



SAN ANTONIO WATER SYSTEM
Dos Rios Water Recycling Center (DRWRC) Digester Mixing and System
Enhancements, Phase II
SAWS Job No. 11-6502
Solicitation No. B-13-043-MF

ADDENDUM NO. 1

To Bidder of Record:

This addendum, applicable to the project referenced above, is an amendment to the bidding documents and as such will be a part of and included in the Contract Documents. Acknowledge receipt of this addendum by entering the addendum number and issuance date in the space provided in the bid proposal.

Revisions to Contract/Technical Specifications:

1. Supplementary Instructions to Respondents, replace Section 4.h.:

“h. Provide a complete financial statement for your CONSTRUCTION TEAM that was prepared within the past 12 months, by an independent Certified Public Accountant.”

With the following Paragraph:

“h. “Provide a complete financial statement for your FIRM that was prepared within the past 12 months, by an independent Certified Public Accountant.”

2. Submittal Checklist

Replace Proposal Checklist in its entirety with the attached Proposal Checklist.

3. Proposal Certification

Replace Proposal Certification PP-7 in its entirety with the attached Proposal Certification, PC-1.

4. General Conditions of the Contract

Replace the General Conditions of the Contract in its entirety with the attached General Conditions of the Contract.

5. TWBD Bilateral Contract

Replace TWDB Bilateral Contract in its entirety with the attached TWDB Bilateral Contract.

6. Statutory Performance Bond

Replace the Statutory Performance Bond in its entirety with the attached Statutory Performance Bond.

7. Statutory Payment Bond

Replace the Statutory Payment Bond in its entirety with the attached Statutory Payment Bond.

8. TWDB -0550

Replace Section TWDB-0550 in its entirety with the attached Section TWDB-0550.

9. TWBD - 0459

Replace Form TWDB-0459 in its entirety with the attached Form TWDB-0459.

10. Section 11382, add Paragraph 1.8.D.1.b:

“b. Contractor shall be responsible for all testing required by disposal facility to accept digester contents.”

11. Section 11382, replace Paragraph 3.4.C:

“C. The Contractor may be required to have up to ten (10) laboratory analysis performed for each digester by the third party laboratory approved by the Owner as required in the Cleaning Plan. The timing and location of these samples prior to leaving the plant will be determined by the Owner’s Construction Inspector. ”

with the following Paragraph:

“C. The Contractor may be required to have up to ten (10) additional laboratory analysis (“spot checks”) performed for each digester by the third party laboratory approved by the Owner as required in the Cleaning Plan. The timing and location of these samples will be determined by the Owner’s Construction Inspector. ”

Response to Proposer Questions:

Q: Does a financial statement have to be provided for the prime contractor and all sub-contractors?

A: The financial statement of the Prime Contractor (FIRM) will be required. See item #1 in this addendum.

Q: Who will be responsible for the landfill required testing (TCLP) of the digester contents?

A: See item # 10 in this addendum.

Q: The contract documents require two samples per truckload and up to ten at the discretion of the inspector. Please clarify.

A: See item #11 in this addendum.

Q: What type of liner does it currently have, and what type of liner are you requesting?

A: PVC liner. See Drawing 03S101 and Specification Section 13219.

Q: How are possible hazardous materials (including lead paint) to be handled for this project?

A: See Specification Section 01354 of the contract documents.

Q: Are LDs tied to a milestone?

A: LDs are tied to project completion.

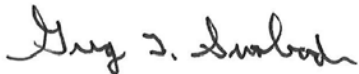
Q: In an earlier version, the SAWS Specification had Ovation in it as the control system. The new Specification has Modicon in it. Please allow Emerson to provide a quotation using the Ovation Multi Network control system, in place of the Modicon PLC.

A: The scope of work for Emerson and Modicon PLC hardware shall be per the contract documents.

Q: What is the "CONSTRUCTION TEAM" in reference to?

A: The CONSTRUCTION TEAM refers to the Prime Contractor (FIRM) and all of its sub-contractors on the project.

This addendum consists of four (4) pages, plus eight (8) attached documents. The remainder of the bid documents remains unchanged.



Greg T. Swoboda, P.E.
Project Manager
HDR Engineering, Inc.
Texas Firm Registration No. F-754



ACKNOWLEDGEMENT BY BIDDER

Each bidder is required to acknowledge receipt of this Addendum No. 1 on the Bid Proposal and by his/her signature affixed hereto and file same as an attachment to his/her bid.

The undersigned acknowledges receipt of this Addendum No. 1 and the bid submitted herewith are in accordance with the information and stipulation set forth.

Signature of Bidder

Date

END OF ADDENDUM

PROPOSAL CHECKLIST

Project Name: Dos Rios Water Recycling Center (DRWRC) Digester Mixing and System Enhancements, Phase II

Solicitation Number: B-13-043-MF

Use this checklist to ensure that the entire proposal packet is complete by checking off each item included in both envelopes. Sign and date this form and include this page with each submittal.

ORIGINAL SUBMITTAL-1 (sealed envelope or box)

- Submittal Checklist
- Price Proposal
- Good Faith Effort Plan
- Financial Statement
- Conflict of Interest Questionnaire
- Bid Bond/Cashier's Check
- W-9
- Proof of Insurability (Letter from Insurer or Sample Certificate of Insurance)
- Respondent Questionnaire
- Background, Experience, and Qualifications narrative
 - Past Experience
 - References (with contact information provided)
- Proposed Plan, Safety and Quality Program narrative
- TWDB Form WRD-255, Bidder's Certifications
- TWDB Form TWDB-0459, Vendor Compliance with Reciprocity on Non-Resident Bidders
- TWDB Form TWDB-216, Affirmative Steps Solicitation Report
- TWDB Form TWDB-217, Affirmative Steps Certification and Goals
- Acknowledgement of Addendum(s)

COPIES -7 (sealed envelope or box)

- Submittal Checklist
- Respondent Questionnaire
- Background, Experience, and Qualifications narrative
 - Past Experience
 - References
- Proposed Plan, Safety and Quality Program narrative
- Acknowledgement of Addendum(s)

I certify that the proposal packet submitted includes the items as indicated above.

Signature

Date

Printed Name

Title

PROPOSAL CERTIFICATION

Accompanying this proposal is a Bid Bond or Certified or Cashier's Check on a State or National Bank payable to the Order of the San Antonio Water System for _____ dollars (\$_____), which amount represents five percent (5%) of the total bid price. Said bond or check is to be returned to the bidder unless the proposal is accepted and the bidder fails to execute and file a contract within 10 calendar days after the award of the Contract, in which case the check shall become the property of said San Antonio Water System, and shall be considered as payment for damages due to delay and other inconveniences suffered by said San Antonio Water System due to the failure of the bidder to execute the contract. The San Antonio Water System reserves the right to reject any and all bids.

It is anticipated that the Owner will act on this proposal within 60 calendar days after the bid opening. Upon acceptance and award of the contract to the undersigned by the Owner, the undersigned shall execute standard San Antonio Water System Contract Documents and make Performance and Payment Bonds for the full amount of the contract within 10 calendar days after the award of the Contract to secure proper compliance with the terms and provisions of the contract, to insure and guarantee the work until final completion and acceptance, and the guarantee period stipulated, and to guarantee payment of all lawful claims for labor performed and materials furnished in the fulfillment of the contract.

It is anticipated that the Owner will provide written Authorization to Proceed within 30 days after the award of the Contract.

The work called for in this Contract shall commence on the date indicated in the SAWS written Authorization to Proceed. Under no circumstances shall the work commence prior to the date provided for in the SAWS issued, written Authorization to Proceed. Work shall be completed in full within _____ consecutive calendar days.

The undersigned certifies that the bid prices contained in the proposal have been carefully checked and are submitted as correct and final.

The undersigned further acknowledges compliance with "Wage and Labor Standard Provisions" of this contract and the use of the Blue Book rental rates for establishment of equipment rental rates whether owned or leased during the course of this Contract.

In completing the work contained in this proposal the undersigned certifies that bidder's practices and policies do not discriminate on the grounds of race, color, religion, sex or national origin and that the bidder will affirmatively cooperate in the implementation of these policies and practices.

Signed: _____
Company Representative

Company Name

Address

Please return bidder's check to: _____
Company Name

Address

SAN ANTONIO WATER SYSTEM

GENERAL CONDITIONS

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SAN ANTONIO WATER SYSTEM

GENERAL CONDITIONS

ARTICLE I. CONTRACT DEFINITIONS:

Wherever in these General Conditions or in other parts of the Contract Documents, the following terms, or pronouns in place of them are used, the intent and meaning shall be interpreted as follows:

1. ACPA - American Concrete Pipe Association.
2. ANSI - American National Standards Institute.
3. ASTM - American Society for Testing Materials.
4. AUTHORIZATION TO PROCEED - (Work Project Authorization) A written notice given by Owner to Contractor establishing the date on which the Contract Time will commence to run and on which Contractor shall start to perform Contractor's obligations under the Contract Documents.
5. AWWA - American Water Works Association.
6. BIDDER - An individual, partnership, corporation, joint venture, etc., submitting a proposal.
7. BOARD – Board of Trustees of the San Antonio Water System.
8. CHANGE ORDER - A written order issued by the Owner to the Contractor authorizing additions, deletions, or revisions to the Work to be performed by the Contractor within the scope of construction services outlined in the Contract Documents. This includes changes in price and/or changes in time.
9. CITY- The City of San Antonio, Texas (COSA)
10. CITY COUNCIL - The duly elected members of the council of the City of San Antonio, Texas.
11. CLAIM – A written demand seeking, as a matter of right, adjustment or interpretation of Contract terms, payment of money, extension of time or other relief with respect to the terms of the Contract.
12. COMPETENT PERSON – Employee of prime Contractor who has the industry knowledge of construction safety practices and is well versed with construction practices and procedures.
13. CONDITIONAL LETTER OF ACCEPTANCE - The date certified in writing by the Owner when the Construction of the entire Project or any completed portions thereof as defined by SAWS is completed in accordance with the Contract Documents.
14. CONSTRUCTION OBSERVER/INSPECTOR (COI) - The Owners assigned authorized representative who observes, inspects, and may accept any or all parts of the Project and the materials to be used therein.
15. CONSULTANT - A person registered as a professional engineer pursuant to Texas Occupations Code, Title 6, Chapter 1001, employed to provide professional engineering services and having overall responsibility for the design of a project or a significant portion thereof, together with administrative supervision of any subconsultants the Consultant may retain. The term "Consultant", unless the context clearly indicates otherwise, means an engineer in private practice retained for a specific project under a contractual agreement with the Owner.

16. CONTRACT - The signatory Agreement (Standard Form) between the SAWS and the Contractor governing the furnishing of material and performance of the Work. The Contract will include the Contract Documents.
17. CONTRACT DOCUMENTS - The Contract Documents consist of Bidding Documents (the Advertisement or Invitation to Bid, or Request for Proposal, the Instructions to Bidders, the Contractor's completed Bid Proposal form, the Addenda), the Contract, the Conditions of the Contract (General, Supplemental and Special Conditions), the Plans, the Specifications, the Change Orders, the Payment and Performance Bonds. The Contract Documents form the complete CONTRACT, which represents the entire and integrated agreement between the Owner and the Contractor and supersedes all prior negotiations, representations, or agreements, either written or oral. The Contract Documents shall not be construed to create a contractual relationship of any kind between:
 - (1) Design Consultant and Contractor;
 - (2) Owner and Subcontractor or Subcontractor; or
 - (3) Any person or entities other than Owner and Contractor.
18. CONTRACTOR - The individual, partnership, corporation, joint venture, or other entity contracting with the SAWS to complete the Work. The Contractor is directly responsible for the Subcontractors and Vendors that they select to complete the Work.
19. CONTRACT SUM - The total compensation payable to the Contractor for performing the Work as originally contracted or as subsequently adjusted by Change Orders.
20. CONTRACT TIME - The total time allowed the Contractor for completion of the Work. Contract Time will commence as per Article 8.1 and shall include the number of days set forth in the Contract plus any extended days granted under the provisions of Article 6.
21. ENGINEER - A Professional Engineer licensed by the State of Texas and duly authorized as a representative of the San Antonio Water System to provide professional engineering services on public works projects. Equivalent terms may include Engineer of Record, Program Engineer, Project Engineer, and/or Design Engineer.
22. FORCE ACCOUNT - a basis of payment for the direct performance of Work with payment based on the actual cost of the labor, equipment and materials furnished and consideration for overhead and profit as specifically provided for in Section 6.5.3 herein.
23. HAZARDOUS MATERIAL(s)/SUBSTANCE - Pursuant to Section 26.263 of the Water Code hazardous material means any substance or material designated as such by the administrator of the Environmental Protection Agency pursuant to the Comprehensive Environmental Response Compensation and Liability Act (42 U.S.C. Sec. 9601 et seq.), regulated pursuant to Section 311 of the Federal Clean Water Act (33 U.S.C. Sec. 1321 et seq.), or designated by the Commission and shall also include but not be limited to:
 - (1) any substance that, whether by its nature or its use, is subject to regulation or requires environmental investigation , monitoring, or remediation under any federal, state, or local environmental laws, rules, or regulations;
 - (2) any underground storage tanks, as defined in 42 U.S.C. Section 6991(1)(A)(I) (including those defined by Section 9001(1) of the 1984 Hazardous and Solid Waste Amendments to the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq.;
 - (3) the Texas Water Code Annotated Section 26.344; and Title 30 of the Texas Administrative Code Sections 334.3 and 334.4), whether empty, filled or partially filled with any substance; and
 - (4) any other hazardous material, hazardous waste, hazardous substance, solid waste, and toxic substance as those or similar terms are defined under any federal, state, or local environmental laws, rules, or regulations.

24. INSTRUCTIONS TO BIDDERS - Owner Instructions of a general nature outlining the duties and responsibilities of a prospective bidder.
25. LABORATORY - The testing laboratories of the Owner or any other testing laboratory that may be designated or approved in writing by the Owner.
26. LABOR BURDEN - The cost paid by an employer for employing individuals above the salary actually paid and reflected in their payroll. These are limited to the following:
- Payroll Taxes – both Federal and State (FICA, FUTA, SUTA)
 - Paid Holidays, Vacation Leave and Sick Leave
 - Retirement/Pension Costs (401K, etc.)
 - Health Care
 - Life/AD&D Insurance
 - Workers Compensation Insurance
 - Long-Term Disability Insurance
 - Short-Term Disability Insurance
 - Bonuses, if paid to all employees regardless of company's financial performance
 - Safety Training and Personal Protective Equipment (PPE) given to all employees
27. LUMP SUM - Price of an entire group of services, where no breakdown is given for individual items.
28. MAJOR BID ITEM - Any individual bid item submitted by Contractor whose total cost, as determined by multiplying the bid schedule line item quantity for that bid item by the Contract unit price also provided in that bid schedule line item, is equal to or greater than 5 percent of the original contract total amount. The preceding criteria notwithstanding, the Owner and Consultant **reserve the right** to identify or exclude specific bid items as being "Major", in the Special Conditions for each Project.
29. MINORITY BUSINESS ENTERPRISE - A business structure that is certified by the Small Business Administration, Texas State Comptroller's Office or the South Central Texas Regional Certification Agency as being 51% owned, operated, and controlled by an ethnic minority group member(s) who is legally residing in or a citizen of the United States. The ethnic minority group members recognized by SAWS are African Americans, Hispanic Americans, Asian Americans, and Native Americans.
30. MUNICIPAL SEPARATE STORM SEWER SYSTEM (MS4) - A conveyance or system of conveyances (including roads with drainage systems, municipal streets catch basins, curbs, gutters, ditches, man-made channels or storm drains:
- .1 Owned or operated by a State, City, town, borough, county, district association or other public body (created by or pursuant to State law) having jurisdiction over disposal of sewage, industrial waters, storm water or other wastes including special districts under State law such as a sewer district, flood control district or drainage district or similar entity or a designated and approved management agency under Section 208 of the Clean Water Act that discharges to water of the United States;
 - .2 Designated or used for collection or conveying storm water.
 - .3 That is not part of a Publicly Owned Treatment Works (POTW) as defined at 40 CFR 122.2.
31. NEMA - National Electrical Manufacturers Association.
32. NFPA - National Fire Protection Association.
33. NON-HAZARDOUS MATERIAL(s)/SUBSTANCES - Any material(s)/substance(s) which is not designated as hazardous pursuant to Article I. 23 herein and the continued presence of such on the site is determined by the Owner's representative not to be detrimental to the completion of the Project.

34. NOTICE OF NON COMPLIANCE – Neglect of compliance; failure to comply.
35. OWNER - The San Antonio Water System (SAWS).
36. OWNER'S REPRESENTATIVE - The Owner's duly authorized representative of the System.
37. PAYMENT BOND – In accordance with Chapter 2253 of the Texas Government Code as amended, the security furnished by the Contractor through the Surety in the full amount of the Contract Sum for the protection of all persons supplying labor and material in the prosecution of the Work who properly follow statutory requirements for perfecting claims against such security. If the Contract amount does not exceed \$25,000, a Payment Bond may not be required.
38. PERFORMANCE BOND - In accordance with Chapter 2253 of the Texas Government Code as amended, the security furnished by the Contractor through the Surety in the full amount of the Contract Sum as a guaranty that the Work will be faithfully performed and completed and that the Owner will be saved harmless from all costs and damages which the Owner may suffer by reason of the Contractor's default or failure to perform the Work. If the Contract amount does not exceed \$25,000, a Performance Bond may not be required.
39. PIPELINE PROJECT - Work site and Work elements related to a sanitary sewer, water, or recycle water pipeline with all appurtenances and construction to be performed thereon under the Contract.
40. PLANS - The Plans, drawings, details and supplemental drawings, or reproductions thereof, produced and sealed by the Consultant and/or Engineer and approved by the Owner, showing the location, character, dimensions and details of the Work and which are a part of the Contract. Plans include standard details issued and sealed by the Consultant and/or Engineer or his representative.
41. PROJECT – The total design and construction of Work performed under the Contract Documents and may be the whole or a part of the Project and which may include construction by Owner or by separate Contractors. All references in these General Conditions to or concerning the Work or the Site of the Work will use and or related to the term “Project,”(including Pipeline Projects) notwithstanding that the Work only may be a part of the Project.
42. PROPOSAL - The offer of the bidder, made out on the prescribed forms, giving prices for performing the work described in the Plans and Specifications.
43. PUNCH LIST – List of Work remaining to be completed before final acceptance of the Project.
44. REQUEST FOR INFORMATION (RFI) –Document submitted by Contractor requesting clarification on a particular bid item, scope of work or intent of the Contract.
45. REQUEST FOR PROPOSAL (RFP) – Document submitted by Contractor to SAWS or document submitted to Contractor by SAWS requesting changes to the Contract Document.
46. SAMPLES - Physical examples furnished by the Contractor to Owner to illustrate intended or anticipated materials, equipment or workmanship, and to assist Owner and Consultant in the establishment of workmanship and quality standards by which the Work will be judged.
47. SAN ANTONIO WATER SYSTEM - San Antonio Water System (SAWS) shall mean the San Antonio Water System Board of Trustees as established pursuant to Article 1115, Texas Revised Civil Statutes Annotated, and City of San Antonio Ordinance No. 75686. Whenever used in this Contract the term SAWS or Owner shall be, unless indicated otherwise, understood to mean the San Antonio Water System Board of Trustees, or its successors or any person or persons acting lawfully in an official capacity on behalf of the SAWS at such time and within the power and authority specifically delegated to him or them by this Contract.
48. SEQUENCE OF CONSTRUCTION - The logical and proper order in which the Contractor shall accomplish the Work as provided by Article 5.14 as directed by the Owner in stages and phases, as shown in the Contract Documents, unless Owner orders otherwise by a properly executed Change

Order as provided herein.

49. SHOP DRAWINGS - Drawings, diagrams, illustrations, schedules, performance charts, brochures and other data which are furnished by the Contractor and prepared by Contractor, first-tier or sub-tier subcontractors, manufacturer, supplier or distributor, and which illustrates and details some portion of the Work. Shop Drawings shall be furnished to the Owner as submittals.
50. SMALL BUSINESS ENTERPRISE – A business structure that is Certified by the Small Business Administration, Texas State Comptroller’s Office or the South Central Texas Regional Certification Agency as being 51% owned, operated and controlled by someone who is legally residing in or a citizen of the United States, and the business structure meets the U.S. Small Business Administration’s (SBA) size standard for a small business within the appropriate industry category.
51. SMALL, MINORITY, AND WOMAN-OWNED BUSINESS - Hereinafter referred to as “SMWB”, includes all business structures Certified by the Small Business Administration, Texas State Comptroller’s Office, or the South Central Texas Regional Certification Agency that are 51% owned, operated, and controlled by a SMALL BUSINESS ENTERPRISE, a MINORITY BUSINESS ENTERPRISE, or WOMAN-OWNED BUSINESS ENTERPRISE
52. SPECIAL CONDITIONS –The part of the Contract Documents which add special requirements that apply to a specific project as defined in Article XI herein.
53. SPECIFICATIONS - The specific instructions to the Contractor that are provided in the Contract Document as to the requirements for materials, equipment, certain construction procedures, standards and quality of workmanship for the Work and performance of related services and other technical requirements and forming a part of the Contract.
54. SUBCONTRACTOR - The individual, firm, equipment vendor, or corporation, having a first tier subcontract with the prime or general Contractor, subject to the review of qualifications by the Consultant and the Owner's Representative, for the performance of a part of the Work. Sub-tier subcontractors must be identified by the subcontractors and be similarly subject to the review of qualifications by the Consultant and the Owner's Representative for the performance of a part of the Work.
55. SUBSTANTIAL COMPLETION When construction of the project or a specified part thereof is sufficiently completed in accordance with the Contract Documents so that the Project, or specified part thereof could be utilized for the Owner's purposes for which it is intended.
56. SUPERINTENDENT - The Contractor’s onsite project representative whom the Contractor has authorized to communicate with the SAWS COI, pursuant to the terms of the Contract and as provided for in Section 5.4 herein.
57. SUPPLEMENTARY CONDITIONS - Shall be as defined in Article XI herein.
58. SURETY - The corporate body licensed to conduct business in the State of Texas that provides assurance that the Contractor, or his substitute will faithfully perform the Work covered by the Contract and make payment of any due, unpaid, eligible labor and supply claims arising there under and is in compliance with the provisions contained in Articles 3.4 and 3.5 herein.
59. UNDERGROUND FACILITIES - All pipelines, conduits, ducts, cables, wires, manholes, vaults, tanks, tunnels or other such facilities or attachments and appurtenances thereto, and any encasement containing such facilities which have been installed underground to furnish any of the following services or materials: electricity, gases, steam, liquid petroleum products, telephone or other communications, cable television, water, sewage and drainage removal, traffic or other control systems.
60. UNIT PRICE WORK - Work to be paid for by Owner on the basis of Contractor quoted unit prices in the Bid Proposal based upon Owner estimated quantities.

61. WOMAN BUSINESS ENTERPRISE – A business structure that is Certified by the Small Business Administration, Texas State Comptroller’s Office or the South Central Texas Regional Certification Agency as being 51% owned, operated and controlled by a woman or women who are legally residing in or citizens of the United States
62. WORK - The entire completed construction or the various separately identifiable parts thereof required necessary, proper or incidental and required or reasonably inferable, to produce, construct and fully complete the construction project in strict accordance with the requirements of the Contract Documents. Work is the result of Contractor performing services, furnishing labor and furnishing and incorporating materials and equipment into the construction, all as required by the Contract Documents.
63. WORK CHANGE DIRECTIVE – Shall be as defined in Article VI herein. Document utilized to memorialize minor changes in work as described in 6.2.2.
64. WRITTEN NOTICE – Any notice, payment, statement or demand required or permitted to be given under this Contract by either party to the other may be effected by personal delivery in writing or by facsimile transmission, email or by mail, postage prepaid, or by overnight delivery to an officer, management level employee or other designated representative of either party. Mailed or email notices shall be addressed to the parties at an address designated by each party, but each party may change its address by written notice in accordance with this section. Mailed notices shall be deemed received as of three (3) calendar days after mailing.

ARTICLE II. LEGAL RELATIONSHIPS AND RESPONSIBILITIES

- 2.1 LEGAL RESPONSIBILITIES - The Contractor in the performance of the Work shall comply with all pertinent Ordinances of the City of San Antonio (COSA), Regulations of the San Antonio Water System (SAWS), Laws of the State of Texas, and of the United States, including but not limited to Rules and Regulations of the United States Department of Labor, pertaining to Occupational Safety and Health Administration standards as presently existing or as may hereinafter be modified or amended.
 - .1 Where construction projects cross or run along state highways, the Contractor shall at a minimum comply with governing Texas Department of Transportation Regulations as outlined in State Permits for each crossing. In cases where State Regulations do not apply, City Regulations shall be binding.
 - .2 Where construction projects cross or run along county roads, the Contractor shall at a minimum comply with governing Bexar County Public Works Regulations as outlined in the County Permit for each crossing.
- 2.2 GENERAL UNDERSTANDING - Contractor at his own cost and expense shall furnish all supervision, tools, implements, machinery, labor, materials and accessories, such as are necessary and proper for the purpose, and secure all required permits and licenses, and shall at his own cost and expense construct, build and complete, in a good, first class, substantial and workmanlike manner, the structures, work and improvements herein described and/or referred to in the Contract Documents.
- 2.3 INDEMNIFICATION - Contractor shall protect the public, SAWS, and COSA fully by taking reasonable precaution to safeguard persons from death or bodily injury and to safeguard property of any nature whatsoever from damage. Where any dangerous condition or nuisance exists in and around construction sites, equipment and supply storage areas and other areas in any way connected with the performance of this contract, the Contractor shall provide and maintain reasonable warning of such danger or nuisance. The Contractor shall not create an excavation, obstruction, or any dangerous condition or nuisance of any nature whatsoever in connection with the performance of this Contract unless necessary to its performance, and in that event the Contractor shall provide and maintain at all times any and all reasonable means of warning of any danger or nuisance created. The duties of the Contractor in this section shall be nondelegable, and the Contractor's compliance with the specific recommendations and requirements of the San Antonio Water System or the City of San Antonio as to the means of warning shall not excuse the Contractor from the faithful performance of these duties

should such recommendations and requirements not be adequate or reasonable under the circumstances.

In order to protect SAWS and COSA the Contractor's failure to perform any of the foregoing duties or any of the terms of this Contract, the Contractor shall indemnify and save harmless **SAWS, COSA** and their agents and employees from all losses, damages, judgments, decrees, and expenses, liens, claims, demands, causes of action, or costs of any nature whatsoever, and/or any other liability, damage, fine or penalty (except where reimbursement for fines or penalties is prohibited by law), including all costs of defense, attorneys fees, and settlement arising out of or in any way connected with any claims or actions at law or in equity, brought against SAWS, COSA and their agents and employees for the death or injury to persons or for damage to property caused, or allegedly caused, by any willful acts, negligence, nuisance, or breach of any term or condition of this Contract in connection with work to be performed pursuant to said Contract, by the Contractor, his agents, subcontractors, or employees. The Contractor shall furthermore indemnify and save harmless SAWS and COSA and their agents and employees from all demands of subcontractors, workmen, material men, or suppliers of machinery and parts thereof, equipment, power tools, and supplies incurred in connection with work to be performed under this Contract. Property of any description, including but not limited to property of SAWS and COSA, which shall be damaged in the performance of this Contract by the Contractor, his agents, employees, subcontractors or their employees and subcontractors shall be restored to its condition prior to damage by the Contractor at the Contractor's expense.

