

ENGINEERING DIVISION



GENERAL CONTRACT CONDITIONS

REVISED JULY, 2010

CITY OF GRAND JUNCTION, COLORADO
DEPARTMENT OF PUBLIC WORKS AND PLANNING
ENGINEERING DIVISION

GENERAL CONTRACT CONDITIONS

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GENERAL CONTRACT CONDITIONS

I. GENERAL

1. Scope

The following conditions are general in scope and may contain requirements covering conditions that may not be encountered in the performance of the Work under contract. Where any stipulation or requirement set forth herein applies to any such non-existing condition, and is not applicable to the Work under contract, such stipulation or requirement shall have no meaning relative to the performance of said Work.

2. Titles and Subheadings.

I. The titles and subheadings used in the Contract Documents are for convenience of reference only and shall not be taken or considered as having any bearing on the interpretation of said documents.

II. Titles used in these specifications having a masculine gender, such as "workman" and the pronouns "he" or "his," are for the sake of brevity and are intended to refer to persons of either sex.

3. Definitions and Terms.

I. When the Contract indicates that work shall be "accepted, acceptable, approval, approved, authorized, condemned, considered necessary, contemplated, deemed necessary, designated, determined, directed, disapproved, established, given, indicated, insufficient, interpretation, interpreted, ordered, permitted, rejected, required, reserved, satisfactory, specified, sufficient, suitable, suspended, unacceptable, or unsatisfactory," it shall be understood that these expressions are followed by the words "by the City," or "to the City."

II. Additional definitions and terms are provided in Section 101 of the City's Standard Specifications for Road and Bridge Construction. Wherever the following terms are used in these Contract General Conditions, or other Contract Documents, the intent and meaning shall apply to both the singular and plural thereof and shall be interpreted as follows:

Addenda. Written or graphic instruments issued prior to Bid Opening which clarify, correct, or change the Contract Documents.

Bid. The offer or proposal of the Bidder submitted on the prescribed form setting forth the prices for the Work to be performed.

Bidder. An individual, firm, corporation, or other legal entity submitting a proposal for the advertised Work and, if the Successful Bidder, a contractor intending to contract with the City for performance of prescribed Work.

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Bid Documents. These shall consist of the following forms and documents: Construction Drawings, Addenda (if any), Invitation To Bid, Instruction To Bidders, Bid Form, Bid Bond Form, Special Conditions, Special Provisions, Supplemental Specifications, Appendix, and Construction Drawings (not attached).

Bid Opening. The public opening and reading of all bids prepared and submitted in accordance with the Instructions To Bidders at the time and date set forth in the Invitation To Bid.

Bid Guaranty. The security, as designated in the Instructions To Bidders and furnished with the Bid as a guaranty that the Bidder shall enter into the Contract and furnish the Bonds and Certificates of Insurance as required if awarded the Work.

Bid Schedule. A list of Bid Items in the Bid Form, which includes a description, approximate quantity and units (if any), unit price and extended amount or lump sum bid, for each item. The Bid Schedule also includes a line for the Total Bid based on the summation of the extended amounts of all bid items. The Bid Schedule may also include bid alternates and a line for the Bidder to enter an estimated date to begin construction.

Bonds. Bid, Performance and Payment Bonds and other instruments of security.

Calendar Day. Each and every day shown on the calendar, beginning and ending at midnight.

Change of Work Form. The following forms, copies of which are provided in the Standard Forms: Field Order, Work Change Request, Request for Adjustment, and Change Order.

Change Order. A document recommended by the City which is signed by the Contractor and by an authorized agent of the City which authorizes an addition, deletion, or revision in the Work, or an adjustment in Contract Price or Contract Time, which is issued on or after the Effective Date of the Contract. Properly executed Change Orders become a part of the Contract Documents.

City. The City of Grand Junction, State of Colorado, or any employee thereof.

City Engineer. Title has been changed to Engineering Manager.

Construction Drawings (Drawings, Plans). The Drawings or Plans which show the character and scope of the Work to be performed which have been prepared or approved by the City and are referred to in the Contract Documents (including Standard Details).

Contract. A written agreement between the City and Contractor covering the Work to be performed. Other Contract Documents are attached to the Contract and made a part thereof as provided therein.

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Contract Documents. The Standard Contract Documents for Capital Improvements Construction (current edition) and the Bid Documents as defined herein. Contract Documents also include: Shop Drawings, Field Orders, Work Change Requests and Change Orders which must be signed by authorized representatives of the City and the Contractor.

Contract Time. The number of Calendar days allowed for the Substantial and/or Final completion of the Work specified in the Contract including authorized time extensions, beginning on the date specified in the Notice to Proceed.

Contractor. The person, firm, or corporation with whom the City intends to or has entered into a Contract.

Day. Calendar Day.

Defective Work. Work that is unsatisfactory, faulty, or deficient, or does not conform to the Contract Documents, or does not meet the requirements of a referenced standard, test, or approval referred to in the Contract Documents, or has been damaged prior to the City's recommendation of Final Payment (unless responsibility for the protection thereof has been assumed by the City at Substantial Completion).

Drawings. Same meaning as Construction Drawings.

Effective Date. The date indicated in an agreement or notice on which it becomes effective, but if no such date is indicated, the date on which the instrument is fully signed and delivered by the last of the parties involved.

Engineer. The Project Engineer, who may be a City employee or hired consultant who has been appointed or authorized by the City to oversee the technical aspects of the work and to administer the Contract on behalf of the City. The term "Engineer" may also apply to a Professional Engineer hired by a developer to design and/or administer the construction of public infrastructure in accordance with a development approved by or contracted for/or with the City.

Engineering Manager. Engineer employed by the City responsible for all construction contact decisions.

Extra or Additional Work. Work which was not a part of the original Contract Documents at the time the Contract was executed for which extra compensation or time is justified in accordance with conditions set forth in the Contract Documents.

Field Order. A written order issued by the City which directs or allows minor changes in the Work, and which does not involve a change in the Contract Price or Contract Time.

Final Completion. The date upon which the Work, in the City's opinion and based upon its inspection, is acceptable and fully performed in accordance with the Contract Documents, and all other requirements or conditions to the City's advertisement of the Project for final payment have been fulfilled. Final Completion shall be evidenced by the City's issuance of a Letter of Final Completion.

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Holidays. Holidays recognized by the City are:

New Year's Day	January 1
Washington's Birthday	Third Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Veteran's Day	November 11
Thanksgiving Day	Fourth Thursday in November
Christmas Day	December 25

When a Holiday, as listed above, falls on a Saturday, it shall be observed on the preceding Friday; if the Holiday falls on Sunday, it shall be observed on the following Monday.

Inspector. An authorized representative of the City, assigned to inspect and/or test materials furnished or Work performed by the Contractor.

Laboratory. Any testing laboratory designated by the City to make tests of the materials and Work involved in the Contract.

Liquidated Damages. The sum of money the Contractor agrees to pay the City for each day of delay beyond the date due for the completion of specified stages of Work or the complete Contract, or in delaying or requiring the City to incur additional costs in the process of obtaining a Contract to perform the Work in the case of Bid Guaranty.

Manager. The City Manager of the City of Grand Junction.

Notice of Award. The written notice by City to the apparent Successful Bidder stating that upon compliance with the conditions precedent enumerated therein, within the time specified, City shall sign and deliver the Contract.

Notice to Proceed. Written notice to the Contractor to proceed with the Contract Work specifying, when applicable, the date of beginning of Contract Time.

Plans. Same meaning as Construction Drawings.

Project. The specific Work to be performed as described in the Contract Documents.

Request for Adjustment. A written request issued by the Contractor for an adjustment in Contract Time or Contract Price. A copy of the Request For Adjustment Form is provided in the Standard Forms.

Review. To examine or re-examine for conformance with the Contract Documents.

Schedule of Submittals. A schedule of all Shop Drawings, material certifications, mix designs, samples, construction schedules (Gantt charts) and other items to be submitted by the Contractor for review and/or approval by the City. The Schedule of Submittals is

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included in the Special Conditions and may be modified by the City any time before or after the construction begins.

Shop Drawings (Work Drawings). All drawings, diagrams, illustrations, schedules, and other data which are specifically prepared by or for the Contractor to illustrate some portion of the Work, and all illustrations, brochures, standards, schedules, performance charts, illustrations, diagrams, and other information submitted by the Contractor to illustrate material or equipment for some portion of the Work.

Special Conditions. The part of the Contract Documents which amends or supplements the General Contract Conditions and which are specific to the Work to be performed.

Special Provisions. Additions and revisions to the City's Standard Specifications covering conditions peculiar to an individual project. Special Provisions may be a section in the Bid Documents, may appear as notes on the Construction Drawings, or both.

Specifications. Those portions of the Contract Documents consisting of written technical descriptions of materials, equipment, standards and workmanship as applied to the Work. These may consist of Standard or Supplemental Specifications, Special Provisions, and/or notes on the Construction Drawings.

Standard Contract Documents for Capital Improvements Construction. These shall include the following Standard Forms and documents: Statement of Bidders Qualifications, Instructions to Contractors Regarding Affirmative Action, Notice of Award, Contract, Performance Bond Form, Payment Bond Form, Notice to Proceed, Field Order Form, Work Change Request Form, Request for Adjustments Form, Change Order Form, Partial Payment Request Form, Certificate for Payment Form, Final Receipt and Release, General Contract Conditions, Standard Specifications for Road and Bridge Construction, and Standard Specifications for Construction of Water Lines, Sanitary Sewers, Storm Drains, Underdrains and Irrigation Systems.

Standard Details. Same meaning as Standard Drawings.

Standard Drawings. City-adopted Standard Drawings and Details which pertain to the Work to be performed.

Standard Forms. Forms provided in the Standard Contract Documents For Capital Improvements Construction, which are in the format to be used for the stated or intended purpose.

Standard Specifications. Standard Specifications For Road and Bridge Construction and Standard Specifications For Construction of Water Lines, Sanitary Sewers, Storm Drains, Underdrains, and Irrigation Systems, both of which are included in the Standard Contract Documents for Capital Improvements Construction.

Subcontractor. An individual firm, corporation, or other legal entity to which the Contractor subcontracts part of the Contract.

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Substantial Completion. When the Work or a specified part thereof has progressed to the point where the Work, in the opinion of the City, as evidenced by the City's Letter of Substantial Completion, is sufficiently complete, in accordance with the Contract Documents, so that the Work or specialized part can be placed in service and utilized for the purpose for which it is intended. The terms "substantially complete" and "substantially completed" as applied to any Work refer to Substantial Completion thereof.

Successful Bidder. The actual or apparent responsive, responsible and qualified Bidder having the lowest Bid price.

Superintendent. The Contractor's authorized representative who is in responsible charge of the Work.

Supplemental Specifications. Additional Specifications which may be necessary to cover Work peculiar to an individual project, which is not addressed by the Standard Specifications. Supplemental Specifications may be a section in the Bid Documents or may appear as notes on Construction Drawings.

Surety. The corporation, partnership or individual, other than the Contractor, executing a bond furnished by the Contractor.

Work. All labor, materials, equipment, and incidentals necessary to successfully complete the project according to all duties and obligations imposed by the Contract.

Work Change Request. A written directive to the Contractor, issued by the Engineer on or after the Effective Date of the Contract, requesting the Contractor to provide a cost for pending extra Work or changes in the Work. The Work Change Request may also direct the Contractor to proceed with the revision in Work. A Work Change Request does not change the Contract Price or Contract Time, but is evidence that the parties expect that the change directed or documented by a Work Change Request shall be, if implemented, incorporated into a subsequently issued Change Order following negotiations by the parties as to its effect, if any, on the Contract Price or Contract Time.

Working Day. Any Day, exclusive of Saturdays, Sundays and City-observed Holidays.

II. LAWS, PERMITS AND LABOR EMPLOYMENT

4. Laws and Ordinances

The Contractor shall at all times observe and comply with the provisions of the Laws, Ordinances, Rules, Codes, and Regulations of the City of Grand Junction, the State of Colorado and The United States of America, which in any manner limit, control or apply to the actions or operations of the Contractor, its Subcontractors, or its or their employees, agents and servants, engaged in performing the Work or affecting the materials supplied to or by them.

5. Permits and Licenses

Unless specified otherwise in the Special Conditions, the Contractor shall secure and pay for all permits and licenses and shall pay all governmental charges and inspection fees necessary for the prosecution of the Work, which are applicable at the time of the Bid.

6. Patents

The Contractor shall perform all Work in compliance with all applicable patent, trademark and copyright laws, rules, regulations and codes of the United States. The Contractor shall not utilize any design, device, material or process, protected by patent, trademark or copyright, in performance of the Work unless the Contractor has obtained proper permission and all releases and other necessary documents. The Contractor shall determine if any material, equipment, process or procedure specified in the Construction Drawings is protected. The Contractor and the Surety shall release, indemnify and save harmless the City, its officers, agents and employees from any and all claims, damages, suits, costs, expenses, liabilities, actions or proceedings of any kind or nature of or by anyone whomsoever, resulting from infringement of any patent, trademark, copyright or other right protected by law.

7. Air and Water Quality Control

I. The Contractor shall comply with the Colorado Air Quality Control Act, 25-7-101 *et seq.* C.R.S. and regulations promulgated thereunder.

II. The Contractor shall comply with the Colorado Water Quality Control Act, 25-8-101 *et seq.* C.R.S.; Protection of Fishing Streams, 33-5-101 *et seq.* C.R.S.; Clean Water Act, 33 USC 1251 *et seq.*; regulations promulgated thereunder; certifications issued; and with all other requirements of Section 107.25 of the Colorado Department Of Transportation Standard Specifications of Road and Bridge Construction.

III. The cost of controlling pollution shall be included in the Bid item expected to cause it unless specifically listed as a separate pay item and shall not be the subject of extra or additional payment.

IV. Should the Contractor, or its subcontractors, fail to control pollution, the City shall have the right to employ outside assistance, City employees, and/or a private contractor to provide control as necessary. Any cost incurred by the City in controlling pollution caused by the Contractor or entities under control of the Contractor or for whose actions the Contractor is responsible, including engineering, shall be paid for by the Contractor.

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8. Employment of Labor

I. The Contractor shall hold the City harmless from any violation of any or all provisions of law, both of the State of Colorado and of the United States, affecting or relating to the employment and compensation of workers, laborers, and mechanics requiring time and one-half or other increased compensation for overtime work or other special treatment of employees. The Contractor shall likewise comply with and protect and hold the City harmless from any violation of all laws and lawful rules and regulations, both of the State of Colorado and of the United States, relating to worker's compensation, unemployment compensation, Social Security and any and all other expenses and conditions of employment under the Contract.

II. The Contractor shall give preference to resident labor in accordance with Article X, Section 8, of the Charter of the City of Grand Junction, Colorado.

III. The Contractor and its Subcontractors shall comply with the Workers' Compensation Act of Colorado and shall provide Compensation Insurance to protect the Contractor, its Subcontractors and the City from and against any and all Workers' Compensation claims arising from performance of the Work under the Contract. The City shall be furnished, as set forth in the Bid Documents, four (4) copies of the certificate or certificates evidencing such insurance to be in effect.

9. Affirmative Action/Eeo

I. On projects funded or partially funded by the Federal or State government, Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin or disability. On such contracts, the Contractor shall take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, color, religion, sex, national origin or disability. Such actions shall include, but not be limited to the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, selection for training, including apprenticeship. Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided, setting forth the provisions of this Equal Opportunity clause.

II. On projects requiring it, the Contractor shall comply with all provisions of Executive Order No. 11246 of September 24, 1965, as amended, and of the rules, regulations and relevant orders of the Secretary of Labor. The Contractor shall be solely and completely responsible for compliance with all applicable laws, rules, regulations and orders adopted or promulgated thereunder.

