

CITY OF FAIRHOPE, ALABAMA
BID AND CONTRACT DOCUMENTS

BID NO. 019-15

SCENIC 98—HWY 104 GAS PIPELINE BORE AND INSTALL 2015

PROJECT NO. GAS001-15

SCENIC 98—HWY 104 GAS PIPELINE BORE AND INSTALL 2015

TIMOTHY M KANT, MAYOR

FAIRHOPE CITY COUNCIL

JACK BURRELL, COUNCIL PRESIDENT

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ITEM I
ADVERTISEMENT

Sealed bids will be received by the City of Fairhope of Baldwin County, Alabama, in the City of Fairhope offices, 555 South Section St. Fairhope, Alabama, until 2:00 P.M. Tuesday, March 17, 2015, then publicly opened at City Hall, 161 N. Section Street, Fairhope, AL 36532 thereafter, for furnishing all labor and materials, and performing all work required by the City of Fairhope and described as follows:

BID NO. 019-15 SCENIC 98—HWY 104 GAS PIPELINE BORE AND INSTALL 2015

PROJECT NO. GAS001-15 SCENIC 98—HWY 104 GAS PIPELINE BORE AND INSTALL 2015

The work consists primarily of the repair of gas main at Scenic Highway 98 and Highway 104. THIRTY (30) calendar days after Notice to Proceed are allowed for the construction of the project.

Bid documents will be posted on the City of Fairhope Website: www.cofairhope.com or a copy may be obtained by e-mailing: dan.ames@cofairhope.com. Plans, Drawings and Specifications are on file and may be viewed in the Purchasing Department of the City of Fairhope, Alabama, located at 555 S. Section Street. . Bid advertisement, addenda and other related documents will be posted on the City of Fairhope website: www.cofairhope.com , Questions or comments pertaining to this bid must be presented in writing and sent as e-mail to the attention of the Purchasing Manager, Daniel P. Ames, P.O. Drawer 429, 555 South Section St., Fairhope, Al 36532, e-mail: dan.ames@cofairhope.com, no later than SEVEN (7) days prior to the bid opening or will be forever waived.

All Bids must be on blank bid forms provided in the Bid documents. Bids shall be accompanied by a BID SECURITY equal to 5% (percent) of the bid price, but in no event more than \$10,000.00. BID SECURITY shall be in the form of a Bid Bond signed by a Bonding company authorized to do business in the State of Alabama, or a Cashier's Check payable to the City of Fairhope. NO BID SECURITY is required on bids less than \$10,000.00.

A **Performance Bond** in the form and terms approved by the City of Fairhope in an amount not less than the sum of the bid will be required at the signing of the CONTRACT, and in addition, a **Labor and Materials Bond** in the form and terms approved by the City of Fairhope in an amount not less than fifty percent (50%) of the CONTRACT price insuring payment for all labor and materials.

THERE WILL BE A MANDATORY PRE-BID MEETING AT 9:00 AM, Tuesday, March 10, 2015, at the City of Fairhope City Hall 161 N. Section Street, Fairhope, Al 36532.

The City of Fairhope is an Equal Opportunity Employer and requires that all contractors comply with the Equal Employment Opportunity laws and the provisions of the Contract documents in this regard. The CITY also encourages and supports the utilization of Minority Business Enterprises on this and all public bids.

All bids, with their guarantee (when required), must be enclosed in a sealed, opaque envelope, clearly identified on the outside as **"Sealed Bid" with Bid Name, Bid Number, City of Fairhope's name and address, and the Bidder's name, address, and General Contractor's License Number (Mandatory by State law)**. Each bid must be in a separate envelope. Bids made out in pencil will not be accepted. Failure to observe the instructions contained herein will constitute grounds for rejection of your bid. The CITY reserves the right to accept or reject all bids, or any portions thereof, and to waive informalities, and to furnish any item of material or work to change the amount of the contract, whichever is in the best interest of the City of Fairhope.

The **CONTRACTOR** must furnish to the City of Fairhope at the time of the signing of the contract, a Certificate of Insurance coverage as provided in the contract documents which will include Comprehensive Insurance, Contractor's Automobile, and where applicable, Owner's Protective Liability insurance, Subcontractor's Public Liability and Property Damage Insurance. The company that is awarded the bid must have Workman's Compensation Insurance on all of its employees if work is to be performed on City of Fairhope premises. General Liability Insurance, specifying coverage, must be maintained to hold the City of Fairhope harmless in the event of an accident. See bid packet for details.

No bids will be considered unless the Bidder, whether resident or non-resident of Alabama, is properly qualified to submit a bid for this type of work in accordance with all applicable laws of the State of Alabama. Where applicable, this shall include evidence of holding a current license from the Alabama Licensing Board for General Contractors, Montgomery, Alabama, as required by Chapter 8, Title 34, of the Code of Alabama, 1975. In addition, the awarded vendor, if a non-resident of the State, and if a corporation, Shall show evidence of having qualified with the Secretary of State to do business in the State of Alabama, <http://www.sos.alabama.gov/BusinessServices/ForeignCorps.aspx> .Awarded Bidder must have a current business license, or purchase a business license with the City of Fairhope prior to work performed. No bids shall be withdrawn for the period of thirty (30) days subsequent to the opening of bids without the consent of the City of Fairhope, Baldwin County, Alabama. Once completed, a tabulation of the responsive and responsible bids will be available for public viewing by visiting the following web address: www.cofairhope.com.

Daniel P. Ames, Purchasing Manager
City of Fairhope
Posted: 2-27-15

CITY OF FAIRHOPE

ITEM II INSTRUCTIONS TO BIDDERS

**NOTE: THIS DOCUMENT CONTAINS IMPORTANT BIDDING AND CONTRACTING INFORMATION.
ALL POTENTIAL BIDDERS SHOULD READ IT THOROUGHLY**

2.00 BID INVITATION

Notice is hereby given that the City of Fairhope will receive bids on the project described herein. Qualified Bidders are invited to bid on this contract.

2.01 **BID NO.** **019-15 Scenic 98—HWY 104 GAS PIPELINE BORE AND INSTALL 2015**
PROJECT NO. **GAS001-15 SCENIC 98—HWY 104 GAS PIPELINE BORE AND INSTALL 2015**

2.02 Summary:

The CITY contemplates the construction of a public works project as generally described in the Advertisement for Bid and as more particularly described, shown and depicted on the plans, specifications, drawings and in the contract documents.

2.1 DEFINITIONS: Where the following words, or the pronouns used in their stead, occur herein, they shall have the following meaning:

2.1.1 "Awarding Authority" shall mean the City of Fairhope, Alabama.

2.1.2 "Bidder" shall mean any person, firm or corporation, that is responsible, submitting a responsive bid for the Project contemplated by the contract documents, who meets the requirements set forth in the contract documents, maintains a permanent place of business, has adequate forces and equipment to perform the work on the Project properly and within the time limit that is established, has sufficient experience in the type work provided for in the contract documents and has adequate financial status and resources to meet its obligations contingent to the work.

2.1.3 "CITY" or "OWNER" shall mean the City of Fairhope, Alabama, as the awarding authority or its authorized and legal representatives.

2.1.4 "Construction Manager" shall mean that person or entity if employed by the City, to provide Construction Manager services on the work or Project, who shall be the City's representative on the Project.

2.1.5 "CONTRACTOR" shall mean initially the successful or probable low Bidder and then the party of the first part to the construction agreement or the legally authorized representatives of such party, including a trade contractor.

2.1.6 "Engineer" shall mean an Engineer of Record, responsible for design and related services on the Project, and if no Construction Manager is employed, then the Engineer is the representative of the City of Fairhope, Alabama, on the Project.

2.1.7 "Force Account Work" work paid for by reimbursing for the actual cost for labor, materials and equipment usage incurred in the performance of the work, as directed, including a percentage for overhead and profit where appropriate.

2.1.8 "Gender": a word importing one gender shall if appropriate extend to and be applied to the other gender. The masculine shall include the feminine and vice versa, unless the context clearly indicates otherwise.

2.1.9 "Inspector" shall mean a representative of the Engineer of Record, Construction Manager or the CITY, as the case may be.

2.1.10 "Non-Resident Contractor" shall mean a contractor which is neither (a) organized and existing under the laws of the State of Alabama, nor (b) maintains its principal place of business in the State of Alabama. A non-resident contractor which has maintained a permanent branch office within the State of Alabama for at least five (5) continuous years shall not thereafter be deemed to be a non-resident contractor so long as the contractor continues to maintain a branch office within Alabama.

- 2.1.11 "Project" shall mean the Public Work to which these Contract Documents relate, including the labor, materials and all work to be done by Contractor that is the subject of the bid, plans, specifications and contract documents.
- 2.1.12 "Public Property": Real property which the awarding authority owns or has contractual right to own or purchase, including easements, rights-of-way, or otherwise.
- 2.1.13 "Public Work(s)" shall mean a Project consisting of the construction, repair, renovation, or maintenance of public buildings, structures, sewers, water works, roads, bridges, docks, underpasses and viaducts, as well as any other improvement to be constructed, repaired or renovated or maintained on public property to be paid, in whole or in part, with public funds or with financing to be retired with public funds in the form of lease payments or otherwise.
- 2.1.14 "Responsible Bidder" shall mean a Bidder who, among other qualities determined necessary for performance, is competent, experienced and financially able to perform the contract.
- 2.1.15 "Responsive Bidder" shall mean a Bidder who submits a bid that complies with the terms and conditions of the invitation for bids, including plans, drawings, specifications and other provisions of the contract documents.
- 2.1.16 "Retainage" shall mean that money belonging to the Contractor which has been retained by the awarding authority conditioned upon final completion and acceptance of all work in connection with the Project.
- 2.1.17 "Singular/Plural" the singular shall include the plural and vice versa, unless the context clearly indicates otherwise.
- 2.1.18 "Trade Contracts" "Trade contracts" or "multiple prime contracts" are multiple but separate contracts with the City on the same Project that represent significant construction activities performed concurrently with and closely coordinated with construction activities performed on the Project under other trade contracts.
- 2.1.19 "Unbalanced Bid" Unbalanced bids may be considered non-responsive and may be subject to rejection. An unbalanced bid includes but is not limited to one which results in a substantial advance payment to the contractor.
- 2.2 **BID DEADLINE**
Bids will be received until 2:00 P.M. local time, Tuesday, March 17, 2015 at the City of Fairhope offices located at 555 S. Section Street, Fairhope, Alabama, and publicly opened shortly thereafter at City Hall, 161 N. Section Street, Fairhope, AL 36532. If sending by USPS: P.O. Drawer 429, Fairhope, AL 36533. Any unauthorized conditions, limitations or provisos attached to the bid proposal, except as otherwise provided herein, will render a bid proposal informal and may cause its rejection. Unbalanced bids may be subject to rejection. Bids without the General Contractor's license number and a copy of the license will be rejected. All Bidders are invited to be present at the opening of bids. No bids will be received after the time established for the opening of bids.
- 2.3 **AVAILABILITY OF DOCUMENTS**
Plans, Drawings and Specifications are on file and may be viewed in the Purchasing Department of the City of Fairhope, Alabama, located at 555 S. Section Street. Prior to bid opening, bid packets may be obtained at the City of Fairhope Offices, 555 South Section St., Fairhope, Alabama, location during normal operation, between 7:00 A.M. and 4:00 P.M. local time. One set of Bid Documents can be obtained free of charge. The bid packet is also available on the City of Fairhope website: www.cofairhope.com. No bid documents will be distributed later than 72 hours prior to the scheduled bid opening.
- 2.4 **INQUIRIES**
Questions or comments pertaining to this bid must be presented in writing, and sent as e-mail to the attention of the Purchasing Manager, Daniel P. Ames, at dan.ames@cofairhope.com, no less than seven (7) calendar days prior to the bid opening, or will be forever waived. The Bidder submitting the request will be responsible for its prompt delivery. Any interpretation of the proposed documents will be made only by written addendum.

- 2.4.1 All Addenda are part of the Contract documents. Include resultant costs in the Bid. Addenda will be issued by email to all plan holders on record and posted on the CITY'S website www.cofairhope.com. It is the responsibility of the Bidder to verify that all addenda have been received.

2.5 SITE EXAMINATION

A **mandatory pre-bid meeting** to be held at the Fairhope City Hall, 161 N. Section Street, Fairhope, AL, at 9:00 A.M. Tuesday, March 10, 2015. **Please have a representative of your company in attendance.** Only those in attendance at the pre-bid meeting will be eligible to bid.

Before submitting a bid proposal for the Project, each Bidder shall carefully examine the Contract Documents, including but not limited to plans, drawings, specifications, contract, etc.; visit the site, and satisfy itself as to the nature and location of the Project, and the general and local conditions, including weather, the general character of the site or building, the character and extent of existing work within or adjacent to the site, and any other work being performed or proposed thereon at the time of submission of their bids. It shall obtain full knowledge as to transportation, disposal, handling, and storage of materials, availability of water, electric power, and all other facilities in the area which will have a bearing on the performance of the Project for which they submit their bids. The submission of a bid shall be prima facie evidence that the Bidder has made such examination and visit and has judged for and satisfied himself as to conditions to be encountered regarding the character, difficulties, quality, and quantities of work to be performed and the material and equipment to be furnished, and as to the contract requirements and contingencies involved. It shall be the Bidder's obligation to verify for himself and to his complete satisfaction, all information concerning site and surface conditions.

2.6 SUBSURFACE REPORTS

Prior to Bid opening, the CITY will make available to prospective Bidders, upon request, any information that it **may have** as to subsurface conditions and surface topography at the work site. Investigations of subsurface conditions **may have** been made for the purpose of study and design, and neither the CITY nor its consultants that performed such testing assume any responsibility whatsoever in respect to the sufficiency or accuracy of borings, or of the logs of test borings, or of other investigations that **may have** been made, or of the interpretations made thereof, and there is no warranty or guarantee, either expressed or implied, that the conditions indicated by such investigations are representative of those existing throughout such area, or any part thereof, or that unforeseen developments may not occur.

- 2.6.1 Logs of test borings, geotechnical reports, or topographic maps showing a record of the data obtained by the investigations of surface and subsurface conditions that are made available shall not be considered a part of the Contract Documents, and are available only for the convenience of the Bidders. Such logs and reports represent only the opinion of the Engineer of Record or Consultant as to the character of the materials encountered by him in his investigations of the test borings.
- 2.6.2 Information derived from inspection of logs of test borings, or pits, geotechnical reports, topographic maps, or from Drawings showing location of utilities and structures will not in any way relieve the Contractor from any risk, or from properly examining the site and making such additional investigations as he may elect, or from properly fulfilling all the terms of the Contract Documents.
- 2.6.3 The CITY shall not be responsible for any interpretations or conclusions drawn from any subsurface exploration reports or borings. Each Bidder is to base his bid upon his determination of the subsurface conditions and of the types and quantities of material to be encountered or needed. Additional tests or other exploratory operations may be made at no cost to the CITY.

2.7 BID SECURITY

Bids shall be accompanied by a Bid Security equal to 5% (percent) of the bid price, but in no event more than \$10,000.00. Bid Security shall be in the form of a Bid Bond executed by a Surety company duly authorized and qualified to make bond in the State of Alabama; or a Cashier's Check payable to the City of Fairhope. No Bid Security is required on bids less than \$10,000.00. Should the successful Bidder or Bidders to whom a contract is awarded fail to execute a contract(s) and furnish acceptable contract securities and evidence of insurance, as required, within thirty (30) days after the prescribed forms have been presented to him/her, the CITY may retain from the proposal guaranty, if it is a

cashier's check or recovered from the principal or the sureties, if the guaranty is a bid bond, the difference between the amount of the contract as awarded, and the amount of the proposals of the new lowest Bidder. If no other bids are received, the full amount of the proposal guaranty may be so

retained and recovered as liquidated damages for such default. Any sum so retained or recovered shall be the property of the awarding authority.

2.8 PERFORMANCE ASSURANCE AND INSURANCE

The Bidder to whom award is made shall provide a Performance Bond equal to 100% (percent) of the Contract amount and a Labor and Materials Bond equal to 50% (percent) of the Contract amount, see ITEMS VI AND VII. The accepted Bidder shall also provide insurance as required in ITEM IV.

2.9 DURATION OF OFFER

Bids may be withdrawn in written or telegraphic request received from the Bidder prior to the time fixed for opening. No bid shall be withdrawn for a period of THIRTY (30) days subsequent to the opening of bid without the consent of the City Council of the City of Fairhope.

2.10 EQUAL OPPORTUNITY

The City of Fairhope is an Equal Opportunity Employer and requires that all contractors comply with the Equal Employment Opportunity Laws and the provisions of the Contract documents in this regard. The CITY also encourages and supports the utilization of Minority Business Enterprises on this and all public bids

2.11 BID PREPARATION AND SUBMISSION

Sealed Bids, signed, executed, and dated will be received by the City of Fairhope as noted in section 2.2 above. Submit one copy of the executed offer, on the Bid Response Form provided, along with the required Bid Security. The bid shall be enclosed in a sealed opaque envelope approximately 9X12 inches or larger, clearly identified on the outside as a SEALED BID with PROJECT NUMBER, PROJECT NAME, OWNER'S NAME AND ADDRESS, BIDDER'S NAME AND ADDRESS, AND BIDDER'S ALABAMA CONTRACTOR'S LICENSE NUMBER.

2.11.1 Forms furnished, or copies thereof, shall be used, and strict compliance with the requirements of the Invitation, these instructions, and the instructions printed on the forms is necessary. Special care should be exercised in the preparation of bids. Bidders must make their own estimates of the facilities and difficulties attending the performance of the proposed contract, including local conditions, uncertainty of weather, and all other contingencies. All designations and prices shall be fully and clearly set forth. The proper space in the bid and guaranty forms shall be suitable filled in.

2.11.2 Fill in all blanks on the Bid Form with non-erasable ink or type. Erasers or other changes must be explained or noted over the signature of the Bidder.

2.11.3 The Bid Form **may have** a Contingency Allowance listed. **If so**, add this amount to the Bid Base to derive the Total Bid. The Contingency Allowance covers unforeseen conditions and shall not be used by the Contractor without the written authorization of the OWNER. At the conclusion of the project, the unused portion of the Contingency Allowance shall revert to the OWNER.

2.11.4 Each bid must give the full business address of the Bidder and must be signed by him with his usual signature. Bids by partnerships must furnish the full names of all names of all partners and must be signed with the partnership name by one of the members of the partnership, or by an authorized representative, followed by the signature and designation of the person signing. Bids by corporations must be signed with the partnership name by one of the members of the partnership, or by an authorized representative, followed by the signature and designation of the person signing. Bids by corporations must be signed with the legal name of the corporation followed by the name of the State of Incorporation and by the signature and designation of the President, Secretary, or other person authorized to bind it in the matter. The name of each person who affixes to this signature the word "President", "Secretary", "Agent", or other designation without disclosing his principal, may be held to be the bid of the individual signing. When requested by the City of Fairhope, satisfactory evidence of the authority of the officer signing in behalf of the corporation shall be furnished.

2.11.5 Each project will be bid separately unless otherwise expressly requested in the contract document. Combination bids, that is, bids on separate projects lumped together as a single bid or on all or none basis, will not be accepted unless the contract document expressly requests or permits same. Alternate bids will not be considered unless requested.

2.12 BID INELIGIBILITY

Bids that contain irregularities of any kind may be declared unacceptable at the discretion of the

OWNER. The OWNER may waive any irregularities and may reject any or all bids. Bids received after the deadline will be returned to the Bidder unopened.

2.13 RESPONSIBLE BIDDERS / RESPONSIVE BIDS

The CITY reserves the right to reject any bid that is submitted by a Bidder that is determined by the CITY to not be a responsible Bidder or whose bid is not responsive. In determining whether a Bidder or bid is responsible and/or responsive, the CITY reserves the right to also request and consider the following factors:

2.13.1 Types or kinds of materials or items best suited to the CITY'S needs for the Project.

2.13.2 A current financial statement of the Bidder and/ or bonding capability or limits.

2.13.3 An accurate inventory of equipment to be used on the Project.

2.13.4 A list of key personnel to be used on the Project and detailed histories of their experience.

2.13.5 A list of five (5) references familiar with the Bidder's competence, experience, capabilities, skill and integrity.

2.13.6 A statement of Bidder pertaining to bankruptcies, judgments, liens or litigation within the last five (5) years. Such statement shall also apply to each company, officer and the key personnel on the Project.

2.13.7 The **General Contractor's State license number, class and bid limit.**

2.13.8 Bidder's performance and prosecution of past projects for the CITY, or other government entities.

2.13.9 An unbalanced bid.

2.13.10 Other information supplied in the bid response.

2.13.11 The CITY may make such investigations as it deems necessary to determine the ability of the Bidder to perform the work, and the Bidder shall furnish to the CITY all such information and data for this purpose as the CITY may request. The CITY reserves the right to reject any Proposal if the evidence submitted by, or investigation of, such Bidder fails to satisfy the CITY that such Bidder is properly qualified to carry out the obligations of the Contract and complete the work contemplated therein.

2.14 CONTRACT TIME

The CONTRACTOR agrees to perform the work within the time stated in the Bid Form, THIRTY (30) calendar days from Notice to Proceed. The Bidder in submitting an offer accepts the conditions of the contract period stated for performing the work.

2.15 CONSTRUCTION DOCUMENT IDENTIFICATION

The Construction documents are the Bid and Contract Documents, Specifications, Drawings, Addenda, and all other related documents bearing the Project Title and Number. Bidders shall use complete sets of Construction Documents in preparing their Bids. The CITY will not assume responsibility for errors or misinterpretation resulting from the use of incomplete sets of Construction Documents.

2.16 BID ACCEPTANCE

2.16.1 Generally: The contract will be awarded to the lowest responsible and responsive Bidder, unless the CITY determines that all the bids are unreasonable or that it is not in the best interest of the CITY to accept any of the bids.

2.16.2 Award of the contract will be made on the basis of the lowest actual bid amount for the contract, which is defined as the total of the bid option accepted and/or extended total amounts for unit price items, pursuant to the provisions hereof.

2.16.3 The CITY reserves the right to reject all bids and/or reject and rebid the Project should it determine the same is in the best interest of the CITY.

- 2.16.4 Minor irregularities as determined by the CITY or its representatives, will not cause a bid to be non-responsive and may be waived by the CITY.
- 2.16.5 Bidder must possess all licenses and permits required by applicable law, rule or regulation for the performance of the work prior to bidding.
- 2.16.6 Where the CITY elects to prequalify contractors prior to bidding, it shall be understood that such prequalification may be general in nature and shall not limit the CITY'S right to revoke such prequalification pursuant to Ala. Code §39-2-4(d) (1975).
- 2.16.7 Joint ventures shall not generally be considered acceptable bids without special waiver from the CITY, which must be requested in writing at least thirty (30) days prior to bid opening.
- 2.16.8 No Bids or Only One Bid: In the event no bid proposals or only one bid proposal is received in response to the CITY'S Advertisement for Bids at the time stated for the opening of bids, the CITY may elect at its discretion, any of the following options:
- 2.16.8.1 Advertise for and seek other competitive bids.
- 2.16.8.2 Direct that the work shall be done by force account under its direction and control.
- 2.16.8.3 Negotiate for the work through the receipt of informal bids; provided; however, where only one responsible and responsive bid has been received. Any negotiation for the work shall be for a price lower than that bid.
- 2.17 **BIDDERS INTERESTED IN MORE THAN ONE BID**
If more than one bid is offered by any one party, by or in a name of his clerk, partner, corporation in which he has a substantial interest, or in which he is an officer, or other person, all such bids may be rejected. A party who has quoted prices on materials to a bid is not thereby disqualified from quoting prices to other Bidders or from submitting a bid directly for the materials or work. The CITY reserves the right to determine in its discretion whether the provisions of this clause have been violated by any Bidder.
- 2.18 **ERRORS IN BIDS**
Bidders or their authorized agents are expected to examine the maps, drawings, specifications, and all other instructions pertaining to the work, which will be open to their inspection. Failure to do so will be at the Bidder's own risk. In case of error, in the extension of prices the unit price will govern.
- 2.19 **EXCEPTIONS / CHANGES TO SPECIFICATIONS**
A request for a change in the specifications to accommodate a variation must be called to the attention of the Purchasing Manager at least 72 hours before the bid opening date. All requests for such changes will be considered and the merits weighed. Only those changes in specifications deemed to be in the best interest of the CITY will be made. In the event of a change in specifications, an addendum will be supplied to Bidders. Exceptions may be accepted if they are minor, equal, or superior to that which is specified, and provided that they are listed and fully explained on a separate page entitled, "Exceptions to Specifications". The exceptions shall refer to the specification page and paragraph number. The CITY shall determine which (if any) exceptions are acceptable and this determination shall be final.
- 2.20 **CONTRACT AND BOND**
The Bidder to whom award is made must, when requested, enter into written contract on the standard form as set out herein, with satisfactory security in the amount required, evidence of insurance, and all other submittals required for contract execution, within the period specified, or, if no period be specified, within 15 days after the required forms are presented for signature.
- 2.21 **COLLUSION**
If there is any reason for believing that collusion exists among the Bidders, any or all bids may be rejected, and those participating in such collusion may be barred from submitting bids on the same or other work with the CITY.
- 2.22 **SUBLETTING OR ASSIGNING OF CONTRACT**
Limitations: The CONTRACTOR shall not sublet, assign, transfer, convey, sell or otherwise dispose of any portions of the contract, his right, title, or interest therein, or his power to execute such contract, to

any person, firm or corporation without written consent of the CITY, and such written consent shall not be construed to relieve the CONTRACTOR of any responsibility for the fulfillment of the contract. Unless otherwise stipulated in the proposal or special provisions, the contractor shall perform with his own organization, and with the assistance of workmen under his immediate superintendence and reported on his payroll, all contract work of a value not less than 50 percent of the total contract amount, except that any items designated in the contract as "Specialty Items" so performed by sub-contract may be deducted from the total contract amount before computing the amount of work required to be performed by the CONTRACTOR with his own organization.