SUCH INDEMNITY SHALL APPLY WHERE THE CLAIMS, LOSSES, DAMAGES, CAUSES OF ACTION, SUITS, JUDGEMENTS, DECREES, OR LIABILITY ARISE IN PART FROM THE NEGLIGENCE OF SAWS OR COSA. IT IS THE EXPRESSED INTENTION OF THE CONTRACTOR, SAWS AND COSA THAT THE INDEMNITY PROVIDED FOR IN THIS PARAGRAPH IS INDEMNITY BY CONTRACTOR, TO INDEMNIFY AND PROTECT SAWS AND COSA FROM THE CONSEQUENCES OF THEIR OWN NEGLIGENCE, WHERE THE NEGLIGENCE IS A CONCURRING CAUSE OF THE INJURY, DEATH, OR DAMAGE. FURTHERMORE, THE INDEMNITY PROVIDED FOR IN THIS PARAGRAPH SHALL HAVE NO APPLICATION TO ANY CLAIM, LOSS, DEATH OR DAMAGE RESULTS FROM THE SOLE NEGLIGENCE OF SAWS AND COSA UNMIXED WITH THE FAULT OF ANY PERSON OR ENTITY. The obligations of Contractor hereunder shall survive termination of this Contract for any reason. The foregoing notwithstanding, it is agreed that with respect to any statutory restrictions affecting the validity or enforceability of the indemnification obligation herein, it shall be subject to such restrictions, and the indemnification obligation herein shall be deemed to be amended to the minimum extent necessary to conform therewith, and shall otherwise continue in full force and effect.

In any claims against SAWS or COSA or their agents or employees by Contractor, any employee of Contractor, any subcontractor, anyone directly or indirectly employed by Contractor, or any subcontractor or anyone for whose acts any of them may be liable, the indemnification obligation under this Article shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for Contractor or any subcontractor under workers' compensation acts, disability benefit acts of other employer's benefit acts.

- 2.4 ROYALTIES AND PATENTS - The Contractor shall pay all royalties and license fees, and defend all suits or claim for infringement of any patent rights and shall indemnify and as provided under Article 2.3 save the Owner harmless from loss on account thereof, except that the Owner shall be responsible for all such royalties and license fees and loss when a particular design or process, or the product of a particular manufacturer or manufacturers is specified by Owners Contract Document; provided, however, if the Contractor has reason to believe the design, process or product specified constitutes an infringement of a patent, he shall be responsible for such royalties, license fees and loss unless he promptly gives such information to the Owner.
- 2.5 NO WAIVER OF SAWS RIGHTS - Unless specifically and unambiguously set out in the Contract Documents at the time of bid opening, no observation/inspection or approval by said Owner or any COI, officer or employee of the Owner, or any order, measurement or certificate by said Owner, or any estimate or payment by the Owner for any part of said Work, or material or method or equipment, or any extension of time, or any possession of the Work, at any time shall operate as a waiver of any provision or obligation of this Contract or any right or power herein given or reserved to said Owner, or of any right to claim any indemnity or damages for patent or latent defects in the work or otherwise

as herein provided for; nor shall any Owner waiver of any Contractor breach of this Contract be deemed as a waiver of any other or subsequent Contractor breach; and every Owner right or remedy under the Contract Documents shall be cumulative, and in addition to all other Owner rights and remedies.

- 2.6 INTEREST IN SAWS CONTRACT PROHIBITED - No officer or employee of the Owner shall have a financial interest, direct or indirect, in any Contract with the SAWS, or shall be financially interested, directly, in the sale to the SAWS of any land, materials, supplies or service, except on behalf of the SAWS as an officer or employee. This prohibition extends to the City Public Service Board, City of San Antonio, and City boards and commissions other than those, which are purely advisory.
- 2.7 EQUAL EMPLOYMENT OPPORTUNITY REQUIREMENTS/NONDISCRIMINATION CLAUSE The San Antonio Water System highly encourages Contractors to implement Affirmative Action practices in their employment programs. This means Contractor should not discriminate against any employee or applicant for employment because of race, color, national origin religion, sex, age, handicap or political belief or affiliation.
- 2.8 SMALL, MINORITY, AND WOMEN BUSINESS PROGRAM(SMWB) REQUIREMENTS -The San Antonio Water System highly encourages contractors to form joint ventures and/or provide subcontracting opportunities to small, minority and woman-owned business (SMWB) firms. The San Antonio Water System's Good Faith Effort Plan (GFEP) is **required and must be submitted** as part of the bid package to report all small, minority, and woman-owned firm participation for this project. The GFEP must reflect all information requested as part of the total construction Contract Documents.
- 2.9 STATE SALES TAX - The Owner qualifies for exemption from state and local sales tax and will upon request by the Contractor, furnish the Contractor with a tax exemption certificate. It is the Contractor's responsibility to claim exemption from payment of applicable state and local sales taxes by complying with such procedures as may be prescribed by the State Comptroller of Public Accounts. The Contract separates the cost of materials and tangible equipment from skill, labor and other associated costs of construction. This is in accordance with the Texas Tax Code to allow tax exemption on the Contract price for materials. Certain construction equipment that is owned or rented by the CONTRACTOR may be subject to State and Local Sales Tax. The Contractor will not include in the Contract Sum or any modification thereto any amount for sales, use or similar taxes for which Owner is exempt.
- 2.10 PREVAILING WAGE RATE AND LABOR STANDARD PROVISIONS. The Provisions of Chapter 2258 of the Texas Government Code, and the "Wage and Labor Standard Provisions" amended in City of San Antonio Ordinance 2008-11-20-1045, expressly are made a part of this Contract and are incorporated herein by reference (the "PWRLSP"). In accordance therewith, a schedule of the general prevailing rate of per diem wages in this locality for each craft or type of worker needed to perform this Contract is included as part of the Bidding Document that are part of the Contract Documents. In accordance with the PWRLSP, the Contractor shall forfeit, as a penalty to Owner, sixty dollars (\$60.00) for each laborer, workman or mechanic employed for each calendar day, or portion thereof, in which such laborer, workman or mechanic is paid less than the stipulated prevailing wage rates for any work done under this Contract by the Contractor or any Subcontractor employed on the project. The establishment of prevailing wage rates, pursuant to Chapter 2258 of the Texas Government Code, shall not be construed to relieve Contractor from its obligation under any federal or state law, regarding the wages to be paid to or hours worked by laborers, workmen or mechanics, insofar as applicable to the work to be performed hereunder. Contractor, in the execution of this Project, agrees it shall not discriminate in its employment practices against any person because of race, color, creed, sex, or origin. Contractor agrees it will not engage in employment practices which have the effect of discriminating against employees or prospective employees because of race, color, creed, national origin, sex, age, handicap or political belief or affiliation. This Contract provision shall be included in its entirety in all Subcontractor agreement(s) entered into by the Contractor or any Subcontractor employed on the project.

ARTICLE III. CONTRACT DOCUMENTS & BONDS

- 3.1 PLANS AND SPECIFICATIONS - The intent of the Contract Documents is to include all items necessary for the proper execution and completion of the Work by the Contractor. The Contract

Documents are complementary, and what is required by one shall be as binding as if required by all; performance by the Contractor shall be required only to the extent consistent with the Contract Documents and reasonably inferable from them as being necessary to produce the indicated and intended results. In cases of discrepancy between any drawing and the dimension figures written thereon, the dimension figures shall govern over scaled dimensions; Detailed Drawings and accompanying notations shall govern over general Drawings; Specifications shall govern over Drawings and Special Conditions shall govern over Supplemental Conditions, Specifications, Drawings and these General Conditions.

.1 For the purposes of clarification, the most recently issued Document takes precedence over previous issues of the same document. The order of precedence for the Contract Document is as follows with the highest authority listed as "1".

1. Contract Modifications signed by Contractor and Owner.
2. Addenda, with those of later date having precedence over those of earlier date.
3. Special Conditions
4. Supplementary Conditions.
5. General Conditions
6. Specifications
7. Drawings

3.2 INTENT OF THE CONTRACT DOCUMENTS is to describe a functionally complete Project (or integral component part thereof) to be constructed in accordance with the Contract Documents. Any work, materials or equipment that may reasonably be inferred from the Contract Documents as being required to produce the intended result will be supplied by Contractor whether or not specifically called for by SAWS or its Consultant. When words which have a well-known technical or trade meaning are used to describe work, materials or equipment such words shall be interpreted in accordance with that meaning. Where phrases such as "directed by", "ordered by" or "to the satisfaction of", "the Consultant", "the SAWS COI" or "the Owner's Representative" occur, it is to be understood that the directions, orders, or instructions to which they relate are within the scope of, and authorized by the Contract Documents. Reference to standard specifications, manuals or codes of any technical society, organization or association, or to the Laws or Regulations of any governmental authority, whether such reference be specific or by implication, shall mean the latest standard specification, manual, code or Laws or Regulations in effect at the time of opening of Bids except as may be otherwise specifically stated in writing

DISCREPANCY IN CONTRACT DOCUMENTS - If, during the performance of the Work, Contractor finds a conflict, error or discrepancy in the Contract Documents, Contractor shall so report to Consultant or Owner in writing immediately and before proceeding with the Work affected thereby and shall obtain a prompt written interpretation or clarification from SAWS or Consultant; however, Contractor shall not be liable to SAWS or Consultant for failure to report any conflict, error or discrepancy in the Contract Documents unless Contractor had actual knowledge thereof or should reasonably have known thereof.

3.3 PLANS AND SPECIFICATIONS AT THE WORK SITE - The Contractor shall maintain at the Work site at least one copy of the most recent and complete set of Contract Documents to include, but not limited to, Plans, Specifications, Addenda, approved Shop Drawings and Change Orders, in good order and marked to record all changes to the Plans and/or existing physical conditions made during construction.

.1 RECORD DRAWINGS - Each month as the Work progresses the Consultant shall formally submit to SAWS, along with the monthly payment application, a set of red line drawings noting work completed during that period. Red Line drawings should also reflect any and all variations to the Plans and reflect all actual dimensions necessary for the development of as built drawings. As a condition precedent to any progress payment of final payment the Contractor shall have a duty to submit, and coordinate with Consultant, Contractor's properly marked drawings. Prior to final payment to the Contractor, the Contractor who has control of the Work and is in a position to know how the Project was constructed, shall formally submit to SAWS Consultant, at the final walk through the set of clearly marked red line drawings and related

documents noting work completed and any variations from the original plan and specifications for Consultant's use in preparing Owner's final "Record Drawings" for the SAWS permanent file.

- 3.4 **PERFORMANCE BOND** - CONTRACTOR shall furnish a Performance Bond in favor of SAWS in an amount equal to 100% of the total construction cost under this Contract. Total construction cost are defined as the entire cost of materials and their installation, and include, but are not limited to, the cost of labor, equipment, supplies, materials and additional construction costs. The Performance Bond shall: (1) guarantee the completion of the entire construction herein identified in conformity with the Plans and Specification approved by SAWS, and (2) guarantee the Work against defects in workmanship and materials for a period of twenty four (24) months after acceptance of the work by the San Antonio Water System. The bond shall be in accordance with Chapter 2253 of the Texas Government Code and Chapter 3503 of the Texas Insurance Code and shall have corporate Sureties that are licensed to conduct business in Texas. The Contractor agrees that the following shall apply to bonds provided by a Surety:

If any bond is in an amount in excess of 10 percent of the Surety company's capital and surplus, the San Antonio Water System shall require, as a condition to accepting the bond, written certification that the surety company has reinsured the portion of the risk that exceeds 10 percent of the surety company's capital and surplus with one or more reinsurers who are duly authorized, accredited, or trusted to do business in this state. The amount reinsured by any reinsurer may not exceed 10 percent of the reinsurer's capital and surplus.

If the amount of the bond exceeds \$100,000, the surety must also:

- (1) hold a certificate of authority from the United States secretary of the treasury to qualify as a surety on obligations permitted or required under federal law; or
- (2) have obtained reinsurance for any liability in excess of \$100,000 from a reinsurer that is authorized and admitted as a reinsurer in this state and is the holder of a certificate of authority from the United States secretary of the treasury to qualify as a surety or reinsurer on obligations permitted or required under federal law.

If the Surety on any bond furnished by the Contractor to the Board is declared bankrupt or becomes insolvent, or has its right to do business revoked in the State of Texas, then the CONTRACTOR will have ten (10) days to substitute another bond and surety there for which shall be acceptable to SAWS and which shall be at the expense of the Contractor.

- 3.5 **PAYMENT BOND** - Contractor shall furnish Payment Bond in favor of SAWS in an amount equal to 100% of the total construction cost under this Contract. Total construction costs are defined as the entire cost of materials and their installation, and include, but are not limited to, the cost of labor, equipment, supplies, materials and additional construction costs. The Payment Bond shall be security for the payment of all persons supplying labor and material in the prosecution of the Work provided for in the Contract Documents. The Contractor agrees that the following shall apply to Bonds provided by a Surety:

If any Bond is in an amount in excess of 10 percent of the Surety company's capital and surplus, the San Antonio Water System shall require, as a condition to accepting the Bond, written certification that the surety company has reinsured the portion of the risk that exceeds 10 percent of the surety company's capital and surplus with one or more reinsurers who are duly authorized, accredited, or trusted to do business in this state. The amount reinsured by any reinsurer may not exceed 10 percent of the reinsurer's capital and surplus.

If the amount of the bond exceeds \$100,000, the Surety must also:

- (1) hold a certificate of authority from the United States secretary of the treasury to qualify as a surety on obligations permitted or required under federal law; or
- (2) have obtained reinsurance for any liability in excess of \$100,000 from a reinsurer that is authorized and admitted as a reinsurer in this state and is the holder of a certificate of authority from the United States secretary of the treasury to qualify as a surety or reinsurer on obligations

permitted or required under federal law.

The bonds (1) shall have corporate Sureties that are licensed to conduct business in Texas. If the Surety on any Bond furnished by the Contractor to the Board is declared bankrupt or becomes insolvent, or has its right to do business revoked in the State of Texas, then the CONTRACTOR will have ten (10) days to substitute another Bond and Surety therefore which shall be acceptable to SAWS and which shall be at the expense of the Contractor.

- 3.6 CONTRACTOR AND SURETIES STILL BOUND - No assignment, transfer or subletting, without the written consent of SAWS, and no order of SAWS for or approval of any alterations or modifications in said Specifications, Plans, or Work, and no change in the requirements or order for extra work made by the SAWS as provided in this Contract, shall ever in any manner release or diminish the responsibility of Contractor or any Surety on any bond of Contractor, but on the contrary, such responsibility shall extend to and comprehend all such changes and other matters. If any Surety upon any bond furnished in connection with the Contract becomes insolvent, or otherwise not authorized to do business in this State, the Contractor shall within ten (10) days furnish equivalent substitute forms of security while seeking substitute bonding, to protect the interests of the SAWS and of persons supplying labor or materials in the prosecution of the Work contemplated by the Contract, or may be liable for breach of Contract and default termination.
- 3.7 CONTRACTS LESS THAN \$25,000 - If the Contract Sum is less than or equal to \$25,000, Owner and Contractor may agree (at Owner's discretion) to Contractor not providing Performance and Payment Bonds; provided that in such event, no money will be paid by Owner to Contractor until Final Completion and acceptance of all Work by the Owner. If Contractor elects to provide Performance and Payment Bonds, the Contract Sum shall be payable to Contractor through progress payments in accordance with these General Conditions.

ARTICLE IV. CONTRACT ADMINISTRATION

4.1 GENERAL ADMINISTRATION

- .1 PLANS AND SPECIFICATIONS BY CONSULTANT -The Consultant will provide general administration of the Contract during construction in accordance with the Consultant's scope of work as defined in the Consultant's Contract with the SAWS.
- .1 The Consultant has the authority to act on behalf of the Owner to the extent provided in the Construction Contract Documents. The Consultant will advise and consult with the Owner. The Owner's instruction to the Contractor may be issued through the Consultant but the Owner reserves the right to issue instructions directly to the Contractor through other designated SAWS representatives. Contractor understands that SAWS may modify the authority of such Consultant as provided in the terms of its contract relationship with the Consultant, and the Owner shall, in such event, be vested with powers formerly exercised by such Consultant, provided written notice of such modification shall be immediately served on the Contractor. Nothing herein shall authorize independent agreements between Contractor and such Consultant, nor shall the Consultant be deemed to have a legal relationship with the Contractor.
- .2 Any and all oral instructions shall be confirmed expeditiously in writing with copies furnished to the Consultant, the Owner's designated representatives, and the Contractor by the party issuing the oral instruction.
- .3 Upon the Consultant's written recommendation, the Owner's Representative shall have the final authority to reject Work performed by the Contractor which does not meet the requirements of the Contract, and to order such Work repaired, removed, or replaced in accordance with Article 5.10. Rejected Work will be documented and all payments related to the rejected Work will be suspended until the Work is accepted by the Owner.
- .2 PLANS AND SPECIFICATIONS BY SAWS ENGINEER

- .1 The Engineer shall confirm all oral instructions to the Contractor expeditiously in writing.
- .2 Any other provision contained herein notwithstanding, the Engineer shall have the authority to reject Work performed by the Contractor which does not meet the requirements of the Contract, and to order such Work repaired, removed, or replaced in accordance with Article 5.10. Rejected Work will be documented and all payments related to the rejected Work will be suspended until the Work is accepted by the Owner.

4.2 ACCESS TO AND OBSERVATION/INSPECTION OF THE WORK

- .1 PLANS AND SPECIFICATIONS BY CONSULTANT - The Contractor shall provide sufficient, safe, and proper facilities at all reasonable times for the observation and/or inspection of the Work by any duly authorized representative of the Owner. The Consultant and the Owner will make visits to the site at intervals appropriate to the various stages of construction to observe the progress of the executed Work and to determine if the Work is proceeding in accordance with the Contract Documents.

- .1 On the basis of such visits and on-site observations as an experienced and qualified design professional, Consultant will keep Owner informed of the progress of the Work and will guard Owner against defects and deficiencies in the Work which are the responsibility of the Contractor to prevent and/or cure.
- .2 No approval of any phase of the construction Project by any of the Owner's representatives or observer/inspectors shall relieve the Contractor from full compliance with the Contract Documents regarding the ultimate Work product. Any additional cost, damages, or delays occasioned by patent or latent defects in the Work, and/or failure to meet the requirements of the Contract Documents, at any Project phase, shall be borne by the Contractor.

- .2 PLANS AND SPECIFICATIONS BY SAWS ENGINEER - The Contractor shall provide sufficient, safe and proper facilities at all reasonable times for the observation/inspection of the Work by the duly authorized representative of the Owner. The Engineer will make visits to the site at intervals appropriate to the various stages of construction to observe the progress of the executed Work and to determine if the Work is proceeding in accordance with the Contract Documents.

- .1 No approval of any phase of the construction Project by any of the Owner's observer and/or inspectors shall relieve the Contractor from full compliance with the Contract Documents regarding the ultimate Work product. Any additional cost, damages, or delays occasioned by patent or latent defects in the Work, and/or failure to meet the requirements of the Contract Documents, at any Project phase, shall be borne by the Contractor.

- 4.3 ASSIGNMENTS AND SUBLETTING - Contractor shall not assign, transfer, convey, sublet or otherwise dispose of this Contract, or any portion thereof, or any right, title or interest in, to or under the same, without the previous written consent of the Owner. Contractor shall not assign by power of attorney or otherwise any of the monies or other considerations to become due and payable by the Owner under this Contract, without the previous written consent of the Owner. The Contractor shall notify the Owner, by written notification by certified mail to the Owner, that such assignment, transfer, conveyance or subletting, or other disposition of this Contract or any portion thereof, or any right, title or interest, in, to or under the same, is contemplated. If the Contractor does not receive written approval of such contemplated action from the Owner within thirty days of receipt of such initial request by the Contractor, such contemplated assignment, transfer, conveyance or subletting, or other disposition of this contract or any portion thereof, or any right, title or interest in, to, or under the same, shall be deemed disapproved. In no event shall the Owner be liable in excess of the consideration of this Contract in the case of any such assignment, transfer, conveyance or subletting of the Work or performance which is subject hereof.

- .1 The Owner reserves the right to withhold any monthly payment hereafter provided for in the

event of an assignment or subletting of a portion of the work without the previous consent and knowledge of the Owner and by reserving such right, the Owner shall not be deemed to have waived its right to declare a full breach of this Contract for Contractor's failure to comply with provisions hereof, such remedy being alternative only and exercisable at the option of the Owner.

4.4 SUBCONTRACTORS - The Contractor shall upon executing the Contract, notify the Owner in writing of the names of all proposed first tier Subcontractors for the Work. This should include the SMWBs identified in the Good Faith Effort Plan.

.1 SUBCONTRACTUAL RELATIONS - By an appropriate written agreement, the Contractor shall require each Subcontractor, to the extent of the Work to be performed by the Subcontractor, to be bound to the Contractor by the terms of the Contract Documents, and to assume toward the Contractor all the obligations and responsibilities which the Contractor, by these Documents, assumes toward the Owner . Said agreement shall preserve and protect the rights of the Owner under the Contract Documents with respect to the Work to be performed by the Subcontractor so that the subcontracting thereof will not prejudice such rights, and shall allow to the Subcontractor, the benefit of all rights, remedies and redress against the Contractor that the Contractor, by these Documents, has against the Owner. Where appropriate, the Contractor shall require each Subcontractor to enter into similar agreements with his Sub-subcontractors. The Contractor shall make available to each proposed Subcontractor, prior to the execution of the Subcontract, copies of the Contract Documents to which the Subcontractor will be bound by this paragraph and identify to the Subcontractor any terms and conditions of the proposed Subcontract which may be at variance with the Contract Documents. Each Subcontractor shall similarly make copies of such Documents available to his Sub-subcontractor.

4.5 SEPARATE CONTRACTS

.1 The Owner reserves the right to let other Contracts in connection with this Work. The Contractor shall afford other Contractors reasonable opportunity for the introduction and storage of their materials and the execution of their work and shall properly connect and coordinate his Work with their work.

.2 When separate Contracts are awarded for different portions of the Project, "the Contractor" in the Contract Documents in each case shall be the Contractor who executes each separate Contract. This Contractor shall properly connect and coordinate his Work with the work of other Contractors. If any part of this Contractor's Work depends for proper execution or proper results on the work of any other separate Contractor, this Contractor shall inspect and promptly report in writing to the Consultant and SAWS COI any discrepancies or defects he may find in the work of any separate Contractor that render it unsuitable to achieve proper connection, execution and results. Failure of this Contractor to so inspect and report obvious discrepancies or defects shall constitute an acceptance of the other Contractor's work as fit and proper to receive this Contractor's Work, except as to defects which may develop in the other separate contractor's work after the execution of this Contractor's work.

.3 Any other provision contained herein notwithstanding, should this Contractor negligently cause damage to the work or property of any separate Contractor on the Project, this Contractor shall, upon due notice, endeavor to settle with such other Contractor by agreement. A reciprocal clause shall be placed in the Contract Documents between the SAWS and the separate Contractor if involving other SAWS work. If such separate Contractor sues the SAWS and/or its agents on account of any damage alleged to have been so sustained, the SAWS and/or its agents shall notify this Contractor who shall defend the SAWS and/or its agents' interests and Contractor's own interests in such proceedings and pay all attorney fees, and costs in connection therewith, and if any judgment against the SAWS results there from, this Contractor shall pay or satisfy that judgment.

4.6 CONTRACT TERMINATION

.1 TERMINATION BY CONTRACTOR - If the Work is stopped by SAWS for a period of ninety

(90) consecutive days under an order of any court or other public authority having jurisdiction, or as a result of an act of a higher governmental authority, such as a declaration of a national emergency making materials unavailable, through no act or fault of the Contractor or a Subcontractor or their agents or employees or any other persons performing any of the Work under a Contract with the Contractor, then the Contractor may upon ten (10) additional days written notice after first providing a complete and detailed written explanation of the event that constitutes an allowable termination under this provision to SAWS and the Consultant, at which time SAWS will promptly provide a written determination whether in its sole discretion the event detailed by the Contractor constitutes an acceptable Contract termination event, pursuant to this provision; then the Contractor may terminate the Contract and recover from the Owner payment for all Work previously executed and for any loss sustained upon any materials, equipment, tools, construction equipment and machinery, including reasonable profit for the work performed and direct damages related to the Work stoppage. If the Work is recommenced during the ten (10) day notice period, the Contractor may not terminate the Contract.

.2 TERMINATION BY OWNER - If the Contractor is adjudged as bankrupt, or if he makes a general assignment for the benefit of his creditors, without the consent of the SAWS or if a receiver is appointed on account of his insolvency, or if he persistently or repeatedly refuses or fails, except in cases for which extension of time is provided, to supply enough properly skilled workmen or proper materials, or persistently disregards laws, ordinances, rules, regulations or orders of any public authority having jurisdiction pertaining to the Work, or otherwise is guilty of a substantial violation of a provision of the Contract Documents warranting Owner default of Contractor, then the Owner may, without prejudice to any right or remedy and after giving the Contractor and Contractor's Surety, if any, ten (10) days written notice, terminate the employment of the Contractor and/or take possession of the site and of all materials, and may upon order of a court of competent jurisdiction take possession of equipment, tools, construction equipment and machinery thereon owned by the Contractor. Should the Surety fail to pursue completion of the Work with reasonable speed, the Owner may arrange for completion of the Work and deduct the cost thereof from the unpaid Contract sum remaining, including the cost of additional Owner administration and Consultant services made necessary by such default or neglect, in which event no further payment shall then be made by the Owner until all Cost of completing the Work shall have been paid. If the unpaid balance of the Contract sum exceeds all the costs of finishing the Work, including direct and indirect consequential costs, attorney's fees and compensation for the Consultant's additional services made necessary thereby, such excess sum shall be paid to the Contractor. If such costs exceed the unpaid balance, the Contractor or his surety shall pay the difference to the Owner. This obligation for payment shall survive the termination of the Contract

.1 TERMINATION FOR CONVENIENCE - The right to terminate this Contract for the convenience of Owner (including, but not limited to, non-appropriation of funding) expressly is retained by Owner. In the event of a termination for convenience by Owner, Owner shall, at least ten (10) calendar days in advance, deliver written notice of the termination for convenience to Contractor. Upon Contractor's receipt of such written notice, Contractor immediately shall cease the performance of the Work and shall take reasonable and appropriate action to secure and protect the Work then in place. Contractor shall then be paid by Owner, in accordance with the terms and provisions of the Contract Documents, an amount not to exceed the actual labor costs incurred, the actual cost of all materials installed and the actual cost of all materials stored at the Project site or away from the Project site, as approved in writing by Owner but not yet paid for and which cannot be returned, plus applicable overhead, profit, and actual, reasonable and documented termination costs, if any, paid by Contractor in connection with the Work in place which is completed and in conformance with the Contract Documents up to the date of termination for convenience, less all amounts previously paid for the Work. No amount ever shall be owed or paid to Contractor for lost or anticipated profits on any part of the Work not performed.

.2 In the event that Owner shall be prevented from completing performance of its obligations under this Contract by an act of God or other occurrence whatsoever which is beyond the control of Owner, then Owner shall be excused from any further performance of its obligation and undertakings.

4.7 CONTRACTOR BID SUSPENSION POLICY

- .1 INTRODUCTION - SAWS through its Board of Trustees routinely contracts with private businesses to build, maintain and repair SAWS structures, vehicles, equipment, property and other assets. SAWS desires to receive quality service and performance at a fair price for each construction services, material, supply, and equipment Contract awarded under Section V of SAWS Purchasing and Contracting Policy.

On occasion, SAWS finds that the quality of service or performance required by the Contract Documents is not provided. Therefore SAWS requires a policy and a process to address nonperformance by contractors and, if necessary, to suspend certain contractors from further contract awards for a period of time.

The purpose of this policy is to establish a procedural framework to suspend a contractor from consideration for award of future Contracts with SAWS, based on a determination that the Contractor has not met the performance standards as outlined in Article 4.7.4, Reasons for Contractor Suspension.

Staff will implement procedures consistent with this Article 4.7 to address service quality and performance issues. These procedures will include adequate safeguards, reviews and appeals to insure that Contractors being considered for suspension are provided ample opportunity for discussion, communication, and corrective actions prior to being suspended.

The term "Contractor" as used in this Article herein means a construction Contractor, subcontractor, vendor, supplier, materialman and any other person or entity supplying labor and/or material to SAWS on a contract basis.