III. In addition to the foregoing, on projects requiring the Contractor and/or Subcontractor to have a program of affirmative action, three (3) copies of said written programs shall be submitted to the City within ten (10) days after issuance of the Notice of Award or the awarding of each subcontract.

III. INTENT, CORRELATION AND INTERPRETATION OF CONTRACT DOCUMENTS

10. Intent of Contract Documents

The intent of the Contract Documents is to provide for the construction and completion, in every detail, of the Work described in the Contract Documents. The Contractor shall furnish all labor, material, equipment, tools, transportation and supplies required to complete the Work in accordance with the Contract Documents.

11. No Oral Agreements

No oral agreement or conversation with any officer, agent or employee of the City, either before or after the execution of the Contract, shall affect or modify any of the terms, conditions or other obligations set forth in any of the Contract Documents. All contract modifications must be in writing, signed by the authorized agent of the City who is in charge of the administration of this Contract.

12. Coordination of Contract Documents

I. The Specifications and Construction Drawings are intended to supplement, but not necessarily duplicate each other, and together constitute one (1) complete set of drawings and specifications, so that any Work exhibited in the one and not in the other shall be executed as if it had been set forth in both, in order that the Work shall be completed according to the complete design or designs as decided and determined by the City. Should anything be omitted from the Construction Drawings and Specifications which is necessary for a clear understanding of the Work or should it appear that various instructions are in conflict, then the Contractor shall secure written clarification or instructions from the City before proceeding with the construction affected by such omissions or discrepancies.

II. In case of any conflict, inconsistency or discrepancy among the Contract Documents, the requirement defining or describing the higher quality Work or performance shall control. If the conflict, inconsistency or discrepancy cannot be resolved by the application of that rule, the Contract Documents shall be given precedence in the following order: Contract and Notice to Proceed, Addenda, Special Conditions, Instructions To Bidders, General Contract Conditions, Change Orders, Special Provisions and Supplemental Specifications, Construction Drawings and Standard Specifications. Words and abbreviations which have well known technical or trade meanings are used in the Contract Documents in accordance with such recognized meanings. Full-size or large-scale details or drawings shall govern small-scale drawings. Figure dimensions on Drawings shall govern over scale. Any Work that may reasonably be inferred from the Specifications or Construction Drawings as being required to produce the intended result shall be supplied whether or not it is specifically called for. Work materials or equipment described in words which so applied have a well known technical or trade meaning shall be deemed to refer to such recognized standards.

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13. No Waiver of Rights

No assent or waiver, expressed or implied, to any breach of any one or more of the covenants, provisions and agreements of the Contract Documents shall be deemed or taken to be a waiver of any succeeding or other breach.

14. Shop Drawings

The Construction Drawings shall be supplemented by such Shop Drawings prepared by the Contractor as are necessary or required to adequately define or control the Work. The City must approve Shop Drawings and/or details before any work involving such Drawings shall be performed.

15. Estimated Quantities In Bid Schedules

The quantities noted in the Bid Schedules are approximations for comparing Bids, and no claim shall be made against the City because of excess or deficiency therein, actual or relative. Payment to the Contractor shall be made only for the actual quantities of Work performed and accepted or materials furnished in accordance with the Contract Documents. The scheduled quantities of Work to be done and materials to be furnished may each be increased, decreased, or omitted as hereinafter provided.

IV. BONDS, INDEMNIFICATION AND INSURANCE

16. Performance, Payment, and Other Bonds

I. Contractor shall furnish a Performance Bond and a Payment Bond, each in an amount at least equal to that specified in the Contract, as security for the faithful performance and payment of all Contractor's obligations under the Contract Documents. These Bonds shall remain in effect for the duration of the Warranty Period (as specified in the Special Conditions). Contractor shall also furnish other Bonds that may be required by the Special Conditions. All Bonds shall be in the forms prescribed by the Contract Documents and be executed by such Sureties as are:

- (a) licensed to conduct business in the State of Colorado and
- (b) named in the current list of "Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies" as published in Circular 570 (amended) by the Audit Staff, Bureau of Accounts, U.S. Treasury Department.

II. A certified copy of the Authority to Act must accompany all Bonds signed by an agent. If the Surety on any Bond furnished by the Contractor is declared bankrupt, or becomes insolvent, or its rights to do business in Colorado are terminated, or it ceases to meet the requirements of paragraphs (a) and (b), Contractor shall within five (5) days thereafter substitute another Bond and Surety, both of which shall be acceptable to the City.

17. Insurance Requirements

I. The Contractor agrees to procure and maintain, at its own cost, a policy or policies of insurance sufficient to insure against all liability, claims, demands, and other obligations assumed by the Contractor pursuant to this Section. Such insurance shall be in addition to any other insurance requirements imposed by this Contract or by law. The Contractor shall not be relieved of any liability, claims, demands, or other obligations assumed pursuant to this Section by reason of its failure to procure or maintain insurance, or by reason of its failure to procure or maintain insurance in sufficient amounts, durations, or types.

II. Contractor shall procure and maintain and, if applicable, shall cause any Subcontractor of the Contractor to procure and maintain insurance coverage listed below. Such coverage shall be procured and maintained with forms and insurers acceptable to The City of Grand Junction. All coverage shall be continuously maintained to cover all liability, claims, demands, and other obligations assumed by the Contractor pursuant to this Section. In the case of any claims-made policy, the necessary retroactive dates and extended reporting periods shall be procured to maintain such continuous coverage. Minimum coverage limits shall be as indicated below unless specified otherwise in the Special Conditions:

- (a) Worker Compensation insurance to cover obligations imposed by applicable laws for any employee engaged in the performance of work

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under this Contract, and Employers' Liability insurance with minimum limits of:

FIVE HUNDRED THOUSAND DOLLARS (\$500,000) each accident,
FIVE HUNDRED THOUSAND DOLLARS (\$500,000) disease - policy limit, and
FIVE HUNDRED THOUSAND DOLLARS (\$500,000) disease - each employee.

- (b) General Liability insurance with minimum combined single limits of:

ONE MILLION DOLLARS (\$1,000,000) each occurrence and
TWO MILLION DOLLARS (\$2,000,000) per job aggregate.

The policy shall be applicable to all premises and operations. The policy shall include coverage for bodily injury, broad form property damage (including completed operations), personal injury (including coverage for contractual and employee acts), blanket contractual, products, and completed operations. The policy shall include coverage for explosion, collapse, and underground hazards. The policy shall contain a severability of interests provision.

- (c) Comprehensive Automobile Liability insurance with minimum combined single limits for bodily injury and property damage of not less than:

ONE MILLION DOLLARS (\$1,000,000) each occurrence and
ONE MILLION DOLLARS (\$1,000,000) aggregate

with respect to each of Contractor's owned, hired or non-owned vehicles assigned to be used in performance of the Work. The policy shall contain a severability of interests provision.

- (d) For contracts for construction of insurable structures, which are able to be occupied, the Contractor agrees to provide and maintain a Builder's Risk Insurance Policy with minimum limits of not less than the insurable value of the Work to be performed under this Contract at completion, less the value of the materials and equipment insured under Installation Floater Insurance. The policy shall be written in completed value form and shall protect the Contractor, Subcontractor, and the City against risks of damage to buildings, structures, materials and equipment not otherwise covered under Installation Floater Insurance, from the perils of fire and lightning, the perils included in the standard coverage endorsement, and the perils of vandalism and malicious mischief.
- (e) The Contractor agrees to provide and maintain an Installation Floater Insurance Policy with minimum limits of not less than the insurable value of the Work to be performed under this Contract at completion, less the value of the materials and equipment insured under the Builder's Risk Insurance. Equipment such as pumps, engine-generators, compressors,

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motors, switch-gear, transformers, panelboards, control equipment, and other similar equipment shall be insured under Installation Floater Insurance when the aggregate value of the equipment exceeds \$10,000. The insurable value of the Work shall include the aggregate value of any City-furnished equipment and materials to be erected or installed by the Contractor not otherwise insured under Builder's Risk Insurance. The policy shall protect the Contractor, Subcontractor, and the City from all insurable risks of physical loss or damage to materials and equipment not otherwise covered under Builder's Risk Insurance, while in warehouses or storage areas, during installation, during testing, and after the Work under this Contract is completed. The policy shall be of the "all risks" type, with coverage designed for the circumstances which may occur in the particular Work to be performed under this Contract. The policy shall provide for losses to be payable to the Contractor and the City as their interests may appear. The policy shall contain a provision that in the event of payment for any loss under the coverage provided, the insurance company shall have no rights of recovery against the Contractor or the City.

III. The policies required by paragraphs (a), (b), (c), (d) and (e) above shall be endorsed to include the City and the City's officers and employees as additional insureds. Every policy required above shall be primary insurance, and any insurance carried by the City, its officers, or its employees, or carried by or provided through any insurance pool of the City, shall be excess and not contributory insurance to that provided by Contractor. No additional insured endorsement to any required policy shall contain any exclusion for bodily injury or property damage arising from completed operations. The Contractor shall be solely responsible for any deductible losses under any policy required above.

IV. The Contractor shall provide four (4) copies of the certificate(s) of insurance to the Engineer as evidence that policies providing the required coverage, conditions, and minimum limits are in full force and effect, which certificate(s) shall be reviewed and approved by the City prior to commencement of the Contract. The certificate(s) shall identify this Contract and shall provide that the coverage afforded under the policies shall not be canceled, terminated or materially changed until at least 30 days prior written notice has been given to the City.

V. Failure on the part of the Contractor to procure or maintain policies providing the required coverage, conditions, and minimum limits shall constitute a material breach of this Contract upon which the City may immediately terminate this Contract. At its discretion the City may also procure or renew any such policy or any extended reporting period thereto and may pay any and all premiums in connection therewith. The Contractor shall repay all monies so paid by the City to the City upon demand, or the City may offset the cost of the premiums against any monies due to Contractor from the City.

VI. The City reserves the right to request and receive, at any time(s), a certified copy of any policy and any endorsement thereto.

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VII. The parties hereto understand and agree that the City is relying on, and does not waive or intend to waive by any provision of this Contract, the monetary limitations or any other rights, immunities, and protection provided by the Colorado Governmental Immunity Act, § 24-10-101 et seq., C.R.S., as from time to time amended, or otherwise available to the City, its officers, or its employees.

18. Contractor's Insurance

The Contractor shall not commence work under this Contract until it has obtained all insurance required by this agreement, and the several provisions hereof, and the City has approved such insurance. The Contractor shall also not allow any Subcontractor to commence work on its Contract until all similar insurance required by the Subcontractor has been so obtained and approved.

19. Indemnification

The Contractor agrees to indemnify and hold harmless the City, its officers, employees, insurers, and self-insurance pool, from and against all liability, claims, and demands, on account of injury, loss, or damage, including without limitation claims arising from bodily injury, personal injury, sickness, disease, death, property loss or damage, or any other loss of any kind whatsoever, which arise out of or are in any manner connected with this Contract, if such injury, loss, or damage is caused in whole or in part by, or is claimed to be caused in whole or in part by, the act, omission, error, professional error, mistake, negligence, or other fault of the Contractor, any Subcontractor of the Contractor, or any officer, employee, representative, or agent of the Contractor or of any Subcontractor of the Contractor, or which arise out of any workers' compensation claim of any employee of the Contractor or of any employee of any Subcontractor of the Contractor. The Contractor agrees to investigate, handle, respond to, and to provide defense for and defend against, any such liability, claims, or demands at the sole expense of the Contractor. The Contractor also agrees to bear all other costs and expenses related thereto, including court costs and attorney fees, whether or not any such liability, claims, or demands alleged are groundless, false, or fraudulent.

V. CONTRACTOR'S RESPONSIBILITIES - SAFETY

20. Safety and Protection

I. The Contractor shall be responsible for initiating, maintaining and supervising all safety precautions and programs in connection with the Work. It shall take all necessary precautions for the safety of, and shall provide the necessary protection to prevent damage, injury or loss to:

- (a) All employees on the Work and other persons who may be affected thereby,
- (b) All Work and all materials or equipment to be incorporated therein whether in storage on or off site, and
- (c) Other property at the site or adjacent thereto, including trees, shrubs, lawns, walks, pavements, roadways, structures and utilities not designated for removal, relocation or replacement in the course of construction.

II. The Contractor shall comply with all applicable laws, ordinances, rules, regulations and orders of any public body having jurisdiction for the safety of persons or property or to protect them from damage, injury or loss. The Contractor shall erect and maintain, as required by the conditions and progress of the work, all necessary safeguards for safety and protection, and in addition, it shall comply with all applicable recommendations of the Manual of Accident Prevention in Construction of the Associated General Contractors of America, Inc. The Contractor shall notify owners of adjacent utilities when prosecution of the Work may affect them. All damage, injury or loss to any property caused, directly or indirectly, in whole or in part, by the Contractor, any Subcontractor or anyone, directly or indirectly, employed by any of them or anyone for whose acts any of them may be liable, shall be remedied by the Contractor.

III. In case of injury to persons or property by reason of failure to erect and maintain necessary barricades, safeguards, and signals, or by reason of any act of negligence of the Contractor, its Subcontractors, agents or employees, during the performance of this Contract, the City may withhold payments due the Contractor so long as shall be reasonably necessary to indemnify the City on account of any such injuries. The City's payments or failure to pay any sum shall not be considered as a waiver of its rights.

IV. The Contractor shall designate a responsible member of its organization at the site whose duty shall be the prevention of accidents. This person shall be the Contractor's superintendent unless otherwise designated in writing by the Contractor to the City.

21. Emergencies

In emergencies affecting the safety of persons or the Work or property at the site or adjacent thereto, the Contractor, without special instruction or authorization from the City, is obligated to act at its discretion, to prevent threatened damage, injury or loss. The Contractor shall give the City prompt written notice of any significant changes in the

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Work or deviations from the Contract Documents caused thereby, and a Change Order shall thereupon be issued covering the changes and deviations involved. If the Contractor believes that additional Work done by it in an emergency which arose from causes beyond its control entitles it to an increase in the Contract Price or an extension of the Contract Time, it may make a request therefore as provided.

22. Blasting and Other Hazardous Work

The Contractor or Subcontractors shall do no blasting or other hazardous work without written permission issued by the City. Before issuance of such permission, the City may require evidence of adequate liability insurance coverage secured at the Contractor's expense for collapse, explosion, blasting, and damage to underground pipes, wiring, conduits and other structures.

23. Excavations

I. Excavations shall be to the lines and grades as shown on the plans or as modified by the Engineer in the field.

II. The excavation operations shall adhere to all Federal, State, and local safety regulations that are applicable. The inspection of the Work by the City shall not relieve the Contractor from any violations of any safety regulations.

III. The Contractor shall be familiar with and comply with the current rules and regulations governing excavation work as set out by the Industrial Commission of Colorado and OSHA.

IV. All radioactive material (as determined by the City Inspector or the Colorado State Department of Health or Environment) designated to be excavated shall be either replaced in the excavation as part of the back fill or hauled to a designated disposal site as directed by the City. All handling, hauling, and disposal of radioactive materials shall be in accordance with local, State and Federal laws and regulations.

24. Traffic Maintained Over Construction

Where traffic is maintained on a roadway under construction, particular care shall be used to shape and maintain the roadbed so that a safe and reasonably smooth surface is available to the traveling public. Ramps from undisturbed streets into excavated areas shall be maintained for traffic on gradual grades and in no case shall a ramp be steeper than a 10% slope. The Contractor shall make full provision for minimizing inconvenience from dust. Marking and lighting the route shall be in accordance with the Manual on Uniform Traffic Control Devices (MUTCD).