- 2.22.1 Sub-contractor's Status: A Sub-contractor shall be recognized only in the capacity of an employee or agent of the Contractor and the Contractor will be responsible to the CITY for all of the subcontractor's work, including failures or omissions; and his removal may be required by the Project Manager, as in the case of an employee.
- 2.23 PROSECUTION OF WORK
The Contractor shall commence work on the date stipulated in the Notice to Proceed (NTP), or as otherwise directed in writing. Contractor is responsible for obtaining permit from the City of Fairhope Building Department prior to commencing any site activity work.
- 2.23.1 The Contractor shall prosecute the work continuously and diligently in the order and manner set out in his schedule as approved by the Project Manager. He shall provide sufficient satisfactory materials, labor, and equipment to insure that the work will be completed in a satisfactory manner within the time specified in the contract.
- 2.23.2 Should the Contractor fail to maintain a satisfactory rate of progress, the Project Manger may require that additional forces and/or equipment be placed on the work to bring the project up to schedule and maintain it at that level.
- 2.23.3 Should the Contract fail to furnish sufficient satisfactory equipment and/or labor for maintaining the quality and progress of the work at satisfactory level, the Project Manager may withhold all estimates that may become due until satisfactory quality and progress are maintained; or the contract may be annulled.
- 2.24 MATERIALS AND WORK CREW
All materials, which the engineering plans specify or are required, will be installed as they are shown on the drawings, plans and/or specs.
- 2.24.1 Brand names, catalog numbers, weights, etc., are used to indicate levels of quality only and are not intended to restrict the bidding. If bidding on an item of another brand or manufacturer than that specified, Bidder's bid should be accompanied by brochures or other pertinent literature giving detailed specifications of the item(s) on which the bid is being made. Bids received without sufficient literature to determine equal quality may not be considered. Final determination as to equal quality will be made by the CITY.
- 2.24.2 Quantities: The quantities shown in the bid packet shall be considered by the contractor as the quantities required to complete the work for the purpose of bidding. During the course of work, the prices bid for adjustment items may be used by the CITY to increase or decrease the total cost for the work if the quantity of work exceeds or is less than the amount shown on plans.
- 2.24.3 Construction Crews: The Contractor will be required to furnish at least one separate construction crew during the work as set forth in the contract. Unless waived by the CITY, the Contractor shall perform on the sites and with his own organization and equipment, at least fifty percent of the total amount of the work to be performed under this Contract. The Contractor may only subcontract a maximum of fifty (50%) percent of the work without CITY consent. If, during the progress of the work hereunder, the Contractor requests a reduction of such percentage, and the CITY representative determines that it would be to the CITY's advantage, the percentage of the labor required to be performed by the Contractor's own organization may be reduced; PROVIDED prior written approval of such reduction is obtained by the Contractor from the CITY.
- 2.25 GENERAL CONTRACTOR'S LICENSE
The attention of all Bidders is called to the provisions of the State law governing general contractors as set forth in Ala. Code §34-8-1 et seq. (1975), particularly in regard to the need for and evidence of a State general contractor's license. The provisions of said statute are adopted herein by reference and

form a part of the Contract with the selected Bidder should this Project be awarded. **Bidder MUST include with his bid a State of Alabama Contractor's current license number and a copy of the license. State law, Ala. Code §34-8-8(b) (1975) requires all bids to be rejected which do not contain general contractor's license number on the outside of the bid response sealed envelope.**

- 2.25.1 Bidders are reminded that they will be governed by said statutes insofar as they are applicable. To summarize the above quoted statutes, Ala. Code §34-8-1, et seq. (1975) provides that no one is entitled to bid, and no contract may be awarded to anyone who does not possess a valid general contractor's permit or license, including specialty classifications for the work, as provided by the foregoing sections of the State Code, and rules and regulations promulgated pursuant thereto and that said bid may not be considered without evidence being produced that he is so qualified. Trade contractors must be duly licensed in accordance with applicable law.
- 2.25.2 CONTRACTOR must be properly licensed to obtain City of Fairhope permits and perform the work as outlined in the Scope of Work. Bidder must have a current business license, or purchase a business license with the City of Fairhope prior to or (upon) bid being awarded. Sub-contractors must also comply with this provision.
- 2.26 U. S. PRODUCTS PREFERENCE
The successful Bidder (contractor) shall comply with Ala. Code §39-3-1 (1975), shall agree to utilize in the execution of the Project, materials, supplies and products manufactured, mined, processed or otherwise produced in the United States or its territories, if the same are available at reasonable and competitive prices and not contrary to any sole source specifications. It is further stipulated that a breach of the foregoing provision of this agreement by the contractor in failing to utilize domestic products shall result in a downward adjustment in the contract price equal to any realized savings or benefit to the Contractor.
- 2.27 USE OF DOMESTIC STEEL
The attention of all Bidders and that of the successful Bidder (CONTRACTOR) is drawn to Ala. Code §39-3- 4 (1975), requiring the use of steel produced within the United States for municipal construction projects when specifications in the construction contract require the use of steel and do not limit its supply to a sole source. This provision is subject to waiver if the procurement of domestic steel products becomes impractical as a result of national emergency, national strike or other causes. Violations of the use of domestic steel requirements shall result in a downward adjustment in the contract price to equal any savings or benefit to the CONTRACTOR.
- 2.28 IN STATE BIDDER PREFERENCE
Pursuant to Ala. Code §39-3-5 (1975), in the letting of public contracts in which municipal funds are utilized, except those contracts funded in whole or in part with funds received from a federal agency, preference shall be given to resident contractors, and a nonresident Bidder domiciled in a state having laws granting preference to local contractors shall be awarded Alabama public contracts only on the same basis as the nonresident Bidders' state awards contracts to Alabama contractors bidding under similar circumstances; and resident contractors in Alabama, as defined in Ala. Code §39-2-12 (1975), be they corporate, individuals or partnerships, are to be granted preference over non-residents in awarding of contracts in the same manner and to the same extent as provided by the laws of the state of the domicile of the nonresident. **The CITY may not enter into a contract with a nonresident corporation that is not qualified under the State law to do business in Alabama.** Except for contracts funded in whole or in part by funds received from a federal agency, preference shall be given to resident contractors on the same basis as the non-resident Bidder's state awards contracts to Alabama contractors bidding under similar circumstances.
- 2.29 APPLICABLE LAWS
Each Bidder shall inform himself of, and the Bidder awarded a contract shall comply with federal, state, and local laws, statutes, and ordinances relative to the execution of the work. This requirement includes, but is not limited to, applicable regulations concerning minimum wage rates, the use of domestic products, U.S. steel and resident labor, non-discrimination in the employment of labor, protection of public and employee safety and health, environmental protection, the protection of natural resources, fire protection, burning and non-burning requirements, permits, fees and similar subjects. The attention of all Bidders is called to the fact that the work will be subject to compliance with all applicable CITY building and technical codes, including environmental ordinances. Project will be subject, in addition to all other inspections, to inspection by a representative of the City of Fairhope Building Inspections Department.

2.30 COMPLIANCE WITH IMMIGRATION LAW

By signing this contract, the contracting parties affirm, for the duration of the agreement, that they will not violate federal immigration law or knowingly employ, hire for employment or continue to employ an unauthorized alien within the State of Alabama. Furthermore, a contracting party found to be in violation of this provision shall be deemed in breach of the agreement and shall be responsible for all damages resulting therefrom, to the extent allowed by Federal law (SEE ITEM X, ALABAMA IMMIGRATION ACT CONTRACT REQUIREMENTS).

[END INSTRUCTION TO BIDDER]

ITEM III
BID RESPONSE FORM

Date: _____

BID NO.: 019-15
BID NAME: Scenic 98—HWY 104 GAS PIPELINE BORE AND INSTALL 2015

PROJECT NO.: GAS001-15
PROJECT NAME: Scenic 98—HWY 104 GAS PIPELINE BORE AND INSTALL 2015

3.0 BIDDER'S DECLARATION AND UNDERSTANDING

- 3.0.1 The undersigned, hereinafter called the Bidder, declares that the only persons or parties interested in this Proposal are those named herein, that this Proposal is, in all respects, fair and without fraud, that it is made without collusion with any official of the CITY, and that the Proposal is made without any connection or collusion with any person submitting another Proposal on this Contract.
- 3.0.2 The Bidder further agrees that he has checked and verified the completeness of the Contract Documents and that he has exercised his own judgment regarding the interpretation of subsurface information utilizing all pertinent data in arriving at his conclusions. The Bidder shall be fully responsible for any damages or liability arising out of his or his subcontractors prebid investigations.
- 3.0.3 The Bidder understands and agrees that if a Contract is awarded, the CITY may elect to award all schedules under one Contract, lump sum, separately, or in any combination that best serves the interests of the CITY.
- 3.0.4 The Bidder further declares that he has carefully examined the Contract documents for the construction of the Project and has checked and verified the completeness of the Contract Documents, that he has personally inspected the site, that he has satisfied himself as to the quantities involved, including materials and equipment, and conditions of work involved. Bidder further declares that he is fully aware of the fact that the description of the work, quantities of work and materials, as included herein, is brief and is intended only to indicate the general nature of the work and to identify the said quantities with the detailed requirements of the Contract Documents. Bidder also declares that this Proposal is made according to the provisions and under the terms of the Contract Documents, which Documents are hereby made a part of this Proposal.

3.1 START OF CONSTRUCTION AND CONTRACT COMPLETION TIME

The Bidder further agrees to **begin work on the date stated in the Notice to Proceed** and to fully complete the work, in all respects, within the time specified in the contract documents for completion, that being THIRTY (30) calendar days from Notice to Proceed.

3.2 ADDENDA:

The Bidder hereby acknowledges that he has received Addenda No's. _____, _____, _____, _____, _____, _____,

Bidder shall Insert No. of each Addendum received, and agrees that all addenda issued are hereby made part of the Contract Documents, and the Bidder further agrees that his Bid(s) include(s) all impacts resulting from said addenda.

3.3 BID AMOUNT

The OWNER agrees to provide the following materials: **NONE**

Bid will include **all** labor, materials, equipment, shipping, overhead, profit, bonds, insurance and all other costs necessary to provide the complete services outlined within this contract and scope of work:

The Bidder agrees to accept as full payment of the work proposed under this Project, as services are rendered, as herein specified and as shown on the Contract Documents, upon the undersigned's own estimate of quantities and costs, the following base bid of:

_____ Dollars (\$_____)
(Amount written in words has precedence)

Each bid must give the full business address of the Bidder and must be signed by him with his usual signature. Bids by partnerships must furnish the full names of all partners and must be signed with the partnership name by one of the members of the partnership, or by an authorized representative, followed by the signature and designation of the person signing. Bids by Corporations must be signed with the legal name of the corporation followed by the name of the State of Incorporation and by the signature and designation of the President, secretary, or other person authorized to bind it in the matter. The name of each person shall also be typed or printed below the signature. A bid by a person who affixes to this signature the word "president", "secretary", "agent" or other designation without disclosing his principal, may be held to be the bid of the individual signing. When requested by the City of Fairhope, Baldwin County, Alabama, satisfactory evidence of the authority of the officer signing in behalf of the corporation shall be furnished.

The undersigned agrees to furnish the goods/services as requested by you for the City of Fairhope, Baldwin County, Alabama in your Invitation to Bid, and certifies that they will meet or exceed the Specifications called for. The undersigned has read all information pertaining to this bid and has resolved all questions. It is also understood and agreed that all prices quoted are F.O.B. as described in the bid documents and specifications. The undersigned also affirms he/she has not been in any agreement or collusion among Bidders or prospective Bidders in restraint of freedom of competition, by agreement to bid at a fixed price or to refrain from bidding or otherwise.

WITNESS our hands this _____ day of _____, 2015.

IF INDIVIDUAL

_____ Doing Business As, _____
(SIGNATURE of Individual Bidder) (Business name)

Business

Business Mailing Address

Phone

City, State, Zip code

Alabama General Contractor License No. _____ (Attach Copy)

Alabama General Contractor License Major Categories:

Alabama General Contractor Specialties

Alabama Foreign Corporation Entity ID _____
(Required of Out of State vendors)

NOTARY FOR INDIVIDUAL

STATE OF _____}

COUNTY OF _____}

I the undersigned authority in and for the said State and County, hereby certify that

PRINT name of Bid signer As _____ of _____
Title PRINT Company name

whose name is signed to the foregoing document and who is known to me, acknowledged before me on this day, that, being informed of the contents of the document they executed the same voluntarily on the day the same bears date.

Given under my hand and Notary Seal on this _____ day of _____, 2015.

Notary Public _____

My Commission Expires ____/____/____

IF CORPORATION, PARTNERSHIP, OR JOINT VENTURE

Name of Corporation, Partnership or Joint Venture

BY: _____
(SIGNATURE of Officer authorized for sign Bids and Contracts for the firm) (Position or Title)

(PRINT NAME(S) OF OTHERS IF IN PARTNERSHIP)

Business Mailing Address Phone

City, State, Zip Code

Alabama General Contractor License No. _____ (Attach Copy)

Alabama General Contractor License Major Categories:

Alabama General Contractor Specialties

Alabama Foreign Corporation Entity ID _____
(Required of Out of State vendors)

NOTARY FOR CORPORATION, PARTNERSHIP OR JOINT VENTURE

STATE OF _____}

COUNTY OF _____}

I the undersigned authority in and for the said State and County, hereby certify that

_____, and _____, as _____ and
Print name of Bid signer **Print name of Bid signer** **Title**

_____, respectively, of _____
Title **Print Company**

whose name(s) is signed to the foregoing document and who is known to me, acknowledged before me on this day, that, being informed of the contents of the document they executed the same voluntarily on the day the same bears date.

Given under my hand and Notary Seal on this _____day of _____, 2015.

Notary Public_____

My Commission Expires ____/____/____

ACCOUNTING OF SALES TAX
Attachment to Bid Response

To: City of Fairhope

Date: _____

Project: PROJECT NO. GAS001-15 SCENIC 98—HWY 104 GAS PIPELINE BORE AND INSTALL 2015

Sales Tax Accounting

Pursuant to Code of Alabama (1975) Section 40-9-14.1, the Contractor accounts for the sales tax NOT included in the bid proposal form as follows:

ESTIMATED SALES TAX AMOUNT

BASE BID: _____ \$ _____

Alternate No. 1 (.....) (add)(deduct) \$ _____
Insert keyword for alternate

Alternate No. 2 (.....) (add)(deduct) \$ _____

Alternate No. 3 (.....) (add)(deduct) \$ _____

Alternate No. 4 (.....) (add)(deduct) \$ _____

Alternate No. 5 (.....) (add)(deduct) \$ _____

Alternate No. 6 (.....) (add)(deduct) \$ _____

Failure to provide an accounting of Sales Tax shall render the bid non-responsive. Other than determining responsiveness, sales tax accounting shall not affect the bid pricing nor be considered in the determination of the lowest responsible and responsive Bidder.

Legal Name of Bidder _____

Mailing Address _____

*By (Legal Signature) _____

*Name (type or Print) _____ (Seal)

*Title _____

*Telephone _____

3.8 **EXPERIENCE OF BIDDER:**

Unless advised by the awarding authority in the Advertisement for Bids that the same is not required, the Bidder submits the following list of at least three clients for whom projects involving construction of similar projects have been performed within the past 5 years.

1.

Name of Client		Telephone Number
Street		City
Facility	Size	Date
Name of Engineer of Record		Telephone Number
Name of Engineering Firm		

2.

Name of Client		Telephone Number
Street		City
Facility	Size	Date
Name of Engineer of Record		Telephone Number
Name of Engineering Firm		

3.

Name of Client		Telephone Number
Street		City
Facility	Size	Date
Name of Engineer of Record		Telephone Number
Name of Engineering Firm		

3.9 PERFORMANCE OF WORK BY CONTRACTOR:

The Bidder shall perform at least 50 percent of the work with his own forces (refer to the INSTRUCTIONS TO BIDDERS).

3.10 SUBCONTRACTORS:

Unless the same information has been provided in the prequalification statement, the Bidder further certifies that if his bid is accepted, the following subcontracting firms or businesses will be awarded subcontracts for the following portions of the work:

Description of Work _____

Name

_____, _____, _____, _____
Street City State Zip

Description of Work

Name

_____, _____, _____, _____
Street City State Zip

Description of Work

Name

_____, _____, _____, _____
Street City State Zip

Description of Work

Name

_____, _____, _____, _____
Street City State Zip

Description of Work

Name

_____, _____, _____, _____
Street City State Zip

3.11 SURETY:

If the Bidder is awarded a construction contract on this Proposal, the Surety who provides the Performance Bond and Payment Bond will be:

_____ whose address is

_____, _____, _____
Street City State Zip

Single Job Bond Limit _____ Aggregate Job Bond Limit _____

Attached hereto is a (Bid Bond) or (Check) for the sum of _____ (\$0.00)

_____ according to the conditions under "Instructions to Bidders" and provisions therein.

Dated this ____ day of _____ 2015

[END OF BID PROPOSAL]

**ITEM IV
INSURANCE REQUIREMENTS**

4.0 INSURANCE REQUIREMENTS

Awarded Contractor, at its sole expense, shall obtain and maintain in full force the following insurance to protect the Contractor and the City of Fairhope at limits and coverages specified herein. The City of Fairhope will be listed as an additional insured under the Contractor's General Liability insurance and automobile liability insurance policies, and all other applicable policies and certificates of insurance. These limits and coverages specified are the minimum to be maintained and are not intended to represent the correct insurance needed to fully and adequately protect the awarded Bidder.

4.01 All insurance will be provided by insurers by admitted carriers in the State of Alabama, shall have a minimum A.M. Best rating of A-VII and must be acceptable to the CITY. Self-insured plans and/or group funds not having an A.M. Best rating must be submitted to the CITY for prior approval.

4.02 NO WORK IS TO BE PERFORMED UNTIL PROOF OF COMPLIANCE WITH THE INSURANCE REQUIREMENTS HAS BEEN RECEIVED BY THE CITY.

4.03 Worker's Compensation and Employer's Liability

Part One: Statutory Benefits as required by the State of Alabama

Part Two: Employer's Liability	\$1,000,000	each accident
	\$1,000,000	each employee
	\$1,000,000	Policy Limit

4.04 U.S. Longshoreman & Harbor Workers Act (USL&H)

Required if contract involves work near a navigable waterway that may be subject to the USL&H law.

4.05 Maritime Endorsement (Jones Act)

Endorsement required if contract involves the use of a Vessel. Or include coverage for "Master or Member or Crew" under "Protection and Indemnity" coverage (P&I) unless crew is covered under Workers Compensation.

Bodily injury by accident	\$1,000,000	each accident
Bodily injury by disease	\$1,000,000	aggregate

4.06 Commercial General Liability

Coverage on an Occurrence from with a combined single limit of (Bodily Injury and Property

Damage combined as follows:

Each occurrence	\$1,000,000
Personal and Advertising Injury	\$1,000,000
Products/Completed Operation Aggregate	\$2,000,000
General Aggregate	\$2,000,000

Coverage to include:

- Premises and operations
- Personal injury and Advertising Injury
- Products/completed operations
- Independent Contractors
- Blanket Contractual Liability
 - Explosion, Collapse and Underground hazards
- Broad Form Property Damage
- Railroad Protective Liability Insurance, if work involves construction, demolition, or maintenance operations on or within 50 feet of a railroad.

4.07 Automobile Liability

Covering all owned, non-owned and hired vehicles with a limit of no less than \$1,000,000 combined single limit of Bodily injury and property damage per occurrence.

4.08 Certificates of Insurance

A Certificate of Insurance evidencing the above minimum requirements must be provided to and accepted by the CITY PRIOR to commencement of any work on the contract. Each policy shall be endorsed to provide ten (10) days written notice of cancellation to the CITY.

- 4.08.1** The Contractor shall require certificates of insurance from sub-Contractors. Sub-Contractors will carry limits of insurance equal to or greater than those carried by the Contractor. These certificates shall evidence waivers of subrogation in favor of the Contractor and the CITY, and shall be made available to the CITY upon request.

**ITEM V
BID BOND**

The PRINCIPAL (Bidder's name and address)

The OWNER

City of Fairhope
P.O. Drawer 429
Fairhope, AL 36533

The PROJECT for which the Principal's Bid is submitted: (Project name as it appears in the Bid Documents)

PROJECT NO. GAS001-15

PROJECT NAME: SCENIC 98—HWY 104 GAS PIPELINE BORE AND INSTALL 2015

KNOW ALL MEN BY THESE PRESENTS, that we, the undersigned Principal and Surety, jointly and severally, hereby bind ourselves, our heirs, executors, administrators, successors, and assigns to the OWNER in the PENAL SUM of five percent (5%) of the amount of the Principal's bid, but in no event more than TEN THOUSAND DOLLARS (\$10,000.00).

THE CONDITION OF THIS OBLIGATION is that the Principal has submitted to the OWNER the attached bid, which is incorporated herein by reference, for the Project identified above.

NOW, THEREFORE, if, within the terms of the Bid Document, the OWNER accepts the Principal's bid and the Principal thereafter either:

- (a) executes and delivers a Construction Contract with the required Performance and Payment Bonds (each in the for contained in the Bid Documents and properly completed in accordance with the bid) and delivers evidence of insurance as prescribed in the Bid Documents, or
- (b) fails to execute and deliver such Construction Contract with such Bonds and evidence of insurance, but pays the OWNER the difference, not to exceed the Penal Sum of this Bond, between the amount of the Principal's Bid and the larger amount for which the OWNER may award a Construction Contract for the same Work to another Bidder, then, this obligation shall be null and void, otherwise it shall remain in full force and effect.

The Surety, for value received, hereby stipulates and agrees that the obligation of the Surety under this Bond shall not in any manner be impaired or affected by any extension of the time within which the OWNER may accept the Principal's bid, and the Surety does hereby waive notice of any such extension.

SIGNED AND SEALED this____ day of _____, 2015.

ATTEST

(Principal (Company))

By_____

Print Name and Title

**SURETY
ATTEST**

Surety Company

By_____

Print Name and Title

ITEM VI
PERFORMANCE BOND

KNOW ALL MEN: That we _____

(Insert here the name & address of legal title of the Contractor)

hereinafter called the Principal, and _____

(Insert here the name and address of legal title of one or more sureties)

and _____
hereinafter called the Surety or Sureties, are held and firmly bound unto the City of Fairhope hereinafter called the OWNER in the sum of _____ Dollars (\$ _____) for the payment whereof the Principal and the Surety or Sureties bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly, by these presents.

WHEREAS, the Principal has, by means of a written agreement, dated ____/____/____ entered into a contract with the OWNER for: **Bid No. 019-15 SCENIC 98—HWY 104 GAS PIPELINE BORE AND INSTALL 2015, Project No. GAS001-15 SCENIC 98—HWY 104 GAS PIPELINE BORE AND INSTALL 2015** which agreement, is by reference made a part hereof,

NOW THEREFORE, The conditions of this obligation is such that if the Principal shall faithfully perform the Contract on his part, and satisfy all claims and demands, incurred for the same, and shall fully indemnify and save harmless the OWNER from all cost and damage which he may suffer by reason of failure to do so, and shall reimburse and repay the OWNER all outlay and expense which the OWNER may incur in making good for any such default thence this obligation shall be null and void; otherwise, it shall remain in full force and effect.

PROVIDED, HOWEVER, that no suit, action or proceedings, by reason of any default whatever be brought on his Bond after twelve months from the day on which the final payment under the Contract falls due.

PROVIDED, further, that the said surety or sureties, for value received hereby stipulate and agree that no change, extension of time, or addition to the terms of the Contract or to the work to be performed thereunder of the Specifications thereof shall in any way effect their obligations on this bond, and they do hereby waive notice of any such change, extension of time, alteration or addition to the terms of the contract, or to the work, or to the Specifications.

Witness our hands and seals this _____ day of _____, 2015.

INDIVIDUAL

_____, Doing Business As, _____
(Signature of Individual Bidder) (Business Name)

Business Mailing Address: _____

email _____

CORPORATION

Name of Corporation, Partnership, or Joint Venture

Business Mailing Address: _____

email _____

BY: _____
(Signature of Officer Authorized to sign Bids
and Contracts for the Firm)

(Position or Title)

(General Contractor's License Number)

Foreign Corporation Entity Id (Required of out-of-state-vendors)

Attest:

(Secretary)

(Name of State under the laws of which incorporated)

(Name of Surety)

BY: _____
(Attorney in Fact)

ITEM VII
LABOR AND MATERIALS BOND

KNOW ALL MEN BY THESE PRESENTS, that we _____ As Principal, and _____ as Surety, are held and firmly bound unto said City of Fairhope hereinafter called the Oblige, in the penal sum of _____ Dollars (\$ _____) lawful money of the United States, for the payment of which sum and truly to be made, we bind ourselves, our heirs, personal representatives, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, said principal has entered into a certain Contract with said Oblige, dated ____/____/2015. (Hereinafter called the Contract) for **Bid No. 019-15, SCENIC 98—HWY 104 GAS PIPELINE BORE AND INSTALL 2015, Project No. GAS001-15 SCENIC 98—HWY 104 GAS PIPELINE BORE AND INSTALL 2015**, which Contract and the Specifications for said work shall be deemed a part hereof as fully as if set out herein.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH THAT if the said Principal and all subcontractors to whom any portion of the work in said contract is sublet and all assignees of said Principal and of such subcontractors shall promptly make payments to all persons supplying him or them with labor, materials, or supplies for or in the prosecution of the work provided for in such Contract, or any amendment or extension of or addition to said Contract, and for the payment of reasonable attorney's fees incurred by the successful claimant or plaintiffs in suits or claims against the contractor arising out of or in connection with the said contract, then the above obligation shall be void; otherwise to remain in full force and effect.

PROVIDED, HOWEVER, that this bond is subject to the following conditions and limitations.

(a) Any person, firm or corporation that has furnished labor, materials, or supplies for or in the prosecution of the work provided for in said Contract shall have a direct right to action against the Principal and Surety on this bond, which right of action shall be asserted in a proceeding, instituted in the County in which the work provided for in said Contract is to be performed or in any County in which said Principal or Surety does business. Such right of action shall be asserted in a proceeding instituted in the name of the claimant or claimants for his or their use and benefit against the Principal and Surety or either of them (but not later than one year after the final settlement of said Contract falls due) in which action such claim or claims shall be adjusted and judgment rendered thereon.

(b) The Principal and Surety hereby designate and appoint the Mayor of the City of Fairhope or his successor or representative as the agent of each of them to receive and accept services of process or other pleading issued, or filed in any proceeding instituted on this bond and hereby consent that such service shall be the same as personal service on the Principal and/or Surety.

