

**Donner Summit Public Utility District
Board of Directors Regular Meeting
Agenda**

**Tuesday, January 21, 2025 – 6:00 P.M.
DSPUD Office, 53823 Sherritt Lane, Soda Springs California**

The Public is welcome to attend in person or participate by Zoom Webinar: Meeting ID, 891 4011 1384 password: 363823

Any member of the public desiring to address the Board on any matter within the Jurisdictional Authority of the District or on a matter on the Agenda before or during the Boards consideration of that item may do so. After receiving recognition from the Board President, please give your Name and Address (City) and your comments or questions. In order that all interested parties have an opportunity to speak, please limit your comments to the specific topics of discussion.

Unless specifically noted, the Board of Directors may act upon all items on the Agenda.

- 1. Call to Order**
- 2. Roll Call**
- 3. Clear the Agenda**
- 4. Public Participation** – *This is time set aside for the public to address the Board on any matter not on the agenda. Comments related to any item already on the agenda should be addressed at the time that that item is considered. Each speaker will be limited to five minutes, but speaker time may be reduced at the discretion of the Board President if there are a large number of speakers on any given subject.*
- 5. Consent Calendar**
All items listed under the Consent Calendar are considered to be routine and will be approved by one motion. There will be no separate discussion of these items unless a member of the Board requests an item to be removed from the Consent Calendar for a separate action. Any items removed will be considered after the motion to approve the Consent Calendar.
 - A. Approve Finance Report for January 2025**
 - 1. Cash Disbursements–General**, Month of December
 - 2. Cash Disbursements–Payroll**, Month of December
 - 3. Schedule of Cash and Reserves**, November
 - 4. Accountants Financial Statements**, November
 - B. Approve Regular Meeting Minutes for December 17, 2024**
 - C. Approve Safety Minutes for December 2024**

6. Department Reports

A. Administration - Steven Palmer, General Manager

B. Operations and Maintenance Summary, December

7. Information - None

8. Action

A. Approve Agreement with LG Sonic for Lake Angela Ultrasonic Algae Removal System and One Year of Monitoring for a Not to Exceed Amount of \$51,917

B. Approve Application to the 2025 Placer County Water Agency Financial Assistance Program

C. Approve Plans and Specifications and Authorize Solicitation of Bids for the Reservoir 2 Lining Project

D. Approve an Updated Conflict of Interest Code

E. Board Discussion and Direction Regarding Annual Holiday Party / Employee Appreciation

9. Director Reports: *In accordance with Government Code Section 54954.2(a), Directors may make brief announcements or brief reports on their own activities (concerning the District). They may ask questions for clarification make a referral to staff or take action to have staff place a matter of business on a future agenda.*

10. Adjournment

Schedule of Upcoming Meetings

Regular Meeting – February 18, 2025

Regular Meeting – March 18, 2025

Regular Meeting – April 15, 2025

We certify that on January 17, 2025, a copy of this agenda was posted in public view at 53823 Sherritt Lane Soda Springs, California, and the Soda Springs General Store.

Deleane Mehler

Deleane Mehler
Administrative Assistant



Steven Palmer
General Manager

Agenda Item: 5A.1

Donner Summit Public Utility District

Check List

GENERAL DISBURSEMENT-AP-FIVE STAR #5715

December 17, 2024

Check Number	Check Date	Payee	Amount
Vendor Checks			
10823	12/17/24	49ER WATER SERVICES	230.00
10824	12/17/24	49ER WATER SERVICES	2,965.00
10825	12/17/24	49ER WATER SERVICES	2,240.00
10826	12/17/24	ALHAMBRA & SIERRA SPRINGS	140.90
10827	12/17/24	ALPEN LILY LLC	262.50
10828	12/17/24	ALSCO	158.45
10829	12/17/24	ANTHEM/BLUE CROSS	14,094.95
10830	12/17/24	AUERBACH ENGINEERING CORP	1,545.50
10831	12/17/24	BARNARD, VOGLER & CO.	1,043.19
10832	12/17/24	BATTERIES PLUS	521.41
10833	12/17/24	BENNETT ENGINEERING	1,474.75
10834	12/17/24	CONSTRUCTION MATERIALS ENGINEERS, INC.	4,359.01
10835	12/17/24	CONTROLPOINT ENGINEERING, INC.	3,720.00
10836	12/17/24	DONNER SUMMIT RENTALS	150.00
10837	12/17/24	EMCOR SERVICES INC.	13,643.50
10838	12/17/24	EMPLOYER DRIVEN SOLUTIONS	2,019.45
10839	12/17/24	EVERS LAW GROUP	888.00
10840	12/17/24	FED-EX	9.47
10841	12/17/24	FED-EX	9.39
10842	12/17/24	GRAINGER	1,124.84
10843	12/17/24	GRAINGER	159.49
10844	12/17/24	GRAINGER	342.96
10845	12/17/24	GRAINGER	108.23
10846	12/17/24	GRISWOLD INDUSTRIES	4,526.20
10847	12/17/24	HANSFORD ECONOMIC CONSULTING, LLC	635.00
10848	12/17/24	HUMANA DENTAL INS. CO.	1,455.92
10849	12/17/24	JIM KING	150.00
10850	12/17/24	JOSH SHELTON	150.00
10851	12/17/24	JUSTIN VOSBURGH	150.00
10852	12/17/24	MOUNTAIN HARDWARE & SPORTS	238.63
10853	12/17/24	MOUNTAIN HARDWARE & SPORTS	15.18
10855	12/17/24	NATIONAL LIFE INSURANCE CO.	62.17
10856	12/17/24	PAUL SCHOTT	150.00
10857	12/17/24	PG&E COMPANY	12,661.56
10858	12/17/24	PG&E COMPANY	28,681.28
10860	12/17/24	PITNEY BOWES PURCHASE POWER	251.77
10861	12/17/24	PRINCIPAL LIFE INSURANCE COMPANY	872.43
10862	12/17/24	RESOURCE DEVELOPMENT CO.	23,360.00
10863	12/17/24	RESOURCE DEVELOPMENT CO.	82,331.59
10864	12/17/24	SEAN PATRICK	150.00
10865	12/17/24	SKI CAT SNOWCAT RENTALS	8,280.00
10866	12/17/24	STATE WATER RESOURCES CONTROL	3,945.00
10867	12/17/24	STATE WATER RESOURCES CONTROL	9,767.00
10868	12/17/24	STATE WATER RESOURCES CONTROL	1,500.00
10869	12/17/24	STATE WATER RESOURCES CONTROL	9,093.64
10870	12/17/24	STEVEN PALMER	150.00
10871	12/17/24	SUBURBAN PROPANE	9,368.48
10872	12/17/24	SUBURBAN PROPANE	6,348.71
10873	12/17/24	TAHOE TRUCKEE SIERRA DISPOSAL	55.00
10874	12/17/24	TAHOE TRUCKEE SIERRA DISPOSAL-BIN	659.46
10875	12/17/24	TRANSAMERICA LIFE INSURANCE	194.19
10876	12/17/24	USA BLUEBOOK	514.19
10877	12/17/24	USA BLUEBOOK	80.40
10878	12/17/24	USA BLUEBOOK	210.99
10879	12/17/24	USA BLUEBOOK	4,046.08
10880	12/17/24	USDA FOREST SERVICE	6,679.35
10881	12/17/24	WESTERN NEVADA SUPPLY COMPANY	112.54

**Donner Summit Public Utility District
Check List**

GENERAL DISBURSEMENT-AP-FIVE STAR #5715
December 17, 2024

Check Number	Check Date	Payee	Amount
10882	12/17/24	PIT. BOWES GLOBAL FINANCIAL SERVICES	227.76
10883	12/17/24	TRUCKEE AUTO PARTS	108.48
Vendor Check Total			<u>268,393.99</u>
Check List Total			<u>268,393.99</u>

Check count = 59

Agenda Item: 5A.2

PAYROLL JOURNAL

0085 0085-T591 Donner Summit Public Utility

EMPLOYEE NAME ID	HOURS, EARNINGS, REIMBURSEMENTS & OTHER PAYMENTS				WITHHOLDINGS	DEDUCTIONS	NET PAY ALLOCATIONS		
	DESCRIPTION	RATE	HOURS	EARNINGS				REIMB & OTHER PAYMENTS	
**** 30 WATER SEWER King, James R 49	Regular			6,613.67	Social Security	416:25	150:00	Direct Deposit # 267	
	Holiday		M16:0000		Medicare	97:35	1,292:31	Check Amt	0:00
	Life Ins Reimb Txble			100:00	Fed Income Tax	855:38	47:83	Chkg 730	2,878:63
	Sick Accr-Memo				CA Income Tax	447:83	454:24		
	Vacation -Memo				CA Disability	73:85			
	EMPLOYEE TOTAL		16:0000	6,713:67		1,890:66	1,944:38	Net Pay	2,878:63
Patrick, Sean M 59	Regular	52:8200	65:0000	3,433:30	Social Security	365:33	750:00	Direct Deposit # 268	
	Overtime	79:2300	6:0000	475:38	Medicare	85:44	37:41	Check Amt	0:00
	Holiday	52:8200	20:0000	1,056:40	Fed Income Tax	612:86		Chkg 717	3,613:17
	Sick	52:8200	14:0000	739:48	CA Income Tax	363:35			
	Stand By			135:00	CA Disability	64:82			
	Vacation	52:8200	1:0000	52:82					
	EMPLOYEE TOTAL		106:0000	5,892:38		1,491:80	787:41	Net Pay	3,613:17
Schott, Paul A 14	Regular	55:3500	60:0000	3,321:00	Social Security	297:47	850:00	Direct Deposit # 269	
	Holiday	55:3500	20:0000	1,107:00	Medicare	69:58	150:00	Check Amt	0:00
	Life Ins Reimb Txble			100:00	Fed Income Tax	627:52		Chkg 019	2,509:48
	Stand By			270:00	CA Income Tax	241:17			
	Sick Accr-Memo				CA Disability	52:78			
	Vacation -Memo								
	CHECK 1 TOTAL		80:0000	4,798:00		1,288:52	1,000:00	Net Pay	2,509:48
	Overtime	83:0250	17:5000	1,452:94	Social Security	103:81		Direct Deposit # 270	
	Double Time	110:7000	2:0000	221:40	Medicare	24:27		Check Amt	0:00
	Sick Accr-Memo				Fed Income Tax	164:31		Chkg 019	1,324:23
	Vacation -Memo				CA Income Tax	39:30			
					CA Disability	18:42			
	CHECK 2 TOTAL		19:5000	1,674:34		350:11		Net Pay	1,324:23
	EMPLOYEE TOTAL		99:5000	6,472:34		1,638:63	1,000:00	Net Pay	3,833:71
Shelton, Joshua M... 64	Regular	40:0100	56:5000	2,260:57	Social Security	204:65	50:00	Direct Deposit # 271	
	Holiday	40:0100	20:0000	800:20	Medicare	47:85		Check Amt	0:00
	Life Ins Reimb Txble			100:00	Fed Income Tax	277:86		Chkg 363	2,514:28
	Sick	40:0100	1:0000	40:01	CA Income Tax	169:85			
	Vacation	40:0100	2:5000	100:03	CA Disability	36:31			
	EMPLOYEE TOTAL		80:0000	3,300:81		736:53	50:00	Net Pay	2,514:28
Vosburgh, Justin E 57	Regular		M20:0000	5,769:23	Social Security	357:69	200:00	Direct Deposit # 272	
	Holiday				Medicare	83:66	35:00	Check Amt	0:00
					Fed Income Tax	934:25	171:34	Chkg 400	3,515:81
					CA Income Tax	408:02			
					CA Disability	63:46			
	EMPLOYEE TOTAL		20:0000	5,769:23		1,847:08	406:34	Net Pay	3,515:81
**** 40 BOARD MEMBER Combs, William C 68	Regular			250:00	Social Security	50:26		Direct Deposit # 273	
	Health Stipend			560:75	Medicare	11:76		Check Amt	0:00
					CA Income Tax	8:89		Chkg 718	730:92
					CA Disability	6:92			

PAYROLL JOURNAL

0085 0085-T591 Donner Summit Public Utility

EMPLOYEE NAME ID	HOURS, EARNINGS, REIMBURSEMENTS & OTHER PAYMENTS				WITHHOLDINGS	DEDUCTIONS	NET PAY ALLOCATIONS		
	DESCRIPTION	RATE	HOURS	EARNINGS				REIMB & OTHER PAYMENTS	
**** 40 BOARD MEMBER (cont.)									
Combs, William C (cont.)									
68									
EMPLOYEE TOTAL				810.75		79.83	Net Pay 730.92		
Gamick, Philip	Regular			250.00	Social Security	84.24	Direct Deposit # 274		
28	Health Stipend			1,108.77	Medicare	19.70	Check Amt 0.00		
					Fed Income Tax	73.57	Chkg 486 1,149.77		
					CA Income Tax	16.54			
					CA Disability	14.95			
EMPLOYEE TOTAL				1,358.77		209.00	Net Pay 1,149.77		
Kaufman, Joan B	Regular			275.00	Social Security	96.27	Direct Deposit # 275		
67	Health Stipend			1,277.88	Medicare	22.51	Check Amt 0.00		
					Fed Income Tax	110.04	Chkg 974 1,273.02		
					CA Income Tax	33.96			
					CA Disability	17.08			
EMPLOYEE TOTAL				1,552.88		279.86	Net Pay 1,273.02		
Parkhurst, Dawn E	Regular			250.00	Social Security	71.89	Direct Deposit # 276		
66	Health Stipend			909.54	Medicare	16.81	Check Amt 0.00		
					Fed Income Tax	312.84	Chkg 320 728.60		
					CA Income Tax	16.65			
					CA Disability	12.75			
EMPLOYEE TOTAL				1,159.54		430.94	Net Pay 728.60		
Preis, Cathy	Regular			300.00	Social Security	70.15	Direct Deposit # 277		
44	Health Stipend			831.47	Medicare	16.41	Check Amt 0.00		
					Fed Income Tax	79.32	Chkg 011 943.28		
					CA Income Tax	9.86			
					CA Disability	12.45			
EMPLOYEE TOTAL				1,131.47		188.19	Net Pay 943.28		
**** 50 ADMIN									
Mehler, Deleane	Regular	45.3300	56.5000	2,561.15	Social Security	237.48	Direct Deposit # 278		
51	Overtime	67.9950	3.0000	203.99	Medicare	55.54	Loan 2 243.52		
	Holiday	45.3300	16.0000	725.28	Fed Income Tax	579.65	Loan Payment 103.78		
	Vacation	45.3300	7.5000	339.98	CA Income Tax	218.91	Chkg 963 2,249.39		
					CA Disability	42.13			
EMPLOYEE TOTAL			83.0000	3,830.40		1,133.71	447.30	Net Pay 2,249.39	
Palmer, Steven V	Regular		M16.0000	7,634.98	Medicare	110.71	100.00	Direct Deposit # 279	
65	Holiday				Fed Income Tax	1,288.83		Check Amt 0.00	
					CA Income Tax	608.12		Chkg 779 4,481.24	
					CA Disability	83.98		Savg 217 962.00	
EMPLOYEE TOTAL			16.0000	7,634.98		2,091.74	100.00	Net Pay 5,443.24	
COMPANY TOTALS									
12 Person(s)	Regular		238.0000	32,918.90	Social Security	2,355.49	457	2,200.00	Check Amt 0.00
13 Transaction(s)	Double Time		2.0000	221.40	Medicare	66.180		150.00	Dir Dep** 28,873.82
	Overtime		26.5000	2,132.31	Fed Income Tax	5,916.53		1,292.31	
	Health Stipend			4,688.41	CA Income Tax	2,582.45		72.41	
	Holiday		128.0000	3,688.88	CA Disability	501.90			

PAYROLL JOURNAL

0085 0085-T591 Donner Summit Public Utility

EMPLOYEE NAME ID	HOURS, EARNINGS, REIMBURSEMENTS & OTHER PAYMENTS				WITHHOLDINGS	DEDUCTIONS	NET PAY ALLOCATIONS
	DESCRIPTION	RATE	HOURS	EARNINGS			
	Life Ins Reimb Txble			300.00			
	Sick		15.0000	779.49		Loan 2	462.69
	Stand By			405.00		Loan Payment	558.02
	Vacation		11.0000	492.83			
	Sick Accr-Memo				5.55		
	Vacation -Memo				16.92		
	COMPANY TOTAL		420.5000	45,627.22			
					12,017.97	4,735.43	Net Pay 28,873.82
					<i>Employer Liabilities</i>		
					Social Security	2,355.52	
					Medicare	661.80	
					TOTAL EMPLOYER LIABILITY	3,017.32	
					TOTAL TAX LIABILITY	15,035.09	

**FinFit is a component of Paychex Flex@ Perks but is not included in the Paychex Flex@ Perks total amount as it is collected separately.

(IC) = Independent Contractor

CASH REQUIREMENTS

CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR ELECTRONIC FUNDS TRANSFERS (EFT) FOR CHECK DATE 12/06/24: \$48,571.93

IMPORTANT COVID-19 INFORMATION: If you filed IRS Form 7200, please notify your Paychex representative to avoid owing a balance at the end of the quarter and ensure your Form 941 is accurate.

TRANSACTION SUMMARY

SUMMARY BY TRANSACTION TYPE -	TOTAL ELECTRONIC FUNDS TRANSFER (EFT)	48,571.93
	CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR EFT	48,571.93
	TOTAL REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES	3,443.12
	CASH REQUIRED FOR CHECK DATE 12/06/24	52,015.05

TRANSACTION DETAIL

ELECTRONIC FUNDS TRANSFER - Your financial institution will initiate transfer to Paychex at or after 12:01 A.M. on transaction date.