25. Traffic Control, Street Closures and Detours

I. No street, alley, sidewalk, trail or other public way shall be closed, blocked or obstructed without first obtaining permission from the City and from the proper authority having jurisdiction over the affected right of way. All road closures, lane closures and other traffic controls shall be set up and maintained in accordance with an approved traffic control plan (TCP). The Contractor shall provide all traffic controls as needed for the safe movement of vehicular traffic and pedestrians through or around the construction work zone and for the protection and safety of all persons and property in

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and around the work zone. All traffic control devices used shall be in accordance with the Manual on Uniform Traffic Control Devices (MUTCD) and the approved TCP. All warning signs and barricades shall be constructed and displayed according to standards set forth in the MUTCD.

II. At least two (2) Working Days before preconstruction meeting, the Contractor shall submit to the Engineer a detailed TCP for review. This plan shall consist of a sketch or drawing showing the information outlined below:

- (a) The vicinity, street names and specific area within which the project is going to occur, as well as all curbs, gutters, sidewalks, driveways, traffic lanes, cross streets, etc. in the vicinity of the Work.
- (b) Details of all street, sidewalk and lane closures including proposed detour routes. Include the number of days and hours per day that the closures and detours shall be in effect.
- (c) The type, location and spacing of all barricades, warning signs, detour signs, cones and other traffic control devices.
- (d) The locations and schedules of all flaggers that shall be used.
- (e) The name and phone number of the Contractor's designated Traffic Control Supervisor (TCS) and phone numbers of persons who can be reached after working hours, and on holidays and weekends for traffic control needs.
- (f) Any special notes of information on how the traffic control operation is to be handled.

III. During progress of the Project, if significant adjustments on the TCP are necessary or desirable, the Contractor shall submit pertinent proposed revisions in writing to the City for approval at least 3 Working Days prior to proposed implementation of the changed plan.

IV. In addition to other required notices (such as newsletters), at least 24 hours prior to closing any street or roadway the Contractor shall verbally notify the Project Engineer and the City's Communications Center (dispatch), mail delivery and solid waste pick-up, including those listed (with telephone numbers) in the Special Conditions. The Contractor shall notify those referenced above whenever there is a change in a road closure or detour route. In addition, the Communications Center shall be notified 24 hours in advance of all traffic lane closures.

V. Businesses and residences whose access or parking will be restricted by a road closure or detour shall be notified by the Contractor at least 48 hours in advance. Notification shall be in writing and may included in the contractor's weekly newsletter or other approved method. The Contractor shall furnish all barricades, advance warning signs, flag persons and other traffic control devices required to set up and maintain road

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closures, detours and lane closures as shown on the TCP or as otherwise directed or approved.

VI. The Contractor should consider subcontracting the traffic control work to a qualified company that provides such services. Should the Contractor decide to rent equipment and do the traffic control work itself, it shall designate a Traffic Control Supervisor (TCS) who shall be responsible for the set up, maintenance and removal of all traffic control devices. This supervisor shall be certified by the American Traffic Safety Services Association (ATSSA). The TCS shall have in possession at all times a copy of the MUTCD or a copy of the ATSSA Guide for Work Area Traffic Control.

VII. In any case, no work shall be done until all advance-warning signs and traffic control devices are in place. The City or the Inspector shall have the authority to require the Contractor to provide additional signs or barricades for those locations it deems to be inadequate.

VIII. At times, it may be necessary for the Contractor to provide flag persons to direct traffic. All flag persons provided by the Contractor shall be certified by the Colorado Department of Transportation or ATSSA and shall be wearing the proper safety attire while performing their duties.

IX. Public sidewalks which are under construction or otherwise obstructed shall be properly barricaded at all times. Temporary walkways or pedestrian detours shall be provided around obstructed sections of sidewalk. The City shall approve all fencing, flagging, barricades, signs and other devices used for sidewalk closures and pedestrian detours. Temporary walkways shall be structurally sound and on uniform grade. Any sidewalks left closed overnight shall be marked with Type A flashing lights mounted on approved barricades.

X. Wherever detours are routed over areas other than established public roadways, it shall be the Contractor's responsibility to secure permission from all affected property owners prior to setting up the detours. Traffic shall not be placed on any detour route until it has been graded and delineated in such a way that it is safe for use by the traveling public. The Contractor shall maintain and provide dust control, as needed on all unpaved detour routes.

26. Maintenance of Access and Services

I. The Contractor's operations shall cause no unnecessary inconvenience. The access rights of the public shall be considered at all times.

II. The Contractor shall cooperate with the various parties involved in delivery of mail, collection of trash and other delivery and pick-up services to maintain existing schedules for these services.

III. The Contractor shall maintain access to all properties at all times unless otherwise approved by the City. The Contractor shall notify residents and property owners at least twenty-four (24) hours prior to temporary closure or relocation of driveway access. Access to driveways in construction areas shall be maintained with a uniform gravel surface unless otherwise approved or directed by the Engineer.

VI. CONTRACTOR'S RESPONSIBILITIES - GENERAL

27. Beginning, Progress and Time of Completion

The City shall issue a written Notice to Proceed. The Contractor shall start the work within ten (10) days of the date of the Notice to Proceed. Thereafter, the Contractor shall prosecute the work at such place or places as the Contract Documents require and shall complete the Work within the time limits set forth in the Contract Documents.

28. Schedules

I. At least two (2) Working Days prior to the pre-construction meeting, the Contractor shall submit to the City for approval a written estimated construction schedule, in Gantt chart format, indicating the relative starting and completion dates of the various stages of the work, including Work to be performed by utility companies, and the submittal dates for shop drawings, materials certifications, samples and other items listed on the Schedule of Submittals. The Contractor's project schedule shall provide sufficient time for reviewing, correcting, resubmitting and rechecking shop drawings. The construction schedule shall be related to the entire project, shall provide for expeditious and practical execution of the Work and shall contain reasonable and appropriate detail, including any applicable milestone dated.

II. Before starting the Work, a pre-construction meeting shall be held to review the Contractor's Project schedule and the utility companies' schedules for any utility relocations that may be required. The Contractor shall coordinate its work with that of the various utility companies and shall revise the construction schedule to accommodate any utility relocations that may be necessary.

III. The Contractor shall keep the Project Schedule up to date at all times and shall promptly notify the City of any delays in Work and/or revisions to the construction schedule.

IV. "Float" or "slack" is defined as the amount of time between the early start date and the late start date, or the early finish date or the late finish date, of any activities on the schedule. Float or slack is not for the exclusive use or benefit of either of the Contractor or the City and may be used to benefit the party that first needs or uses it. Notwithstanding anything else contained herein to the contrary, the Contractor may finish the project prior to the contract completion date but shall not assert any claims to the City for schedule delays which prevent it from completing the Project before that date.

29. Schedule of Values

I. In the case of lump sum bids only, before the Contractor's first request for payment, the Contractor shall submit to the City a schedule of values allocated to the various portions of the Work, prepared in such format and supported by such data to substantiate its accuracy as the City may require. This schedule, if accepted by the City, may be used as the basis for the Contractor's requests for payment.

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II. Should the City issue a change order that decreases or increases the contract amount, the Contractor shall modify the schedule of values to reflect the amount of the decrease or increase.

30. Examination of Contract Documents and Work

Before undertaking the Work, the Contractor shall carefully study and compare the Contract Documents and check and verify all figures shown thereon and all field measurements. It shall at once report in writing to the City any conflict, error or discrepancy which it may discover. The Contractor assumes full responsibility for having familiarized itself with the nature and extent of the Contract Documents; Federal, State and local laws; Work; locality; and local conditions that may in any manner affect work to be done.

31. Subsurface Conditions

I. The existence and location of subsurface structures and utilities indicated on the Construction Drawings are based on pothole information and/or other data compiled by the City as referenced in the Bid Documents. It is the responsibility of the Contractor to investigate and verify in the field prior to construction the location of any such utilities or underground structures. Subsurface structures and utilities that are not accurately located on the construction drawings shall not constitute subsurface or latent physical conditions at the site differing materially from those indicated (“differing site conditions” or “changed conditions”).

II. The Contractor shall promptly notify the City in writing of any subsurface or latent physical conditions at the site differing materially from those indicated in the Contract Documents. The City shall evaluate the contractor’s information and shall, based on City approved surveys and tests, decide if the change is “material”. If the City finds that the results of such surveys or tests indicate subsurface or latent physical conditions differing materially from those indicated in the Contract Documents, a Change Order shall be issued incorporating the necessary revisions.

III. Downtime. In the event of unforeseen or changed conditions that require all or a portion of the work to be stopped, the Contractor shall immediately notify the Engineer of any downtime for equipment, labor and other costs incurred by the stoppage of work. Whenever possible, the affected equipment and labor shall be reassigned to other work on the project until the changed condition(s) can be addressed by the Engineer. Downtime for equipment, labor and other costs shall be documented in writing by the Contractor and acknowledged in writing by the City’s Construction Inspector at the end of each day. Downtime will not be paid for unless authorized in a Work Change Authorization and/or Change Order issued immediately after work is stopped.

32. Shop Drawings and Submittals

I. The Contractor shall submit to the City all Shop Drawings, material certifications, samples and other submittals listed in the Schedule of Submittals or otherwise required by the City. All submittals shall be reviewed by and stamped with the approval of the Contractor. The data shown on the Shop Drawings shall be complete with respect to dimensions, design criteria, materials of construction and the like to enable the City to review the information as required.

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II. The Contractor shall submit required Shop Drawings to the City sufficiently in advance of construction to allow ample time for reviewing, correcting, resubmitting and rechecking to avoid any delay in progress of the Work.

III. In addition, the Contractor shall submit to the City for review, with such promptness as to cause no delay in Work, all certifications and samples listed on the "Schedule of Submittals" or as otherwise specified in the Contract Documents or directed by the Engineer. All samples and certifications shall have been reviewed and stamped with the approval of the Contractor, identified clearly as to material, manufacturer, any pertinent catalog numbers and the use for which they are intended.

IV. At the time of each submission, the Contractor shall in writing call the City's attention to any deviations that the Shop Drawing or sample may have from the requirements of the Contract Documents.

V. The City shall review with reasonable promptness, Shop Drawings, material certifications and samples submitted by the Contractor, but its review shall be limited to checking for conformance with the design concept of the project and for compliance with the information given in the Contract Documents. The City's review for compliance of a separate item, as such, shall not indicate review for compliance of the assembly in which the item functions. The Contractor shall make any corrections required by the City and shall return the required number of corrected copies of Shop Drawings and resubmit new samples; until no further revisions and/or samples are required. The Contractor shall direct specific attention in writing or on resubmitted Shop Drawings to revisions other than the corrections called for by the City on previous submissions. The Contractor's stamp of review for compliance on any work drawing or sample constitutes a representation to the City that the Contractor has either determined and verified all quantities, dimensions, field construction criteria, materials, catalog numbers and similar data or it assumes full responsibility for doing so. The stamp of review for compliance also constitutes a representation that the Contractor has reviewed or coordinated each Shop Drawing or sample with the requirements of the Work and the Contract Documents.

VI. No Work requiring a Shop Drawing or sample submission shall be commenced until the City has reviewed each submission for compliance with the Contract Documents. A copy of each reviewed work drawing and sample shall be kept in good order by the Contractor at the site and shall be available to the City.

VII. The City's review of Shop Drawings or samples shall not relieve the Contractor from its responsibility for any deviations from the requirements of the Contract Documents unless the Contractor has in writing called the City's attention to such deviation at the time of submission and the City has given written approval to the specific deviation. Review by the City does not relieve the Contractor from responsibility for errors or omissions in the Shop Drawings or for fully complying with the requirements of the Contract Documents.

33. Tests

I. Contractor shall furnish all tests, including reports on tests, called for in the Contract Documents.

II. All tests and retests, unless otherwise provided, shall be in accordance with the pertinent sections of the latest edition of the standard applicable to the material or devices to be tested.

34. Record Drawings

The Contractor shall keep one record copy of all Construction Drawings and Shop Drawings at the site in good order and annotated to show all changes made during the construction process. These shall be available to the City and shall be delivered to it upon completion of the Project.

35. Supervision and Superintendence

I. The Contractor shall supervise and direct the Work efficiently and with its best skill and attention. It shall be solely responsible for the means, methods, techniques, sequences and procedures of construction. The Contractor shall be responsible to see that the finished Work complies strictly with the Contract Documents, and is also solely responsible for Quality Control.

II. During all construction activities, the Contractor shall have at the job site, as its agent, a competent Superintendent, whose duties shall be coordination and management of construction activities. The superintendent shall be the Contractor's representative at the site and shall have authority to act on behalf of the Contractor. All communications given to the superintendent shall be as binding as if given to the Contractor. The Contractor's Superintendent shall not be replaced without advance written notice to the City.

36. Working Days and Hours

No work shall be done on Saturdays, Sundays or City Holidays without the written consent of the City. No work, other than preparation and clean-up, shall be done outside the hours between 8:00 a.m. and 4:30 p.m. without the written consent of the City. Request for such work shall be made a minimum of forty-eight (48) hours prior to the day or days for which the request is being made. Emergency work may be done without prior consent provided the Contractor notifies the Inspector or Project Engineer prior to beginning the work.

37. Protecting and Relocating Utilities

I. It is the responsibility of the Contractor to provide for the location and protection of all structures and utilities.

II. Contractor shall notify the "Utility Notification Center of Colorado" (1-800-922-1987) in a timely fashion as required by Section 9-1.5-101 *et seq.*, C.R.S. Contractor shall request written record of any information from all owners or operators, including the City, of underground facilities (as defined in the above statute) regarding the location of the specific underground facilities. Contractor shall comply with all requirements of the above as it pertains to the "excavator." City shall not be responsible for the accuracy or

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completeness of any information provided by third-party owners or operators of underground facilities, including the marking thereof.

As stated in § 9-1.5-101, once the underground facilities have been properly marked, it is the duty of the excavator to maintain adequate documentation, such as photographs, videos or sketches, so that the facilities can be accurately located and identified throughout the excavation period.

III. The approximate locations of underground facilities which are owned or operated by the City are shown on the Plans. The City shall, as required by the statute and/or local ordinance, mark the location of all such facilities. The City does not own or locate sewer and/or water service lines. Unless the exact location of City owned underground utilities is shown on the plans, as indicated by reference to horizontal and vertical datum, then the Contract price shall include, and the Contractor shall have full responsibility for determining the exact location and depth of such underground facilities by potholing, handwork or such other means as may be necessary to determine the precise location without damaging such underground facilities, including water and sewer service lines. The Contractor shall incorporate the precise location of such underground facilities, including sewer and water service lines, into the record drawings.

IV. The cost of all of the following shall be included in the Work and Contractor shall have full responsibility for:

- (a) Reviewing and checking all information and data provided by all owners or operators of underground facilities;
- (b) Determining the horizontal and vertical location of all underground facilities shown or indicated in the Contract Documents;
- (c) Coordination of the Work with the owners and operators of all underground facilities during construction; and
- (d) The safety and protection of all such underground facilities and repairing any damage thereto resulting from the Work.

