not meeting the requirements of the contract documents.

8.7 CONDITIONS OF PAYMENT

- 8.7.1 Project Representative may refuse to approve all or any part of any request for progress payment if, in Project Representative's opinion, it would be incorrect to make the representation to Owner set out in ARTICLE 8. Project Representative may also refuse to approve all or any part of any request for progress payment, if subsequently discovered evidence or the results of subsequent inspections or tests nullify any payment previously approved.
- 8.7.2 Owner may withhold payment to the extent necessary to protect Owner from loss resulting from:
 - A. Defective or damaged work;
 - B. Claims or liens which have been filed or may be reasonably expected;
 - C. Contract price reduction by modifications or change orders;
 - D. Owner cost to correct or complete defective work;
 - E. Unsatisfactory prosecution of the work by Contractor, including but not limited to failure to furnish adequate submittals or to clean up the work or site;
 - F. Reasonable evidence that the work cannot be completed for the unpaid balance of the contract sum;
 - G. Failure of Contractor to make payment properly due to subcontractors, employees, suppliers or utilities;
 - H. Reasonable evidence to believe the work cannot be completed within the contract time.
 - I. Damage to Owner's property not replaced or repaired in timely manner.

When the grounds for withholding payment are removed, payment shall be made for amounts withheld.

8.7.3 Neither the issuance of a Certificate of Payment, nor the making of any progress payment, nor the partial or entire use of the project by Owner shall constitute an acceptance of any work not in accordance with the contract documents nor shall it constitute a waiver of any right accruing to Owner or of any duty of Contractor.

8.8 SUBSTANTIAL COMPLETION

- 8.8.1 Substantial Completion is defined as the state of construction at which the work is sufficiently complete and in accordance with the contract documents, so that Owner could occupy and utilize the work or a specific portion of it, for its intended use.
- 8.8.2 When Contractor considers the work substantially complete Contractor shall notify Project Representative in writing and request a Substantial Completion inspection. The request shall be made a minimum of three business days in advance. The notice shall include a comprehensive list of items to be completed, reasons they are not completed and a date of anticipated completion. The notice shall also include copies of all code compliance inspections, the Certificate of Occupancy, if applicable, and any other documents required by the contract.
- 8.8.3 Project Representative shall schedule the Substantial Completion inspection and notify Contractor. The inspection will be performed by Project Representative, Architect, Design Engineers, and Owner personnel in the presence of Contractor. Should this inspection find the work not substantially complete, Owner may terminate the inspection and promptly notify Contractor in writing of the conditions for reinspection. Any deficiencies identified by this inspection will be listed and promptly furnished to Contractor for remedial action.
- 8.8.4 If Contractor has requested that Project Representative and Owner make an inspection to ascertain Substantial Completion, and if the work is not then substantially complete, Contractor shall be liable for all costs Owner, Architect, and Project Representative have incurred in making the inspection.

- 8.8.5 If it is determined on the basis of inspection that the work is substantially complete, Project Representative will issue a Certificate of Substantial Completion. Included in the certificate shall be a list of items which must be completed or corrected before final payment and the time within which such items shall be complete and corrected. Failure to include an item on this list does not alter the responsibility of Contractor to complete all work in accordance with contract requirements.
- 8.8.6 Certificate of Substantial Completion shall state the date of Substantial Completion and the respective responsibilities of Owner and Contractor for the maintenance, insurance and security of the work. Certificate of Substantial Completion shall specifically authorize Owner to take possession of the premises and utilize them for their intended purpose. Owner's beneficial occupancy of the premises shall make reasonable allowance for the performance of the work which Contractor must complete prior to final completion.
- 8.8.7 If Contractor fails to complete or correct work required by the Certificate of Substantial Completion within the time allowed, then the Certificate of Substantial Completion shall be voided and the contract time expended by Contractor shall be counted, and the acceptability of the work shall be inspected as if a Certificate of Substantial Completion had not been issued.
- 8.8.8 Upon Substantial Completion of the work and upon application by Contractor and certification by Project Representative, Owner shall make payment, reflecting adjustment in retainage, if any, for such work as provided in the contract documents.

8.9 FINAL COMPLETION AND WARRANTY PERIOD

- 8.9.1 The terms Final Completion and Warranty Period refer to, respectively, the finalization of the construction phase and a one-year warranty period following the Substantial Completion. Final Completion shall be represented by a lump sum dollar amount identified on the schedule of values. Final Payment represents a sum of money to perform all tasks necessary from Substantial Completion to Final Completion, including completion of final punch list, completion of as-built data, turnover of all warranty information, notarized acknowledgments of payments, and relinquishment of claims against Owner.
- 8.9.2 When Contractor considers the work ready for Final Completion, Contractor shall forward to Project Representative an application for final payment including (1) an affidavit that all payrolls, bills for materials and equipment, and other indebtedness connected with the work have been paid or otherwise satisfied, (2) consent of surety, if any, to payment, (3) irrevocable, notarized proof of payment and relinquishment of claim against Owner, issued by every subcontractor (whether or not in privity with Contractor), material supplier and other party who might assert a claim against Owner, and (4) all other documentation required by the contract documents. Project Representative and Owner shall promptly inspect the work to see that it is fully performed and complete, that all portions of the work are acceptable and that the contract is fully performed aside from completion of the Warranty Period. After Project Representative has made a determination that these requirements have been met, Project Representative shall prepare and recommend that Owner issue a Certificate of Final Completion and Final Payment.
- 8.9.3 Project Representative's approval of Final Payment constitutes an additional representation by Project Representative to Owner that to the best of Project Representative's knowledge and information, all conditions which Contractor must fulfill prior to being entitled to Final Payment have in fact been fulfilled in accordance with the contract documents.
- 8.9.4 If any party refuses to relinquish its claim, or if Owner considers that any item or portion of the work: (1) is of doubtful acceptability under the contract documents; or (2) may diminish the value of the work; or (3) may prove to be ultimately unreliable; or (4) may prove to be less functional than required by the intent of the contract, then Owner, in lieu of refusing Final Payment to Contractor, may allow Contractor to furnish a bond in a form and in an amount satisfactory to indemnify Owner against losses occasioned thereby. If any additional costs to settle the claim or to correct work of doubtful quality accrue to Owner in excess of the indemnity available to Owner, Contractor shall refund to Owner all differences and costs which Owner might be compelled to pay, including all litigation costs and reasonable attorney fees.
- 8.9.5 Acceptance of final payment by Contractor constitutes an explicit waiver of all claims which Contractor might assert against Owner except those previously made in writing and identified by Contractor as unsettled at the time of the Application for Final Payment.

- 8.9.6 Final Payment to Contractor shall constitute a waiver of all claims which Owner might assert except those arising from: (1) unsettled claims; (2) faulty or defective work (3) failure of the work to comply with the requirements of the contract documents; (4) warranties required by this contract or that by their terms do not expire upon completion of the contract.
- 8.9.7 If, after Substantial Completion, Warranty Completion is delayed through no fault of Contractor, or by the issuance of change orders affecting Final Completion, Owner may, upon recommendation of the Project Representative, extend the contract time by a reasonable period and accept certified applications for further Progress Payments.
- 8.9.8 Upon completion of all requirements identified in ARTICLE 8 as "Final" the funds representing Final Payment shall be released to Contractor along with the Certificate of Final Completion. Upon issuance of Certificate of Final Completion all contract sums shall be accounted for to Contractor and shall be paid to Contractor. However, any and all applicable bonds shall not be released until after the Warranty Period.