<u>TRANS. DATE</u>	<u>BANK NAME</u>	<u>ACCOUNT NUMBER</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>		BANK DRAFT AMOUNTS & OTHER TOTALS
12/05/24	FIVE STAR BANK	xxxxxxxxxxxxx707	Direct Deposit	Net Pay Allocations*	28,873.82	28,873.82
12/05/24	FIVE STAR BANK	xxxxxxxxxxxxx707	Readychex®	Check Amounts	4,663.02	4,663.02
12/05/24	FIVE STAR BANK	xxxxxxxxxxxxx707	Taxpay®	Employee Withholdings		
				Social Security	2,355.49	
				Medicare	661.60	
				Fed Income Tax	5,916.53	
				CA Income Tax	2,582.45	
				CA Disability	501.90	
				Total Withholdings	12,017.97	
				Employer Liabilities		
				Social Security	2,355.52	
				Medicare	661.60	
				Total Liabilities	3,017.12	15,035.09
				EFT FOR 12/05/24		48,571.93
				TOTAL EFT		48,571.93

REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES - Paychex does not remit these funds. You must ensure accurate and timely payment of applicable items.

<u>TRANS. DATE</u>	<u>BANK NAME</u>	<u>ACCOUNT NUMBER</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>		<u>TOTAL</u>
12/06/24	Refer to your records for account	Information	Payroll	Employee Deductions		
				457	2,200.00	
				Credit Un 2	150.00	

PAYROLL JOURNAL

0085 0085-T591 Donner Summit Public Utility

EMPLOYEE NAME ID	HOURS, EARNINGS, REIMBURSEMENTS & OTHER PAYMENTS				WITHHOLDINGS	DEDUCTIONS	NET PAY ALLOCATIONS			
	DESCRIPTION	RATE	HOURS	EARNINGS				REIMB & OTHER PAYMENTS		
**** 30 WATER SEWER King, James R 49	Regular			6,613.67	Social Security	571.4457	150.00	Direct Deposit # 280		
	Sick		M8:0000		Medicare	95.90	Garnishment	1,292.31	Check Amt	0.00
	Vacation		M20:0000		Fed Income Tax	831.38	Loan 2	47.83	Chkg 730	3,174.52
	Sick Accr-Memo				CA Income Tax	437.60	Loan Payment	454.24		
	Vacation -Memo				CA Disability	M1.85 M4.62 72.75				
	EMPLOYEE TOTAL		28:0000	6,613.67		1,494.77	1,944.38	Net Pay	3,174.52	
Patrick, Sean M 59	Regular	52.8200	79.7500	4,212.40	Social Security	340.95457	750.00	Direct Deposit # 281		
	Overtime	79.2300	10.0000	792.30	Medicare	79.74		Check Amt	0.00	
	Double Time	105.6400	2.0000	211.28	Fed Income Tax	526.36		Chkg 717	3,418.52	
	Stand By			270.00	CA Income Tax	323.13				
	Vacation	52.8200	0.2500	13.21	CA Disability	60.49				
	EMPLOYEE TOTAL		92:0000	5,499.19		1,330.67	750.00	Net Pay	3,418.52	
Schott, Paul A 14	Regular	55.3500	79.5000	4,400.33	Social Security	291.28457	850.00	Direct Deposit # 282		
	Stand By			270.00	Medicare	68.12	Credit Un 2	150.00	Check Amt	0.00
	Vacation	55.3500	0.5000	27.68	Fed Income Tax	605.52		Chkg 019	2,450.47	
	Sick Accr-Memo				CA Income Tax	M1.85 M4.15 230.94				
	Vacation -Memo				CA Disability	51.68				
	CHECK 1 TOTAL		80:0000	4,698.01		1,247.54	1,000.00	Net Pay	2,450.47	
	Overtime	83.0250	8.0000	664.20	Social Security	58.34		Direct Deposit # 283		
	Double Time	110.7000	2.5000	276.75	Medicare	13.65		Check Amt	0.00	
	Sick Accr-Memo				Fed Income Tax	76.30		Chkg 019	770.55	
	Vacation -Memo				CA Income Tax	M1.85 M4.15 11.78				
	CHECK 2 TOTAL		10:5000	940.95	CA Disability	10.35		Net Pay	770.55	
	EMPLOYEE TOTAL		90:5000	5,638.96		1,417.94	1,000.00	Net Pay	3,221.02	
Shelton, Joshua M... 64	Regular	40.0100	78.7500	3,150.79	Social Security	198.45457	50.00	Direct Deposit # 284		
	Sick	40.0100	1:2500	50.01	Medicare	46.41		Check Amt	0.00	
					Fed Income Tax	265.88		Chkg 363	2,445.25	
					CA Income Tax	159.62				
					CA Disability	35.21				
	EMPLOYEE TOTAL		80:0000	3,200.80		705.55	50.00	Net Pay	2,445.25	
Vosburgh, Justin E 57	Regular			5,769.23	Social Security	357.70457	200.00	Direct Deposit # 285		
	Sick		M12:0000		Medicare	83.65	Loan 2	171.34	Check Amt	0.00
					Fed Income Tax	934.25	Loan Payment	255.63	Chkg 400	3,295.18
					CA Income Tax	408.02				
					CA Disability	63.46				
	EMPLOYEE TOTAL		12:0000	5,769.23		1,847.08	626.97	Net Pay	3,295.18	
**** 50 ADMIN Mehler, Deleane 51	Regular	45.3300	70.0000	3,173.10	Social Security	224.84457	100.00	Direct Deposit # 286		
	Sick	45.3300	8.0000	362.64	Medicare	52.58	Loan 2	243.52	Check Amt	0.00
	Vacation	45.3300	2.0000	90.66	Fed Income Tax	534.77	Loan Payment	103.78	Chkg 963	2,128.98
					CA Income Tax	198.04				
					CA Disability	39.89				
	EMPLOYEE TOTAL		80:0000	3,626.40		1,050.12	447.30	Net Pay	2,128.98	

PAYROLL JOURNAL

0085 0085-T591 Donner Summit Public Utility

EMPLOYEE NAME ID	HOURS, EARNINGS, REIMBURSEMENTS & OTHER PAYMENTS				WITHHOLDINGS	DEDUCTIONS	NET PAY ALLOCATIONS		
	DESCRIPTION	RATE	HOURS	EARNINGS REIMB & OTHER PAYMENTS					
**** 50 ADMIN (cont.) Palmer, Steven V 65	Regular			7,634.98	Medicare	110.70	100.00	Direct Deposit # 287	
	Sick		M24:0000		Fed Income Tax	1,288.93		Check Amt	0.00
					CA Income Tax	608.12		Chkg 779	4,481.25
					CA Disability	83.98		Savg 217	962.00
	EMPLOYEE TOTAL		24:0000	7,634.98		2,091.73	100.00	Net Pay	5,443.25
COMPANY TOTALS									
7 Person(s)	Regular		308:0000	34,954.50	Social Security	1,528.70	2,200.00	Check Amt	0.00
8 Transaction(s)	Double Time		4:5000	488.03	Medicare	550.75	150.00	Dir Dep**	23,126.72
	Overtime		18:0000	1,456.50	Fed Income Tax	5,063.37	1,292.31		
	Sick		53:2500	412.65	CA Income Tax	2,377.23			
	Stand By			540.00	CA Disability	417.81	462.69		
	Vacation		22:7500	131.55			813.65		
	Sick Accr-Memo								
	Vacation -Memo				5.55				
	COMPANY TOTAL		406:5000	37,983.23	16.92	9,937.88	4,918.65	Net Pay	23,126.72
					<i>Employer Liabilities</i>				
					Social Security	1,528.62			
					Medicare	550.75			
					TOTAL EMPLOYER LIABILITY	2,079.37			
					TOTAL TAX LIABILITY	12,017.23			
**FinFit is a component of Paychex Flex® Perks but is not included in the Paychex Flex® Perks total amount as it is collected separately.									
(IC) = Independent Contractor									

CASH REQUIREMENTS

0085 0085-T591 Donner Summit Public Utility

CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR ELECTRONIC FUNDS TRANSFERS (EFT) FOR CHECK DATE 12/20/24: \$40,062.58

IMPORTANT COVID-19 INFORMATION: If you filed IRS Form 7200, please notify your Paychex representative to avoid owing a balance at the end of the quarter and ensure your Form 941 is accurate.

TRANSACTION SUMMARY

SUMMARY BY TRANSACTION TYPE -	TOTAL ELECTRONIC FUNDS TRANSFER (EFT)	40,062.58
	CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR EFT	40,062.58
	TOTAL REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES	3,626.34
	CASH REQUIRED FOR CHECK DATE 12/20/24	43,688.92

TRANSACTION DETAIL

ELECTRONIC FUNDS TRANSFER - Your financial institution will initiate transfer to Paychex at or after 12:01 A.M. on transaction date.

<u>TRANS. DATE</u>	<u>BANK NAME</u>	<u>ACCOUNT NUMBER</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>		<u>BANK DRAFT AMOUNTS & OTHER TOTALS</u>
12/19/24	FIVE STAR BANK	xxxxxxxxxxxx707	Direct Deposit	Net Pay Allocations*	23,126.72	23,126.72
12/19/24	FIVE STAR BANK	xxxxxxxxxxxx707	Readychex@	Check Amounts	4,918.63	4,918.63
12/19/24	FIVE STAR BANK	xxxxxxxxxxxx707	Taxpay@	Employee Withholdings		
				Social Security	1,528.70	
				Medicare	550.75	
				Fed Income Tax	5,063.37	
				CA Income Tax	2,377.23	
				CA Disability	417.81	
				Total Withholdings	9,937.86	
				Employer Liabilities		
				Social Security	1,528.62	
				Medicare	550.75	
				Total Liabilities	2,079.37	12,017.23
				EFT FOR 12/19/24		40,062.58
				TOTAL EFT		40,062.58

REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES - Paychex does not remit these funds. You must ensure accurate and timely payment of applicable items.

<u>TRANS. DATE</u>	<u>BANK NAME</u>	<u>ACCOUNT NUMBER</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>		<u>TOTAL</u>
12/20/24	Refer to your records for account information		Payroll	Employee Deductions		
				457	2,200.00	
				Credit Un 2	150.00	

Agenda Item: 5A.3

DONNER SUMMIT PUBLIC UTILITY DISTRICT
 SCHEDULE OF CASH AND DEBT RESTRICTED RESERVES
 NOVEMBER 30, 2024

<u>Bank Account</u>	<u>Reserve</u>	<u>Book Balance</u>	<u>Reserves Restricted</u>
Five Star #5723 Money Market		\$ 1,921,628.78	
Five Star Bank #5715 General Disbursement		(1,596,483.70)	
Five Star Bank #5693 Main Checking		783,779.32	
LAIF		3,663.37	
	SWRCB Loan Construction		719,191.03
	WTP Loan Construction		10,912.00
	Big Bend Water Loan Reserve 1		5,662.40
	Big Bend Water Loan Reserve 2		2,325.60
	Big Bend Assessment		12,490.32
	Big Bend Loan Fund - Loan 1		14,156.00
	Big Bend Loan Fund - Loan 2		5,814.00
	Sugar Bowl Expansion		90,542.54
	Sugar Bowl Expansion-Tripletts LLC		994,693.00
	Sugar Bowl Expansion Phase 2A		994,693.00
	Sugar Bowl Sewer Project 2A expenses		(1,807,593.95)
Totals		<u>1,112,587.77</u>	<u>1,042,885.94</u>
Unrestricted Cash Available			<u>\$ 69,701.83</u>

Agenda Item: 5A.4

DONNER SUMMIT PUBLIC UTILITY DISTRICT
FINANCIAL STATEMENTS
AND
INDEPENDENT ACCOUNTANTS' COMPILATION REPORT
NOVEMBER 30, 2024

DONNER SUMMIT PUBLIC UTILITY DISTRICT
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NOVEMBER 30, 2024

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100 West Liberty St.
Suite 1100
Reno, NV 89501

775.786.6141
775.323.6211
bvcopas.com

INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

To the Board of Directors
Donner Summit Public Utility District

Management is responsible for the accompanying financial statements of the business-type activities of Donner Summit Public Utility District (the District) which comprise the statements of activities and changes in net position – budgetary basis for the five months ended November 30, 2024 in accordance with the budgetary basis of accounting, and for determining that the budgetary basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or the completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The accompanying supplementary information contained on page 8 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The supplementary information was subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

Management has elected to omit substantially all of the disclosures and the statement of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures and statement of cash flows were included in the financial statements, they might influence the user's conclusions about the District's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

The financial statements are prepared on the budgetary basis of accounting, which includes expensing capital outlay purchases and principal payments on long-term debt. The budgetary basis of accounting is a basis of accounting other than accounting principles generally accepted in the United States of America.

Barnard, Vogler & Co.

Reno, Nevada
January 8, 2025

DONNER SUMMIT PUBLIC UTILITY DISTRICT
 STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION - BUDGETARY BASIS
 COMBINED BUSINESS-TYPE ACTIVITIES
 FOR THE FIVE MONTHS ENDED NOVEMBER 30, 2024

	Water	Sewer	Treatment	Admin	Total
Program Revenue					
Water fees	\$ 462,624.32	\$ -	\$ -	\$ -	\$ 462,624.32
Sewer fees	-	298,985.72	896,957.17	-	1,195,942.89
Connection fees	6,800.00	-	-	-	6,800.00
Recycled water sales	-	-	17,607.38	-	17,607.38
Sierra Lakes service	-	-	258,664.18	-	258,664.18
Big Bend service fees	15,772.96	-	-	-	15,772.96
Big Bend assessment	10,302.26	-	-	-	10,302.26
Total Program Revenue	<u>495,499.54</u>	<u>298,985.72</u>	<u>1,173,228.73</u>	<u>-</u>	<u>1,967,713.99</u>
Expenses					
Salaries-operations	60,820.83	51,144.84	164,492.71	125,424.64	401,883.02
Overtime	3,282.60	2,760.36	8,877.92	1,588.35	16,509.23
Employee benefits and taxes	21,143.72	17,558.54	58,164.14	39,927.44	136,793.84
Board expense	-	-	-	31,195.83	31,195.83
Professional fees	-	-	5,848.27	61,383.98	67,232.25
Dues and subscriptions	-	-	700.64	9,711.85	10,412.49
Fees, permits, certifications, leases	1,065.82	-	5,278.38	4,617.21	10,961.41
Training, education, travel	520.31	-	885.53	18.23	1,424.07
Insurance	23,052.15	19,384.75	62,345.60	5,514.87	110,297.37
Office supplies and miscellaneous	-	142.81	140.03	3,930.24	4,213.08
Utilities, communications, telemetry	15,904.29	6,923.64	125,223.99	13,323.69	161,375.61
Chemicals and lab supplies	20,100.38	-	72,126.05	-	92,226.43
Laboratory testing	-	-	17,312.00	-	17,312.00
Equipment maintenance and repair	25,605.55	146.56	46,538.98	586.90	72,877.99
Small equipment and rental	825.00	825.00	309.82	-	1,959.82
Operating supplies	259.53	778.54	-	2,036.66	3,074.73
Sludge removal	-	-	23,300.66	-	23,300.66
Vehicle maintenance, repair, fuel	-	-	5,497.85	-	5,497.85
Infiltration and inflow program	-	29,300.00	-	-	29,300.00
Facility maintenance and repair	23,106.06	8,332.94	57,266.02	2,514.95	91,219.97
Amortization of land lease	-	-	9,355.00	-	9,355.00
Debt service	-	-	719,191.03	-	719,191.03
Capital equipment	4,183.61	3,518.03	24,670.97	986.76	33,359.37
Sugar Bowl expansion	-	1,831,359.46	-	-	1,831,359.46
Capital projects	81,939.40	52.50	-	-	81,991.90
Total Expenses	<u>281,809.25</u>	<u>1,972,227.97</u>	<u>1,407,525.59</u>	<u>302,761.60</u>	<u>3,964,324.41</u>
Excess (Deficiency) of Program					
Revenues Over Expenses	213,690.29	(1,673,242.25)	(234,296.86)	(302,761.60)	(1,996,610.42)
General Revenues					
Interest revenue	-	-	-	44,318.02	44,318.02
CFD revenue for WWTP loan	-	-	-	-	-
Property tax	10,921.19	522.49	2,301.78	-	13,745.46
Other income	2.80	-	-	2,658.59	2,661.39
Sugar Bowl contributed capital	-	994,693.00	-	-	994,693.00
Total General Revenues	<u>10,923.99</u>	<u>995,215.49</u>	<u>2,301.78</u>	<u>46,976.61</u>	<u>1,055,417.87</u>
Increase (Decrease) in Net Position	<u>\$ 224,614.28</u>	<u>\$ (678,026.76)</u>	<u>\$ (231,995.08)</u>	<u>\$ (255,784.99)</u>	<u>\$ (941,192.55)</u>
Net Position, Beginning of Year					<u>14,783,568.62</u>
Net Position, End of Period					<u>\$ 13,842,376.07</u>

DONNER SUMMIT PUBLIC UTILITY DISTRICT
 STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION - BUDGETARY BASIS
 BUDGET AND ACTUAL
 BUSINESS-TYPE ACTIVITY - WATER
 FOR THE FIVE MONTHS ENDED NOVEMBER 30, 2024