V. If any underground facility is uncovered or revealed at or contiguous to the site which was not shown or indicated in the Contract Documents or by reason of information supplied pursuant to Section 9-1.5-101 *et seq.*, C.R.S., Contractor shall, promptly after becoming aware thereof and before further disturbing conditions affected thereby or performing any Work in conjunction therewith (except in emergency situations) identify the owner of such underground facility and give written notice to that owner, the "Utility Notification Center of Colorado," and the City. Contractor shall incorporate the location of all such underground facilities into the record drawings. The City shall promptly review the underground facility and determine the extent, if any, to which a change is required in the Contract Documents to reflect and document the consequences of the existence of the underground facility. During such time, Contractor shall be responsible for the safety and protection of such underground facility. The Contractor may request an increase in Contract Price or an extension of Contract Time, or both, by submitting a Request for Adjustment form. The Request for Adjustment shall describe in detail the

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extent of material changes to the Work resulting from an underground facility(ies) that is not shown or indicated in the Contract Documents and that the Contractor did not know of and could not reasonably have been expected to be aware of or to have anticipated. If City and Contractor are unable to agree on an adjustment in amount of the Contract Price or length of time allowed under the Contract Time then the Contractor may make a claim as provided in the Contract Documents.

VI. In the event of a break in an existing water main, gas main, sewer or underground cable, the Contractor shall immediately notify the responsible official of the organization operating the utility interrupted and shall lend all possible assistance in restoring services and making repairs.

VII. The Contractor shall bear the entire expense of repairing or replacing any utilities or structures disturbed or damaged during construction, except those not properly located by the owner, pursuant to 9-1.5-101 et seq., C.R.S.; except that the City may pay the Contractor to replace old or defective water and/or sewer service lines as the Project Engineer determines on a case-by-case basis.

VIII. Contractor must reconnect all active water and sewer service lines encountered during the Work, and shall install new taps and service lines to the property line of vacant property as shown on the drawings or as directed by the City. The Contractor shall determine which taps are active, in cooperation with the City, and shall record the location of all new service lines, taps and other connections on the record drawings.

IX. Unless otherwise specified in the Contract Documents, all utility relocations shall be the responsibility of the affected utility companies. The Contractor shall be responsible for coordinating his work and schedule with those of each utility company so that any utility relocation does not unnecessarily delay or interfere with other work on the Project.

38. Labor, Materials and Equipment

I. The Contractor shall provide competent, suitably qualified personnel to lay out the Work and perform construction as required by the Contract Documents. It shall at all times maintain good discipline and order at the site.

II. The Contractor shall furnish all materials, equipment, labor, transportation, construction equipment and machinery, tools, appliances, fuel, power, light, heat, telephone, water, and sanitary facilities and all other facilities and incidentals necessary for the execution, testing, operation and completion of the Work.

III. All installed materials and equipment shall be new, except as otherwise provided in the Contract Documents. If required by the City, the Contractor shall furnish satisfactory evidence as to the kind and quality of materials and equipment.

IV. All materials and equipment shall be applied, installed, connected, erected, used, cleaned and conditioned in accordance with the instructions of the applicable manufacturer, fabricator or processors, except as otherwise provided in the Contract Documents.

39. Character of Workers

I. The Contractor shall at all times employ sufficient labor and equipment for prosecuting the several classes of Work to full completion in the manner and time required by these specifications.

II. All workers shall have sufficient skill and experience to perform properly the Work assigned to them. Workers engaged in special Work or skilled Work shall have sufficient experience in such Work and in the operation of the equipment required to perform all Work properly and satisfactorily.

III. Any person employed by the Contractor or by any Subcontractor who, as determined by the City, does not perform his Work in a proper and skillful manner or is intemperate or disorderly shall, at the written request of the City, be removed forthwith by the Contractor or Subcontractor employing such person, and shall not be employed again in any portion of the Work without the approval of the City.

IV. Should the Contractor fail to remove such person or persons as required above or fail to furnish suitable and sufficient personnel for the proper prosecution of the Work, the City may suspend the Work by written notice until such orders are complied with.

40. Construction Equipment

I. All equipment which is proposed to be used on the Project shall be of sufficient size and in such mechanical condition as to meet requirements of the Work and to produce a satisfactory quality of work. Equipment used on any portion of the project shall be such that no injury to the roadway, adjacent property, or other facilities shall result from its use. Any damage caused by the equipment shall be repaired or replaced at the Contractor's expense.

II. When the methods and equipment to be used by the Contractor in accomplishing the construction are not prescribed in the Contract, the Contractor is free to use any methods or equipment that it demonstrates, to the satisfaction of the City, shall accomplish the Work in conformity with the requirements of the Contract.

41. Methods of Operation

I. The Contractor shall give to the City full information in advance as to its plans for carrying out any part of the Work. If at any time before the beginning or during the progress of the Work, any part of the Contractor's plant or equipment or any of its methods of executing the Work appear to the City to be unsafe, inefficient, or inadequate to insure the required quality, rate of progress or safety of the workers, the Project Engineer and/or the City Inspector may notify the Contractor regarding unsafe, inadequate and/or inefficient means and methods but only the Engineering Manager or the City Utility Engineer may order the Work to be suspended until the unsafe, inadequate and/or inefficient issues are addressed; the City shall not dictate the means and methods for the Contractor, it may order the Contractor to increase or improve the Contractor's facilities or methods. The Contractor shall promptly comply with such orders. Neither compliance with such orders nor failure of the City to issue such orders shall relieve the Contractor from its obligation to secure the degree of safety, the quality of work, and the rate of progress required by this Contract. The approval by the City of

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any plan or method of work proposed by the Contractor shall not be considered as an assumption by the City, or any officer, agent or employee thereof, of a risk or liability, and the Contractor shall have no claim under this Contract on account of the failure or inefficiency of any plan or method so approved. Such approval shall be considered and shall mean that the City has no objection to the Contractor's use or adoption, at his own risk and responsibility, of the plan or method so proposed by the Contractor.

II. Any plan or method of work suggested by the City, or any representative of the City, to the Contractor, if adopted or followed by the Contractor in whole or in part, shall be used at the risk and responsibility of the Contractor and the City and the City shall assume no responsibility therefore.

III. Where equipment, materials or articles are referred to in the Specifications as "equal to" any particular standard or product, the City shall decide the questions of equality. The Contractor shall furnish to the City for its approval the name of the manufacturer of the equipment or materials which it contemplates installing, together with their performance history and other pertinent information. When required by the Specifications, or when called for by the City, the Contractor shall furnish the City for its approval full information concerning the equipment, materials or articles which it contemplates incorporating in the Work. Samples of materials shall be submitted for approval when so requested. Equipment, materials, and articles installed or used without such approval shall be at the risk of subsequent rejection.

42. Cooperation of Contractor

I. General: The Contractor shall give the Work the constant attention necessary to facilitate the progress thereof and shall cooperate with the City and with other contractors in every way possible.

II. Discrepancies: If the Contractor, as the Work progresses, finds any discrepancies between the Drawings and physical conditions or any errors in the Drawings or survey control as given by stakes or instructions, the Contractor shall have the duty to inform the City in writing and the City shall promptly correct the same. Any Work done after such discovery, until authorized, shall be done at the Contractor's risk. The Contractor may request an increase in Contract Price or an extension of Contract Time, or both, by submitting a Request for Adjustment form. The Request for Adjustment shall describe in detail the extent of material changes to the Work resulting from discrepancy(ies) in the drawings. If City and Contractor are unable to agree on an adjustment in amount of the Contract Price or length of time allowed under Contract Time then the Contractor may make a claim as provided in the Contract Documents.

III. Contractor's Responsibility for Work: Until the Work is accepted by the City as evidenced in writing, the Contractor shall have the charge and care thereof and shall take every necessary precaution against injury or damage to any part thereof by the action of the elements or from any other cause, whether arising from the execution or from the non-execution of the Work. The Contractor shall rebuild, repair, restore, and make good all injuries or damages to any portion of the Work occasioned by any of the above causes before its completion and acceptance and shall bear the expense thereof. In case of suspension of Work from any cause whatever, the Contractor shall be

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responsible for all materials and shall properly store them if necessary, at a location approved by the City.

43. Neglected or Defective Work

I. If the Contractor should neglect to prosecute the Work in accordance with the Contract Documents, including any requirements of the progress schedule, the City, after ten (10) days written notice to the Contractor, may without prejudice to any other remedy it may have, make good such deficiencies. The cost thereof shall be charged against the Contractor. The City shall have authority to disapprove or reject Defective Work. If required by the City prior to approval of final payment, the Contractor shall promptly, without cost to the City and as specified by the City, either correct any Defective Work, whether or not fabricated, installed or completed, or if Work has been rejected by the City, remove it from the site and replace it with non-Defective Work. If the Contractor does not correct such Defective Work or remove and replace such rejected work within a reasonable time, all as specified in a written notice from the City, the City may have the deficiency corrected or the rejected Work removed and replaced. All direct or indirect costs of such correction or removal and replacement shall be at the Contractor's expense, and an appropriate deductive Change Order shall be issued. The Contractor shall also bear the expenses of making good all Work of others destroyed or damaged by its correction, removal or replacement of its Defective Work.

II. If, instead of requiring correction or removal and replacement of Defective Work, the City prefers to accept the Work, it may do so. In such case, if acceptance occurs prior to approval of final payment, a Change Order shall be issued incorporating the necessary revisions in the Contract Documents, including appropriate reduction in the Contract price. If the acceptance occurs after approval of final payment, the Contractor shall pay an appropriate amount to the City.

44. Work by Others

I. The City reserves the right at any time to contract for and perform other or additional work on or near the Work covered by the Contract.

II. The Contractor shall make allowances in the Bid for scheduling and pursuing Work in such manner as shall facilitate coordination with other possible concurrent construction operations.

III. When separate Contracts are let within the limits of any one project, each Contractor shall conduct 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.

IV. The Contractor shall arrange Work and shall place and dispose of the materials being used so as not to interfere with the operations of other Contractors within the limits of the same project. It shall join its Work with that of the others in an acceptable manner and shall perform the Work in proper sequence to that of the others.

V. The Contractor shall cooperate with all other contractors for and workers of the City, including construction forces of the Public Works and Planning Department, and other public utility company forces, who may be performing other Work at or in the vicinity of

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the Work hereby contracted. Any conflict which may arise between the Contractor and such other contractors or workers in regard to their Work shall be adjusted and determined by the City. If the Work of the Contractor is delayed because of any acts or omissions of such other contractors or workers, the Contractor shall have no claim against the City on that account other than for an extension of time. When Work under two or more contracts is being executed at one time in such manner that Work on one contract may interfere with that on another, the City shall decide which contractor shall cease Work and which shall continue or whether the Work on both contracts shall progress at the same time and in what manner. The territory of one contract often is the necessary or convenient means of access for transportation of movement of men, materials or appliances required for the execution of another contract. Such privilege of access or any other reasonable privilege may be granted by the City to the extent, manner and at the time which may be reasonably necessary.

VI. Each contractor involved shall release the City and its employees and agents from any and all damages or claims that may arise because of inconvenience, delay or loss experienced by the Contractor because of the presence or actions of third parties.

45. Payment for Labor and Materials

The Contractor agrees that it shall pay promptly for Work, services and labor of every kind and for teamsters, teams, trucks, Subcontractors; equipment employed on the Work; for all materials that it may use in the Work and for all labor and material incidental to the completion of the Work. If evidence is produced before final settlement that the Contractor has at any time failed to pay for work or services of any kind for laborers and/or Subcontractors, teamsters, trucks, or equipment employed on this Work or failed to pay for the materials used therein or if the City has reason to suspect that such payments have not been made, the City may withhold from payments due sufficient moneys to cover these items. Upon satisfactory evidence to the City as to the amount due for such labor and materials used therein, the City may settle and pay for them, and charge the amounts to the Contractor, or deduct them from any balance or balances due the Contractor. The production of receipts showing payment for labor and materials and payment of subcontractors may be required by the City before any partial or final payment is allowed or made.

46. Public Relations and Notifications

I. The Contractor shall carry on the Work in such manner as to cause as little inconvenience as possible to the public, particularly to occupants of property along the project, as is consistent with good workmanship. The Contractor shall notify occupants at least twenty-four (24) hours in advance of proposed Work that may block entrances or otherwise cause undue difficulty to occupants of property affected and shall restore such entrances to usable condition as soon as possible. The Contractor, Subcontractors and employees shall at all times be courteous to the public while engaged upon this Work.

II. The Contractor shall notify all business managers and residents affected by the interruption of utilities and other services caused by its operations. Such notice shall be given at least forty-eight (48) hours prior to the interruption of service. Notice shall be given for the interruption of domestic water, irrigation water, sewer, trash pickup, mail delivery and changes in access to property. Prior to interruption of domestic water

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service, a second notice shall be given no less than one hour and no more than four hours prior to discontinuation of service.

III. Notifications may be verbal or in written form. If the business manager or resident cannot be located, the Contractor shall use door hanger notice cards furnished by the City for interruption of domestic water service. Water services shall not be discontinued for more than two (2) consecutive hours without special written permission from the City. Door hangers shall not be attached to or placed in mailboxes or vehicles.

IV. Contractor is to replace all active taps encountered, and to install taps at all vacant parcels as shown on the drawings or directed by the City. It is Contractor's responsibility to determine which taps are active and which are not and to coordinate with the City in the location of taps to vacant parcels.

V. Where trees, hedges, shrubs, or other ornamental plantings or structures within the construction limits are not designated to be protected or saved, the Contractor shall notify the owner of the property fronting the plantings or structures in question, not less than ten (10) Calendar Days prior to their removal. This notification shall include allowing the property owner the option to transplant the plantings or relocate structures fronting his property onto his property instead of having the Contractor remove them. The Contractor shall bid the project based on assuming responsibility for all removals. This notification requirement is intended as a positive public relations action.

VI. All notifications described and required in this section are considered as incidental to the Work and shall not be measured or paid for separately.

47. Protection and Restoration of Property and Landscape

I. The Contractor shall be responsible for the preservation of all public and private property and shall protect from disturbance or damage all land monuments, survey monuments and property markers not designated for removal. Prior to disturbance or removal of any survey monuments or property marker, the Contractor shall first notify the property owner or agency having jurisdiction over the marker and shall reference the point in accordance with Section 629 of the Standard Specifications for Road and Bridge Construction.

II. The Contractor shall be responsible for all damage or injury to property of any character during the prosecution of the Work resulting from any act, omission, neglect, or misconduct in its manner of method of executing the Work, or any time due to Defective Work or materials, and said responsibility shall not be released until the project has been completed and accepted or until any applicable warranty periods have expired, whichever is later.

III. When or where any direct or indirect damage or injury is done to public or private property by or on account of any act, omission, neglect, or misconduct by the Contractor in the execution of the Work, or in consequence of the non-execution thereof by the Contractor, the Contractor shall restore, at its own expense, such property to a condition similar or equal to that existing before such damage or injury was done, by repairing, rebuilding, or otherwise restoring as may be directed, or it shall otherwise make good such damage or injury in an acceptable manner.

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IV. The Contractor shall assume full responsibility and expense for the protection of all public and private property, structures, water mains, sewers, utilities, etc., both above and below ground, at or near the site or sites of the Work being performed under the Contract, or which are in any manner affected by the prosecution of the Work or the transportation of men and materials in connection therewith. The Contractor shall give reasonable written notice in advance to the Department of the City having charge of any property or utilities owned by the City and to other owner or owners of public and private property or utilities when they shall be affected by the Work to be performed under the Contract. The Contractor shall make all necessary arrangements with such Department, Departments, owner or owners for the removal and replacement or protection of such property or utilities.

V. Track equipment used on paved areas shall be fitted with pavement tracks, or other means shall be provided to protect the pavement. The City prior to use shall approve such equipment.

48. Cleaning Up

I. The Contractor shall be responsible for clean up and containment operations on a daily basis to prevent rubbish, debris, or other materials from blowing or spreading offsite. The Contractor shall remove and clean up all rubbish, debris, excess material, temporary structures, tools and equipment from streets, alleys, parkways, project areas and adjacent property that may have been used, littered or worked on by the Contractor in connection with the project promptly as each section or portion is completed and ready for use, leaving the same in a neat and presentable condition. Payment of monthly or partial estimates may be withheld until this has been done to the satisfaction of the City. Final acceptance and payment for the entire project shall not be made until the clean-up has been fully completed. In the event of failure to do so on the part of the Contractor, the City at the expense of the Contractor shall complete the clean-up.