(c) The Surety shall not be liable hereunder for any damages or compensation recoverable under Workmen's Compensation or Employer's Liability Statute.

(d) In no event shall the Surety be liable for a greater sum than the penalty of this bond, or subject to any suit, action or proceeding thereon that is instituted later than one year after the final settlement of said contract.

(e) This Bond is given pursuant to the terms of an Act of the Legislature of the State of Alabama approved February 8, 1935, entitled: "An Act to further provide for Bonds and Contractors on State and other public works and suits thereon".

Witness our hands and seals this _____ day of _____, 2015.

_____, Doing Business As, _____
(Signature of Bidder) (Business Name)

Business Mailing Address: _____

Attest:

(Secretary)

(Name of State under the laws of which incorporated)

(Name of Surety)

BY: _____
(Attorney in Fact)

[END DOCUMENT]

CONTRACT DOCUMENTS

BID FORM AND SPECIFICATIONS

For

Bid No. 019-15

**SCENIC 98—HWY 104 GAS PIPELINE
BORE AND INSTALL 2015**

**Project No. GAS001-15
SCENIC 98—HWY 104 GAS PIPELINE
BORE AND INSTALL 2015**

FAIRHOPE CITY COUNCIL

Timothy M. Kant, Mayor

Jack Burrell, Council President

Set Number _____

STATE OF ALABAMA }
BALDWIN COUNTY }
CITY OF FAIRHOPE }

**ITEM VIII
CITY OF FAIRHOPE
CONTRACT AGREEMENT**

THIS AGREEMENT made and entered into this _____ day of _____, 2015, by and between hereinafter sometimes called the _____ as party of the first part, and the CITY OF FAIRHOPE, Alabama, a Municipal Corporation, hereinafter sometimes called the CITY or OWNER, as party of the second part,

W-I-T-N-E-S-S-E-T-H:

In consideration of the amounts herein named and of the mutual agreements and provisions herein contained, the CONTRACTOR and the CITY agree in regard to a public works project (hereinafter either the "work" or the "Project") as described in the Advertisement for Bids pertaining to:

Bid No. 019-15 SCENIC 98—HWY 104 GAS PIPELINE BORE AND INSTALL 2015

Project No. SCENIC 98—HWY 104 GAS PIPELINE BORE AND INSTALL 2015

The CONTRACTOR will perform the work and/or construct the Project as well as furnish at his own cost and expense all labor, tools, equipment and transportation as are herein and in the Contract documents required to be furnished by the CONTRACTOR, and shall perform all the work in a manner and form required to construct the Project described in and shown on the contract documents as the same are hereinafter more specifically described and as provided by the plans, specifications and documents which are attached hereto and made a part hereof, as if fully set out herein and addenda together with all plans and drawings on file in the office specified below.

**ARTICLE I
GENERAL CONDITIONS**

- 1.0 Contract Documents: As used throughout the documents constituting the contract, the term "Contract Documents" shall mean and include the following: Advertisement for Bids, Addenda (if issued), the Instructions to Bidders, the Bid Proposal, the General Specifications, the Detail Specifications, Supplemental and Special Conditions (if attached), together with this Contract Agreement and any modifications, including change orders, if made, and the drawings, plans and profiles that are now on file in the office referred to in the advertisement, the Performance Bond and the Labor and Material Bond, executed by the CONTRACTOR in connection with this Contract and insurance requirements and certificates.
- 1.0.1 All such documents hereinabove enumerated are adopted herein by reference and constitute the Contract between the parties to the same extent as if each were set out in full in this agreement.
- 1.1 Independent Contractor: The CONTRACTOR enters into this Contract with the CITY as an independent contractor and, as such, agrees that neither the CITY nor its officers, agents, employees or inspectors responsible for the acts or omissions of the CONTRACTOR, or any subcontractor, or any of the CONTRACTOR'S or subcontractor's agents or employees, or any other persons performing any of the work pursuant to this Contract. The CONTRACTOR shall be solely responsible for controlling construction manner, means and techniques consistent with the contract documents, plans and specifications.
- 1.2 Order of Precedence: Should there be a direct conflict between the various elements of the contract documents to the extent that the same cannot be reconciled to be read *in para materia*, then precedence shall be given the same in the following order:
 - 1.2.1 Subsequent modifications (change orders or amendments) to contract agreement after execution.

- 1.2.2 Addenda (if issued)
- 1.2.3 Supplemental general conditions and special conditions (if included)
- 1.2.4 The Contract Agreement
- 1.2.5 Instructions to Bidders
- 1.2.6 Advertisement for bids
- 1.2.7 Proposal (Bid)
- 1.2.8 General and technical specifications
- 1.2.9 Large Scale Drawings (if included)
- 1.2.10 Enlarged Plans (if included)
- 1.2.11 Plans (if included)
- 1.2.12 Where more than one document relates to the same matter, if both can be given reasonable effect, both are to be retained. Written specifications will take precedence over drawings.

1.3 Integration: Contract Terms and Construction:

- 1.3.1 Integration: This Agreement, together with all documents which constitute the "Contract Documents," constitute the entire agreement of the parties, as a complete and final integration thereof with respect to its subject matter. All understandings and agreements heretofore had between and among the parties merged into this Agreement, which alone fully and completely expresses their understandings. No representation, warranty, or covenant made by any party which is not contained in this Agreement or expressly referred to herein has been relied on by any party in entering into this Agreement.
 - 1.3.2 Amendment in Writing: This Agreement may not be amended, modified, altered, changed, terminated, or waived in any respect whatsoever, except by a further agreement or change order, in writing, properly executed by all of the parties.
 - 1.3.3 Binding Effect: This Agreement shall bind the parties and their respective personal representatives, heirs, next of kin, legatees, distributees, successors, and assigns.
 - 1.3.4 Captions: The captions of this Agreement are for convenience and reference only, are not a part of this Agreement, and in no way define, describe, extend, or limit the scope or intent of this Agreement.
 - 1.3.5 Construction: This Agreement shall be construed in its entirety according to its plain meaning and shall not be construed against the party who provided or drafted it.
 - 1.3.6 Mandatory and Permissive: "Shall," "will," and "agrees" are mandatory; "may" is permissive.
 - 1.3.7 Governing Laws: The laws of the State of Alabama shall govern the validity of this Agreement, the construction of its terms, the interpretation of the rights, the duties of the parties, the enforcement of its terms, and all other matters relating to this Agreement.
 - 1.3.8 Ownership of Contract Documents: The Contract Documents, and copies of parts thereof, are furnished and owned by the CITY. All portions of the Contract Documents, and copies of parts thereof, are the instruments of service for this Project. They are not to be used on other work and are to be returned to the CITY on request at the completion of the Project. Any reuse of these materials without specific written verification or adaptation by the CITY will be at the risk of the user and without liability or legal expense to the or Engineer of Record. Such user shall hold the CITY and Engineer of Record harmless from any and all damages, including reasonable attorneys' fees, from any and all claims arising from any such reuse. Any such verification and adoption shall entitle the CITY to further compensation at rates to be agreed upon by the user and the CITY.
- 1.4 Rules of Construction: For the purposes of this contract, except as otherwise provided or unless the context otherwise requires:
- 1.4.1 Words of masculine, feminine or neuter gender include the correlative words of other genders. Singular terms include the plural as well as the singular, and vice versa.
 - 1.4.2. All references herein to designated "articles," "sections," and other subdivisions or to lettered exhibits are to the designated articles, sections and subdivisions hereof and the exhibits annexed hereto unless expressly otherwise designated in context. All article, section, other subdivision and exhibit captions herein are used for reference only and do not limit or describe the scope or intent of, or in any way affect this agreement.
 - 1.4.3 The terms "include," "including," and similar terms shall be construed as if followed by the phrase, "without being limited to".
 - 1.4.4 The terms "herein," "hereof," and "hereunder," and other words of similar import refer to this agreement as a whole and not to any particular article, section, other subdivision or exhibit.
 - 1.4.5 All recitals set forth in, and all exhibits to, this agreement are hereby incorporated in this agreement by reference.

- 1.4.6 No inference in favor of or against any party shall be drawn from the fact that such party or such party's counsel has drafted any portion hereof.
- 1.4.7 All references in this agreement to a separate instrument are to such separate instrument as the same may be amended or supplemented from time to time pursuant to the applicable provisions thereof.
- 1.5 Coordination of Plans, Specifications, etc.: The specifications, the plans, drawings and all supplementary documents are essential parts of the Contract, and requirements occurring in one are as binding as though occurring in all. They are intended to be comprehensive to describe and provide a complete work. In case of discrepancy, figured dimensions shall govern.
- 1.6 Corrections of Plans, etc.: Should any portions of the plans, specifications or drawings be obscure or in dispute, they shall be referred to the Engineer of Record and he shall decide as to the true meaning and intent. The Engineer of Record shall also have the right to correct any errors or omissions at any time when such corrections are necessary for the proper fulfillment of said plans and specifications.
- 1.7 Taxes and Charges: **See ITEM IX.** CONTRACTOR shall withhold and pay all withholding taxes, whether local, state or federal and pay all Social Security taxes and also all State Unemployment Compensation taxes, and pay or cause to be withheld, as the case may be, any and all taxes, charges, or fees or sums whatsoever, which are now or may hereafter be required to be paid or withheld under any laws. Pursuant to Ala. Code §39-1-3 (1975), CONTRACTOR shall be reimbursed for any additional severance, sales or uses taxes incurred as a result of an increase in such taxes during performance of the contract.
- 1.10 Shop Drawings and Submittals. The CONTRACTOR shall submit shop drawings, samples and submittals depicting or representing the construction of portions of the Project in accordance with the plans and specifications to the Engineer of Record and if there is no Engineer on the Project, to the CITY representative. The CONTRACTOR shall pay for or the cost may be withheld from payments to the CONTRACTOR for more than two (2) reviews of the shop drawings, samples or submittals or similar element of work by the Engineer, or CITY representative.
- 1.11 Alabama Immigration Law. By signing this contract, the contracting parties affirm, for the duration of the agreement, that they will not violate federal immigration law or knowingly employ, hire for employment or continue to employ an unauthorized alien within the State of Alabama. Furthermore, a contracting party found to be in violation of this provision shall be deemed in breach of the agreement and shall be responsible for all damages resulting therefrom, to the extent allowed by Federal law. **See ITEM X.**

ARTICLE II PAYMENTS, CLAIMS AND CHARGES, ETC.

- 2.0 Contract Price: The CITY will pay and the CONTRACTOR will accept in full consideration for the performance of the work/Project, subject to additions and deductions (including but not limited to liquidated damages) as provided in the contract documents and herein, the sum of _____ (\$_____) and/or in unit prices as shown in Bidder's schedule for the base bid amount of \$_____ being the amount of the CONTRACTOR'S bid as awarded by the CITY.
- 2.1 Estimated Quantities and Unit Prices: If award was made in whole or in part based upon unit prices, the CONTRACTOR agrees that the prices given in the Proposal are unit prices. The estimated quantities as stated in the Advertisement for Bids and in the Proposal and as indicated on the plans or in other places are approximate only, are subject either to increase or decrease and are only for the purpose of comparing on uniform basis the bids offered for the Project under this contract. The CONTRACTOR further agrees that should the quantities of any of the items of the work be increased, he will do the additional work at the unit prices set out in the Proposal and should the quantities be decreased, payment will be made on actual quantities at the unit prices and he will make no claim for anticipated profits for any decrease in the quantities. Actual quantities will be determined upon completion of the Project.

- 2.2 Overtime Work by CONTRACTOR: If the CONTRACTOR for his convenience, and at his own expense, should desire to carry on his work at night or outside regular hours, he shall submit written notice to the Engineer of Record and he shall allow ample time for satisfactory arrangements to be made for inspecting the work in progress. At no time shall the notice be given less than 24 hours before such overtime work is started. The CONTRACTOR must obtain, through the Engineer/Architect, the CITY'S approval for work at night, on Saturdays, Sundays or legal holidays. The CONTRACTOR shall light the different parts of the Project as required to comply with all applicable federal and state regulations and with all applicable requirements of the CITY.
- 2.2.1 Overtime hours shall be considered any hours worked by the CONTRACTOR on Saturday, Sunday and legal holidays, which in the Engineer of Record's opinion, requires the Engineer resident observers' presence to observe such overtime work. Overtime hours requiring the CITY inspectors shall be considered any hours worked by the CONTRACTOR in excess of eight (8) hours during any working day and/or in excess of forty (40) hours from Monday through Friday and/or any time on Saturday, Sunday or legal holiday. In general, it should be expected that the Engineer of Record's resident observer(s) or CITY'S inspectors will be present at all times that the CONTRACTOR is working.
- 2.2.2 If the CONTRACTOR elects to schedule and perform overtime work, the CONTRACTOR shall pay the CITY for the CITY'S resident inspector's salary plus costs for each hour of overtime work. Overtime shall be rounded up to the nearest whole hour. This amount shall include the inspector's salary at overtime rate, labor additive, which includes insurance, social security, workmen's compensation, sick pay, paid holidays, vacation pay and his vehicle and equipment. Payment to the CITY shall be made by a deduction from the CONTRACTOR'S monthly payment invoice for any overtime worked.
- 2.3 Payments on Account/Payments Withheld/Retainage: Upon presentation of a verified application for payment, which shall include a "CONTRACTOR'S Affidavit of Payment of Debts and Claims," then usually by the fifteenth (15th) day of each calendar month, or as soon thereafter as is practical, as the Project progresses, the CITY shall make partial payments to the CONTRACTOR, of the billable work performed less payments already made and less deductions for any incomplete, unaccepted or defective work. In making partial payments to the CONTRACTOR, there shall be retained five (5%) percent of the estimated amount of work done and value of materials stored on the site or suitably stored and insured off-site. Provided; however, after fifty (50%) percent of the Project has been satisfactorily completed, no further retainage will be withheld.
- 2.3.1 Retainage shall be held until final completion and acceptance of all work covered by the Contract Documents unless escrow or deposit arrangements are agreed to by the CITY. When maintenance periods are included in the Contract Documents covering highways, bridges or similar structures, such period shall be considered a component part of the contract and retainage will be held until the expiration of such periods.
- 2.3.2 On completion and acceptance of each separate building, public work or other separately identifiable and complete division of the Project in regard to which a separate price has been stated in the Contract Documents, or can be separately ascertained, payment may be made in full, including retainage but less deductions. Provided; however, the CITY will not consider making such payment on any such item of work if it is an integral part of a complete project.
- 2.3.3 All materials and work covered by partial payments as provided for herein shall become the sole property of the CITY; provided, however, the CONTRACTOR shall not be relieved from the sole responsibility for the care and protection of materials and work upon which payments have been made and for the restoration of any damaged work.
- 2.3.4 The CITY may also withhold from time to time from payment to the CONTRACTOR such an amount or amounts as may be necessary to pay and fully satisfy all claims and demands for labor and services rendered in and about the Project, including any such amount or amounts due to be paid to or by any subcontractor or supplier, amounts for CITY'S or Engineer of Record's observers or inspectors for CONTRACTORS' overtime as herein provided, or for engineering or design services associated with CONTRACTOR initiated change orders or submittals in excess of that permitted herein. The CONTRACTOR hereby authorizes the CITY as its agent, to apply such amounts so withheld to the payment of any amount so due to be paid and all other just and lawful claims other than claims for damages for tort. In case of disagreement with reference to any such claim or claims, the CITY may keep such amounts so withheld on account of such claim or claims until such disagreement is finally settled and determined.
- 2.4.5 In addition, the CITY may also withhold payment of the whole or any part of a verified or approved application for payment from the CONTRACTOR to such an extent as may be necessary to protect itself from loss on account of any of the following causes discovered subsequent to its verification or approvals:

2.4.5.1 Defective work.

2.4.5.2 Evidence indicating probable filing of claims by other parties against the CONTRACTOR.

2.4.5.3 Failure of the CONTRACTOR or subcontractor to promptly make payments to subcontractors or for materials, labor, food stuffs and supplies.

2.4.5.4 Damage to another contractor under separate contract with the CITY.

2.4.5.5 Assessment of liquidated damages.

2.4.6 When the above grounds are removed, applications for payment will then be verified and/or approved for amounts not previously verified and approved because of them.

2.4.7 The CONTRACTOR shall not attempt to withdraw at any time during the term of this contract or any extensions thereof, without the expressed written consent of the CITY, the whole or any part of the amounts so retained by the CITY from payments due the CONTRACTOR by the establishment of an escrow account or by depositing securities in lieu thereof, pursuant to Ala. Code §39-2-12(e), or(f), or any amendments thereto or any equivalent law, ordinance or regulation. It is expressly agreed between the parties hereto that should the CITY elect not to consent to the same, then the CONTRACTOR shall not elect to, attempt to or in any manner endeavor to withdraw such retained amounts.

2.5 Claims for Extra Cost: If the CONTRACTOR claims that any instructions by drawings or otherwise involve extra cost or any extension of time, he shall notify the CITY in writing within ten (10) days after the receipt of such instructions and in any event before proceeding to execute the Project, the procedure shall be the same as that for change orders. No such claim shall be valid unless made in accordance with the terms of this section. There shall be no damages for delay.

2.5.1 Except as otherwise herein provided, no charge for any extra work will be allowed unless the same has been duly authorized in writing by the CITY and the price stated in such order.

2.6 Differing Site Conditions: If, in the performance of the Contract, subsurface or latent conditions are found to be materially different from those indicated by the plans and specifications, or unknown conditions of an unusual nature are disclosed differing materially from conditions usually inherent in work of the character shown and specified, the CONTRACTOR shall immediately notify the Engineer/Architect in writing regarding such conditions but in no event later than forty-eight (48) hours after discovery of such conditions by the CONTRACTOR.

2.6.1 The written notice shall describe the conditions, and other pertinent information, in no event shall such notice be later than forty-eight (48) hours before such conditions are disturbed. Upon such notice, or upon such observation of conditions, the Engineer/Architect will promptly make such changes in the plans and/or Specifications as he finds necessary (if any are necessary) to conform to the different conditions, and any increase or decrease in the cost of the Project resulting from such changes may be adjusted as provided under Change Orders or Claims for Extra Cost as set forth in the Contract documents.

2.7 Change Orders: Change orders shall be allowed only under the following conditions:

2.7.1 Minor changes for a total monetary amount less than that required for competitive bidding; or

2.7.2 Changes for matters incidental to the original contract necessitated by unforeseeable circumstances arising in the course of work under the contract; or

2.7.3 Changes due to emergencies; or

2.7.4 Changes provided for in the original bidding and original Contract Documents as alternates;

2.7.5 Changes of relatively minor items not contemplated when the plans and specifications were prepared and the Project was bid and which are in the public interest and generally do not exceed 10 percent of the Contract Price, subject to Alabama Bid Law exceptions.

2.7.6 The CONTRACTOR or successful bidder is expected to complete the Project as bid and specified within the financial parameters stated therein. However, if it shall be determined that a change order condition possibly exists in any given case during the performance of the contract, the CONTRACTOR shall promptly notify in writing the representative of the CITY and shall not implement such change until having notified the representative of the CITY. If the change is minor in the opinion of the representative of the CITY and does not:

2.7.6.1 involve an adjustment in the contract sum or construction bid price, or

- 2.7.6.2 result in extension of the contract time, or
- 2.7.6.3 a material change in the contract scope of services, then the CITY representative may authorize the change in writing to the CONTRACTOR. The CONTRACTOR shall not perform such change until receipt of such written change order.
- 2.7.7 In the event the change order requested by the CONTRACTOR involves,
 - 2.7.7.1 an increase in the contract sum or construction bid price,
 - 2.7.7.2 extend the contract time, or
 - 2.7.7.3 materially change the CONTRACTOR'S scope of work or services, then the CONTRACTOR shall request a change order in writing and present the same to the CITY representative.
- 2.7.8 The representative of the CITY shall determine whether this is a change order which can be allowed and, if so, what exception it would fall under. The representative of the CITY shall then document the same, attach the same to the CONTRACTOR'S request for a change order and submit the same with his recommendation to the CITY Council at its next or any subsequent regularly scheduled Council meeting for approval.
- 2.7.9 The CITY reserves the right to institute change orders as the OWNER pursuant to the aforesaid terms and conditions.
- 2.7.10 In no event is a change order to be executed by the CONTRACTOR prior to approval thereof by the CITY, except for emergencies.
- 2.8 Determination of Adjustment of the Contract Sum: The adjustment of the Contract Sum resulting from a change in the Work shall be determined by one of the following methods as determined by OWNER:
 - 2.8.1. By mutual agreement to a lump sum based on or negotiated from an itemized cost proposal from the CONTRACTOR.
 - 2.8.2. Additions to the Contract Sum shall include the CONTRACTOR'S direct costs plus a maximum 15% markup for overhead and profit. Where subcontract work is involved, the total mark-up for the CONTRACTOR and a subcontractor shall not exceed 25%. No allowance for overhead and profit shall be figured on a change which involves a net credit to the OWNER. For the purposes of this method of determining an adjustment of the Contract Sum, "overhead" shall cover the CONTRACTOR'S indirect costs of the change, such as the cost of bonds, superintendent and other job office personnel, watchman, job office, job office supplies and expenses, temporary facilities and utilities, and home office expenses.
- 2.9 Construction Schedule and Periodical Estimates: Immediately after execution and delivery of the contract and before the first partial payment is made, the CONTRACTOR shall deliver to the CITY and Engineer of Record and/or Construction Manager, a construction schedule in a form satisfactory to the CITY or Construction Manager, which may include CPM for all major trades, showing the proposed dates of commencement and completion of each of the various activities, of work required under the Contract documents, the interrelationship of each activity, sequences, resources for each and the anticipated amount of each monthly payment that will become due the CONTRACTOR in accordance with the progress schedule. The CONTRACTOR shall also furnish (1) a detailed estimate giving a complete breakdown on the contract price, and, (2) periodical itemized estimates of the work done for the purpose of making partial payments, however the same will not be considered as fixing a basis for additions to or deductions from the contract price. Scheduling is particularly critical if CONTRACTOR is a trade CONTRACTOR and adherence to the Construction Manager progress schedule is required.

NOTE: Depending upon the complexity of the work the CITY may require CPM or equivalent meeting all criteria above.

ARTICLE III TIME

- 3.0 Time for Completion/Delays: The CONTRACTOR hereby agrees to commence work under this contract on the date to be specified in a written "Notice to Proceed" or thirty (30) days from the date of contract execution, if no notice is issued, and to fully complete the Project within THIRTY (30) consecutive calendar days thereafter. The CONTRACTOR further agrees to pay to the CITY, Two Hundred Dollars (\$200.00) liquidated damages for each consecutive calendar day thereafter as hereinafter provided. Time is of the essence and a material element to this agreement.

- 3.0.1 NOTE: When maintenance periods are included in the contract for highways, bridges or similar structures, such periods shall be considered component parts of the contract. To the extent the construction schedule contains "float," the parties agree that the same belongs to the Project and may be utilized by either party.
- 3.1 Delay: If the CONTRACTOR is delayed at any time in the progress of work by any of the following causes, the CONTRACTOR may be entitled to a reasonable extension of time as determined by the CITY in which to complete the Project. Provided, however, no such delay nor the extension of time if granted shall be grounds for a claim by the CONTRACTOR for damages or for additional cost, expenses, overhead or profit or other compensation:
- 3.1.1 Fires, abnormal floods, tornadoes or other cataclysmic phenomenon of nature.
 - 3.1.2 Strikes, embargoes, lockouts, war, acts of public enemy.
 - 3.1.3 Change orders.
 - 3.1.4 Acts of performance or delays in performance by other contractors employed by the CITY or their subcontractors.
 - 3.1.5 Causes beyond the control of the CONTRACTOR.
 - 3.1.6 Provided further, that the CONTRACTOR shall immediately give notice in writing to the CITY and follow extension of time procedures as provided for herein. The CITY expressly disclaims any liability to CONTRACTOR for any cost, expense or damage caused by other contractors, subcontractors or suppliers, including those engaged by the CITY. The CITY shall not be liable for damages or cost to the CONTRACTOR sustained due to any interference from utilities or appurtenances or from the operations of relocating the same.
- 3.2 Extensions of Time: All written requests for extensions of time must be submitted to Engineer of Record within ten (10) days after the occurrence of the cause for delay. The Engineer of Record shall ascertain the facts and the extent of the delay and shall recommend to the CITY Council whether it should extend the time for completing the Project. Any extension of time shall be in writing and processed as a change order.
- 3.2.1 For change orders requesting extensions of time due to rain, wind, flood or other natural phenomenon, the CONTRACTOR'S written request must be accompanied, at the CITY'S request, by a detailed report of weather at this site for the last ten (10) years with averages showing means and statistical deviations from mean averages to support request for extension.
 - 3.2.2 No extension shall be made for delays due to rain, wind, flood or other natural phenomenon of normal intensity for the locality.
 - 3.2.3 In the event any material changes, alterations, or additions are made as herein specified, which in the opinion of the Engineer of Record will require additional time for execution of any work under the contract, then in that case, the time of the completion of the Project may be extended through change order. No extensions of time shall be given for any minor changes, alterations or additions. The CONTRACTOR shall not be entitled to any reparation or compensation on account of such additional time or extensions of time. To the extent that the construction schedule contains "float," the parties agree that the same belongs to the Project and may be utilized by either party.
- 3.3 Right of the CITY to Terminate Contract: If the CONTRACTOR should be adjudged as bankrupt, or if it should make a general assignment for the benefit of its creditors, or if a receiver should be appointed for the CONTRACTOR or any of its property, or if it should persistently or repeatedly refuse or fail to supply enough properly skilled workmen or if it should refuse or fail to make prompt payment to persons supplying labor for the Project under the Contract, or persistently disregard instructions of the fail or neglect to promptly prosecute or perform the Project in accordance with the contract documents or otherwise be guilty of a substantial violation of any provision of the Contract documents, then the CITY may, on giving at least thirty (30) days' written notice to the CONTRACTOR, without prejudice to any other rights or remedies of the CITY in the premises, terminate the CONTRACTOR'S right to proceed with the Project. In such event, the CITY may take over the Project and prosecute the same to completion, by contract or otherwise, and the CONTRACTOR and its sureties shall be liable to the CITY for any and all excess cost occasioned to the CITY thereby, including attorney's fees; and in any such case, the CITY may take possession of and utilize in completing the Project such appliances and plant of the CONTRACTOR or its subcontractors as may be on the site work and necessary or useful thereof. In the event of termination, the same shall not relieve the CONTRACTOR, nor any of its sureties of their obligation pursuant to this agreement. In the event it becomes necessary for the CITY to maintain any legal action against the CONTRACTOR, to enforce its rights herein, the CONTRACTOR shall pay the CITY all expenses associated therewith including a reasonable attorney's fee.