	Actual Year to Date 11/30/24	Budget Total Fiscal Year 2025	Budget Percent Complete 11/30/24	Remaining Budget 11/30/24
Program Revenue				
Water fees	\$ 462,624.32	\$ 709,433.00	65.21%	\$ (246,808.68)
Connection fees	6,800.00	-	0.00%	6,800.00
Big Bend service fees	15,772.96	31,546.00	50.00%	(15,773.04)
Big Bend assessment	10,302.26	20,772.00	49.60%	(10,469.74)
Total Program Revenue	<u>495,499.54</u>	<u>761,751.00</u>	<u>65.05%</u>	<u>(266,251.46)</u>
Expenses				
Salaries-operations	60,820.83	153,750.00	39.56%	92,929.17
Overtime	3,282.60	10,528.00	31.18%	7,245.40
Employee benefits and taxes	21,143.72	66,254.00	31.91%	45,110.28
Professional fees	-	8,000.00	0.00%	8,000.00
Dues and subscriptions	-	680.00	0.00%	680.00
Fees, permits, certifications, leases	1,065.82	18,180.00	5.86%	17,114.18
Training, education, travel	520.31	1,000.00	52.03%	479.69
Insurance	23,052.15	57,475.00	40.11%	34,422.85
Office supplies and miscellaneous	-	550.00	0.00%	550.00
Utilities, communications, telemetry	15,904.29	56,740.00	28.03%	40,835.71
Chemicals and lab supplies	20,100.38	18,440.00	109.00%	(1,660.38)
Laboratory testing	-	5,000.00	0.00%	5,000.00
Equipment maintenance and repair	25,605.55	40,270.00	63.58%	14,664.45
Small equipment and rental	825.00	3,150.00	26.19%	2,325.00
Operating supplies	259.53	740.00	35.07%	480.47
Vehicle maintainance, repair, fuel	-	4,100.00	0.00%	4,100.00
Facility maintenance and repair	23,106.06	54,720.00	42.23%	31,613.94
Angela WTP loan principal and interest	-	18,188.00	0.00%	18,188.00
Big Bend debt service	-	19,970.00	0.00%	19,970.00
Capital equipment	4,183.61	8,140.00	51.40%	3,956.39
Capital projects	81,939.40	191,300.00	42.83%	109,360.60
Total Expenses	<u>281,809.25</u>	<u>737,175.00</u>	<u>38.23%</u>	<u>455,365.75</u>
Excess (Deficiency) of Program				
Revenues Over Expenses	213,690.29	24,576.00	869.51%	189,114.29
General Revenues				
Property tax	10,921.19	30,213.00	36.15%	(19,291.81)
Other income	2.80	54,000.00	0.01%	(53,997.20)
Total General Revenues	<u>10,923.99</u>	<u>84,213.00</u>	<u>36.16%</u>	<u>(73,289.01)</u>
Increase in Net Position	<u>\$ 224,614.28</u>	<u>\$ 108,789.00</u>	<u>206.47%</u>	<u>\$ 115,825.28</u>

DONNER SUMMIT PUBLIC UTILITY DISTRICT
 STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION - BUDGETARY BASIS
 BUDGET AND ACTUAL
 BUSINESS-TYPE ACTIVITY - SEWER
 FOR THE FIVE MONTHS ENDED NOVEMBER 30, 2024

	Actual Year to Date 11/30/24	Budget Total Fiscal Year 2025	Budget Percent Complete 11/30/24	Remaining Budget 11/30/24
Program Revenue				
Sewer fees	\$ 298,985.72	\$ 469,758.00	63.65%	\$ (170,772.28)
Total Program Revenue	<u>298,985.72</u>	<u>469,758.00</u>	<u>63.65%</u>	<u>(170,772.28)</u>
Expenses				
Salaries-operations	51,144.84	129,300.00	39.56%	78,155.16
Overtime	2,760.36	8,853.00	31.18%	6,092.64
Employee benefits and taxes	17,558.54	56,532.00	31.06%	38,973.46
Fees, permits, certifications, leases	-	460.00	0.00%	460.00
Training, education and travel	-	300.00	0.00%	300.00
Insurance	19,384.75	48,331.00	40.11%	28,946.25
Office supplies and miscellaneous	142.81	550.00	25.97%	407.19
Utilities, communications, telemetry	6,923.64	25,950.00	26.68%	19,026.36
Small equipment and rental	825.00	-	0.00%	(825.00)
Operating supplies	778.54	1,200.00	64.88%	421.46
Infiltration and inflow program	29,300.00	33,100.00	88.52%	3,800.00
Equipment maintenance and repair	146.56	22,950.00	0.64%	22,803.44
Vehicle maintenance, repair, fuel	-	12,200.00	0.00%	12,200.00
Facility maintenance and repair	8,332.94	12,320.00	67.64%	3,987.06
Capital equipment	3,518.03	6,845.00	51.40%	3,326.97
Sugar Bowl expansion	1,831,359.46	-	-	(1,831,359.46)
Capital projects	52.50	82,000.00	0.06%	81,947.50
Total Expenses	<u>1,972,227.97</u>	<u>440,891.00</u>	<u>31.95%</u>	<u>(1,531,336.97)</u>
Excess (Deficiency) of Program				
Revenues Over Expenses	(1,673,242.25)	28,867.00	547.74%	(1,702,109.25)
General Revenues				
Property tax	522.49	20,353.00	2.57%	(19,830.51)
Other income	-	3,000.00	0.00%	(3,000.00)
Sugar Bowl contributed capital	994,693.00	-	-	994,693.00
Total General Revenues	<u>995,215.49</u>	<u>23,353.00</u>	<u>2.24%</u>	<u>971,862.49</u>
Increase (Decrease) in Net Position	<u>\$ (678,026.76)</u>	<u>\$ 52,220.00</u>	<u>-1298.40%</u>	<u>\$ (730,246.76)</u>

DONNER SUMMIT PUBLIC UTILITY DISTRICT
 STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION - BUDGETARY BASIS
 BUDGET AND ACTUAL
 BUSINESS-TYPE ACTIVITY - WASTEWATER TREATMENT
 FOR THE FIVE MONTHS ENDED NOVEMBER 30, 2024

	Actual Year to Date 11/30/24	Budget Total Fiscal Year 2025	Budget Percent Complete 11/30/24	Remaining Budget 11/30/24
Program Revenue				
Sewer fees	\$ 896,957.17	\$ 1,487,565.00	60.30%	\$ (590,607.83)
Recycled water sales	17,607.38	109,600.00	16.07%	(91,992.62)
Non-CFD revenue for WWTP loan	-	445,462.00	0.00%	(445,462.00)
Sierra Lakes service	258,664.18	589,177.00	43.90%	(330,512.82)
Total Program Revenue	<u>1,173,228.73</u>	<u>2,631,804.00</u>	<u>44.58%</u>	<u>(1,458,575.27)</u>
Expenses				
Salaries-operations	164,492.71	415,629.00	39.58%	251,136.29
Overtime	8,877.92	28,472.00	31.18%	19,594.08
Employee benefits and taxes	58,164.14	181,338.00	32.07%	123,173.86
Professional fees	5,848.27	99,800.00	5.86%	93,951.73
Dues and subscriptions	700.64	2,500.00	28.03%	1,799.36
Fees, permits, certifications, leases	5,278.38	56,300.00	9.38%	51,021.62
Training, education, travel	885.53	3,120.00	28.38%	2,234.47
Insurance	62,345.60	155,444.00	40.11%	93,098.40
Office supplies and miscellaneous	140.03	1,134.00	12.35%	993.97
Utilities, communications, telemetry	125,223.99	383,450.00	32.66%	258,226.01
Chemicals and lab supplies	72,126.05	242,920.00	29.69%	170,793.95
Laboratory testing	17,312.00	34,560.00	50.09%	17,248.00
Small equipment and rental	309.82	640.00	48.41%	330.18
Operating supplies	-	740.00	0.00%	740.00
Equipment maintenance and repair	46,538.98	35,850.00	129.82%	(10,688.98)
Vehicle maintenance, repair, fuel	5,497.85	8,980.00	61.22%	3,482.15
Sludge removal	23,300.66	27,670.00	84.21%	4,369.34
Facility maintenance and repair	57,266.02	98,730.00	58.00%	41,463.98
Amortization of land lease	9,355.00	22,452.00	41.67%	13,097.00
WWTP loan	719,191.03	719,191.00	100.00%	(0.03)
Capital equipment	24,670.97	59,265.00	41.63%	34,594.03
Total Expenses	<u>1,407,525.59</u>	<u>2,578,185.00</u>	<u>54.59%</u>	<u>1,170,659.41</u>
Excess (Deficiency) of Program				
Revenues Over Expenses	(234,296.86)	53,619.00	-436.97%	(287,915.86)
General Revenues				
CFD revenue for WWTP loan	-	290,593.00	0.00%	(290,593.00)
Property tax	2,301.78	86,800.00	2.65%	(84,498.22)
Total General Revenues	<u>2,301.78</u>	<u>377,393.00</u>	<u>0.61%</u>	<u>(375,091.22)</u>
Increase (Decrease) in Net Position	<u>\$ (231,995.08)</u>	<u>\$ 431,012.00</u>	<u>-53.83%</u>	<u>\$ 663,007.08</u>

DONNER SUMMIT PUBLIC UTILITY DISTRICT
 STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION - BUDGETARY BASIS
 BUDGET AND ACTUAL
 BUSINESS-TYPE ACTIVITY - ADMIN
 FOR THE FIVE MONTHS ENDED NOVEMBER 30, 2024

	Actual Year to Date 11/30/24	Budget Total Fiscal Year 2025	Budget Percent Complete 11/30/24	Remaining Budget 11/30/24
Program Revenue				
Service Fees	\$ -	\$ -	-	\$ -
Total Program Revenue	-	-	-	-
Expenses				
Salaries-operations	125,424.64	298,551.00	42.01%	173,126.36
Overtime	1,588.35	3,536.00	44.92%	1,947.65
Employee benefits and taxes	39,927.44	139,630.00	28.60%	99,702.56
Board expense	31,195.83	73,555.00	42.41%	42,359.17
Professional fees	61,383.98	126,300.00	48.60%	64,916.02
Dues and subscriptions	9,711.85	12,700.00	76.47%	2,988.15
Fees, permits, certifications, leases	4,617.21	18,980.00	24.33%	14,362.79
Training, education, travel	18.23	3,000.00	0.61%	2,981.77
Insurance	5,514.87	13,750.00	40.11%	8,235.13
Office supplies and miscellaneous	3,930.24	9,000.00	43.67%	5,069.76
Utilities, communications, telemetry	13,323.69	39,190.00	34.00%	25,866.31
Equipment maintenance and repair	586.90	-	0.00%	(586.90)
Operating supplies	2,036.66	2,700.00	75.43%	663.34
Facility maintenance and repair	2,514.95	8,780.00	28.64%	6,265.05
Capital equipment	986.76	-	0.00%	(986.76)
Total Expenses	302,761.60	749,672.00	40.39%	446,910.40
Deficiency of Program Revenues Over Expenses	(302,761.60)	(749,672.00)	40.39%	446,910.40
General Revenues				
Interest revenue	44,318.02	20,000.00	221.59%	24,318.02
Other income	2,658.59	9,000.00	29.54%	(6,341.41)
Total General Revenues	46,976.61	29,000.00	161.99%	17,976.61
Decrease in Net Position	\$ (255,784.99)	\$ (720,672.00)	35.49%	\$ 464,887.01

SUPPLEMENTARY INFORMATION

DONNER SUMMIT PUBLIC UTILITY DISTRICT
SCHEDULE OF BIG BEND TRANSACTIONS
FOR THE FIVE MONTHS ENDED NOVEMBER 30, 2024

Revenue	\$	26,075.22
Expenses		
Fees and permits		-
Telephone		550.29
Interest		-
Loan principal		-
Electricity		61.55
Repairs and maintenance		<u>23,494.15</u>
Total expenses		<u>24,105.99</u>
Excess of revenue over expenses	\$	<u><u>1,969.23</u></u>

Agenda Item: 5B

**Donner Summit Public Utility District
Board of Directors Regular Meeting Minutes
Tuesday, September 17, 2024 - 6:00 P.M.
DSPUD Office, 53823 Sherritt Lane, Soda Springs California**

STAFF PRESENT: Steven Palmer, General Manager; Justin Vosburgh, Assistant Plant Manager; Deleane Mehler, Office Assistant
OTHERS PRESENT: Geoffrey O. Evers, General Counsel, by Zoom

1. Call to Order

The Regular Meeting of September 17, 2024 of the Donner Summit Public Utility District Board of Directors was called to order at 6:01 p.m. by President Cathy Preis.

2. Roll Call

Cathy Preis, President	- Present
Joni Kaufman, Vice President	- Present
Dawn Parkhurst, Secretary	- Present
Philip Gamick, Director	- Present
Craig Combs, Director	- Present by zoom from 7 Mistake Drive Lake Tekapo, 7999 New Zealand

3. Clear the Agenda- None

4. Public Participation – *This is time set aside for the public to address the Board on any matter not on the agenda. Comments related to any item already on the agenda should be addressed at the time that that item is considered. Each speaker will be limited to five minutes, but speaker time may be reduced at the discretion of the Board President if there are a large number of speakers on any given subject.* None.

5. Consent Calendar

All items listed under the Consent Calendar are considered to be routine and will be approved by one motion. There will be no separate discussion of these items unless a member of the Board requests an item to be removed from the Consent Calendar for a separate action. Any items removed will be considered after the motion to approve the Consent Calendar.

A. Approve Finance Report for September 2024

- 1. Cash Disbursements–General, Month of August**
- 2. Cash Disbursements–Payroll, Month of August**
- 3. Schedule of Cash and Reserves, July**
- 4. Accountants Financial Statements, July**

B. Approve Regular Meeting Minutes for August 27, 2024

C. Approve Safety Meeting Minutes for August 2024

Motion: Accept the Consent Calendar

By: Joni Kaufman

Second: Dawn Parkhurst

Vote: 5 Ayes, 0 Noes, 0 Absent, 0 Abstain, 0 Vacancy

Motion Carries

6. Department Reports

- A. Administration - Steven Palmer, General Manager.** Reported.
- B. Operations and Maintenance Summary, August.** Reported.

7. Information - None

8. Action

- A. Adopt a Resolution Authorizing Centrica to Perform an Industrial Grade Audit for a Solar Photovoltaic System at the Wastewater Treatment Facility**
Andy Roth from Centrica gave a presentation regarding the Solar Photovoltaic System.

Motion: Adopt Resolution 2024-25 Authorizing Centrica to Perform an Industrial Grade Audit for a Solar Photovoltaic System at the Wastewater Treatment Facility

By Joni Kaufman

Second: Phil Gamick

Roll Call Vote

Cathy Preis - Aye

Phil Gamick - Aye

Craig Combs - Aye

Joni Kaufman - Aye

Dawn Parkhurst - Aye

Motion Carries

- 9. Director Reports:** *In accordance with Government Code Section 54954.2(a), Directors may make brief announcements or brief reports on their own activities (concerning the District). They may ask questions for clarification make a referral to staff or take action to have staff place a matter of business on a future agenda.*

10. Adjournment

Motion: Adjourn Meeting at 7:07 p.m.

By: Joni Kaufman

Second: Dawn Parkhurst

Vote: 5 Ayes, 0 Noes, 0 Absent, 0 Abstain, 0 Vacancy

Motion Carries

Schedule of Upcoming Meetings

Regular Meeting – October 15, 2024

Regular Meeting – November 19, 2024

Regular Meeting – December 17, 2024

Respectfully Submitted,

Deleane Mehler

**Deleane Mehler
Administrative Assistant**

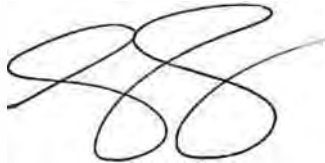
Agenda Item: 5C

Safety / Plant Training Donner Summit PUD WWTP

- **Safety Topics** : Dec. 2024
 - Personal Fall Protection
- **Training Notes** :
 - DVD

Attendance :

1. Justin Vosburgh



2. Sean Patrick



3. Josh Shelton



4. Jim King

5. Deleane Mehler



6. Steve Palmer



7. Paul Schott



Agenda Item: 6A



STAFF REPORT

TO: Board of Directors
PREPARED BY: Steven Palmer, PE, General Manager *SP*
SUBJECT: General Manager Report

Project Updates

Solar Evaluation

Design under revision by Centrica.

Administration

- Operator-In-Training Recruitment closed with 18 applicants. Staff is reviewing applications and intends on interviewing three to five candidates.
- Website redesign in final stages.