II. The Contractor shall conduct its operations so as not to have equipment tracking excessive amounts of mud and earth onto the adjacent public streets. Upon notification by the City or its representative, the Contractor may be required to clean from public streets mud and/or earth tracked by its equipment or that of subcontractors or material suppliers to the project. This authority shall be exercised only where the amount of tracked mud and/or earth is considered excessive in the judgment of the City. A certain amount of trackout from the project area is reasonably expected to occur. The extent of this condition is directed only at "excessive" trackout which would constitute a nuisance or hazard to motorists on public streets.

49. Assignment or Subletting

I. The Contractor shall not assign or subcontract the whole or any part of the Contract without the prior written consent of the City. In no case shall the Contractor be permitted to subcontract more than seventy-five percent (75%) of the total amount of the Contract, unless otherwise specified in the Special Conditions.

II. The Contractor shall not employ any Subcontractor against whom the City may have reasonable objection, nor shall the Contractor be required to employ any Subcontractor against whom the Contractor has reasonable objection. The Contractor shall not make

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any substitution for any Subcontractor who has been accepted by the City, unless the City determines that there is good cause for doing so. All requests for Subcontractor substitutions shall be made to the City in writing.

III. The Contractor shall be fully responsible for all acts and omissions of its Subcontractors and of persons directly or indirectly employed by them and of persons for whose acts any of them may be liable to the same extent that it is responsible for the acts and omissions of persons directly employed by it. Nothing in the Contract Documents shall create any contractual relationship between any Subcontractor and the City or any obligation on the part of the City to pay or to see to the payment of any moneys due any Subcontractor, except as may otherwise be required by law. The City shall furnish to any Subcontractor, to the extent practicable, evidence of amounts paid to the Contractor on account of specific work done.

IV. The divisions and sections of the Specifications and the identifications of any Drawings shall not control the Contractor in dividing the Work among Subcontractors or delineating the Work to be performed by any specific trade.

50. Excess Material

I. Unless otherwise specified or directed by the City, all excess excavated material, including soil, gravel, asphalt pavement and miscellaneous concrete, shall become the property of the Contractor and shall be hauled to a location secured by the Contractor and approved by the City.

II. Any radioactive material (as determined by the Colorado Department of Health or Environment) to be excavated and disposed of, shall be hauled by the Contractor to a site designated by the Colorado Department of Health or Environment. The Contractor shall make all arrangements for removing and disposing of this material. This work shall be paid for in accordance with the Standard Specifications for Road and Bridge Construction.

51. Stockpiling Materials and Equipment

When approved by the City, the Contractor may stockpile and store materials and equipment within public right-of-way so long as such storage does not create an unsafe condition or obstruct any walkway or traffic lane. All materials and equipment left at the end of the day shall be moved as far as possible from the traveled roadway and intersections. If the Contractor is allowed to stockpile or store equipment and materials on the shoulder of the roadway, such obstruction shall be barricaded or marked in accordance with the MUTCD. The Contractor shall be responsible for obtaining, in writing, permission to use private property for storage of materials and equipment. Copies of these agreements shall be submitted to the City. The Contractor shall bear the risk of damage and/or loss to stored equipment or materials.

52. Operations, Staging and Use of Private Utilities

I. All operations of the Contractor (including storage of materials, supplies and equipment) shall be confined to areas authorized by the City. The Contractor shall be liable for any and all damages caused by it to such premises. The Contractor is solely responsible for acquisition and payment for any other staging area to be used. The

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Contractor shall not connect to or use any private water or electric services or other facilities on private property without the written permission of the property owner or tenant.

II. The Contractor shall hold and save the City free and harmless from liability of any nature or kind arising from any use, trespass or damage occasioned by its operations on the premises of third persons.

III. The Contractor shall be wholly responsible for the care, compliance with the law, and storage of materials, supplies or equipment delivered on the worksite or purchased for use thereon. Stored materials, supplies or equipment shall be carefully and continuously protected from damage or deterioration and so located as to facilitate inspection by the City. The responsibility for the care and storage of materials, supplies or equipment shall be with the Contractor whether such materials, supplies or equipment are furnished by the Contractor or by the City. Storage of materials, supplies or equipment shall not unduly interfere with the progress of the Contractor's work or the work of any other contractor.

53. Survey Reference Points

I. All Work done under this Contract shall be done to the lines, grades and elevations shown on the plans or established by the City.

II. Any Work done without being properly located by reference to established monuments, benchmarks, or other basic reference points which have been located, established or checked by the City may be ordered, removed and replaced at the Contractor's cost and expense.

III. The Contractor shall be held responsible for the proper preservation of all monument, benchmarks, reference points, and stakes. If any of them are disturbed or destroyed by the Contractor, its employees and/or subcontractors, any City costs incurred in replacing all such marks shall be charged against the Contractor who shall not be granted an extension of time or allowed any damages for delays resulting from such disturbance or destruction.

54. Construction Surveying and "As-Built" Drawings

I. By contract with its surveyor, the Contractor shall be responsible for all construction surveying, calculating, layout and staking necessary for construction of all elements of the project. All construction surveying and preparation of As-Built drawings shall be in accordance with Section 625 of the City's Standard Specifications for Road and Bridge Construction.

II. As the work progresses and throughout the duration of the Project, the Contractor and/or its Surveyor shall prepare and maintain a current a set of As-Built Construction Drawings showing all changes and deviations from the drawings that were made in the constructed improvements. This shall include all changes in horizontal location and vertical elevation of all constructed improvements, both underground and on the surface. The As-Built drawings shall be available to the Construction Inspector and the City at the job site during working hours.

55. Weekly Meetings

Weekly or other regularly scheduled or periodic meetings, if required by the City, shall typically be held between the City, Contractor and other affected agencies at a standard time and place, established during the preconstruction meeting, or as otherwise scheduled by the City. These meetings shall be used to discuss scheduling and critical project issues.

56. Newsletter

I. When specified in the Special Conditions, the Contractor shall be required to prepare a periodic newsletter which shall include a brief description of the following:

- (a) Work completed during the previous period;
- (b) Work scheduled for the next period;
- (c) Information about any road closures, detours and other activities that may cause delays or inconvenience to the neighborhood or the general public;
- (d) Scheduled or planned interruption or changes in any utility services, trash pickup, mail delivery or other services; and
- (e) Project Schedule changes or other information that may be useful or of interest.

II. The City shall furnish the Contractor with a mailing list of property owners, news media and individuals to whom the newsletter shall be sent. Composition, printing and delivery of the newsletter shall be the responsibility of the Contractor. Each newsletter shall be type-written and printed on the Contractor's letterhead and contain the names and telephone numbers of the Contractor's and the City's contact people. The first newsletter shall be prepared and mailed out at least one week before construction begins. The number and frequency of subsequent newsletters shall be as specified in the Special Conditions.

57. Trash Collection

Prior to beginning any work which interferes with the collection of trash, the Contractor shall notify the City's Solid Waste Supervisor, at 244-1570 and all other trash service providers to coordinate trash collection schedules and trash pickup locations. The Contractor shall notify the affected trash service providers when normal collection service may be restored.

58. Mail Delivery Service

Prior to beginning any work which will interfere with the delivery of mail, the Contractor shall notify the U.S. Postal Service to coordinate mailbox relocations and mail delivery services.

VII. CITY'S RESPONSIBILITIES

59. Availability of Lands

I. The City shall furnish, as indicated in the Contract Documents and not later than the date when needed by the Contractor, the lands upon which the Work is to be done, rights-of-way for access thereto, and such other lands which are designated or required for construction of the project. Easements required for permanent structures or permanent changes in existing facilities shall be obtained and paid for by the City, unless otherwise specified in the Contract Documents. If the Contractor believes that any delay in the City's furnishing these lands or easements entitles it to an extension of the Contract Time, it may make a request therefor. The Contractor shall provide for all additional lands and access thereto that may be required for temporary construction facilities or storage of materials and equipment.

II. Nothing herein contained and nothing marked on the drawings shall be interpreted as giving the Contractor exclusive occupancy of the territory provided by the City. The City and its employees for any purpose, and other contractors of the City for any purpose required by their respective contracts, may enter upon or occupy portions of the land furnished by the City. When the territory of one Contract is the necessary or convenient means of access for the execution of another contract, such privileges of access or any other reasonable privilege shall be granted by the Contractor to the extent, amount, in the manner, and at time necessary. No such joint occupancy or use of the territory shall be made the basis of any claim for delay or damages.

60. Authority of the City Manager

The City Manager is the final representative of the City in all matters concerning Contracts and has the authority to execute and bind the City for same.

61. Authority of the Engineering Manager and Project Engineer

I. The Engineering Manager shall have the authority to order suspension of the Work, to extend the time for completion, to order Additional Work, modifications and alterations, and with the City Manager to terminate the Contract as elsewhere herein provided. The Engineering Manager shall make the final decision on all questions as to acceptable technical fulfillment of the Contract, all disputes from the Contractor as to performance or fulfillment of the Contract, and all questions as to compensation for Work, including Extra Work performed. The Engineering Manager shall have executive authority to make effective all decisions and to direct the Contractor or Contractors to carry out all orders promptly.

II. The Engineering Manager may assume exclusive control of the place of performance of this Contract or any part thereof whenever such place of performance shall be located in public rights-of-way, easements or upon property belonging to the City. Moreover, the City reserves the right at any time to let other contracts in the area or areas covered by the Work included in the Contract; and the City, its other independent Contractors, its agents and employees may enter upon or occupy any part or all the property owned by the City to the extent ordered by the City. The Engineering Manager, under the authority and direction of the Manager, is to exercise general supervision for the City of all Work covered by the Contract. He shall decide any and all questions which may arise as to

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the quality and acceptability of the materials furnished, the Work performed, the manner of performance and the rate of progress of the Work, shall decide all questions that may arise as to the interpretations of the Contract Documents and Specifications, and shall authorize Extra Work. He shall appoint such inspector or inspectors as he deems them necessary for the inspections of materials and Work done under the Contract in order that the Work may be carried out and completed to Final Completion, as such term is defined herein.

III. The Project Engineer shall oversee the design and construction of the project. He has the authority to administer the construction contract and authorize any changes in the contract which do not exceed the contract price. Any question as to the authority of the Project Engineer shall be resolved with the Engineering Manager.

62. Limitations on Engineer's Responsibilities

I. A decision made by the City in good faith, either to exercise or not exercise its authority shall not give rise to any duty or responsibility of the City to the Contractor, any Subcontractor, any of their agents or employees or any other person performing any of the Work.

II. The Engineer shall not be responsible for the construction means, methods, techniques, sequences or procedures, or the safety precautions and programs incident thereto, and he shall not be responsible for the Contractor's failure to perform the Work in accordance with the Contract Documents.

III. The Engineer shall not be responsible for the acts or omissions of the Contractor, or any Subcontractors, or any of his or their agents or employees, or any other persons performing any of the Work.

63. Clarifications and Interpretations

The City shall issue with reasonable promptness such written clarifications or interpretations of the Contract Documents (in the form of Drawings or otherwise) as it may determine necessary, which shall be consistent with or reasonably inferable from the overall intent of the Contract Documents. If the Contractor believes that a written clarification and interpretation entitles it to an increase in the Contract price, the Contractor may make a claim request therefor as provided.

64. Orders To Contractor's Agent

When the Contractor is not present on any part of the Work where it may be desired to give directions, orders may be given by the City or its representative to, and shall be received and obeyed by, the Superintendent or foreman who may have charge of the particular part of the Work in reference to which such orders are given.

65. Authority and Duties of Inspectors

Inspectors may be assigned by the City to inspect materials used and Work done under the Contract. Such inspections may extend to all or any part of the Work and to the preparation or manufacture of the materials to be used. The inspectors shall not be authorized to revoke, alter, enlarge or relax the provisions of the Contract Documents, nor to delay the fulfillment of the Contract by failure to inspect materials and Work with

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reasonable promptness. An inspector is assigned on the Work to keep the City informed as to the progress of the Work and the manner in which it is being done. The Inspector shall also call the attention of the Contractor to any deviations from the Contract Documents and not to act as a foreman for the Contractor. The Inspector shall have authority to reject defective materials and Work, subject to the final decision of the City.

66. Inspection of Work

I. The Inspector is authorized to approve or reject any portion of the Work and may require additional testing as provided by the Contract Documents, but cannot issue instructions contrary to the Contract Documents. Changes to the Contract Documents can only be made by the Engineer and must in writing. No Work shall be covered or backfilled without first having given reasonable advance notice to the City to allow the Inspector to view the Work and circumstances; if despite reasonable advance notice, the City does not timely inspect the Work, the Contractor may cover or backfill the Work but remains responsible for ensuring that the Work complies with the Contract Documents.

II. The Contractor shall regard and obey the directions and instructions of the City and Inspectors when the same are consistent with the Contract Documents; provided, however, that should the Contractor object to any order given by an Inspector, the Contractor may make an appeal to the City, pursuant to Article XV regarding Disputes.

III. Observations, inspections, and tests by the City, Inspector, or others are for the express purpose of providing quality assurance for the sole benefit of the City. Such activities shall not relieve the Contractor from its quality control obligations or from its obligations to perform the Work strictly in accordance with the requirements of the Contract Documents.

IV. Inspectors are placed on the Work to keep the City informed as to the progress of the Work and the manner in which it is being done; to keep records; act as liaison between the Contractor and the City; and to call the attention of the Contractor to any deviations from the Contract Documents. Failure of the Inspector to call the attention of the Contractor to faulty work or deviations from the Contract Documents shall not constitute acceptance of said Work.

V. Since one of the Inspector's primary interests is to see that the work on the Project progresses expediently and in a good and workmanlike manner, the Inspector may at various times offer suggestions to the Contractor, which the Contractor may or may not follow, at its discretion. Such suggestions are never to be considered anything but suggestions and involve no assumption of responsibility, financial or otherwise, by either the Inspector or the City.

VI. The Inspector or the City shall not construe any personal assistance which an Inspector may give the Contractor as the basis of any assumption of responsibility in any manner, financial or otherwise.

VII. The Inspector is not and does not purport to be a safety engineer and is not engaged in that capacity by the City and shall have neither authority nor the

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responsibility to enforce construction safety laws, rules, regulations, procedures for the safety of persons on or about the construction site.

VIII. The presence or absence of an Inspector on the job shall be at the sole discretion of the City and such presence or absence of an Inspector shall not relieve the Contractor of its responsibility to obtain the construction results specified in the Contract Documents.

IX. The Inspector shall not be authorized to approve or accept any portion of the work or to issue instructions contrary to the Contract Documents. Such approvals, acceptance or instructions, when given, must be in writing and signed by the Engineer. The Inspector shall have authority to reject defective materials, subject to the final decision of the Engineer, however, the failure of the Inspector to reject defective materials or any other work involving deviations from the Contract Documents shall not constitute acceptance of such work.

X. Nothing in this subsection shall in any way be construed as to require or to place responsibility for the method, manner or supervision of the performance of the Work under this Contract upon the Inspector or the City. Such responsibility rests solely with the Contractor.

XI. All material and workmanship (if not otherwise designated by the Specifications) shall be subject to inspection, during manufacture and/or construction and at any and all places where such manufacture and/or construction is carried on. The City shall have the right to reject defective material and workmanship or require its correction.