- 3.3.1 OWNER may at any time and for any reason terminate CONTRACTOR'S services and work at OWNER'S convenience. Upon receipt of such notice, CONTRACTOR shall, unless the notice directs otherwise, immediately discontinue the work and placing of orders for materials, facilities and supplies in connection with the performance of this Agreement. Upon such termination, CONTRACTOR shall be entitled to payment only as follows: (1) the actual cost of the work completed in conformity with this Agreement; plus, (2) such other costs actually incurred by CONTRACTOR as are permitted by the prime contract and approved by OWNER; (3) plus ten percent (10%) of the cost of the work referred to in subparagraph (1) above for overhead and profit.
- 3.4 Liquidated Damages: Should the work under this contract not be completed within the time specified, scheduled or as extended, it is understood and agreed that there may be deducted by the CITY or Engineer/Architect from the partial and/or final payments to the CONTRACTOR or otherwise charged to the CONTRACTOR, a sum computed at the rate of **Two Hundred Dollars (\$200.00) per day** beginning from the stated or extended date of completion and continuing for so long as the Project remains incomplete. It is understood and agreed that the above deduction is not a penalty, but money due to reimburse the CITY/OWNER for inconvenience and damage to the general public, due to the delay in the completion of the Project and is reasonable. The collection of liquidated damages by the CITY shall not constitute an election or waiver by the CITY of recovery of additional delay or non-delay related damages from the CONTRACTOR, and the CITY expressly reserves the right to recover actual damages for other harms resulting from delay. The provisions of the liquidated damage clause shall apply and continue to apply even if the CONTRACTOR terminates or abandons the Project prior to the scheduled completion dates.
- 3.4.1 The amounts of such liquidated damages and actual damages incurred by reason of failure to complete the work stipulated in the Contract are hereby agreed upon as reasonable estimates of the costs which may be accrued by the CITY. It is expressly understood and agreed that these amounts are not to be considered in the nature of penalties, but as damages which have accrued against the CONTRACTOR. The CITY shall have the right to deduct such damages from any amount due, or that may become due the CONTRACTOR, or the amount of such damages shall be due and collectible from the CONTRACTOR or Surety.

ARTICLE IV WORK AND MATERIALS

- 4.0 Cooperation of CONTRACTOR: The CONTRACTOR shall have available on the job site, at all times, at least one (1) copy of the plans and specifications, if prepared, for the Project.
- 4.0.1 He shall give the Project the constant attention necessary to facilitate the progress thereof and shall cooperate with the CITY, Engineer of Record and with other contractors in every way possible. The CONTRACTOR shall at all times have a superintendent, capable of acting as his agent on the Project, who shall receive communications from the Engineer of Record, or his authorized representatives or, the CITY'S authorized representative. The superintendent shall have full authority to give and execute orders relating to the Project without delay and to promptly supply such tools, plant equipment, materials and labor as may be required.
- 4.0.2 The CITY reserves the right to utilize its own forces on the site or those of another contractor and to communicate through its representative directly with the CONTRACTOR.
- 4.1 Superintendence: The CONTRACTOR shall assign to and keep at the Project site competent supervisory personnel. The CONTRACTOR shall designate, in writing, before starting work, an authorized representative who shall be an employee of the CONTRACTOR and shall have complete authority to represent, to receive notice for, and to act for the CONTRACTOR. The CONTRACTOR shall not permit or allow any work to be conducted upon the Project site without the presence of supervisory personnel. The Engineer of Record shall be notified in writing prior to any change in superintendent assignment. Using his best skill and attention, the CONTRACTOR shall give efficient supervision to the Project. The CONTRACTOR shall be solely responsible for all construction means, methods, techniques, and procedures, for providing adequate safety precautions, and for coordinating all portions of the Project under the Contract. It is specifically understood and agreed that neither the Engineer of Record nor the CITY shall not have control or charge of and shall not be responsible for the construction means, methods, techniques, or procedures, or for providing adequate safety precautions in connection with the Project under the Contract.

- 4.2 **CONTRACTOR'S Tools and Equipment:** The CONTRACTOR'S tools and equipment used on the Project shall be furnished in sufficient quantity and of a capacity and type that will adequately and safely perform the work specified, and shall be maintained and used in a manner that will not create a hazard to persons or property, or cause a delay in the progress of the Project.
- 4.3 **Furnishing Labor and Equipment:** The CONTRACTOR shall furnish and pay for all equipment, labor and supervision, and all such materials as required to be furnished in the Notice to Bidders and as may otherwise be necessary to the completion of the Project and the operation of each construction crew required.
- 4.4 **Employees:** The CONTRACTOR shall employ only competent, skillful workers on the Project, and whenever any person shall appear to be incompetent or to act in a disorderly, unsafe improper manner, such person shall promptly be removed from the Project by the CONTRACTOR.
- 4.5 **Materials and Appliances:** Unless otherwise stipulated, the CONTRACTOR shall provide and pay for all other materials, water, heating, lighting, fuel, power, transportation, machinery, appliances, telephone, sanitary facilities, temporary facilities and other facilities and incidentals necessary for the execution and completion of the Project.
- 4.5.1 The CONTRACTOR warrants to the CITY and the Engineer of Record that, unless otherwise specified, all materials and equipment furnished under this contract shall be new, and both workmanship and materials shall be of good quality, free of faults and defects, and in conformance with the Contract Documents. The CONTRACTOR shall, if required, furnish satisfactory evidence as to the kind and quality of materials. In selecting and/or approving equipment for installation in the Project, neither the CITY nor Engineer of Record assume responsibility for injury or claims resulting *from failure of the equipment to comply with applicable federal, state, and local safety codes or requirements*, or the safety requirements of a recognized agency, or failure due to faulty design concepts, or defective workmanship and materials. Material and/or equipment damaged by flooding or other causes during the construction period shall be subject to rejection by the Engineer of Record; reconditioning and/or repairing material and/or equipment is not acceptable.
- 4.6 **Asbestos and Hazardous Materials:** Unless specifically authorized and instructed to the contrary by the CITY, the CONTRACTOR shall not permit, allow, place, install or incorporate into the Project or upon the work site, any hazardous material(s), including, but not limited to, any products or materials that contain asbestos in any quantity. It shall be the responsibility of the CONTRACTOR to inspect all materials and products delivered for incorporation or installation in the Project to ensure that they contain no hazardous materials or asbestos. Where the CONTRACTOR or any subcontractor has or should have a reasonable suspicion that any product or material contains asbestos or other hazardous material, the CONTRACTOR shall immediately inspect the material or product, obtain a product or material data sheet, and notify the CITY'S representative prior to installation or incorporation of the same into the Project. Any product or material determined to contain asbestos or other hazardous material shall be removed from the Project immediately and properly disposed of as required by law. Products or material to which the CONTRACTOR should pay particular attention to avoid the presence of asbestos incorporated therein include, but are not limited to the following: concrete, batt insulation, roof insulation, building felts, mastics, water proofing products, adhesives, resilient flooring products, ceiling tiles, interior coatings, exterior coatings, roofing, pipe installation, duct installation and pre-assembled items of equipment.
- 4.6.1 At the completion of the Project, the CONTRACTOR shall submit a duly executed Asbestos Affidavit in the form as attached hereto prior to final payment.
- 4.6.2 The CONTRACTOR is responsible for insuring that all of its employees and subcontractors are adequately trained to handle hazardous materials in accordance with 49 CFR §172(g).
- 4.7 **Protection of Work and Property:** The CONTRACTOR shall furnish and install all necessary temporary works for the protection of the Project. The CONTRACTOR shall at all times adequately maintain, guard and protect his own work from damage, and safely guard and protect private, commercial, industrial, the CITY'S and others' property from injury or loss arising in connection with this Contract. He shall make good any such damage, injury or loss, except such as may be directly due to errors in the plans or specifications or caused by agents or employees of the CITY.

- 4.7.1 The CONTRACTOR shall protect all existing vegetation such as trees, shrubs, and grass on or adjacent to the site which are not required to be removed or do not unreasonably interfere with construction, as may be determined by the Engineer of Record, and be responsible for all cutting or damaging of trees and shrubs or grassed areas, including damage due to careless operation of equipment, stockpiling of materials or equipment.
- 4.7.2 Care shall be taken by the CONTRACTOR in felling trees that are to be removed to avoid any unnecessary damage to vegetation or other trees that are to remain in place. Any limbs or branches unavoidably broken during such operations shall be trimmed with a clean cut and painted with an approved tree priming compound. The CONTRACTOR may be required to replace or restore at his own expense all vegetation not protected and preserved, as above required, that may be destroyed or damaged.
- 4.7.3 The CONTRACTOR shall provide and maintain all passageways, guard fences, lights, and other facilities required for protection by federal, state or municipal laws and regulations or local conditions.
- 4.7.4 The CONTRACTOR shall comply with local and state regulations governing the operation of premises which are occupied and shall perform the contract in such a manner as not to interrupt or interfere with the operation of other facilities.
- 4.7.5 The CONTRACTOR shall store his apparatus, materials, supplies, and equipment in such orderly fashion at the site of the Project as will not unduly interfere with the progress of his work or the work of any other contractor.
- 4.7.6 Necessary crossings of curbs, sidewalks, roadways or parkways shall be protected against and any damage shall be repaired by or at the expense of the CONTRACTOR.
- 4.7.7 The CONTRACTOR shall not place upon the Project or any part thereof, loads inconsistent with the design or safety of that portion of the Project.
- 4.7.8 The CONTRACTOR shall provide and maintain access to all public and private properties at all times and be responsible for any damage caused by his operation to existing driveways, yards, streets, parking lots, utilities, railroads, etc., and such damage shall be corrected at the CONTRACTOR'S expense. Roadways authorized closed by State or Local authorities shall be maintained to provide access to all fire, police, and other emergency vehicles and all individuals having private property in the closed area. The CONTRACTOR shall notify at least 24 hours in advance the Fire, Police, and Transportation Departments having local jurisdiction, the OWNER and any other individuals, businesses, or agencies that may be affected.
- 4.8 Protection of Existing Utilities. CONTRACTOR shall be responsible for any damage to existing structures or the interruption of any utility services which shall be repaired or restored promptly by and at the expense of the CONTRACTOR.
 - 4.8.1 To that extent, the CONTRACTOR shall provide whatever measures are necessary to properly protect and maintain all existing utilities encountered in the course of the work. The CONTRACTOR shall be exclusively responsible to the utility owner for any and all damages to the various utilities caused by the CONTRACTOR'S actions or lack of actions to adequately protect the same.
 - 4.8.2 The CONTRACTOR shall determine the exact location of all existing utilities before commencing work and agrees hereby to be fully responsible and liable for any and all damages which might occur by his failure to exactly locate and/or preserve the location of any and all underground or overhead utilities. The CONTRACTOR shall be solely and directly responsible to the utility owner for any and all damages to the various utilities, caused by the CONTRACTOR'S actions or lack of actions to adequately protect such utilities. If any utilities are to be affected during the course of construction, the CONTRACTOR shall so notify the OWNER thereof at least seventy-two (72) hours prior to any such construction activity. The CONTRACTOR shall fully cooperate and coordinate with all utility owners in the event of an interruption to any utility service. The cost for locating, uncovering and protecting underground and/or overhead utilities is included within the CONTRACTOR'S bid price for various other items of work.
 - 4.8.3 The CONTRACTOR shall maintain all storm sewers, drains and/or ditches so that flow is not disturbed or impeded. The CONTRACTOR shall protect storm drains, inlets and/or ditches, lawns, landscaping and other facilities, from damage during the testing, and flushing.
- 4.9 Limiting Exposures: The CONTRACTOR shall prosecute the work on the Project to insure that no part of the construction, complete or in progress, is subject to harmful, dangerous, damaging, or otherwise deleterious exposure during the construction period. Where applicable, such exposures include, but are not limited to the following:

excessive static or dynamic loading	Chemicals	Improper lubrication
Excessive internal or external pressures	Light	Unusual wear or other misuse
Excessively high or low temperatures	Puncture	Contact between incompatible materials
Thermal shock	Abrasions	Destructive testing
Excessively high or low humidity	Heavy traffic	Misalignment
Air contamination or pollution	Soiling, staining & corrosion	Excessive weathering
Water or ice	Bacteria	Unprotected storage
Solvents	Rodent and insect infestation	Improper shipping or handling
	Combustion	Theft
	Electrical current	Vandalism
	High speed operation	

- 4.9.1 The CONTRACTOR shall minimize dust and air pollution through the use of water or other devices, require the use of properly operating combustion emission control devices and by encouraging the shutdown of construction vehicles when not in use.
- 4.10 Safety: The completed Project shall include all necessary permanent safety devices, such as machinery guards and similar ordinary safety items as may be appropriate or required by law. Further, any feature of the Project (including CITY-furnished or CITY-selected equipment) subject to such safety regulations shall be fabricated, furnished, and installed in compliance with these requirements. Contractors and manufacturers of equipment shall be held responsible for compliance with the requirements included herein. CONTRACTOR shall notify all equipment suppliers and subcontractors of the provisions of this Article.
- 4.10.1 In selecting and/or accepting equipment for installation in the Project, neither the CITY nor Engineer /Architect assume responsibility for any personal injury, property damage, or any other damages or claims resulting from failure of the equipment to comply with applicable safety codes or requirements, or the safety requirements of a recognized agency, or failure due to manufacturer's faulty design concepts, or defective workmanship and materials. The CONTRACTOR shall indemnify and hold the CITY, Program Coordinator, and Engineer/Architect harmless against any and all liability, claims, suits, damages, costs, or expenses without limitation arising out of the installation or use of such equipment.
- 4.10.2 The CONTRACTOR shall take all necessary precautions for the safety of employees on the Project and shall comply with all applicable provisions of federal, state, and municipal safety laws and building codes to prevent accidents or injury to persons on or about or adjacent to the premises where the Project is being performed. He shall erect and properly maintain at all times, as required by conditions, and progress of the Project, all necessary safeguards for the protection of workmen and the public, and shall post danger signs warning against the hazards created by features of construction and the site.
- 4.10.3 Machinery, equipment and all hazards shall be guarded or eliminated in accordance with the State Accident Prevention in Construction provisions to the extent that such provisions are not in contravention with applicable laws.
- 4.10.4 The CONTRACTOR shall do whatever work is necessary for safety and be solely and completely responsible for conditions of the jobsite, including safety of all persons (including but by no means limited to the public, site personnel, visitors, or employees) and property during the Contract period. The contract period shall include any subsequent warranty or other period associated with Project deficiency or repair and all hours including, and in addition to, normal working hours.
- 4.10.5 Safety provisions shall conform to the Federal and State Departments of Labor and the Occupational Safety and Health Act (OSHA), and all other applicable federal, state, county, and local laws, ordinances, codes, the requirements set forth herein, and any regulations that may be specified in other parts of these Contract Documents. Where any of these are in conflict, the more stringent requirement shall be followed. The CONTRACTOR'S failure to thoroughly familiarize himself with the aforementioned safety provisions shall not relieve him from compliance with the obligations and penalties set forth therein.
- 4.10.6 The CONTRACTOR shall at all times provide proper facilities for safe access to the work by authorized government officials (federal, state, county and local) and representatives of the OWNER.

- 4.11 Traffic Control: The CONTRACTOR shall be responsible for traffic control, including plan and devices to the extent the same is required due to work in, upon or in proximity to public right-of-way, streets, roads or vehicular traffic. The traffic control plan and all traffic control devices shall conform at a minimum to the Manual on Uniform Traffic Control Devices for Streets and Highways, Latest Edition, Federal Highway Administration. A copy of which is on file in the office of the CITY of Fairhope Director of the Department of Transportation for examination. Copies may be obtained from the Alabama Department of Transportation. Should the appropriate public authority determine a greater degree of traffic control is required, then the CONTRACTOR shall promptly provide same. The CONTRACTOR shall submit a plan to the Engineer of Record for approval before commencing construction.
- 4.13.1 Reasonable means of ingress and egress by vehicular and/or pedestrian traffic to property adjacent to the Project shall be maintained at all times. The CONTRACTOR shall indemnify and hold the CITY harmless for any claims or causes of action including but not limited to those for inverse condemnation and/or lost profits arising out of or in any manner associated with access to or the restriction or prevention thereof to adjoining property. Traffic control and erosion control is of paramount importance during the construction of this Project and the terms and conditions in the contract documents in regard to these matters must be strictly adhered to.
- 4.14 Responsibility to Act in Emergency: In case of an emergency which threatens loss or damage to property, and/or safety, the CONTRACTOR shall act, without previous instructions from the CITY or Engineer of Record, as the situation may warrant. The CONTRACTOR shall notify the Engineer of Record thereof immediately thereafter. Any claim for compensation by the CONTRACTOR, together with substantiating documents in regard to expense, shall be submitted to the CITY through the Engineer of Record. The claim will be handled in accordance with the provisions for extra work. However, if the emergency is created or aggravated by the CONTRACTOR, he shall be liable for the resulting damages. If the CONTRACTOR fails to take necessary action as required by such an emergency, the CITY may assign another CONTRACTOR or use his own forces to perform the emergency work. Costs or damages arising from the failure of the CONTRACTOR to act in an emergency may be deducted from the CONTRACTOR'S request for payment.
- 4.15 Sanitary Regulations: The CONTRACTOR shall provide and maintain such sanitary accommodations for the use of his employees and those of his subcontractors as may be necessary to comply with the requirements and regulations of the local and State Department of Health. At a minimum, necessary sanitary conveniences for the use of the laborers on the work shall be erected and maintained by the CONTRACTOR, in such a manner and at such points as shall be approved by the Engineer of Record. Their use shall be strictly enforced. In the Construction Manager format, the CITY may provide sanitary accommodations through the Construction Manager.
- 4.16 Cutting, Patching, etc.: Unless otherwise stated in the contract documents, the CONTRACTOR shall do all necessary cutting, fitting and patching of the Project that may be required to properly receive the work, to make its several parts join together properly, receive and provide for the work of various trades, and be received by the work of other contractors, or as required by drawings and specifications to complete the Project. After such cutting, he shall replace or restore or repair and make good all defective or patched work as required by the Engineer of Record. He shall not cut, excavate or otherwise alter any work in any manner or by a method or methods that will endanger the Project, adjacent property, workmen, the public or the work of any other contractor. The CONTRACTOR shall check the location of all sleeves, openings, slots, etc., for the piping, ducts, breeching, conduits, louvers, grills, fans, etc., as they are laid out on the job.
- 4.16.1 Provisions for openings, holes and clearances through walls, beams, floors, ceilings and partitions shall be made and checked by the CONTRACTOR and/or his subcontractor in advance of constructing such parts of the Project and unnecessary, superfluous or dangerous cutting shall be avoided.
- 4.16.2 Pipes passing through concrete or masonry walls shall be protected by pipe sleeves two sizes larger than the pipe, plus its installation to provide free movement.
- 4.16.3 Under no condition shall structural, framing or other parts or members subjected to computed stress be cut or disturbed without the approval of the Engineer of Record. Any plates, studs or joists, and/or rafters that are approved to be cut to execute necessary work shall be securely strapped and braced to restore their strength by approved methods.
- 4.16.4 Unless otherwise indicated in Supplemental Conditions, all road crossings and/or driveways cut by the CONTRACTOR during the performance of the Project shall be returned to service as soon as possible and replaced or repaired within seven (7) calendar days.

- 4.16.5 All major thoroughfares must be repaired the same day as cut. The CONTRACTOR shall be responsible for the safety and welfare of the traveling public while construction work is being done and until the CITY accepts the Project.
- 4.16.6 The CONTRACTOR will replace at his own expense, all pipe and accessories that may be broken, damaged, stolen or lost and all materials that may become damaged, lost, stolen or misused.
- 4.16.7 The Engineer of Record's approval shall be obtained before cutting or drilling holes in concrete or masonry that tend to damage or weaken the load capacity.
- 4.17 Trailers: With the approval of the CITY or Engineer of Record, the CONTRACTOR may park trailers or other structures for housing men, tools, machinery and supplies, but they will be permitted only at approved places and their surroundings shall be maintained at all times in a sanitary and satisfactory manner by the CONTRACTOR. On or before the completion of the Project, all such trailers or structures shall be removed, unless the CITY authorizes their abandonment without removal, together with all rubbish and trash, at the expense of the CONTRACTOR.
- 4.18 Construction Staking: If necessary, the Engineer or the CITY will furnish initial lines and grades to establish the initial horizontal and vertical control points and define the beginning and ending points of the Project. The CONTRACTOR is responsible for engaging the services of a qualified Engineer or land surveyor to replace and/or re-establish in accordance with the Construction plans and/or specs, all construction stakes that are disturbed, displaced or destroyed during construction.
 - 4.18.1 If the CONTRACTOR finds any errors or discrepancies with the construction staking or the criteria upon which it is based, he/she shall promptly notify the OWNER'S representative.
- 4.19 Periodic Cleanup: The CONTRACTOR shall periodically, at least weekly, or as requested during the progress of the Project, clean up and remove from the premises, all refuse, rubbish, scrap materials and debris caused by its employees or its subcontractors resulting from its work, to the end that all times the premises are sanitary, safe, reasonably clean, orderly and workmanlike. Trash and combustible materials shall not be allowed to accumulate inside buildings or elsewhere on the premises. At no time shall any rubbish be thrown from window openings, except during renovations with adequate precautions and into proper receptacles. The CONTRACTOR shall comply with all municipal litter and construction site ordinances.
 - 4.19.1 Before the Project is considered as complete, all rubbish created by or in connection with the construction must be removed by the CONTRACTOR and the premises left in a condition by the CONTRACTOR satisfactory to the CITY. Street, curbs, crosswalks, pavements, sidewalks, fences and other public and private property disturbed shall be restored to their former condition or better, and final payment will be withheld until such work is finished by CONTRACTOR.
 - 4.19.2 CONTRACTOR shall conduct cleaning and disposal operations to comply with local ordinances and anti-pollution laws. No burning or burying of rubbish or waste materials is permitted on the Project site. The CONTRACTOR shall dispose of any hazardous material in a safe manner, off site, in accordance with applicable laws and regulations and shall not dispose of volatile or hazardous waste in storm or sanitary sewer drainage ditches, streams or waterways.
 - 4.19.3 CONTRACTOR shall periodically wet down dry materials and rubbish to lay dust and prevent blowing dust; and shall provide adequate and approved containers for collection and disposal of waste material, debris and rubbish, removing grease, dust, dirt, stains, labels, fingerprints and other foreign materials from exposed and semi-exposed surfaces.
- 4.20 Termite Control. If the Project involves construction of a building or if otherwise specifically required by the CITY, then the CONTRACTOR shall provide soil treatment for termite control under all interior slabs on grade and foundation walls, and as herein specified. CONTRACTOR shall also comply with manufacturer's instructions and recommendations for work, including preparation of substrate and application and shall engage a professional pest control operator, licensed in accordance with regulations of governing authorities for application of soil treatment solution and doing business in the state where the Project is located for a minimum of five (5) years.
 - 4.20.1 CONTRACTOR shall not apply soil treatment solution until excavating, filling and grading operations are completed, except as otherwise required in construction operations. To insure penetration, the soil treatment will not be applied to frozen or excessively wet soils or during inclement weather. CONTRACTOR shall comply with all handling and application instructions of the soil toxicant manufacturer. The type of materials to be used for soil poisoning shall first be submitted to the CITY for approval.

- 4.20.2 The soil treatment solution shall be an emulsible concentrate insecticide for dilution with water, specially formulated to prevent infestation by termites. Fuel oil will not be permitted as a dilutant.
- 4.20.3 CONTRACTOR shall strictly comply with the Environmental Protection Agency's (EPA) rules and regulations governing chemicals and their use. Only soil treatment solutions which are not injurious to planting shall be used. Other solutions may be used as recommended by Applicator when acceptable to the EPA, local governing authorities, and the Engineer of Record.
- 4.20.4 CONTRACTOR shall comply with the following requirements when applying the soil treatment solution:
 - 4.20.4.1 Surface Preparation: Remove foreign matter which could decrease effectiveness of treatment on areas to be treated. Loosen, rake, and level soil to be treated, except previously compacted areas under slabs and foundations. Toxicants may be applied before placement of compacted fill under slabs if recommended by toxicant manufacturer.
 - 4.20.4.2. Under slab-on-grade structures, treat soil before concrete slabs are placed using either power sprayer or tank type garden sprayer.
 - 4.20.4.2.1 Apply 4-gallons of chemical solution per 10 linear feet to soil in critical areas under slab, including entire inside perimeter inside of foundation walls, along both sides at interior partition walls, around plumbing pipes and electric conduit penetrating slab, and around interior column footings.
 - 4.20.4.2.2 Apply one gallon of chemical solution per 10 sq. ft. as an overall treatment under slab and attached slab areas where fill is soil or unwashed gravel. Apply 1-1/2 gallons of chemical solution to areas where fill is washed gravel or other coarse absorbent material.
 - 4.20.4.2.3 Apply 4 gallons of chemical solution per 10 linear feet of trench for each foot of depth from grade to footing, along outside edge of building. Dig a trench 6" to 8" wide along outside of foundation to a depth of not less than 12". Punch holes to top of footing at not more than 12" o. c. and apply chemical solution. Mix chemical solution with the soil as it is being replaced in trench.
 - 4.20.4.3. Post signs in areas of application warning workers that soil poisoning has been applied. Remove signs when areas are covered by other construction.
 - 4.20.4.4 Reapply soil treatment solution to areas disturbed by subsequent excavation or other construction activities following application.