"SAWS Management Officials" means SAWS personnel who are at the Manager level or above and who are involved in the supervision, review or acceptance of services, work or materials provided by Contractors under Contract with SAWS.

Any provision contained herein notwithstanding, SAWS reserves the right to not award a Contract to any Contractor who SAWS determines has failed to perform work to the quality of satisfaction required by SAWS and is therefore not a responsible bidder. In cases where SAWS determines that a Contractor is not a responsible bidder on a Contract due to Contractor's failure to provide quality and satisfactory work, SAWS will first give notice to the Contractor, prior to making the ultimate determination as to Contractor being a non-responsive bidder, of the reasons for SAWS determination. The Contractor will then have an opportunity to respond to SAWS determination. At that time SAWS shall in its sole discretion make a final determination, as to whether Contractor is a responsible bidder on a given Contract.

- .2 CREATION OF CONTRACTING COMMITTEE - There shall be a standing Contracting Committee comprised of SAWS staff appointed by the President/Chief Executive Officer of SAWS. At least one Committee member will be a Vice President of SAWS and all other Committee members will be Managers or higher. The members of the Committee hearing the complaint will be SAWS Management Officials not directly involved with the Contractor being considered for bid suspension. If a standing Contracting Committee member has been involved in the day-to-day administration or supervision of a Contract with a Contractor being reviewed by the Committee, such Committee member will not serve on the Committee with regard to a complaint or appeal affecting that Contractor. The President/CEO may either appoint a substitute or the Committee may proceed with fewer members, but in no event will there be less than three members available at any Committee meeting to hear information presented.
- .3 ADMINISTRATIVE PROCEDURES - Subject to applicable laws, regulations and this policy, SAWS legal department will develop the Administrative and Operational Procedures for Contractor Bid Suspension Hearings and Appeals as outlined in "**Exhibit B**" of these General Conditions. The Contracting Committee may recommend changes to the Administrative and Operational Procedures. Changes to the Administrative and Operational Procedures must be

approved by the President/CEO.

.4 REASONS FOR CONTRACTOR SUSPENSION:

The Contracting Committee may suspend a Contractor for any of the following reasons:

- .1 Contractor's failure to satisfy Contract obligations;
- .2 Contractor's unsatisfactory safety performance;
- .3 Contractor's failure to meet schedules or deadlines established in a Contract with SAWS;
- .4 Contractor's failure to meet specifications or plan requirements;
- .5 Contractor's failure to staff a project as specified in Contract Documents;
- .6 Contractor's provision of inaccurate information in bid documents;
- .7 Contractor's failure to provide change order documentation specified in Contract Documents;
- .8 Contractor's failure to comply with warranty obligations;
- .9 Contractor's failure to satisfy all Contract obligations to subcontractors, material men and laborers on SAWS projects as specified in Contract Documents;
- .10 Contractor's failure to correct valid customer or public complaints as provided for in the Contract specifications, city ordinance, or applicable law;
- .11 Conviction of a principal, owner, manager or corporate officer of the Contractor of a criminal offense;
- .12 Relevant documented information from other parties with whom a contractor has contracted which are negative in nature and reflective of any of the foregoing reasons.

.5 COMPLAINT AND HEARING PROCEDURES - A SAWS Management Official may submit a complaint to the Chief Operating Officer recommending that a particular Contractor be suspended from consideration for award of Contracts with SAWS. The Chief Operating Officer will determine whether the complaint is in accordance with the Administrative and Operating Procedures. Upon such a determination, the Chief Operating Officer will convene the Contracting Committee in a Hearing on Contractor Bid Suspension. The standing Contracting Committee will consider all relevant information and decide whether the Contractor will be suspended from bidding on SAWS Contracts.

.6 NOTICE OF SUSPENSION BY CONTRACTING COMMITTEE - If the Contracting Committee decides to suspend the Contractor, the Chief Operating Officer will send written notice as described in Article 4.7 Contractor Bid Suspension Policy. This notice will be sent by certified mail, return receipt requested.

.7 SUSPENSION PERIOD - If the Contractor has not been previously suspended pursuant to this policy, the term of the suspension will be for one year from the date of issuance of the notice of suspension.

If the Contractor has been previously suspended pursuant to this policy, the term of the suspension will be for two years from the date of issuance of the notice of suspension.

.8 APPEAL PROCESS - The Contractor may request review of the decision by the President/Chief Executive Officer of SAWS by filing a written request for review with the President/CEO within ten (10) days of the date of the notice of the result of the appeal hearing. The suspension will stay in effect throughout the appeal process.

- .9 SEVERABILITY - Should any section, part, paragraph, sentence, phrase, clause or word of this policy, for any reason, be held illegal, inoperative or invalid, or if any exception to or limitation upon any general provision herein contained be held to be unconstitutional or invalid or ineffective, the remainder shall, nevertheless, stand effective and valid as if it had been enacted without the portion held to be unconstitutional or invalid or ineffective.
- .10 ADMINISTRATIVE LIABILITY - No officer, attorney, agent or employee of SAWS renders himself or herself personally liable for any damage that may accrue to persons or property as a result of any act required or permitted and performed in good faith in the discharge of his or her duties under this policy so long as such officer, attorney, agent or employee is acting within the scope of his or her official capacity. Any suit brought against an officer, attorney, agent or employee of SAWS acting within his or her official capacity and scope, as a result of any act required or permitted and performed in good faith in the discharge of duties under this policy, will be defended by SAWS legal counsel until the final determination of the proceeding therein.

4.8 SUSPENSION OF WORK BY OWNER

- .1 The Owner may suspend said Work either partially or totally by his written order whenever in his opinion the interests of SAWS requires the suspension of such Work. In the event that the Owner suspends Project Work, the Contractor hereby acknowledges and agrees that so long as the total suspension(s) is (are) for a period not to exceed ten (10) cumulative days accruing throughout the entire Contract Time, that the Contractor is not entitled to request a negotiated adjustment of the Contract Sum nor an extension of the Contract Time. Such right to suspend Project Work for periods not to exceed ten (10) cumulative days accruing throughout the entire Contract Time without compensation to the Contractor, is expressly reserved by SAWS.
- .2 Any total suspension of Project Work by the Owner that extends beyond ten (10) cumulative days accrued throughout the entire Contract Time, may entitle the Contractor to request either a negotiated adjustment of Contract Sum or an extension of Contract Time, or both, as directly attributable to such extended total suspension of Project Work, Provided:
 - .1 Any equitable extension of the Contract Time shall not exceed the actual delay caused by the temporary suspension, as determined by Owner, and Engineer and or Consultant;
 - .2 Any equitable adjustment to the Contract Sum shall be for the actual, necessary and reasonable costs of properly protecting any Work finished or partially finished during the period of the temporary suspension; provided, however, that no payment of profit and/or overhead shall be allowed on top of these costs; and
 - .3 If it becomes necessary to move equipment from the Project and then return it to the Project when the Work is ordered to be resumed, an equitable adjustment to the Contract Sum for the actual, necessary and reasonable cost of these moves; provided, however, that no adjustment to the Contract Sum shall be due if said equipment is moved to another Project of Owner.
- .3 Any partial suspension of the Work by the Owner that extends beyond the mutually determined point in time when the ten (10) cumulative days accruing throughout the entire Contract Time, are effectively exceeded, may entitle the Contractor to request either a negotiated adjustment of Contract Sum or an extension of Contract Time, or both, as directly attributable to such extended partial suspension of Project Work.
 - .1 In the event that the Owner partially suspends the Work in such a manner that some work is able to continue, the Contractor and SAWS hereby agree to discuss the impact of the partial suspensions upon dependent Contract Work, and to mutually determine when the ten (10) cumulative days accruing throughout the entire Contract Time and expressly reserved by the SAWS without compensation to the Contractor, would effectively be exceeded.
 - .2 The SAWS COI shall have the right to stop the Work whenever such stoppage may be

necessary to ensure proper execution of the Contract. Such temporary stoppage shall be followed by a Written Order as outlined in Article 4.8.1

- .4 The Owner and the SAWS COI shall at any time during the Contract Time have the right to suspend or stop the Work under Article 4.8.1 or Article 4.8.3.2 when the SAWS COI or any other authorized representative of the Owner reasonably believes that there exists any dangerous condition, nuisance or safety risk to workers, the general public or property on the site or on property adjacent thereto or otherwise violates a term or condition of the Contract Documents. Notwithstanding the foregoing provisions of Article 4.8, the Contractor shall not be entitled to any adjustment of the Contract Sum or extension of the Contract Time relating to any suspension of the Work by the Owner or the SAWS COI for any reasons under this Article 4.8.4. and the Owner shall have no other liability of any kind to the Contractor with respect to any suspension of the Work for reasons under this Article 4.8.4.
 - .5 The Owner and the SAWS COI shall at any time during the Contract Time have the right to suspend or stop the Work under Article 4.8.1 or Article 4.8.3.2 when the SAWS COI or any other authorized representative of the Owner reasonably believes that there exists on the site any environmental condition which could reasonably be expected to result in any liability, costs or expense to the Owner or the Contractor arising under any laws, statutes, ordinances, rules and regulations of any governmental, quasi-governmental or regulatory authority which include but are not limited to the transportation, storage, placement, handling, treatment, discharge, generation, production, removal, or disposal (collectively, "Treatment") of any waste, petroleum product (including without limitation, gasoline and diesel fuel), waste products, or any other substance, the Treatment of which is regulated by any Laws (collectively, "Waste"), or any other environmental condition that would cause the Work to be in violation of any laws, statutes, ordinances, rules and regulations ("Laws") of any governmental, quasi-governmental or regulatory authority . Notwithstanding the foregoing provisions of Article 4.8, the Contractor shall not be entitled to any adjustment of the Contract Sum or extension of the Contract Time relating to any suspension of the Work by the Owner or the SAWS COI for environmental reasons under this Article 4.8.5., and the Owner shall have no other liability of any kind to the Contractor with respect to any suspension of the Work for environmental reasons under this Article 4.8.5. At all times during the performance of the work by the Contractor under this Contract, the Contractor will comply with all Laws.. The Contractor agrees to (a) give notice to the owner immediately upon Contractor's acquiring knowledge of the existence of any Waste or other environmental condition on the site with a full description thereof, (b) promptly comply with any Laws applicable to the Contractor or the site requiring the removal, treatment or disposal of such Waste or proper treatment of the environmental condition as required by Law and provide Owner with satisfactory evidence with such compliance and (c) provide Owner within thirty (30) days after demand by Owner with a bond, letter of credit or similar financial assurance evidencing to the Owner's satisfaction that adequate funds are available to pay the costs of removing, treating and disposing of such Waste or proper treatment of the environmental condition as required by Law.
- 4.9 PROTECTION OF PRIVATE PROPERTY - The SAWS has secured right-of-way and easements, as shown on the plans, to be occupied by the finished construction, with only such additional temporary construction easements as shown for use by the Contractor in carrying out his Work. The Contractor shall take proper measures to protect all property within all construction easements, and adjacent or adjoining property which might be injured by any process of construction; and, in case of any injury or damage, he shall restore at his own expense the damaged property to a condition equal to or better than that existing before such injury or damage was done, or he shall make good such injury or damage in a manner acceptable to the owner and/or private or public owner.
- .1 The Contractor shall immediately correct customer complaints for such items as (but not limited to) driveway access, mailboxes, privacy fences, public safety hazards, public nuisances, water and sewer services as directed by the SAWS COI.
 - .2 The Contractor shall not, except upon procuring written consent from proper private parties, enter or occupy with men, tools, materials, or equipment, any privately owned land except for those on easements provided herein by SAWS. Contractor must submit a copy of the easement agreement to SAWS.

- .3 No permit shall be removed outside the permanent easement, except where expressly authorized in writing by the Owner and City of San Antonio. Any tree not authorized for removal shall be adequately protected against damage from construction operations. Contractor shall be responsible for any damage, destruction or other harm including but not limited to all costs, fees, or other expenses attributable thereto, caused to trees not authorized for removal that is due to or arise out of Contractor's Work at the Project,

ARTICLE V. CONTRACT RESPONSIBILITIES

5.1 OWNER-CONTRACTOR OBLIGATIONS - The Owner and the Contractor each binds himself, his partners, successors, assigns and legal representatives to the other party hereto and to the partners, successors, assigns and legal representatives of such other party in respect to all covenants, agreements and obligations contained in the Contract Documents. The Contractor shall not assign the Contract or sublet it as a whole without the prior written consent of the Owner, nor shall the Contractor assign any monies due or to become due to him hereunder, without the prior written consent of the Owner and in the manner established in Article 4.3 herein.

5.2 OWNER'S RESPONSIBILITY - Projects Contracted through other outside entities and containing utility work by SAWS shall be managed by the other entity with support by SAWS personnel. Contractor shall report directly to the other entity. Utility projects contracted through SAWS, which contain secondary street work, shall be managed by SAWS with support by other entity personnel. Contractor shall report directly to SAWS.

- .1 The design of this Project was performed by a professionally licensed Engineer who is an authorized representative of the Owner, who will exercise the authority and functions of the Owner as the project Consultant in the following respects:

- .1 Provide Contractor with benchmarks.
- .2 Checking of shop drawings furnished by the Contractor in compliance with Article 5.12 herein.
- .3 Consultation and advice during construction and rendering those decisions requiring interpretation of the Plans and Specifications.
- .4 Make visits to the Site at intervals appropriate to the various stages of construction operations to become generally familiar with and to keep the Owner informed about the progress and quality of the portion of the Work completed, and to endeavor to guard the Owner against defects and the Work.
- .5 Assist in the Substantial Completion inspection.
- .6 Assist in the final inspection.
- .7 Assist in the preparation of the monthly and final quantity and pay estimates.
- .8 Any terms and conditions of the consultant's Contract with the Owner shall be cumulative of the above.

- .2 Unless otherwise provided or ordered, all resident observation and inspection on all SAWS contracted projects will be performed by the SAWS COI, who will exercise the authority and functions of the Owner in the following respects:

- .1 Review laboratory, mill and shop tests of materials and equipment for general compliance with the Plans and Specifications.
- .2 Observation and inspection of the authorized Work, and administration for the Owner, and review of all Work performed for general compliance with the Plans and Specifications.

- .3 Stop the Work or any portion of the Work if Contractor fails to carry out the Work in accordance with the Contract, or fails to correct Work which is not in accordance with requirements of the Contract. However, the right of the SAWS to stop the Work as provided for in Article 4.8, will not give rise to a Claim for delay or to a duty on the part of the SAWS to exercise this right for the benefit of Contractor or any other person or entity. SAWS will provide the Contractor with a written explanation and detail for the stoppage of work.
 - .4 Review monthly and final quantity and pay estimates.
 - .5 Conduct substantial completion observation and inspection.
 - .6 Conduct final observation and inspection.
 - .7 Determine acceptability of the finally completed Work.
- .3 Quality Assurance Random sampling and testing of materials, inspection of laboratory testing processes and procedures for Quality Assurance purposes beyond those required to be performed at the expense of the Contractor under their Quality Control program in full compliance with 5.3 herein, may be performed by SAWS, at the expense of SAWS, in a certified commercial testing laboratory approved and designated by SAWS. The Contractor at their expense shall furnish assistance in obtaining and providing samples for SAWS Quality Assurance purposes.

5.3 CONTRACTOR'S RESPONSIBILITIES

- .1 Quality Control - The Contractor agrees and understands that the Contractor is responsible for performing Quality Control inspection and testing services to assure Project compliance with Contract Documents. Sampling and testing of materials, laboratory inspection of materials and processes for quality control purposes shall be performed at the expense of the Contractor or Supplier by an independent commercial laboratory approved by the SAWS COI. All test reports and shop drawings shall be signed and sealed by a Texas Registered Professional Engineer and submitted to the SAWS COI. All structural members shall be marked or stamped individually with an identifying number for the purpose of cross-referencing all reports. All test reports and vendors' certifications for materials incorporated into the project shall be submitted in accordance to the latest revision of the International Building Code, as required by City Building Permit, with sufficient time in advance as to allow the Owner, Owner's representative, Consultant, Owner's Third Party Inspection Agency and City Building Officials to review and approve materials, installation and placement prior to next stage of the project. Approval does not constitute or relieve the Contractor's obligation under this contract to fully comply with the specifications and building permit requirements.
- .2 The Contractor shall supervise and direct the Work using the best skill and attention. Any provision contained herein notwithstanding, the Contractor shall be solely responsible for all construction means, methods, techniques, sequences and procedures, and for the implementation of safety precautions and for coordinating all portions of the Work under this Contract.
- .3 The Contractor shall give the SAWS COI reasonable advanced notice of the readiness of any Work for observation/inspection, and when practicable, twenty-four (24) hours notice. If any underground Work is performed without the proper prior notification to the COI, it shall be uncovered for observation/inspection and properly restored at the Contractor's expense.
- .4 If the Contractor, in the course of the Work, finds any discrepancies between the Plans and the physical conditions of the locality, or any errors or omissions in the Plans or the layout as given by survey points and instructions, he shall immediately inform the SAWS COI and Consultant, with a RFI, and the Consultant and/or Engineer shall promptly investigate the same. Any Work impacted by the discrepancy performed by Contractor after such discovery, until authorized, will be done at the Contractor's risk and/or expense.

- .5 Contractor's Risk and Inventory - Contractor shall be responsible for the complete, timely, performance of the Work under this Contract and compliance with the Contract Documents. Contractor shall be responsible for the safe storage and inventory control of all materials paid by SAWS as "materials on site", on the project site and/or within off site bonded/insured storage facilities either owned or leased by the Contractor. Contractor shall allow full access, seven days a week, 24 hours, to storage facilities, whether on site or off site, as requested by SAWS COI. Contractor shall protect materials and Work from all theft, loss, vandalism, or damage from any cause whatsoever until final Project completion by Contractor and acceptance by Owner; and shall deliver said Work and improvements to the SAWS in a completed and acceptable condition in accordance with the Contract Documents.
- .6 It is the intention of the SAWS to be sensitive to the needs and concerns of the citizenry. It is the Contractor's responsibility to adhere to this policy to the best of his ability. The Contractor, subcontractor and his employees should, whenever possible, address citizen inquiries about the project, provide names and numbers of SAWS personnel, relay citizen complaints, and provide continuous access to the citizen's property.
- .7 Permits - Unless otherwise provided in the Contract Documents, Contractor shall obtain and pay for all construction permits, including review fees, inspections, and licenses. Owner shall reasonably assist Contractor, when necessary, in obtaining such permits and licenses. Contractor shall pay any and all charges, fees and costs necessary for obtaining permits for the prosecution of the Work.
- .8 Project Sign – Each Project Specification will contain a detailed requirement for Project signage that identifies the site and Work to general citizenry.
- .9 Pre-Construction and Post-Construction Videos – The Contractor shall provide pre-construction videos prior to commencement of the project in accordance with standard specification for construction Item No. 1114, Pre-Construction Videos. The video shall identify the condition of all existing surface features within the project limits. The Contractor shall submit two copies of the completed video prior to request for mobilization. The Contractor shall also submit two copies of the completed post-construction video of all surface features within the project limits within ten (10) days following the date of substantial completion.
- .10 Large Water Main Shut Downs: Projects that include a Large Water Main (16-inches and larger), will require advance coordination from the Contractor with Owner, with a minimum of two weeks' notice to Owner prior to the desired shut down date. The Contractor is to have all material and equipment on site and have the necessary prep work done in order to minimize the shutdown period required for the tie in Work. Mains Larger than 16-inches that will be require to be shutdown throughout the year may (as solely determined by Owner) require a temporary water main, valves and other appurtenances to keep the water main in service. The size of the temporary water main will be determine by Owner and shown on the plans by the Consultant or as Directed by Owner.
- .11 Water & Sewer Service to Customers – the Contractor shall maintain uninterrupted service to SAWS customers at all times.
- .12 Contractor will abide by all applicable policies and regulations of Owner with respect to conduct, including smoking, parking of vehicles, security regulations and entry to adjacent facilities owned by the Owner.
- .13 Independent Contractor - In performing the Work under this Contract, the relationship between Owner and Contractor is that of an independent Contractor. Contractor shall exercise independent judgment in performing the Work and solely is responsible for setting working hours, scheduling and/or prioritizing the Work flow and determining the means and methods of performing the Work, subject only to the requirements of the Contract Documents. No term or provision of this Contract shall be construed as making Contractor an agent, servant or employee of Owner or making Contractor or any of Contractor's employees, agents or servants eligible for the fringe benefits, such as retirement, insurance and worker's compensation which

Owner provides to its employees.

5.4 SUPERINTENDENT - The Contractor shall keep on-site for the Project during its progress a competent Superintendent, able to communicate fluently in English, and any necessary assistants, all satisfactory to the Owner. A Superintendent shall be identified in writing to the Owner at the pre-construction meeting. The Superintendent shall represent the Contractor and all directions given to the Superintendent shall be binding on the Contractor. Oral directions from the SAWS representatives involving critical situations or Work elements shall be immediately (as may be reasonable under the circumstances and in accordance with the Contract Documents), confirmed in writing by Owner to the Contractor. The Contractor's Superintendent shall provide full-time on-site supervision to any Work ongoing at the site by its own forces or subcontractors, using the best industry skill and attention. The Contractor's Superintendent shall not be replaced without first providing written notice to the Owner. The written notice provided to the Owner shall contain the credentials for their proposed replacement Superintendent. The Owner will review the credentials supplied and if in the Owners discretion they are appropriate for the work, approved the proposed replacement Superintendent. The Superintendent may not be employed on any other project prior to Final Completion of the Work, without the approval of the Owner, which approval will not be unreasonably withheld.

5.5 INCIDENTAL WORK, CONNECTIONS AND PASSAGEWAYS - The Contractor shall perform all incidental Work necessary to complete this Contract, including, but not by way of limitation, the following: Contractor shall make and provide all suitable reconnections with existing improvements as are necessarily incidental to the proper completion of the Project; Contractor shall provide passageways or leave open such thoroughfares in the Work area as may be reasonably required by SAWS and shall protect and guard same at Contractor's own risk, and shall continuously maintain the Work area in a clean, safe and workmanlike manner.

5.6 CONDITIONS AT SITE

.1 Contractor declares that prior to the submission of the Bid Proposal on this Contract, the Contractor has thoroughly examined the location(s) of the Work to be performed, has become familiar through their own investigation with any and all conditions, including but not limited to typical local geophysical conditions at or near this Project, and has read and has thoroughly understood the "Contract Documents" and any other document made available prior to the bid opening, as they may relate to the physical conditions prevalent or likely to be encountered in the performance of the Work at such location(s). Any testing, boring, soil profiles and water elevations shown on Contract Documents, or otherwise provided, were obtained solely for the use of SAWS in the preparations of its plans and the Contractor is cautioned, and SAWS MAKES NO WARRENTY OR REPRESENTATION, AS REGARDING THE ACCURACY OF SUCH DATA AND THE CONTRACTOR SHOULD MAKE NO RELIANCE THEREON IN DETERMINING CONTRACTOR'S MEANS AND METHODS OF CONSTRUCTION. Contractor, by the performance of the above, hereby generally acknowledges that such "Contract Documents" are not obviously deficient and will enable the Contractor to accomplish the proper performance of the Work at the Project site.

.2 The Contractor shall immediately, and before such discovered conditions and/or structures are disturbed, notify the Owner with a RFI of (1) subsurface or latent physical and/or structural conditions at the site differing materially from those indicated in the Plans, Specifications, and other Contract Documents or (2) newly discovered, unknown physical conditions at the site of an unusual nature differing materially from those geophysical conditions typically encountered in the type Work being performed and generally being recognized as not indigenous to the Texas environs and are not indicative of otherwise disclaimed in the plans, Specifications, and Contract Documents. The Owner, or designated representative, shall promptly investigate the reported physical and/or structural conditions, and shall determine whether or not the physical and/or structural conditions do materially so differ and whether they cause an increase or decrease in the Contractor's cost of, and/or the time required for performance of any part of the Work under this Contract. In the event that the Owner in its reasonable determination finds that the physical and/ or structural conditions do materially so differ from the provisions of the Contract Documents, a negotiated, equitable, adjustment may be made to either the Contract Time or Contract Sum, or both as in the Owner's determination is reasonable, and a Contract

Change Order shall be issued in writing accordingly.

- .1 No claim of the Contractor under this Article shall be allowed unless the Contractor has given the written notice called for above, prior to disturbing the discovered conditions and/or structures.
- .2 Any other provision contained herein notwithstanding, no claim by the Contractor for an equitable adjustment to the Contract Time or Contract Sum, or both, shall be allowed if claimed by the Contractor after Final Payment as defined in Article 7.3 herein has been made by the SAWS to the Contractor under the terms of this Contract.

5.7 CONTRACTOR'S STANDARD COMMERCIAL INSURANCE SPECIFICATIONS AND CERTIFICATE OF LIABILITY INSURANCE REQUIREMENTS

.1 Commercial Insurance Specifications ("Insurance Specifications"):

.1 Commencing on the date of this Contract, the Contractor shall, at his own expense, purchase, maintain and keep in force such lines of insurance coverage as will protect him and the San Antonio Water System ("SAWS") and the City of San Antonio ("the City") and their employees and agents from claims, which may arise out of or result from his operations under this Contract, whether such operations are by himself, by any sub-contractor, supplier or by anyone directly or indirectly employed by any of them or by anyone for whose acts any of them may be liable, including, without limitation, the following lines of insurance coverage:

- .1 Workers' Compensation (WC) insurance that will protect the Contractor, SAWS and the City from claims under statutory Workers' Compensation laws, disability laws or such other employee benefit laws and that will fulfill the requirements of the jurisdiction in which the work is to be performed.

This line of insurance coverage shall be endorsed to provide a Waiver of Subrogation in favor of SAWS and the City of San Antonio with respect to both this insurance coverage and the Employers' Liability (EL) insurance (as specified immediately below in Article 1.1.2).

- .2 Employers' Liability (EL) insurance (Part 2 under the standard Workers' Compensation insurance policy) that will protect the Contractor, SAWS and the City for damages because of bodily injury, sickness, disease of vendor's employees apart from that imposed by Workers' Compensation laws.

The EL line of insurance coverage shall have minimum policy limits of liability of not less than:

\$1,000,000.00 Bodily Injury by Accident
\$1,000,000.00 Bodily Injury by Disease - Each Employee
\$1,000,000.00 Bodily Injury by Disease - Policy Limit

- .3 Commercial General Liability (CGL) insurance that will protect the Contractor, SAWS and the City from claims for damages because of bodily injury, personal injury, sickness, disease or death and insurance that will protect the Contractor, SAWS and the City from claims for damages to or destruction of tangible property of others, including loss of use thereof.

This line of insurance coverage shall:

- Cover independent Contractors;
- Not include any exclusions relating to blasting, explosion, collapse of buildings or damage to underground property;

- The GENERAL AGGREGATE limit shall apply per Project;
- Afford coverage for Products Liability and/or Completed Operations and, Contractual Liability.

The minimum policy limits of liability for this line of insurance coverage shall be:

\$1,000,000.00 Occurrence Limit
 \$2,000,000.00 General Aggregate
 \$2,000,000.00 Products/Completed Operations Aggregate
 \$1,000,000.00 Personal and Advertising Injury
 \$1,000,000.00 Contractual Liability

This line of insurance coverage shall be endorsed:

- Additional Insured - The Commercial General Liability policy shall be endorsed naming the SAWS and the City of San Antonio as an Additional Insured; and
- Waiver of Subrogation - The Commercial General Liability policy shall be endorsed with the Waiver of Subrogation in favor of SAWS and the City of San Antonio.

OR

- .4 Owner and Contractor Protective Liability (OCP) Insurance policy which insures SAWS and the CITY and their agents and employees with the same coverage specified in Article 5.7.1.1.3 above unless the CGL policy specified in Article 5.7.1.1.3 above includes the Endorsement CG2503 - per project general aggregate limit applies.
- .5 Commercial/Business Automobile Liability (AL) insurance that will protect the Contractor, SAWS and the City from claims for damages arising out of the maintenance, operation, or use of any owned, non-owned or hired vehicles.