8.10 TIME AND LIQUIDATED DAMAGES

- 8.10.1 The time permitted for construction of the work will run from issuance of Notice to Proceed through the dates for Substantial Completion as specified in Agreement between Owner and Contractor, unless a specific completion date is specified.
- 8.10.2 The term "day" as used in this contract shall mean "calendar day" unless specifically stated otherwise.
- 8.10.3 All warranty periods and obligations accruing to Contractor through completion of the work shall be considered to begin on the date of Substantial Completion, unless otherwise agreed to separately in writing by Owner and Contractor.
- 8.10.4 Contractor shall begin the work as soon as possible after the date identified in Notice to Proceed and shall prosecute the work expeditiously and with adequate labor and materials.
- 8.10.5 Liquidated damages will be applied in the amount set out in the Agreement.
- 8.10.6 Claims for extension of time will be considered only if they affect "critical path" items specifically identified in the detailed progress schedule or in any applicable Supplementary Conditions. Claims for extension of the contract time must be made in writing to Owner not more than twenty (20) days after the reason for requested extension appears.

ARTICLE 9 CHANGES IN THE WORK, CONTRACT PRICE, AND TIME

9.1 CHANGE ORDERS

- 9.1.1 Without invalidating this contract, Owner may, at any time, order additions, deletions, or revisions in the work. All such changes must be authorized by written change order. Upon receipt of a change order, Contractor shall proceed with the work in accordance with applicable requirements of the contract documents. If any change order entails an increase or decrease in the contract price or an extension or curtailment of the contract time, adjustment will be made as provided herein.
- 9.1.2 Extra work will be paid for either at a fixed price specified in the change order (using unit prices or a lump sum amount) or on a time and materials basis.
- 9.1.3 Project Representative may authorize minor changes, alterations or deviations in the work in accordance with ARTICLE 2. These changes shall be authorized by written Field Order to be included in a subsequent Change Order.
- 9.1.4 Any additional work performed by Contractor without a properly executed change order will not entitle Contractor to an increase in the contract amount or to an extension of the contract time, except in the case of emergency threatening life, safety or property.

9.2 ISSUANCE OF CHANGE ORDER

- 9.2.1 The contract sum constitutes the total compensation to Contractor for the work required by this contract. The contract price may be changed only by a properly executed change order. Any request for increase in the contract price shall be based upon written notice delivered to Project Representative within ten (10) days after the reason for the proposed increase appears. Change order proposals must be accompanied by all pertinent data and documentation, including a detailed estimate showing costs, quantities, unit prices and markups for overhead and profit.
- 9.2.2 Project Representative shall analyze Contractor's change order proposal and shall make a recommendation to Owner within a reasonable period of time. If Owner accepts the proposal, Project Representative shall prepare the change order for execution by Contractor and Owner.
- 9.2.3 The value of any work added or deleted by change order shall be determined by one of the following methods:
 - A. Application of unit prices set forth in the bid: unit prices shall include all direct and indirect costs of the work, including labor, equipment (whether owned or rented), materials, home office expense, all overhead and profit.
 - B. Application of mutually accepted unit prices for work not covered by bid unit prices: unit prices shall include all direct and indirect costs of the work, including labor, equipment (whether owned or rented), materials, home office expense, all overhead and profit.
 - C. Mutual acceptance of a lump sum: Contractor's lump sum proposal must include an itemized breakdown of all costs of Contractor, subcontractors and suppliers. Breakdowns shall show quantities and prices of labor, materials, equipment and other direct costs. To direct costs shall be added the allowable combined overhead and profit as provided in ARTICLE 9.4.
 - D. At Owner's option, Contractor may be directed to proceed with additional work on a "time and materials" basis which may also stipulate a maximum "not to exceed" amount. Contractor will be required to maintain and submit detailed records showing all quantities and prices of labor, materials, equipment and other direct costs. To direct costs shall be added the allowable combined overhead and profit as provided in ARTICLE 9.4.
- 9.2.4 When both additions and credits for related work or substitutions are involved in any one change, the allowance for overhead and profit shall be based on the net change. All related items within a proposal shall be considered as a single item for purposes of computing overhead and profit.
- 9.2.5 When Contractor is directed to proceed on a time and materials basis, costs of the work shall be submitted daily for approval by Project Representative and may only include:
 - A. Actual payroll costs for employees, as substantiated by certified payroll, in the direct employ of Contractor for the times actually utilized in prosecution of the additional work, including allowance for benefits which Contractor customarily provides its employees;
 - B. The actual substantiated cost to Contractor for all material and equipment incorporated into the work, including transportation and storage expenses;
 - C. The actual substantiated amounts of payments by Contractor to subcontractors for work performed by the subcontractors;
 - D. Any costs of special consultants to the extent authorized by Owner:
 - E. Substantiated equipment rental costs at reasonable market rates;
 - F. Additional supervision and travel costs reasonably related to the work performed;
 - G. Increased bond premiums:
 - H. Additional license fees, permits, or applicable taxes;

I. Minor incidental expenses such as telegrams and long distance telephone charges.

To these direct costs shall be added the allowable combined overhead and profit as provided in ARTICLE 9.4.

- 9.2.6 Unless specifically agreed to by Owner in writing, the cost of additional work shall not include any portion of Contractor's general overhead, nor any sum attributable to Contractor's prosecution and supervision of the principal work at the site, nor any overtime expense, unless specifically agreed to by Owner in writing. Contractor shall not be compensated for any casualty or other losses or expenses attributable to negligence of Contractor or any person in its employ or any subcontractor or supplier.
- 9.2.7 Payment to Contractor shall be made only for the actual quantities of work performed and accepted or materials furnished, in conformance with the contract or applicable change order. When the accepted quantities of work or materials vary from the quantities stated in the bid schedule, Contractor shall accept as payment in full, payment at the original contract unit prices for the quantities of work and materials furnished, completed and accepted; except as provided in the contract documents.

9.3 UNIT PRICES

- 9.3.1 When unit prices are used, and where the final quantity of a major contract item varies more than 25% above or below the bid quantity, either party to the contract may request an equitable adjustment in the contract unit price of that item. A major contract item is an item equal to 10% or more of the total contract.
- 9.3.2 When the final quantity of work is less than 75% of the bid quantity, the equitable adjustment shall be made for those units of work done and accepted, except that the total payment for the item shall not exceed 75% of the total amount bid for the item.
- 9.3.3 To determine unit prices for authorized changes or additions in the work that alter the quantity of work under a lump sum pay item, adjustment to the pay item will be determined by multiplying the added or deleted quantity by the quotient of the contract lump sum price and the estimated quantity shown on the original plans. Payment will be made under a new contract item established for that purpose. Adjustments will be made as a change order to the contract.
- 9.3.4 No allowance shall be made for any increased expenses, loss of expected reimbursement or loss of anticipated profits suffered or claimed, either directly from such alterations in quantities or indirectly from unbalanced allocations among the contract items by Contractor, or any other causes.