XII. The Contractor shall furnish promptly without additional charge all reasonable facilities, labor, equipment and materials necessary for quality assurance tests that may be reasonably required by the Inspector, including re-testing of failed tests. All inspections and tests by the City shall be performed in such a manner as not to unnecessarily delay the Work. The type, quantity and minimum or acceptable range of results of performance tests shall be as described in the Specifications.

XIII. Should it be considered necessary or advisable by the City at any time before Final Completion of the entire Work to make examinations of work already completed, by removing any part or parts of the same, the Contractor shall upon request promptly furnish all necessary facilities, labor, and material. If any such work is found to be defective, due to the fault of the Contractor or its Subcontractors, it shall pay all the expenses of such examination and of satisfactory reconstruction. If, however, such work is found to meet the requirements of the Contract and the City's decision to remove the work was improper, the "Actual Cost" as defined in Section 71, Method of Payment, necessarily involved in the removal, examination and replacement of the work shall be allowed the Contractor (who shall pay any Subcontractors from money received) and if completion of the Work has been delayed thereby, a suitable extension of time on account of the Additional Work involved shall be allowed if the Contractor makes a written request as provided in the Contract Documents.

XIV. The City must approve the source of supply of each of the materials before delivery is started. Only materials conforming to the requirements of these Specifications and

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approved by the City shall be used in the Work. All materials proposed to be used may be tested at any time during their preparation and use. If, after trial it is found that sources of supply which have been approved do not furnish a uniform product, or if the product from any source proves unacceptable at any time, the Contractor shall furnish approved materials from another approved source. No material which, after approval, has in any way become unfit for use shall be used in the Work. The Contractor shall notify the City a sufficient time in advance of the manufacture or production of materials to be supplied by it under this Contract in order that the City may arrange for mill and factory inspection and testing of same. No materials shipped by the Contractor from the factory prior to having satisfactorily passed such testing and inspection by the City's Representative, or prior to the receipt of written notice from said Representative that such testing and inspection shall not be required, shall be incorporated in the Work. The Contractor shall furnish to the City certified copies of all required factory and mill test reports.

67. Deviation Allowed

I. Finished surfaces in all cases shall conform to lines, grades, cross sections and dimensions shown on the approved Construction Drawings and shall be within the tolerances given in the Project Specifications.

II. Deviations from the approved Construction Drawings, Shop Drawings, or other Contract Documents as may be required by the exigencies of construction shall, in all cases, be promptly determined by the City and authorized in writing. If the City deems it inexpedient to correct Work injured or done in an unauthorized manner, an equitable deduction from the Contract Price of the Work done shall be made by it subject to the approval of the Engineering Manager by Field Order or Change Order.

68. Preconstruction Meeting

Before the Contractor begins Work, the City shall schedule and conduct a preconstruction meeting. At the preconstruction meeting the Contractor shall name its Project Manager and Superintendent, be prepared to discuss the project construction schedule, traffic control plan and other project related issues, coordinate work activities and schedules to accommodate any utility relocations that may be required, establish procedures for the request of partial payments and for preparing/reviewing Shop Drawings and other submittals.

VIII. CHANGES IN WORK OR CONTRACT PRICE

69. Allowance for Change

I. Emergencies. In emergencies affecting the safety of persons, the Work, or property at the site or adjacent thereto, the Contractor, without special instruction or authorization from the City, is obligated to act at its discretion to prevent threatened damage, injury or loss. It shall give the City prompt written notice of any significant changes in the Work or deviations from the Contract Documents caused thereby. If the Contractor believes that Additional Work done by it in an emergency which arose from causes beyond its control entitles it to an increase in the Contract Price or an extension of the Contract Time, the Contractor may make a request therefore on a Request for Adjustments form.

II. Changed Conditions. Should the Contractor encounter or the City discover during the progress of the Work subsurface or latent physical conditions at the site differing materially from those indicated in the Contract Documents; or unknown physical conditions at the site of an unusual nature differing materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in the Contract Documents, the City shall be promptly notified in writing of such conditions. The City shall thereupon promptly investigate the conditions and if it finds they do materially differ and merit an increase or decrease in the cost, or the time required for performance of the Contract, an equitable adjustment shall be made and the Contract modified in writing accordingly.

III. Other Changes. It may become desirable or necessary to change or add to the Work covered by this Contract in order to complete the Project. The City may, at its discretion, require the Contractor to proceed with such changes or additions to the Work. The Contractor shall not, however, perform such Extra Work and furnish such extra materials prior to receiving a written order from the City.

IV. Variation From Contract Quantities. The Contractor shall not exceed the quantity of any Contract pay item without a prior written order from the City. Any increase in the quantity of a Contract pay item shall be requested in writing prior to the performance of the particular Work or placement of the material. This provision shall not apply to increases that are less than \$500 for a particular contract pay item and the total increase in cost of all pay items does not exceed the Contract price.

70. Limitations and Conditions of Change

I. Validity. Contract changes and directives which are made on approved forms shall not invalidate the Contract nor release the Surety. The Contractor shall perform the Work as altered, the same as if it had been a part of the original Contract. Such approved changes become a part of the Contract Documents.

II. 20 % Threshold. The City may find it advisable and has the right to omit portions of the Work and to increase or decrease quantities, and reserves the right to add to or take from any items as may be deemed necessary or desirable. If any such individual increase or decrease does not exceed twenty percent (20%) of the total monetary value of the original Contract, any claim made by the Contractor for any loss of anticipated profits because of any such alteration, or by reason of any variation between the

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approximate quantities and the quantities of Work as done, will not be accepted. If such changes are in excess of the twenty percent (20%) specified above, and if any claim is made because of increased or decreased cost of doing the Work occasioned by such excess, the Contractor shall file a complete cost statement showing in detail all costs in connection of such Work. Then if, in the opinion of the City, an adjustment is warranted, it shall be made only on that portion of the Work involved in the excess of the twenty percent (20%) increase or decrease.

III. Elimination of Completed Work. In case the City shall make any modifications, changes or alterations which would replace or otherwise make useless any Work done under the terms of the Contract, the City shall pay: (a) for any items of Work that have been partially or completely completed in accordance with the Contract prices for such work; (b) for removal of the Work, based on contract prices if available, and if not, on a time and materials basis plus 15% for profit and overhead.

IV. General Contractor as Agent. The City shall negotiate payment for all changes and Extra Work directly with the General Contractor. The General Contractor shall be responsible for the contracts and payments to its Subcontractors.

V. Bond Changes. It is the Contractor's responsibility to notify its Surety of any changes affecting the general scope of the Work or changes in the Contract Price and the amount of the applicable Bonds shall be adjusted accordingly. If the City and the Contractor agree that an adjustment is warranted such that the dollar amount of the Contract will be exceeded by greater than twenty per cent (20 %), the City and the Contractor must agree on an adjusted price for such additional work, which can only be authorized by a written Change Order. Additional costs, if any, of bonding due to additional authorized Work shall be paid by the City. The City may require proof of such incremental or additional costs of bonding.

71. Required Change of Work Forms

I. Use of Forms. With the exception of emergencies as described in Section 69 above, any Extra or Additional Work that is performed by the Contractor before receiving written directives from the Engineer on approved forms as contained in the Standard Contract Documents for Capital Improvements Construction shall be at its own expense. The Engineer shall promptly act on the Contractor's request for any such Extra or Additional Work. Payment therefore shall not be made, nor shall the Contractor have claim for reimbursement thereof.

II. Field Order. The City may authorize changes to, or direct minor variations in, the Work specified in the Contract Documents which do not involve an adjustment in the Contract Price or the Contract Time, and are consistent with the overall intent of the Contract Documents. These may be accomplished by a Field Order and shall be binding on the City and on the Contractor who shall perform the Work involved. If the Contractor believes that a Field Order justifies an increase in the Contract Price or an extension of the Contract Time, the Contractor shall make a request therefore by submitting to the Engineer, a Request for Adjustment form or other written request therefor within five (5) Working Days of the date of issuance of the Field Order.

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III. Work Change Request. The City may desire to make a change in the Work described in the Contract Documents. A Work Change Request shall be used to inform the Contractor of desired changes, and to direct the Contractor to submit a Request for Adjustment for the proposed Work. The City may or may not direct the Contractor to proceed with the Work changes. The work may be authorized by a Change Order or, if circumstances require (for example in order to avoid delay or stoppage of the Work, or to avoid a hazardous condition), the Engineer may authorize the Contractor to proceed by use of a Work Change Authorization, notwithstanding Sections 69 and 71. The Work Change Authorization does not change the Contract Price or the Contract Time, but is evidence that the parties expect that the change(s) directed or documented by the Work Change Authorization, if done, shall be incorporated in a subsequently issued Change Order following negotiations by the parties as to its effect, if any, on the Contract Price or Contract Time.

IV. Request for Adjustments. Prior to or during the course of construction, Additional Work may be required which the Contractor believes provides justification for a change of Contract Price or Contract Time, or both. These may include, but are not limited to: emergencies, changed conditions from those indicated in the Contract Documents and which would not ordinarily be encountered in the Work being performed; or the City's interpretations or directives provided on a Work Change Request; changes in the quantity of any contract item or items listed on the Bid Schedule which in aggregate, result in an increase in the total contract price, as further described in Section 70 above. No change in Contract Price or Contract Time shall be considered or authorized unless a Request for Adjustment form is submitted to the City:

- a) Within two (2) Working Days of the Emergency or discovery of changed conditions which has resulted or may result in Additional Work; or
- b) Within five (5) Working Days after the issuance of a Field Order or Work Change Request, or other event which causes the Contractor to believe that an adjustment is merited; or
- c) Five (5) working days in advance of any non-emergency work that would result in and increase the Contract Price.

A Request for Adjustment may be authorized by a Change Order or a Work Change Authorization.

V. If the City determines that the facts justify such action, Requests for Adjustment may, at the City's sole discretion, be received and considered later than as stipulated above. With the approval of the City Manager or his duly authorized representative, the City may recognize any such request asserted at any time prior to the date of final settlement of the Contract. Notwithstanding, nothing provided in these conditions shall excuse the Contractor from proceeding with the performance of the Work.

VI. Method of Payment. A method of increased or decreased compensation must be established and agreed upon for every Change Order that changes the Contract Price. Only the method of payment indicated on the Change Order and agreed to by both parties is binding under the Contract Documents. The Work Change Request and

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Request For Adjustment forms both provide information regarding method of payment to help expedite agreement on the means of financial compensation for changes. If a change is originated by the City's Work Change Request, the City shall on the form thereof, indicate its recommended method of payment and adjustments of Contract Time, if any. The Contractor shall in submitting a Request for Adjustment and on the form thereof, indicate the method of payment which it would propose for the Additional Work. If the claim is submitted in response to the City's request, the Contractor shall consider the City's recommended method of payment. However, the Contractor may propose a method of payment that is different than that recommended by the City.

The four (4) methods of payment allowed under this Contact are described as follows:

1. By unit prices for the same class Work included in the Contract; or
2. By agreed unit prices; or
3. By agreed lump sum; or
4. The Contractor shall be paid the "Actual Cost" of the Work plus overhead and profit as provided below.

Where Extra Work is paid for under Method 4, the term "Actual Cost" of such Extra Work is hereby defined to be the following:

- (a) Direct Labor. Actual net direct increase or decrease in the cost of the Contractor's labor for all work associated with the change. Contractor's labor shall be limited to labor (including salaried field personnel) that performs the individual change in the Work full-time.
- (b) Labor Burden. Contractor's actual costs for worker's compensation and liability insurance, payroll taxes, social security and employee's fringe benefits (including employer paid health insurance) imposed on the basis of payrolls. This burden must reflect the variability of some burdens, e.g., social security. The burden shall include all small tools which cost less than \$200 apiece.
- (c) Direct Material, Supplies, Installed Equipment. Actual net direct costs of materials, supplies and equipment incorporated in or consumed by the work. If actual costs are not available, the cost shall be the lowest commercially available price including all discounts and rebates and all applicable taxes. Cost shall be based on buying the material, supplies and equipment in the largest practical quantity to receive quantity discounts.
- (d) Equipment. Actual net cost to the Contractor of owned and/or rented equipment other than small tools, to be determined using the following methods:

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1. Owned equipment costs, including operating costs, shall be determined in accordance with the requirements and provisions applicable to owned equipment and extra work contained in the current edition of the Rental Rate Blue Book for Construction Equipment published by Primedia Information Inc. If the City and Contractor agree on owned equipment costs, those costs shall be used. However, if there is no agreement, the Rental Rate Blue Book shall be used.
 2. Rental equipment costs shall be determined using actual invoiced rates less all discounts for bare equipment rental. Operating costs will be determined based on rates in the above-cited Rental Rate Blue Book.
 3. Mobilization/demobilization costs shall be paid if the equipment is mobilized exclusively for work described in a Change Order. If the equipment is used on base contract work, no mobilization or demobilization cost shall be paid. Mobilization/demobilization cost shall be based on using the least expensive means to mobilize or demobilize. Equipment shall be obtained from the nearest available source. When the least expensive methods are used, then costs shown in the actual invoice shall be the basis for pricing.
- (e) Bonds, Insurance, Permits and Taxes. Actual increase or decreases in the cost of premiums for all bonds and insurance, permit fees, and sales, use or similar taxes related to the work.
- (f) Subcontract Costs. Net cost of Subcontractor work at any tier, provided that the cost of the Subcontractor is determined in accordance with the above requirements. When possible, the Contractor shall obtain quotes from more than one Subcontractor.
- (g) Overhead and Profit.
1. Twelve percent (12%) of the sum of Subparagraphs (a) through (e) above, to cover a Contractor's or Subcontractor's overhead and profit for work performed by that Contractor or Subcontractor.
 2. Three percent (3%) of Subparagraph (f) above to cover Contractor's overhead and profit for overseeing work performed by Subcontractors at any tier.
 3. Neither the Contractor nor any Subcontractor, nor the City in the case of a credit, shall attempt to apply these percentage adjustments in a way which would pyramid either the cost or credit because a Subcontractor or Subcontractors at any tier are involved.

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4. The overhead and profits payments provided for in this subparagraph to be paid to the Contractor shall cover and be compensation for the Contractor's profit, home office overhead, general superintendence, and field office expense, and all other elements of costs not embraced within the actual costs as defined above.

IX. CHANGES IN CONTRACT TIME

72. Extension of Contract Time

I. The Contract Time may only be changed by a Change Order. Any Request For Adjustment of the Contract Time shall be in writing delivered to the City within the time limit as stipulated for changes in Contract Price. Any change in the Contract Time resulting from any such Request shall be incorporated in a Change Order.

II. The Contractor shall be considered as having taken account, when submitting its Bid, which becomes a part of the Contract, all hindrances and delays incident to the Work, whether growing out of delays in securing material or workers, inclement weather, or otherwise. Should the need for further extensions be necessary, Contractor shall contact the City to request such reasonable extensions. In the case of inclement weather, should the Contractor and the City be unable to agree on the necessity for an extension of time, then an extension of time shall be granted only after taking into consideration the average of the preceding ten (10) years' climatic range during the specified Contract Time based on statistics of the National Weather Service for the locality where the Work is performed and usual climatic conditions prevailing in such locality. The amount of Contract Time allowed for such extension shall be determined from the Inspector's daily inspection reports. Regardless of actual weather conditions, any day in which the Contractor is able to work eighty (80) percent or more of its scheduled work force shall not be counted as an inclement weather day for purposes of calculating a weather-related extension of the Contract Time. The existence of inclement weather shall not relieve the Contractor of the burden of proving that the inclement weather delayed specific activities that were on the then-current critical path that controlled the overall completion of the Work.