Minimum policy limits of liability for this line of insurance coverage for bodily injury and property damage combined shall be not less than \$1,000,000.00 per each occurrence.

This line of insurance coverage shall be endorsed:

- Additional Insured - The Commercial/Business Automobile Liability policy shall be endorsed naming the SAWS and the City of San Antonio as an Additional Insured; and
 - Waiver of Subrogation - The Commercial/Business Automobile Liability policy shall be endorsed with the Waiver of Subrogation in favor of SAWS and the City of San Antonio.
- .6 Excess/Umbrella Liability (UL) insurance shall have minimum policy limits of \$2,000,000 per occurrence and \$2,000,000 in the aggregate. This policy shall be of an "Occurrence" type and the limit of liability shall be concurrent with (following form) and in excess of the EL, CGL, and AL lines of insurance coverage as described in Articles 5.7.1.1.2, 5.7.1.1.3, and 5.7.1.1.5 listed above.

NOTE - For the Excess/Umbrella Liability policy, describe in the Description of Operations section of the Certificate of Liability Insurance ("Certificate"), the

coverage form under which this line of coverage is written – either:

- Umbrella liability form; or
- Excess Liability form.

- .7 Contractor's Pollution Liability Insurance with limits of \$2,000,000 per claim/occurrence/\$2,000,000 in the aggregate.

The policy shall provide either a "claims made" or an "occurrence based" coverage for all claims, liabilities, damages, costs, fees, and expenses of any kind or character arising out of any Pollution Condition(s) (as defined below) that is in any way related to Contractor's operations, actions or inactions, and completed operations associated with any work performed by Contractor, its subcontractors, or any of their respective employees, agents, representatives, or officers under this Contract.

If the Policy is "claims made" based, coverage must be maintained for a minimum of twenty-four (24) months after the date that a Certificate of Completion is issued, or if the Contract is terminated for any reason, for a minimum of twenty-four (24) months following the date of termination.

The "claims made" policy retroactive date will be no later than the Contract effective date or the project commencement date, whichever is earliest.

If the Policy is "occurrence based", no policy retroactive date is required and, the twenty-four (24) months extension of coverage after the date that a Certificate of Completion is issued, or if the Contract is terminated for any reason, is not required.

Any exceptions to the above cited coverage forms must be reviewed and approved by SAWS Risk Manager.

Pollution Condition(s) means the discharge, dispersal, release or escape of any solid, liquid, gaseous or thermal irritant or contaminant, including, but not limited to, smoke, sewage, vapors, soot, fumes, acids, alkalis, toxic chemicals, medical waste and waste materials into or upon land, the atmosphere or any watercourse or body of water, including groundwater, provided such conditions are not naturally present in the environment in the amounts or concentrations discovered.

The Contractor's Pollution Liability Insurance will pay on behalf of the Contractor, SAWS and the City all claims, demands, damages, liabilities, costs, fees, and expenses of any kind or character for bodily injury or death, property damage, environmental or natural resource damage, and any fines, fees, assessments or penalties of any kind assessed by any governmental department, agency or commission that result from or are related to a Pollution Condition(s). Coverage will include all subcontractors hired by Contractor to perform any work on the Project or under this Contract.

The policy shall also include the following coverage provisions:

- .1 Provide for bodily injury to include physical injury, sickness, disease, mental anguish and emotional distress sustained by any person, including death;
- .2 All costs that are related to or that arise out of or from the investigation or adjustment of any claim or in connection with any court, arbitration, mediation, state administrative hearing, or other proceeding of any kind, including attorneys fees, expert witness fees, costs, charges and expenses of

any kind or character, that arise out of or that are related to a Pollution Condition(s);

- .3 Coverage shall be Primary and in addition to any other valid and collectible insurance carried by SAWS and the CITY as respects to this Contract;
- .4 Coverage for Natural Resource Damages and any fines, fees penalties or assessments by any governmental agency, commission or department related to any Pollution Condition(s);
- .5 Insured versus Insured exclusion, if found in the policy, shall not apply to a claim by an Insured who qualifies as a Client of the Named Insured under the policy;
- .6 If Non-Owned Disposal sites are used for disposal of wastes, these sites shall be specifically included under the Contractors Pollution Liability Insurance policy; and
- .7 Coverage for punitive, exemplary, and multiple damages.

Commercial/Business Automobile Liability policy of the CONTRACTOR hauling excavated spoil shall either be endorsed to provide coverage under the CA-9948 endorsement **or** the Contractor's Pollution Liability Insurance policy shall be endorsed to provide transportation coverage beyond the boundaries of the job site.

NOTE - For the Contractor's Pollution Liability, declare on the Certificate of Liability Insurance ("Certificate") the coverage form under which this line of insurance is written – either:

- Claims-made form - if the coverage form declared on the Certificate is the Claims-made form, also include on the Certificate the "Retroactive-date" when this line of coverage was first written or started, or the Contract date or the project commencement date, whichever is earliest; **or**
- Occurrence based form – no additional wording required.

- .8 All Risk Builders' Risk **(if applicable)** - In the event, the project contracted for herein requires the building of structures or facilities used for storage, housing equipment or the occupancy of personnel, the Contractor shall provide Physical Damage Insurance on Builder's Risk Form which insures SAWS and the City for damages to all Property Purchased for, or Assigned to, the Project commencing on the start date through completion. Policy limits shall be in an amount equal to the total construction cost contracted herewith. The policy form shall be an All Risk Builders' Risk form and shall include the flood and earthquake endorsements.
- .2 Contractor shall require all Sub-contractors to carry lines of insurance coverage appropriate to their Scope of Work performed.
- .3 Contractor agrees that with respect to the above required lines of insurance, all insurance policies are to contain or be endorsed to the extent, not inconsistent with the requirements of the issuing insurance carrier, to provide for an endorsement that the "other insurance" clause shall not apply where SAWS and the City are an Additional Insured shown on the policy if such endorsement is permitted by law and regulations.
- .4 Contractor shall, upon request of SAWS, provide copies of all insurance policies and endorsements required under Contract.

- .5 Contractor is responsible for the deductibles under all lines of insurance coverage required by these Insurance Specifications.
- .6 The stated policy limits of each line of insurance coverage required by these Specifications are MINIMUM ONLY and it shall be the Contractor's responsibility to determine what policy limits are adequate and the length of time each line of insurance coverage shall be maintained; insurance policy limits are not a limit of the Contractor's liability.
- .7 These minimum limits required of each line of insurance coverage may be either basic policy limits of the WC, EL, CGL and AL or any combination of basic limits or umbrella (Umbrella liability form) or excess (Excess Liability form) limits. SAWS acceptance of Certificate(s) that in any respect, do not comply with these Insurance Specifications, does not release the Contractor from compliance herewith.
- .8 Each line of insurance coverage that is required under these Insurance Specifications shall be so written so as to provide SAWS and the City thirty (30) calendar days advance written notice directly of any suspension, cancellation or non-renewal or material change in coverage, and not less than ten (10) calendar days advance written notice for nonpayment of premium.
- .9 Within five (5) calendar days of a suspension, cancellation or non-renewal of any required line of insurance coverage, the Contractor shall provide SAWS a replacement Certificate with all applicable endorsements included. SAWS shall have the option to suspend the Contractor's performance should there be a lapse in coverage at any time during this Contract.
- .10 Failure to provide and to maintain the required lines of insurance coverage shall constitute a material breach of this Contract.
- .11 In addition to any other remedies, SAWS may have, upon the Contractor's failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, SAWS shall have the right to order the Contractor to stop performing services hereunder and/or withhold any payment(s) which become due to the Contractor hereunder until the Contractor demonstrates compliance with the Insurance Specifications hereof.
- .12 Nothing herein contained shall be construed as limiting, in any way, the extent to which the Contractor may be held responsible for payments for damages to persons or property resulting from the Contractor 's or its sub-contractors' performance of the services covered under this Contract.
- .13 It is agreed that the Contractor's insurance shall be deemed primary and non-contributory with respect to any insurance or self insurance carried by SAWS, the City and their employees and agents for liability arising out of operations under this Contract.
- .14 Contractor agrees that all lines of insurance coverage required by these Insurance Specifications shall be with insurance companies, firms or entities that have an A.M. Best rating of "A- ("A"- minus)" and a Financial Size Category of a "VII" or better. All lines of insurance coverage shall be of an "Occurrence" type except for the Contractor's Pollution Liability line of insurance coverage.

SAWS will accept worker's compensation insurance coverage written by the Texas Workers Compensation Insurance Fund.
- .15 SAWS reserves the right to review the above stated Insurance Specifications during the effective period of this Contract and any extension or renewal hereof and to request modification of lines of insurance coverage and their respective liability limits when deemed necessary and prudent by SAWS' Risk Manager and Legal Department based upon changes in statutory law, court decisions, or circumstances surrounding this Contract.

In no instance will SAWS and the City allow modification whereupon SAWS and the City may incur increased risk exposure.

.2 Certificate(s) of Liability Insurance (“Certificate”) Requirements

.1 Prior to the commencement of any Services under this Contract and once notified by SAWS Contracting Official that your Company has been selected as the apparent successful Contractor pursuant to a competitive bid selection process, pending Board final approval, and, a request is made for you to submit your Company’s Certificate of Liability Insurance, that Certificate must meet all of the following requirements:

.1 The Contractor shall have completed by its insurance agent(s), and submitted to SAWS Contracting Department within 5 business days, a Certificate(s) of Liability Insurance (“Certificate(s)”) providing evidence of the lines of insurance coverage pursuant to Articles 5.7.1.1 through 5.7.1.5 above.

.2 The original Certificate(s) or form must include the agent's original signature, including the signer's company affiliation, mailing address, Office and FAX phone numbers, email address, and contact person’s name; and, be mailed, with copies of all applicable endorsements, directly from the insurer's authorized representative in strictly compliance with Articles 5.7.2.1.6 (Certificate Holder) and Articles 5.7.2.1.7 (Distribution of Completed Certificates) below.

.3 SAWS will not accept Memorandum of Insurance or Binders as proof of insurance.

.4 SAWS shall have no duty to pay or perform under this construction Contract until such certificate(s) and applicable endorsements have been received, reviewed and deemed 100% compliant with the CONTRACTOR’S STANDARD COMMERCIAL INSURANCE SPECIFICATIONS AND CERTIFICATE OF LIABILITY INSURANCE REQUIREMENTS as contained in the Bid Document by SAWS’ Risk Management/Contract Services Department. No one other than SAWS Risk Manager shall have authority to waive any part of these requirements.

.5 The SAWS Project/Contract number(s) along with its Project Name must be included in the Description of Operations section located in the bottom half of the standard ACORD Certificate forms.

.6 Certificate Holder - SAWS shall be shown as the Certificate Holder in the Certificate Holder section located in the bottom half of the standard ACORD Certificate forms and formatted as follows:

San Antonio Water System
c/o Ebix BPO
PO Box 257
Ref. # 107-(SAWS Contract/Project #)*
Portland, MI 48875-0257

**SAWS Contracting Official will include in the above address, the correct, complete Ref# in the written confirmation of your selection as a CONTRACTOR pending final Board approval.*

DO NOT BEGIN THE DISTRIBUTION OF ANY CERTIFICATE(S) BEFORE RECEIVING AND INSERTING THE COMPLETE REFERENCE NUMBER INTO THE CERTIFICATE HOLDER ADDRESS SHOWN ABOVE.

.7 Distribution of Completed Certificates - Completed Certificates shall be distributed by the Contractor as follows:

.1 Send Original:

.1 By Mail:

San Antonio Water System
C/O Ebix BPO
P.O. Box 257
Ref. #107-(Same as the Certificate Holder name/address shown
above.)
Portland, MI 48875-0257

.2 By Fax: 1-517-647-7900

.3 By E-Mail: CertsOnly-Portland@Ebix.com

.2 Send Copy to:

San Antonio Water System
Attention: Contract Administration
P.O. Box 2449
San Antonio, TX 78298-2449

.8 Contractor shall be responsible for obtaining Certificates of Insurance from the first tier Sub-contractor, and upon request furnish copies to SAWS.

.3 SURVIVAL

Any and all representations, conditions and warranties made by Contractor under this Contract including, without limitation, the provisions of Articles 5.7.1.1.2, 5.7.1.1.3 and 5.7.1.1.4 of these COMMERCIAL INSURANCE SPECIFICATIONS AND CERTIFICATES OF LIABILITY INSURANCE REQUIREMENTS are of the essence of this Contract and shall survive the execution and delivery of it, and all statements contained in any document required by SAWS whether delivered at the time of the execution, or at a later date, shall constitute representations and warranties hereunder.

5.8 MATERIALS & WORKMANSHIP

- .1 MATERIALS - Unless otherwise specified, all materials incorporated in the permanent Work shall be new, and both workmanship and materials shall be of good quality in accordance with Specifications. The Contractor shall, if required, furnish satisfactory evidence as to the supply or manufacture, and quality of materials supplied. All materials that come in direct or indirect contact with potable water must conform to ANSI/NSF Standard 60 for direct additives and ANSI/NSF 61 for indirect additives and must be in full compliance with all current regulations of the TCEQ and any other applicable regulatory requirements.
- .2 USE OF MATERIALS WITHIN THE RIGHT-OF-WAY - The Contractor, with the approval of the SAWS COI, may use in the Work any suitable stone, gravel, or sand found in the excavation that otherwise meets or exceeds Contract Specifications. The Contractor shall not over excavate any material from within the right-of-way, which is not within the excavation limits as required under the plans and specifications. Any over excavation will be at the contractor expense. No recycled concrete shall be used.
- .3 SALVAGEABLE MATERIAL - Salvageable material, as stated by the Contract documents, shall remain the property of the Owner and shall be relocated and stored at the job site by the Contractor unless the Contract Document provide for storage elsewhere.
- .4 DISPOSAL OF NON-HAZARDOUS WASTE MATERIAL/SUBSTANCES - The Contractor shall be responsible for disposing of all Non-Hazardous Material as the term is defined in Article I herein including old concrete or any other non-hazardous material which is required to be removed from the project. Such material shall not be deposited in any sanitary sewer, creek, river, watercourse or MS4,(unless a written exception is approved by Owner) as the term is

defined herein.

- .5 DISPOSAL OF HAZARDOUS MATERIAL/SUBSTANCES - The Contractor shall be responsible for disposing of all hazardous materials/substances, as that term is defined in Article I herein in accordance with all applicable Federal, State and local laws, rules, regulations or ordinances, and in accordance with any specific instructions set out in the Plans and Specification herein.
 - .6 RECLAMATION OF LOW AREAS - The Contractor may undertake the reclamation of low areas with the prior approval of the Owner.
 - .7 BLOCKAGE OF THE MS4 - The Contractor shall comply with the provisions of the appropriate City Ordinances. In no event shall the Contractor block any portion of the MS4 with fill. Should any blockage occur the Contractor shall remove such fill, at contractor's expense, as directed by the SAWS COI.
- 5.9 TESTING - The Owner or the Consultant may require special inspection, testing or approval of material or Work for determining compliance with the requirements of the Contract Documents. Upon Owner-authorized direction of the Consultant, the Contractor shall promptly arrange for such special testing, inspection or approval procedure. Should the material or Work fail to comply with the requirements of the Contract Documents, the Contractor shall bear all costs of the special testing, inspection or approval as well as the cost of replacement of any unsatisfactory material or Work as provided by Article 5.10, otherwise, should the Work prove not defective, the Owner shall bear such costs and an appropriate Change Order shall be issued.
- 5.10 REMOVAL OF DEFECTIVE WORK - If any materials furnished under this Contract fails to perform in the manner such material is expected to perform in accordance with intended usage, the Contractor shall proceed to remove from the Project at his sole expense all such materials, whether worked or unworked, and to remove all portions of the condemned Work.
- 5.11 EQUAL MATERIALS - It is not the intent of the Specifications to unreasonably limit materials to the product of any particular manufacturer or supplier. Where definite materials, equipment and/or fixtures have been specified by name, manufacturer or catalog number, it has been done so as to set a definite standard and/or a reference for comparison as to quality, application, physical conformity, and other characteristics. It is not the intention to discriminate against or prevent any dealer, jobber or manufacturer from furnishing materials, equipment, and/or fixtures that meet or exceed the characteristics of the specified items. Unless otherwise provided for in the Specifications, Contractor's substitution of materials, equipment and/or fixtures shall not be made without prior written approval from the Consultant, and the Owner Request for substitutions will not be accepted from anyone except the Contractor, and such requests will not be accepted (if appropriate) until after the Contract has been awarded.
- 5.12 SHOP DRAWINGS, PRODUCT DATA AND SAMPLES
- .1 Shop Drawings, Product Data, Samples and similar submittals are not part of the Contract. The purpose of their submittal is to demonstrate, for those portions of the Work for which submittals are required by the Contract Documents, the way by which the Contractor proposes to conform to the information given and the design concept expressed in the Contract Documents.
 - .2 The Contractor shall review for compliance with the Contract Documents, approve and submit to the Engineer/Consultant Shop Drawings, Product Data, Samples and similar submittals required by the Contract Documents in such sequence as to cause no delay in the Work or in the activities of the Owner or of separate contractors. Submittals which are not marked as reviewed for compliance with the Contract Documents and approved by the Contractor will be returned by the Engineer/Consultant without action. Contractor shall submit to Engineer/Consultant for review and approval or for other appropriate action, five (5) hard copies and/or electronic copies, if requested by COI, of all Shop Drawings, Product Data, Samples or similar submittals bearing a stamp or specific written indication that Contractor has satisfied the Contractor's responsibilities under the Contract Documents with respect to his review of his submission. All Shop Drawings, Product Data, Samples and similar submittals in regards to Pipeline Projects

shall be provided to the Engineer/Consultant during pre-construction meeting.

- .1 By approving and submitting Shop Drawings, Product Data, Samples and similar Submittals, the Contractor represents that the Contractor has determined and verified materials, quantities, specified performance criteria, installation requirements, catalog numbers, field measurements and filed construction criteria related thereto, or will do so, and has checked and coordinated the information contained within such submittals with the requirements of the Work and of the Contract Documents.
- .2 Contractor shall give Engineer/Consultant specific written notice of each variation that the Shop Drawings, Product Data, Samples and similar submittals may have from the requirements of the Contract Documents, and, in addition, shall cause a specific Contractor notation to be made on each Shop Drawing, Product Data, Sample and similar submittals submitted to Consultant for review, approval, or other appropriate action highlighting each such variation.
- .3 The Contractor shall perform no portion of the Work for which the Contract Documents require submittal and review of Shop Drawings, Product Data, Samples or similar submittals until the respective submittal has been approved by the Engineer/Consultant. The Engineer/Consultant will review and return such submittals within twenty (20) calendar days or within a reasonable period so as to not delay the project.
- .4 Engineer/Consultant's review, approval, or other appropriate action regarding Contractor's submissions will be only to check conformity with the design concept of the Project and for compliance with the information contained in the Contract Documents and shall not extend to means, methods, techniques, sequences or procedures of construction (except where a specific means, method, technique, sequence or procedure of construction is indicated in or required by the Contract Documents) or to safety precautions or programs incident thereto. The review and approval of a separate component item will not indicate approval of the assembly into which the item is functionally integrated. Contractor shall make corrections required by Engineer/Consultant, and shall return the required number of corrected copies of Shop Drawings, Product Data, Samples or similar submittals to the Contractor. Contractor may be required to resubmit as required revised Shop Drawings, Product Data, Samples or similar submittals for further review and approval. Contractor shall direct specific attention in writing to any new revisions not specified by Contractor on previous Contractor submissions.
- .3 The Work shall be in accordance with approved submittals, except that the Contractor shall not be relieved of responsibility for deviations from requirements of the Contract Documents by the Engineer/Consultant's approval of Shop Drawings, Product Data, Samples or similar submittals unless the Contractor has specifically informed the Engineer/Consultant in writing of such deviation at the time of submittal and (1) the Engineer/Consultant has given written approval regarding the specific deviation as a minor change in the Work, or (2) a Change Order or Field Work Directive has been issued authorizing the deviation. The Contractor shall not be relieved of responsibility for errors or omissions in Shop Drawings, Product Data, Samples or similar submittals by the Engineer/ Consultant's approval thereof.
- .4 Where Engineer/Consultant requires by written request an approved Contractor Shop Drawing, Product Data, Sample, or similar submittals any related Work performed by Contractor prior to Consultant's review and approval of the affected submission will be at the sole risk of Contractor.
- .5 The Contractor shall not be required to provide professional services which constitute the practice of architecture or Engineering unless such services are specifically required by the Contract Documents for a portion of the Work or unless the Contractor needs to provide such services in order to carry out the Contractor's responsibilities for construction means, methods, techniques, sequences and procedures. The Contractor shall not be required to provide professional services in violation of applicable law. If professional design services or

certifications by a design professional related to systems, materials, or equipment are specifically required of the Contractor by the Contract Documents, the Owner and the Engineer/Consultant will specify all performance and design criteria that such services must satisfy. The Contractor shall cause such services or certifications to be provided by a properly licensed design professional, whose signature and seal shall appear on all drawings, calculations, specifications, certifications, Shop Drawings and other submittals prepared by such professional. Shop Drawings and other submittals related to the Work designed or certified by such professional, if prepared by others, shall bear such professional's written approval when submitted to the Engineer/Consultant. The Owner and the Engineer/Consultant shall be entitled to rely upon the adequacy, accuracy and completeness of the services, certifications or approvals performed by such design professionals, provided the Owner and Engineer/Consultant have specified to the Contractor all performance and design criteria that such services must satisfy. The Engineer/Consultant will review, approve or take other appropriate action on submittals only for the limited purpose of checking of conformance with information given and the design concept expressed in the Contract Documents. .

5.13 CONTRACTOR'S WORK PROGRESS SCHEDULE

- .1 The "Work Progress Schedule" and successive updates or revisions thereof are for the Contractor's use in managing the Work. The Work Progress Schedule is for the information of the Owner and to demonstrate that the Contractor has complied with requirements for planning the Work. The Owner's acceptance of a schedule and schedule updates or revisions constitutes the Owner's agreement to coordinate its own activities with the Contractor's activities as shown on the schedule. The Contractor shall provide a Work Progress Schedule to the Owner within ten (10) calendar days after receipt of the Authorization to Proceed.
 - .1 Acceptance of the Work Progress Schedule, or update and/or revision thereto, does not indicate any approval of the Contractor's proposed sequences and duration.
 - .2 Acceptance of a Work Progress Schedule update or revision indicating early or late completion does not constitute the Owner's consent to any changes, alter the terms of the Contract, waive either the Contractor's responsibility for timely completion, or waive the Owner's right to damages for the Contractor's failure to do so.
- .2 The Contractor's scheduled dates for completion of any activity or of the entire Work do not constitute a change in terms of the Contract. Change Orders are the only method of modifying the completion date(s) and Contract Times.
- .3 Submittal of a schedule, schedule revision or schedule update constitutes the Contractor's representation to the Owner, as of the date of the submittal; of the accurate depiction of all progress to date and that the Contractor will follow the schedule as submitted in performing the Work.
- .4 The Contractor shall provide a Work Progress Schedule to the Owner within ten (10) calendar days after receipt of the Authorization to Proceed. The schedule shall show the order in which the Contractor proposes to carry out the Work and the anticipated start and completion dates of each phase of the Work.
- .5 The Work Progress Schedule must indicate the times (number of days or dates) for starting and completing the various stages of the Work, including any Milestones specified in the Contract Documents or "Hold Points" designated by the Owner during the review process, identify the "Critical Path" for completing the Work, identify when all Subcontractors will be utilized, and take into consideration any limitations on Working Hours. This Work Progress Schedule, a copy of which shall be made available at the job site(s), must contain sufficient detail to indicate that the Contractor has properly identified required Work elements and tasks, has provided for a sufficient and proper workforce and integration of Subcontractors, has provided sufficient resources and has considered the proper sequencing of the Work required to result in a successful Project that can be completed within the Contract time. Contractor's submitted Work schedule shall be in a detailed, precedence-style critical path management Microsoft Project or

Primavera format, satisfactory to the Owner and the Engineer/Consultant.

- .6 Schedule Updates - The Work Progress Schedule and the Submittal Schedule shall be updated monthly, as a minimum, to reflect progress to date and current plans for completing the Work. A paper and an electronic copy of the update shall be submitted to the Engineer/Consultant as directed. The Owner has no duty to make progress payments unless accompanied by the updated Work Progress Schedule. The anticipated date of Substantial Completion shall show all extensions of time granted through Change Order(s) as of the date of the update. The Contractor, after coordination and consultation with the Owner, may revise the Work Progress Schedule logic only with the Owner's concurrence, which will not be unreasonably withheld, when, in the Contractor's judgment, it becomes necessary for the management of the Work. The Contractor shall identify all proposed changes to schedule logic to Owner and to the Engineer/Consultant via an Executive Summary accompanying the updated schedule for review prior to implementation of any revisions. If the Contractor's operations are materially affected by changes in the Plans or in the amount of Work, or if he has failed to comply with the anticipated progress, the Contractor shall submit a revised schedule reflecting the change in progress, within five (5) calendar days of the occurrence of such event. The schedule may also be revised by the Contractor in response to the reasonable request of the Owner.
 - .1 Each schedule shall segregate the Work into a sufficient number of activities to facilitate the efficient use of critical path method scheduling by the Contractor, Owner, and Engineer/Consultant. Each schedule activity shall be assigned a cost value consistent with the Schedule of Values so as to allow the Owner and Contractor to project cash flow for the Project.
 - .2 Each schedule shall include activities representing manufacturing, fabrication, or ordering lead time for materials, equipment, or other items for which the Engineer/Consultant is required to review submittals, shop drawings, product data, or samples.
 - .3 Each schedule, other than the initial schedule, shall indicate the activities, or portions thereof, which have been completed; shall reflect the actual time for completion of such activities; and shall reflect any changes to the sequence or planned duration of all activities.
 - .4 If any updated schedule exceeds the time limits set forth in the Contract Documents for Substantial Completion of the Work, the Contractor shall include with the updated schedule a statement of the reasons for the anticipated delay in Substantial Completion of the Work and the Contractor's planned course of action for completing the Work within the time limits set forth in the Contract Documents. If the Contractor asserts that the failure of the Owner or the Engineer/Consultant to provide information to the Contractor is the reason for anticipated delay in completion, the Contractor shall also specify what information is required from the Owner or Engineer / Consultant.
 - .5 Neither the Owner nor the Contractor shall have exclusive ownership of float time in the schedule, and all float time (if any) shall inure to the benefit of the project. The Contractor agrees to use its best efforts not to sequence the Work or assign activity duration so as to produce a schedule in which more than one-fourth of the remaining activities have no float time.
- .7 Submission of any schedule under this Contract constitutes a representation by the Contractor that as of the date of the submittal: (1) the schedule represents the sequence in which the Contractor intends to prosecute the remaining Work; (2) the schedule represents the actual sequence and duration used to prosecute the completed Work; (3) that to the best of its knowledge and belief the Contractor is able to complete the remaining Work in the sequence and time indicated; and, (4) that the Contractor intends to complete the remaining work in the sequence and time indicated.
- .8 The Contractor shall submit in conjunction with his monthly request for payment, a copy of the current adjusted Work Progress Schedule showing the progress of the Work to date. If it is

determined by Owner that the Contractor is not maintaining his anticipated progress, then the Owner may withhold approval of the monthly progress payment as provided in Article 7.2.

5.14 SEQUENCE OF CONSTRUCTION

- .1 PHASES OF CONSTRUCTION - The Contractor shall perform the Work as provided in the "Special Conditions" or as shown on the Contract Documents. The Contractor may submit to Owner a revised Contractor Phasing Plan prior to start of construction for review and approval by the Owner. If the Owner determines that the revised Contractor's Phasing Plan is not acceptable as being in the best interest of the Owner, then the Contractor shall proceed with the Work in accordance with the Owner's Phasing Plan at no additional cost to the Owner.
- .2 DETOUR ROUTES - A detour route for through traffic (the means and methods of which as to be determined by the Contractor) must be provided by the contractor where the proposed construction is located within the limits of a street designated as "Collector", "Secondary" or Primary". The detour route must be approved by the ROW owner, such approval to be obtained by Contractor prior to construction. The Contractor shall not begin construction of the Project or close any streets until adequate barricades, detour signs and electronic message boards (if needed) have been provided, erected and maintained in accordance with the detour route and details shown on the Plans or as shown on the approved traffic control plan. The Contractor shall notify the SAWS COI forty-eight (48) hours in advance of closing any street to through traffic. Local traffic shall be permitted the use of streets under construction where feasible.