4.21 Erosion Control

- 4.21.1. To the extent there has been issued by the City of Fairhope Building Department a land disturbance permit in accordance with applicable ordinances, the CONTRACTOR shall conform to, and abide by all terms and conditions of such permit.
 - 4.21.2. Erosion control measures shall be performed on all disturbed areas in accordance with Section 665, Alabama Highway Department Specifications. The CONTRACTOR will perform all erosion control measures necessary to prevent silt and soil from leaving construction area and entering private property or the "Waters of the State." Erosion control measures shall be in strict accordance with Alabama Non-Point Source Management Program Document and EPA Storm Water Pollution Prevention for Construction Activities.
 - 4.21.3 Prior to issuance of City of Fairhope permits for site work, CONTRACTOR will be required to submit an Erosion and Sediment Control Plan for the project, as per the City of Fairhope Erosion and Sediment Control Ordinance, #1398.
 - 4.21.4 Awarded Vendor is responsible for complying with all State, Federal and CITY ordinances, Including, but not limited to local ordinances: Erosion and Sediment Control Ordinance #1398; Wetland Ordinance # 1370; and Red Soil & Clay Ordinance # 1423.
 - 4.21.3 In accordance with Section 665 of Alabama Highway Department Specifications, temporary erosion control work shall involve the construction of temporary berms, dikes, drains, fences, dams, etc. with the use of temporary seeding, mulching, erosion control netting, hay bales, sandbags, check dams, etc., as necessary in order to prevent silt and soil from leaving rights-of-way and entering private property or from washing into drainage structures located on State or County rights-of-way.
 - 4.21.4 Erosion control measures shall be maintained by the CONTRACTOR through the warranty period of the contract. If additional measures are required to correct problems which might occur, these shall be performed by the CONTRACTOR at no additional cost to the OWNER.
 - 4.21.5 Materials used for erosion control measures shall be in accordance with Section 665.02 of Alabama Highway Department Specifications and shall include hay bales, sandbags, silt fencing rip rap, crushed stone, mulch or other materials necessary in order to accomplish erosion control.
- 4.22 Wastewater Containment and Management Plan. To the extent that construction activity by the CONTRACTOR involves any wastewater infrastructure or construction activities in close proximity to any

wastewater infrastructure and/or to any CITY sanitary sewer assets the CONTRACTOR shall submit to the Engineer of Record, prior to commencing construction, a wastewater containment and management plan (the Plan"). The Plan shall adequately address the means, methods and techniques to be employed by the CONTRACTOR for containing and transporting wastewater in a sanitary manner without, at any time, permitting the discharge of wastewater into the environment or creating the necessity of a State required sanitary sewer overflow report. The Plan shall be submitted by the CONTRACTOR to the Engineer for review and approval before commencing any construction activity. The Engineer of Record may waive the requirement of submitting a Plan if he/ she determines that the construction activity to which the Plan would relate does not involve any potential for the discharge of wastewater into the environment or creating the potential for the necessity of a State required sanitary sewer overflow report.

- 4.23 Environmental Clause/Covenant. CONTRACTOR shall not allow any toxic, hazardous or contaminated substances or gases (including, but not limited to, asbestos and raw materials which include hazardous constituents or any other similar substances or materials which are included under or regulated by any local, state, or federal law, rule or regulation pertaining to environmental regulations, contamination, clean-up or disclosure such as, without limitation, the Comprehensive Environmental Response Compensation Liability Act of 1980 ("CERCLA"); the Clean Air Act (42 U.S.C. Sec. 7401 et seq.); the Clean Water Act (33 U.S.C. §1251 et seq.); the Resource Conservation and Recovery Act (42 U.S.C. §6901 et seq.); and the Toxic Substances Control Act (42 U.S.C. §2601 et seq.) or state environmental clean-up or disclosure acts and statutes as all such acts and statutes exist now or are hereafter amended (such acts and statutes referred to herein as "Environmental Laws") (such substances or gases referred to herein as 'Hazardous Substances') to be stored, located, or discharged on the premises without specific prior written consent of the CITY. CONTRACTOR shall comply with all Environmental Laws affecting the premises. CONTRACTOR covenants to hold the CITY, its officers, agents and employees harmless from and against any loss, costs, damage or expenses (including attorney's fees and expenses) arising out of the presence of Hazardous Substances (as hereinbefore described) on or about the premises or the violation of any Environmental Laws with respect thereto, the occurrence of which Hazardous Substances on the premises or the violation of any Environmental Laws shall have arisen solely from the acts or omissions of CONTRACTOR, its subcontractors, agents, invitees and employees. This indemnity shall survive the termination of this contract and shall inure to the benefit of the City of Fairhope, its successors and assigns.

ARTICLE V INSURANCE, LIABILITY, ETC.

- 5.0 CONTRACTOR's Insurance (Generally):
- 5.0.1 Insurance Required. The CONTRACTOR shall not commence work under this contract until it has obtained all insurance required by the Contract documents and such insurance has been accepted by the CITY. The CONTRACTOR shall maintain the required insurance during the term of the contract including any extensions of the term.
- 5.0.1.1 Insurance shall be written in comprehensive form by insurance companies rated A- or better by A. M. BEST and shall protect the CONTRACTOR and the CITY against claims for injuries to members of the public (including City employees) or damages to property of others (including City property) arising out of any act of the CONTRACTOR or any of its agents, employees or subcontractors and shall cover both on-site and off-site operations under this contract and insurance coverage shall extend to any motor vehicles or other related equipment, irrespective of whether the same is owned, non-owned or hired.
- 5.0.1.2 The obtaining and maintaining by CONTRACTOR and subcontractors of the insurance required herein does not relieve the CONTRACTOR of any responsibilities, obligations or duties to the CITY pursuant to this contract.
- 5.0.2 Additional Insurance. The CONTRACTOR shall have an insurance professional review the CONTRACTOR'S activities in regard to the performance of this contract, and the CONTRACTOR shall obtain any further or additional insurance or greater limits as recommended by the insurance professional.
- 5.0.3 Insurance Limits. Neither the setting of insurance limits or requirements nor the acceptance or approval of the same by the CITY imply or represent that the limits or the insurance carrier is

- sufficient or that such insurance actually has been obtained, that being the responsibility of the CONTRACTOR.
- 5.0.4 Subcontractors. The CONTRACTOR shall require all subcontractors to take out and maintain the type of insurance required herein to the extent of their involvement in the Project so as to be adequate to protect against liability. In the event any work under this Contract is performed by a subcontractor(s), the CONTRACTOR shall remain responsible for any liability directly or indirectly arising out of the work performed under this Contract, regardless of whether or not such work is covered by the subcontractor's insurance. The CONTRACTOR shall not allow any subcontractor to commence work on the project until all similar insurance required of the subcontractor has been obtained. All subcontractors shall maintain required insurance during the term of the contract including any extensions of the term.
- 5.0.5 CITY'S Right to Review Coverage. The CITY shall have the right to inspect and approve CONTRACTOR'S insurance coverage herein required. Should the CITY deem it advisable to modify the coverage in any way, it shall so request of the CONTRACTOR in writing and should the CONTRACTOR fail to modify the, then the CITY may pay the cost of any increased coverage or take credit for any decreases as may be appropriate. Review or acceptance of insurance by the CITY or representatives of the CITY shall not relieve or decrease the responsibility of the CONTRACTOR hereunder.
- 5.0.6. Waiver of Subrogation. To the extent that the CONTRACTOR is required to maintain insurance coverage for loss or damage to property or bodily injury, the insurance must waive and the CONTRACTOR hereby waives subrogation of claims against the CITY, its officers, agents and employees.
- 5.0.7 CITY as Additional Insured. The CITY shall be named as additional insured, for ongoing and completed operations for up to two (2) years, on the CONTRACTOR'S and any subcontractor's policies for any claims arising out of work performed under this Contract. The CONTRACTOR shall provide the CITY with a Certificate of Insurance naming the CITY as an additional insured using ACORD form 25 (2014/01) (or a substitute form providing equivalent coverage) naming the CITY as an additional insured, giving all parties a 30 notice of cancellation or intent not to renew the insurance, a waiver of subrogation and list any and all exclusions. The coverage available to the CITY as an additional insured shall be as specified in Item IV of the bid packet. Additional insured coverage shall apply as primary, non-contributory, insurance with any other insurance afforded to the CITY and the CONTRACTOR.
- 5.0.8. Elevators, Hoist and Cranes. If the CONTRACTOR or a subcontractor will utilize in connection with the performance of the work pursuant to this contract an elevator, material hoist, crane or other equipment, or conveyor, then the CONTRACTOR shall take out and maintain or require the subcontractor to take out and maintain insurance that shall protect the CONTRACTOR and the CITY against claims for injuries to members of the public (including CITY employees) or damages to property of others (including CITY property) arising out of any act of the CONTRACTOR or any of its agents, employees or subcontractors resulting from the operation of such elevator, material hoist, crane or other equipment, or conveyor.
- 5.1 Insurance:
- 5.1.1 Workmen's Compensation Insurance:
The CONTRACTOR shall take out and maintain during the term or any extensions of this contract Workmen's Compensation Insurance as required by Alabama law for all of its employees employed at the site of the Project or off-sites related to the Project and, in case any work is sublet, the CONTRACTOR shall require the subcontractor similarly to provide Workmen's Compensation Insurance for all of the latter's employees unless such employees are covered by the protection afforded by the CONTRACTOR.
- 5.1.1.1 In case any class of employees engaged in any work under this contract at the site of the Project is not protected under the Workmen's Compensation statute, the CONTRACTOR shall provide, and shall cause each subcontractor to provide, adequate accident insurance for the protection of its employees not otherwise protected.
- 5.1.1.2 Water or Navigational Exposure; Where work under this contract may trigger the requirement for Federal Longshoreman's and Harbor worker's Act and Federal Jones Act or insurance required by other applicable law or regulations, the CONTRACTOR shall obtain the same if required.
- 5.1.2. Comprehensive Automobile and Vehicle Liability Insurance:
The CONTRACTOR shall maintain during the term or any extensions of this contract comprehensive automobile and vehicle liability insurance. The limits of liability shall be as specified in Item IV of the bid packet

5.1.3. Commercial General Liability Insurance:

The CONTRACTOR shall maintain during the term or any extensions of this contract, Commercial General Liability Insurance, including officers, agents and employees.

5.1.3.1 The limits of liability shall be as specified in **ITEM IV** of the bid packet.

5.1.4 Miscellaneous Insurance:

The CONTRACTOR shall provide whatever insurance may be required of the CITY or the CONTRACTOR by permits or agreements, etc., with the railroad, highways, or other utilities. The CONTRACTOR shall familiarize himself with all insurance requirements contained in easements, permits, and agreements associated with this Project. The CONTRACTOR shall provide any Railroad Protective Liability and other General Liability Insurance in the amounts contained in the agreements, permits or easements or in greater amounts if higher limits are appropriate or required elsewhere. The CONTRACTOR shall bear the cost of all required Insurance and shall include in his bid a sufficient amount to cover the cost of all required insurance. To the extent the CITY obtains permits or licenses for railroad or highway bores, crossings or other work involved in the Project, the CONTRACTOR shall obtain adequate insurance to protect itself and the CITY.

5.1.5. Proof of Carriage of Insurance:

The CONTRACTOR shall furnish the CITY with satisfactory proof of carriage of the insurance required herein, in the form of an insurance certificate or if the CITY elects in the form of a policy. Insurance shall be in a form satisfactory to the CITY.

5.1.5.1 The CONTRACTOR'S and any subcontractor's general liability and automobile liability insurance shall endorse the OWNER (City of Fairhope), its officers, agents and employees, as additional insured's for any claims arising out of work performed under this contract.

5.1.5.2 The CONTRACTOR'S insurance endorsing the OWNER and others as additional insured's shall be "primary" and non-contributory as to such endorsed insured's.

5.1.5.3 Cancellation: The certificate and policy, as the case may be, shall state that the CITY shall be given ten (10) days' written notice of cancellation or any change in the insurance coverage.

5.1.5.4 There shall be a statement that the CONTRACTOR and any subcontractors waive subrogation as to the CITY, its officers, agents, employees and Program Coordinator.

5.1.5.5 There shall be a statement that full aggregate limits apply per job or contract.

5.1.5.6 Agents verification of CONTRACTOR'S insurance on form provided by the CITY or equivalent.

5.1.5.7 Insurance shall contain no exclusions for X, C or U.

5.1.5.8 Full aggregate limits must apply per job or contract.

5.2 No Personal Liability of Public Officials:

In carrying out any of the provisions hereof in exercising any authority granted by the Contract, there will be no personal liability upon any public official.

5.3 Indemnity

To the maximum extent permitted by law, the CONTRACTOR shall save harmless, indemnify and defend the CITY, its officers, agents and employees from and against any and all claims and losses, cost, expense or liability including attorney's fees and litigation costs caused by, arising out of, resulting from, or occurring in connection with the performance of the work by the CONTRACTOR or any subcontractor, regardless of the fault, breach of contract, or negligence of the CITY, its officers, agents or employees excepting only such claims or losses that have been adjudicated to have been caused solely by the negligence of the CITY and regardless of whether or not the CONTRACTOR is or can be named a party in a litigation.

5.3.1 CONTRACTOR agrees to indemnify and/or reimburse the CITY for any fines, violations, charges, suits, or sums of money imposed by the Alabama Department of Environmental Management (ADEM), Environmental Protection Agency (EPA), or any administrative agency on the CITY of Fairhope for any sewage or contaminate discharged or Wetlands regulations violation as a result of or arising out of the work by the CONTRACTOR pursuant to this agreement.

5.5 Exclusion of CONTRACTOR Claims

In performing its obligations, the Engineer of Record and its consultants may cause expense for the CONTRACTOR or its subcontractors and equipment or material suppliers. However, those parties and their sureties shall maintain no direct action against the CITY or its officers, employees, agents and program coordinator for any claim arising out of, in connection with, or resulting from the Engineering services performed or required to be performed where such services are performed in good faith to protect the CITY or the Public.

5.6 Inadequate Surety/Insurance

It is further mutually agreed between the parties hereto that if, at any time after the execution of this agreement, any of the surety bonds of the CONTRACTOR or subcontractors relating to the Project for its faithful performance shall be deemed by the CITY to be unsatisfactory, or if for any reason such bond(s) ceases to be adequate to cover the performance of the work or the surety ceases to do business by agent in Baldwin County, Alabama, the CONTRACTOR shall, at its expense, within five (5) days after the receipt of notice from the CITY so to do, furnish an additional bond or bonds in such form and amount and with such surety or sureties as shall be satisfactory to the CITY. In such event, no further payment to the CONTRACTOR shall be deemed to be due under this agreement until such new or additional security for the faithful performance of the work shall be furnished in manner and form satisfactory to the CITY.

5.7 Changes

When changes in the Scope of Work by written order, or change orders, aggregate in an amount equal to 10 percent (10%) of the total contract, including the change order or change orders, the insurance coverage included under this heading shall be increased accordingly by the CONTRACTOR. Proof of coverage shall be established by endorsement to the original policy or by re-issue of the original policy to include the added coverage, or in accordance with any other acceptable policy with the insuring company for increasing the coverage.

**ARTICLE VI
OBSERVATION OF THE PROJECT**

6.0 Generally: The CONTRACTOR shall furnish the Engineer of Record and/or the CITY'S observer with every reasonable facility for ascertaining whether or not the work performed is in accordance with the requirements and intent of the Specifications and Contract Documents. No work shall be done without suitable inspection by the Engineer of Record's Inspector or the CITY'S observer. Payment for work or failure to reject any defective work shall not in any way prevent later rejection when such defect is discovered, nor obligate the CITY to final acceptance. All work done when not in accordance with the Plans, specifications and contract will be rejected and, without cost to the CITY, shall immediately be removed and other work done in accordance therewith by the CONTRACTOR. If the CONTRACTOR fails to remove the work as above ordered, then the Engineer of Record shall have the right and authority to stop the CONTRACTOR and his work at once and the CITY may correct the work as herein provided at the cost and expense of the CONTRACTOR.

6.0.1 Inspection is not acceptance and shall not constitute acceptance by the CITY.

6.0.2 The work shall also be subject to inspection by representatives of the City of Fairhope Building Inspection Department.

6.1 Observation of the Project: The Engineer of Record, the CITY and its observers, agents, any agency having jurisdiction, and their representatives shall have access at all times to the Project for inspection whenever it is in preparation or progress, and the CONTRACTOR shall provide proper facilities for such access and inspection. The CITY or the Engineer of Record may appoint or assign observers, with designated duties and restricted authority, to inspect the Project as may be directed, or to make special observations requested in advance by the CONTRACTOR, and to report progress of the Project, and manner of procedure, quality of the material and workmanship, and compliance with the Contract Documents. Inspection or observation is not acceptance and shall not constitute acceptance by the CITY.

6.1.1 All materials, workmanship, equipment, processes of manufacture, and methods of construction, shall be subject to inspection, examination, and test by such persons at any and all places where such manufacture and/or construction are being carried on. The Engineer of Record shall have the right to reject material, workmanship and/or equipment that are defective or otherwise not in accordance with the drawings and Specifications and require its correction by the CONTRACTOR. Rejected workmanship shall be satisfactorily corrected, and rejected material shall be satisfactorily replaced with proper material by the CONTRACTOR without charge therefore, and the CONTRACTOR shall promptly segregate and remove the rejected material from the premises. Provided; however, neither the presence or absence of such observers nor the giving or failure to give such advice, direction or instruction shall in any manner relieve the CONTRACTOR from any contract requirement.

6.1.2 Upon rejection of material and/or workmanship by the Engineer of Record or the CITY, there may be occasion where such deficiencies may be corrected more economically and timely through

- modification of the design versus removal and replacement. In such instances, the Engineer of Record shall provide design services on behalf of the CITY necessary for analysis and correction of the rejected work. Costs associated with hourly fees for these professional services shall be paid by the CITY and deducted from payment to the CONTRACTOR based on the actual costs incurred. Prior to beginning any analysis and accrual of associated professional service fees, the Engineer of Record shall provide the CONTRACTOR and CITY notice in writing of the intent to begin, summary of the scope of work, estimated time to complete, and estimated total fees. Any costs associated with corrective work performed by the CONTRACTOR to remedy such deficiencies shall be the sole responsibility of the CONTRACTOR.
- 6.1.3 Neither the CITY observers nor the Engineer of Record, will be authorized to revoke, alter, relax, or waive any requirements of the Contract Documents; to issue instructions contrary to the drawings and Specifications; nor shall they direct work for the CONTRACTOR, nor unreasonably interfere with the CONTRACTOR's operations beyond the extent necessary to make certain that the Project is being carried out according to the contract requirements.
- 6.1.4 Any advice which they may give the CONTRACTOR shall not be construed as binding the CITY in any way, nor as releasing the CONTRACTOR from any of the contract requirements.
- 6.1.5 If the CONTRACTOR considers any work demanded of it to be outside the contract requirements, or any ruling of the Engineer of Record or an inspector to be unfair, it may immediately, upon such work being demanded or ruling made, request written instructions from the Engineer / Architect, or inspector, or within ten days file an appeal to the CITY, stating clearly and in detail the basis of its objections. However, pending the decision on such appeal no work shall be done in disregard of the rulings of the Engineer of Record or inspector or his instructions on items of work affected by such appeal.
- 6.1.6 The CONTRACTOR shall furnish promptly, without extra compensation, all reasonable facilities, labor, and material necessary for safe and convenient access, inspection, and tests that may be required by the Engineer of Record.
- 6.2 Authority and Duties of Observers: If CITY or consultant inspectors, whether for the Engineer of Record or Construction Manager, are being utilized, they shall be authorized and permitted to inspect all work done. The Inspector shall not be authorized to alter or waive any requirements of the Specifications. He shall have authority to call the attention of the CONTRACTOR to failure of the work to conform to the specifications and Contract. He may suspend the Project until any questions at issue can be referred to and decided by the Engineer of Record or the CITY.
- 6.2.1 Neither the Engineer of Record, Inspector, the CITY or other representatives for the CITY shall be responsible in any way for construction means, methods or techniques, nor for the safety of the construction work, progress, or employees of the CONTRACTOR or any subcontractors, except as set forth in the Construction Manager contract, if applicable.
- 6.2.2 The presence of the Inspector shall not in any manner lessen the responsibility of the CONTRACTOR pursuant to this agreement.
- 6.3 Defective Work/Correction of Work by the CITY: The inspection of the work shall not relieve the CONTRACTOR of any of its obligations to fulfill its contract and defective work shall be made good, notwithstanding that such work has been previously inspected by the Engineer of Record and accepted or estimated for payment. The failure of the Engineer of Record or inspector to condemn improper workmanship shall not be considered as a waiver of any defect, whether known at the time or discovered later, or as preventing the CITY at any time subsequently from recovering damages for work actually defective. All work shall be guaranteed by the CONTRACTOR against defects in workmanship for a period of one year from date of final payment.
- 6.3.1 Upon failure and/or neglect by the CONTRACTOR to promptly prosecute or perform the work in accordance with the contract documents, including any requirements with respect to the construction schedule, plans or specifications, the CITY may, without prejudice to any other remedy it may have, correct such deficiencies and may deduct the actual cost thereof from payment, then or thereafter due to the CONTRACTOR.
- 6.4 Disagreement: Should any disagreement or difference arise as to the estimated quantities or classifications or as to the meaning of the drawings or specifications, or any point concerning the character, or acceptability or nature of the several kinds of work, or construction thereof, the decision of the Engineer of Record shall be final and conclusive and binding on the CONTRACTOR.
- 6.5 Stop Work Orders: During unseasonable weather all work must stop when the Engineer of Record so directs and all work must be suitably protected by CONTRACTOR at all times. However, the

Engineer/Architect shall be under no obligation to stop work on the Project. If the Project is stopped, the CONTRACTOR shall not be entitled to extra compensation for delays or problems associated with the stoppage.

- 6.6 Progress Meetings: The CONTRACTOR shall conduct regular progress meetings during the course of the Project at least once a month or more often if requested by the CITY or Engineer of Record. The meetings shall be held at a site convenient to all parties and if a site cannot be agreed upon, the CITY will designate a site.
- 6.6.1 The CONTRACTOR or designated representative, the CONTRACTOR'S Superintendent, all subcontractors, engineers, inspectors, and the CITY'S representative shall attend.
- 6.6.2 The CONTRACTOR shall keep accurate written minutes of the meetings and forward copies thereof to the Engineer of Record and the CITY's representative before the next scheduled meeting.
- 6.6.3 If a trade contract, progress meetings will be conducted by the Construction Manager, who will keep minutes. All trade contractors shall attend unless excused by the Construction Manager.

ARTICLE VII PROJECT COMPLETION

- 7.0 Substantial Completion: "Substantial completion" shall be that degree of completion of the Project or a defined portion of the Project, as evidenced by the Engineer of Record's written notice of Substantial Completion, sufficient to provide the CITY, at its discretion, the full-time use of the Project or defined portion of the work for the purposes for which it was intended. "Substantial Completion" of an operating facility or operating component of the Project shall be that degree of completion that has provided a minimum of seven (7) continuous days of successful, trouble-free operation in a "fully automatic" manner acceptable to the CITY and Engineer of Record and with all redundant systems fully operational. All equipment contained in the Project, plus all other components necessary to enable the OWNER to operate the facility in the manner that was intended, shall be complete on the substantial completion date.
- 7.0.1 When the CONTRACTOR considers that the Project, or where acceptable to the CITY, a designated portion thereof is substantially complete, the CONTRACTOR shall prepare and submit to the Engineer of Record a list of items to be completed or corrected and request an inspection for Substantial Completion. The failure by the CONTRACTOR to include any items on such list does not alter the responsibility of the CONTRACTOR to complete all work in accordance with the Contract Documents. After inspection and/or if an operating facility, after a minimum of seven (7) continuous days of successful, trouble free operation has been achieved during startup, the Engineer of Record may, at his sole discretion, issue a written notice of substantial completion for the purpose of establishing the starting date for specific equipment guarantees or warranties, and to establish the date that the CITY will assume the responsibility for the cost of operating such equipment.
- 7.0.2 Said notice shall not be considered as final acceptance of any portion of the Project or relieve the CONTRACTOR from completing the remaining work, including any remaining performance or acceptance testing, within the specified time and in full compliance with the Contract Documents. Specifically, the issuance of a written notice of Substantial Completion shall not relieve the CONTRACTOR of his obligation to promptly remedy any omissions and latent or unnoticed defects in the Project covered by the written Notice of Substantial Completion.
- 7.1 Final Inspection: Upon notice from the CONTRACTOR that its work is complete, the Engineer of Record and/or other representatives of the CITY shall make a final inspection of the work or Project and conduct test or tests if applicable. The Engineer of Record shall notify the CONTRACTOR of all apparent and/or visible instances where the Project fails to comply with the plans and specifications and contract documents, as well as any defects he may discover (punch list). The CONTRACTOR shall immediately make such alterations as are necessary to make the Project comply with the plans and specifications and to the satisfaction of the Engineer of Record.
- 7.1.1 Upon completion of all such repairs in a satisfactory manner, and when the Engineer of Record has determined that the work or Project is acceptable under the contract, including this provision and after publication of final completion and all other requirements of final payment as provided for in this agreement, then he shall issue a final certificate of payment to the CITY stating that the balance is due the CONTRACTOR, less such amounts as may have been withheld by the CITY from time to time as provided

- in the contract documents. In recommending to the CITY that it make such final payment to the CONTRACTOR, the Engineer of Record shall also issue a certificate of final acceptance wherein he shall recommend to the CITY that it accept the Project and/or work as final and complete pursuant to the contract documents.
- 7.1.2 Verification, approval, inspection, final inspection, issuance of final acceptance, issuance of final certificate of payment, action or approval by the CITY upon the final certificate of payment or final acceptance shall not in any way relieve the CONTRACTOR of responsibility for faulty materials or workmanship
- 7.1.3 All warranty or guarantee periods shall commence and start to run from the date of substantial completion.
- 7.2 "As Built" Drawings: Unless waived by the CITY representative, the CONTRACTOR must provide to the CITY a set of "as built" drawings acceptable to the CITY as a component part of the Project prior to final payment.
- 7.3 Final Cleanup: Before final completion and final acceptance, the CONTRACTOR shall remove from the CITY's property or rights-of-ways and from all public and private property, all tools, scaffolding, false work, temporary structures and/or utilities, including the foundations thereof (except such as the CITY permits in writing to remain); rubbish and waste materials resulting from its operation or caused by its employees; and shall remove all surplus materials, leaving the site clean and true to line and grade, and the Project in a safe and clean condition ready for use and operation. In addition to the above, the CONTRACTOR shall be responsible for the following special cleaning for all trades as the Project shall have been completed:
- 7.3.1 Cleaning of all painted, enameled, stained or baked enamel work: removal of all marks, stains, fingerprints and splatters from such surfaces.
- 7.3.2 Cleaning of all glass: cleaning and removing of all stickers, labels, stains and paint from all glass and the washing and polishing of the same on interior and exterior.
- 7.3.3 Cleaning or polishing of all hardware.
- 7.3.4 Cleaning of all tile, floor finishing of all kinds; removal of all splatters, stains, paint, dirt, and dust, the washing and polishing of all floors as recommended by the manufacturer or required by the Engineer of Record.
- 7.3.5 Cleaning of all manufactured articles, materials, fixtures, appliances and equipment; removal of all stickers, rust stains, labels (except instructional and/or safety labels) and temporary covers and cleaning and conditioning of all manufactured articles, materials, fixtures, appliances, electrical, heating and air conditioning equipment as recommended or directed by the manufacturers, unless otherwise required by the Engineer of Record; blowing out or flushing out of all foreign matter from all dust pockets, piping, tanks, pumps, fans, motors, devices, switches, panels, fixtures, boilers, similar features; and freeing identification plates on all equipment or excess paint and the polishing thereof.
- 7.3.6 In the case of failure to comply with the above requirements for any part of the Project within the time specified by the Engineer of Record, he may cause the work to be done and deduct the cost thereof from the contract price on the next or succeeding application for payment, or in the event that the cost exceeds the balance due the CONTRACTOR, bill the CONTRACTOR for the excess.
- 7.4 Notice of Completion: The CONTRACTOR shall, immediately after the completion of the Project and acceptance by the OWNER as provided for herein, give notice as required by Ala. Code §39-1-1(f) by an advertisement in some newspaper of general circulation published within the CITY or county wherein the Project has been done for a period of four (4) successive weeks. The advertisement shall advise interested parties to contact both the CONTRACTOR and the specific CITY representative. The CITY'S representative shall be named along with his proper mailing address. In no instance shall a final payment be made upon the contract until the expiration of thirty (30) days after the completion of the notice. Proof of Publication of said notice shall be made by the CONTRACTOR to the City of Fairhope by affidavit of the Publisher and a printed copy of the notice published.
- 7.4.1 Provided, however, that the requirements hereinabove stated for notice and advertisement shall not apply to contractors performing contracts of less than Fifty Thousand Dollars (\$50,000.00) in amount and the governing body of the City of Fairhope so as to expedite final payment, shall cause notice of final completion of such contract to be published one time in Baldwin County and shall post notice of final completion on the City of Fairhope's bulletin board for one (1) week and shall require the \

CONTRACTOR to certify under oath that all bills have been paid in full. Final settlement with such CONTRACTOR may be made at any time after the notice shall have been posted for one (1) entire week.