9.4 ALLOWABLE OVERHEAD AND PROFIT

- 9.4.1 When the value of change order work is determined by the lump sum method or by the time and materials method, the following definitions and percentages shall apply.
- 9.4.2 Direct costs are defined as the net cost to Contractor to accomplish a given change. Costs of bonds and insurance associated with the change shall be applied after addition of indirect costs.
- 9.4.3 Indirect costs are defined as general operational charges relating to the accomplishment of a given change, including but not limited to small tools, incidental job burdens and general office expense.
- 9.4.4 Overhead and Profit: Allowances for all indirect costs shall be identified as combined overhead and profit and shall not exceed the percentages in the following schedule:
 - A. Additive work:
 - (1) Prime Contractor:
 - (a) 15% of the direct costs of own work in excess of \$1,000.00; 20% when the total value of own work is equal to or less than \$1,000.00.
 - (b) 8% of the direct costs of work performed by subcontractors not including subcontractor's overhead and profit.
 - (c) 8% of the direct costs of equipment.
 - (2) Subcontractors: percentages represented in subsections (a) and (b) are a maximum percentage

allowed regardless of the tier or number of subcontractor(s) performing the work:

- (a) 15% total of the work performed by subcontractors in excess of \$1,000.00; 20% total of the work performed by subcontractor equal to or less than \$1,000.00.
- (b) 8% of the direct costs of equipment.
- (3) In no case shall overhead and profit exceed 23% of the direct costs of work or 16% of the direct costs of equipment when the cost of the work exceeds \$1,000.00. In no case shall overhead and profit exceed 28% of the direct costs of work or 16% of the direct costs of equipment when the cost of the work is equal to or less than \$1,000.00.
- B. Deductive work:
 - (1) Prime Contractor: 4% of the direct cost of deleted own work.

9.5 CONCEALED CONDITIONS

- 9.5.1 This ARTICLE applies only when concealed conditions substantially at variance with the conditions set forth in the contract documents are encountered and these conditions were not foreseeable by Contractor or reasonably inferable from information provided by Architect or Owner in the bidding documents.
- 9.5.2 If it is determined the Contractor could not predict the concealed conditions as set forth under ARTICLE 9.5.1, Owner may issue a change order for the performance of additional work required with an equitable adjustment in the contract sum. Contractor shall not begin work upon any concealed condition until Owner has approved a written change order

ARTICLE 10 TESTING AND CORRECTION OF WORK

10.1 TESTS AND INSPECTIONS

- 10.1.1 Contractor shall be responsible for securing permits and approvals from entities having jurisdiction over the work. Contractor will provide any special testing or inspections required by the contract documents. Contractor shall notify Owner 48 hours prior to performing testing. Contractor shall not cover work that requires testing, inspection or approval until such testing, inspection, or approval has been completed. Owner reserves the right to approve the testing agency.
- 10.1.2 Neither observation by Owner nor inspections, tests, or approvals by Owner or Owner's testing agency shall relieve Contractor from Contractor's obligation to perform the work in accordance with the contract documents.

10.2 UNCOVERING OF WORK

- 10.2.1 If any work is covered or buried contrary to contract requirements or Owner's written request, such work shall be uncovered at Owner's request for inspections, tests or approvals. Uncovering and recovering shall be at Contractor's expense, unless Contractor has given notice of intent to cover the work and Owner has not acted with reasonable promptness to provide any necessary tests, inspections or approvals.
- 10.2.2 If any work has been covered which Owner has not specifically requested to observe prior to covering, or if Owner considers it necessary or advisable that covered work be inspected or tested by others, then Contractor shall, at Owner's request, uncover, expose or otherwise make available for observation, inspection, or testing, that portion of the work as Owner may require. Contractor shall furnish all necessary labor, materials and equipment. If such work is found to be defective, Contractor shall bear all expenses, including compensation for any additional professional services and testing. If, however, the uncovered work is found not to be defective, Contractor shall be allowed an equitable adjustment in the contract price or the contract time. Only Contractor's direct costs attributable to the uncovering of work and its recovering shall be allowed.

10.3 DEFECTIVE WORK

- 10.3.1 All work not meeting the requirements of the contract documents shall be considered defective.
- 10.3.2 Contractor shall promptly correct or replace any defective work. Any and all costs associated with correction or replacement shall be borne by Contractor. Contractor shall also bear the expense of making good all

work of others destroyed or damaged or required to be redone because of the correction or replacement of defective work.

10.3.3 If, after seven (7) days written notice to Contractor, Contractor fails to correct deficiencies or to provide Owner with an approved schedule for correcting defective work, Owner may, without prejudice to any other remedy it may have, make good deficiencies and deduct the cost thereof from the payment then or thereafter due Contractor. No extensions of time shall be allowed for correction of work that is defective.

ARTICLE 11 WARRANTIES

- 11.1 Contractor unconditionally warrants for a period of one year from issuance of the Certificate of Substantial Completion the usability and quality of all work, labor and materials incorporated into the project, unless otherwise provided in the contract documents. After the approval of Final Payment and prior to the expiration of one year after the date of Final Completion, any work found to be defective shall be remedied promptly by Contractor within fourteen (14) days of written notice without cost to Owner and in accordance with Owner's written instructions. Contractor shall either correct such defective work, or, if it has been rejected by Owner, remove it from the site and replace it with acceptable work. If Contractor does not promptly comply with the terms of Owner's instructions, Owner may have the defective work corrected or the rejected work removed and replaced, and all direct and indirect costs of such removal and replacement, including compensation for additional professional services, shall be deducted from Warranty Period Payment, unless the surety elects to remedy deficiency.
- 11.2 In addition to other warranties set forth in this contract and in accordance with requirements stated in the contract documents, Contractor shall obtain and transmit to Architect all warranties on material and equipment incorporated into the work and either provided by the supplier or otherwise required by the contract documents. Transmittal of warranties to Owner shall be a prerequisite of the Certificate of Final Completion.
- 11.3 All material and equipment installed by Contractor shall have a manufacturer's warranty for a period of one year, except as otherwise provided by the contract documents. The period of warranty shall begin on the date of Substantial Completion unless otherwise noted on the Certificate of Substantial Completion. This article does not limit any manufacturer's warranty which extends for a period of time longer than that specified as minimum in the contract documents.
- 11.4 If a warranty period in excess of one year on a particular item or part of the work is required by the contract documents, the longer warranty period shall govern warranty obligations of Contractor.
- 11.5 Owner may accept defective work or materials found during the warranty period instead of requiring correction or removal and replacement. If acceptance occurs prior to approval of final payment, a change order shall be issued to reduce the contract price. If acceptance occurs after approval of final payment, an appropriate amount shall be paid by Contractor to Owner.
- 11.6 The provisions of this ARTICLE shall not be construed as limiting the right of Owner to make a claim against Contractor for work not constructed in accordance with the contract documents. Where a defect attributable to Contractor's or subcontractor's materials or workmanship appears after expiration of the one-year warranty period, Owner shall notify Contractor of the appearance of damages due to defective work or materials and shall offer Contractor the right to replace or repair all defective work and other work using Contractor's forces. If Contractor fails to correct the work and any consequentially damaged work within a reasonable time, or if Contractor refuses to correct the work, Owner may correct the work utilizing Owner's own forces. Contractor shall pay Owner all costs attributable to correction of the defective work and any consequential damages occasioned by the defective work.
- 11.7 Should Owner and Contractor agree to delay completion of any items, the one-year warranty period for those items shall commence upon written acceptance of each item by Owner.