5.15 CONSTRUCTION STAKES - The Contractor shall hire a licensed surveyor, at his expense, for field staking and any other surveying requirements pertinent to the project.

5.16 PUBLIC UTILITIES

.1 Owner's Responsibility:

1. The Owner shall cause to be sent a set of Plans to utilities listed on the plans. The Owner shall request that the utilities review such Plans and Specifications to determine and/or verify the location of any utilities within the project site. The utility shall further be requested to communicate in writing the results of such review to the Contractor.

.2 Contractor's Responsibility:

- .1 The Contractor is hereby required to become familiar with all the existing utility structures, lines and mains that are known to exist and may be encountered within and/or adjacent to the limits of the work covered by the Contract. While the existence and location of underground utilities indicated on the Plans are taken from the most current utility records available to the Consultant and/or Engineer, the Contractor understands and acknowledges that the notation of such underground utilities on the Plans does not constitute a warranty, representation or guarantee by the Owner or Consultant regarding those Underground Facility. In addition, Contractor further understands and acknowledges that Owner and Consultant are under no obligation to indicate the location of any private service lines on the Plans.
- .2 The Contractor shall go to the Project site, locate, and verify depth of any utilities indicated on the Plans prior to the Commencement of Work. The Contractor shall further investigate the possible location of any private service lines prior to the Commencement of Work as defined under Article 8. To facilitate this obligation on the part of Contractor, the Contractor shall communicate with the utilities listed on the plans, call for locations and subsequently visit the project site with a qualified utility representative of each utility listed on the plans, prior to the Commencement of Work. The information resulting from such on-site investigations shall govern over the information notated on the Plans, when and if a conflict between such information arises. In the event such investigations on the part of Contractor result in a utility location adjustment, Contractor shall not commence work until the completion of such adjustment has been completed.
- .3 The Contractor acknowledges and agrees that maintaining continuity of utility service to

utility customers is critical, including but not limited to the need for temporary water services.

- .4 The Contractor shall be responsible for protecting the integrity of all utilities (public or private) either shown on the Plans or discovered during the Contractor investigations required in Article 5.16.2.2 herein. Such method of protection shall first be reviewed and approved by the affected utility.
 - .5 The Contractor shall be responsible for any damages to any utilities (public or private) either shown on the Plans or discovered during Contractor investigations acquired in Article 5.16.2.2 herein. Any existing utilities shown on the plans or discovered during Contractor investigations set out herein which cannot be relocated shall be protected by the Contractor as part of the original Bid Proposal Price submitted by Contractor. The Contractor shall pay for temporary relocation of utilities for the Contractor's convenience.
 - .6 Contractor shall be responsible for damage to utilities not shown on the Plans and not discovered during Contractor's investigations required in Article 5.16.2.2 herein when the existence of such a utility or the suspected existence of such a utility should have been anticipated and investigated by the Contractor, based upon certain physical manifestations observed during the course of construction or other tangible evidence which constitutes common knowledge in the construction industry of the probable existence of a utility. A Contractor shall not be responsible for damages to utilities not shown on the Plans and not discovered during Contractor's investigation required herein when in accordance with the common knowledge in the construction industry; the existence of such utility could not reasonably be anticipated.
- .3 Temporary clearance of high voltage (600 volts and above) and overhead electrical lines is required prior to the operation of equipment within 10 feet of such lines (Texas Health and Safety Code, sections 752.003 and 752.006). The Contractor shall bear the expense to obtain the necessary temporary clearance from the high voltage line operator or utility company. Temporary clearance shall be a temporary barrier separating and preventing contact of material, equipment, persons, communications with high voltage electrical lines, or temporary de-energization and grounding or temporary relocation, or raising of the lines; as approved by the utility company.
 - .4 In the case of sewer, water, gas, electric, telephone, cablevision cable, or any other utility shown on the Plans and/or discovered during the Contractor's investigations required in Article 5.16.2.2 herein, the Contractor will use care in excavating over, under and around such lines and will provide all necessary temporary bridging during construction so as to maintain continuous service of the utility line. The Contractor shall backfill around the main and complete his construction operations in such a manner as to leave the utility line firmly and securely bedded in its original position without damage to any protective coatings.
 - .5 In instances where gas or water mains are exposed during construction, the utility company owning or operating the service shall be given at least twenty-four (24) hours notice by the Contractor prior to backfilling in order that the protective coating on the mains may be inspected and/or repaired by utility company.
 - .6 **BRACING AND SUPPORTING** - In areas where utilities are known to be near the Project site, and could be damaged by soil movement, slips or cave-ins, the Contractor shall take all precautions necessary to protect such utilities from damage and shall pay for the repair of any such damages caused by Contractor failure to properly protect the utility.
- 5.17 **SUBSURFACE CONDITIONS** - Reports of explorations and tests of subsurface conditions at the construction site, where applicable, may be available for review. These reports if available were procured by SAWS in order to generally forecast soil conditions at various depths to assist the Consultant in designing the Project . The logs and descriptive data are **NOT PART OF THE CONTRACT DOCUMENTS** but are made available for the general information of bidders and SAWS **SPECIFICALLY DISCLAIMS ANY AND ALL WARRENTY (INCLUDING WITHOUT**

LIMITATION AND IMPLIED WARRANTIES OF MERCHANTABILITY) OR GUARANTEE AS TO SUITABILITY OF FITNESS OF THE REPORTS, DATA OR INFORMATION FOR ANY PARTICULAR PURPOSE and neither the SAWS nor the Consultant assumes any obligation or responsibility, either specific or implied, for the accuracy or completeness of any information contained therein. Sub-surface conditions along and across the Project site may vary significantly from those shown on the test reports. All excavations shall be unclassified (as provided in the specifications)and shall include all materials encountered regardless of their nature or the manner in which they are removed.

- 5.18 WORKING HOURS - No Work, with the exception of such items as curing of concrete, maintenance of barricades, etc., will be allowed by the Owner between the hours of 5:00 p.m. and 8:00 a.m. of the following day, unless directed by Owner or requested in writing by Contractor and approved by Owner and the ROW Owner. In addition to no work being permitted on Sundays or holidays, no work shall occur on Saturdays without specific, written permission of the Owner's representative forty-eight (48) hours in advance of intent to perform Work.
- 5.19 USE OF STREETS RIGHT OF WAY - The Contractor shall confine the movements of all steel tracked equipment to the limits of the Project and any such equipment will not be allowed to use City, Public or Private streets unless being transported on pneumatic tired vehicles. Any damage to existing City streets caused by the Contractor's equipment shall be repaired by Contractor at his own expense upon direction, and in the manner prescribed by City's or other appropriate entities specifications and the SAWS COI.
- 5.20 DAMAGES TO STREETS caused by the Contractor, within the limits of the Project but not within the current phase being constructed, shall be repaired by the Contractor at his own expense upon direction by the SAWS COI.
- 5.21 DUST CONTROL - The Contractor will apply appropriate amounts of water (or other appropriate substance), to the area under construction and on detours as required to maintain sufficient moisture content in the surface layer for dust control.
- 5.22 SANITARY PROVISIONS - The Contractor shall provide and maintain in a neat, sanitary condition, rest room facilities for the use of his employees and authorized on-site visitors as may be necessary to comply with the requirements and regulations of the City Health Department and of the State Department of Health.
- 5.23 USE OF EXPLOSIVES - the use of explosives of any kind for this project is strictly prohibited.
- 5.24 WATER - the responsibility shall be upon the Contractor to provide and maintain an adequate supply of water for construction and on-site domestic consumption. Any connections and piping that the Contractor deems necessary for providing and maintaining an adequate water supply to the jobsite shall be installed at his expense and at locations approved by the SAWS COI. A fire hydrant meter is required. Before final Project acceptance, all temporary connections and piping installed by the Contractor in accordance with this paragraph shall be removed in a manner satisfactory to the SAWS COI.
- 5.25 ELECTRICITY - All electric current required by the Contractor at the jobsite shall be procured by Contractor. All necessary meters, switches, connections and wiring shall be installed at locations approved by the SAWS COI. Before final acceptance, all meters, switches, connections and wiring installed by the Contractor pursuant to this paragraph shall be removed in a manner satisfactory to the SAWS COI.
- 5.26 CLEANING
- .1 The Contractor shall at all times keep the Project premises safe and free from accumulation of waste materials or rubbish caused by the Work under this Contract. This includes the maintenance of grass, shrubbery, and trees within the ROW.
 - .2 Upon completion of the Work, and prior to the Owner's final inspection, the Contractor shall present the premises in a neat and clean condition, prepared for acceptance by Owner.

- .3 Prior to final acceptance of the Work, Contractor shall reasonably restore the Project site to its pre-project condition (accounting for such restoration concerns as cosmetic appearance, landscaping, drainage gradients, accessibility, etc.) to the extent permitted by the Project improvements. All of this incidental Work to be performed by Contractor to the satisfaction of the SAWS COI.

5.27 ACCESS REQUIREMENTS - The Contractor shall provide access to residents and businesses affected by the construction of this Project to the greatest extent possible.

5.28 SAFETY PRECAUTIONS AND PROGRAMS

- .1 In the performance of this Contract the Contractor shall protect the public, SAWS and the City of San Antonio by taking reasonable precaution to safeguard persons from death or bodily injury and to safeguard property of any nature whatsoever from damage. Where any dangerous condition or nuisance exists in and around construction sites, equipment and supply storage that are in any manner connected with or arise from the performance of this Contract, the Contractor shall provide and maintain reasonable warning of such danger or nuisance. The Contractor shall not create any dangerous condition or nuisance of any nature whatsoever in connection with the performance of this Contract including, but not limited to, excavations and obstructions, unless necessary to its performance, and in that event the Contractor shall provide and maintain at all times a reasonable means of warning of any danger or nuisance so created. The duties of the Contractor in this paragraph shall be nondelegable and the Contractor's compliance with the specific recommendation and requirements of SAWS as to the means of warning shall not excuse the Contractor from the faithful performance of these duties should such recommendations and requirements not be adequate or reasonable under the circumstances. The Contractor shall take reasonable precautions for the safety of and shall provide protection to prevent damage, injury, or loss to:

- .1 All employees on the Work, and all other persons who may reasonably be foreseen to be affected by the Work.
 - .2 All the Work and all materials to be incorporated at street crossings, along proposed detour routes, and at material stockpiles. Where directed by the Owner or his duly authorized representative, the Contractor shall provide and maintain suitable warning signs, barricades and lights, in accordance with the details included in the Contract Documents, to direct traffic around the Work in progress and to assure the safety of the public. The Contractor shall provide adequate warning signs, barricades, and lights and, where necessary, flagmen for the Project or portions of the Project within which operations are being prosecuted in any one day or which will be closed overnight.
 - .3 Other property at the site or adjacent thereto including but not limited to, trees, shrubs, lawns, walks, pavements, roadways, structures and utilities not designated for removal, relocation or replacement in the course of construction.
- .2 The Contractor shall comply with the U.S. Department of Labor Safety and Health Regulations for construction promulgated under the Occupational Safety and Health Act of 1970 (Public Law 91-596 and all subsequent amendments) and under Section 107 of the Contract Work Hours and Safety Standards Act (Public Law 91-54 and all subsequent amendments). This project is subject to all of the Safety and Health Regulations (CFR 29, Part 1926 and all subsequent amendments) as promulgated by the U.S. Department of Labor on June 24, 1974 and CFR 29, Part 1910 and all subsequent amendments, General Industry Safety and Health Regulations Identified as Applicable to Construction. Contractors shall be knowledgeable with the requirements of these regulations and any amendments thereto.
 - .3 On trench excavation that exceeds a depth of five feet, trench excavation protection shall be accomplished as required by the most current provisions of part 1926 subpart P - Excavations, of the Occupational Safety and Health's Standards and interpretations and as further defined in the note(s) on the Plans and other Contract Documents.
 - .4 In any emergency affecting the safety of persons or property, the Contractor shall act to prevent threatened damage, injury or loss. Any additional compensation or extension of time claimed

by the Contractor resulting from emergency Work shall be considered by Owner in accordance with Articles VI and VIII for Completion Time.

- .5 The Contractor shall provide, at the site, such equipment and medical facilities as are necessary to supply first aid service to anyone who may be injured in connection with the Work. Such equipment shall comply with the most current regulations of the Occupational Safety and Health Administration of the United States Department of Labor.
- .6 The Contractor must promptly report in writing to the Owner all accidents whatsoever arising out of, or in connection with, the performance of the Work whether on or adjacent to the site which caused death, personal injury, or property damage, giving full details and any statements of witnesses. In addition, if death, serious injury, or serious damage is caused, the accident then shall be reported immediately by telephone or messenger to the Owner.
- .7 SAWS requires all Contractor job sites shall be immediately accessible to appropriate local, State and Federal agency safety officials.

ARTICLE VI. CONTRACT CHANGES

- 6.1 Change Orders - The Contract Sum and/or the Contract Time may be increased or decreased only by written Change Order. A Change Order signed by the Contractor indicates his acceptance and approval thereof including the adjustment in the Contract Sum and/or the Contract Time. Any compensation paid in conjunction with the terms of a Change Order shall comprise the total compensation due the Contractor for the work or the change defined in the Change Order. By signing the Change Order, the Contractor acknowledges that the stipulated compensation includes payment for the Work of Change plus all payment for the interruption of schedules, stop work orders, extended overhead, delay, or any other impact, claim or ripple effect, and by such signing specifically waives any reservation or claim for additional compensation in respect to the subject of the Change Order. Except as modified by Change Order, all Work performed under a Change Order shall be completed in accordance with these Contract Documents. Each Change Order shall be specific and final as to prices and extensions of time with no reservations or other provisions allowing for future additional money or time as a result of the particular changes identified and fully compensated in the change order.
- 6.2 The Owner, without invalidating the Contract, may order changes in the Work within the general scope of the Contract and applicable law consisting of additions, deletions or other revisions and the Contract Sum and/or the Contract Time will be adjusted accordingly. All such changes in the Work shall be authorized by written Change Order and shall be performed by Contractor under the applicable provisions of the Contract Documents as provided herein.
 - .1 Major Changes In The Work - any significant change in a Major Bid Item constitutes a major change in the Work and shall be implemented by a Change Order that shall be binding on the Owner and Contractor. A significant change that constitutes a Major Change in the Work shall be defined as follows:
 - .1 An increase or decrease of five percent (5%) or more in the number of units (not price) for a Major Bid Item as included in the Consultant's estimated quantities included in the Bid Documents; or
 - .2 An increase or decrease of five percent (5%) or more in the dollar value of a lump sum, Major Bid Item.
 - .3 Any change in the Contract Sum resulting from a Major Change in the Work, which reflects among other things, quantity changes, market price changes, and any quantity or volume discounts that might apply, shall be determined as specified in Article 6.5.
 - .2 Minor Changes In The Work - The SAWS COI will have authority to order such minor changes in the Work not involving an adjustment in the Contract Sum or Contract Time and not inconsistent with the intent of the Contract Documents. Such changes shall be implemented by a written directive (a "Work Change Directive") and shall be binding on the Owner and

Contractor. The Contractor shall carry out any written directive promptly.

- .1 If the Contractor does not agree with the SAWS COI that a Minor Change in the work is minor and will result in no adjustment in Contract Sum or Contract Time, he must so notify the Owner in writing, within seven (7) calendar days of issuance of the written directive and prior to beginning any disputed work. If the Contractor fails to file such written notification as provided for above, he shall waive and forever forfeit his rights to file a claim for additional compensation or Time for the Work under this section.
- .3 In the event there is a Major Change In The Work as provided for in Article 6.2.1, that causes an increase in the number of units for a Major Bid item, Owner may consider a price increase for the Major Bid item for those additional units. In any event the Contractor shall not be entitled to an adjustment of price due to a decrease in a Major Bid Item.
- 6.3 Contractor proposals along with the supporting data including impact to the critical path. for the proposals as specified in item 6.5.4 shall be submitted no later than Seven (7) calendar days after the owners issuance of an RFP of request by Owner's Representative, unless Owner's Representative grants an extension. Failure of contractor to provide the complete and proper proposal including all support will not be cause for delay or additional time.
- 6.4 The entire cost of extra Work resulting from Change Orders including the incremental cost of extra Work resulting from any prior Change Orders, modifications, or additions so ordered, shall not cumulatively exceed twenty-five percent (25%) of the original Contract Sum, in accordance with Texas Local Government Code, Chapter 252 and provided further that the price is agreed upon in writing by Owner and Contractor before materials are furnished or the Work is done. Contractor shall be responsible for keeping records that track the Contractor's cumulative total for Change Orders and Contractor, by entering this Contract, approves, understands and agrees that no Work is approved, no payment will be made, and no Change Order is authorized, that exceed the statutory limit provided herein and any Work undertaken or performed by the Contractor in excess of this amount is at the Contractors sole risk and expense
- 6.5 Changes or Credits for the Work covered by an approved Change Order shall be determined by one or a combination of the following methods:
 - .1 UNIT PRICE - Submitted by the Contractor in the original Contractor Bid Proposal as part of the base bid or as a designated additive or deductive alternate, and if agreed to by the Contractor and the Owner, appropriately adjusted either upward or downward to reflect any increases or decreases in the amount of labor, material or equipment as they relate to Major Bid Items.
 - .2 AGREED CONTRACT CHANGES - Lump Sum Agreement between Owner and Contractor as to the price, quantity and time for changes in the Work. The Contractor shall submit an itemized, estimated cost breakdown together with supporting data. This itemized breakdown shall be in accordance with the requirements established in Article 6.5.4 and 6.5.5.
 - .3 FORCE ACCOUNT - If no Agreed Contract Change or unit price can be reached after good faith negotiations between the SAWS and Contractor, the Owner may direct the Work be performed by the Contractor on a Force Account basis, and payment by the SAWS shall be upon the basis of Actual Cost of the Work as specified in Article 6.5.4 plus the participation allowances as specified in Article 6.5.5.
 - .4 ACTUAL COST OF THE WORK – The “Actual Cost” incurred by the Contractor to perform the additional Work. Contractor shall provide a complete breakdown of the Actual Costs to the Owner on a daily basis as follows:
 - .1 Labor including Foremen
 - .2 Labor burden shall be allowed at a maximum of 35%. Any burden in excess of the percentage shown shall be submitted for review and approval by the Owner and will be

subjected to audit.

- .3 Materials comprising the Work
- .4 The Contractor's actual incremental ownership or rental cost of equipment during the time of use on the extra Work. (Rental cost shall be based on current Southwest Regional AGC, Association of Equipment Distributors regional computations or equivalent)
- .5 Power and consumable supplies for the operation of power equipment.
- .6 Insurance and any extra bond premiums shall be allowed at a maximum of 2% of the total change order cost. Any insurance and extra bond premiums in excess of the percentage shown shall be submitted for review and approval by the Owner and will be subjected to audit.

.5 PARTICIPATION ALLOWANCE

- .1 For Contractor's proposals covering both increases and decreases in the amount of the Contract, the application of overhead and profit percentages (as provided in the following tables) shall be on the net increase in the Actual Cost for the Contractor or Subcontractor performing the Work. However, where the Contractor or first tier Subcontractor receives proposals for additive and deductive amounts from separate sub tier subcontractors, the commission shall be allowed on the added amounts prior to subtraction of the credit amounts. The cost of such extra Work shall be added to the Contract Sum by a Written Change Order as specified in Article 6.1. The following tables provide further explanation of the application of the provisions in this Article:

ALLOWABLE MARK UPS	Work performed by PC		Work performed by Sub A		Work performed by Sub B	
	O & P	Comm.	O & P	Comm.	O & P	Comm.
Prime Contractor (PC)	20%	---	---	5%	---	5%
Subcontractor A (Sub A)	---	---	20%	---	---	5%
Subcontractor B (Sub B)	---	---	---	---	20%	---
Subcontractor C (Sub C)	SAWS Does Not Allow Mark Up On Sub C					

DEFINITIONS	
Prime Contractor	Owens the contract with SAWS
Subcontractor A	Works directly for Prime Contractor
Subcontractor B	Works directly for Subcontractor A
Subcontractor C	Works directly for Subcontractor B
O & P	Overhead & Profit
Comm.	Commission

EXAMPLE	Sub B change order for \$1,000		
	Work performed by Sub B		
	O & P	Comm.	
Prime Contractor	---	\$63.00	
Subcontractor A	---	\$60.00	
Subcontractor B	\$200.00	---	
Subcontractor C	---	---	
Summary	CO	Mark Up	CO Total
	\$ 1,000.00	\$323.00	\$1,323.00

- 6.6 DELETION OF WORK - The Owner may, pursuant to Texas Local Government Code, Chapter 252, or as otherwise may be provide by law order the Contractor to omit up to twenty five percent (25%) of the original Contract Sum and associated Work, as specified in Article 6.4, without the consent of the Contractor.

6.7 CLAIMS FOR ADDITIONAL COSTS

- .1 If the Contractor pursues a claim for an increase in the Contract Sum and or time prior to final acceptance, he shall give the Owner written notice thereof with a simultaneous information copy to the Consultant, within thirty (30) days after the Contractor knows, or should have known, of the events giving rise to such Contractor claim. This notice shall be presented in writing to the Owner and Consultant by the Contractor and contractor shall not proceed with work until directed by Owner, except in an emergency endangering life or property in which case the Contractor shall proceed in accordance with Article 5.28.4. No such Contractor claim shall be valid unless the Contractor follows the notice procedure outlined herein, and failure to follow the notice procedure provided above shall cause the Contractor to waive and forever forfeit the right to seek additional amounts on the Contract in regards to the claim. If the Owner and the Contractor cannot agree on the amount of the adjustment in the Contract Sum, if any, it shall be determined by administrative procedures as provided to Article X. Any change in the Contract Sum resulting from such claim shall be authorized by Change Order.
- .2 If the Contractor claims that additional cost will be incurred because of: (1) any written Owner or Consultant interpretation of the Contract Documents, (2) any order by the Owner to stop the Work pursuant to Article 4.8 where the Contractor was not at fault, or (3) any written order involving a perceived minor change in the Work issued pursuant to Article 6.2.2, the Contractor shall make such claim as provided in Article 6.7.1.

6.8 NO DAMAGES FOR DELAY CLAUSE - Notwithstanding anything to the contrary in the Contract Documents, an extension in the Contract Time, to the extent permitted under Article 6., shall be the sole remedy of the Contractor for any (i) delay in commencement, prosecution, or completion of Work, (ii) hindrance, interference, suspension or obstruction in the performance of Work, (iii) loss of productivity, or (iv) other similar claims (items (i) through (iv) herein collectively referred to in this Article 6.8 as "Delays") whether or not such Delays are foreseeable, unless a Delay is caused by the acts of the Owner constituting intentional interference with Contractor's performance of the Work, and only to the extent such act continues after the Contractor furnishes Owner with written notice of such interference. In no event shall the Contractor be entitled to any compensation or recovery of any damages, in connection with any Delay, including, without limitation, consequential damages, lost opportunity costs, impact damages, or other similar remunerations. For purposes of interpreting this provision, the Owner's exercise of any of its rights or remedies under the Contract Documents (including without limitation, ordering changes in Work, or directing suspension, rescheduling, or correction of the Work), regardless of the intent or frequency of the Owner's exercise of such rights or remedies, shall not be construed as intentional interference with the Contractor's performance of the Work.

6.9 SUBCONTRACTOR PASS-THROUGH CLAIMS - In the event that any Subcontractor of Contractor asserts a claim to Contractor that Contractor seeks to pass through to Owner under the Contract Documents, any entitlement to submit and assert the claim as to Owner shall be subject to:

- .1 The requirements of herein of these General Conditions; and
- .2 The following additional three (3) requirements listed below, all three of said additional requirements shall be conditions precedent to the entitlement of Contractor to seek and assert such Claim against Owner:
 - (1) Contractor shall:
 - (a) have direct legal liability as a matter of Contract, common law, or statutory law to Subcontractor for the claim that Subcontractor is asserting; or
 - (b) have entered into a written liquidating agreement with Subcontractor, prior to the Claim's occurrence, under which Contractor has agreed to be legally responsible to the Subcontractor for pursuing the assertion of such Claim against Owner under said Contract and for paying to Subcontractor any amount that may be recovered, less Contractor's included markup (subject to the limits in the Contract Documents

for any markup). The relationship, liability or responsibilities shall be identified in writing by Contractor to Owner at the time such Claim is submitted to Owner and a copy of any liquidating agreement shall be included by Contractor in the Claim submittal materials.

- (2) Contractor shall have reviewed the Claim of the Subcontractor prior to its submittal to Owner and independently shall have evaluated such Claim in good faith to determine the extent to which the Claim is believed in good faith to be valid. Contractor shall inform Owner that Contractor has made a review, evaluation, and determination that the Claim is made in good faith and is believed to be valid.
- (3) Subcontractor making the Claim to Contractor shall certify to both Contractor and Owner that it has compiled, reviewed and evaluated the merits of such Claim and that the Claim is believed in good faith by Subcontractor to be valid. A copy of the certification by Subcontractor shall be included by Contractor in the Claim submittal materials.

.3 Any failure of Contractor to comply with any of the foregoing requirements and conditions precedent with regard to any such Claim shall constitute a waiver of any entitlement to submit or pursue such Claim.

6.10 **TIME REQUIRED TO PROCESS CHANGE ORDERS:** All Change Orders require written approval by either Owner or Owners Representative or, where authorized by the State. The approval process requires a minimum of forty-five (45) calendar days after submission to Owner in final form with all supporting data. Receipt of a submission by Owner does not constitute acceptance or approval of a proposal, nor does it constitute a warranty that the proposal will be authorized by Owner. **THE TIME REQUIRED FOR THE APPROVAL PROCESS SHALL NOT BE CONSIDERED A DELAY AND NO EXTENSIONS TO THE CONTRACT TIME OR INCREASE IN THE CONTRACT SUM WILL BE CONSIDERED OR GRANTED AS A RESULT OF THIS PROCESS.** Pending the approval of a Change Order as described above, Contractor will proceed with the work under a pending Change Order only if directed in writing to do so by Owner.

ARTICLE VII. CONTRACT PAYMENTS

7.1 **ESTIMATED QUANTITIES AND MEASUREMENT** - The estimated quantities of the various elements of Work to be done and material to be furnished are approximate only and are provided by Consultant and Owner as a basis for Owner comparison of proposals and award of Contract. It is expressly understood and agreed by Owner and Contractor that the actual amounts of Work to be done and material to be furnished may differ somewhat from these estimated quantities. The quantities of Work actually performed by Contractor will be computed on the basis of measurements taken by the Owner's representatives, and these measurements shall be final and binding on Contractor.

PROGRESS PAYMENTS - During the latter part of each month as the Work progresses on all SAWS Contracts regardless of Contract Sum, said Owner, or his designated representatives and Contractor shall determine either the cost of the labor and materials or quantities incorporated into the Work during that month and actual invoiced cost of Contractor acquired materials stored on the Project site, and/or within off-site local storage facilities either owned or leased by the Contractor. Upon receipt of a complete and mathematically accurate Construction Payment Estimate Form from the Contractor, the SAWS shall make payments to Contractor within thirty (30) calendar days of receipt. Contracts totaling four hundred thousand (\$400,000.00) dollars or less, based upon such cost determination and at the Contract unit prices in a sum equivalent to ninety percent (90%) of each such invoice. The remaining ten percent (10%) retainage shall be held by the SAWS until the final Contract Settlement. However, where the Contract amount exceeds four hundred thousand dollars (\$400,000.00), installments shall be paid to Contractor at the rate of ninety-five percent (95%) of each monthly invoice within thirty (30) calendar days of Owner receipt of an approved and mathematically accurate Construction Payment Estimate Form from the Contractor, and the retainage held until final Contract Settlement shall be five percent (5%). In either case should the Construction Payment Estimate Form submitted by the contractor be incorrect, the Construction Payment Estimate Form will be rejected and returned to the contractor for correction. Upon receipt of the corrected Construction Payment Estimate

form, the timeline stated above for payment will apply.