Upcoming Board Items

February

- Audit Findings
- Fiscal Year 2025 Mid Year Budget Update
- Fiscal Year 2024 Financial Health Assessment
- Request for Proposals for Auditor Services

Agenda Item: 6B

DONNER SUMMIT
PUBLIC UTILITY DISTRICT
WASTEWATER AND FRESH WATER
TREATMENT PLANTS
END OF MONTH OPERATIONS AND MAINTENANCE
SUMMARY

DECEMBER 2024

Donner Summit Public Utility District Waste Water Flow Data

January 21, 2025
Agenda Item: 6B

MONTH OF December 2024		DSPUD Influent	SLCWD Influent	Total Plant Influent	Total Plant EFF River	Total Plant EFF Snow Storage	Total Plant EFF Snow Delivery	DSPUD Fresh Water Treated	SLCWD Fresh Water Treated	Weather	Comments
DATE	DAY	MGD	MGD	MGD	MGD	MGD	MGD	MGD	MGD	Cond	
12/01/24	SUN	0.1379	0.0301	0.1680	0.099	0.0000	0.0000	0.239	0.0523	Clear	
12/02/24	MON	0.1836	0.0234	0.2070	0.000	0.1550	0.0000	0.198	0.1055	Clear	
12/03/24	TUE	0.1832	0.0308	0.2140	0.000	0.1910	0.0000	0.166	0.0000	Clear	
12/04/24	WED	0.2023	0.0287	0.2310	0.137	0.0000	0.0000	0.264	0.0433	Clear	
12/05/24	THU	0.1840	0.0180	0.2020	0.191	0.0000	0.0000	0.198	0.0318	Clear	
12/06/24	FRI	0.1981	0.0169	0.2150	0.191	0.0000	0.0000	0.136	0.0000	Clear	
12/07/24	SAT	0.2081	0.0199	0.2280	0.196	0.0000	0.0000	0.174	0.0000	Clear	
12/08/24	SUN	0.2050	0.0210	0.2260	0.237	0.0000	0.0900	0.170	0.0000	Clear	
12/09/24	MON	0.1639	0.0271	0.1910	0.193	0.0000	0.0050	0.247	0.0665	Clear	
12/10/24	TUE	0.1406	0.0214	0.1620	0.163	0.0000	0.0190	0.216	0.0600	Clear	
12/11/24	WED	0.1846	0.0214	0.2060	0.154	0.0000	0.0040	0.152	0.0379	Clear	
12/12/24	THU	0.1276	0.0174	0.1450	0.149	0.0000	0.0000	0.188	0.0258	Snow	
12/13/24	FRI	0.1463	0.0177	0.1640	0.135	0.0000	0.0000	0.187	0.0000	Cloudy/Snow	
12/14/24	SAT	0.1708	0.0272	0.1980	0.147	0.0000	0.0000	0.293	0.0000	Snow	
12/15/24	SUN	0.1972	0.0278	0.2250	0.178	0.0000	0.0000	0.168	0.0634	Clear/Snow	
12/16/24	MON	0.1593	0.0217	0.1810	0.186	0.0000	0.0000	0.210	0.0771	Cloudy	
12/17/24	TUE	0.1823	0.0177	0.2000	0.157	0.0000	0.0000	0.146	0.0000	Clear	
12/18/24	WED	0.1528	0.0232	0.1760	0.168	0.0000	0.0000	0.169	0.0329	Clear	
12/19/24	THU	0.1679	0.0341	0.2020	0.161	0.0000	0.0000	0.146	0.0574	Clear	
12/20/24	FRI	0.1996	0.0264	0.2260	0.172	0.0000	0.0000	0.201	0.0000	Cloudy	
12/21/24	SAT	0.2117	0.0433	0.2550	0.197	0.0000	0.0000	0.286	0.0000	Rain	
12/22/24	SUN	0.2093	0.0577	0.2670	0.272	0.0000	0.0000	0.291	0.0653	Rain	
12/23/24	MON	0.2429	0.0651	0.3080	0.302	0.0000	0.0000	0.238	0.0970	Rain	
12/24/24	TUE	0.2500	0.0700	0.3200	0.311	0.0000	0.0370	0.234	0.1484	Clear/Snow	
12/25/24	WED	0.2557	0.0653	0.3210	0.284	0.0000	0.0400	0.286	0.0690	Lt Rain	
12/26/24	THU	0.2288	0.0782	0.3070	0.305	0.0000	0.0000	0.249	0.1441	Lt Snow	
12/27/24	FRI	0.2388	0.0772	0.3160	0.275	0.0000	0.0000	0.207	0.0000	Rain	
12/28/24	SAT	0.2772	0.0928	0.3700	0.275	0.0000	0.0000	0.244	0.0000	Rain	
12/29/24	SUN	0.3807	0.1053	0.4860	0.409	0.0000	0.0000	0.205	0.0923	Clear	
12/30/24	MON	0.2038	0.1032	0.3070	0.373	0.0000	0.0000	0.246	0.1415	Clear	
12/31/24	TUE	0.3408	0.1022	0.4430	0.349	0.0000	0.0310	0.262	0.1399	Clear	
										Total	46" Snow
12/2024 Daily Totals		6.3349	1.3321	7.66700	6.366	0.346	0.226	6.6160	1.5516	2023	19" Snow
12/2024 Totalizer Total		6.3349	1.3321	7.66700	6.366	0.346	0.226	6.6160	1.5281		
Difference		0.0000	0.0000	0.0000	0.0000	0.0000	N/A	0.0000	-0.0234		
Percentage Difference		0.00%	-0.001%	0.000%	0.000%	0.000%	N/A	0.000%	-1.532%		
12/2024 AVG/DAY		204,352	42,971	247,323	205,355	11,161	7,290	213,419	49,295		
Percentage Flow SLCWD			17.374%								
12/2023 Totalizer Total		5.14470	1.60430	6.7490	6.192	0.668	1.231	6.4680	1.172000		
12/2023 AVG/DAY		165,958	51,752	217,710	199,742	21,548	39,710	208,645	37,806		
Percentage Flow SLCWD			23.771%								

Donner Summit Public Utility District WWTP & WTP End of Month Operations and Maintenance Summary

Prepared for: Steve Palmer, General Manager

Prepared by: Jim King, Plant Manager

Date: December 2024

Operations WWTP

- ◆ Discharged 6.4 MG to River and 0.6 MG to Snow Making.
- ◆ Located a water leak behind the membrane equipment building. Shut off that sections water until repair work can be done.
- ◆ Switched from the river to snow storage and drained back the snow making supply line on multiple occasions to keep it from freezing.



- ◆ Cleared snow from sludge drying beds to keep it at a manageable level. Also, staff spent time clearing snow from the treatment facility's buildings and equipment.



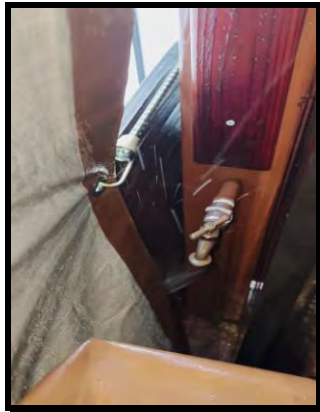
- ◆ Staff made multiple air flow adjustments to increase the DO in the reactors to ensure proper treatment.



- ◆ Processed 2 USA dig tickets.

Operations Water Plant

- ◆ Completed and sent out monthly potable water reports to DDW.
- ◆ Shut water off and turned back on to 21907 Donner Pass Rd at owner's request to install a stop and drain.
- ◆ Staff located a water leak at a cabin on Wagan Wheel Rd at Big Bend, notified owner and they had it shut off.



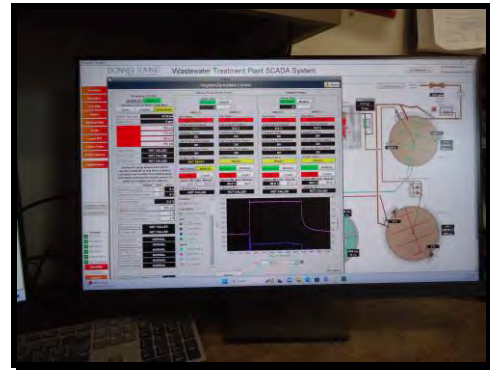
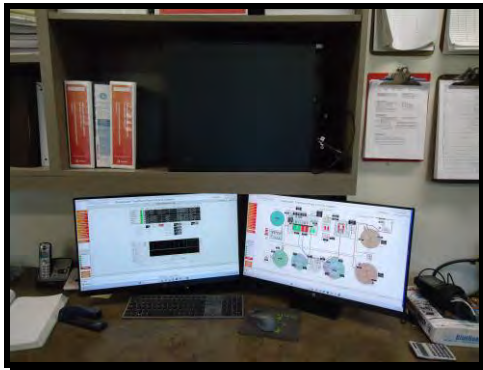
- ◆ Staff continued to make multiple adjustments to the treatment process in efforts to keep up with the lakes changing conditions.

- ◆ Continued tracking the active water level of Lake Angela.

◆ Date	Water Surface Elevation (FT MSL)	Storage (MG)
6/1/24	7192.2'	90
6/27/24	7191.8	88
7/1/24	7191.6	88
7/31/24	7189.3	83
8/31/24	7186.1	70
9/30/24	7185.4	68.5
10/31/24	7184.4	67.5
11/15/24	7183.5	66.5
12/23/24	7183.5	66.5

Repairs and Maintenance WWTP

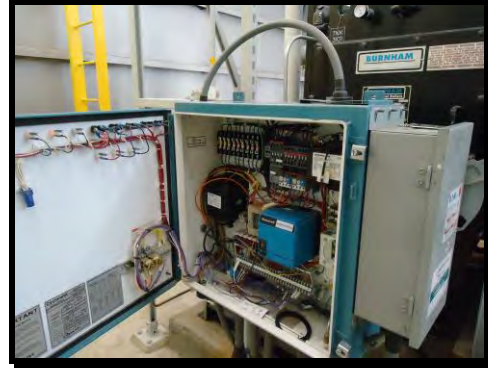
- ◆ Assisted control point with trouble shooting issues to the SCADA control system. It had multiple issues with the upgraded Ignition Program.



- ◆ There was a small propane heater installed in the headworks building to replace the failed main heater unit.



- ◆ Assisted EMCOR with repairs to the heat exchanger #2 and installation of a failed water pump on heat exchanger #1.



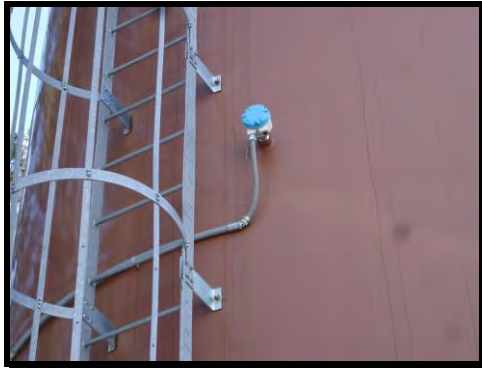
- ◆ Replaced the UPS backup battery at sewer lift station #8.
- ◆ Trouble shot problems with the ammonia feed system. Corrected issues and put back in service.



- ◆ Had Truckee Overhead Door correct issues with the rollup doors in the upper shop and admin building. Also received 3 new remote controls.



- ◆ Removed, cleaned and replaced the soda ash silo dry chemical level transducer.



- ◆ Piston Bully came out to repair tracks and control screen on the snowcat.



- ◆ Replaced part the discharge pipe at sewer lift station #4 with assistance from NDI Plumbing.
- ◆ Dug out sewer lift station #3 to check on pump issues. Found PG&E power to be bad. Called PG&E and they came out and restored correct power to the station.
- ◆ Serviced the portable generator and replaced the radiator hoses.



Repairs and Maintenance WTP

- ◆ Staff assisted Aqua Sierra Controls with the replacement and repairs of the control and monitoring equipment damaged by a power surge at Big Bend.



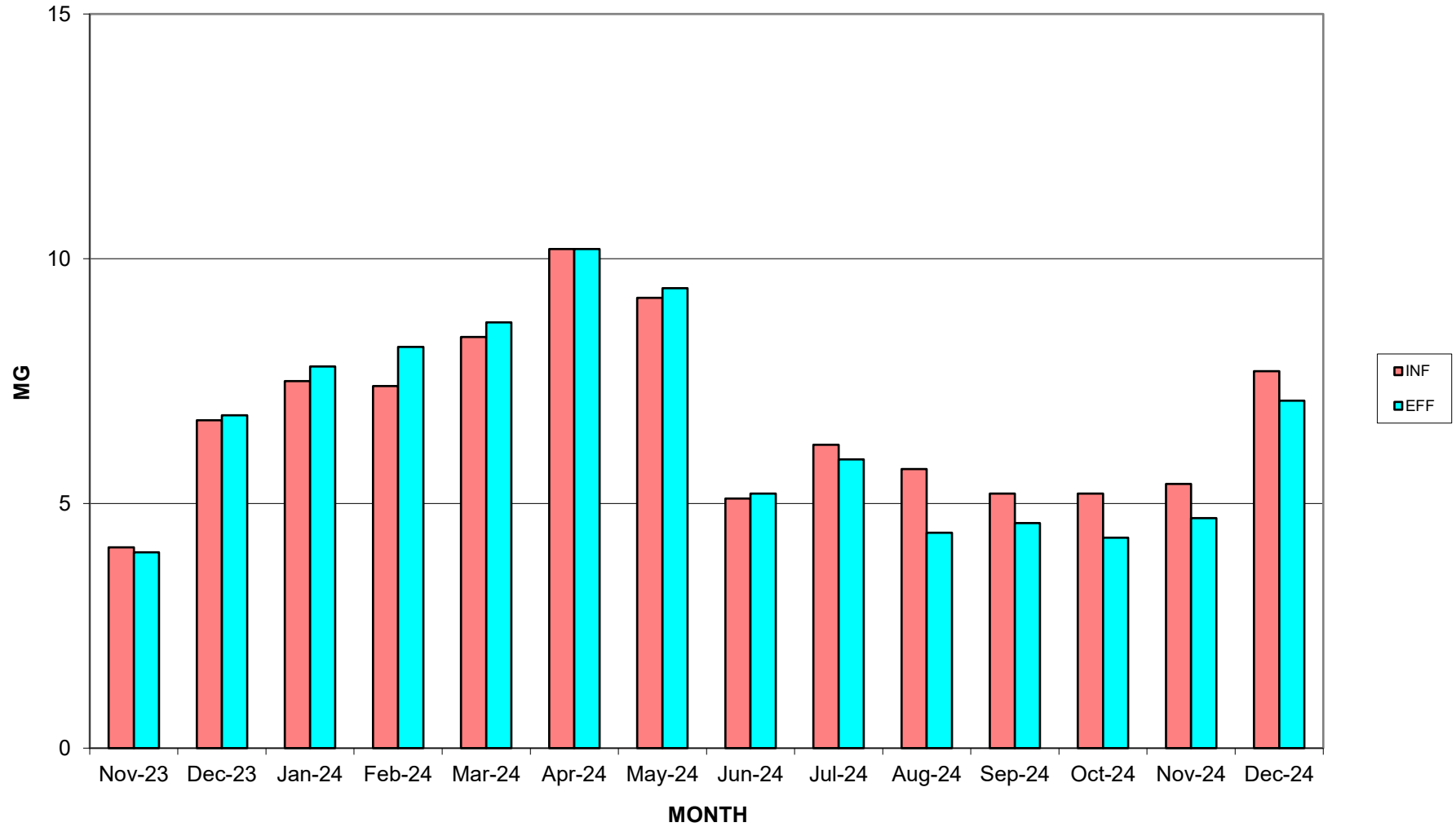
- ◆ Replaced chlorine feed pump tubing.



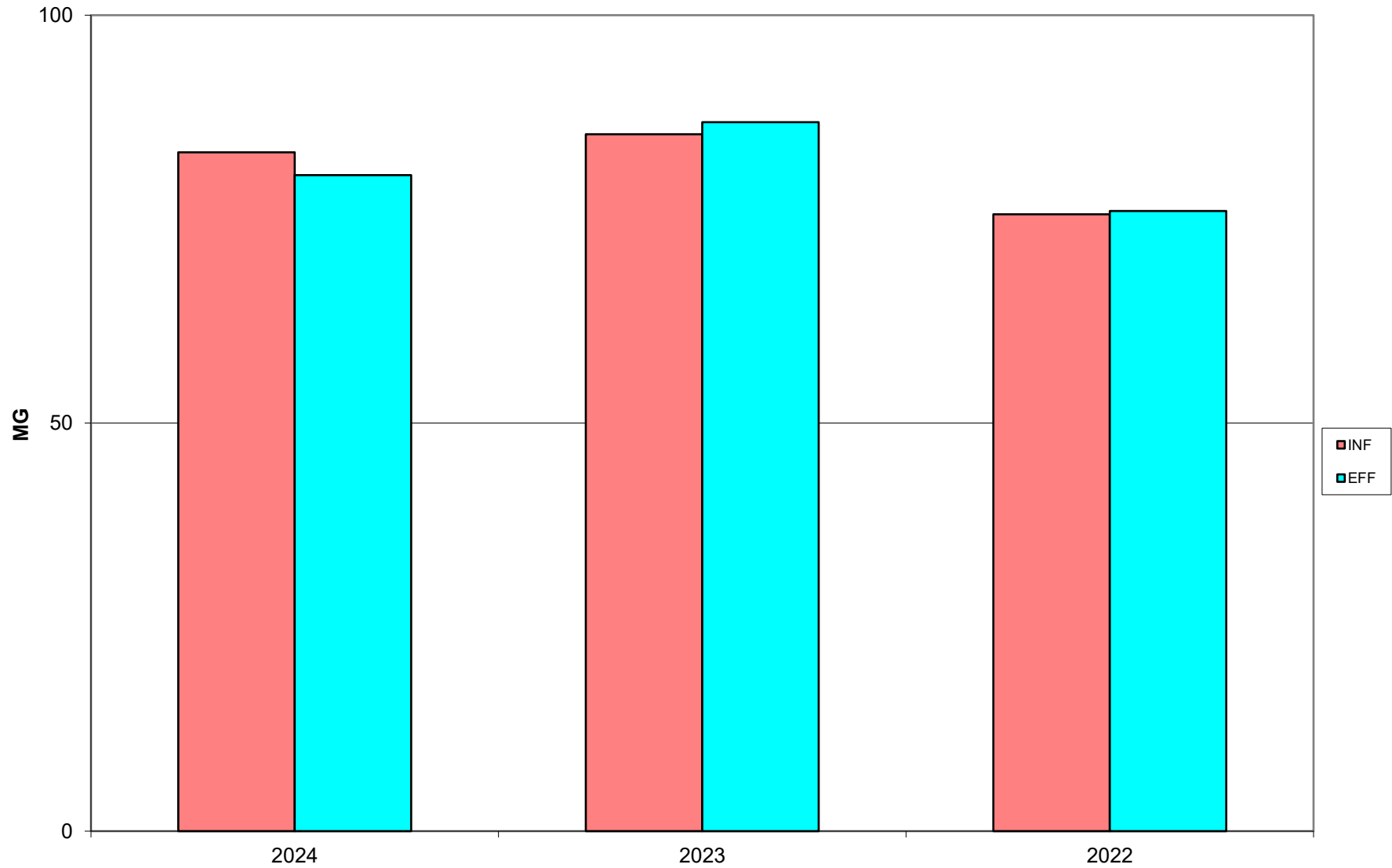
Laboratory

- ◆ Collected annual water samples, both finished and raw at the water plant.
- ◆ Continued river discharge testing along with periotic snow discharge testing.
- ◆ Continued testing for zinc residuals out in the district's wastewater