ARTICLE 12 CLAIMS AND LITIGATION

12.1 This contract shall be governed by the laws of the State of Alaska, and any lawsuit brought thereon shall be filed in the Third Judicial District at Kenai, Alaska.

- 12.2 No controversy or claim arising out of this contract shall be subject to binding arbitration unless both Owner and Contractor agree in writing to submit the question to arbitration at the time when the controversy arises.
- 12.3 All claims, disputes and other matters in question between Contractor and Owner relating to the execution or progress of the work shall be referred initially to Project Representative, who shall render a recommendation in writing to Owner within a reasonable time.
- 12.4 During pendency of any claim arising out of this contract, Contractor shall carry on the work and maintain the Progress Schedule approved by Owner unless otherwise agreed by Contractor and Owner in writing. Should Contractor cease work, Contractor shall be in breach of this contract and Owner shall have the right to terminate the contract and to prosecute the work to completion with Owner's own forces or with a replacement Contractor. Contractor shall be responsible for any increase in costs to Owner above the contract price.
- 12.5 Contractor may make claims for additional costs only if the additional cost involved has occurred because of:
 - A. A change order issued by Owner, where the additional sum due Contractor set forth in the change order is in dispute.
 - B. An order by Owner to stop the work where Contractor was not at fault.
 - C. Concealed conditions as set out in ARTICLE 9.
 - D. Failure of payment by Owner pursuant to ARTICLE 3.
 - E. Additional costs or delays caused by separate contractors' or Owner's forces in accordance with ARTICLE 6.
- 12.6 Contractor shall not make a claim for additional costs where the basis of the claim lies in an oversight or mistake made by Contractor during the bidding process or by reason of negligent acts or omissions of Contractor or any mistake in judgment or improper selection of construction means, methods, sequences and materials during the course of construction.
- 12.7 If Contractor is entitled to make claim for an increase in the contract sum, Contractor shall deliver to Owner written notice of Contractor's intention to assert each claim within twenty (20) days after occurrence of each event giving rise to the claim. Contractor must give this notice of claim and specify the full extent and nature of the claim(s) to Owner before proceeding to execute the work upon which a claim might be asserted. No claim for additional costs or compensation shall be valid unless the prior twenty (20) day notice has been given. Adherence to this provision shall be strict. Any adjustment in the contract sum resulting from settlement of claims shall be authorized by change order.

ARTICLE 13 TERMINATION OF THE CONTRACT OR SUSPENSION OF THE WORK

13.1 TERMINATION BY OWNER

- 13.1.1 Owner shall have the right to terminate the contract if Contractor should file for bankruptcy, reorganization, otherwise be declared insolvent, or if Contractor makes a general assignment for the benefit of creditors. Exercise of these rights, where required by law, is contingent upon relief from the automatic stay provisions of the United States Bankruptcy Court or through other appropriate court order. This right of termination is in addition to the right of Owner to terminate for cause outlined below and other rights of termination as stated in the contract documents.
- 13.1.2 Termination for cause: If Contractor: (1) repeatedly refuses or fails to supply enough proper skilled workmen; or (2) fails to pay promptly all subcontractors, suppliers, or other parties as set out in the contract documents; or (3) fails to adhere in all respects to the provisions of Title 8, Chapter 30, of the Alaska Administrative Code and Title 36 of the Alaska Statutes as applicable to this contract and all other pertinent statutes, ordinances or regulations or orders of any local, state, or federal authority concerning payment; or (4) allows insurance to lapse; or (5) if after seven (7) days written notice, without prejudice to any other remedy of Owner, Contractor fails to correct to Owner's satisfaction deficiencies in work that does not conform to the contract documents; or (6) allows a situation that creates a danger to person or property to arise. Where an emergency situation creating a danger to person or property arises, Owner may at its option terminate the contract and take possession of the site and any of Contractor's equipment and material necessary to complete an emergency response or hire a separate contractor to complete the

emergency response. Contractor shall be paid the contract rate for the material used and shall be paid for the use of Contractor's equipment at the price shown in the contract documents or at the rate for such equipment listed in <u>RENTAL RATE BLUE BOOK FOR CONSTRUCTION EQUIPMENT</u>, published by Machinery Information Division of K-III Directory Corporation, 1735 Technology Drive, Suite 410, San Jose, California 95110. If the rate for such equipment is not so listed, reliable sources will be used to determine a reasonable rate.

- 13.1.3 In the event of termination for cause, Owner shall have the right of set-off, from any payment due Contractor, of all expenses, costs, and damages including but not limited to all professional and legal expenses and attorneys' fees and costs or other additional expenditures necessary to complete the projects that are occasioned by the termination. In the event such amounts exceed the amount of payment withheld, Contractor shall be liable to Owner for such amounts. No payment shall be made to Contractor prior to determination that a balance is due Contractor after the amount of set-off is determined.
- 13.1.4 Owner may terminate this contract at any time for the convenience of Owner for any reason deemed by Owner to be in the best interest of Owner.
- 13.1.5 If this contract is terminated for convenience, Contractor will be directed to make all necessary preparations for closing out the project and for safeguarding Owner's materials and the work already completed. Contractor will be paid for all conforming work done to date and for all materials delivered to the site and already paid for by Contractor, together with all reasonable costs directly attributed to termination, including fixed overhead. Contractor shall be responsible for minimizing the extent of such expenses and shall **not** be paid for expenses which could have been reasonably avoided. On the date that notice of termination or suspension for convenience is issued. Contractor shall immediately take all actions necessary to stop orders of material, rental of equipment or premises, employment of persons on the project, and shipment of materials not yet delivered to the site. The notice of termination or suspension for convenience shall specify a date by which all steps necessary for termination shall be completed and by which Contractor shall have removed any unused material and all Contractor's equipment and forces. Contractor shall leave the premises in a clean and safe condition on or prior to the date specified in the notice. Owner shall certify that all termination procedures have been completed and that the premises have been turned over to the possession of Owner. Within fifteen (15) days after that certification by Owner, Contractor shall render to Owner a bill for all expenses incurred in termination and for all work done subsequent to the last progress payment. Owner shall pay Contractor all sums properly due, together with any retainage not necessary to cover apparently nonconforming work or other changes, within fifteen (15) working days after the bill has been received by Owner, provided that Owner has received releases for all liens.
- 13.1.6 If Contractor is terminated for cause or default on this contract, the performance bond surety shall commence performance within fourteen (14) days of the termination or default. If the surety does not arrange for or commence performance by that date, Owner shall have the option to complete or arrange for performance and the surety shall not be relieved of any responsibility for payment of costs of performance.
- 13.1.7 Should Owner elect to terminate Contractor's services prior to final completion of the work, such termination shall not affect any rights Owner might assert against Contractor at time of termination or thereafter. Any retention or payment of monies by Owner to Contractor shall not release Contractor from that liability.