- .1 Contractor's Payment to Sub-Contractors: The contractor will be required to report the actual payments to all subcontractors, utilizing the Sub-contracting Payment and Utilization Reporting (S.P.U.R.) System, in the time intervals and format prescribed by SAWS. This information will be utilized for SMWB participation tracking purposes. Any unjustified failure to comply with the committed SMWB levels may be considered breach of Contract.
- .2 Web Submittal of Subcontractor Payment Reports:
The Contractor is required to electronically submit monthly subcontractor payment information utilizing the Sub-contracting Payment and Utilization Reporting (S.P.U.R.) System, beginning with the first SAWS payment for services under the Contract, and with every payment thereafter (for the duration of the contract).

Electronic submittal of monthly subcontractor payment information will be accessed through a link on SAWS' "Business Center" web page. The Contractor and all subcontractors will be provided a unique log-in credential and password to access the SAWS subcontractor payment reporting system. The link may also be accessed through the following internet address: <https://saws.smwbe.com/>

Training on the use of the system will be provided by SAWS. After the prime receives payment from SAWS, electronic submittals will require data entry of the amount paid to each subcontractor listed on the Contractor's Good Faith Effort Plan.

Owner's payment of installments shall not in any way be deemed to be a final acceptance of any part of the Work by Owner, and will not prejudice Owner in the final settlement of Contract account nor relieve the Contractor from completion of the Work as herein provided.

7.2 WITHHOLDING OF PAYMENT - In the event that the Owner discovers evidence of Contractor and/or Work noncompliance with the Contract Documents subsequent to approval of the Construction Estimate Certification Forms, the Owner may revoke or otherwise amend that part of any Construction Estimate Certification Form to such extent as may be necessary to withhold monies to protect the Owner from loss on account of:

- .1 Defective Work not remedied by Contractor.
- .2 Persistent and uncured Contractor non-compliance with the administrative provisions of the Contract Documents including, but not limited to, failure to electronically submit monthly subcontractor payment information utilizing the Sub-contracting Payment and Utilization Reporting (S.P.U.R.) System.
- .3 Damage to Work of another Contractor.
- .4 Liquidated Damages assessed by Owner for Contractor failure to maintain scheduled progress in accordance with the most recent applicable construction schedule, if any are specified in the Contract Documents, and/or Contractor failure to meet final completion date.
- .5 Receipt of written notice by the Owner of Contractor's unpaid bills, as stipulated in Chapter 53, Texas Property Code, if the Contractor has not provided a payment bond and only if the Contract Sum does not exceed \$25,000.00. Any funds so withheld by Owner shall be released to the Contractor if he furnishes either a special indemnity bond to Owner securing release of lien as provided in Chapter 53, Texas Property Code, or Contractor proof of payment of disputed bills.
- .6 "Indemnification" as provided for in Article 2.3.

When the above Contractor deficiencies are cured, Owner will make payment for amounts withheld because of the deficiencies within (30) thirty calendar days.

- 7.3 FINAL PAYMENT - Contractor shall not be entitled to receive payment of any sum in excess of the cumulative amounts paid upon such monthly invoices as outlined above until after the Owner transmittal of the Letter of Conditional Approval and in accordance to Article 9 project completion and acceptance and not before all the stipulations, requirements and provisions of this Contract are faithfully performed and complied with by Contractor, and unless and until said structures, Work and improvements shall be entirely completed, and delivered to, and accepted by the SAWS in accordance with the Contract Documents. Completion, delivery and acceptance of the Work is evidenced by the Final Certificate of Acceptance issued in accordance to Article 9.1 by the Owner and such Certificate of Acceptance is approved by the Owner. The Owner shall prepare the final invoice as the basis for final Contract settlement. Owner may deduct from the amount of such final invoice and retain any and all sums which are to be deducted by SAWS or paid or allowed by Contractor to SAWS, or which are to be retained by Owner for reasons stemming from any/all fines, fees, or penalties, in addition to those previously stated in Article 7.2.
- .1 NOTARIZED AFFIDAVIT - Before and as a condition precedent to Final Payment for the work by the Owner, the Contractor shall submit to the Owner a notarized affidavit in duplicate stating under oath that all subcontractors, vendors, and other persons or firms who have furnished or performed labor or furnished materials for the work have been fully paid or satisfactorily secured. Such affidavit shall bear or be accompanied by a statement, signed by the surety company who provided the Payment Bond for the work, to the effect that said surety company consents to Final Payment to the Contractor being made by the Owner.
- 7.4 OWNER TO FINALLY DETERMINE ALL AMOUNTS PAYABLE OR CHARGEABLE - It is expressly understood and agreed by Contractor that subject only to the prices, terms and provisions specifically set forth in the Contract Documents including Change Orders, the written estimates and Certificates of the Owner shall be final in fixing and determining amounts payable or chargeable hereunder to Contractor by SAWS as required by the other terms and conditions hereof. Also, in case of controversy, the monthly construction estimates and Certificates of Final Acceptance shall be final in fixing and determining all sums to be deducted and retained by SAWS for reasons as stated in Article 7.2, out of any funds otherwise estimated as payable to Contractor by SAWS.
- 7.5 CLAIMS BY THIRD PARTIES FOR LABOR OR MATERIALS
- .1 Contractor hereby agrees to promptly pay all persons supplying labor, services and materials in the prosecution of the Work provided for in this Contract and any and all duly authorized modifications or Change Orders of said Contract that may hereafter be made, and shall fully indemnify and hold harmless the SAWS and its agents against any and all claims, liens, suits or actions asserted by any person, persons, firm or corporation on account of labor, materials or services furnished such Contractor during the prosecution of the Work herein undertaken. Contractor shall execute a payment bond in accordance with other sections governing same herein for this purpose. Before the SAWS shall be obligated to pay any amount to Contractor on final Contract settlement, Contractor shall execute a sworn, written and notarized statement on an affidavit form to be supplied by the Owner along with a "consent of surety" letter endorsing Final Payment to Contractor, evidencing that all labor employed and all equipment and materials incorporated into the Construction of the Work have been either fully paid for by Contractor and Subcontractors, or that any pending disputes over payment are being properly addressed by the surety as provided for in 7.3.1 herein.
- .2 Suppliers, any subcontractors, and persons claiming to have performed any labor, or to have supplied any equipment and materials toward the performance of this Contract, and who claim not to have received proper compensation from the Contractor or Subcontractors for same, shall be instructed by Owner and Contractor that written and documented claims must be sent directly to the Contractor and his Surety in accordance with Chapter 2253, Texas Government Code. The Owner will furnish to claimants, in accordance with such Chapter 2255, Texas Government Code, a copy of the Contractor's Payment Bond and Contract as provided therein upon claimant's written request. **The Owner shall further furnish a statement to claimants that claimants are cautioned that no legal or equitable lien exists on the SAWS funds yet unpaid to the Contractor, and that reliance on notices sent only to the Owner may result in**

loss of claimant's rights to timely perfect recovery against the Contractor and/or his Surety. The Owner is not responsible in any manner to a claimant for collection of unpaid bills, and accepts no such responsibility because of any unauthorized representation by any agent or employee of Owner to the contrary.

ARTICLE VIII. CONTRACT COMPLETION TIME

- 8.1 **COMMENCEMENT OF WORK** - The Work called for in this Contract shall commence on the date indicated in the SAWS written Authorization to Proceed. Under no circumstances shall the Work commence prior to the Contractor's receipt of SAWS issued, written Authorization to Proceed.
- 8.2 **COMPLETION OF WORK** - After commencement of Work as outlined in Article 8.1, the Contractor shall prosecute the Work continuously, diligently and uninterruptedly throughout the Contract Time period, during which period of time Contractor, all subcontractors and suppliers are bound and obligated at all times to employ sufficient Work force and supervisory diligence to complete said structures, Work and improvements, and to deliver same over to the SAWS in a timely acceptable, completed, undamaged and clean condition. THE TIME OF BEGINNING, RATE OF PROGRESS AND TIME OF COMPLETION OF SAID WORK ARE HEREBY DECLARED BY OWNER AND UNDERSTOOD BY CONTRACTOR TO BE "OF THE ESSENCE" TO THIS CONTRACT. By executing this Contract, Contractor confirms that the Contract Time is a reasonable period for performing the Work. Any other provision contained herein notwithstanding, the Owner may suspend said Work either partially or totally as provided for in Article 4.6 and 4.7.
- 8.3 **CALENDAR DAY CONTRACT** – Unless otherwise specifically provided in Supplemental or Special Conditions to the Contract, all Contracts shall be Calendar Day Contracts and “Day” as used in the Contract Documents shall mean a calendar day which are days of 24 hours each from midnight to the next consecutive midnight. Work on Sundays or SAWS Designated Holidays will not be permitted except in cases of extreme emergency, and then only with the written permission of the Owner. If Sunday or SAWS Designated Holiday Work is permitted, the COI's average salary costs at time and one half will be charged to the Contractor. This amount shall be deducted from Contractor's monthly payment application by Owner. Nothing in this Paragraph shall be construed as prohibiting the Contractor from working on Saturdays if so desired provided they give Owner at least the prerequisite forty-eight (48) hours written notice (and receive subsequent approval by the Owner) of intent to perform Work on Saturday so that Owner's representatives may be scheduled to observe/inspect said Work.
- 8.4 **FAILURE TO COMPLETE WORK ON TIME** - If the Contractor fails to complete the Contract in the time specified by Owner in the Contract Documents and agreed to by Contractor through execution of this Contract, Contract Time charges will continue to be made for each Calendar Day thereafter. THE TIME SET FORTH IN THE CONTRACT FOR THE COMPLETION OF THE WORK IS AN ESSENTIAL ELEMENT OF THE CONTRACT. For each Calendar Day that any Work shall not be complete, after the expiration of the Calendar Days specified in the Contract, (to include Calendar Days charged for correction of Contractor deficiencies found during the final inspection), plus, any extended days allowed by Owner, the amount of liquidated damages assessed per day as stipulated in the Contract will be deducted from the money owed or to become due to the Contractor, not as a penalty but as liquidated damages owed to SAWS for extended expenses, loss and public inconvenience resulting from Contractor's failure to complete said Work within the Contract Time that the Contractor agreed to by execution of this Contract. Contractor and SAWS agree that such liquidated damages as are set prior to the Contract execution are for projected reasonable costs that are otherwise difficult for either Party to forecast and will be incurred by the SAWS due to Contractor completion beyond the number of Calendar Days calculated herein by the SAWS.
- .1 The Contract Time may only be changed by a Change Order duly executed by both Contractor and Owner.
 - .2 Should progress of the Work fall behind the construction schedule except for reasons stated in 8.4.1, Contactor shall promptly submit at the request of Owner or Authorized Representative an updated Construction schedule to Owner or Authorized Representative for approval. Contractor shall take any and all action necessary to restore progress by working the hours, and lawful

overtime operations as necessary to achieve Contract Time.

8.5 WEATHER DELAY CLAUSE - SAWS includes weather delay days when determining the total number of days allowed for each Contract. Any additional days beyond those specified in 8.5.3 must be formally requested in writing with the next monthly payment invoice and justified by the contractor with daily logs or NO ADDITIONAL DAYS WILL BE GRANTED.

- .1 Pursuant to the Contract, Contractor may be granted an extension of time because of unusual inclement weather, including but not limited to unusual rainfall events, which are beyond the Normal Rainfall recorded and expected for San Antonio, Texas. However, the Contractor will not be granted an extension of time for "Normal Rainfall", as described in 8.5.3.
- .2 "Unusual Inclement Weather" is defined as a rain event or other weather related event which occurs at the site and is of sufficient magnitude, as determined by the COI, to prevent Contractor from performing work critical to maintaining the Progress Schedule. If rain is the basis for the Unusual Inclement Weather event it must at a minimum exceed the Normal Rainfall as defined herein.
- .3 Baseline Rain Day Determination. "Normal Rainfall", based on the National Oceanic and Atmospheric Administration (NOAA) or similar data for San Antonio, Texas, is considered a part of the Calendar Day Contract, and is not a justification for an extension of time. Listed below are the number of days in each month for which no compensatory days for rainfall events ("Rain Days") in such months may be claimed:

January.....	2 days
February.....	3 days
March.....	4 days
April.....	3 days
May.....	4 days
June.....	6 days
July.....	3 days
August.....	4 days
September.....	5 days
October.....	5 days
November.....	5 days
December.....	3 days

"Rain Days" in addition to the baseline "Rain Day" determination described above will be measured (with the Owner's Representative's approval) at the jobsite or at a location as agreed in writing by the parties.

- .4 Contractor may receive credit in any month for Unusual Inclement Weather, and specifically for any Rain Days in that month which exceed the number of Rain Days allocated to that month, if a Claim is made in accordance with paragraph 8.5.1 and the weather event meets the definition for "Unusual Inclement Weather", and as applicable, "Rain Day" and such claimed day is a day on which Work critical to maintaining the Progress Schedule is scheduled to be performed and is otherwise capable of being performed.

8.6 Liquidated Damages for Failure to Complete on Time – The Contractor agrees that **Time Is Of Essence** of this Contract and that for each day of delay beyond the number of days herein agreed upon for the completion of work herein specified and contracted for, after due allowance for such extension of time as is provided for under the provisions herein, the Owner may withhold permanently for the Contractor's total compensation, not as a penalty but as liquidated damages, the sum per day in accordance to the Supplemental Conditions of the Contract.

ARTICLE IX. PROJECT COMPLETION AND ACCEPTANCE

9.1 FINAL ACCEPTANCE of the Project will be considered only after all stipulations, requirements and provisions of this Contract are faithfully completed and the Project is delivered to the SAWS by Contractor in an acceptable condition for the intended use by Owner. In the event that all major

Contract pay items are complete and only minor clean-up operations remain for Contract completion, the Owner has the discretionary authority to issue a Conditional Letter of Acceptance. Should the Owner's Conditional Letter of Acceptance contain conditions for the Final Acceptance of the Work, Contract Time will continue to be charged against the Contractor until such conditions have been corrected to the satisfaction of the Owner.

- .1 Final Release of Retainage - Contractor shall be entitled to receive payment of all retainage within forty-five (45) calendar days of completion, receipt and acceptance of all required "completion items" as stipulated below:
 - .1 The "Semi-Final Pay Request" indicating that no additional monthly invoices will be submitted by the Contractor for payment.
 - .2 The "Conditional Letter of Acceptance" with all "Punch List Items" completed indicating that Owner is approving the Release of Retainage.
 - .3 When applicable, the "Recapitulation Change Order" reconciling all Pay Item Quantities. Recapitulation Change Orders exceeding \$100,000 positive or negative are subject to formal Board of Trustee approval.
 - .4 The "Contractor Certification" provided for herein indicating that all subcontractors and suppliers have been paid.
 - .5 The "Consent of Surety" provided for herein indicating the Bonding Agent's approval to remit all retainage directly to the Contractor.
 - .6 When applicable, the "TWDB Certificate of Approval & Release Retainage" letter indicating Texas Water Development Board's approval to remit all retainage directly to the Contractor.

9.2 PARTIAL ACCEPTANCE by Owner for beneficial occupancy of any completed part of the Work, which has specifically been identified in the Contract Documents as being eligible for early Owner Acceptance, or which Owner, Engineer and/or Consultant and Contractor agree constitutes a separately functioning and usable part of the Work that can be used by Owner without significant interference with Contractor's performance of the remainder of the Work, may be accomplished prior to completion of the total Work identified in the Contract Documents, subject to the following:

- .1 Owner may at any time request Contractor in writing to permit Owner to beneficially occupy any such part of the Work which Owner believes to be ready for its intended use. If Contractor agrees, Contractor will certify to Owner and Consultant that said part of the Work is substantially complete and request the Owner to issue a Conditional Letter of Acceptance, for only that part of the Work. Within a reasonable time after such request, Owner, Contractor, Engineer and/or Consultant shall make an inspection of the said part of the Work to determine its status of completion. Warranties (as provided under Article 9.3) on that part of the Work beneficially occupied by Owner will commence upon issuance of the Conditional Letter of Acceptance. Any Work items remaining to be completed as defined in the Conditional Letter of Acceptance for the said part of the Work will have warranty commencement upon completion and Final Acceptance by Owner.
- .2 Owner may at any time request Contractor in writing to permit Owner to take over operation of any such part of the Work although it is not Substantially Complete. A copy of such request will be sent to the Engineer and within a reasonable time thereafter, Owner, Contractor, and Engineer and/or Consultant, shall make an inspection of that part of the Work affected by the request to determine its status of completion and will jointly prepare a list of the items remaining to be completed or corrected issuance of a Conditional Letter of Acceptance. If Contractor does not agree that said part of the Work is ready for separate operation by Owner or that separate operation by Owner will not significantly interfere with Contractor's remaining operations, the Contractor must submit their objections and appropriate justifications in writing to the Owner and Engineer and/or Consultant within 5 days of the request by the Owner. Once any objections have been addressed or if there are no objections, the Owner will finalize a list of

items to be completed or corrected and will deliver such list to Contractor together with a written recommendation as to the division of responsibilities pending issuance of the Conditional Letter of Acceptance with respect to security, operation, safety, maintenance, warranties, utilities, insurance, and retainage for that part of the Work taken over for operation by Owner. During such operation, Owner shall allow Contractor reasonable access to complete or correct items on said list and to complete other related Work.

- 9.3 Correction Period/Warranty - During a period of twenty four (24) months from and after the date of the Conditional Letter of Acceptance, the Contractor shall make all needed repairs arising out of defective workmanship or materials, or both, which in the judgment of the Owner shall become necessary during such period. The Owner shall notify and submit a "Performance Claim Form", which will be completed by the Owner and details the location and nature of needed repairs, to the Contractor. The Contractor shall submit a schedule for inspection and completion of said repairs within three (3) days after the notification of the warranty repairs to be approved by the Owner. If within three (3) days after the receipt of a notice in writing from the Owner, the Contractor shall neglect to make or to undertake with due diligence the aforesaid repairs, the Owner is hereby authorized to make demand of performance from the company issuing the Performance Bond. If the Contractor fails to complete the repairs within the approved schedule, the Owner is hereby authorized to make demand of performance from the company issuing the Performance Bond. In case of an emergency where, in the judgment of the Owner, delay would cause a serious loss or damage, repairs may be made without notice being sent to the Contractor, and the Contractor shall pay the cost thereof.

ARTICLE X. DISPUTES:

- 10.1 GENERAL - Prior to any anticipated litigation between the Owner and the Contractor, both hereby agree that disputed matters shall first be submitted to Owner administrative appellate procedures as described below:
- .1 Except as otherwise provided in this Contract, any dispute concerning a question of fact arising under this Contract which is not disposed of by mutual agreement shall be initially decided by the Owner (as represented by the decision of the Owner) who shall reduce his decision to writing and promptly mail or otherwise furnish a copy thereof to the Contractor. The decision of the Owner shall be final and conclusive unless within thirty (30) calendar days from the date of issuance of such decision by Owner the Contractor mails or otherwise furnishes to the Owner a written notice of appeal addressed to the SAWS President/C.E.O., whose appellate decision on behalf of the SAWS shall be the final and conclusive SAWS decision. In connection with any appeal under this Article, the Contractor shall be afforded an opportunity to be heard and to offer evidence in support of the appeal to persons to be promptly appointed by the SAWS President/C.E.O. to review such disputed matters. The SAWS department sponsoring the Project or any other Owner's representative will also be allowed to present information supporting Owner's position.
 - .2 Pending final President/C.E.O. decision after a dispute hearing, the Contractor shall proceed diligently with the performance of the Contract and in accordance with the President/C.E.O. decision. Neither the SAWS nor the Contractor is precluded from resorting to litigation or other remedy at law nor in equity to perfect a legal filing prior to the expiration of an applicable statute of limitations or after this Owner administrative review process is completed.

ARTICLE XI. SUPPLEMENTAL AND SPECIAL CONDITIONS

- 11.1 GENERAL - When the Work contemplated by the Owner is of such a character that the foregoing Standard General Conditions of the Contract cannot adequately cover necessary and additional contractual provisions, the Contract Documents may include Supplemental and Special Conditions as described below:
- .1 SUPPLEMENTAL CONDITIONS shall describe any additional procedures and requirements of Contract administration to be followed by the Contractor, Owner, and Owner representatives. Supplemental Conditions may expand upon matters covered by the Standard General Conditions, where necessary.
 - .2 SPECIAL CONDITIONS shall relate to terms, conditions and procedures related to a particular

project and be unique to that project.

- 11.2 ARCHAEOLOGICAL: “Unidentified Archaeological Sites”: If the Contractor should encounter archaeological deposits during construction operations, the Contractor must stop excavation immediately and contact the Owner, who will then contact appropriate agencies for an archaeological investigation. The Contractor cannot begin excavation again in this area without written permission from the Owner.
- 11.3 FUNDED PROJECTS - On State or Federally funded projects, the Owner may waive, suspend, or modify any Article in these General Conditions which conflicts with any State or Federal statute, rule, regulation or procedure, where such waiver, suspension, or modification is essential to receipt by the Owner of such State or Federal funds for the Project. In the case of any project financed in whole or in part by State or Federal funds, any Contract standards or provisions required by the enabling State or Federal statute, or any State or Federal rules, regulations or procedures adopted pursuant thereto that conflict with, or preempt these local Standard General Conditions, shall be controlling.

ARTICLE XII. RIGHT TO AUDIT CLAUSE

- 12.1 By execution of the Construction Contract, the Contractor grants the Owner the right to audit, at the Owner's election, all of the Contractor's records and billings relating to the performance of the Work under the Contract Documents. The Contractor agrees to retain its Project records for a minimum of three (3) years following completion of the Work. The Owner agrees that it will exercise the right to audit only at reasonable hours. Any payment, settlement, satisfaction, or release provided under this Contract shall be subject to the Owner's rights as may be disclosed by any audit

ARTICLE XIII. VENUE

This Contract is performed in Bexar County, Texas, and if legal action is necessary to enforce this Contract, exclusive venue shall lie in Bexar County, Texas.

- END -

CONTRACT
C-XX-XXX-XX

STATE OF TEXAS §
COUNTY OF BEXAR §

KNOW ALL MEN BY THESE PRESENTS:

That this Agreement made and entered into this XX day of XXXXXXX, A.D, 20 , by and between **THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES**, hereinafter called **THE SAN ANTONIO WATER SYSTEM, COUNTY OF BEXAR, STATE OF TEXAS**, Acting through its Contracting Officer, First Party, hereinafter termed the Owner, and XXXXXXXXXXXXXXXXXX, of the City of XXXXXXXXXX, County of XXXXXXXXXX, State of XXXXXXXXXX, Second Party, hereinafter termed the Contractor.

WITNESSETH: That for and in consideration of the payments and agreements hereinafter mentioned to be made and performed by said First Party, (Owner), the said Second Party, (Contractor), hereby agrees with the First Party to commence and complete the construction of certain improvements for XXXXXXXXXXXXXXXXXXXXXXXXXXXX no/100's Dollars \$000.00, at the prices set forth in the Contractor's Proposal for the San Antonio Water System Job No. XXXXXXX, dated XXXXXXX, 20 , the same being designated as San Antonio Water System Project XXXXXXXXXXXXXXXXXXXX.

The Contractor shall perform all work shown on the Plans and described Specifications and shall meet all requirements of this Agreement, The General and Special Conditions of the Agreement; and such Orders and Agreements for Extra Work as may subsequently be entered by the above named parties to this Agreement.

The Contractor shall not offer, confer, or agree to confer any benefit or gift to any San Antonio Water System employee.

This Contract is contingent upon the release of funds from the Texas Water Development Board. The San Antonio Water System may not issue an Authorization to Proceed Letter until the San Antonio Water System has received written approval of the bid and contract document package, and approval of funds from the Texas Water Development Board.

The Contractor hereby agrees to commence work under this Contract on the date indicated in the SAWS written Authorization to Proceed. Under no circumstances shall the work commence prior to the Contractor's receipt of SAWS issued, written Authorization to Proceed. Computation of Contract Time will begin on the construction start date as indicated on the written Authorization to Proceed. All work specified in these Contract Documents shall be completed within calendar days from the construction start date **or until funds are exhausted, whichever comes first (delete if not applicable)** indicated on the written Authorization to Proceed.

It is agreed and understood by the Owner and the Contractor that the provisions of Chapter 252, of the Texas Local Government Code, apply to this contract. The terms of the aforementioned state law are incorporated herein by reference. Contractor and Owner Agree that as a public body, Owner is authorized by such state law to negotiate change orders up to and including the amount of \$25,000.00 acting by and through its duly designated administrative officer (Contracting Officer). It is agreed and understood that any change orders which increase the work of the contract in excess of 25% of the bid contract price, must be subject of a supplemental agreement approved by the San Antonio Water System Board of Trustees of San Antonio as in case of original contracts. The work of the contract may be decreased over 25% with the consent of the Contractor.

The Owner agrees to pay the Contractor in current funds, and to make payments on account, for the performance of the work in accordance with the Contract, at the prices set forth in the Contractor's Proposal, subject to additions and deductions, all as provided in the General Conditions of the Agreement.

The following documents, together with this Contract, comprise the Agreement, and they are as fully a part thereof as if herein repeated in full:

- The Invitation to Bidders
- The Instructions to Bidders
- The Proposal
- The Payment Bond
- The Performance Bond
- The General Conditions of the Contract
- The Special Conditions of the Contract
- The Supplemental Conditions of the Contract
- The Construction Specifications
- The Standard Drawings
- Addenda
- Change Orders
- Good Faith Effort Plan

The Plans, designated San Antonio Water System Project Job No. XX-XXXX; XXXXXXXXXXXXXXXX.

In witness thereof of the Parties of these presents have executed this Agreement in the year and day of first above written.

**SAN ANTONIO WATER SYSTEM BOARD
OF TRUSTEES, OWNER**

By _____
Philip C. Campos, Jr., CPA
Director, Contracting

Date: _____

By _____
Contractor
Contractor

By _____
(Signature)

Date: _____

(Print/Type)

Title _____

STATUTORY PERFORMANCE BOND
Pursuant to Texas Government Code
Title 10. General Government
Subtitle F. State and Local Contracts and Fund Management
Chapter 2252. Contracts with Governmental Entity
As amended

Bond No. _____

(Penalty of this Bond must be 100% of Contract Award)

KNOW ALL MEN BY THESE PRESENTS:

That Contractor Name, Address, City, State and Zip (hereinafter called "Principal"), as Principal, and Bonding Company Name, a corporation organized and existing under the laws of the State of XXXXX, with its principal office in the City of XXXXX, and authorized under the laws of the State of Texas to act as surety on bonds for principals (hereinafter called "Surety"), are held and firmly bound unto THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES, San Antonio, Bexar County, Texas (hereinafter called "Owner/Obligee"), in the amount of XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX and no/100's Dollars (\$00.00), for the payment whereof, Principal and Surety firmly bind themselves, and their heirs, administrators, executors, successors and assigns, jointly and severally, by these presents:

WHEREAS, Principal has entered into a certain written contract with the Owner/Obligee, dated the XX day of Month, 20__, consisting of Job No.:XXXX; XXXXXXXXXXXXXXXXXXXXXXXX Project (hereinafter called "the Contract"), which Contract is hereby referred to and made a part hereof as fully and to the same extent as if copied at length herein.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if Principal shall faithfully perform the work in accordance with the plans, specifications and Contract Documents, then this obligation shall be void; otherwise to remain in full force and effect.

NOW, THEREFORE, if Principal shall repair any and all defects in said work occasioned by and resulting from defect in materials furnished by, or workmanship of, Principal in performance of the work covered by the Contract, occurring during a period of within 24 months from the date of the Contract Completion Certification, therein this obligation shall be null and void; otherwise to remain in full force and effect.