- 7.4.2 **NOTE: When maintenance periods are included in the contract for highways, bridges or similar structures, such periods shall be considered component parts of the contract.**

7.5 Final Payment:

Upon completion of the Project by the CONTRACTOR and acceptance by the CITY'S representatives of all work required of the CONTRACTOR for the Project, but not until thirty (30) days after completion of the notice, the amount due the CONTRACTOR pursuant to the Contract Documents shall be paid upon the presentation by the CONTRACTOR to the CITY'S representative of the following:

- 7.5.1 A properly executed and duly certified voucher for payment, verified by engineer/architect, or other CITY representative, including therewith evidence that all payrolls and all amounts due for labor and materials, other than claims for damages due to tort, have been fully paid and satisfied and there are no outstanding claims or demands associated with the work on the Project.
- 7.5.2 A release of all claims and claims of lien against the CITY from the CONTRACTOR and all major subcontractors (the CITY may waive the requirement for subcontractor releases) arising under and by virtue of the contract, on the form attached, duly executed by the CONTRACTOR and with the consent of the surety. The CONTRACTOR may specifically except claims of the CONTRACTOR from the operation of the release if specifically excepted therefrom in stated amounts and the reason therefor. The CONTRACTOR may with the consent of the CITY representative, if any subcontractor refuses to furnish such a release, furnish a bond with surety satisfactory to the CITY representative to indemnify against such claims.
- 7.5.3 Proof of publication of notice of completion including affidavit of publisher and a printed copy of the notice so published, as provided by law.
- 7.5.4 In accordance with Ala. Code §39-2-12(c), a non-resident contractor shall satisfy the CITY that he or she has paid all taxes due and payable to the State, the CITY and all applicable political subdivisions.
- 7.6 Acceptance of Final Payment Constitutes Release: The acceptance by the CONTRACTOR of the final payment shall release the CITY, the Engineer of Record, as representatives of the CITY, and their officers, employees, agents, and sub-consultants from all claims and all liability to the CONTRACTOR for all things done or furnished in connection with the Project, and every act of the CITY and others relating to or arising out of the work except claims previously made in writing and still unsettled. No payment, however, final or otherwise, shall operate to release the CONTRACTOR or his Sureties from obligations under this Contract and the Performance Bond, Payment Bond, and other bonds, warranties and guarantees as herein provide.

ARTICLE VIII WARRANTY AND GUARANTEES

8.0 Warranty and Guarantee:

- 8.1. Warranty: The CONTRACTOR warrants to the CITY and the Engineer of Record that all materials and equipment furnished under this Contract will be new unless otherwise specified and that all work, materials and equipment will be of good quality, free from fault and defects and in conformance with the contract documents. The work must be safe, substantial and durable construction in all respects. All work, materials and equipment not conforming to these requirements, including substitutions not properly approved and authorized, may be considered defective. Warranties shall commence to run from the date of substantial completion.
- 8.1.1 The work furnished must be of first quality and the workmanship must be the best obtainable in the various trades. The CONTRACTOR hereby guarantees the Project and the work on the Project against defective materials or faulty workmanship for a minimum of one (1) year after final payment by the CITY and shall replace or repair any defective materials or equipment or faulty workmanship during the period of guarantee at no cost to the CITY.
- 8.2 Guarantee: If, within the designated warranty period or if not designated, within one (1) year from the date of substantial completion, any of the work, materials or equipment is found to be defective

- or not in accordance with the contract documents, the CONTRACTOR shall correct it promptly after receipt of written notice from the CITY to do so, unless the CITY has previously specifically given the CONTRACTOR a written acceptance of such specific condition. This obligation shall survive termination of the Contract. The CITY shall give such notice promptly after discovery of the condition.
- 8.3 Roofing Guarantee: If the Project involves a roof on a building or other structure, then the CONTRACTOR shall execute and provide the Roofing Guarantee in the form attached hereto. The guarantee shall be delivered to the CITY and Engineer of Record prior to final payment.
- 8.4 Termite Warranty: If the Project involves termite treatment as required in Article IV, then the CONTRACTOR shall furnish to the CITY a written warranty certifying that the applied soil poisoning treatment will prevent the infestation of subterranean termites and that if subterranean termite activity is discovered during the warranty period, CONTRACTOR shall re-treat the soil and repair or replace any damage caused by termite infestation. The warranty shall be for a period of five (5) years from the date of treatment signed by Applicator and CONTRACTOR.
- 8.5 Correction of Defective Work During Warranty/Guarantee Period: The CONTRACTOR hereby agrees to make, at his own expense and no cost to the CITY, all repairs or replacement necessitated by defects in materials or workmanship, provided under the terms of this Contract, and pay for any damage to other works resulting from such defects, which become evident within 1 year after the date of substantial completion unless substantial completion is established by the Engineer of Record only for specified items of equipment, or within such longer period of time as may be prescribed by law or by the terms of any applicable special guarantee required by the Contract Documents unless the CITY has previously given the CONTRACTOR a written acceptance of such defects. The CONTRACTOR shall promptly correct such defects upon receipt of a written notice from the CITY to do so. This obligation shall survive the termination of the Contract.
- 8.5.1 Un-remedied defects identified for correction during the warranty period described herein before, but remaining after its expiration, shall be considered as part of the obligations of the warranty. Defects in material, workmanship, or equipment which are remedied as a result of obligations of the warranty shall subject the remedied portion of the Project to an extended warranty period of 1 year after the defect has been remedied.
- 8.5.2 Repetitive malfunction of equipment shall be cause for equipment replacement and an extension of the guarantee period for the equipment to a date 1 year following acceptable replacement.
- 8.5.3 The CONTRACTOR further assumes responsibility for a similar guarantee for all work and materials provided by subcontractors or manufacturers of packaged equipment components. The CONTRACTOR also agrees to hold the CITY and the Engineer of Record and employees harmless from liability or damages, including the Engineer of Record's and attorneys' fees, and cost and expenses of litigation of any kind arising from damage due to said defects. The CONTRACTOR shall make all repairs and replacements promptly upon receipt of written order for same from the CITY. If the CONTRACTOR fails to make the repairs and replacements promptly, or in an emergency where delay would cause serious risk, or loss, or damage, the CITY may have the defective work corrected or the rejected work removed and replaced, and the CONTRACTOR and his Surety shall be liable for the cost thereof. The CONTRACTOR during the warranty period shall repair/replace as rapidly as possible any and all equipment, materials, etc., which are found to be defective. Should any items not be repaired/replaced within thirty (30) days from the time it is reported to the CONTRACTOR by the CITY, then the warranty period shall be extended on that item for a period equal to the time that the item has remained defective, incomplete, or inoperable as determined by the CITY. The CONTRACTOR must certify that the item has been corrected.
- 8.5.4 The CITY'S rights under this Article shall be in addition to, and not a limitation of, any other rights and remedies available by law.

ARTICLE IX LAWS, PERMITS, ETC.

- 9.0 Laws and Regulations/Royalties, Patents, Copyrights and Permits and Rights-of-Way: The CONTRACTOR shall comply with and keep itself fully informed of all laws, ordinances and regulations of federal, state, CITY and county in any manner effecting those engaged or employed in the Project, or the materials used in the Project, or in any way affecting the conduct of the Project, and of all orders and decrees of bodies or tribunals having any jurisdiction or authority over same. The CONTRACTOR

- shall possess all permits and licenses required by applicable law, rule or regulation for the performance of the Project. If any discrepancy or inconsistency should be discovered in this contract, or in the drawings or specifications herein referred to, in relation to any law, ordinance, regulation, order or decree, it shall forthwith report the same in writing to the Engineer of Record. It shall at all times, itself, observe and comply with all such existing and future laws, ordinances and regulations.
- 9.0.1 The CONTRACTOR shall protect and indemnify the CITY, Engineer of Record, and their respective employees, officers, sub-consultants, and agents against any claim or liability arising from or based on the violation of any such laws, ordinances, or regulations. All permits, licenses, and inspection fees necessary for prosecution and completion of the Project shall be secured and paid for by the CONTRACTOR, unless otherwise specified.
- 9.0.1.1 The CONTRACTOR shall obtain and pay for all licenses and permits and shall pay all fees and charges for connection to outside service and the use of property required for the execution and completion of the Project.
- 9.0.2 The CONTRACTOR shall give all notices and comply with all laws, ordinances, rules, regulations, and code requirements applicable in or bearing on the conduct of the Project unless in conflict with contract requirements. If the CONTRACTOR ascertains at any time that any requirements of the Contract is at variance with applicable laws, ordinances, regulations, or building code requirements, it shall promptly notify the Engineer of Record and any necessary adjustment of the Contract will be made as herein specified under change in orders.
- 9.0.3 The CONTRACTOR shall pay all applicable federal, state and local taxes and assessments on the Project. Wherever the law of the place of building requires a special tax, use, occupation, or other tax, the CONTRACTOR shall pay such tax.
- 9.0.4 The CONTRACTOR shall pay all royalties and license fees. The CONTRACTOR shall hold and save the CITY and its agents and employees harmless from liability of any nature or kind, including costs and expenses, for or on account of any patented or unpatented invention, process, article or appliance manufactured or used in the performance of the contract, including its use by the CITY.
- 9.0.5 To the extent that the Project has not been permitted or registered by the Engineer or CITY, CONTRACTOR shall register or obtain any and all necessary National Pollutant Discharge Elimination System (NPDES) Permits required by USEPA or the Alabama Department of Environmental Management (ADEM) as well as any applicable storm water permits or registration for the construction of the improvements specified in the Contract Documents. The CONTRACTOR shall abide by all regulations and conditions relative to the permit or registration and attachments to the permit or registration, including but not limited to sampling and monitoring. The CONTRACTOR shall fulfill for the CITY all the requirements made upon the CITY by the permit(s) or registration.
- 9.0.6 The CONTRACTOR shall be fully responsible for all aspects of erosion and sediment control. The CONTRACTOR shall utilize whatever measures are necessary to prevent pollution or siltation due to his activities. As a minimum, the CONTRACTOR shall strictly comply with the erosion control methods referenced in the Alabama Soil and Water Conservation Committee "Alabama Handbook for Erosion Control, Sediment Control, and Storm water Management on Construction Sites and Urban Areas," latest edition (referred to as the Alabama Handbook").
- 9.0.7 If the CONTRACTOR has information that any process, article or item specified or delineated by the Engineer of Record is an infringement of a patent or a copyright, it shall promptly give such information to the Engineer of Record.
- 9.1 Alabama Department of Transportation Rights-of-Way: If any portion of the Project involves work upon State right-of-way, the CONTRACTOR agrees to provide the Alabama Department of Transportation with a bond or certified check in the amount required, made payable to the Alabama Department of Transportation, to guarantee the faithful performance of the provisions of a permit and to guarantee that the CONTRACTOR shall maintain the work in a manner suitable to the Alabama Department of Transportation for a period of one (1) year. The Alabama Department of Transportation Bond Form must be used. At the end of one (1) year from the completion of this work, the Department of Transportation will return the certified check or bond to the applicant provided all provisions of this permit have been complied with. Otherwise, the Department of Transportation shall apply the certified check or bond to the cost of repairing the rights-of-way with State forces.
- 9.2 Storm Water Permit and Monitoring:

- 9.2.1. To the extent that the Project has not been permitted or registered by the Engineer of Record or the CITY, and **if** the Project is defined as a NPDES Construction Site per ADEM Admin. Code Chapter 335-6-12 (the Rule), the CONTRACTOR shall submit to the Alabama Department of Environmental Management (ADEM) a Notice of Registration (NOR) under the Rule for Storm Water Discharges during construction activities.
- 9.2.1.1 The CONTRACTOR shall strictly adhere to all requirements of the NOR and the rule regardless of which party has obtained coverage.
- 9.2.2 Compliance with all provisions of ADEM Admin. Code Chapter 335-6-12 and this registration is required, including but not limited to, the preparation and implementation of a Construction Best Management Practices Plan (CBMPP) and any other plans as may be required, the regular maintenance of the Best Management Practices (BMPs) to the maximum extent practicable and the submittal of required reports. As required by the Rule, the CONTRACTOR shall retain a Qualified Credentialed Professional (QCP) to prepare the CBMPP and to certify that it was prepared in accordance with the requirements of the "Alabama Handbook" and the Rule.
- 9.2.3 Payment
- 9.2.3.1 Payment will be made to the CONTRACTOR for obtaining the storm water NOR, as specified herein for the lump sum amount as shown in the bid schedule. If there is no line item for registration, obtaining the NOR shall be considered a subsidiary obligation of mobilization.
- 9.2.3.2 Individual erosion and sediment control items shall be paid for at the unit prices as shown in the Bid Response Form. Routine inspections will be performed by the OWNER'S representative or Engineer to verify compliance with the CBMPP and the Rule shall be the CONTRACTOR'S responsibility and shall be incidental to the storm water registration.
- 9.2.3.3 If no individual erosion and sediment control items are included in the bid schedule the cost of these items shall be incidental to the lump sum amount as shown in the bid schedule for Storm Water Monitoring and Temporary Erosion and Sediment Control and payment shall be made prorata as the Project progresses.
- 9.2.4 The CONTRACTOR shall perform all work in compliance with and as required by any State, Federal or Local registration, permit or license, the terms and conditions of which are adopted herein by reference. The CONTRACTOR agrees to indemnify and hold harmless the CITY, Engineer of Record, and their respective officers, agents and employees from any fines, penalties, damages, claims, liability or judgment arising out of or in any manner associated with the CONTRACTOR'S failure to perform work on the Project in strict accordance with all storm water registration, permit or license requirements.

ARTICLE X. MISCELLANEOUS CLAUSES

- 10.0 Notice and Service Thereof:
- 10.01 All notices, demands, requests, change orders, instructions, approvals and claims shall be in writing. Unless expressly otherwise provided in this agreement, any election, notice or other communication required or permitted to be given under this agreement shall be in writing and deemed to have been duly given if provided in accordance with the provisions hereof.
- 10.02 Any notice to or demand upon the CONTRACTOR shall be in writing and shall be sufficiently given if addressed to the CONTRACTOR at the address stated herein and deposited in the United States mail in a sealed envelope with sufficient postage prepaid or delivered with charges prepaid to any telegraph company for transmission to the CONTRACTOR at such address. It shall also be sufficient if such notice or demand be served upon the CONTRACTOR personally or its local representative in charge of the Project or delivered at his local office. The CONTRACTOR shall, from time to time, designate to the CITY in writing any change of address to which such notice or demand shall be sent.
- 10.03 Any notice to or demand upon the CITY shall be in writing and shall be sufficiently given if delivered to the office of the CITY's representative or if addressed to the CITY representative and deposited in the United States mail in a sealed envelope with sufficient postage prepaid or delivered with charges prepaid to any telegraph company for transmission to such representative of the CITY.

- 10.1 CITY Representative: The CITY's representative as Project Manager on this Project is hereby designated as _____
- 10.1.1 CONTRACTOR Representative: The CONTRACTOR'S representative on this Project is hereby designated as _____
- 10.1.2 ENGINEER of RECORD Representative: The CONTRACTOR'S representative on this Project is hereby designated as _____
- 10.3 Capacity: Each party to this agreement represents and warrants to the other as follows:
- 10.3.1 That it is an individual of the age of majority or otherwise a legal entity duly organized and in good standing pursuant to all applicable laws, rules and regulations.
- 10.3.2 That each has full power and capacity to enter into this agreement, to perform and to conclude the same including the capacity, to the extent applicable, to grant, convey and/or transfer; areas, assets, facilities, properties, (both real and personal), permits, consents and authorizations and/or the full power and right to acquire and accept the same.
- 10.3.3 That to the extent required, each party has obtained the necessary approval of its governing body or board and a resolution or other binding act has been duly and properly enacted by such governing body or board authorizing this agreement and said approval has been reduced to writing and certified or attested by the appropriate official of the party.
- 10.3.4 That each party has duly authorized and empowered a representative to execute this agreement on their respective behalf and the execution of this agreement by such representative fully and completely binds the party to the terms and conditions hereof.
- 10.3.5 That absent fraud, the execution of this agreement by a representative of the party shall constitute a certification that all such authorizations for execution exist and have been performed and the other party shall be entitled to rely upon the same. To the extent a party is a partnership, limited liability company or joint venture, the execution of this agreement by any member thereof shall bind the party and to the extent that the execution of agreement is limited to a manager, managing partner or specific member then the person so executing this agreement is duly authorized to act in such capacity for the party.
- 10.3.6 That each party represents and warrants to the other that there is no litigation, claim or administrative action threatened or pending or other proceedings to its knowledge against it which would have an adverse impact upon this transaction or upon either's ability to conclude the transaction or perform pursuant to the terms and conditions of this agreement.
- 10.3.7 That each party has obtained any and all required permits, approvals and/or authorizations from third parties to enable it to fully perform pursuant to this agreement.
- 10.4 Ownership of Contract Documents: the Contract documents, and copies of parts thereof, are furnished and owned by the CITY. All portions of the Contract Documents, and copies of parts thereof, are the instruments of service for this Project. They are not to be used on other work and are to be returned to the CITY on request at the completion of the Project. Any reuse of these materials without specific written verification or adaptation by the CITY will be at the risk of the user and without liability or legal expense to the CITY or Engineer of Record. Such user shall hold the CITY, its officers, agents and employees harmless from any and all damages, including reasonable attorneys' fees, from any and all claims arising from any such reuse. Any such verification and adoption shall entitle the CITY to further compensation at rates to be agreed upon by the user and the CITY.
- 10.5 No Waiver of Rights: Neither the inspection by the CITY or the Engineer of Record or any of their officers, employees, agents, or sub-consultants, nor any order by the CITY for payment of money, nor any payment for, or acceptance of, the whole or any part of the Project by the CITY or Engineer of Record, nor any extension of time or change order, nor any possession taken by the CITY or its employees, or non-enforcement of any provision of this agreement by either party shall operate as a waiver of any provision of this agreement, or any power herein reserved to the CITY, or any right to damages, nor shall any waiver of any breach in this agreement be held to be a waiver of any other or subsequent breach. Acceptance or final payment shall not be final and conclusive with regards to latent defects, fraud, or such gross mistakes as may amount to fraud, or as regards the CITY'S rights under any warranty.
- 10.6 Subletting or Assigning of Contract:
- 10.6.1 Limitations: The CONTRACTOR shall not sublet, assign, transfer, convey, sell or otherwise dispose of any portion of the agreement, his obligations, right, or interest therein, or its power to execute such

agreement, to any person, firm or corporation without written consent of the CITY and such written consent shall not be construed to relieve the CONTRACTOR of any duty or responsibility for the fulfillment of the agreement. A sale, conveyance or transfer of 50% or more of the stock or ownership of the CONTRACTOR shall be considered an assignment. Provided; however, in no event shall any portion of this agreement be assigned to an unsuccessful Bidder whose bid was rejected because he or she was not a responsible or responsive Bidder. Use of subcontracts up to a combined (total) value of 50 percent of the value of all work will not be construed as an assignment. Unless otherwise stipulated in the proposal or general conditions, the CONTRACTOR shall perform, with its own organization, work with the value not less than fifty (50) percent of the value of all work embraced in the contract.

- 10.6.2 SubContractor's Status: A subcontractor shall be recognized only in the capacity of an employee or agent of the CONTRACTOR
- 10.7 Third Party Beneficiaries: It is the intent of the parties hereto that there shall be no third party beneficiaries to this agreement.
- 10.7.1. Final Integration: This Agreement constitutes the entire agreement of the parties, as a complete and final integration thereof with respect to its subject matter. All written or oral understandings and agreements heretofore had between and among the parties are merged into this Agreement, which alone fully and completely expresses their understandings. No representation, warranty, or covenant made by any party which is not contained in this Agreement or expressly referred to herein has been relied on by any party in entering into this Agreement.
- 10.7.2 Force Majeure: Neither party to this Agreement shall hold the other party responsible for damages or delay in performance caused by acts of God, strikes, lockouts or other circumstances beyond the reasonable control of the other or the other party's employees, agents or contractors.
- 10.7.3 Amendment in Writing: This Agreement may not be amended, modified, altered, changed, terminated, or waived in any respect whatsoever, except by a further agreement in writing, properly executed by all of the parties.
- 10.7.4 Binding Effect: This agreement shall bind the parties and their respective personal representatives, heirs, next of kin, legatees, distributees, successors, and assigns.
- 10.7.5 Captions: The captions of this Agreement are for convenience and reference only, are not a part of this Agreement, and in no way define, describe, extend, or limit the scope or intent of this Agreement.
- 10.7.6 Construction: This Agreement shall be construed in its entirety according to its plain meaning and shall not be construed against the party who provided or drafted it.
- 10.7.7 Mandatory and Permissive: "Shall", "will", and "agrees" are mandatory; "may" is permissive.
- 10.7.8 Governing Laws: The laws of the State of Alabama shall govern the validity of this Agreement, the construction of its terms, the interpretation of the rights, the duties of the parties, the enforcement of its terms, and all other matters relating to this Agreement.
- 10.7.9 Liability of the CITY or CITY Officials. Notwithstanding any provision hereof to the contrary, the parties agree and acknowledge that the liability and obligations of the CITY, CITY officials or CITY employees as set forth herein are subject to the limitations imposed on municipalities by the Constitution and laws of the State of Alabama. No present or future official, officer or employee of the CITY shall ever be personally liable for the performance of any obligations hereunder.
- 10.7.10 Non Discrimination: The CONTRACTOR agrees that in performing the work and services as required herein under this agreement, not to discriminate against any person on the basis of race color, religion, sex, age or disability. (The CONTRACTOR shall fully comply with the Americans with Disabilities Act), the Fair Labor Standards Act and all other applicable laws and regulations).
- 10.7.11 Fines and Penalties: The CONTRACTOR shall be solely liable for any and all fines or penalties which may be levied by any governmental authority against the OWNER and/or CONTRACTOR which are related to the CONTRACTOR's operations. The OWNER shall deduct the amount of the levied fine or penalty from the Contract amount.
- 10.7.12 Agreement Date/Counterparts: The date of this Agreement is intended as and for a date for the convenient identification of this Agreement and is not intended to indicate that this Agreement was necessarily executed and delivered on said date. This instrument may be executed in any number of counterparts, each of which so executed shall be deemed an original, but all such counterparts shall together constitute but one and the same instrument.
- 10.7.13 Use of Words and Phrases. The following words and phrases, where used in this document, shall be given the following and respective interpretations: "Herein," "hereby," "hereunder," "hereof," and other

equivalent words refer to this document as an entirety and not solely to the particular portion hereof in which any such word is used.

10.7.13.1 The definitions set forth in any portion of this Agreement unless the text or context indicates differently shall be deemed applicable whether the words defined are herein used in the singular or the plural. Wherever used herein any pronoun or pronouns shall be deemed to include both singular and plural and to cover all genders.

10.7.14 Severability. Each provision of this agreement shall be considered to be severable and, if for any reason, any such provision or any part thereof, is determined to be invalid and contrary to any existing or future applicable law, such invalidity shall not impair the operation of or affect those portions of this agreement are valid, but this agreement shall be construed and enforced in all respects as if the invalid or unenforceable provision or part thereof had been omitted.

IN WITNESS WHEREOF, the parties hereto have executed this Contract as of the day and year first above written.

THE CITY OF FAIRHOPE, ALABAMA

TIMOTHY M. KANT, Mayor

ATTEST: _____
LISA A. HANKS, MMC
City Clerk

NOTARY FOR OWNER (CITY OF FAIRHOPE)

STATE OF ALABAMA}
COUNTY OF BALDWIN}

I, the undersigned authority in and for said State and County, hereby certify that TIMOTHY M. KANT as Mayor of the City of Fairhope whose name is signed to the foregoing document and who is known to me, acknowledged before me on this day, that, being informed of the contents of the document he executed the same voluntarily on the date the same bears date.