13.2 SUSPENSION OF THE WORK

13.2.1 Owner may, at any time and for any reason, suspend the work or any portion of it for a period not to exceed ninety (90) days, by written notice delivered to Contractor thirty (30) days prior to the date fixed for suspension. The notice of suspension shall fix the date on which the work is to be resumed and Contractor shall resume the work on the date so fixed. Equitable adjustment in the contract price, the contract time, or both shall be made for cost or delay directly attributable to suspension of the work.

13.3 TERMINATION BY CONTRACTOR

13.3.1 If through no act or fault of Contractor, Owner orders a suspension of work for a period of more than ninety (90) days, Contractor may, upon thirty (30) days written notice to Owner, terminate this contract and recover from Owner payment for work accepted to date plus purported overhead and profit in the manner provided in ARTICLE 9.4. Contractor shall also have the right to terminate this contract if Owner fails within forty-

five (45) days to pay amounts properly due Contractor for satisfactorily accomplished work, so certified by Project Representative, as due and payable. The provisions of this section do not include amounts ordinarily retained from Contractor's Application for Payment or amounts retained because of unsatisfactory, defective, or incomplete work, or for any other reason provided in the contract documents.

ARTICLE 14 MISCELLANEOUS PROVISIONS

- 14.1 Whenever any provision of the contract documents requires written notice, such notice shall be deemed to have been given and binding when given by certified mail to the respective party at the address provided in the Legal Notice provision of the agreement section of the contract documents.
- 14.2 Neither party may assign this contract without the written consent of the other party and Contractor may not delegate duties under this contract other than as provided in the contract documents without the prior written consent of Owner.
- 14.3 In the event a provision of the contract documents is found to be unenforceable or void for any reason, it shall be considered as severed from the contract documents, and the remaining portions of the contract documents shall stand as if that provision had never been included in the contract documents. In the event the unenforceable or void provision is legally essential to the continuing existence of the contract, the parties shall attempt to substitute a reasonable replacement provision.
- 14.4 <u>No general condition stated in these provisions or other provision in the contract documents</u> <u>lessens, alters, or makes inapplicable the requirement for indemnification stated in ARTICLE 4.13.</u> <u>In the event of conflict between any contract provisions, the requirements set out in ARTICLE 4.13</u> <u>control.</u>

END GENERAL CONDITIONS

SUBCONTRACTOR'S LIST

SUBCONTRACTORS LIST

PROJECT: Mission Avenue Water Main Improvements

PRIME CONTRACT	OR	
Name:		
Address:		
Phone:	Contractor's License:	Business License:
information has be		rk or be on the job site until the following ctors' and Business Licenses have been ed of any changes in this list.
SUBCONTRACTO	RS	
Name:		Amount of Contract:
Address:		
Phone:	Contractor's License:	Business License:
	***************	*******
Name:		Amount of Contract:
Address:		
Phone:	Contractor's License:	Business License:
	***************	******
Name:		Amount of Contract:
Address:		
Phone:	Contractor's License:	Business License:
	******	******
Name:		Amount of Contract:
Address:		
Phone:	Contractor's License:	Business License:
Subcontractors List		Rev 2013-03-04

TITLE 36 WAGE SCHEDULE

Laborers' & Mechanics' Minimum Rates of Pay

Labor for the project must be paid at the prevailing wage rates listed in the Alaska Department of Labor & Workforce Development, Laborers' & Mechanics' Minimum Rates of Pay, Wage & Hour Administration Pamphlet no 600.

The state of Alaska wage rates can be obtained at:

http://www.labor.state.ak.us/lss/pamp600.htm

Use the rates that are in effect ten days prior to Bid Opening.

A paper copy of the wage rates will be included in the executed Contract.

PERFORMANCE BOND

PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS: that

(Name of Contractor)
(Address of Contractor)
a, hereinafter called Principal, and (Corporation, Partnership, or Individual)
(Name of Surety)
(Address of Surety)
hereinafter called Surety, are held and firmly bound unto
(Name of Owner)
(Address of Owner)
hereinafter called Owner, in the penal sum of Dolla (\$) in lawful money of the United States, for the payment of which sum well a truly to be made, we bind ourselves, our heirs, executors, administrators and successors, jointly and several firmly by these presents.
THE CONDITIONS OF THIS OBLIGATION is such that whereas, the Principal entered into a certain contra with the Owner, dated the day of, 202 , a copy of which is hereto attached and made

NOW, THEREFORE, if the Principal shall well, 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 he 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 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 ways affects 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 Contractor shall abridge the right of any beneficiary hereunder, who claims may be unsatisfied.

part hereof for the construction of:

IN WITNESS WHEREOF, this instrument is executed in three (3) counterparts, each one of which shall be deemed an original, this the _____ day of _____, 202_.

	(Principal)	(SEAL)
	(Principal Secretary)	
ATTEST:	BY	
(Witness as to Principal)	(Address)	
(Address)		
	(Surety)	(SEAL)
ATTEST:	BY (Attorney-in-Fact	;)
(Witness as to Surety)	(Address)	
(Address)		

NOTE: If Contractor is Partnership, all partners should execute bond.

IMPORTANT: Surety companies executing bonds must appear on the Treasury Department's most current list (Circular 570 as amended) and be authorized to transact business in the State where the project is located.

PAYMENT BOND

PAYMENT BOND

KNOW ALL MEN BY THESE PRESENTS: that

(Name of Contractor)
(Address of Contractor)
a, hereinafter called Principal, and (Corporation, Partnership, or Individual)
(Name of Surety)
(Address of Surety)
nereinafter called Surety, are held and firmly bound unto
(Name of Owner)
(Address of Owner)
Dollars \$) in lawful money of the United States, for the payment of which sum well an ruly to be made, we bind ourselves, our heirs, executors, administrators and successors, jointly and severally irmly by these presents.
THE CONDITIONS OF THIS OBLIGATION is such that whereas, the Principal entered into a certain contra- with the Owner, dated the day of 202 a copy of which is bereto attached and made

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 said work, and all insurance premiums on said work, and for all labor, performed in such work whether by subcontractor or other-wise, 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 ways affects 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 Contractor shall abridge the right of any beneficiary hereunder, who claims may be unsatisfied.

part hereof for the construction of:

IN WITNESS WHEREOF, this instrument is executed in three (3) counterparts, each one of which shall be deemed an original, this the _____ day of _____, 202_.

	(Principal)	(SEAL)
	(Principal Secretary)	
ATTEST:	BY	
(Witness as to Principal)	(Address)	
(Address)		
	(Surety)	(SEAL)
ATTEST:	BY (Attorney-in-Fact)
(Witness as to Surety)	(Address)	
(Address)		

NOTE: If Contractor is Partnership, all partners should execute bond.