PROVIDED, HOWEVER, that this bond is executed pursuant to the provisions of Title 10, Chapter 2253, as amended, of the Texas Government Code, and all liabilities on this bond shall be determined in accordance with the provisions of this Chapter, to the same extent as if it were copied at length herein.

Surety, for value received, stipulates and agrees that no change, extension of time, or other waiver or amendment of the terms of the Contract or to the work to be performed thereunder, nor any change in the method nor any change in the method or amount of payments stipulated to be made by Owner/Obligee under the Contract, shall relieve Surety of its obligations hereunder, and Surety hereby waives notice of any such change, extension of time, waiver or amendment of the terms of the Contract or to the work to be performed thereunder. The bond shall be automatically extended in time, without formal and separate amendment, to cover full and faithful performance of the Contract in the event of modification of the Contract, regardless of the length of time involved.

IN WITNESS THEREOF, Principal and Surety have signed and sealed this instrument on the _____ day of _____, 20__.

Principal

Surety

By _____

Title _____

Address _____

By _____

Title _____

Address _____

Name, Address and Telephone Number of Resident Agent of Surety:

STATUTORY PAYMENT BOND

Bond No. _____

Pursuant to Texas Government Code

Title 10. General Government

Subtitle F. State and Local Contracts and Fund Management

Chapter 2252. Contracts with Governmental Entity

As amended

(Penalty of this Bond must be 100% of Contract Award)

KNOW ALL MEN BY THESE PRESENTS:

That Contractor, Address, City, State, Zip (hereinafter called "Principal"), as Principal, and Bonding Company Name corporation organized and existing under the laws of the State of XXXXXX, with its principal office in the City of XXXXXX, and authorized under the laws of the State of Texas to act as surety on bonds for principals (hereinafter called "Surety"), are held and firmly bound unto THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES, San Antonio, Bexar County, Texas (hereinafter called "Owner/Obligee"), in the amount of XXXXXXXXXXXXXXXXXXXX and no/100's Dollars (\$00.00), for the payment whereof, Principal and Surety firmly bind themselves, and their heirs, administrators, executors, successors and assigns, jointly and severally, by these presents:

WHEREAS, Principal has entered into a certain written contract with the Owner/Obligee, dated the XX day of Month, 20, consisting of Job No. XX-XXXX; XXXXXXXXXXXXXXXXXXXX Project (hereinafter called "the Contract"), which Contract is hereby referred to and made a part hereof as fully and to the same extent as if copied at length herein.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if Principal shall faithfully pay in full all claimants supplying labor and material to Principal or to a subcontractor in the prosecution of the work provided for in the terms of the Contract Documents, then this obligation shall be void; otherwise to remain in full force and effect.

PROVIDED, HOWEVER, that this bond is executed pursuant to the provisions of Title 10, Chapter 2253, as amended, of the Texas Government Code, and all liabilities on this bond shall be determined in accordance with the provisions of this Chapter, to the same extent as if it were copied at length herein.

Surety, for value received, stipulates and agrees that no change, extension of time, or other waiver or amendment of the terms of the Contract or to the work thereunder, nor any change in the method nor any change in the method or amount of payments stipulated to be made by Owner/Obligee under the Contract, shall relieve Surety of its obligations hereunder, and Surety hereby waives notice of any such change, extension of time, waiver or amendment of the terms of the Contract or to the work thereunder. The bond shall be automatically extended in time, without formal and separate amendment, to cover full and faithful performance of the Contract in the event of modification of the Contract, regardless of the length of time involved.

IN WITNESS THEREOF, Principal and Surety have signed and sealed this instrument on the _____ day of _____, 20__.

Principal

By _____
Title _____
Address _____

Surety

By _____
Title _____
Address _____

Name, Address and Telephone Number of Resident Agent of Surety:

DRAFT



**Texas Water Development Board
Supplemental Contract Conditions
And Instructions
(TWDB-0550)**

**For Projects Funded through the
Clean Water and Drinking Water
State Revolving Fund
Loan Programs
CWSRF and DWSRF**

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Many of the TWDB forms noted in this instruction document may be accessed through the TWDB website link, <http://www.twdb.state.tx.us/financial/instructions/>

Applicability

These Supplemental Contract Conditions contain provisions that are worded to comply with certain statutes and regulations which specifically relate to the Clean Water State Revolving Fund (CWSRF) and Drinking Water State Revolving Fund (DWSRF) projects receiving funds made available by the Federal capitalization grants. Provisions which are applicable to the project's funding source or dollar value of the contract are so noted within with these provisions.

Construction projects which have Colonia Wastewater Treatment Assistance Program (CWTAP) funding do not use these conditions but instead use the EPA Supplemental Conditions and TWDB Special Conditions TWDB-0553 (formerly ED-004C). Construction projects which are financed by CWSRF Tier II (projects receiving state funds) instead use TWDB Supplemental Conditions TWDB-0551 (formerly ED-004F). Projects with State Loan funding use Supplemental Conditions TWDB-0552 (formerly ED-004G). Optional provisions that are good business practices are available in ED-004H.

Application of Conditions

The conditions and forms listed under the section, [Instructions to Bidder Conditions](#), are to be included in the instructions to bidders for construction services. The provisions listed under the section, [Construction Contract – Supplemental Conditions](#), should be included with the other general and special conditions that are typically included in the construction contract documents by the design engineer.

Modifications to Provisions

The Applicant may need to modify parts of these provisions to better fit the other provisions of the construction contract. The Applicant and the consulting engineer should carefully study these provisions before incorporating them into the construction contract documents. In particular, Water Districts and other types of districts should be aware of statutes relating to their creation and operation which may affect the application of these conditions.

The Owner (Sub-Recipient) is to determine and incorporate the affirmative action goals for the project into supplemental Condition No. 12. Condition No. 15, Archeological Discoveries and Cultural Resources, and Condition No. 16, Endangered Species, may be superseded or modified by project specific conditions established during the application process.

These documents may confer certain duties and responsibilities on the consulting engineer that are beyond, or short of, what the Applicant intends to delegate. The Applicant should ensure that the contractual agreement with the engineer provides for the appropriate services. Otherwise the Applicant should revise the wording in these special conditions to agree with actually delegated functions.

Good Business Practices

There are other contract provisions that the Owner and Designer need to include as a matter of good business practice. It is recommended that provisions addressing the following matters be included in the construction contract. Contract Provisions that satisfy these are available from TWDB upon request.

- Specifying the time frame for accomplishing the construction of the project, and the consequences of not completing on time, including liquidation damages.
- Specifying the type and dollar value of and documentation of insurance the contractor is to carry. At a minimum, the contractor should carry liability and builder's risk insurance.
- Identifying the responsibility of the contractor - Responsibility and warranty of work.
- Price reduction for defective pricing of negotiated costs.
- Differing site conditions - Notice and claims regarding site conditions differing from indicated conditions.
- Covenants against contingent fees - Prohibit contingent fees for securing business.
- Gratuities - Prohibitions against offering and accepting gratuities.
- Audit and access records.
- Suspension of work - Conditions under which owner may suspend work.
- Termination - Conditions under which owner may terminate.
- Remedies - How disputes will be remedied.

Other Requirements

There may be other local government requirements and applicable Federal and State statutes and regulations which are not included by these conditions. It is the Loan/Grant Owner's (Sub-Recipient's) responsibility to ensure that the project and all contract provisions are consistent with the relevant statutes and regulations.

Advertisements for Bids

The official advertisement for bids that is published in newspapers should include certain information such as but not limited to the following:

- A clear description of what is being procured.
- How to obtain plans and specifications, P&S, and necessary forms and information.
- The date and time by which bids are to be received (deadline).
- The address where bids are to be provided.
- This contract is contingent upon release of funds from the Texas Water Development Board (TWDB).
- Any contract or contracts awarded under this Invitation for Bid (IFB) or Request for Qualifications (RFQ) are expected to be funded in part by financial assistance from the TWDB. Neither the State of Texas nor any of its departments, agencies, or employees are or will be a party to this IFB, RFQ, or any resulting contract.

- This contract is subject to the Environmental Protection Agency's (EPA) "fair share policy", which includes EPA-approved "fair share goals" for Minority Business Enterprise (MBE) and Women Business Enterprise (WBE) firms in the Construction, Supplies, Equipment, and Services procurement categories. EPA's policy requires that applicants and prime contractors make a good faith effort to award a fair share of contracts, subcontracts, and procurements to Minority Business Enterprise and Women-Owned Business Enterprise firms. Although EPA's policy does not mandate that the fair share goals be achieved, it does require applicants and prime contractors to demonstrate use of the six affirmative steps. The current fair share goals for the State of Texas are as follows:

CATEGORY	MBE	WBE
CONSTRUCTION	12.94%	8.72%
SUPPLIES	9.68%	9.34%
EQUIPMENT	7.12%	5.39%
SERVICES	10.84%	5.72%

- Equal Opportunity in Employment - All qualified Applicants will receive consideration for employment without regard to race, color, national origin, sex, religion, age, or handicap. The contractor shall carry out applicable requirements of 40 CFR Part 33 in the award and administration of contracts awarded under TWDB financial assistance agreements. Failure by the contractor to carry out these requirements is a material breach, which may result in the termination of the awarded financial assistance.
- Right to reject any and all bids.
- All laborers and mechanics working on the work site and employed by contractors and subcontractors on projects funded directly by or assisted in whole or in part by and through the Clean Water State Revolving Fund or Drinking Water State Revolving Fund shall be paid wages as described in the section, [Mandatory Davis-Bacon Act Contract Conditions](#).
- Any contracts in excess of \$2,000 for construction, alteration or repair (including painting and decorating and funded under the Clean Water State Revolving Fund and Drinking Water State Revolving Fund programs shall include the [Mandatory Davis-Bacon Act Contract Conditions](#).

Bid Proposal

The Bid proposal form should account for the following:

- If a lump sum bid, account for Property Consumed in Contracts to Improve Real Property, Tax Code 151.056.
- Distinguish Eligible and Ineligible items.
- Accommodate Trench Safety requirements with separate per unit pay item for trench excavation safety protection Health and Safety Code Chapter 756.
- Include space for Contractor to acknowledge receipt of each Addendum issued during the bidding process.

Bidding Process

The Plans and Specifications should include an explanation of how the bids will be processed and should include the following components:

- Whether a Pre-bid Conference will be held, whether it is optional or mandatory, and where and when it will be held.
- Specify the criteria and process for determining responsiveness and responsibility of the bidder
- Specify the method of determining the successful bidder and award (i.e., award to the lowest responding, responsible bidder, accounting for any multiple parts to bids.)
- Allow for withdrawal of a bid due to a material mistake.
- Identify the time frame that the bids may be held by the Owner before awarding a contract. (i.e., typically for 60 or 90 days.)
- Acknowledge right of the Owner to reject any and all bids.

All proposed modifications to these conditions should be brought to the attention of and discussed with the appropriate TWDB area engineer. The TWDB engineer can also answer any questions regarding these conditions. The questions and proposed modifications can be sent to the following address:

Texas Water Development Board
Construction Assistance
P. O. Box 13231
Austin, Texas 78711-3231
(512) 463-7853 FAX (512) 475-2086

Instructions to Bidder Conditions

1. DISADVANTAGED BUSINESS ENTERPRISE GOALS

The Texas Water Development Board's (TWDB) Clean Water and Drinking Water State Revolving Fund programs receive federal funds from the U. S. Environmental Protection Agency (EPA). As a condition of federal grant awards, EPA regulations require that loan recipients make a "**good faith effort**" to award a fair share of work to DBE's who are Minority Business Enterprises (MBE's), and Women-owned Business Enterprises (WBE's) whenever procuring construction, supplies, services and equipment. More information on Disadvantaged Business Enterprise requirements (DBE) is available under section 14. DISADVANTAGED BUSINESS ENTERPRISES.

The current fair share goals for the State of Texas are as follows:

CATEGORY	MBE	WBE
CONSTRUCTION	12.94%	8.72%
EQUIPMENT	7.12%	5.39%
SUPPLIES	9.68%	9.34%
SERVICES	10.84%	5.72%

2. CONTINGENT AWARD OF CONTRACT

This contract is contingent upon release of funds from the Water Development Board. Any contract(s) awarded under this Invitation for Bids is/are expected to be funded in part by a loan or grant from the Texas Water Development Board and a grant from the United States Environmental Protection Agency, U.S. EPA. Neither the State of Texas, the U.S. EPA, nor any of its departments, agencies, or employees, are or will be a party to this Invitation for Bids or any resulting contract.

3. EQUAL EMPLOYMENT OPPORTUNITY AND AFFIRMATIVE ACTION

All qualified applicants will receive consideration for employment without regard to race, color, religion, sex (including pregnancy), national origin, age (40 or older), disability or genetic information. Bidders on this work will be required to comply with the Department of Labor regulations 41 CFR Part 60-2 Affirmative Action Programs which include the President's Executive Order No. 11246 as amended by Executive Order 11375.

4. DEBARMENT AND SUSPENSION CERTIFICATION

This contract is subject to the provisions the Federal Debarment and Suspension requirements of 2CFR Part 1532.220 and 1532.332.

Instructions for Certification

- 4.1 By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below.
- 4.2 The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in

addition to other remedies available to the Federal Government the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

- 4.3 The prospective lower tier participant shall provide immediate written notice to the person to whom this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.
- 4.4 The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meaning set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.
- 4.5 The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
- 4.6 The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
- 4.7 A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from covered transactions, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Non-procurement Programs.
- 4.8 Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
- 4.9 Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Covered Transactions.

- (1) The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
- (2) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

5. BID GUARANTEE

Each bidder shall furnish a bid guarantee equivalent to five percent of the bid price. (Water Code 17.183). If a bid bond is provided, the contractor shall utilize a surety company which is authorized to do business in Texas in accordance with Art. 7.19-1. Bond of Surety Company; Chapter 7 of the Insurance Code.

6. AWARD OF CONTRACT TO NONRESIDENT BIDDER

A governmental entity may not award a governmental contract to a nonresident bidder unless the nonresident underbids the lowest bid submitted by a responsible resident bidder by an amount that is not less than the amount by which a resident bidder would be required to underbid the nonresident bidder to obtain a comparable contract in the state in which the nonresident's principal place of business is located. A non-resident bidder is a contractor whose corporate offices or principal place of business is outside of the state of Texas. (Source: Texas Government Code Chapter 2252 Subchapter A Nonresident Bidders, (§ 2252.002.) The bidder will complete form WRD-259 **which must be submitted with the bid.**

Forms to be submitted with Bid:

- Bidder's Certifications (WRD-255) regarding Equal Employment Opportunity and Non-Segregated Facilities
- Prime Contractor Affirmative Steps Certification and Goals (TWDB-0217)
- Vendor Compliance with Non-Resident Bidder Requirements (WRD-259)
- Certification Regarding Debarment, Suspension and Other Responsibility Matters, SRF-404

Construction Contract – Supplemental Conditions

1. SUPERSESSSION

The Owner and the contractor agree that the TWDB Supplemental Conditions apply to that work eligible for Texas Water Development Board assistance to be performed under this contract and these clauses supersede any conflicting provisions of this contract.

2. PRIVITY OF CONTRACT

Funding for this project is expected to be provided in part by the Texas Water Development Board. Neither the State of Texas, nor any of its departments, agencies or employees is, or will be, a party to this contract or any lower tier contract. This contract is subject to applicable provisions 31 TAC Chapter 363 in effect on the date of the assistance award for this project.

3. DEFINITIONS

- (a) The term Owner means the local entity contracting for the construction services.
- (b) The term "TWDB" means the Executive Administrator of the Texas Water Development Board, or other person who may be at the time acting in the capacity or authorized to perform the functions of such Administrator, or the authorized representative thereof.

4. LAWS TO BE OBSERVED

In the execution of the Contract, the Contractor must comply with all applicable Local, State and Federal laws, including but not limited to laws concerned with labor, safety, minimum wages, and the environment. The Contractor shall make himself familiar with and at all times shall observe and comply with all Federal, State, and Local laws, ordinances and regulations which in any manner affect the conduct of the work, and shall indemnify and save harmless the Owner, Texas Water Development Board, and their representatives against any claim arising from violation of any such law, ordinance or regulation by himself or by his subcontractor or his employees.

5. REVIEW BY OWNER and TWDB

- (a) The Owner, authorized representatives and agents of the Owner, and TWDB shall, at all times have access to and be permitted to observe and review all work, materials, equipment, payrolls, personnel records, employment conditions, material invoices, and other relevant data and records pertaining to this Contract, provided, however that all instructions and approval with respect to the work will be given to the Contractor only by the Owner through authorized representatives or agents.
- (b) Any such inspection or review by the TWDB shall not subject the State of Texas to any action for damages.

6. PERFORMANCE AND PAYMENT BONDS

Each contractor awarded a construction contract furnish performance and payment bonds:

- (a) The performance bond shall include without limitation guarantees that work done under the contract will be completed and performed according to approved plans and specifications and in accordance with sound construction principles and practices; and
- (b) The performance and payment bonds shall be in a penal sum of not less than 100 percent of the contract price and remain in effect for one year beyond the date of approval by the engineer of the political subdivision.
- (c) The contractor shall utilize a surety company which is authorized to do business in Texas in accordance with Art. 7.19–1. Bond of Surety Company; Chapter 7 of the Insurance Code.

7. PROGRESS PAYMENTS AND PAYMENT SCHEDULE

- (a) The Contractor shall submit for approval immediately after execution of the Agreement, a carefully prepared Progress Schedule, showing the proposed dates of starting and completing each of the various sections of the work, the anticipated monthly payments to become due the Contractor, and the accumulated percent of progress each month.
- (b) The following paragraph applies only to contracts awarded on a lump sum contract price:

COST BREAKDOWN - The Contractor shall submit to the Owner a detailed breakdown of his estimated cost of all work to be accomplished under the contract, so arranged and itemized as to meet the approval of the Owner or funding agencies. This breakdown shall be submitted promptly after execution of the agreement and before any payment is made to the Contractor for the work performed under the Contract. After approval by the Owner the unit prices established in the breakdown shall be used in estimating the amount of partial payments to be made to the Contractor.

- (c) **Progress Payments**

- (1) The Contractor shall prepare his requisition for progress payment as of the last day of the payment month and submit it, with the required number of copies, to the Engineer for his review. Except as provided in Paragraph (3) of this subsection, the amount of the payment due the Contractor shall be determined by adding to the total value of work completed to date, the value of materials properly stored on the site and deducting (1) five percent (5%) minimum of the total amount, as a retainage and (2) the amount of all previous payments. The total value of work completed to date shall be based on the actual or estimated quantities of work completed and on the unit prices contained in the agreement (or cost breakdown approved pursuant to section 6.b relating to lump sum bids) and adjusted by approved change orders. The value of materials properly stored on the site shall be based upon the estimated quantities of such materials and the invoice prices. Copies of all invoices shall be available for inspection by the Engineer.
- (2) The Contractor shall be responsible for the care and protection of all materials and work upon which payments have been made until final acceptance of such work and materials by the Owner. Such payments shall not constitute a waiver of the right of the Owner to require the fulfillment of all terms of the Contract and the

delivery of all improvements embraced in this Contract complete and satisfactory to the Owner in all details.

- (3) This clause applies to contracts when the Owner is a Municipal Utility District, or Water Control and Improvement District. The retainage shall be ten percent minimum of the amount otherwise due until at least fifty percent of the work has been completed. After the project is fifty percent completed, the District may reduce the retainage from ten percent to no less than five percent.
 - (4) The five percent (5%) minimum retainage of the progress payments due to the Contractor may not be reduced until the building of the project is substantially complete and a reduction in the retainage has been authorized by the TWDB.
 - (5) The following clause applies only to contracts where the total price at the time of execution is \$400,000 or greater and the retainage is greater than 5% and the Owner is not legally exempted from the condition (i.e. certain types of water districts).
 - (6) The Owner shall deposit the retainage in an interest-bearing account, and the interest earned on such retainage funds shall be paid to the Contractor after completion of the contract and final acceptance of the project by the Owner.
- (d) Withholding Payments. The Owner may withhold from any payment otherwise due the Contractor so much as may be necessary to protect the Owner and if so elects may also withhold any amounts due from the Contractor to any subcontractors or material dealers, for work performed or material furnished by them. The foregoing provisions shall be construed solely for the benefit of the Owner and will not require the Owner to determine or adjust any claims or disputes between the Contractor and his subcontractors or Material dealers, or to withhold any moneys for their protection unless the Owner elects to do so. The failure or refusal of the Owner to withhold any moneys from the Contractor shall in no way impair the obligations of any surety or sureties under any bond or bonds furnished under this Contract.
- (e) Payments Subject to Submission of Certificates. Each payment to the Contractor by the Owner shall be made subject to submission by the Contractor of all written certifications required of him and his subcontractors by Section 3 hereof (relating to labor standards) and other general and special conditions elsewhere in this contract.
- (f) Final Payment.
- (1) Upon satisfactory completion of the work performed under this contract, as a condition before final payment under this contract or as a termination settlement under this contract the contractor shall execute and deliver to the Owner a release of all claims against the Owner arising under, or by virtue of, this contract, except claims which are specifically exempted by the contractor to be set forth therein. Unless otherwise provided in this contract, by State law or otherwise expressly agreed to by the parties to this contract, final payment under this contract or settlement upon

termination of this contract shall not constitute a waiver of the Owner's claims against the contractor or his sureties under this contract or applicable performance and payment bonds.

- (2) After final inspection and acceptance by the Owner of all work under the Contract, the Contractor shall prepare his requisition for final payment which shall be based upon the carefully measured or computed quantity of each item of work at the applicable unit prices stipulated in the Agreement or cost breakdown (if lump sum), as adjusted by approved change orders. The total amount of the final payment due the Contractor under this contract shall be the amount computed as described above less all previous payments.
- (3) The retainage and its interest earnings, if any, shall not be paid to the Contractor until the TWDB has authorized a reduction in, or release of, retainage on the contract work.
- (4) Withholding of any amount due the Owner, under general and/or special conditions regarding "Liquidated Damages," shall be deducted from the final payment due the Contractor.

8. WORKMAN'S COMPENSATION INSURANCE COVERAGE

- (a) The contractor shall certify in writing that the contractor provides workers' compensation insurance coverage for each employee of the contractor employed on the public project.
- (b) Each subcontractor on the public project shall provide such a certificate relating to coverage of the subcontractor's employees to the general contractor, who shall provide the subcontractor's certificate to the governmental entity.
- (c) A contractor who has a contract that requires workers' compensation insurance coverage may provide the coverage through a group plan or other method satisfactory to the governing body of the governmental entity.
- (d) The employment of a maintenance employee by an employer who is not engaging in building or construction as the employer's primary business does not constitute engaging in building or construction.
- (e) In this section:
 - (1) "Building or construction" includes:
 - (A) erecting or preparing to erect a structure, including a building, bridge, roadway, public utility facility, or related appurtenance;
 - (B) remodeling, extending, repairing, or demolishing a structure; or
 - (C) otherwise improving real property or an appurtenance to real property through similar activities.
 - (2) "Governmental entity" means this state or a political subdivision of this state. The term includes a municipality.

9. CHANGES

- (a) The Owner may at any time, without notice to any surety, by written order, make any change in the work within the general scope of the contract, including but not limited to changes:

- (1) In the specifications (including drawings and designs);
 - (2) In the time, method or manner of performance of the work;
 - (3) In the Owner-furnished facilities, equipment, materials, services or site, or
 - (4) Directing acceleration in the performance of the work.
 - (5) The original contract price may not be increased under this section by more than 25 percent. The original contract price may not be decreased under this section by more than 25 percent without the consent of the contractor. (Local Government Code 271.060)
- (b) A change order shall also be any other written order (including direction, instruction, interpretation or determination) from the Owner which causes any change, provided the contractor gives the Owner written notice stating the date, circumstances and source of the order and that the contractor regards the order as a change order.
- (c) Except as provided in this clause, no order, statement or conduct of the Owner shall be treated as a change under this clause or entitle the contractor to an equitable adjustment.
- (d) If any change under this clause causes an increase or decrease in the contractor's cost or the time required to perform any part of the work under this contract, whether or not changed by any order, the Owner shall make an equitable adjustment and modify the contract in writing. Except for claims based on defective specifications, no claim for any change under paragraph (a)(2) above shall be allowed for any costs incurred more than 20 days before the contractor gives written notice as required in paragraph (a)(2). In the case of defective specifications for which the Owner is responsible, the equitable adjustment shall include any increased cost the contractor reasonably incurred in attempting to comply with those defective specifications.
- (e) If the contractor intends to assert a claim for an equitable adjustment under this clause, the contractor must, within 30 days after receipt of a written change order under paragraph (a)(1) or the furnishing of a written notice under paragraph (a)(2), submit a written statement to the Owner setting forth the general nature and monetary extent of such claim. The Owner may extend the 30-day period. The contractor may include the statement of claim in the notice under paragraph (2) of this changes clause.
- (f) No claim by the contractor for an equitable adjustment shall be allowed if made after final payment under this contract.
- (g) Changes that involve an increase in price will be supported by documentation of the costs components in a format acceptable to the Owner.

10. PREVAILING WAGE RATES

Insert Wage Rate Determination(s).

A "wage determination" is the listing of wage and fringe benefit for each classification of laborers and mechanics which the Administrator of the Wage and Hour Division of the U.S. DOL has determined to be prevailing in a given area for a particular type of construction. The Davis Bacon Wage Determinations are classified by the nature of the construction projects performed, specifically listed as "schedules": residential, building, highway, and heavy construction. Insert Wage Rate Determinations indicating which construction type is being used. (More than one may be **checked**).

(a) Construction Type: Heavy determination

This determination includes those projects that are not properly classified as either "building," "highway," or "residential." Unlike these classifications, heavy construction is not a homogenous classification. Because of this catch-all nature, projects within the heavy classification may sometimes be distinguished on the basis of their particular project characteristics, and separate schedules may be issued for dredging projects, water and sewer line projects, dams, major bridges, and flood control projects.

(b) Construction Type: Highway determination

This determination includes construction, alteration or repair of roads, streets, highways, runways, taxiways, alleys, trails, paths, parking areas, and other similar projects not incidental to building or heavy construction.

(c) Construction Type: Building determination

This determination includes construction of sheltered enclosures with walk-in access for the purpose of housing persons, machinery, equipment or supplies; all construction of such structures; the installation of utilities and of equipment, both above and below grade levels; as well as incidental grading, utilities and paving. Such structures need not be "habitable" to be building construction. Also, the installation of heavy machinery and/or equipment does not generally change the project's character as a building.

(d) Construction Type: Residential

This determination includes the construction, alteration or repair of single-family houses, apartment buildings of no more than four stories in height. This includes all incidental items such as site work, parking areas, utilities, streets, and sidewalks.

Entities should review their contractor's wage decisions and confirm they provide an adequate classification of the labor required for the specific construction contract. Most CWSRF and DWSRF projects will fall under the "Heavy" construction type, but entities should ask their consulting engineers if unsure. Some contracts or projects may require more than one general schedule to be included depending on the nature and extent of the work (i.e. a building is constructed in a water treatment facility). This is described in more detail in DOL's All Agency Memo No. 131. See website <http://www.dol.gov/whd/programs/dbra/memorand.htm>. In such cases, the contracting agency should designate the work to which each wage determination or part thereof applies per FAR 22.404-2 thru 404-3 (Federal Acquisition Regulations).

https://www.acquisition.gov/far/current/html/Subpart%2022_4.html#wp1102017.

Should overlaps occur in the wage classification schedules for the contract(s), the owner may consider adopting the higher rate classification.

In all cases, the entity is responsible to insure an adequate classification is provided to insure compliance with the law. Where contractors alert the owner that the classification is inadequate, the owner should work with the contractor and the DOL to address any valid concerns. See the Contact Information for additional resources.

Contact Information

All questions regarding the Davis-Bacon guidance can be directed to: U.S. Department of Labor Wage and Hour Division 1-866-4USWAGE (1-866-487-9243), TTY: 1-877-889-5627, Monday-Friday 8 a.m. to 8 p.m. Eastern Time.