III. The right of the Contractor to proceed shall not be terminated, nor will the Contractor be charged with Liquidated Damages because of any delays in the completion of the Work due to causes that are beyond the control of the Contractor and which the City shall decide could not have been anticipated or avoided. An extension of time shall only be granted by the City in such amount of time to be determined by the City. The Contractor shall give the City notice in writing within five (5) days from the beginning of any delay or when Contractor is made aware of such delay and the cause thereof.

IV. The Contractor shall support any request or proposal for an adjustment in Contract Time with a schedule analysis which shows how and where a delay on the critical path of the Project occurs and shall affect the Contract Time. This submittal shall include a description of the Contractor's effort to reschedule work in order to mitigate the effect of the changes on the schedule.

V. If the parties cannot reach agreement and the Contractor otherwise complies with the requirements of these Contract Documents, the City shall ascertain the facts and the extent of the delay and extent of time for completing the Work when, in its judgment, the finding of facts justify such an extension. The City's finding of facts thereon shall be final and conclusive on the parties hereto, subject only to appeal, within thirty (30) days, by the Contractor to the City Manager.

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VI. Failure to strictly comply with the timing and submittal requirements of this section shall constitute a waiver of any request for an extension of the Contract Time.

VII. All Contract Time extensions shall be by written Change Order. No oral time extensions shall be granted by the City or relied upon by the Contractor.

73. Delays and Liquidated Damages

I. If the Contractor refuses or fails to prosecute the Work, or any part thereof, with such diligence as shall insure its completion within the time specified in the Special Conditions or any extension thereof or fails to complete said Work within such time, the City may, by ten (10) Working Days written notice to the Contractor and its Sureties, terminate its right to proceed with the Work or such part of the Work as to which there has been a delay.

II. In the event of delays as described above, the City may take over the Work and prosecute the same to completion, by contract or otherwise. The Contractor and its Sureties shall be liable to the City for any excess cost occasioned the City. If the Contractor's right to proceed is so terminated, the City may take possession of and utilize in completing the Work all such of the materials purchased by Contractor for this Project, including but not limited to, materials, appliances, equipment, tools, machinery, and plants as may be on the site of the Work and necessary therefore. The right of the Contractor to proceed shall not be terminated because of any delays in the completion of the Work due to causes beyond the control and without the fault or negligence of the Contractor, such as acts of God or of the public enemy, acts of the City, freight embargoes, strikes, or delays of other contractors due to such causes.

III. Liquidated Damages. If the Contractor does not achieve Final Completion by the required date, as the City may extend such date in writing, and the City does not terminate the contract as provided for in paragraphs I and II above, whether by neglect, refusal or any other reason, the parties agree and stipulate that the Contractor shall pay liquidated damages to the City for each day that final completion is late. As provided elsewhere, this provision does not apply to delays caused by the City.

The Contractor agrees that as a part of the consideration for the City's awarding of this Contract liquidated damages in the amount specified in the Special Conditions is reasonable and necessary to pay for the actual damages resulting from such delay. The parties agree that the real costs and injury to the City for such delay include hard to quantify items such as: Additional engineering, inspection and oversight by the City and its agents; additional contract administration; inability to apply the efforts of those employees to the other work of the City; perceived inefficiency of the City; citizens having to deal with the construction and the Work, rather than having the benefit of a completed Work, on time; inconvenience to the public; loss of reputation and community standing for the City during times when such things are very important and very difficult to maintain.

The Contractor must complete the Work and achieve final completion included under the Bid Schedule in the number of consecutive calendar days after the City gives is written Notice to Proceed. When the Contractor considers the entire Work ready for its intended use, Contractor shall certify in writing that the Work is substantially complete. In addition to the Work being substantially complete, Final Completion date is the date by which the

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Contractor shall have fully completed all clean-up, and all items that were identified by the City in the inspection for final completion. Unless otherwise stated in the Special Conditions, for purposes of this liquidated damages clause, the Work shall not be finished and the Contract time shall continue to accrue until the City gives its written Final Acceptance.

If the Contractor shall fail to pay said liquidated damages promptly upon demand thereof after having failed to achieve Final Completion on time, the City shall first look to any retainage or other funds from which to pay said liquidated damages; if retainage or other liquid funds are not available to pay said liquidated damages amounts, the Surety on the Contractor's Performance Bond and Payment Bond shall pay such liquidated damages. In addition, the City may withhold all, or any part of, such liquidated damages from any payment otherwise due the Contractor.

Liquidated damages as provided do not include any sums to reimburse the City for extra costs which the City may become obligated to pay on other contracts which were delayed or extended because of the Contractor's failure to complete the Work within the Contract Time. Should the City incur additional costs because of delays or extensions to other contracts resulting from the Contractor's failure of timely performance, the Contractor agrees to pay these costs that the City incurs because of the Contractor's delay, and these payments are separate from and in addition to any liquidated damages.

The Contractor agrees that the City may use its own forces or hire other parties to obtain Substantial or Final Completion of the work if the time of completion has elapsed and the Contractor is not diligently pursuing completion. In addition to the Liquidated Damages provided for, the Contractor agrees to reimburse the City for all expenses thus incurred.

X. CLAIMS

74. Notice of Intent to Claim

I. If after receiving a decision from the City that a Change Order shall not be issued, as requested by the Contractor, or the Contractor does not agree with the City's decision on a change in price or time and the Contractor intends to submit a claim therefor, the Contractor shall submit in writing a Notice of Intent to Claim to the City. A Notice of Intent to Claim for change in price or time cannot be filed unless a Request for Adjustment has first been made in accordance with Section 70.

II. The written Notice of Intent to Claim shall be clearly titled as such and all Notices shall be numbered sequentially. The Notice shall contain the following:

- (a) Date of the event giving rise to the claim.
- (b) A description of the claim.
- (c) The reasons why the Contractor believes additional compensation or time is due or charges were wrongly assessed.
- (d) An estimate of any additional costs associated with the claim.
- (e) The Contractor's plan for mitigating costs or delays associated with the claim.

III. The Notice of Intent to Claim described above shall be given within ten (10) days after denial of any request for a change in the Contract Amount or Contract Time contained in a Request for Adjustment.

75. Submittal of Claim

I. The Contractor shall, within twenty (20) days after it submits a Notice of Intent to Claim, submit to the City a complete and itemized claim which includes any claimed increase in Contract Time and Contract Amount. The Contractor may request an extension of time to submit the claim, which extension may be granted by the City for good cause shown. The claim must be described in sufficient detail to allow the City to evaluate the basis of and costs associated with said claim. A claim for increase in Contract Amount shall be submitted based on actual costs whenever possible, rather than estimate or opinion, and shall be supported by invoices, time cards, and other business records commonly accepted in the industry. The claim shall be accompanied by copies of all contract provisions or other documents relied on and a summary of the legal and factual theories supporting the claim. A claim for time extension must be accompanied by a revised construction schedule reflecting the effects of the delay on the critical path and showing actions which the Contractor has taken or proposes to take to minimize the effects of the delay. The claim shall also identify any measures the City can take to minimize the claim.

II. The Contractor shall furnish upon request all additional information and data which the City determines is needed to aid in resolving the claim through negotiation or which

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is required to complete an evaluation of the claim. The Contractor shall give the City access to its books, correspondence, records and other materials relating to the work described in the claim, shall require its Subcontractors and suppliers to provide the City with such access, and shall make its personnel and that of its Subcontractors and suppliers available to discuss and answer cost, schedule and other questions related to its claim. Clear copies of all necessary supporting records shall be provided to the City at no cost. Failure to submit requested information may be the basis for denial of a claim.

III. Failure to submit the claim in writing within the time and in the manner described above, or within such extended time granted by the City, shall constitute a waiver by the Contractor of any right equitable or otherwise to make such claim.

IV. The Contractor shall submit with its claim a sworn and notarized certificate that:

- (a) The claim is made in good faith;
- (b) All supporting data are accurate and complete to the best of the Contractor's knowledge and belief;
- (c) The amount requested is not overstated or inflated and fairly and accurately reflects that contract adjustment for which the Contractor believes the City is liable; and
- (d) The prices stated for material and equipment are the lowest reasonably available to the Contractor and include all available discounts.

V. If the Contractor is an individual, that individual shall execute the certification. If the Contractor is not an individual, the certification shall be executed by (i) a senior company official in charge of the work performed under this Contract; or (ii) an officer or general partner of the Contractor.

VI. The City or its designee shall investigate, review and evaluate the claim and make a determination. Such determination shall be made in writing within thirty (30) days of receipt of a completed and fully-documented claim; however, if special circumstances exist or the claim is unusually complex, the Contractor shall be notified of a longer period.

VII. The Contractor shall proceed diligently with performance of this Contract, pending final resolutions of any claim made under this Section, and shall comply with any decision of the City pending final resolution of the claim. Failure to proceed with the work shall be grounds for suspension or termination of the Contractor. Any dispute regarding decision of the City shall be handled pursuant to Article XV. Disputes.

VIII. If the Contractor agrees with any determination or resolution by the City requiring a change in Contract Time or Amount, it shall be processed as a Change Order.

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IX. Failure to meet any of the requirements of this Section in a timely and complete manner shall constitute a waiver by the Contractor of any right to adjustments of Contract Time or Amount either by administrative review or by any other action at law or equity.

XI. WARRANTY AND GUARANTEE

76. Contractor's Warranty and Guarantee

I. The Contractor warrants and guarantees to the City that all materials and equipment shall be new, unless otherwise specified, suitable for the purpose used, and shall be of good quality and free from faults or defects and in accordance with the requirements of the Contract Documents and of any inspections, tests or approvals required.

II. The Contractor further warrants that it has full title to all equipment, components and other items conveyed to the City under the terms of this Contract, that its transfer of such title to the City is rightful and that all such equipment, components and other items shall be transferred free and clear from all security interests, liens, or encumbrances, whatsoever. The Contractor agrees to warrant and defend such title against all persons claiming the whole or any part thereof at no cost to the City.

III. All Subcontractors,' manufacturers' and suppliers' warranties and guarantees, expressed or implied, for any part of the Work and any materials used therein shall be obtained and enforced by the Contractor for the benefit of the City whether or not such warranties have been assigned or otherwise transferred to the City. The Contractor shall assign or transfer such warranties and guarantees to the City if the City requests the Contractor to do so, but such transfer shall not affect the Contractor's obligation to enforce such warranties and guarantees on the City's behalf.

IV. After approval of final payment and prior to the expiration of the Warranty Period, if any work is found to be defective, the Contractor shall promptly, without cost to the City and in accordance with the City's written instructions, either correct such Defective Work, or, if it has been rejected by the City, remove it from the site and replace it with non-Defective Work.

The Warranty Period is one year after the date of Final Completion and Acceptance unless specified otherwise in the Special Conditions. If only a portion of the Work is defective, the Warranty shall be extended for an additional one year period following Acceptance of the correction, repair or replacement of the portion or segment of the Work.

V. If within ten (10) days after written notice by the City to the Contractor, or its agent, requesting such repairs or replacement, the Contractor shall neglect to make or undertake with due diligence to do the same, the City may make such repairs or replacement in accordance with the terms of the Contractor's Performance Bond at the Contractor's and/or Surety's expense, provided, however, that in the case of emergency where, in the judgment of the City, delay would cause serious loss or damage, repairs or replacement may be made without notice being sent to the Contractor. The Performance Bond shall expire upon the expiration of the Warranty Period.

VI. The duties and obligations imposed by these General Contract Conditions and the rights and remedies available hereunder and, in particular but without limitation, the warranties, guarantees and obligations imposed upon the Contractor and the remedies available to the City thereunder, shall be in addition to and not a limitation of any

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otherwise imposed or available by law, by special guarantee or other provisions of the Contract Documents.

VII. Nothing herein shall be construed to establish a period of limitation with respect to any other obligation which the Contractor may have under the Contract Documents. The establishment of the warranty period set forth above relates only to the specific obligations of the Contractor to correct known defects in the Work which are discovered and called to the Contractor's attention during the warranty period, and has no relationship to the time within which its obligation to comply with the Contract Documents may be sought to be enforced, nor to the time within which proceedings may be commenced to establish the Contractor's liability with respect to its obligations and resulting damages. Nothing herein shall limit the City's right to seek recovery for latent defects which are not observable until after the warranty periods have run.

VIII. Portions of the work may be accepted by the City for warranty purposes upon substantial completion and when the City finds it to be of benefit to place that unit of work in service. A later warranty period shall begin upon Final Completion and Acceptance for those items not previously completed.

XII. MEASUREMENT, PAYMENT AND ACCEPTANCE

77. General Measurement and Payment Issues

I. Bid Schedule Quantities. Estimated quantities listed in Bid Schedules shall not govern final payment. Said payment shall be once each month unless otherwise approved by the City. The City shall make all measurements and determine all quantities and amounts of work done under the Contract. At the time measurements are made for quantity determinations, the Contractor or its authorized assistant shall be present to verify such measurements. Whenever applicable, Contractor shall adhere to the provisions in Section VIII referring to changes in Work or Contract Price.

II. Unauthorized and Non-Conforming Materials and Work. Payment shall not be made for materials wasted, placed or installed in a manner not called for under the Contract Documents. This includes rejected material not unloaded from vehicles, material rejected after it has been unloaded or placed, and material placed outside of the plan lines. Compensation shall not be made for disposing of rejected or excess material, nor for Defective Work.

III. Limitations of Payment. Payment shall not relieve the Contractor from contractual obligations, nor shall such payment be construed to be acceptance of any of the Work. Payment shall be construed as the transfer of ownership of any non-defective equipment or materials to the City.

IV. Contractor's Responsibility. Responsibility shall remain with the Contractor who shall be obligated to store, protect, repair, replace, rebuild or otherwise restore any fully or partially completed Work or structure for which payment has been made, or replace any materials or equipment required to be provided under the Contract which may be damaged, lost, stolen or otherwise degraded in any way prior to acceptance of the Work under the Contract.

V. Extra or Changed Work. Unless a written Change Order is approved, extra or changed Work, or Work due to unforeseen circumstances, or Work requiring blasting, rock excavation, or other severe conditions, shall not be paid for, and shall be at the Contractor's expense.

78. Partial Payments

I. Partial payments shall be based upon written estimates, prepared by the Contractor, of the value of Work performed and materials placed in accordance with the Contract Documents. Said payments shall be made no more than once each month, unless otherwise approved in advance by the Engineering Manager.

II. Estimates for partial payment shall be prepared on, or in the format of, the Request For Payment form, a copy of which is provided in the Standard Forms contained in this document.

III. The City may establish a closure date for the purpose of receiving monthly applications for payment from the Contractor. The Contractor may at any time request in

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writing that the monthly closure date be changed. The City may approve such request when the request is compatible with the City's payment policy and procedures.

IV. The processing of Requests for Payment which are received after the specified closure date may be delayed until the closure date of the following month.

V. Requests for Payment shall be completed according to the pay items, pay units, and unit prices listed in the Bid Schedule. Lump sum pay items may be estimated according to the percentage of each item completed.

VI. All applications for payment are subject to review and approval by the City. Pay estimates which exceed the value of Work performed and/or materials installed for the pay period may be reduced or rejected.

VII. If payment is requested on the basis of materials and equipment delivered, but not incorporated in the Work, the application shall be included on the Request For Payment form. This form shall be accompanied by an invoice, proof of payment and other documentation for each item as required to establish the City's title to the material or equipment and protect its interest therein, including appropriate insurance.

VIII. After each application for payment has been certified by the City and approved by the Manager, the City shall pay to the Contractor partial payment minus retainage as specified herein.

IX. Partial payments shall be made within ten (10) days after the closure date. If the City shall at any time fail to make the Contractor a payment at the time herein specified, such failure shall not be held to invalidate or void this Contract.