Given under my hand and Notaries Seal on this _____ day of _____, 2015.

NOTARY PUBLIC _____
MY COMMISSION EXPIRES: _____

Individual or Partnership

(Individual or Partnership)

(Print Name of Partner)

(Print Name of Representative Authorized to sign Bids and Contracts for the firm)

(Print Name of Partner)

(Signature of Representative Authorized to sign Bids and Contracts for the firm)

(Address)

(Address)

(Address)

Phone Number () _____ Fax Number () _____

Primary e-mail address _____

Alabama Contractor's License No. (If required) _____ Foreign Corporation Entity ID _____

If Corporation or LLC

Company _____

State of Incorporation _____

Company Representative _____

(Print Name of Representative Authorized to sign Bids and Contracts for the firm)

Company Representative _____

(Signature of Representative Authorized to sign Bids and Contracts for the firm)

Address _____

Phone Number () _____ Fax Number() _____

Primary e-mail address _____

Alabama Contractor's License No. (If Required) _____ Foreign Corporation Entity ID _____

Notary for Individual or Corporation

STATE OF _____ }
COUNTY OF _____ }

I, the undersigned authority in and for said State and County, hereby certify that _____

as _____ respectively, of _____
title company name

whose name is signed to the foregoing document and who is known to me, acknowledged before me on this day, that, being informed of the contents of the document they executed the same voluntarily on the day the same bears date.

Given under my hand and Notary Seal on this ____ day of _____, 2015

Notary Public
My commission expires ____/____/____

[END OF CONTRACT AGREEMENT]

ITEM IX
Sales Tax Exemption Requirements and Procedure

At the time of Bid, provide an accounting of sales tax on the form provided in ITEM III BID RESPONSE FORM. Failure to provide an accounting of sales tax shall render the bid non-responsive. Other than **determining responsiveness**, sales tax accounting shall not affect the bid pricing nor be considered in the determination of the lowest responsible and responsive Bidder.

1.0 BACKGROUND

Legislative Act 2013-205, Code of Alabama (1975) Section 40-9-14.1, is applicable to certain construction contracts with the City of Fairhope, Alabama. This law allows a sales and use tax exemption. When applicable, all business entities entering into construction contracts with the City of Fairhope, Alabama, will comply with the requirements of Section 40-9-14.1.

Code of Alabama (1975) Section 40-9-14.1

Certificates of exemption to governmental entities, contractors, etc., for certain tax exempt projects.

(a) For the purposes of this section, the term governmental entity means the State of Alabama and its political subdivisions, including a county, a municipality, and an industrial or economic development board or authority. A governmental entity shall also include an educational institution of any of the foregoing Alabama political subdivisions including a public college or university, a county or city board of education, and the State Board of Education.

(b)(1) The Department of Revenue shall issue a certificate of exemption to the governmental entity for each tax exempt project.

(2) The Department of Revenue shall grant a certificate of exemption from state and local sales and use taxes to any contractor licensed by the State Licensing Board for General Contractors, or any subcontractor working under the same contract, for the purchase of building materials, construction materials and supplies, and other tangible personal property that becomes part of the structure that is the subject of a written contract for the construction of a building or other project, not to include any contract for the construction of any highway, road, or bridge, for and on behalf of a governmental entity which is exempt from the payment of sales and use taxes.

(c) The use of a certificate of exemption for the purchase of tangible personal property pursuant to this section shall include only tangible personal property that becomes part of the structure that is the subject of the construction contract. Any contractor or subcontractor purchasing any tangible personal property pursuant to a certificate of exemption shall maintain an accurate cost accounting of the purchase and use of the property in the construction of the project.

(d) A contractor who has an exemption from sales and use tax for the purchase of materials to use on a government project shall file, in a manner as prescribed by the department, reports of all exempt purchases. The reports shall be filed as a prerequisite to renewal of a certificate of exemption.

(e)(1) The department may assess any contractor or subcontractor with state and local sales or use taxes on any item purchased with a certificate of exemption not properly accounted for and reported as required.

(2) Any contractor or subcontractor who intentionally uses a certificate of exemption in violation of this section shall, in addition to the actual sales or use tax liability due, be subject to a civil penalty levied by the department in the amount of not less than a minimum of two thousand dollars (\$2,000) or two times any state and local sales or use tax due for the property and, based on the contractor's or subcontractor's willful misuse of the certificate of exemption, may be barred from the use of any certificate of exemption on any project for up to two years.

(f) The department may adopt rules to implement this section in order to effectuate the purposes of this section and to provide for accurate accounting and enforcement of this section.

(g) In bidding the work on a tax exempt project, the bid form shall provide for an accounting for the tax savings.

(h) The intent of this section is to lower the administrative cost for the governmental entity, contractor, and subcontractor for public works projects. It is not the intent of this section to change the basis for determining professional services from fair market value, which may include sales and use taxes.

(i) This section shall be operative for contracts entered into January 1, 2014, or thereafter, and shall not apply to any contract entered into prior to January 1, 2014. In addition, this section shall not apply to any contract change orders or contract extensions, including revised, renegotiated, or altered contracts, when the original contract was entered into prior to January 1, 2014. The Department of Revenue may adopt rules to implement this section after October 1, 2013. (*Act 2013-205, §1.*)

2.0 PROCEDURE

2.0.1 Each contractor and subcontractor must make application for qualification of the Sales and Use Tax exemption using Alabama Dept. of Revenue Form ST: EXC-01 for each tax-exempt project. The application is available on the Alabama Dept. of Revenue's website at <http://revenue.alabama.gov/salestax/ST-EXC-01.pdf>. Applications should be submitted directly to the Sales and Use Tax Division Central Office, P.O. Box 327710, Montgomery, AL 36132-7710.

2.0.2 Legislative Act 2013-205 requires the Department of Revenue to issue Form STC-1, *Sales and Use Tax Certificate of Exemption for Government Entity Projects*, to all contractors and subcontractors working on qualifying governmental entity projects once the Form ST: EXC-01 is approved.

2.0.3 Contractors and sub-contractors for qualifying projects will be required to file monthly consumers use tax returns and report all exempt purchases for ongoing projects, as well as all taxable purchases on one return. These returns are required to be filed through the Alabama Dept. of Revenue's online tax return filing and payment portal, My Alabama Taxes (<https://myalabamataxes.alabama.gov>).

ACCOUNTING OF SALES TAX

Attachment to Bid Response

To: City of Fairhope

Date: _____

Project: PROJECT NO. GAS001-15 SCENIC 98—HWY 104 GAS PIPELINE BORE AND INSTALL 2015

Sales Tax Accounting

Pursuant to **Code of Alabama (1975) Section 40-9-14.1**, the Contractor accounts for the sales tax NOT included in the bid proposal form as follows:

ESTIMATED SALES TAX AMOUNT

BASE BID: _____ \$ _____

Alternate No. 1 (.....) (add)(deduct) \$ _____
Insert keyword for alternate

Alternate No. 2 (.....) (add)(deduct) \$ _____

Alternate No. 3 (.....) (add)(deduct) \$ _____

Alternate No. 4 (.....) (add)(deduct) \$ _____

Alternate No. 5 (.....) (add)(deduct) \$ _____

Alternate No. 6 (.....) (add)(deduct) \$ _____

Failure to provide an accounting of Sales Tax shall render the bid non-responsive. Other than determining responsiveness, sales tax accounting shall not affect the bid pricing nor be considered in the determination of the lowest responsible and responsive Bidder.

Legal Name of Bidder _____

Mailing Address _____

*By (Legal Signature) _____

*Name (type or Print) _____ (Seal)

*Title _____

*Telephone _____

Tax Guidance for Contractors, Subcontractors and Alabama Governmental Entities Regarding Construction-related Contracts

Legislative Act 2013-205 requires the Department of Revenue to issue Form STC-1, *Sales and Use Tax Certificate of Exemption for Government Entity Projects*, to all contractors and subcontractors working on qualifying governmental entity projects once the Form ST: EXC-01 is approved.

Each exempt entity, contractor and subcontractor must make application for qualification of the exemption using Form ST: EXC-01 for each tax-exempt project. The application is available on the department's website at <http://revenue.alabama.gov/salestax/ST-EXC-01.pdf>. Applications should be submitted directly to the Sales and Use Tax Division Central Office, P.O. Box 327710, Montgomery, AL 36132-7710.

The sales and use tax exemption provided for in Act 2013-205 applies to the purchase of building materials, construction materials and supplies, and other tangible personal property that become part of the structure pursuant to a qualifying contract entered into on or after January 1, 2014. Qualifying projects and contracts are those generally entered into with the following governmental entities, unless otherwise noted: the State of Alabama, a county or incorporated municipality of Alabama, an Alabama public school, or an Alabama industrial or economic development board or authority already exempt from sales and use taxes. **Please note that contracts entered into with the federal government and contracts pertaining to highway, road, or bridge construction or repair do not qualify for the exemption provided for in Act 2013-205.** [Reference: Sales and Use Tax Division Administrative Rule 810-6-3-.77 *Exemption for Certain Purchases by Contractors and Subcontractors in Conjunction with Construction Contracts with Certain Governmental Entities.*]

The Alabama Department of Revenue will assign each contractor and sub-contractor a consumer use tax account, if one is currently not in place, at the time the Form STC-1, *Sales and Use Tax Certificate of Exemption for Government Entity Projects*, is issued.

Contractors and sub-contractors for qualifying projects will be required to file monthly consumer use tax returns and report all exempt purchases for ongoing projects, as well as all taxable purchases on one return. These returns are required to be filed through the department's online tax return filing and payment portal, My Alabama Taxes (<https://myalabamataxes.alabama.gov>).

As another option for these types of contracts, as well as with other contracts entered into with other types of exempt entities, the Form ST: PAA1, *Purchasing Agent Appointment*, may be used. However, please be advised that the use of the Form ST: PAA1 option will require the exempt entity to be invoiced directly and pay for directly from their funds any construction and building material and supply purchases.

For additional information concerning this guidance, taxpayers should contact Sales and Use Tax Division representative Thomas Sims at 334-242-1574 or by email at Thomas.Sims@revenue.alabama.gov.



ALABAMA DEPARTMENT OF REVENUE
SALES AND USE TAX DIVISION

P.O Box 327710 • Montgomery, AL 36132-7710

Application For
Sales and Use Tax Certificate of Exemption

FOR GOVERNMENT ENTITY PROJECT

This Certificate of Exemption will be limited to purchases which qualify for an exemption of sales and use taxes pursuant to
Rule No. 810-6-3-.77

ST: EXC-01
1/14

PROJECT INFORMATION:

PROJECT NAME PROJECT NO. GAS001-15 SCENIC 98—HWY 104 GAS PIPELINE BORE AND INSTALL 2015			PROJECT OWNER'S FEIN (EXEMPT ENTITY) 63-6001254
STREET ADDRESS OF PROJECT (CITY AND COUNTY INCLUDED) Scenic 98 and Highway 104	CITY Fairhope	ZIP 36532	COUNTY Baldwin

APPLICANT'S INFORMATION:

RELATION: (CHOOSE ONE) <input type="checkbox"/> Exempt Entity <input type="checkbox"/> General Contractor <input type="checkbox"/> Sub-Contractor	NAICS CODE
APPLICANT'S LEGAL NAME	FEIN
DBA	CONSUMER'S USE TAX ACCOUNT NUMBER
MAILING ADDRESS	

CONTACT PERSON	BUSINESS TELEPHONE NUMBER
----------------	---------------------------

ESTIMATED START DATE	ESTIMATED COMPLETION DATE
----------------------	---------------------------

REASON EXEMPTION IS CLAIMED

JOB DESCRIPTION

WILL ANY POLLUTION CONTROL EXEMPTION BE APPLICABLE? <input type="checkbox"/> Yes <input type="checkbox"/> No	ESTIMATED POLLUTION CONTROL COST \$
---	--

TOTAL BID AMOUNT \$	LABOR COST \$	MATERIAL COST \$
------------------------	------------------	---------------------

PROJECT NAME	PROJECT OWNER'S FEIN (EXEMPT ENTITY)
--------------	--------------------------------------

FORM OF OWNERSHIP:

☐ Individual ☐ Partnership ☐ Corporation ☐ Multi member LLC ☐ Single member LLC

If applicant is a corporation, a copy of the certified certificate of incorporation, amended certificate of incorporation, certificate of authority, or articles of incorporation should be attached. If the applicant is a limited liability company or a limited liability partnership, a copy of the certified articles of organization should be attached.

OWNERSHIP INFORMATION:

Corporations – give name, title, home address, and Social Security Number of each officer.

Partnerships – give name, home address, Social Security Number or FEIN of each partner.

Sole Proprietorships – give name, home address, Social Security Number of OWNER.

LLC – give name, home address, and Social Security Number or FEIN of each member.

LLP – give name, home address, and Social Security Number or FEIN of each partner.

NAME (PLEASE PRINT)	SIGNATURE
---------------------	-----------

TITLE	DATE
-------	------

Exempt entity must provide a copy of the contract accepted by the General Contractor. The General Contractor must provide a copy of the contract and a list of sub-contractors to the Department of Revenue, Sales and Use Tax Division. Any updates, additions and/or deletions, must also be submitted to the Department within 30 days of occurrence.

REVENUE DEPARTMENT USE ONLY

Examiner's Remarks _____

Examiner _____ Date _____

Supervisor's Recommendation _____

Supervisor _____ Date _____

ITEM X

Alabama Immigration Act Contract Requirements

1.0 Background

The **Beason-Hammon Alabama Taxpayer and Citizen Protection Act, Act No 2011-535, as amended by Act No 2012-491, Code of Alabama (1975) Section 31-13-1 through Section 31-13-30** (also known as and hereinafter referred to as "the Alabama Immigration Act") is applicable to contracts with the City of Fairhope, Alabama. All business entities entering into contracts with the City of Fairhope, Alabama will comply with the Alabama Immigration Act.

2.0 Definitions

ALIEN. Any person who is not a citizen or national of the United States, as described in 8 U.S.C. § 1101, et seq., and any amendments thereto.

BUSINESS ENTITY. Any person or group of persons employing one or more persons performing or engaging in any activity, enterprise, profession, or occupation for gain, benefit, advantage, or livelihood, whether for profit or not for profit. Business entity shall include but not be limited to the following:

- a. Self-employed individuals, business entities filling articles of incorporation, partnerships, limited partnerships, limited liability companies, foreign corporations, foreign limited partnerships, foreign liability companies authorized to transact business in this state, business trusts, and any business entity that registers with the Secretary of State.
- b. Any business entity that possesses a business license, permit, certificate, approval, registration, charter, or similar form of authorization issued by the state, any business entity that is exempt by law from obtaining such a business license, an any business entity that is operating unlawfully without a business license.

CONTRACTOR. A person, employer, or business entity that enters into an agreement to perform any service or work or to provide a certain product in exchange for valuable consideration. This definition shall include, but not be limited to, a general contractor, subcontractor, independent contractor, contract employee, project manager, or a recruiting or staffing entity.

EMPLOYEE. Any person directed, allowed, or permitted to perform labor or service of any kind by an employer. The employees of an independent contractor working for a business entity shall not be regarded as the employees of the business entity, for the purposes of this chapter. This term does not include any inmate in the legal custody of the state, a county, or a municipality.

EMPLOYER. Any person, firm, corporation, partnership, joint stock association, agent, manager, representative, foreman, or other person having control or custody of any employment, place of employment, or of any employee, including any person or entity employing any person for hire within the State of Alabama, including a public employer. This term shall not include the occupant of a household contracting with another person to perform casual domestic labor within the household.

E-VERIFY. The electronic verification of federal employment authorization program of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, P.L. 104-208, Division c, Section 403 (a); 8 U.S.C. §1324(a), and operated by the United States Department of Homeland Security, or its successor program.

STATE-FUNDED ENTITY. Any governmental entity of the state or a political subdivision thereof or any other entity that receives any monies from the state or a political subdivision thereof; provided, however, an entity that merely provides a service or a product to any governmental entity of the state or a political subdivision thereof, and receives compensation for the same, shall not be considered a state-funded entity.

SUBCONTRACTOR. A person, business entity, or employer who is awarded a portion of an existing contract by a contractor, regardless of its tier.

UNAUTHORIZED ALIEN. An alien who is not authorized to work in the United States as defined in 8 U.S.C. § 1324a (h) (3) .

3.0 Mandatory Clause

All contracts or agreements to which the state, a political subdivision, or state-funded entity are a party shall include the following clause:

"By signing this contract, the contracting parties affirm, for the duration of the agreement, that they will not violate federal immigration law or knowingly employ, hire for employment, or continue to employ an unauthorized alien within the state of Alabama. Furthermore, a contracting party found to be in violation of this provision shall be deemed in breach of the agreement and shall be responsible for all damages resulting therefrom."

For purposes of this section, "contract" shall mean a contract awarded by the state, any political subdivision thereof, or any state-funded entity that was competitively bid or would, if entered into by the state or an agency thereof, be required to be submitted to the Contract Review Permanent Legislative Oversight Committee.

4.0 Contracts Involving Business Entity, or Employer

As a condition for the award of any contract, grant, or incentive by the state, any political subdivision thereof, or any state-funded entity to a business entity or employer that employs one or more employees, the business entity or employer shall not knowingly employ, hire for employment, or continue to employ an unauthorized alien within the State of Alabama.

As a condition for the award of any contract, grant, or incentive by the state, any political subdivision thereof, or any state-funded entity to a business entity or employer that employs one or more employees within the state of Alabama, **the business entity or employer shall provide documentation establishing that the business entity or employer is enrolled in the E-Verify program.** During the performance of the contract, the business entity or employer shall participate in the E-Verify program and shall verify every employee that is required to be verified according to the applicable federal rules and regulations.

5.0 Contracts Involving Subcontracting

Any subcontractor on a project paid for by contract, grant, or incentive by the state, any political subdivision thereof, or any state-funded entity shall not knowingly employ, hire for employment, or continue to employ an unauthorized alien within the State of Alabama and shall also enroll in the E-Verify program prior to performing any work on the project. Furthermore, during the performance of the contract, the subcontractor shall participate in the E-Verify program and shall verify every employee that is required to be verified according to the applicable federal rules and regulations. This subsection shall only apply to subcontractors performing work on a project subject to the provisions of this section and not to collateral persons or business entities hired by the subcontractor.

6.0 Proof of E-Verify documentation will be in the form of a copy of the signed Memorandum Of Understanding (MOU) generated upon completion of the E-Verify program.

ITEM XI
Scope and Specifications

Bid No. 0019-15 Scenic 98—Hwy 104 Gas Pipeline Bore and Install 2015

The Contractor to provide all necessary supervision, labor, tools, and safety equipment to perform the following tasks:

GENERAL DESCRIPTION OF PROJECT

The existing THREE (3) four (4) inch high pressure gas mains at two locations, on Main Street and Highway 104, Fairhope, Alabama have both been undermined at the point at which they cross natural drainage areas leaving them exposed. The Contractor will be asked to install gas stoppers, install a new gas main and bypass the existing, exposed gas main at the locations indicated on the attached plan, in order for gas service to continue uninterrupted in Fairhope. The City of Fairhope will provide all materials associated with the gas main itself, including but not limited to items such as fittings and piping. The City of Fairhope will not provide incidentals associated to the project, including but not limited to hay bales, silt fencing, boring gel, or sod.

GENERAL CONTRACTOR RESPONSIBILITIES

The Contractor will be responsible for furnishing all labor and equipment required for completing the directional boring of new gas mains. Contractor shall also be responsible for acquiring all necessary City of Fairhope permits & fees for the project, as well as possess a City of Fairhope Business License. State Highway permitting will not be required as these sections of roadway are owned and maintained by the City of Fairhope. Strict adherence to the City of Fairhope ordinances relating to Erosion and Sediment Control will be required and regular inspections by City of Fairhope staff will be performed. This area is subject to heavy traffic and the road will not be able to be closed for construction. The Contractor will be expected to handle traffic according to procedures outlined in the latest version of the *Manual on Uniform Traffic Control Devices (MUTCD)*. The Contractor shall be required to leave the work zone in a safe manner at the end of each days' work. The Contractor shall also be held responsible for keeping his work zone free of trash, litter and all other waste materials *generated by the nature of the project*.

Prior to awarding of a contract, per DOT requirements for gas pipeline operations, including PHMSA Part 192, latest version, copies of the Contractors Operator Qualification Training (OQT) and Drug and Alcohol Program, must be submitted to, and accepted by the City of Fairhope.

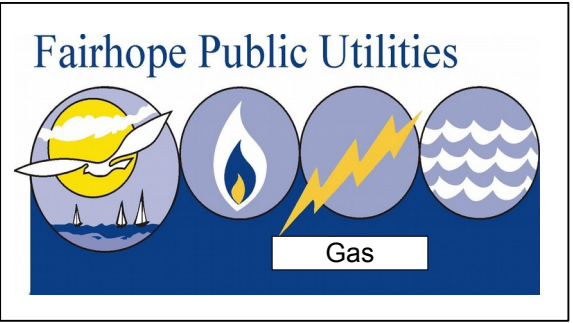
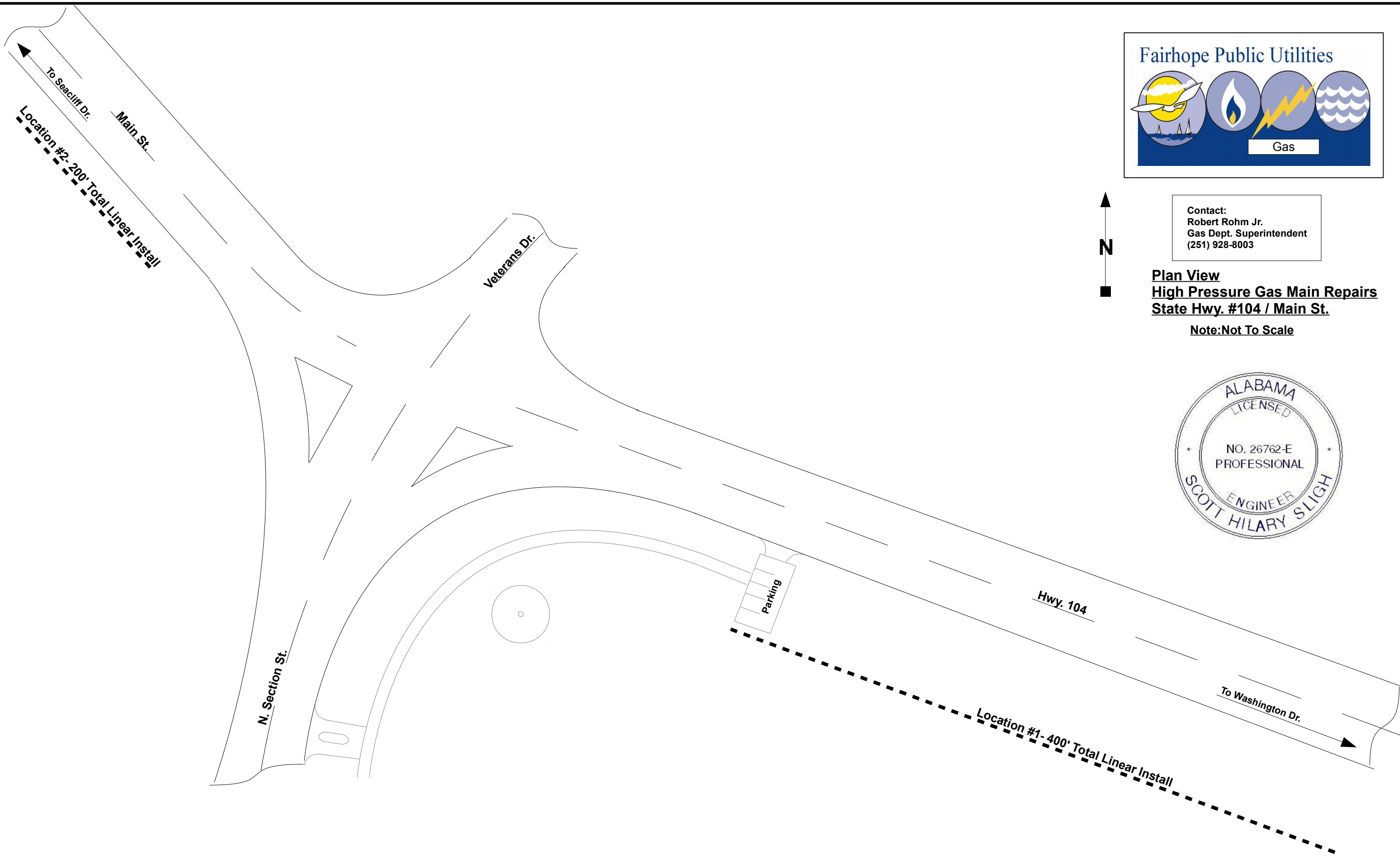
SPECIFICATIONS

The successful Contractor shall perform the following services as part of this contract execution:

1. Install three (3) four(4) inch (nominal diameter) steel gas piping, thin film, via directional boring methods as shown on the attached plan and profile.
2. Install gas stoppers at the locations shown on the plans.
3. Tie in new gas mains to existing gas mains at the approximate locations shown on the plans.
4. Remove all exposed piping after new piping is installed and in use.
5. Piping sections shall be welded together by certified welders, who hold valid DOT welding certifications.
6. Install and maintain appropriate silt fencing and/or hay bales to meet City ordinances on Erosion and Sediment Control.
7. Coordinate with City of Fairhope Gas Department employees on installation of gas mains stoppers and the pressurizing of the new gas main.
8. Restore excavation sites to their original condition.