IMPORTANT: Surety companies executing bonds must appear on the Treasury Department's most current list (Circular 570 as amended) and be authorized to transact business in the State where the project is located.

CONTRACTOR'S RELEASE

CONTRACTOR'S RELEASE AND AFFIDAVIT OF PAYMENTS OF DEBTS AND CLAIMS ("Release")

PROJECT NAME: Mission Avenue Water Main Improvements

The undersigned, being first duly sworn, deposes and says:

1. That pursuant to this contract for project ______between the undersigned and the City of Kenai dated _______ the undersigned hereby certifies that, except as listed below, he has paid in full or has otherwise satisfied all obligations for materials and equipment furnished for all work, labor, and services performed and for all known indebtedness and claims for which the Contractor or the City of Kenai is or may become liable in connection with performance under this contract. The Contractor warrants that he has made diligent search and inquiry to determine the existence of any such claim, debt, or liability and that all such obligations, whether liquidated, unliquidated, or disputed, have been satisfied.

2. The Contractor further certifies he did not extend any loan, gratuity, or gift of money of any form whatsoever to any employee or agent of the City, that he did not rent or purchase any equipment or materials from any employee of the City, nor to the best of his knowledge, from any agent of any employee of the City, and that he has not made any promise to an employee or agent of the City to do or undertake any such action after completion of the subject contract.

3. Pursuant to the above-described contract and in consideration of the final payment in the amount of \$______, the undersigned Contractor hereby releases and discharges the City of Kenai, its officers, agents and employees of and from any and all further claim, debt, charge, demand, liability, or other obligation whatsoever under or arising from said contract, whether known or unknown and whether or not ascertainable at the time of the execution of this instrument. This release is complete, final, binding and irrevocable.

4. The Contractor shall indemnify, defend, save and hold the City, its elected and appointed officers, agents and employees, harmless from any and all claims, demands, suits, or liability of any nature, kind or character including costs, expenses, and attorneys fees resulting from Contractor or Contractor's officers, agents, employees, partners, attorneys, suppliers, and subcontractors' performance or failure to perform this Agreement in any way whatsoever. This defense and indemnification responsibility includes claims alleging acts or omissions by the City or its agents which are said to have contributed to the losses, failure, violations, or damage. However, Contractor shall not be responsible for any damages or claim arising from the sole negligence or willful misconduct of the City, its agents, or employees. Contractor and subcontractors shall also not be required to defend or indemnify the City for damage or loss that has been found to be attributed to an independent contractor directly responsible to the City under separate written contract.

CONTRACTOR'S RELEASE AND AFFIDAVIT OF PAYMENTS OF DEBTS AND CLAIMS ("Release")

If any portion of this Release is voided by law or court of competent jurisdiction, the remainder of this Release shall remain in full force and effect.

IN WITNESS WHEREOF,	this Release has been executed this_	day of	1
202		-	

(Contractor's signature)

Title_____

ACKNOWLEDGMENT

SS

)

STATE OF ALASKA

THIRD JUDICIAL DISTRICT

THIS IS TO CERTIFY that on this	day of	_, 202, before	e the
undersigned, a Notary Public in and for the	State of Alaska, duly comm	nissioned and sv	<i>w</i> orn,
personally appeared		3	who,
having produced satisfactory evidence of ider	ntification, and having acknow	vledged the volu	ntary
and authorized execution of the foregoing	instrument for the purpose	s therein mentic	oned,
executed the above and foregoing instrument.			

Notary Public for Alaska

My Commission Expires: _____

(NOTE: In case of a corporation, the attached Certificate of Authority must be completed by a corporate officer other than the one who signs above.)

CONSENT OF SURETY TO FINAL PAYMENT



CONSENT OF SURETY COMPANY TO FINAL PAYMENT

PROJECT:

CONTRACT DATE:

CONTRACTOR:

TO: CITY OF KENAI, OWNER 210 Fidalgo Avenue Kenai, AK 99611 Attn: Public Works Department

In accordance with the provisions of the above-referenced Contract between Owner, City of Kenai, and Contractor, Surety (insert name and address of Surety),

does hereby consent to and approve of the final payment to Contractor in the amount of \$_____, and in the case of Surety, it is further agrees as follows:

1. In giving this Consent, Surety has made its own investigation to determine whether said payment should be made to Contractor and Surety has not relied on any representation by the City of Kenai or its employees or agents which has induced it to consent to such payment.

2. Surety agrees that this payment shall not relieve Surety of any of its obligations to the City of Kenai as set forth in its Labor and Material Payment and Performance Bonds

and Surety waives any and all claims against City of Kenai for wrongful release of funds to Contractor.

IN WITNESS WHEREOF, said Surety Company has set its hand this _____ day of _____, 202____.

(Surety)

(Signature of authorized representative)

(Printed name and title)

ACKNOWLEDGMENT

STATE OF _____))) ss.)

THIS IS TO CERTIFY that on the ____ day of _____, 202___, ____, Title: ______ of ______, 202____, _____, [Surety), being personally known to me or having produced satisfactory evidence of identification, appeared before me and acknowledged the voluntary and authorized execution of the foregoing instrument.

Notary Public for ______ My Commission Expires: _____

NOTE TO SURETY: ATTACH PROOF OF POWER OF ATTORNEY OR OTHER DOCUMENTATION DEMOSTRATING SIGNATORY MAY BIND SURETY

BUSINESS CONTRACTOR'S LICENSE

(To be Submitted)

	SAMPLE		
Alaska Department of Commerce, Community, and Ecor P.O. Box 110806, Juneau, Alaska 99811-0			
ALASKA BUSINESS LIC			
The licensee named below holds Alaska Business License	Number		
Covering the period of: through Line of Business:			
ADDRESS			
Owner: NAME OF OWNER			
This license shall not be taken as permission to do business in the state wit The other requirements of the laws of the State of Alaska or of the			
Alaska Department of Commerce, Community, and Economic Development Commissioner:			
This license must be posted in a conspicuous place at the business location. It is	s not transferable or assignable.		
	SAMPLE		
No. STATE OF ALASKA	SAMPLE		
No STATE OF ALASKA Effective: DEPARTMENT OF COMMERCE, COMMUNITY & EC			
Effective: DEPARTMENT OF COMMERCE, COMMUNITY & EC Expires: DEVELOPMENT			
Effective: Expires: DEPARTMENT OF COMMERCE, COMMUNITY & EC DEVELOPMENT Division of Occupational Licensing	CONOMIC		
Effective: DEPARTMENT OF COMMERCE, COMMUNITY & EC Expires: DEVELOPMENT	CONOMIC		
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SAMPLE INSURANCE CERTIFICATE

(Submit Original)