79. Retainage

The amount to be retained from partial payments shall be ten (10) percent of the total value of the work completed as determined from the cumulative requests for payment until fifty (50) percent of the work required by the contract has been performed. Thereafter the City shall pay any of the remaining installments without retaining additional funds if in the opinion of the City satisfactory progress is being made in the work. The withheld percentage shall be retained until the contract is satisfactorily completed and finally accepted by the City. If the City finds that satisfactory progress is being made in all phases of the Contract it may upon written request by the Contractor authorize payment from the withheld percentage to the Contractor or subcontractors that have completed their work in a manner finally acceptable to the City. Before such payment is made the City shall determine that satisfactory and substantial reasons exist for the payment and shall require written approval from any surety furnishing bonds for the contract work. Whenever a Contractor receives payment pursuant to this section the Contractor shall make payments to each of his subcontractors in accordance with 24-91-103 C.R.S. The determination of satisfactory progress shall be made in the sole discretion of the City.

80. Notice of Substantial Completion

I. When the Contractor considers the Work substantially complete, the Contractor shall make a written request to the City for the issuance of a Notice of Substantial Completion.

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The City, upon receipt of the written request, shall conduct an inspection of the Work and either issue a written Notice of Substantial Completion or deny the Contractor's request and provide the reasons for such denial.

II. In the case of a denial of the issuance of a Notice of Substantial Completion, the Contractor shall complete the Work so as to address the City's concerns and comply with the Contract Documents and shall again request in writing that the City issue a written Notice of Substantial Completion. The City shall handle any subsequent requests as outlined above for the first request.

III. If the City grants the Contractor's request and issues a Notice of Substantial Completion, the Notice shall list any remaining items to be completed as "Punch List" items. Upon completion of the Punch List items, the Contractor shall make written application to the City for final inspection and acceptance of the Work.

81. Final Estimate and Payment

I. After the City has accepted the Work, it shall prepare a final estimate of the work done under the Contract and the value thereof, including all Extra Work properly authorized and performed in connection therewith. All prior estimates and payments shall be subject to correction in the final estimate and payment. From the total amount of the final estimate, there shall be deducted first, all previous payments made to the Contractor under the Contract, and second, all damages and other charges properly chargeable to the Contractor under the terms of the Contract. The balance, if any, shall be paid to the Contractor; provided, however, that prior to delivery to the Contractor of the final payment, the Contractor shall first furnish the City proof in affidavit form (lien waiver) that all claims, liens, or other obligations incurred by it and all of its subcontractors in connection with performance of the Work have been properly paid and settled. Information regarding such obligations shall be sworn to by the Contractor and shall include authorization of the Surety on the Performance and Payment Bonds to allow the City to make final settlement with the Contractor. Also, at the time of delivery to the Contractor of the final payment, the Contractor shall execute and give to the City a Final Receipt and Release form provided in the Standard Forms.

II. In the event there are at the time set for final settlement outstanding claims against the Contractor or its Subcontractors, or for any other reason the Contractor is unable to give a proper affidavit that liens or other obligations have been properly paid and settled, the City Manager, in his sole discretion, may waive the requirement of the said affidavit provided the Surety on the Performance and Payment Bonds agrees to the City making final settlement without in any way lessening or modifying the Surety's liability under such Performance and Payment Bonds. Further, when final settlement is made the City shall withhold from payment any funds it may be required by law to withhold, and final payment shall not be made until in the determination of the City Manager all conditions of law have been met.

III. The City shall not make final settlement until any and all public legal advertisements have been made.

82. Acceptance of Work

I Partial Acceptance. If at any time during the prosecution of the Project, the Contractor substantially completes a unit or portion of the Project, and if the City finds it to be in the City's benefit to place that unit into service, the City may make an inspection of that unit. If the City finds upon inspection that the unit has been satisfactorily completed in compliance with the Contract, it may issue a written Notice of Partial Acceptance accepting that unit or portion of the Work. Such partial acceptance shall in no way void or alter any of the terms of the Contract.

II Final Acceptance. Upon due notice from the Contractor of presumptive completion of the entire Project, the City shall make an inspection. If all construction provided for and contemplated by the Contract is found completed to its satisfaction, that inspection shall constitute the final inspection and the City shall make the final acceptance and issue the Contractor a Notice of Final Acceptance effective on the date of final inspection.

If, however, the inspection discloses any Work, in whole or in part, as being unsatisfactory, the City shall give the Contractor the necessary instructions for correction of same, and the Contractor shall immediately comply with and execute such instructions. Upon correction of the Work, another inspection shall be made which shall constitute final inspection provided the Work has been satisfactorily completed. In such event, the City shall make the final acceptance and notify the Contractor in writing of this acceptance as of the date of final inspection.

The Contractor's obligation to perform the Work and complete the project in accordance with the Contract Documents shall be absolute. Neither approval of any partial or final payment by the City, nor any payment by the City to the Contractor under the Contract Documents, nor any use or occupancy of the project or any part thereof by the City, nor any act of acceptance by the City, nor any failure to do so, nor any correction of Defective Work by the City shall constitute an acceptance of Work not in accordance with the Contract Documents.

XIII. SUSPENSION OF WORK AND TERMINATION

83. Suspension of Work

I. The City may, at any time and without cause, suspend the Work or any portion thereof for a period of not more than ninety (90) days by notice in writing to the Contractor by the City which shall fix the date on which Work shall be resumed. The Contractor shall be allowed an increase in the Contract price or an extension of the Contract Time, or both, directly attributable to any suspension if it makes a request therefore as provided.

II. Such order by the City shall not otherwise modify or invalidate in any way any of the provisions of the Contract.

84. Contract Default and Termination of Contract by City

I. The City Manager may serve ten (10) days written notice upon the Contractor of the intent to declare the Contractor in default and/or terminate the Contract, if: 1) the Work to be performed under the Contract is assigned by the Contractor other than provided for herein; 2) the Contractor is adjudged as bankrupt; 3) a general assignment of its assets be made for the benefit of its creditors; 4) a receiver is appointed for the Contractor or any of its property; 5) the performance of the Work under the Contract is being unnecessarily delayed or that the Contractor is willfully violating any of the conditions, provisions, or covenants of the Contract, or that it is executing the same in bad faith or otherwise not in accordance with the terms of the Contract; 6) the Work is not fully completed within the time named for its completion or within the time to which such completion date may be extended; or 7) if other just causes exist. If the Contractor shall not, prior to the effective date set forth in such notice, take such measures as shall, in the judgment of the City, insure the satisfactory performance of the Work, the Engineering Manager and the City Manager may declare the Contractor in default and/or declare the Contract terminated on the Effective Date specified in such notice, or any date subsequent thereto. In the event of such default or termination, the City shall notify the Contractor to discontinue all Work under the Contract. Upon such default or termination, the City may take possession of all such materials, equipment, tools and plants as may be on the site of the Work and required or necessary for completion of the Work and take over the Work and prosecute the same to completion, by contract or otherwise, for the account and at the expense of the Contractor. The Contractor and its Surety shall be liable to the City for any and all costs and expenses in excess of the Contract price or prices sustained by the City by reason of such prosecution and completion, including all administrative costs and attorneys' fees in connection therewith.

II. Where the Contractor's services have been so terminated by the City, said termination shall not affect any rights of the City against the Contractor then existing or which may thereafter accrue. Any retention or payment of moneys by the City due the Contractor shall not release the Contractor from liability and all the Contractor's obligations under the Contract shall survive any such termination.

III. In the event a court of competent jurisdiction determines that any termination of Contractor pursuant to this paragraph was wrongful or inappropriate, said termination shall be deemed a Termination for Convenience pursuant to Article XIV and the rights and obligations of the parties shall be determined accordingly.

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XIV. TERMINATION FOR CONVENIENCE

85. Termination of Contract for Convenience

I. The performance of Work under this Contract may be terminated by the City in whole or in part whenever for any reason, in its sole discretion, City shall determine that such termination is in the best interest of the City or whenever the City is prohibited from completing the Work because of conditions beyond the control of either the City or the Contractor. Such termination shall be effected by giving not less than three (3) days written notice to the Contractor specifying the extent to which performance of work under this Contract is terminated and the date upon which such termination becomes effective.

Upon receipt of notice of such termination, the Contractor shall:

- (a) Stop Work as specified in the notice;
- (b) Terminate all orders and subcontracts except as necessary to complete Work which is not terminated;
- (c) If directed by the City, assign all right, title and interest in subcontracts and materials in progress, in which case the City shall have the right, in its discretion, to settle or pay any and all claims arising out of the termination of such subcontracts;
- (d) Settle outstanding liabilities and claims with the approval of the City or its designated representative;
- (e) Complete performance of such part of the Work as has not been terminated; and
- (f) Take such other actions as may be necessary, or as may be directed by the City, for the protection and preservation of the property related to the Contract.

II. Except as provided above, any inventory resulting from the termination of this Contract may, with written approval of the City, be sold or acquired by the Contractor under the conditions prescribed by and at prices approved by the City.

III. Upon receipt of the Notice of such termination, the Contractor shall submit to the City a request for payment of its termination costs, in the form and with certification prescribed by the City. Such request shall be submitted promptly but in no event later than thirty (30) days from the effective date of termination, unless extended in writing by the City upon the written request of the Contractor within such thirty (30) day period. However, if the City determines that the facts justify it, a request may be received and acted upon after thirty (30) days.

IV. The Contractor shall be entitled to receive reimbursement for the reasonable cost of the work and a proportion of the Bid profit as of the date of termination, including, a release of retainage. The City will additionally reimburse the Contractor for such other reasonable costs resulting from said termination such as restocking charges and

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protection of the Work. In the event of termination, the calculation of profit shall be based upon the percentage of Work completed in proportion to the Work contracted, including Changes. The Contractor shall not be entitled to loss of other anticipated profits, profits lost on other work not obtained or any other consequential damages, or any reimbursement for any costs incurred due to the contractor's fault or failure to mitigate, as a result of any such termination for convenience. In no event shall the total sums paid the Contractor exceed the Contract Amount.

In arriving at the amount due the Contractor under this Article, there shall be deducted:

- (a) All un-liquidated advance or other payments therefore made to the Contractor, applicable to the terminated portion of this Contract;
- (b) Any claim which the City may have against the Contractor in connection with this Contract;
- (c) The agreed price for, or the proceeds of sale of, any materials, supplies or other things acquired or sold by the Contractor or sold pursuant to the provisions of this Article not otherwise recovered by or credited to the City; and
- (d) Any outstanding Subcontractor claims.

V. The City may, from time to time, under such terms and conditions as it may prescribe, authorize partial payments and payments against costs incurred by the Contractor for the terminated portion of the Contract, if it is estimated that the total of such payments shall not exceed the amount to which the Contractor shall be entitled. If the total of such payments is in excess, the excess shall be payable by the Contractor to the City upon demand.

VI. A settlement for the work performed shall not relieve the Contractor or its Surety from responsibility for defective work and/or materials on the completed portion of the Work or for payment of labor and materials as guaranteed by the Payment and Performance Bonds.

VII. The City shall be given full access to all books, correspondence, records and other materials of the Contractor relating to this Contract in order to determine the amounts to be paid on account of the termination of the Contract. The Contractor shall, as requested by the City furnish clear copies of any such materials.

XV. DISPUTES

86. Disputes with the City

I. If the Contractor considers any work demanded of him to be outside the requirements of the Contract, or considers any record or ruling of the City or its Inspectors unfair, it shall immediately upon such work being demanded or such record or ruling being made, ask in writing, for written instruction or decision. It shall then proceed without delay to perform the work or to conform to the record or ruling. Within five (5) days after date of receipt of the written instructions or decision, it shall file a Request for Adjustment stating clearly and in detail the basis of its objection.

II. Except for such protests or objections as are made of record in the manner herein specified and within the time limit stated, the records, rulings, instruction, or decisions of the City shall be final and conclusive.

III. The rights and remedies of the City provided in the contract and the General and Specific Conditions to the Contract are cumulative to all other remedies provided by law. The City's rights and remedies include those afforded by law that are not stated therein. The Contractor specifically waives all provisions of Chapter 8, Article 20 of Title 13 C.R.S. regarding defects in the Work under the Contract.

87. Unresolved Disputes

I. If disputes remain unresolved, the Contractor and the City shall submit to non-binding mediation. If mediation is unsuccessful, the Contractor and/or the City expressly reserve(s) the right to file a civil action pursuant to the Colorado Rules of Civil Procedure.

II. The mediator shall be a neutral decision-maker with experience on municipal construction projects. The parties shall attempt to jointly select the mediator from a list of proposed mediators generated by the parties. The parties may seek the assistance of the American Arbitration Association in generating a list of potential mediators. In the event that the parties are unable to agree on a mediator, the City shall select the mediator. Each party shall bear its own costs associated with presenting any disputes to the mediator, which costs shall not be recoverable as part of a change order or in any subsequent litigation.

III. No decisions or statements of the mediator shall be admitted as evidence in any litigation between the parties nor shall the mediator be called to testify in any litigation between the parties concerning such disputes.

IV. The submittal of disputes to non-binding mediation shall be a condition precedent to commencing litigation by either party.

V. In the event any dispute, mediation or litigation arises under this Contract and during the time such dispute is pending, the Contractor hereby agrees that it shall continue performance under this Contract in accordance with the terms and conditions hereof since time is of the essence. The failure of the Contractor to continue expeditious performance due to a dispute arising under this Contract shall, at the option of the City,

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be construed as a material breach of this Contract justifying termination or such other action as the City deems appropriate.

XVI. TAXES

88. Sales and Use Taxes

I. Pursuant to the City's Sales and Use Tax Ordinance #2551:

MATERIALS:

II. The State of Colorado, Mesa County, and the City are exempt, from sales tax and use tax on construction materials and fixtures to be incorporated in projects for government agencies. This includes projects contracted with the City.

III. The construction materials and fixtures must become an integral and inseparable part of the finished project which then becomes property of the government agency.

IV. The State Exemption Identification must be obtained from the State and shall serve as proper exemption verification for the County **and City** as well. **The Contractor no longer needs to obtain a tax exempt project certificate from the City Finance Department.**

EQUIPMENT:

V. Construction equipment used on tax exempt projects **IS NOT** exempt from taxation. Sales tax must be paid to the vendor on any short term rentals of equipment. City use tax may be due on the Contractor's equipment used inside the City limits for which a prior City sales tax or use tax has not been paid. The Sales Tax Division of the City Finance Office 244-1520 or 244-1521 provides proper forms and procedures.

89. Accounting of Costs and Audit

I. The Contractor shall keep and maintain and shall cause its Subcontractors and outside consultants to keep and maintain books, records, accounts and other documents (hereinafter collectively referred to as "records") that are sufficient to accurately and completely reflect all costs incurred pursuant to this Contract, including costs which may be the basis of a Contractor Change Request or a claim by the Contractor. Such records shall include the bid estimate and all bid work papers and take-offs, receipts, memoranda, vouchers, and accounts of every kind and nature pertaining to the performance of the work, including but not limited to job cost ledgers, invoices from and payments to Subcontractors, material purchases, records of home and field office overhead, as well as complete summaries and reports setting forth all reimbursable man-hours expended and payroll and equipment records. All such records shall be kept for three (3) years from the date of Final Completion.

II. The City and any firm of auditors retained by the City shall have access, upon reasonable advance notice in writing, to all such records maintained by the Contractor and its Subcontractors and consultants, for the purpose of auditing and verifying Contractor's costs or any other costs claimed to be due and payable hereunder.

III. The Contractor shall include in all Subcontracts, consulting agreements and any other agreements entered into by the Contractor for the performance of the Work a provision to the effect that its Subcontractors, consultants or other parties shall observe

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and comply with all obligations of Contractor under this provision in the same manner and to the same extent as Contractor.