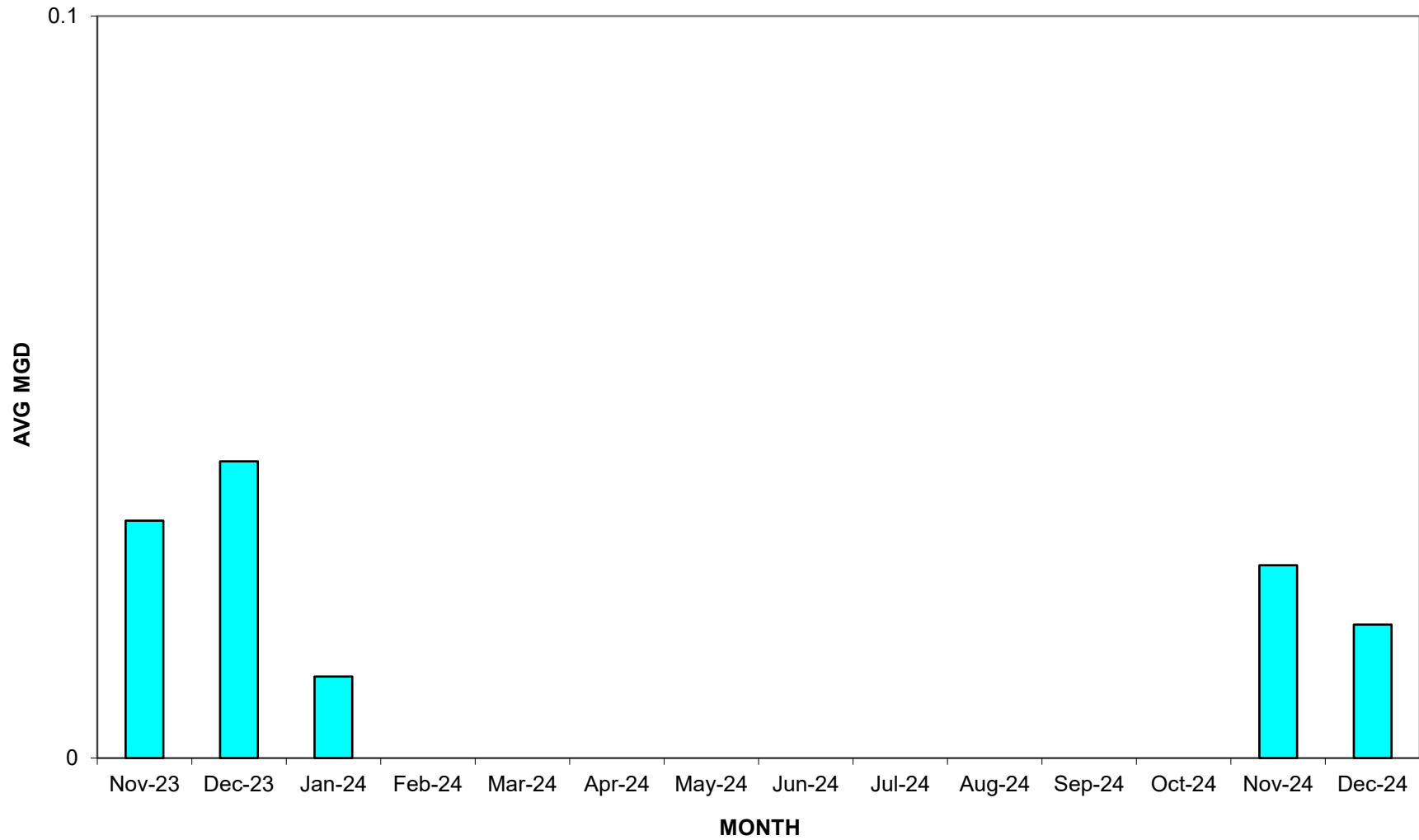
DONNER SUMMIT PUD WWTP **TOTAL INFLUENT FLOW TO TOTAL**
EFFLUENT FLOW YEAR 2023/2024



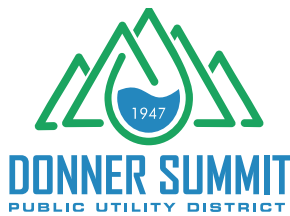
**DONNER SUMMIT PUD WWTP ANNUAL TOTAL INFLUENT FLOW TO TOTAL EFFLUENT
FLOW
2024 DATA THROUGH DECEMBER**



**DONNER SUMMIT PUD WWTP AVG EFFLUENT FLOW TO SNOW
STORAGE/PRODUCTION
YEARS 2023/2024**



Agenda Item: 8A



STAFF REPORT

TO: Board of Directors

PREPARED BY: Steven Palmer, PE, General Manager *SP*

SUBJECT: Adopt a Resolution Approving a Professional Services Agreement with LG Sonic for One Year of Lake Angela Ultrasonic Algae Removal System Equipment and Monitoring for a Not to Exceed Amount of \$49,850

RECOMMENDATION

Adopt a Resolution Approving a Professional Services Agreement with LG Sonic for one year of Lake Angela ultrasonic algae removal system equipment and monitoring for a not to exceed amount of \$49,850.

BACKGROUND

The Donner Summit Public Utility District's (DSPUD) 18-acre (300 acre-feet) drinking water reservoir (Lake Angela) has been seeing a lot of algae growth later in the summer. It makes treating the water very difficult and the District wastes a lot of time, water, chemicals, and energy to remove the algae during the treatment process. In addition, the increased algal load increases the wear on the water treatment plant equipment, effectively reducing their functional life. Excessive algal blooms were experienced in 2009, 2015, 2016, 2022, and 2024. In 2009, the nuisance alga was identified as *Chlorella* sp.. This micro-green alga is common in high elevation lakes and is well adapted to low concentrations of inorganic nitrogen, soluble reactive phosphorus, and minerals. The lake also contained *Oocystis* sp., *Navicula*, *Cocconeis*, and *Cyclotella*. None of these species are toxin producing cyanobacteria.

The issue of excessive algae growth was discussed in the April 2024 Water Supply Resiliency Study prepared by GEI Consultants (Study). The Study identified a few factors that are contributing to algae growth in Lake Angela:

1. Water can become stagnant.
 - a. Lack of flow through
 - b. Lake can isolate into two basins with reduced mixing when water level is lower.
2. Thermal stratification during summer that separates the water into an upper, warmer layer and a lower, colder layer.
3. Long-term accumulation of organic matter at the bottom of the lake is very likely, supported by the annual cycle of algae growth–death–settling and nutrient recycling by aquatic life use (i.e., zooplankton, fish, crawdads). This sediment layer stores enough phosphorus to promote algae growth in the summer.

The Study recommends considering both operational and in-lake algae control strategies. Operational controls include closing the raw water intake in Lake Angela when water quality is poor and changing the water treatment process by increasing chemical dosing and backwashing. DSPUD staff has already adjusted chemical dosing and increased backwashing to mitigate the

impact of the algae. These changes are very expensive and use a lot of water from Lake Angela. Closing the raw water intake is not feasible because the intake would need to be closed for at least two months and there is not enough treated water storage volume to provide an adequate supply. It might be possible to reconstruct the intake structure to include intakes at multiple depths, so that raw water could be drawn from depths with less algae. Additional evaluation is needed to determine if this approach is feasible.

Potential in-lake control strategies include the use of algaecides or ultrasonic soundwaves. Staff recommends using the ultrasonic approach during the upcoming spring and summer, while also gathering water quality and algae data needed to design a chemical dosing plan. This approach will provide algae removal this spring and summer, and provide data that could be used to apply algaecide in the future if the ultrasonic device does not work as anticipated.

DISCUSSION

The General Manager researched both algaecides and ultrasonic algae control. Algaecide application is not feasible right now because additional water quality data is required to calculate dosage, and water samples cannot be collected until Lake Angela thaws and some algae is present. The General Manager discussed the algae issues with EutroPhix, a company that specializes in assessing water quality problems and developing an in-lake treatment approach. They tentatively suggested applying a product(s) to reduce phosphorus and oxidize algae, and provided a list of water testing that will be performed after the lake thaws. EutroPhix will use that data to design a chemical dosing plan and prepare a cost proposal. In-lake chemical application is not a one time solution and application and water testing is likely to be required every year.

Only one company, LG Sonic, was identified that manufactures an ultrasonic product that would work in a large domestic water reservoir like Lake Angela. LG Sonic's MPC-Buoy simultaneously monitors, predicts, and controls algae. The MPC-Buoy collects the following algae and water quality parameters in real-time:

- Chlorophyll a (green algae)
- Phycocyanin (blue-green algae)
- pH
- Turbidity
- Dissolved oxygen
- Temperature

LG Sonic benchmarks this data to its' database of more than 10 years of information from thousands of MPC-Buoy devices to predict if an algae bloom is imminent and then implement the appropriate ultrasonic parameters to stop algae growth. The MPC-Buoy is remotely monitored and wave form, frequency, pause, and amplitude are adjusted to optimize algae control based on the water quality data. According to LG Sonic, algae will mutate to resist ultrasonic exposure, so the key to long term algae control is adjusting the ultrasonic parameters before the algae mutate. A product and services brochure is attached to this staff report.

The MPC-Buoy uses low power ultrasound waves to prevent algae from reaching the top layer of the water body, thereby preventing access to sunlight and nutrients. Without adequate nutrients, the algae will die, sink to the bottom, and decompose. The MPC-Buoy is a self contained device that floats in the lake and is anchored at a location selected by LG Sonic to optimize algae control. The buoy has four ultrasonic transmitters and a 4G satellite communication system that are powered by solar panels and a 24 volt, 40 amp battery.

LG Sonic provides similar services to over 100 customers in 55 countries. There are several locations in the United States, including the California agencies of City of Ukiah in Mendocino County and Vallecitos Water District in San Diego County. The General Manager contacted the Operations and Maintenance Manager at Vallecitos Water District and the Director of Water and Sewer at City of Ukiah. Vallecitos Water District uses MPC-Buoys in a 54 million gallon reservoir that stores reclaimed water (Mahr Reservoir) and a 73 million gallon raw water reservoir that is leased to the City of San Marcos to use as a public park (South Lake Park). Prior to installing the buoys, the water district spent between \$37,000 and \$63,000 on chemicals each year. Since installing the buoys, the amount of algae in the lakes has been reduced significantly and the district has not had to add any chemicals to the lakes. They estimate a return of investment in about three years.

The City of Ukiah also reports that the MPC-buoys have been successfully implemented. The City installed three buoys in their 66 million gallon recycled water storage facility and eliminated the use of chemicals to control algae. The City reports that the buoys are much more effective than chemicals and a return on investment in about seven years.

There are more references and case studies on the LG Sonic website: <https://www.lgsonic.com/>.

LG Sonic submitted the attached proposal which includes the following scope of work:

Year One (Spring 2025)

<i>Item</i>	<i>Cost</i>
MPC-Buoy purchase.	\$ 45,900
One year of interactive algae control	Included
Anchor system	\$ 3,100
SIM card	\$ 350
Transportation to site	\$ 5,800
Installation and setup	\$ 5,980
<i>Total</i>	<i>\$ 61,130 plus tax</i>

Year Two (October 2025)

<i>Item</i>	<i>Cost</i>
Interactive algae control and service	\$ 6,450
SIM Card	\$ 350
Calibration of water quality sensors	\$ 5,600
<i>Total</i>	<i>\$ 12,400 plus tax</i>

Year Three (October 2026)

<i>Item</i>	<i>Cost</i>
Interactive algae control and service	\$ 6,450
SIM Card	\$ 350
<i>Total</i>	<i>\$ 6,800 plus tax</i>

Optional

<i>Item</i>	<i>Cost</i>
Annual removal of buoy in winter	\$5,800 plus tax
Annual install of buoy in spring	\$5,800 plus tax
Construct shed for winter storage.	\$5,600 plus tax

Staff's recommends that DSPUD include the optional tasks. This will help ensure the buoy is removed and stored properly during the winter. The adjusted total cost by year is shown in the table below.

<i>Year</i>	<i>Cost</i>
One (4/25-10/25)	\$ 72,530 plus tax
Two (10/25-10/26)	\$ 24,000 plus tax
Three (10/26 to 10/27)	\$ 18,400 plus tax
<i>Three-Year Total</i>	<i>\$114,930 plus tax</i>

The General Manager, Plant Manager, and Assistant Plant Manager met with LG Sonic to learn about the product and the services offered. The meeting with LG Sonic was informative and they confirmed that they are confident that the MPC-Buoy will control algae in Lake Angela. Staff expressed concern about purchasing without proof that the MPC-buoy will be effective. LG Sonic heard staff's concerns and proposed a rent-to-own option with a lower first year cost and the option to cancel if the buoy is not effective. The rent-to-own option includes twelve monthly payments of \$4,113 plus tax for the buoy purchase, instead of the full price plus tax. If DSPUD is not satisfied with the results after the first season, then the purchase of the buoy can be cancelled without any further monthly payments. The adjusted annual costs for the rent-to-own option is shown in the table below.

<i>Year</i>	<i>Cost</i>
One (4/25-10/25)	\$ 46,371 plus tax
Two (10/25-10/26)	\$ 44,365 plus tax
Three (10/26 to 10/27)	\$ 24,200 plus tax
<i>Three-Year Total</i>	<i>\$114,936 plus tax</i>

First year costs include:

<i>Item</i>	<i>Cost</i>
MPC-Buoy payment (7 months)	\$ 28,791
One year of interactive algae control	Included
Anchor system	Included
SIM card	Included
Transportation to site	\$ 5,800
Installation and setup	\$ 5,980
Winter removal (2025)	\$ 5,800
<i>Total</i>	<i>\$ 46,371 plus tax</i>

Second year costs include:

<i>Item</i>	<i>Cost</i>
MPC-Buoy payment (5 months)	\$ 20,565
One year of interactive algae control	\$ 6,450
SIM card	\$ 350
Build shed	\$ 5,600
Spring installation (2026)	\$ 5,800
Sensor calibration	\$ 5,600
<i>Total</i>	<i>\$ 44,365 plus tax</i>

Third year costs include:

<i>Item</i>	<i>Cost</i>
One year of interactive algae control	\$ 6,450
SIM card	\$ 350
Winter removal (2026)	\$ 5,800
Spring installation (2027)	\$ 5,800
Winter removal (2027)	\$ 5,800
<i>Total</i>	<i>\$ 24,200 plus tax</i>

Staff recommends the Board approve the rent-to-own approach and authorize the General Manager to approve a professional services agreement for a not to exceed amount of \$46,371 plus tax (\$49,850). If the ultrasonic device is effective this summer, then the Board will be asked to approve an agreement for the remaining two years for a not to exceed amount of \$68,565 plus tax (\$73,708).

ANALYSIS

The Board adopted Procurement and Purchasing Policy requires a formal request for proposal (RFP) procedure for this type of work. The Policy does provide that the Board may dispense with the formal RFP procedure for one of the following reasons:

- 1) In an emergency
- 2) When the services can be obtained from only one source.
- 3) When compliance with the procedure is not in the best interest of DSPUD.
- 4) When purchased through a cooperative purchasing agreement whose procurement process is substantially consistent to DSPUD.

The General Manager recommends that the Board find that a formal RFP is not required because these services can only be obtained from one source.

The General Manager recommends that the Board adopt a resolution dispensing with the formal RFP procedure and approving the professional services agreement with LG Sonic for a not to exceed amount of \$46,371 plus tax (\$49,850).

FISCAL IMPACT

The Fiscal Year 2024-2025 Operating Budget did not include funding for this equipment and service; a budget amendment is required. The funds for this will come from reserves and a budget amendment that increases funding from reserves by \$49,850 is included in the resolution. This reduces the projected unrestricted reserve balance at the end of the fiscal year to \$254,003.

Installing this ultrasonic algae control system will reduce operating costs. Removing algae in the lake before it reaches the water treatment process will reduce the amount of chemicals, utilities, and laboratory testing needed each year. More algae reaching the treatment process causes an increase in the amount of backwashing and clarifier flushes needed to keep the filters operating. The filters and clarifier are washed with treated drinking water, and the water is wasted to the sewer system. To estimate the cost savings to operations, staff compared the volume of backwash water from a year with a high algal load (2024) to a low algal load (2023) and multiplied it by the annual cost of chemicals, utilities, and laboratory testing divided by total number of gallons treated in 2023. Since the backwash water is discharged to the sewer system, it is treated again at the wastewater treatment plant staff included these costs for both water and wastewater treatment. Staff estimates that the 2024 algae growth increased the amount of water used for backwashing and clarifier flushes by 13 million gallons from 2023. This is about two times the volume in 2023. After factoring in the increased costs for both water and wastewater treatment, staff estimates that the ultrasonic algae control will reduce operating costs by \$130,000 per year

If the ultrasonic device reduces algae in Lake Angela this summer and DSPUD wants to complete the purchase and continue service, then the agreement will need to be amended and funds will need to be available from the Fiscal Year 2026 budget.