ACORD

1

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

THIS CERTIFICATE IS ISSUED AS A MATTER OF I CERTIFICATE DOES NOT AFFIRMATIVELY OR NE BELOW. THIS CERTIFICATE OF INSURANCE DOE REPRESENTATIVE OR PRODUCER, AND THE CERTI	GATIVELY AMEND, EXTERN NOT CONSTITUTE A	ND OR ALT	ER THE CO	VERAGE AFFORDED B	Y THE	POLICIES
IMPORTANT: If the certificate holder is an ADDITIO the terms and conditions of the policy, certain polici certificate holder in lieu of such endorsement(s).	NAL INSURED, the policy es may require an endorse	(les) must b ement. A sta	e endorsed. tement on ti	If SUBROGATION IS W/	AIVED onfer r	subject to ights to the
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COVERAGES CERTIFICATE NU		ERF:		REVISION NUMBER:		
THIS IS TO CERTIFY THAT THE POLICIES OF INSURANC	the second se	N ISSUED TO	THE INSUR		E POL	
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NSR TYPE OF INSURANCE	POLICY NUMBER	(MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	3	
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X COMMERCIAL GENERAL LIABILITY				PREMISES (Ea occurrence)	\$	100,000
A CLAIME MADE X OCCUR X X				MED EXP (Any one person)	\$	5,000
				PERSONAL & ADV INJURY	\$	1,000,000
				GENERAL AGGREGATE	\$	2,000,000
GEN'L AGGREGATE LIMIT APPLIES PER:				AND A REAL PROPERTY OF THE PARTY OF THE PART	\$	2,000,000
AUTOMOBILE LIABILITY				COMBINED SINGLE LIMIT		1 000 000
				(Ea accident) BODILY INJURY (Per person)	5	1,000,000
A ALLOWNED SCHEDULED				BODILY INJURY (Per accident)		
NON-OWNED				PROPERTY DAMAGE	\$	
HIRED AUTOS AUTOS				(Per accident)	\$	1 000 000
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					\$	4,000,000
					\$	4,000,000
A WORKERS COMPENSATION				X WC STATU- OTH-	\$	
AND EMPLOYERS' LIABILITY				The second se		1 000 000
OFFICER/MEMBER EXCLUDED?				E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE	\$	1,000,000
(Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below				E.L. DISEASE - POLICY LIMIT		1,000,000
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ESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORE	0 101, Additional Remarks Schedule	a, if more space is	s required)	L		
Re: PROJECT NAME						1
The Certificate Holder is an Additional	Insured on General	l Liabili	tv & Auto	mobile policies.	but d	only with
espect to work done by or on behalf of						
Holder is granted Waiver of Subrogation						
policies as respects the referenced pro	ject	(574))				
CERTIFICATE HOLDER	CANC	ELLATION				
City of Kenai	THE	EXPIRATION	DATE THE	ESCRIBED POLICIES BE CA REOF, NOTICE WILL BE Y PROVISIONS.		10.00 (19.00) (19.00) (19.00) (19.00) (19.00)
Public Works						
210 Fidalgo Ave Kenai, AK 99611	AUTHO	RIZED REPRESE	NIAIIVE			
ACORD 25 (2010/05)		© 19	88-2010 AC	ORD CORPORATION. A	ll righ	ts reserved.
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B. SPECIFICATIONS

MISSION AVENUE WATER MAIN IMPROVEMENTS

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MISSION AVENUE WATER MAIN IMPROVEMENTS

SPECIAL PROVISIONS

SECTION 100.01 LOCATION AND SCOPE

All proposed Work is located within the City of Kenai corporate limits and is more particularly located on the design drawings. The Work included under this Contract consists of furnishing all labor, materials, equipment, supervision, and other facilities necessary to successfully complete the Work set forth in the Drawings and Specifications. It shall be the responsibility of the bidder to prepare his/her bid so that all materials and/or fittings shall harmoniously conform to the intent of the Contract Drawings, Specifications, and Special Provisions.

Below are the schedules of Work that are presented in the Bid Proposal of this Contract:

SCHEDULE DESCRIPTION

A Base Bid – Mission Avenue Water Main Improvements

Work Area 1 - Furnish and install one (1) 6" gate valve and valve box, one (1) 6"x6" tee and thrust block, one (1) complete single pumper fire hydrant assembly, one (1) 1" water service, all other appurtenant equipment, and surface restoration as further detailed in the Contract Documents.

Work Area 2 – Furnish and install one (1) 6" gate valve and valve box, one (1) 6"x6" tee and thrust block, one (1) complete single pumper fire hydrant assembly, all other appurtenant equipment, and surface restoration as further detailed in the Contract Documents.

Work Area 3 – Furnish and install one (1) 6" gate valve and valve box, all other appurtenant equipment, and surface restoration as further detailed in the Contract Documents.

SECTION 100.02 SPECIFICATIONS, CODES, ORDINANCES AND STANDARDS

The Contractor shall perform all construction in accordance with the Contract Documents, which include the <u>Municipality of Anchorage "Standard Specifications", dated 2015 (hereinafter</u> <u>referred to as MASS)</u>, as herein revised and supplemented. These are available for download on the Municipality of Anchorage website, at the following link:

http://www.muni.org/Departments/works/project_management/Pages/MASS.aspx

All Work under this Contract shall comply with the Alaska Traffic Manual – Manual on Uniform Traffic Control Devices (MUTCD), with the Alaska supplement latest edition; and the International Building Code, latest edition adopted by the City of Kenai. When conflicts exist between MASS and MUTCD, the requirements of MASS and these Special Provisions shall govern.

For the purposes of this Contract, "Municipality of Anchorage, MOA or Municipality" shall be changed to "City of Kenai," "AWWU" shall be changed to "City of Kenai, Public Works Department." "Anchorage Fire Department" or "AFD" shall be changed to "Kenai Fire Department".

SECTION 100.03 TIME OF COMPLETION

Work under this Contract shall be "substantially complete," as defined by General Condition 8.8, "Substantial Completion" and further defined in the Plans. Substantial completion shall be obtained by July 31, 2022.

Final Acceptance of the work shall be obtained by August 15, 2022.

SECTION 100.04 MODIFICATIONS AND/OR ADDITIONS TO MASS

The following enumerated provisions of MASS are amended as hereinafter stated:

A. DIVISION 10 STANDARD GENERAL PROVISIONS

Delete Division 10 in its entirety, City of Kenai standard contractual documents are to be used.

Any reference to "Division 10, Section 10.07" in regards to basis of payment shall be changed to "Owner's General Conditions."

Any reference to measurement or payment by unit price in Divisions 20-80 of these specifications does not apply to this contract. The lump sump prices shown on the bid schedule shall constitute full compensation to provide the Owner with a complete and operable system. No additional payment shall be made for items not shown on indicated but still required to complete the work as shown on the Drawings.

B. DIVISION 20 STANDARD CONSTRUCTION SPECIFICATIONS FOR EARTHWORK

SECTION 20.13 TRENCH EXCAVATION AND BACKFILL

Article 13.3 Construction

Add the following to the first paragraph of Part A. Trench Excavation:

Excavated materials shall be protected from saturation by storm water. Material which is allowed to become saturated and unsuitable for backfill shall be removed and disposed offsite and replaced with suitable backfill material having similar gradation as the soil being removed. Removal, disposal and replacement of saturated material shall be at no additional expense to the Owner.