The following terms also apply:

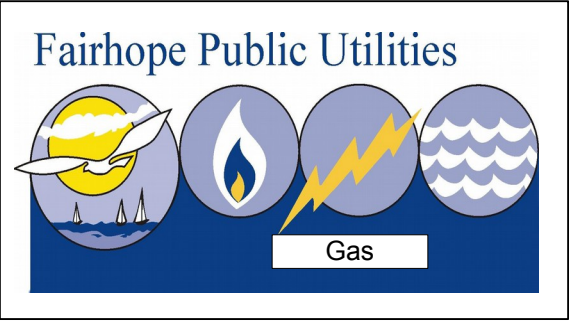
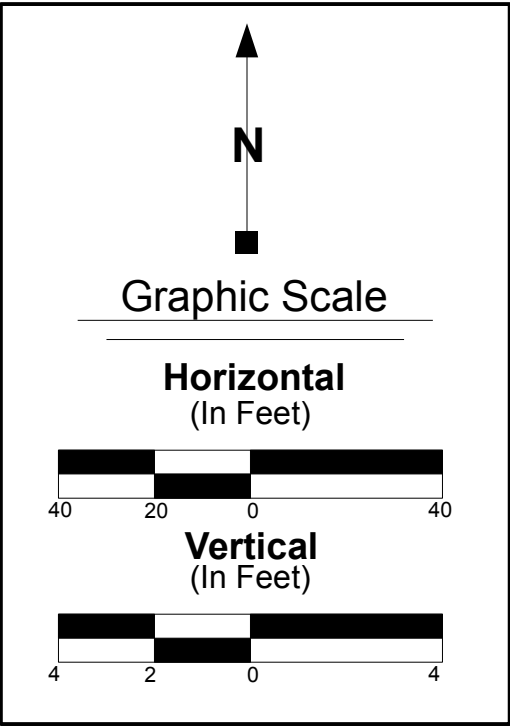
1. All work to be done in a neat and professional manner.
2. All applicable licenses or permit fees to be acquired and paid by CONTRACTOR.
3. CONTRACTOR to provide all necessary services and materials unless stated otherwise above.
4. CONTRACTOR to comply with all laws, codes, and regulations, including safety, fire, health, environmental and insurance.
5. CONTRACTOR to cleanup job site and remove all waste and non-salvageable material in accordance with applicable laws, codes and regulations.
6. The CONTRACTOR will be responsible for all minor facilities and equipment damages caused by the CONTRACTOR resulting from negligence during the execution of this contract. This includes but is not limited to damage too small to be covered by the CONTRACTOR'S insurance.
7. Written change proposals shall be provided to the project manager by the CONTRACTOR for any modification to the plans, specifications or other contract requirements. The proposal shall include add-on or deduct costs, if any. The project manager will return an approved copy of the proposal prior to any change implementation.
8. All salvageable material remains property of the City of Fairhope, and to be delivered by CONTRACTOR to the City of Fairhope Warehouse, 555 South Section Street, Fairhope, AL.



Contact:
Robert Rohm Jr.
Gas Dept. Superintendent
(251) 928-8003

Plan View
High Pressure Gas Main Repairs
State Hwy. #104 / Main St.
Note:Not To Scale



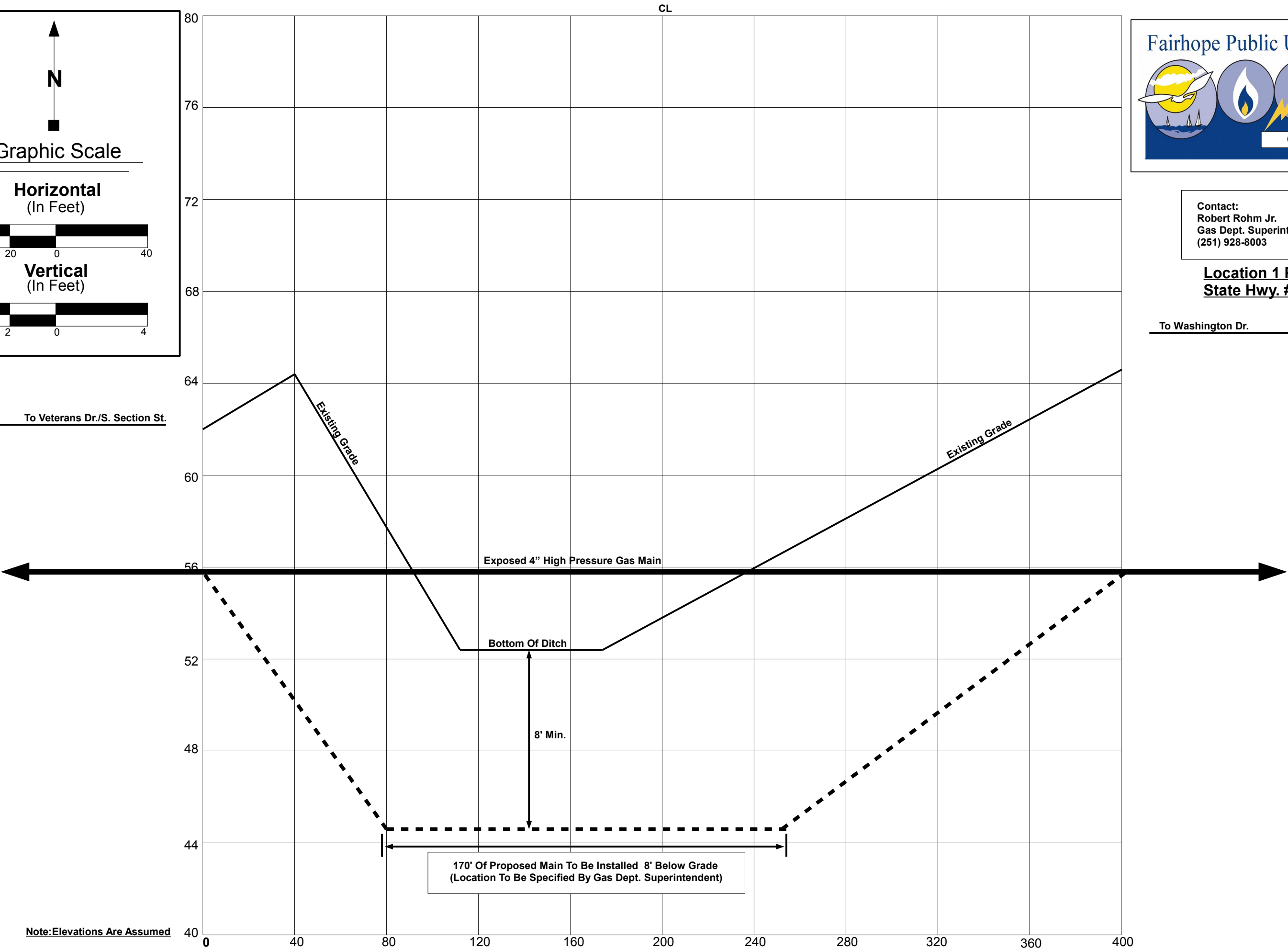


Contact:
Robert Rohm Jr.
Gas Dept. Superintendent
(251) 928-8003

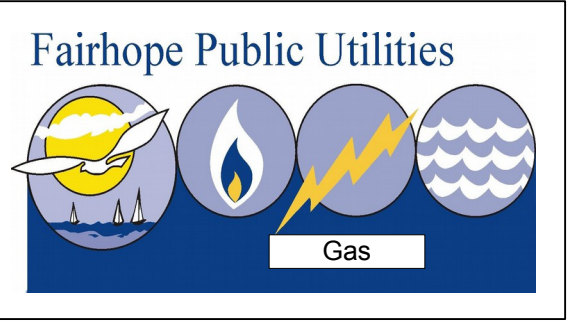
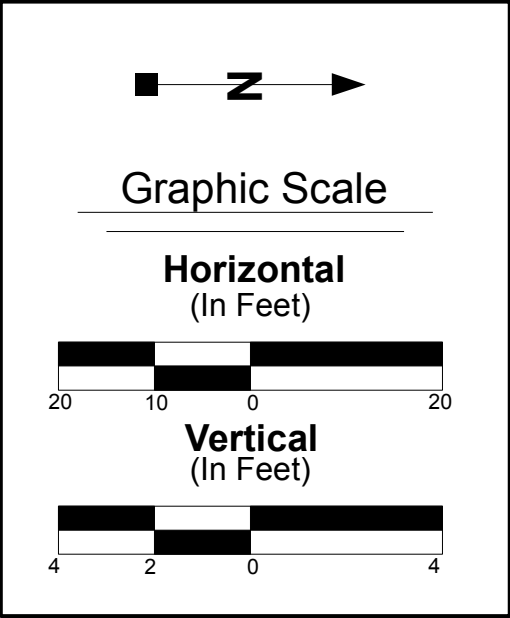
Location 1 Profile
State Hwy. #104

To Washington Dr. →

← To Veterans Dr./S. Section St.



Note: Elevations Are Assumed

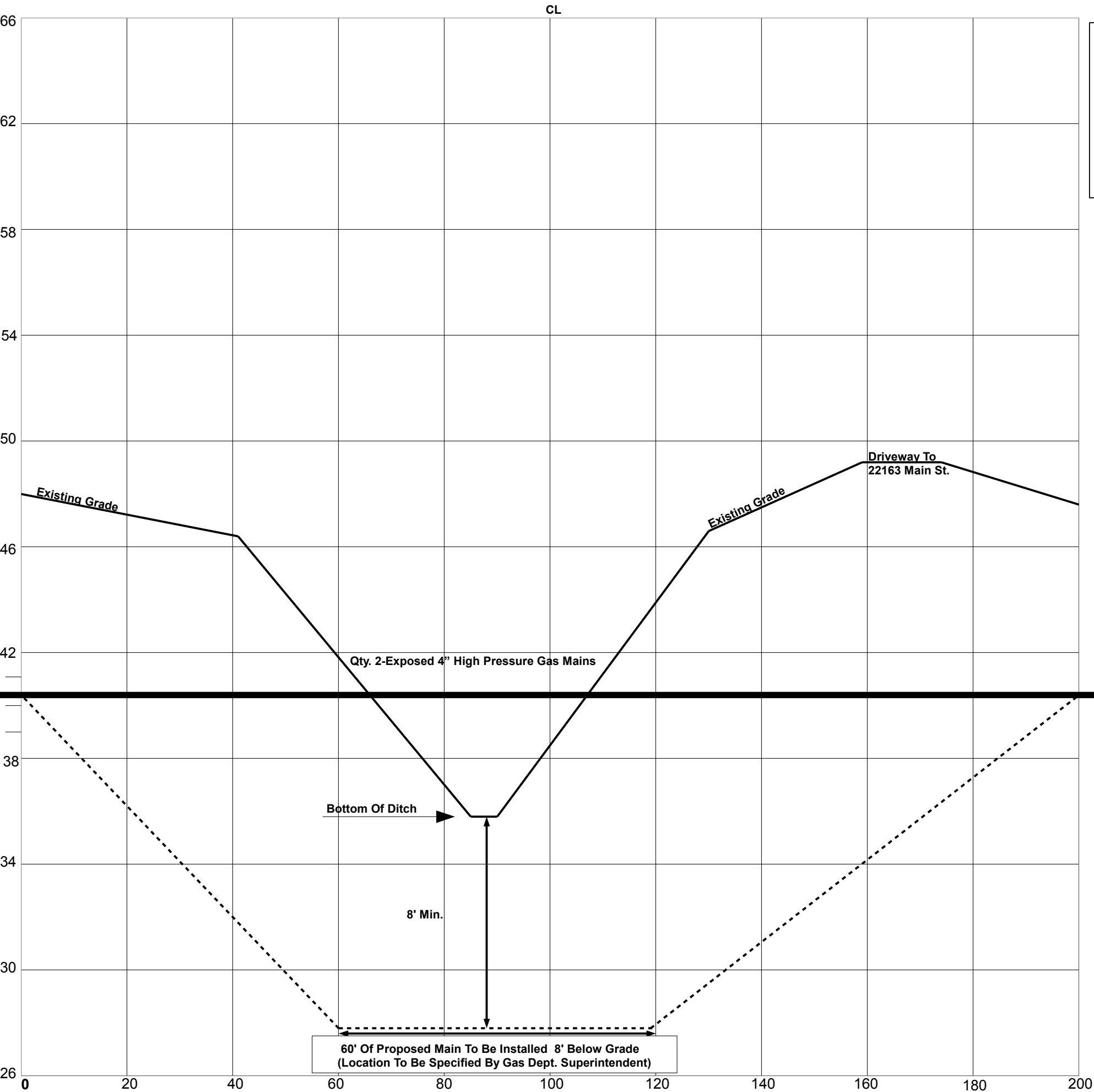


Contact:
Robert Rohm Jr.
Gas Dept. Superintendent
(251) 928-8003

Location 2 Profile
Main St.

To Veterans Dr./S. Section St.

To Seacliff Dr.



Note:Elevations Are Assumed

EXHIBITS

INVITATION SUMMARY

Bid No. 019-15 Scenic 98—HWY 104 Gas Pipeline Bore and Install 2015

Issue Date:	2/27/2015
Bid Bond Requirements:	Bid Bond 5% and no more than \$10,000
Certificate of Insurance Requirements:	See Item VI, Standard Terms and Conditions and Item IV, Insurance Requirements
MANDATORY Pre-Bid Meeting (representative must attend to be eligible To bid)	March 10, 2015 Tuesday 9:00 A.M. City Hall 161 N. Section Street, Fairhope, AL
Deadline for <u>Questions</u> Date:	03/12/2015, Thursday
IFB Closing Date (bids opened):	03/17/2015, Tuesday, 2:00 P.M. at City Hall, 161 N. Section Street, Fairhope, AL
City Internet Site: (for bid postings)	www.cofairhope.com
Bid Copies: (to submit)	One (1)
Purchasing Department Contact:	Daniel P Ames, Purchasing Manager dan.ames@cofairhope.com (251) 928-8003

CONTRACTOR INFORMATION

Bid No 019-15 2015

Please print this section and turn in with your response

Business Organization

Name of Bidder (exactly as it appears on W-9):

Doing-Business-As Name of Bidder:

Principal Office Address:

Form of Business Entity [check one ("X")]

Corporation _____

Partnership _____

Individual _____

Joint Venture _____

Other (describe): _____

Corporation Statement

If a corporation, answer the following:

Date of incorporation: _____

Location of incorporation: _____

The corporation is held: Publicly _____
Privately _____

Partnership Statement

If a partnership, answer the following:

Date of organization: _____

Location of organization: _____

The partnership is: General _____
Limited _____

Joint Venture Statement

If a Joint Venture, answer the following:

Date of organization: _____

Location of organization: _____

JV Agreement recorded? Yes _____
No _____

Primary Contact _____ Title _____

Telephone Number _____ Fax _____

Email Address: _____

CITY OF FAIRHOPE
ROOFING GUARANTEE

If applicable

Project No. _____

Name of Project _____

Location _____

OWNER _____ City of Fairhope _____

General Contractor _____

Address _____

Date of Acceptance _____ Date of Expiration _____

1. The General Contractor does hereby certify to the City of Fairhope that the roofing work included in this contract was installed in strict accordance with all requirements of the plans and specifications.

2. The General Contractor does hereby guarantee the roofing and associated work including all flashing, both composition and metal, against leaks due to faulty workmanship for a period of five (5) years and against leaks due to faulty or defective materials for fifteen (15) years, starting on the date of acceptance of the Project by the CITY.

3. Subject to the terms and conditions listed below, the General Contractor guarantees that during the Guarantee Period he will at his own cost and expense, make or cause to be made such repairs to, or replacements of said work, as are necessary to correct faulty and defective work and materials as are necessary to maintain said work in watertight conditions, and further, to respond on or within three (3) calendar days upon proper notification of leaks or defects by the CITY or Architect.

A. Specifically excluded from this Guarantee are damages to the work, other parts of the building and building contents caused by:

Lightning, windstorm, hail storm and other unusual phenomena of elements; and, Fire. When the work has been damaged by any of the foregoing causes, the Guarantee shall be null and void until such damage has been repaired by the General Contractor, and until the cost and expense thereof has been paid by the CITY or by the responsible party so designated.

B. During the Guarantee Period, if the CITY allows alteration of the work by anyone other than the General Contractor, including cutting, patching and maintenance in connection with penetrations, and positioning of anything on the roof, this Guarantee shall become null and void upon the date of said alterations. If the CITY engages the General Contractor to perform said alterations, the Guarantee shall not become null and void, unless the General Contractor, prior to proceeding with said work, shall have notified the CITY in writing, showing reasonable cause for claim that said alterations would likely damage or deteriorate the work, thereby reasonably justifying a termination of this Guarantee.

C. Future building additions will not void this guarantee, except for that portion of the future addition that might affect the work under this contract at the point of connection of the roof areas, and any damage caused by such addition. If this contract is for roofing of an addition to an existing building, then this guarantee covers the work involved at the point of connection with the existing roof.

D. During the Guarantee Period, if the original use of the roof is changed and it becomes used for, but was not originally specified for, a promenade, work deck, spray cooled surface, flooded

basin, or other use of service more severe than originally specified, this Guarantee shall become null and void upon the date of said change.

E. The **CITY** shall promptly notify the General Contractor of observed, known or suspected leaks, defects or deterioration, and shall afford reasonable opportunity for the General Contractor to inspect the work, and to examine the evidence of such leaks, defects or deterioration.

IN WITNESS THEREOF, this instrument has been duly executed this the ____ day of _____
2015.

General Contractor's Authorized Signature

Typed Name and Title

CITY OF FAIRHOPE
ASBESTOS AFFIDAVIT

If applicable

Project No. _____

DATE:

BUILDING OWNER:

PROJECT:

TO WHOM IT MAY CONCERN:

The undersigned certifies that to the best of his knowledge, no products containing asbestos have been included in the construction of the captioned Project. Special care was exercised to avoid asbestos-containing products, including reviewing product data sheets, reviewing product labels, and visually verifying products in the field. Special care to avoid asbestos has been used in the selection, purchase, and installation of products, including, but not limited to, the following: concrete, batt insulation, roof insulation, building felts, mastics, waterproofing products, adhesives, resilient flooring products, ceiling tiles, interior coatings, exterior coatings, roofing, pipe insulation, duct insulation, and pre-assembled items of equipment.

Respectfully submitted,

Signature

Typed Name

Title

Firm Name

Address

Notary

Sworn to and subscribed before me on this the _____ day of _____, 2015.

Notary Public _____

My Commission Expires _____

CONTRACT CHANGE ORDER NO. _____

City of Fairhope, Alabama

DATE: ____ / ____ / ____

PROJECT NO. GAS001-15 SCENIC 98—HWY 104 GAS PIPELINE BORE AND INSTALL 2015

TO: _____
(Contractor)

TERMS: You are hereby authorized, subject to the provisions of your Contract for this Project, to make the following changes thereto in accordance with the attached Change Order Request and supporting documents and to:

FURNISH the necessary labor, materials and equipment to:

TOTAL ADDITION OR REDUCTION TO CONTRACT PRICE:

(Note: Numbers in parentheses are deductions).

ORIGINAL CONTRACT PRICE	\$ _____
LESS CONTINGENCY/ALLOWANCE	\$ _____
NET ORIGINAL CONTRACT PRICE	\$ _____
Net total of previous Change Orders	\$ _____
Previous revised Contract Price	\$ _____
This Change Order No. _____ <input type="checkbox"/> Add <input type="checkbox"/> Deduct	\$ _____
Revised Contract Price this date	\$ _____

Extension of time resulting from this Change Order _____ (Indicate number of calendar days).

The amount of this Change Order will be the responsibility of _____

This Contract Modification constitutes full and mutual accord and satisfaction for all time and all cost related to this change. By acceptance of this Contract Modification, the Contractor hereby agrees that the modification represents an equitable adjustment to the Contract, and further, agrees to waive all right to file any further claims or changes arising out of or as a result of this change, or the accumulation of executed Contract Modifications on this Contract.

The Contractor and OWNER(s) hereby agree to the terms of this Change Order as contained herein.

CONSENT OF SURETY

(Company)

By: _____

RECOMMENDED

By: _____

(Design Engineer)

CONTRACTING PARTIES

(Contractor)

By: _____
(Authorized Representative)

CITY OF FAIRHOPE

By: _____
(Mayor)

(City Clerk)

CITY OF FAIRHOPE

**CHANGE
ORDER
REQUEST**

OWNER: CITY OF FAIRHOPE

ARCHITECT/ENGINEER: Scott Sligh, P.E. Engineer of Record

CONTRACTOR: _____

PROJECT: GAS001-15 SCENIC 98—HWY 104 GAS PIPELINE BORE AND INSTALL 2015

CHANGE ORDER REQUEST NO. _____ DATE: _____

1. DESCRIPTION OF CHANGE:

2. CHANGE ORDER COSTS: _____

Proposal Attached _____ Cost Estimated/Proposal Required

<i>Item</i>	<i>Quantity</i>	<i>Material Unit Price</i>	<i>Labor (Hours)</i>	<i>Labor Unit Price</i>	<i>Sub-Total Cost</i>
a.					
b.					
c.					
d.					
e.					
f.*					
TOTAL:					

*If more than 6 items, provide attachments.

3. INSTITUTED BY:

4. JUSTIFICATION OF NEED:

5. JUSTIFICATION OF CHANGE ORDER VERSUS COMPETITIVE BIDDING:

6. COSTS REVIEW:

7. THIS CHANGE ORDER IS SUBMITTED FOR REVIEW AND APPROVAL AND IS CLASSIFIED AS THE FOLLOWING TYPE:

- ☐ Minor change of a total monetary value less than required for competitive bidding.
 - ☐ Changes for matters relatively minor and incidental to the original contract necessitated by unforeseeable circumstances arising during the course of work.
 - ☐ Emergencies arising during the course of work.
 - ☐ Change or alternates provided for in the original bidding where there is no difference in price of the Change Order from the original best bid on the Alternate.
 - ☐ Change of relatively minor terms not contemplated when the plans and specifications were prepared and the Project was bid and which are in the public interest and do not exceed 10% of the Contract Price.
-

8. EXTENSION OF TIME REQUESTED: Calendar Days:

RECOMMENDED:

BY: _____
Fairhope's Consulting Engineer

BY: _____
City Representative

APPROVED:

BY: _____
Contractor

BY: _____
OWNER's Legal Advisor

BY: _____
OWNER's Authorized Representative

CITY OF FAIRHOPE

CLOSEOUT DOCUMENTS

CONSENT OF SURETY COMPANY TO FINAL PAYMENT

CONTRACTOR'S AFFIDAVIT OF PAYMENT

FINAL RELEASE OF LIENS

NOTICE OF COMPLETION ADVERTISEMENT

CITY OF FAIRHOPE

CONSENT OF SURETY COMPANY TO FINAL PAYMENT

PROJECT NO: GAS001-15

PROJECT NAME: SCENIC 98—HWY 104 GAS PIPELINE BORE
AND INSTALL 2015

OWNER: City of Fairhope
P.O. Box 429
Fairhope, AL 36533

CONTRACTOR: _____

In accordance with the provision of the Contract between the OWNER and the CONTRACTOR as indicated above, the _____, Surety Company on bond of

_____ CONTRACTOR, hereby approved the final payment to the CONTRACTOR and agrees that final payment to the CONTRACTOR shall not relieve the Surety Company of any of its obligations to the City of Fairhope as set forth in said Surety Company's bond dated the ____ day of _____, 2015.

IN WITNESS WHEREOF

The Surety Company has hereunto set its hand this ____ day of _____, 2015.

ATTEST:
(Seal)

Surety Company

Signature of Authorized Representative

Title

CITY OF FAIRHOPE

CONTRACTOR'S AFFIDAVIT OF PAYMENT OF CLAIMS & DEBTS

PROJECT NUMBER: GAS001-15

PROJECT NAME: SCENIC 98—HWY 104 GAS PIPELINE BORE AND
INSTALL 2015

OWNER: City Of Fairhope, Alabama
P.O. Drawer 429
Fairhope, Al 36533

CONTRACTOR:

STATE OF: _____

COUNTY OF: _____

The undersigned hereby certified that, except as listed below, he has paid in full or otherwise satisfied all obligations for all materials and equipment furnished, for all work, Labor and services performed, and for all known indebtedness and claims against the CONTRACTOR for damages arising in any manner in connection with the performance of the Contract referenced above for which the OWNER or his property might in any way be held responsible.

EXCEPTION: (If none, write NONE) _____

CONTRACTOR

By:

Title:

Subscribed and sworn to and before me this ____ day of _____, 2015

Notary

My Commission expires ____/____/____

City of Fairhope
FINAL RELEASE OF LIENS

KNOW ALL MEN BY THESE PRESENTS: In consideration of, and contingent upon the receipt of total payments in the amount of _____

Under and pursuant to the following contract:

BID NO: 019-15 Scenic 98—HWY 104 Gas Pipeline Bore and Install 2015
PROJECT NO: GAS001-15 Scenic 98—Hwy 104 Gas Pipeline Bore and Install 2015

The undersigned hereby releases _____ its officers, agents and employees, of and from all liabilities, obligations, and claims whatsoever in law and in equity under or arising out of said contract. We do hereby certify that all labor, materials, equipment, supplies and etc. for this project have been paid in full and there is no outstanding indebtedness.

IN WITNESS WHEREOF, this release has been executed this ____ day of _____, 2015.

CONTRACTOR

By: SIGNATURE

PRINTED NAME

TITLE

STATE OF ALABAMA
COUNTY OF BALDWIN

I, the undersigned authority, a Notary Public in and for said County and State, hereby certify that

_____, whose name is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the within instrument, he executed the same voluntarily on the day the same bears date.

Given under my hand and seal on this the ____ day of _____, 2015.

Notary Public

My Commission Expires: ____/____/____

CITY OF FAIRHOPE

NOTICE OF COMPLETION LEGAL NOTICE

Project No: GAS001-15
Project Name: SCENIC 98—HWY 104 GAS PIPELINE BORE AND INSTALL 2015

In accordance with Chapter 1, Title 39, Code of Alabama, 1975, for contracts over \$50,000 and less than \$500,000, Notice is hereby given that _____, CONTRACTOR, has completed the Contract for **Bid No. 019-15 Scenic 98—Hwy 104 Gas Pipeline Bore And Install 2015** , **Project No. GAS001-15 Scenic 98—Hwy 104 Gas Pipeline Bore And Install 2015** for the City of Fairhope, Alabama, OWNER, and has made request for final settlement of said Contract. Any claims for labor, materials or otherwise in connection with this project should be itemized, notarized, and presented to:

OWNER:

CITY OF FAIRHOPE
555 South Section Street
P.O. Drawer 429
Fairhope, AL 36533

On or before (30 days) or same will be barred.

Contractor:

Dates ad was run: (once a week for four successive weeks)_____

Newspapers in which ad run:

The Courier _____

Contractor to provide proof of publication of the notice to the City by affidavit of the publisher and a printed copy of the notice published