CEQA ASSESSMENT

This project is exempt per CEQA Section 15301 Existing Facilities, maintenance of existing water supply reservoirs; and Section 15311 Accessory Structures, placement of seasonal or temporary use items. A notice of exemption will be filed.

ATTACHMENTS

1. Brochure
2. Proposal
3. Professional Services Agreement
4. Resolution 2025-01



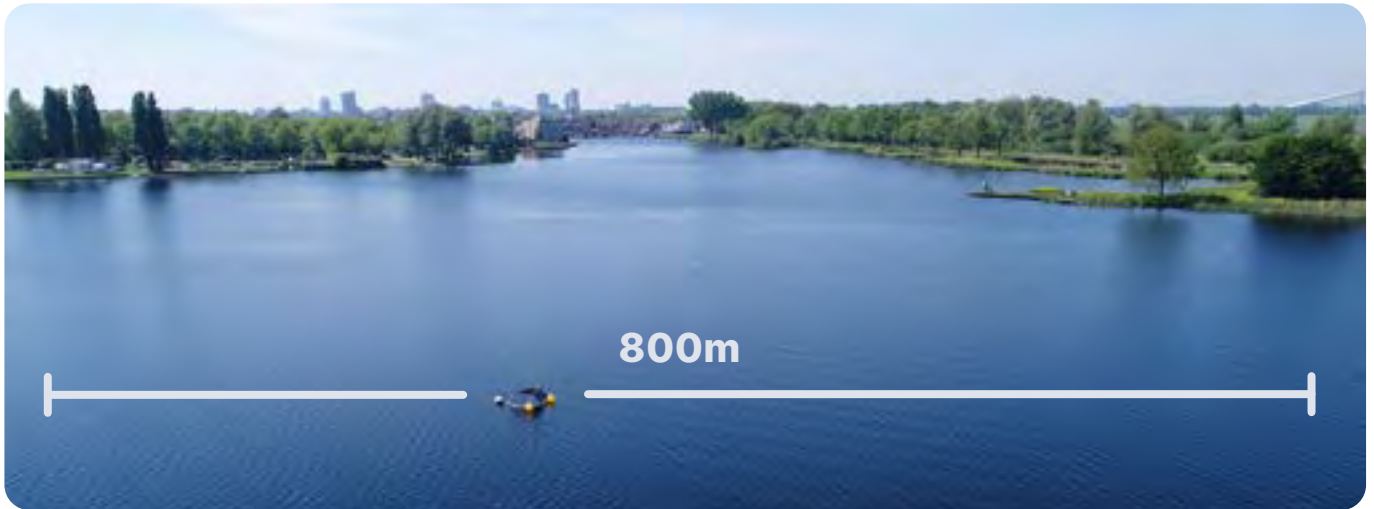
Monitor, Predict, and Control Algae with the MPC-Buoy

- ✓ Reduce cyanobacteria & diatoms up to 95%
- ✓ Reduce TSS, pH, and chemical usage
- ✓ Safe for fish, plants, and other aquatic life

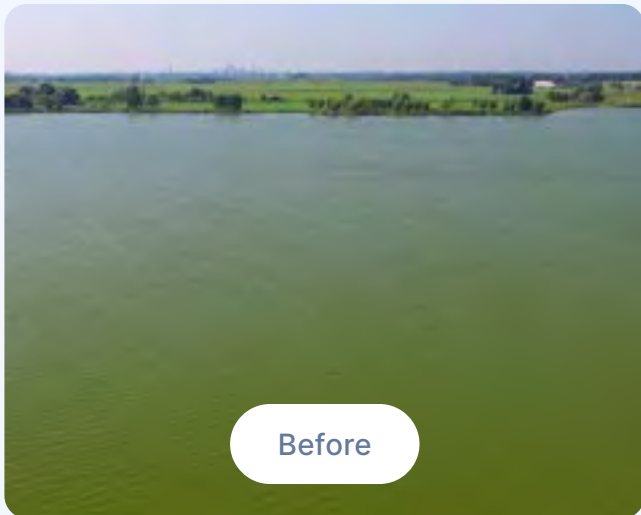
Complete algae control solution

Meet the MPC-Buoy

The MPC-Buoy is a floating, solar-powered system that combines real-time water quality monitoring and ultrasound to effectively control algae (blooms) in lakes and reservoirs.



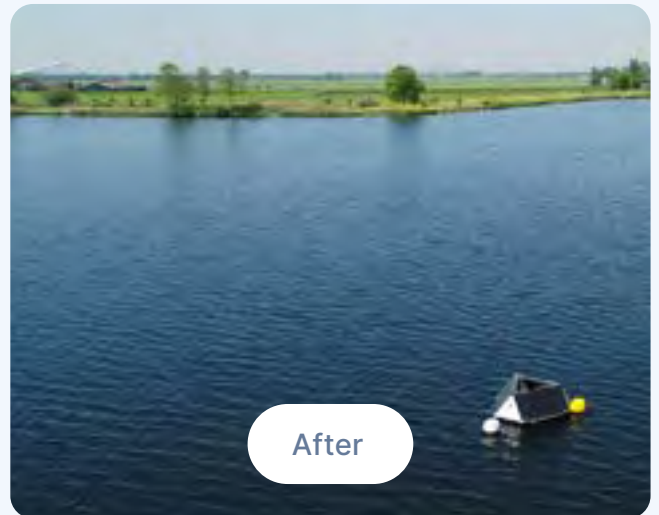
Each MPC-Buoy device can control algae in areas up to 800m in diameter.



📍 Zoetermeer, The Netherlands, 90 hectares recreational lake

Algae problem

A combination of high temperatures, stagnant water, and nutrient overload can result in excessive algae growth. These organisms deplete oxygen levels in water, release toxins, and cause bad taste and odors. The solution is to deploy one or more MPC-Buoys that emit targeted ultrasound into the water.



Algae solution

- ✓ Eliminate up to 90% of the algae
- ✓ Prevent the growth of new algae
- ✓ Reduce TSS, pH, and chemical usage
- ✓ Safe for fish, plants, and other aquatic life

Designed for large water surfaces

The MPC-Buoy is specifically designed to control algae and improve water quality in large water surfaces.

Drinking water reservoirs



Reduce chemical consumption, odor and taste issues.

Cooling ponds



Increase the water quality and efficiency of your cooling water.

Wastewater ponds



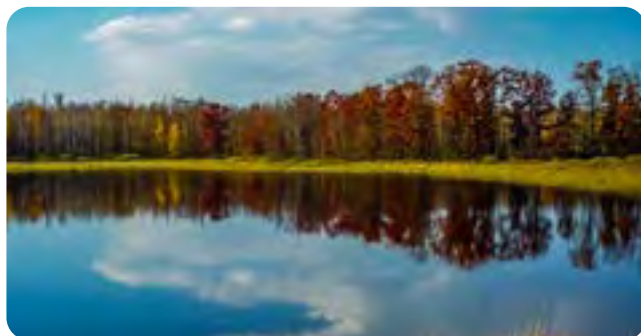
Control algal blooms to lower pH, TSS, and BOD levels.

Hydroelectric dams



Lower chemical consumption and improve water quality.

Lakes



Reduce odor problems and prevent dangerous toxins.

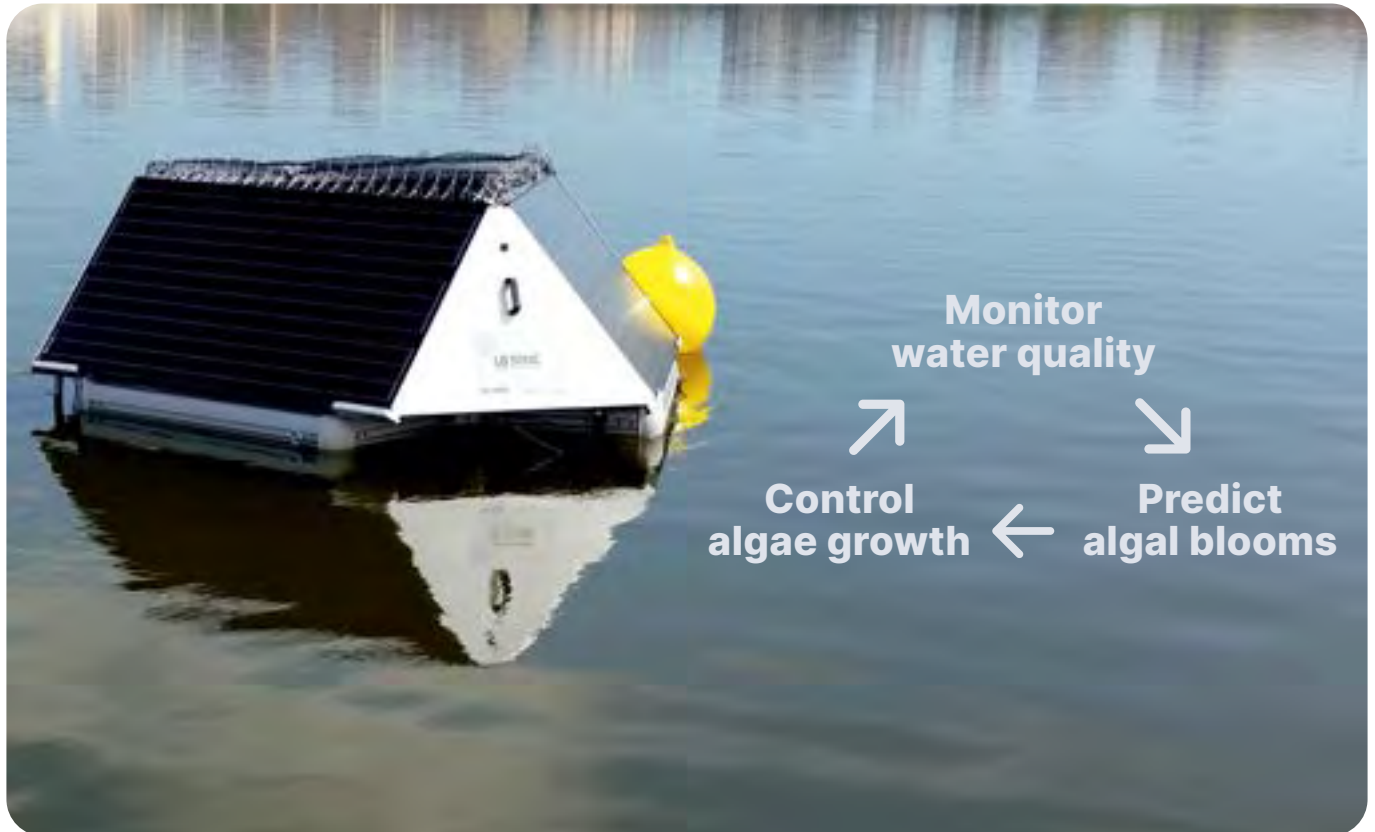
Irrigation reservoirs



Prevent clogging of filters and pipes of drip irrigation systems.

Monitor, predict, and control algae with ultrasound technology

The MPC-Buoy uses low-power ultrasound to stop algae growth without harming the environment.



Monitor water quality

The LG Sonic MPC-Buoy provides a complete overview of your water quality by collecting key algae and water quality parameters in real-time.

- Chlorophyll α (green algae)
- Phycocyanin (blue-green algae)
- pH
- Turbidity
- Dissolved oxygen
- Temperature

Predict algae blooms

Our database contains more than 10 years of information collected from thousands of LG Sonic devices operating around the world. It includes datapoints on different types of water bodies, algae species, seasons, etc. Our database is continually refreshed with new information, always optimizing predictive algorithms for the benefit of all our customers.

Control algae growth

Algae can become resistant to treatment methods, including ultrasound. To avoid this, we'll determine the most effective ultrasonic program for your unique situation. The program parameters will be specific for wave form, frequency, pause, and amplitude. The key to long-term results is adjusting settings before the algae mutate.

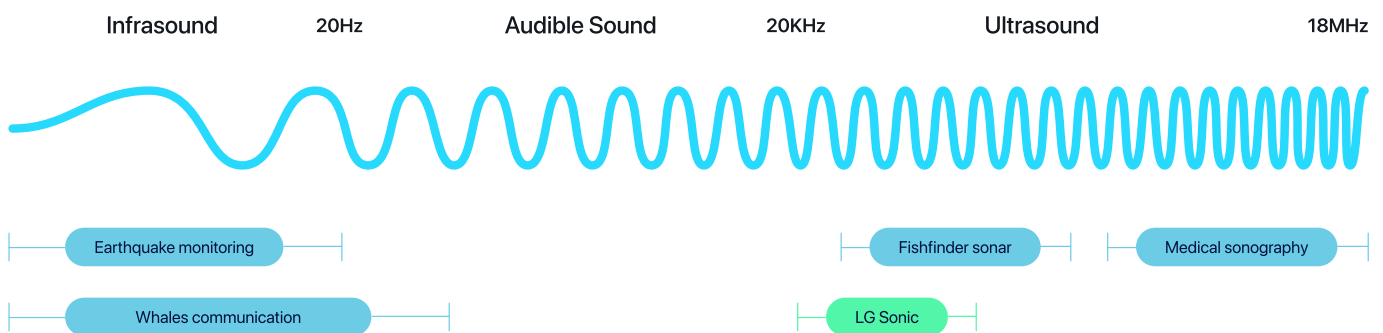
* Additional sensors can be purchased separately

How ultrasonic algae control works

Eco-friendly ultrasonic treatment

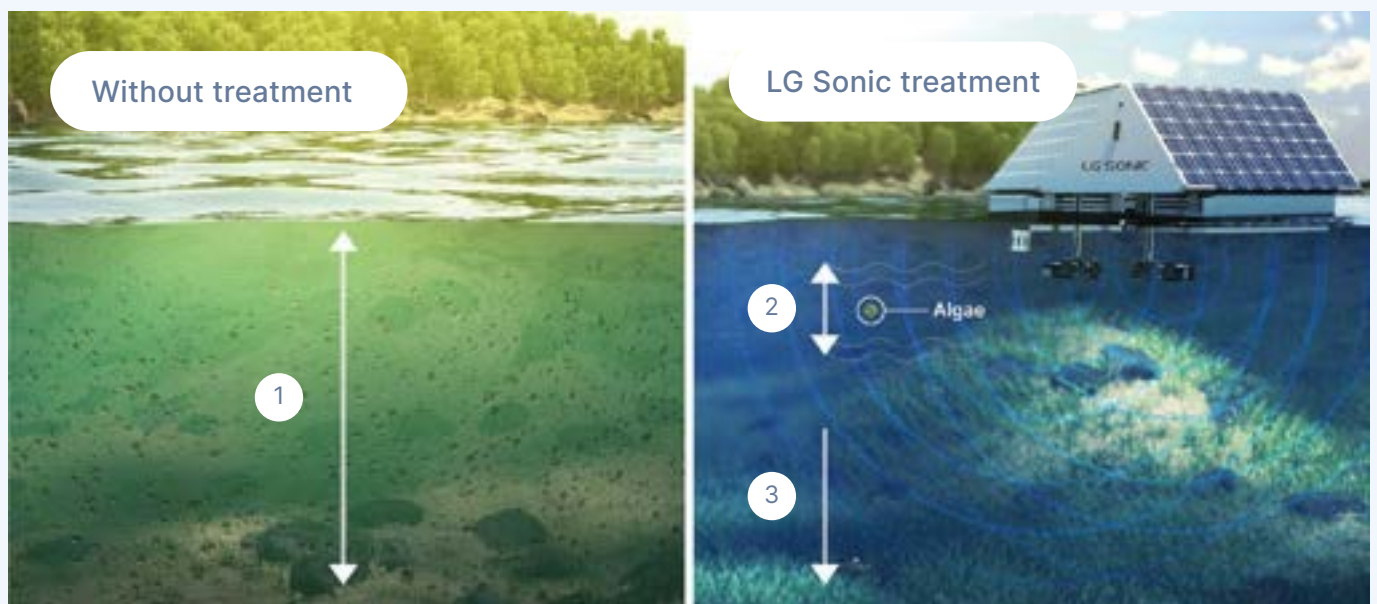
Algae blooms reduce light penetration, deplete oxygen, and release dangerous toxins, harming fish, plants, and other aquatic organisms. By controlling algal growth, LG Sonic's ultrasonic technology has the power to restore entire ecosystems.

After one year of treatment, algae levels will significantly reduce as water clarity increases, encouraging plant growth and therefore, increasing oxygen levels. Our ultrasonic treatment reduces algae blooms by up to 95%, compared to no treatment.



How ultrasound targets the algae

- 1 Algae move to the water surface for photosynthesis. The ultrasound creates a sound layer at the top of a water body.
- 2 The low-power ultrasound waves affect algae's vertical movement by fixing them in the water column.
- 3 Without access to sunlight and nutrients, the algae sink to the bottom, where they decompose without releasing toxins. In time, bacteria will degrade the algae.



MPC-Buoy components

Solar-powered

- 3× 250 Wp high quality solar panel that provide power all year-round in any country
- 1× 24 Volt, 40 AMP lithium battery
- Switches to energy-saving program during periods of low sun irradiation

Smart communication system

- 4G, Satellite, LAN
- Real-time water quality data with the MPC-View software
- Integrated alarm functions



4 ultrasonic transmitters

- Treatment range: 800m in diameter
- Integrated Aquawiper™: automatic cleansing system for the transmitters
- Chameleon Technology™ adjusts the ultrasonic program to specific water conditions

Anchored floating construction

- Aluminium powder coated frame
- UV and corrosion resistant construction
- Unsinkable floats

Complete quality sensor package

- In-situ water quality sensors to provide real-time data
- Monitors DO, turbidity, pH, chlorophyll α , phycocyanin, and temperature
- Automatic antifouling wiper ensures optimal readings

Get real-time water quality insights

Meet the MPC-View

MPC-View is an advanced web-based software. It provides a complete water quality overview of one or more water bodies.