Add the following to the first paragraph of Part D. Trench Backfill:

No frozen material shall be used for backfill. Backfill shall not be placed in frozen trench.

C. DIVISION 60 STANDARD CONSTRUCTION SPECIFICATIONS FOR WATER SYSTEMS

SECTION 60.01 GENERAL

Article 1.2 Applicable Standards

Add the following:

Pipe and appurtenances in contact with potable water shall comply with ANSI/NSF Standard 61, latest edition, as approved by the National Sanitation Foundation (NSF) Underwriter Laboratories or an equivalent organization that evaluates products using ANSI/NSF Standard 61.

Per 18 AAC 80.500, except for leaded joints necessary to repair cast iron pipes, leadfree pipe, solder or flux is required in the installation or repair of (1) a public water system or (2) plumbing in a residential or nonresidential facility that provides water for human consumption and is connected to a public water system.

SECTION 60.02 FURNISH AND INSTALL PIPE

Article 2.1 General

Add the following:

The location of existing mains, valves, branches, services, etc have been represented on the Drawings based on record and field-gathered information and may not be accurate in all cases. Contractor shall verify locations of all connection points prior to constructing pipe assemblies. Changes in the anticipated location of connection points shall not be basis for a claim for additional compensation.

The City, through the Engineer, reserves the right to suspend the permanent water system installation at any time that the Contractor fails to meet the requirements set forth herein until such time as the Contractor makes the necessary corrections. Suspensions of work will not entitle the Contractor to an extension of time for the completion of the project, and will not entitle him to extra payment for costs incurred.

Article 2.3 Material

Add the following immediately after the first sentence in the second paragraph of Part I. Fittings and Gaskets:

except where indicated on the Drawings.

Delete the part of the sentence stating ", along with thrust blocks will not be acceptable thrust restraining system." Under Part J. Thrust Restraint System, Subpart 1. Additional Requirements for Ductile Iron Pipe (with or without coatings). Thrust blocks shall be installed where indicated on the Drawings.

Add a new Part P. Insulated Pipe as follows:

P. Insulated Pipe

Insulated Pipe shall consist of a three component assembly as follows:

- 1. Inner core (fluid pipe) of DIP as specified in Article 2.2 Material, Part a. Ductile Iron Pipe.
- 2. Insulation of urethane foam at 4" nominal thickness.
- 3. Outer HDPE jacket of minimum 175 mil thickness for pipe or 80 mil polyurea coating for fitting and joint half shell kits.

Insulation shall be low-density, rigid, closed cell urethane foam with a nominal thickness as shown on the Drawings. Urethane foam shall exhibit the following properties and characteristics meeting ASTM D2341 cell classification 550674970034 or shall comply with a new ASTM cell classification that exceeds these properties:

Maximum K-factor (ASTM C177)	0.155 btu-in/hr-ft ² -°F
Core Density Range (ASTM D1622)	4.0 lbs/ft ³ minimum
Minimum Compressive Strength (ASTM	35 psi
D1621) (Foam sample to be tested parallel	
and prependicular to the axis to the pipe)	
Minimum Closed Cell Content	90% (porosity)
(ASTM D2856)	
Maximum Water Absorption	0.05 psf (22.7 g/ft ²)
(ASTM D2842)	
Maximum Water Vapor Permeability	5.0 psf (2,267.96 g/ft ²)
(ASTM C355)	
Dimensional Stability (ASTM D2126,	1% (at -20 °F) and 3% (at +100 °F)
Maximum Linear Change)	

Exposed urethane foam faces at pipe and fitting ends shall be coated to protect against physical abuse, UV attach during shipping and storage, and against water intrusion in service. The coating shall be suitable for direct application over urethane foam with no deleterious effects to the foam or coating. The coating shall be formulated for long-term service and retained flexibility over extended periods of exposure to sunlight, harsh weather, and saltwater spray. The strength of the adhesive bond of the coating of the foam shall be greater than the tensile strength of the coating. In the event the coating is nicked or an edge is rolled up in handling, the coating that has been dislodged shall tear free from the coating still adhering to the foam rather than pull the balance of the coating off as a sheet. The exposed ends of the pipe shall have the wax removed in order to allow the coating to adhere to the pipe. The coating shall be applied and cured in accordance with the manufacturer's recommendations and good practice. The coating material shall be NoKorode "Lion Seal" or approved equal and exhibit the following properties:

Minimum Service Temperature Range	-50 to +150 °F
Maximum Water Vapor Permeance	1.0 perm
(ASTM E398 or E96)	
Dry Film Thickness Range (actual dry film	15 to 63 mils
thickness)	

After coating, the plane of the exposed foam face shall be perpendicular to the centerline axis of the outer jacket.

Insulated pipe shall be fabricated such that the offset of the centerline of the outer jacket and inner core pipe is not more than ¼-inch at the pipe ends and 3/8-inch along the remainder of the pipe.

The foaming operation shall be designed and operated in a manner to result in void-free insulation. Foam shall be placed into the pipe by a single injection application.

The inner core pipe shall be bonded to the urethane foam insulation in such a manner as to produce foam-to-foam separation when a sample is tested in shear.

Article 2.5 Flushing and Testing

Delete Part A and Part B in their entirety and replace with the following:

New pipe, fittings, and valves required for construction shall be spray disinfected or swabbed with a minimum 1 percent solution of chlorine in accordance with AWWA C651-14.

Delete Part C in its entirety and replace with the following:

New pipe, fittings, and valves required for construction shall be put into service and visually inspected for leaks, in the presence of the Engineer, prior to backfill.

SECTION 60.04 FURNISH AND INSTALL FIRE HYDRANTS

Article 4.3 Material

Delete Item 4 from the bulleted list and replace with the following:

4. Single pumper hydrants must be furnished with two (2) two and one-half inch (2.5") hose connections and one (1) five-inch (5") STORZ pumper connection. Double pumper hydrants shall be furnished with one (1) two and one-half inch (2.5") hose connection and two (2) five-inch (5") STORZ pumper connections.

Delete Item 8 from the bulleted list and replace with the following:

8. Painting and coating are to be shop coated in accordance with cited AWWA Specifications. Paint shall be "Fire Red".

Delete Item 12 from the bulleted list and replace with the following:

12. All fire hydrants are to be left hand opening (counterclockwise).

Article 4.4 Construction

Delete the fourth paragraph in its entirety and substitute the following:

All fire hydrant auxiliary valve are to be closed during installation. The Contractor shall disinfect hydrant assemblies in accordance with AWWA C651-14. Hydrant assemblies shall be pressure tested at a minimum pressure of one hundred fifty pounds per square inch (150 psi) for a minimum duration of thirty (30) minutes. Upon completion of disinfection and pressure testing, perform bacteriological sample testing using a Contractor-supplied testing laboratory certified by the State of Alaska. Provide test results from two consecutive days indicating an absence of fecal coliform and as required by AWWA C651-14. Perform testing at all hydrant locations within the newly constructed piping, as directed by Engineer. Sampling and testing shall comply with ADEC requirements. Additional compensation or contract time extensions for re-testing due to inadequate disinfection will not be granted.

C. DRAWINGS