If you require further information about Davis-Bacon and how to apply it to your project, please contact the Texas Water Development Board, Mark Hall, P.E., Director, at (512) 463-8489.

Additional Resources:

1. For Wage Determinations applicable to construction projects in Texas:
<http://www.wdol.gov/dba.aspx#3>
2. Source for determine the prevailing wage rate for each state and county is on the web page, Selecting Davis-Bacon Wage Decisions, provides criteria for state and county:
<http://www.wdol.gov/archdba.aspx>
3. For more information on prevailing wage and wage determinations visit the Prevailing Wage Resource Book: <http://www.dol.gov/whd/recovery/pwrb/toc.htm>
4. The United States Department of Labor website:
<http://www.dol.gov/compliance/laws/comp-dbra.htm>
The webpage provides an overview, compliance assistance material, poster information, recordkeeping, DOL contact information and more.
5. Davis-Bacon and Related Acts Frequently Asked questions
More in-depth information can be accessed at the Department of Labor (DOL) website:
<http://www.dol.gov/whd/programs/dbra/faqs.htm>

Contact Information – DOL Texas Offices

<p>Dallas District Office US Dept. of Labor Wage & Hour Division The Offices @ Brookhollow 1701 E. Lamar Blvd., Suite 270, Box 22 Arlington, TX 76006-7303</p>	<p>Phone: (817) 861-2150 1-866-4-USWAGE (1-866-487-9243)</p>	<p>Curtis L. Poer District Director</p>
<p>Houston District Office US Dept. of Labor Wage & Hour Division 8701 S.Gessner Drive, Suite 1164 Houston, TX 77074-2944</p>	<p>Phone: (713) 339-5525 1-866-4-USWAGE (1-866-487-9243)</p>	<p>Robin Mallet District Director</p>
<p>McAllen District Office US Dept. of Labor Wage & Hour Division 320 N. Main Street, Room 238 McAllen, TX 78501</p>	<p>Phone: (956) 682-4631 1-866-4-USWAGE (1-866-487-9243)</p>	<p>Eden Ramirez District Director</p>
<p>Corpus Christi Area Office US Dept. of Labor Wage & Hour Division Wilson Plaza 606 W. Carancahua, Suite 705 Corpus Christi, Texas 78476</p>	<p>Phone: (361) 888-3152 1-866-4-USWAGE (1-866-487-9243)</p>	<p>Vacant Asst. District Director</p>
<p>San Antonio District Office US Dept. of Labor Wage & Hour Division Northchase 1 Office Building 10127 Morocco, Suite 140 San Antonio, TX 78216</p>	<p>Phone: (210) 308-4515 1-866-4-USWAGE (1-866-487-9243)</p>	<p>Juan Coria District Director</p>

West Texas Panhandle and Northwest Quadrant: See Albuquerque, NM

<p>Albuquerque District Office Mailing Address: US Dept. of Labor Wage and Hour Division P.O. Box 907 Albuquerque, NM 87103-0907</p> <p>Physical Address: 500 Gold, SW - Suite 12000 Albuquerque, NM 87102</p>	<p>Phone: (505) 248-6100 1-866-4-USWAGE (1-866-487-9243)</p>	<p>Patricia Davidson District Director</p>
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11. Davis-Bacon Requirements

A. The following terms and conditions specify how sub recipients that are governmental entities will assist the TWDB, as the State recipient, in meeting its Davis-Bacon responsibilities to EPA. If a subrecipient has questions regarding when Davis-Bacon applies, obtaining the correct Davis-Bacon wagger determinations, Davis-Bacon provisions, or compliance monitoring, it may contact the TWDB. The subrecipient may also obtain additional guidance from the Department of Labor's website at <http://www.dol.gov/esa/whd/recovery/>.

1. Applicability of the Davis-Bacon (DB) prevailing wage requirements.

Davis-Bacon prevailing wage requirements apply to the construction, alteration, and repair activity of infrastructure, including all construction, alteration and repair activity involving wastewater or drinking water treatment plants is subject to DB. If a subrecipient encounters a unique situation at a site that presents uncertainties regarding DB applicability, the subrecipient must discuss the situation with the recipient State before authorizing work on that site.

2. Obtaining Wage Determinations.

(a) Sub recipients shall obtain the wage determination for the locality in which a covered activity subject to DB will take place prior to issuing requests for bids, proposals, quotes or other methods for soliciting contracts (solicitation) for activities subject to DB. These wage determinations shall be incorporated into solicitations and any subsequent contracts. Prime contracts must contain a provision requiring that subcontractors follow the wage determination incorporated into the prime contract.

(i) While the solicitation remains open, the subrecipient shall monitor www.wdol.gov on a weekly basis to ensure that the wage determination contained in the solicitation remains current. The sub recipients shall amend the solicitation if DOL issues a modification more than 10 days prior to the closing date (i.e. bid opening) for the solicitation. If DOL modifies or supersedes the applicable wage determination less than 10 days prior to the closing date, the sub recipients may request a finding from the State recipient that there is not a reasonable time to notify interested contractors of the modification of the wage determination. The State recipient will provide a report of its findings to the subrecipient.

(ii) If the subrecipient does not award the contract within 90 days of the closure of the solicitation, any modifications or supersedes DOL makes to the wage determination contained in the solicitation shall be effective unless the State recipient, at the request of the subrecipient, obtains an extension of the 90 day period from DOL pursuant to 29 CFR 1.6(c)(3)(iv). The subrecipient shall monitor www.wdol.gov on a weekly basis if it does not award the contract within 90 days of closure of the solicitation to ensure that wage determinations contained in the solicitation remain current.

(b) If the subrecipient carries out activity subject to DB by issuing a task order, work assignment or similar instrument to an existing contractor (ordering instrument) rather

than by publishing a solicitation, the subrecipient shall insert the appropriate DOL wage determination from www.wdol.gov into the ordering instrument.

- (c) Sub recipients shall review all subcontracts subject to DB entered into by prime contractors to verify that the prime contractor has required its subcontractors to include the applicable wage determinations.
- (d) As provided in 29 CFR 1.6(f), DOL may issue a revised wage determination applicable to a sub recipient's contract after the award of a contract or the issuance of an ordering instrument if DOL determines that the subrecipient has failed to incorporate a wage determination or has used a wage determination that clearly does not apply to the contract or ordering instrument. If this occurs, the subrecipient shall either terminate the contract or ordering instrument and issue a revised solicitation or ordering instrument or incorporate DOL's wage determination retroactive to the beginning of the contract or ordering instrument by change order. The sub recipient's contractor must be compensated for any increases in wages resulting from the use of DOL's revised wage determination.

3. Contract and Subcontract Provisions.

All contracts and subcontracts in excess of \$2,000 for the construction of the project carried out in whole or in part with financial assistance made available through the State Revolving Fund (SRF), shall insert in full the contract clauses as provided by the TWDB and/or as included within the sub-recipient's financial assistance agreement(s).

The following Monthly Davis Bacon Act Certificate of Compliance Submittal by Owner (Sub-Recipient) (DB-0154) must be completed by the project owner/subrecipient and submitted **monthly with each outlay report**. Information on outlay reporting may be accessed at: http://www.twdb.state.tx.us/about/contract_admin/outlay/

**MONTHLY DAVIS BACON ACT CERTIFICATE of COMPLIANCE
Submittal by Owner (Sub-Recipient)**

TWDB Project No. _____

Loan/Grant No. _____

This executed certificate must be submitted with each Outlay report for labor included within construction contracts. This Certificate applies only for LOANS CLOSED AFTER 10/30/2009.

I, _____, _____ of
(Name) (Title)

_____ hereby certify that reviews of a representative
(Name of entity)
sample of the weekly payroll data, and contractor weekly payroll certifications such as OMB No. 1215-0149, have been performed to verify that contractors and subcontractors are paying the appropriate wage rate for compliance with the DAVIS BACON ACT, 40 U.S.C. §§3141 *et seq.* as amended and in conformance with the U.S. Department of Labor regulations at 29 CFR Part 5, (Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction) and 29 CFR Part 3 (Contractors and Subcontractors on Public Work Financed in Whole or in Part by Loans or Grants from the United States).

I understand that a false statement herein may subject me to penalties under federal and state laws relating to filing false statements and other relevant statutes.

Signature

Date

Additional Forms for Davis-Bacon

The following forms are suggestions only and may be used as tools which may aid in complying with the Davis Bacon requirements.

DOL Labor Standards Interview SF-1445
 (Optional form for use in conducting interviews)

LABOR STANDARDS INTERVIEW							
CONTRACT NUMBER				EMPLOYEE INFORMATION			
NAME OF PRIME CONTRACTOR				LAST NAME	FIRST NAME	MI	
NAME OF EMPLOYER				STREET ADDRESS			
SUPERVISOR'S NAME				CITY	STATE	ZIP CODE	
LAST NAME	FIRST NAME	MI	WORK CLASSIFICATION			WAGE RATE	
ACTION						CHECK BELOW	
						YES	NO
Do you work over 8 hours per day?							
Do you work over 40 hours per week?							
Are you paid at least time and a half for overtime hours?							
Are you receiving any cash payments for fringe benefits required by the posted wage determination decision?							
WHAT DEDUCTIONS OTHER THAN TAXES AND SOCIAL SECURITY ARE MADE FROM YOUR PAY?							
HOW MANY HOURS DID YOU WORK ON YOUR LAST WORK DAY BEFORE THIS INTERVIEW?				TOOLS YOU USE			
DATE OF LAST WORK DAY BEFORE INTERVIEW (YYMMDD)							
DATE YOU BEGAN WORK ON THIS PROJECT (YYMMDD)							
THE ABOVE IS CORRECT TO THE BEST OF MY KNOWLEDGE							
EMPLOYEE'S SIGNATURE						DATE (YYMMDD)	
INTERVIEWER	SIGNATURE			TYPED OR PRINTED NAME			DATE (YYMMDD)
INTERVIEWER'S COMMENTS							
WORK EMPLOYEE WAS DOING WHEN INTERVIEWED				ACTION (If explanation is needed, use comments section)		YES	NO
				IS EMPLOYEE PROPERLY CLASSIFIED AND PAID?			
				ARE WAGE RATES AND POSTERS DISPLAYED?			
FOR USE BY PAYROLL CHECKER							
IS ABOVE INFORMATION IN AGREEMENT WITH PAYROLL DATA?							
<input type="checkbox"/> YES <input type="checkbox"/> NO							
COMMENTS							
CHECKER							
LAST NAME	FIRST NAME	MI	JOB TITLE				
SIGNATURE						DATE (YYMMDD)	

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 Previous edition not usable

STANDARD FORM 1445 (REV. 12-96)
 Prescribed by GSA - FAR (48 CFR) 53.222(g)

EMPLOYEE RIGHTS UNDER THE DAVIS-BACON ACT

FOR LABORERS AND MECHANICS EMPLOYED ON FEDERAL OR FEDERALLY ASSISTED CONSTRUCTION PROJECTS

THE UNITED STATES DEPARTMENT OF LABOR WAGE AND HOUR DIVISION

PREVAILING WAGES

You must be paid not less than the wage rate listed in the Davis-Bacon Wage Decision posted with this Notice for the work you perform.

OVERTIME

You must be paid not less than one and one-half times your basic rate of pay for all hours worked over 40 in a work week. There are few exceptions.

ENFORCEMENT

Contract payments can be withheld to ensure workers receive wages and overtime pay due, and liquidated damages may apply if overtime pay requirements are not met. Davis-Bacon contract clauses allow contract termination and debarment of contractors from future federal contracts for up to three years. A contractor who falsifies certified payroll records or induces wage kickbacks may be subject to civil or criminal prosecution, fines and/or imprisonment.

APPRENTICES

Apprentice rates apply only to apprentices properly registered under approved Federal or State apprenticeship programs.

PROPER PAY

If you do not receive proper pay, or require further information on the applicable wages, contact the Contracting Officer listed below:

or contact the U.S. Department of Labor's Wage and Hour Division.



For additional information:

1-866-4-USWAGE

(1-866-487-9243) TTY: 1-877-889-5627



WWW.WAGEHOUR.DOL.GOV

U.S. Department of Labor | Employment Standards Administration | Wage and Hour Division

WH 1321 (Revised April 2009)

12. EQUAL EMPLOYMENT OPPORTUNITY AND AFFIRMATIVE ACTION

This provision only applies to Clean Water State Revolving Fund Program projects and Drinking Water Financial Assistance Program projects which receive funds made directly available by Federal funding and the contract agreement is for more than \$10,000.

During the performance of this contract, the Contractor agrees as follows:

- (a) The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, age, handicap, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, age, handicap, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.
- (b) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive considerations for employment without regard to race, color, religion, sex, age, handicap, or national origin.
- (c) The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the Contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- (d) The Contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, the Age Discrimination in Employment Act of 1967, 29 U.S.C.A. 621 (1985), Executive Order 12250 of November 2, 1980, the Rehabilitation Act of 1973, 29 U.S.C.A. 701 et seq. (1985), and of the rules, regulations, and relevant orders of the Secretary of Labor.
- (e) The Contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (f) In the event of the Contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

- (g) The Contractor will include the portion of the sentence immediately preceding paragraph (a) and the provisions of paragraphs (a) through (g) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: PROVIDED, HOWEVER, That in the event a Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency the Contractor may request the United States to enter into such litigation to protect the interest of the United States.
- (h) The Contractor will comply with Executive Order 11246 based on its implementation of the Equal Opportunity Clause, specific affirmative action obligations required by the Standard Federal Equal Employment Opportunity Construction Contract Specifications, as set forth in 41 CFR Part 60-4 and its efforts to meet the goals established for the geographical area where the Contract is to be performed. The hours of minority and female employment and training must be substantially uniform throughout the length of the Contract, and in each trade, and the Contractor shall make a good faith effort to employ minorities and women evenly on each of its projects. The transfer of minority or female employees or trainees from Contractor to Contractor or from project to project for the sole purpose of meeting the Contractor's goals shall be a violation of the Contract, the Executive Order, and the regulations in 41 CFR Part 60-4. The goals are expressed as percentages of the total hours of employment and training of minority and female utilization the Contractor should reasonably be able to achieve in each construction trade in which it has employees in the covered area. Goals are published periodically in the Federal Register in notice form, and such notices may be obtained from any office of federal contract compliance programs office or from federal procurement contracting officers (512) 229-5835. The Contractor is expected to make substantially uniform progress toward its goal in each craft during the period specified.

Whenever the Contractor, or any subcontractor at any tier, subcontracts a portion of the work involving any construction trade, it shall physically include in each subcontract in excess of \$10,000 the provisions of these specifications and the notice which contains the applicable goals set for minority and female participation and which is set forth in the solicitations from which this contract resulted.

13. DEBARMENT AND SUSPENSION

This provision applies only to Clean Water State Revolving Fund Program projects and Drinking Water Financial Assistance Program projects which receive funds made directly available by Federal funding. This contract is subject to the Title 40 Code of Federal Regulations Part 32 concerning Debarment and Suspension. The contractor will comply with the assurances provided with the bid that led to this contract.

14. DISADVANTAGED BUSINESS ENTERPRISES

This provision only applies to Clean Water State Revolving Fund Program projects and Drinking Water Financial Assistance Program projects.

Applicants requesting federal financial assistance through the SRF programs must include the form TWDB-0215 with the loan application.

After loan commitment, but prior to closing, applicants must provide a TWDB-0216 and TWDB-0373 forms. The project's Prime Engineer, Financial Advisor, and Bond Counsel must complete a TWDB-0217 form and indicate if any subcontracting opportunities will be available or if the contractor will be self-performing the contract. Regardless of the procurement's outcome, all entities must submit a TWDB-0373 and list the contractors selected by the applicant for the project. Failure to include a contractor and contract amount will result in denial of payment until the proper documentation has been reviewed and approved.

For each construction contract, applicants are required to submit a TWDB-0216 and TWDB-0373 for the procurement of the project's Prime Contractor. If the Prime Contractor is utilizing subcontractors for the project, then additional TWDB-0216 and TWDB-0373 forms will be required for submittal prior to request for payment.

TWDB-0216 – Applicant/Entity

TWDB-0217 – Prime Engineer, Financial Advisor, Bond Counsel

TWDB-0373 – Applicant/Entity

TWDB-0216 – Prime Contractor

TWDB-0373 – Prime Contractor

- (a) The Contractor shall, if awarding sub-agreements, to the extent appropriate for the goals listed in the instructions to bidders make a good faith effort to award a fair share of work to DBE's who are Minority Business Enterprises (MBE's) and Women-owned Business Enterprises (WBE's) as sources of supplies, construction, equipment and services by taking the following steps:
 - (1) Ensure DBEs are made aware of contracting opportunities including qualified small, minority, and women's businesses on solicitation lists;
 - (2) Assuring that small, minority, and women's businesses are solicited whenever they are potential sources;
 - (3) Dividing total requirements, when economically feasible, into small tasks or quantities to permit maximum participation of small, minority, and women's businesses;
 - (4) Establishing delivery schedules, where the requirements of the work permit, which will encourage participation by small, minority, and women's businesses; and
 - (5) Using the services and assistance of the Small Business Administration and the Office of Minority Business Enterprise of the U.S. Department of Commerce, as appropriate.

- (b) The Contractor shall submit to the Owner information on utilization of minority and women business enterprises within 30 days of entering into an agreement with a minority or women business enterprise.
- (c) The Contractor shall maintain a documentation file on all efforts to obtain Minority and Women-Owned Business Participation.
- (d) The contractor shall not discriminate on the basis of race, color, national origin or sex in the performance of this contract. The contractor shall carry out applicable requirements of 40 CFR Part 33 in the award and administration of contracts awarded under EPA financial assistance agreements. Failure by the contractor to carry out these requirements is a material breach of this contract which may result in the termination of this contract or other legally available remedies.

The above forms are available from the TWDB website, <http://www.twdb.texas.gov/financial/instructions/index.asp> or from the DBE program information website, <http://www.twdb.texas.gov/financial/programs/DBE/index.asp>

15. ARCHEOLOGICAL DISCOVERIES AND CULTURAL RESOURCES

No activity which may affect properties listed or properties eligible for listing in the National Register of Historic Places or eligible for designation as a State Archeological Landmark is authorized until the Owner has complied with the provisions of the National Historic Preservation Act and the Antiquities Code of Texas. The Owner has previously coordinated with the appropriate agencies and impacts to known cultural or archeological deposits have been avoided or mitigated. However, the Contractor may encounter unanticipated cultural or archeological deposits during construction.

If archeological sites or historic structures which may qualify for designation as a State Archeological Landmark according to the criteria in 13 TAC 41.6 - 41.10, or that may be eligible for listing on the National Register of Historic Places in accordance with 36 CFR Part 800, are discovered after construction operations are begun, the Contractor shall immediately cease operations in that particular area and notify the Owner, the TWDB, and the Texas Historical Commission, 1511 N. Colorado St., P.O. Box 12276, Capitol Station, Austin, Texas 78711-2276. The Contractor shall take reasonable steps to protect and preserve the discoveries until they have been inspected by the Owner's representative and the TWDB. The Owner will promptly coordinate with the State Historic Preservation Officer and any other appropriate agencies to obtain any necessary approvals or permits to enable the work to continue. The Contractor shall not resume work in the area of the discovery until authorized to do so by the Owner.

16. ENDANGERED SPECIES

No activity is authorized that is likely to jeopardize the continued existence of a threatened or endangered species as listed or proposed for listing under the Federal Endangered Species Act (ESA), and/or the State of Texas Parks and Wildlife Code on Endangered Species, or to destroy or adversely modify the habitat of such species.

If a threatened or endangered species is encountered during construction, the Contractor shall immediately cease work in the area of the encounter and notify the Owner, who will immediately

implement actions in accordance with the ESA and applicable State statutes. These actions shall include reporting the encounter to the TWDB, the U. S. Fish and Wildlife Service, and the Texas Parks and Wildlife Department, obtaining any necessary approvals or permits to enable the work to continue, or implement other mitigation actions. The Contractor shall not resume construction in the area of the encounter until authorized to do so by the Owner.

17. HAZARDOUS MATERIALS

Materials utilized in the project shall be free of any hazardous materials, except as may be specifically provided for in the specifications.

If the Contractor encounters existing material on sites owned or controlled by the Owner or in material sources that are suspected by visual observation or smell to contain hazardous materials, the Contractor shall immediately notify the Engineer and the Owner. The Owner will be responsible for the testing for and removal or disposition of hazardous materials on sites owned or controlled by the Owner. The Owner may suspend the work, wholly or in part during the testing, removal or disposition of hazardous materials on sites owned or controlled by the Owner.

18. PROJECT SIGN

A project IDENTIFICATION SIGN will be provided to the contractor. The contractor shall erect the sign in a prominent location at the construction project site or along a major thoroughfare within the community as directed by the Owner.

19. OPERATION AND MAINTENANCE MANUALS AND TRAINING

- (a) The Contractor shall obtain installation, operation, and maintenance manuals from manufacturers and suppliers for equipment furnished under the contract. The Contractor shall submit three copies of each complete manual to the Engineer within 90 days after approval of shop drawings, product data, and samples, and not later than the date of shipment of each item of equipment to the project site or storage location.
- (b) The Owner shall require the Engineer to promptly review each manual submitted, noting necessary corrections and revisions. If the Engineer rejects the manual, the Contractor shall correct and resubmit the manual until it is acceptable to Engineer as being in conformance with design concept of project and for compliance with information given in the Contract Documents. Owner may assess Contractor a charge for reviews of same items in excess of three (3) times. Such procedure shall not be considered cause for delay. Acceptance of manuals by Engineer does not relieve Contractor of any requirements of terms of Contract.
- (c) The Contractor shall provide the services of trained, qualified technicians to check final equipment installation, to assist as required in placing same in operation, and to instruct operating personnel in the proper manner of performing routine operation and maintenance of the equipment.
- (d) Operations and maintenance manuals specified hereinafter are in addition to any operation, maintenance, or installation instructions required by the Contractor to install, test, and start-up the equipment.

- (e) Each manual to be bound in a folder and labeled to identify the contents and project to which it applies. The manual shall contain the following applicable items:
 - (1) A listing of the manufacturer's identification, including order number, model, serial number, and location of parts and service centers.
 - (2) A list of recommended stock of parts, including part number and quantity.
 - (3) Complete replacement parts list.
 - (4) Performance data and rating tables.
 - (5) Specific instructions for installation, operation, adjustment, and maintenance.
 - (6) Exploded view drawings for major equipment items.
 - (7) Lubrication requirements.
 - (8) Complete equipment wiring diagrams and control schematics with terminal identification.

20. AS-BUILT DIMENSIONS AND DRAWINGS

- (a) Contractor shall make appropriate daily measurements of facilities constructed and keep accurate records of location (horizontal and vertical) of all facilities.
- (b) Upon completion of each facility, the Contractor shall furnish Owner with one set of direct prints, marked with red pencil, to show as-built dimensions and locations of all work constructed. As a minimum, the final drawings shall include the following:
 - (1) Horizontal and vertical locations of work.
 - (2) Changes in equipment and dimensions due to substitutions.
 - (3) "Nameplate" data on all installed equipment.
 - (4) Deletions, additions, and changes to scope of work.
 - (5) Any other changes made.

Additional Forms:

Contractor's Act of Assurance (ED-103)

Contractor's Resolution on Authorized Representative (ED-104)

Bidder's Certification (WRD-255)

Vendor Compliance with Reciprocity on Non-Resident Bidders (TWDB-0459)

These forms are available on the TWDB website,

<http://www.twdb.texas.gov/financial/instructions/index.asp>

CONTRACTOR'S ACT OF ASSURANCE

STATE OF TEXAS

COUNTY OF _____

BEFORE ME, _____, a Notary Public duly commissioned and qualified in and for the County of _____ in the State of Texas came and appeared _____, as represented by _____, the corporations _____, who declares he/she is authorized to represent _____ pursuant to provisions of a resolution adopted by said corporation on the _____ day of _____, 20 (a duly certified copy of such resolution is attached to and is hereby made a part of this document).

_____, as the representative of _____, declares that _____ assures the Texas Water Development Board that it will construct _____ project at _____, Texas, in accordance with sound construction practice, all laws of the State of Texas, and the rules of the Texas Water Development Board.

GIVEN UNDER MY HAND and seal of office this _____ day of _____, 20____ A.D.

Printed Name

My Commission expires _____

CONTRACTOR'S RESOLUTION ON AUTHORIZED REPRESENTATIVE

Name or Names

I hereby certify that it was RESOLVED by a quorum of the directors of the

_____, meeting
name of corporation
on the day of _____, 20___, that _____,
_____, and _____, be, and hereby is,
authorized to act on behalf of _____, as its
name of corporation

representative, in all business transactions conducted in the State of Texas, and;

That all above resolution was unanimously ratified by the Board of Directors at said
meeting and that the resolution has not been rescinded or amended and is now in full forces
and effect; and;

In authentication of the adoption of this resolution, I subscribe my name and
affix the seal of the corporation this _____ day of _____, 20___.

Secretary

(seal)

BIDDER'S CERTIFICATIONS

Project Name: _____

Project Number: _____

Contract For: _____

The following certifications must be completed by the bidder for each contract.

A. EQUAL EMPLOYMENT OPPORTUNITY:

- I have developed and have on file at my each establishment affirmative action programs pursuant to 41 CFR Part 60-2.
- I have participated in previous contract(s) or subcontract(s) subject to the equal opportunity clause under **Executive Orders 11246 and 11375**. I have filed all reports due under the requirements contained in 41 CFR 60-1.7.
- I have not participated in previous contracts(s) subject to the equal opportunity clause under **Executive Orders 11246 and 11375**.
- I will obtain a similar certification from any proposed subcontractor(s), when appropriate.

B. NONSEGREGATED FACILITIES

- I certify that I do not and will not maintain any facilities provided for my employees in a segregated manner, or permit my employees to perform their services at any location under my control where segregated facilities are maintained; and that I will obtain a similar certification prior to the award of any federally assisted subcontract exceeding \$10,000 which is not exempt from the equal opportunity clause as required by 41 CFR 60-1.8.

I understand that a false statement on this certification may be grounds for rejection of this bid proposal or termination of the contract award.

Typed Name & Title of Bidder's Authorized Representative

Signature of Bidder's Authorized Representative Date

Name & Address of Bidder

VENDOR COMPLIANCE WITH RECIPROCITY ON NON-RESIDENT BIDDERS

Government Code 2252.002 provides that, in order to be awarded a contract as low bidder, a non-resident bidder must bid projects for construction, improvements, supplies or services in Texas at an amount lower than the lowest Texas resident bidder. That bid amount must be the same amount that a Texas resident bidder would be required to underbid the non-resident bidder in order to obtain a comparable contract in the non-resident bidder's state in which non-resident bidder principal place of business is located.

A non-resident bidder is defined as a contractor whose corporate offices or principal place of business is outside of the state of Texas.

Instructions: The appropriate blanks in Section A or B must be filled out by all out-of-state or non-resident bidders in order for the bid to meet specifications. Failure of an out-of-state or non-resident contractor to do so will automatically disqualify that bidder. Resident bidders must complete Section C below.

A. Non-resident vendor(s) in _____, our principal place of business, is
(State)
required to be _____ percent lower than resident bidders by state law. A copy of the statute is attached.

B. Non-resident vendor(s) in _____, our principal place of business, is
(State)
not required to underbid resident bidders.

C. Our principal place of business or corporate office is in the State of Texas:

City State Zip

BIDDER:

Company Name

City State Zip

By: (Please print)

Signature

Title: (Please print)

THIS FORM MUST BE RETURNED WITH THE BID

VENDOR COMPLIANCE WITH RECIPROCITY ON NON-RESIDENT BIDDERS

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(State)
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C. Our principal place of business or corporate office is in the State of Texas:

City State Zip

BIDDER:

Company Name

City State Zip

By: (Please print)

Signature

Title: (Please print)

THIS FORM MUST BE RETURNED WITH THE BID