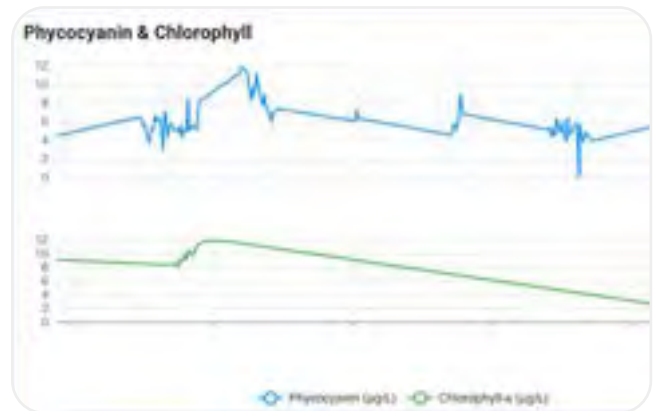
- ✓ Real-time insights into your water quality
- ✓ Integrated data visualization and reporting
- ✓ Ultrasonic programs change based on the water quality data received



MPC-View software features



- ✓ Comply with water quality regulations and standards by delivering precise data and reports
- ✓ Analyse historical data trends to identify patterns and potential issues.



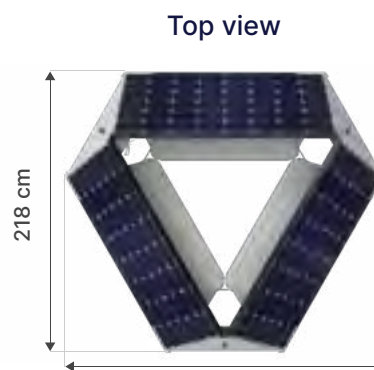
- ✓ Integrate with other systems and databases for a comprehensive view of water quality across various sources
- ✓ Generate detailed reports and visualisations to offer insights into water quality over time

Set up alerts for specific water quality thresholds, triggering notifications when levels are outside acceptable limits

Technical specifications



Weight: 200 kg (excl. anchor)



254 cm

<p>3x aluminum framed polyethylene buoy</p> <ul style="list-style-type: none"> • Material: Rotationally-moulded UV-stabilized HDPE polyethylene • Filling: Closed-cell polyurethane foam • Buoy frame: Anodized aluminum • Weight: 15 kg • Size: 120 × 60 × 20 cm • Buoyancy capacity 270 kg 	<p>Solar panels (3x)</p> <ul style="list-style-type: none"> • Solar cell: Monocrystalline cell • Rated Power (Pmax): 250 Wp Weight: 16 kg • Connectors IP67 • Size: 158 × 81 × 3,5 cm
<p>Telemetry</p> <ul style="list-style-type: none"> • GSM/GPRS • CDMA (optional) • Radio (optional) • GPS (optional) • Iridium Satellite (optional) 	<p>Data acquisition system</p> <p>4 x analog channel (user-configurable for either 4-20mA)</p> <ul style="list-style-type: none"> • 1 x RS485 port for instruments • 1 x high frequency pulse counting channel • 1 SDI-12 input • 3X RS232
<p>Battery</p> <ul style="list-style-type: none"> • 1× 24 volt lithium lifepo4 • Capacity: 40 Ah • Weight: 15 kg 	<p>Solar Charge Controller</p> <p>Overcharge and Deep discharge protection Ip68 Protection</p>

Water quality sensor package

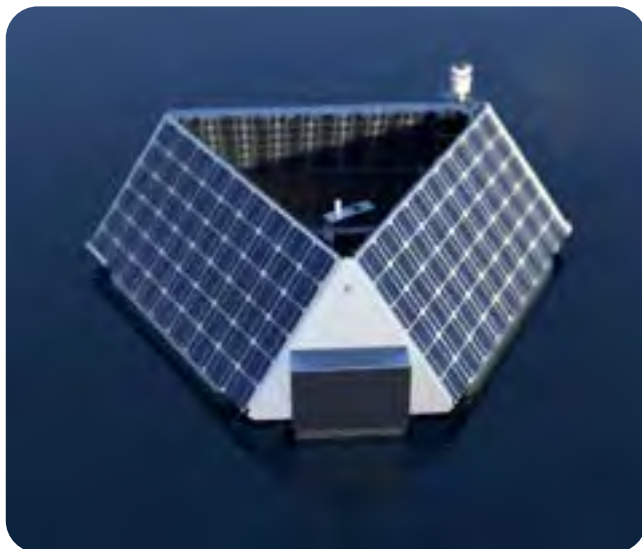
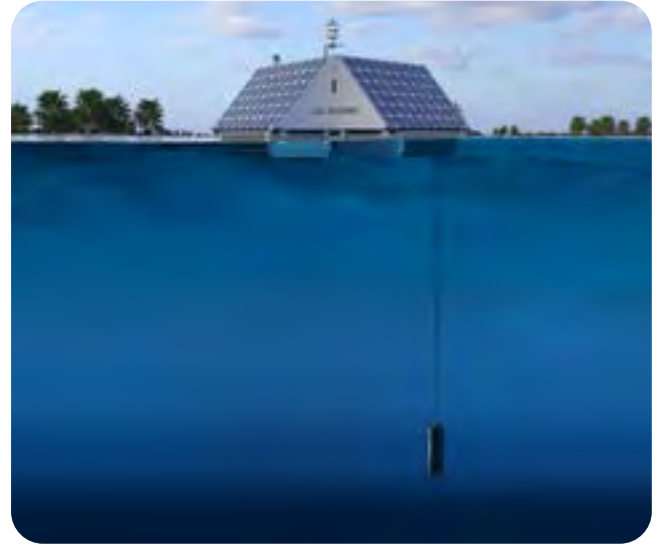
<p>Chlorophyll a, phycocyanin, turbidity</p> <ul style="list-style-type: none"> • 470nm – Chlorophyll a • 610nm – Phycocyanin • 685nm Turbidity 	<p>Dissolved Oxygen</p> <ul style="list-style-type: none"> • Optical measure by luminescence • Measure ranges: • 0.00 to 20.00 mg/L • 0.00 to 20.00 ppm • 0-200% 	<p>pH</p> <ul style="list-style-type: none"> • Combined electrode • special glass, Ag/AgCl ref. • Gelled electrolyte (KCl) • Range 0 – 14 pH • Resolution 0,01 pH • Accuracy +/- 0,1 pH
<p>Temperature</p> <ul style="list-style-type: none"> • Technology CTN • Range 0°C to 55°C • Resolution 0,01 °C • Accuracy ± 0,5 °C • Response time < 5 s 		<p>It is possible to add additional sensors to the water quality sensor package.</p>

Water quality monitoring solutions

Vertical profiling system

LG Sonic Vertical Profiler can be pre-set to take samples from a wide range of depths within a water body and measure key water parameters in real-time. Data is transmitted through 4G, radio or satellite to the MPC-View online software.

- Easy maintenance: can be done from the boat, without bringing it back to shore
- Possible to measure up to 100m in depth
- 50% more affordable than other Vertical Profilers on the market



PO₄ sensor

By measuring PO₄ in a water body, you're able to predict harmful algae blooms and you gain a better understanding of the different PO₄ sources in your water.

- Reliable measurements at different depths
- 2-POINT calibration with each measurement
- High durability of reagents
- User-friendly and highly customizable
- More affordable than other PO₄ sensors
- Operates completely autonomously
- The sensor can be supplied on a stable buoy

Weather station

Our Weather Station is a low-maintenance unit that enables more accurate algae bloom predictions by integrating local weather data into your MPC-Buoy and MPC-View software.

- Real-time weather data
- Highly customizable
- Low maintenance



A selection of our customers

We work together with top-level water and energy utilities.



American Water is the largest and most geographically diverse U.S. public water and wastewater utility.

To control harmful algae and eliminate foul odor and taste issues, American Water installed MPC-Buoy systems in their reservoir located in New Jersey. Amongst other positive results, the utility achieved 100% chemical reduction in the reservoir



Anglian Water provides drinking water to more than four million customers and water recycling services to almost seven million.

Since the installation of the MPC-Buoy systems in Alton Water Reservoir and the implementation of additional control measures in the upstream catchment area, Anglian Water has started to see a reduction in algal blooms which minimises the extra pressure on the treatment works.



Agua Andinas, a multi-service company in Santiago, supplies water, sewerage, and wastewater services to about 8.5 million people through its subsidiaries.

The customer values the MPC-Buoys' real-time monitoring, which provides immediate biochemical data access and water quality change alerts. This helps ensure compliance with SEA Chile regulations and safeguards employees and the water supply during crises, like extreme weather.



Maynilad Water Services, responsible for water and wastewater services in the West Zone of the Greater Manila Area, caters to over nine million people and has proactively tackled the challenges faced by Laguna de Bay.

MPC-Buoy provides real-time data on water quality, included parameters are; Chlorophyll α , Phycocyanin, pH, Turbidity, Dissolved Oxygen, and temperature. With real-time monitoring, Maynilad can swiftly detect potential threats and take immediate action to uphold water quality.

About LG Sonic

LG Sonic is a leader in ultrasonic algae control with a mission to restore aquatic ecosystems without the use of chemicals or other harmful pollutants. Leading the way by producing cutting-edge technologies that manage algae blooms sustainably, LG Sonic's solutions are present in over 55 countries, serving 12 industries.

For over 10 years, we've invested in research and development. Today, while striving to provide smart strategies against water pollution, LG Sonic expands its expertise to offer comprehensive solutions for surface water management, including vertical profiling, phosphate monitoring, remote sensing, and the creation of a digital twin for surface water.

100+
Customers

55+
Countries

12+
Industries served



LG Sonic Headquarters

Opened in 2011, this European venue is where we established our corporate headquarters and our R&D department. At this location we continue to improve our features and technologies in our in-house water laboratory.

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Heliumstraat 7 - 2718 SL
+31 070 770 9030
info@lgsonic.com

International offices

LG Sonic Headquarters

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Award-Winning Innovation



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Quote **January 21, 2025**
Agenda Item: 8A
Attachment 2

Quote Number: 25076198
 Our Reference: Tom Smith
 Quote Date: Nov 14, 2024 08:38 AM
 Valid Until: Dec 31, 2025
 Your Reference: ANGELA LAKE
 Payment Term: Prepaid

Invoice address:	Delivery address:
Donner Summit Public Utility District . Soda Springs California UNITED STATES	

Product Code	Product Name	Qty	List Price	Total
10100	MPC-Buoy Pro Includes one year of Interactive Algae Control (IAC). (\$6450 no charge in 2025)	1	\$ 45,900.00	\$ 45,900.00
10020	Anchor system Complete anchor system incl. anchor, D-shackles, marine rope, sinker, galvanized, chains and swivels	1	\$ 3,100.00	\$ 3,100.00
87316	Sim Card SIM Card: yearly fee per MPC-buoy	1	\$ 350.00	\$ 350.00
3426	Transport INCOTERM DAP. It doesn't include customs and taxes fees.	1	\$ 5,800.00	\$ 5,800.00
10801	Installation and Set up LG Sonic including Equipment 2025 LAUNCH ON SITE LG Sonic will be responsible for the installation of the MPC-Buoy units in the reservoir. It will provide: - Enough people to assemble and install the units in the water - The requested tools during installation The customer responsibilities: - Securing a telehandler and small boat. LG SONIC will assist with locating this equipment from a vendor locally - At all times during the installation period to provide access to the reservoir for getting the buoy units in the reservoir. - Have direct communication with LG Sonic to define logistics and spaces for the installation.	1	\$ 5,980.00	\$ 5,980.00
	Assembly hardware POLY SHED purchase, delivery and onsite construction with ground tethers for winter storing of buoy	1	\$ 5,600.00	\$ 5,600.00
10070	Maintenance onsite winter removal end of 2025 season includes prep, wrap and storing with crew and equipment supplied by LG SONIC	1	\$ 5,800.00	\$ 5,800.00
10801	Installation and Set up LG Sonic including Equipment Onsite launch in Spring 2026 LG Sonic will be responsible for the installation of the MPC-Buoy units in the reservoir. It will provide: - Enough people to assemble and install the units in the water - The requested tools during installation - A crane (included lifting straps) / trailers to move and lift the buoy's in the water - Supply of a boat (included ropes for pulling the buoy units) included life jackets following LG Sonic's terms The customer responsibilities: - At all times during the installation period to provide access to the reservoir for getting the buoy units in the reservoir. - Have direct communication with LG Sonic to define logistics and spaces for	1	\$ 5,800.00	\$ 5,800.00

Product Code	Product Name	Qty	List Price	January 21, 2025 Agenda Item: 8A Attachment 2	Total
10040	Calibration the installation. 2026 Calibration of sensor set required after first 12 months. This service is not required again for 36 months.	1	\$ 5,600.00		\$ 5,600.00
10050	Interactive Algae Control 2026 Annual project service costs for data management and treatment parameters changes	1	\$ 6,450.00		\$ 6,450.00
87316	Sim Card SIM Card: 2026 yearly fee per MPC-buoy	1	\$ 350.00		\$ 350.00
10070	Maintenance 2026 Maintenance onsite winter removal end of 2026 season includes prep, wrap and storing with crew and equipment supplied by LG SONIC	1	\$ 5,800.00		\$ 5,800.00
10801	Installation and Set up LG Sonic including Equipment Onsite launch in Spring 2027 LG Sonic will be responsible for the installation of the MPC-Buoy units in the reservoir. It will provide: - Enough people to assemble and install the units in the water - The requested tools during installation - A crane (included lifting straps) / trailers to move and lift the buoy's in the water - Supply of a boat (included ropes for pulling the buoy units) included life jackets following LG Sonic's terms	1	\$ 5,800.00		\$ 5,800.00
10050	Interactive Algae Control 2027 Annual project service costs for data management and treatment parameters changes	1	\$ 6,450.00		\$ 6,450.00
87316	Sim Card SIM Card: 2027 yearly fee per MPC-buoy	1	\$ 350.00		\$ 350.00
10070	Maintenance 2027 Maintenance onsite winter removal end of 2027 season includes prep, wrap and storing with crew and equipment supplied by LG SONIC Maintenance	1	\$ 5,800.00		\$ 5,800.00
				Sub Total	\$ 114,930.00
				Tax	\$ 0.00
				Grand Total	\$ 114,930.00

Terms and conditions

PRICES INDICATED DO NOT INCLUDE TAX.

DATA PROVIDED BY CUSTOMER INDICATES AVERAGE DEPTH OF WATER AT THE LAND BRIDGE SILL ON ANGELA LAKE TO BE 13 FEET.

PROJECT SERVICE COSTS FOR DATA MANAGEMENT, WEB HOSTING, SERVER SET-UP AND INTERACTIVE ALGAE CONTROL SERVICES.

THE FOLLOWING TERMS REPRESENT APPROXIMATE 3 YEAR AGREEMENT FOR BILLING TO INCLUDE RENTAL OF MPC BUOY OVER A PERIOD OF 12 MONTHS PLUS SERVICES ANTICIPATED WITHIN THAT TERM.

CUSTOMER WILL ASSUME OWNERSHIP OF EQUIPMENT AT THE END OF 12 MONTHS OF RENTAL

CUSTOMER HAS THE RIGHT TO END RENTAL AT ANY TIME AND AGREES TO PAY FOR REMOVAL AND RETURN SHIPPING AND TRANSPORTATION OF EQUIPMENT AT END OF THE CONTRACT

CUSTOMER AGREES TO THE FOLLOWING AMOUNTS AND WILL PAY WITHIN 30 DAYS OF INVOICE FOR THE AMOUNT AND DATES REPRESENTED UNLESS INDICATED IN ADVANCE BY CUSTOMER AND AGREED BY LG SONIC. INVOICE DATES ARE APPROXIMATE

YEAR ONE: April 2025 thru October 2025 (7 months)
 invoiced within 10 days of delivery and installation in the month of April 2025
 DELIVERY \$5800
 INSTALL \$5980
 7 MONTHS RENT April 2025 thru October 2025 (\$4113 X 7) \$28,791
 WINTER REMOVAL (2025) \$5800
 TOTAL YEAR ONE INVOICE \$46,371

YEAR TWO: October 2025 thru October 2026 (12 MONTHS)
 invoiced on or around Nov 5, 2025 (unless otherwise agreed in advance)
 SHED BUILD (Fall 2025) \$5600

INSTALL (Spring 2026) \$5800
5 REMAINING MONTHS RENT November 2025 thru May 2026 (\$4113 X 5) \$20,565
SENSOR CALIBRATION (2026) \$5600
Interactive Algae Control AIC (year 2026) \$6450
SIM CARD \$350
TOTAL YEAR TWO INVOICE \$44,365

January 21, 2025
Agenda Item: 8A
Attachment 2

YEAR THREE October 2026 thru October 2027 (12 MONTHS)
invoiced on or around Nov 5, 2026 (unless otherwise agreed in advance)
WINTER REMOVAL (Fall 2026) \$5800
INSTALL (Spring 2027) \$5800
AIC year 2027 \$6450
SIM CARD year 2027 \$350
WINTER REMOVAL (Fall 2027) \$5800
TOTAL YEAR THREE INVOICE \$24,200

Payment

- Credit card (VISA / MasterCard / American Express): Till 10.000 USD + 4% Creditcard Fee
- Wire transfer
- Check payment

Please mention your quote number in your payment details.

Orders are standard being shipped with an Invoice and Packing list. If you require additional export documents please indicate this with your order.

Please transfer payment including the bank charges for successful handling of your order.

All the units are ready to work on AC power supply. If your device will work on DC supply, please let us know so we can prepare it in advance.

Company details

201 Lackawanna Ave. Suite 222
Scranton
Pennsylvania
18503

United States

Tel: +1 833 547 6642

E-mail: g.eiffert@lgsonic.com

Terms and conditions at: www.lgsonic.com/terms

AGREEMENT BETWEEN DONNER SUMMIT PUBLIC UTILITY DISTRICT
AND LG SONIC
FOR THE PROVISION OF PROFESSIONAL SERVICES

INTRODUCTION

WHEREAS, Donner Summit Public Utility District (hereinafter referred to as "District") has the need for the PROFESSIONAL services of LG Sonic (hereinafter referred to as "Contractor"), and in consideration of the mutual promises, covenants, terms, and conditions hereinafter contained, the parties hereby agree as follows:

TERMS AND CONDITIONS

1. SCOPE OF WORK.

The Contractor shall furnish to the District those services and work set forth in **Attachment A**, attached hereto and by reference incorporated herein.

Services and work provided by the Contractor at the District's request under this Agreement will be performed in a manner consistent with the requirements and standards established by applicable federal, state, county, and District laws, ordinances, resolutions, and directions. Such laws, ordinances, regulations, and resolutions include, but are not limited to, those which are referred to in this Agreement.

2. TERM.

The term of this Agreement shall be from February 1, 2025 to December 31, 2025 unless sooner terminated as provided below.

3. CONSIDERATION.

A. Compensation. District shall pay Contractor in accordance with the Schedule of Fees and work described in Attachment B which are performed by Contractor at the District's request.

B. Travel and per diem. District shall ~~not~~ only reimburse Contractor for the travel expenses as identified in Attachment B ~~and per diem.~~

C. No additional consideration. Except as expressly provided in this Agreement, Contractor shall not be entitled to, nor receive, from District, any additional consideration, compensation, salary, wages, or other type of remuneration for services rendered under this Agreement. Specifically, Contractor shall not be entitled, by virtue of this Agreement, to consideration in the form of overtime, health insurance benefits, retirement benefits, disability retirement benefits, sick leave, vacation time, paid holidays, or other paid leaves of absence of any type or kind whatsoever.

D. Limit upon amount payable under Agreement. The total sum of all payments made by the District to Contractor for services and work performed under this Agreement shall not exceed \$49,850 Dollars (hereinafter referred to as "contract limit"). District expressly reserves the right to deny any payment or reimbursement requested by Contractor for services or work performed, including travel or per diem, which is in excess of the contract limit.

E. Billing and payment. Contractor shall submit to the District, at achieved milestones, an itemized statement of all hours spent by Contractor in performing services and work described in **Attachment A**, which were done at the District's request. This statement will identify the date on which the hours were worked and describe the nature of the work which was performed on each day. Upon timely receipt of the statement, the District shall make payment to Contractor within fifteen (15) days.

4. WORK SCHEDULE.

Contractor's obligation is to perform, in a timely manner, those services and work identified in Attachment A which are requested by the District. It is understood by Contractor that the performance of these services and work will require a varied schedule. Contractor will arrange his/her own schedule but will coordinate with District to ensure that all services and work requested by District under this Agreement will be performed within the time frame set forth by District.

5. REQUIRED LICENSES, CERTIFICATES, AND PERMITS.

A. Any licenses, certificates, or permits required by the federal, state, county, or municipal governments for contractor to provide the services and work described must be procured by Contractor and be valid at the time Contractor enters into this Agreement or as otherwise may be required. Further, during the term of this Agreement, Contractor must maintain such licenses, certificates, and permits in full force and effect. Licenses, certificates, and permits may include, but are not limited to, driver's licenses, professional licenses or certificates, and business licenses. Such licenses, certificates, and permits will be procured and maintained in force by Contractor at no expense to the District.

B. Contractor warrants that it is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in covered transactions by any federal department or agency. Contractor also warrants that it is not suspended or debarred from receiving federal funds as listed in the List of Parties Excluded from Federal Procurement or Non-Procurement Programs issued by the General Services Administration available at: <http://www.sam.gov>.

6. PREVAILING WAGES.

Contractor is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "public works" and "maintenance" projects. If the Services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, Contractor agrees to fully comply with such Prevailing Wage Laws. District shall provide Contractor with a copy of the prevailing rates of per diem wages in effect at the commencement of this Agreement. Contractor shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request and shall post copies at Contractor's principal place of business and at the project site. Contractor shall defend, indemnify and hold District, its elected officials, officers, employees and agents free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

7. OFFICE SPACE, SUPPLIES, EQUIPMENT, ETC.

Contractor shall provide such office space, supplies, equipment, vehicles, reference materials, and telephone service as is necessary for Contractor to provide the services identified in **Attachment A** to this Agreement. District is not obligated to reimburse or pay Contractor, for any expense or cost incurred by Contractor in procuring or maintaining such items. Responsibility for other costs and expenses incurred by Contractor in providing and maintaining such items is the sole responsibility and obligation of Contractor.

8. DISTRICT PROPERTY.

A. Personal Property of District. Any personal property such as, but not limited to, protective or safety devices, badges, identification cards, keys, etc. provided to Contractor by District pursuant to this Agreement are, and at the termination of this Agreement remain, the sole and exclusive property of District. Contractor will use reasonable care to protect, safeguard and maintain such items while they are in Contractor's possession. Contractor will be financially responsible for any loss or damage to such items, partial or total, which is the result of Contractor's negligence.

B. Products of Contractor's Work and Services. Any and all compositions, publications, plans, designs, specifications, blueprints, maps, formulas, processes, photographs, slides, video tapes, computer programs, computer disks, computer tapes, memory chips, soundtracks, audio recordings, films, audio-visual presentations, exhibits, reports, studies, works of art, inventions, patents, trademarks, copyrights, or intellectual properties of any kind which are created, produced, assembled, compiled by, or are the result, product, or manifestation of, Contractor's services or work under this Agreement are, and at the termination of this Agreement remain, the property of the District. Notwithstanding any other provision to the contrary, Contractor will retain all right, title and interest, including without limitation all intellectual property rights in and to (a) Contractor's designs, tools, methodologies, programs, proprietary software, software frameworks, source code, specifications; and (b) third-party works or products that Contractor has acquired the rights to use or derivative works or modifications to the same.

9. WORKERS' COMPENSATION.

Contractor shall provide Statutory California Worker's Compensation coverage and Employer's Liability coverage for not less than \$1,000,000 per occurrence for all employees engaged in services or operations under this Agreement. Donner Summit Public Utility District, its agents, officers, employees, and volunteers shall be named as additional insured, or a waiver of subrogation shall be provided.

10. INSURANCE.

For the duration of this Agreement Contractor shall procure and maintain insurance of the scope and amount specified in Attachment D and with the provisions specified in that attachment.

11. STATUS OF CONTRACTOR.

All acts of Contractor, its agents, officers, and employees, relating to the performance of this Agreement, shall be performed as independent contractors, and not as agents, officers, or employees of District. Contractor, by virtue of this Agreement, has no authority to bind or incur any obligation on behalf of District. Except as expressly provided in **Attachment A**, Contractor has no authority or responsibility to exercise any rights or power vested in the District. No agent, officer, or employee of the District is to be considered an employee of Contractor. It is understood by both Contractor and District that this Agreement shall not under any circumstances be construed or considered to create an employer-employee relationship or a joint venture. As an independent contractor:

A. Contractor shall determine the method, details, and means of performing the work and services to be provided by Contractor under this Agreement.

B. Contractor shall be responsible to District only for the requirements and results specified in this Agreement, and except as expressly provided in this Agreement, shall not be subjected to District's control with respect to the physical action or activities of Contractor in fulfillment of this Agreement.

C. Contractor, its agents, officers, and employees are, and at all times during the term of this Agreement shall represent and conduct themselves as, independent contractors, and not as employees of District.

12. DEFENSE AND INDEMNIFICATION.

Contractor shall defend, indemnify, and hold harmless District, its agents, officers, employees, and volunteers from and against all claims, damages, losses, judgments, liabilities, expenses, and other costs, including litigation costs and attorney's fees, arising out of, resulting from, or in connection with, the negligent performance of this Agreement by Contractor, or Contractor's agents, officers, or employees. Contractor's obligation to defend, indemnify, and hold the District, its agents, officers, employees, and volunteers harmless applies to any actual or alleged personal injury, death, or damage or destruction to tangible or intangible property, including the loss of use. Contractor's obligation under this paragraph extends to any negligent claim, damage, loss, liability, expense, or other costs which is caused in whole or in part by any act or omission of the Contractor, its agents, employees, supplier, or any one directly or indirectly employed by any of them, or anyone for whose acts or omissions any of them may be liable.

Contractor's obligation to defend, indemnify, and hold the District, its agents, officers, employees, and volunteers harmless under the provisions of this paragraph is not limited to, or restricted by, any requirement in this Agreement for Contractor to procure and maintain a policy of insurance.

To the extent permitted by law, District shall defend, indemnify, and hold harmless Contractor, its agents, officers, and employees from and against all claims, damages, losses, judgments, liabilities, expenses, and other costs, including litigation costs and attorney's fees, arising out of, or resulting from, the active negligence, or wrongful acts of District, its officers, employees, or volunteers.

Notwithstanding any provision to the contrary, neither party shall be responsible or liable to the other for special, indirect, or consequential damages. The total aggregate liability of the Contractor to the District for any and all claims whatsoever arising out of this Agreement shall not exceed the total applicable insurance proceeds paid to Contractor by its insurers up to \$4,000,000.

13. CANCELLATION.

This Agreement may be canceled by District without cause, and at will, for any reason by giving to Contractor thirty (30) days written notice of such intent to cancel. Contractor may cancel this Agreement without cause, and at will, for any reason whatsoever by giving thirty (30) days written notice of such intent to cancel to District.

14. RECORDS AND AUDIT.

A. Records. Contractor shall prepare and maintain all records required by the various provisions of this Agreement, federal, state, municipal, and District law, ordinances, regulations, and directions. Contractor shall maintain these records for a minimum of four (4) years from the termination or completion of this Agreement. Contractor may fulfill its obligation to maintain records as required by this paragraph by substitute photographs, microphotographs, or other authentic reproduction of such records.

B. Inspections and Audits. Any authorized representative of District shall have access to any books, documents, papers, records, including, but not limited to, financial records of Contractor, which District determines to be pertinent to this Agreement, for the purposes of making audit, evaluation, examination, excerpts, and transcripts during the period such records are to be maintained by Contractor. Further, District has the right, at all reasonable times, to audit, inspect, or otherwise evaluate the work performed or being performed under this Agreement.

15. ASSIGNMENT.

This is an agreement for the services of Contractor. District has relied upon the skills, knowledge, experience, and training of Contractor as an inducement to enter into this Agreement. Contractor shall not

assign or subcontract this Agreement, or any part of it, without the express written consent of District. Further, Contractor shall not assign any monies due or to become due under this Agreement without the prior written consent of District.

16. DEFAULT.

If the Contractor abandons the work, or fails to proceed with the work and services requested by District in a timely manner, or fails in any way as required to conduct the work and services as required by District, District may declare the Contractor in default and terminate this Agreement upon five (5) days written notice to Contractor. Upon such termination by default, District will pay to Contractor all amounts owing to Contractor for services and work satisfactorily performed to the date of termination.

17. WAIVER OF DEFAULT.

Waiver of any default by either party to this Agreement shall not be deemed to be waiver of any subsequent default. Waiver or breach of any provision of this Agreement shall not be deemed to be a waiver of any other or subsequent breach, and shall not be construed to be a modification of the terms of this Agreement unless this Agreement is modified as provided in paragraph twenty-four (24) below.

18. NONDISCRIMINATION.

During the performance of this Agreement, Contractor, its agents, officers, and employees shall not unlawfully discriminate in violation of any federal, state, or local law, against any employee, or applicant for employment, or person receiving services under this Agreement, because of race, religion, color, national origin, ancestry, physical handicap, medical condition, marital status, age, or sex. Contractor and its agents, officers, and employees shall comply with the provisions of the Fair Employment and Housing Act (Government Code section 12900, et seq.), and the applicable regulations promulgated thereunder in the California Code of Regulations. Contractor shall also abide by the Federal Civil Rights Act of 1964 (P.L. 88-352) and all amendments thereto, and all administrative rules and regulations issued pursuant to said act.

19. CONFIDENTIALITY.

Contractor further agrees to comply with the various provisions of the applicable federal, state, county, and District laws, regulations, and ordinances providing that information and records kept, maintained, or accessible by Contractor in the course of providing services and work under this Agreement, shall be privileged, restricted, or confidential. Contractor agrees to keep confidential all such information and records. Disclosure of such confidential, privileged, or protected information shall be made by Contractor only with the express written consent of the District. Any disclosure of confidential information by Contractor without the District's written consent is solely and exclusively the legal responsibility of Contractor in all respects.

20. CONFLICTS.

Contractor agrees that it has no interest, and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of the work and services under this Agreement. Contractor agrees to complete and file a conflict interest statement if requested by the District. District will notify Contractor, if such a request is made, of Contractor's disclosure category under the conflict of interest laws.

21. POST AGREEMENT COVENANT.

Contractor agrees not to use any confidential, protected, or privileged information which is gained from the District in the course of providing services and work under this Agreement, for any personal benefit, gain, or enhancement. Further, Contractor agrees for a period of two years after the termination of this Agreement, not to seek or accept any employment with any entity, association, corporation, or person

who, during the term of this Agreement, ~~has had an adverse or conflicting interest with the District, or who has been~~ was an adverse party in litigation with the District, and concerning such litigation, Contractor by virtue of this Agreement has gained access to the District's confidential, privileged, protected, or proprietary information.

22. SEVERABILITY.

If any portion of this Agreement or application thereof to any person or circumstance shall be declared invalid by a court of competent jurisdiction, or if it is found in contravention of any federal, state, county, or District statute, ordinance, or regulation, the remaining provisions of this Agreement, or the application thereof, shall not be invalidated thereby, and shall remain in full force and effect to the extent that the provisions of this Agreement are severable.

23. FUNDING LIMITATION.

The ability of District to enter this Agreement is based upon available funding from various sources. In the event that such funding fails, is reduced, or is modified, from one or more sources, District has the option to cancel, reduce, or modify this Agreement, or any of its terms within ten (10) days of its notifying Contractor of the cancellation, reduction, or modification of available funding. Any reduction or modification of this Agreement made pursuant to this provision must comply with the requirements of paragraph twenty-four (24) (Amendment).

24. ATTORNEY'S FEES.

If either of the parties hereto brings any action or proceeding against the other, including, but not limited to, an action to enforce or to declare the termination, cancellation, or revision of the Agreement, the prevailing party in such action or proceeding shall be entitled to receive from the other party all reasonable attorney's fees and costs, incurred in connection therewith.

25. ARBITRATION OF DISPUTES

Any dispute arising between the Contractor and District shall be resolved by binding arbitration in accordance with the rules of JAMS or Code of Civil Procedure §1280, et seq. and in accordance with the following provisions:

The arbitrator shall be empowered to order the losing party in the arbitration to reimburse the prevailing party for all expenses incurred in connection with the arbitration, including without limitation the arbitrator's fees and reasonable attorney fees and costs.

Contractor acknowledges the following regarding arbitration:

- A. The parties are waiving their right to a jury trial and to seek remedies available in court proceedings with the understanding and acknowledgement that the parties may seek injunctive relief from a court of competent jurisdiction should the need arise from any issue or claims arising from this contract;
- B. Pre-arbitration discovery is generally more limited than and different from court proceedings;
- C. The arbitrator's award is not required to include factual findings or legal reasoning; and
- D. Any party's right to appeal or to seek modification of the award is strictly limited and that the award is final and binding on the parties.

By signing this Agreement, Contractor acknowledges that such binding arbitration may deprive them of various rights that they otherwise might have in a legal action, including without limitation the right to a jury trial, the right to appeal, and full discovery rights.

26. AMENDMENT.

This Agreement may be modified, amended, changed, added to, or subtracted from, by the mutual consent of the parties hereto, if such amendment or change is in written form and executed with the same formalities as this Agreement, and attached to the original Agreement to maintain continuity.

27. NOTICE.

Any notice, communication, amendments, additions, or deletions to this Agreement, including change of address of either party during the terms of this Agreement, which Contractor or District shall be required, or may desire, to make, shall be in writing and may be personally served, or sent by prepaid first-class mail to, the respective parties as follows:

DONNER SUMMIT PUBLIC UTILITY DISTRICT

Attn: Steven Palmer
Address: PO Box 610
City, State, Zip Soda Springs, CA 95728

Contractor: LG Sonic

Name: [Click or tap here to enter text.](#)
Address: 201 Lackawanna Ave, Suite 222
City, State, Zip Scranton, PA 18503

28. ENTIRE AGREEMENT.

This Agreement contains the entire agreement of the parties, and no representations, inducements, promises, or agreements otherwise between the parties not embodied herein or incorporated herein by reference, shall be of any force or effect. Further, no term or provision hereof may be changed, waived, discharged, or terminated, unless the same be in writing executed by the parties hereto.

///

///

IN WITNESS THEREOF, THE PARTIES HERETO HAVE SET THEIR HANDS AND SEALS THIS ____ DAY OF _____, 2025.

DONNER SUMMIT PUBLIC UTILITY DISTRICT

LG SONIC

By: Steven Palmer, General Manager

PRINT NAME

By: _____
PRINT NAME

SIGNATURE

SIGNATURE

Dated: _____

Dated: _____

ATTACHMENT A

**AGREEMENT BETWEEN
DONNER SUMMIT PUBLIC UTILITY DISTRICT
AND LG SONIC
FOR THE PROVISION OF PROFESSIONAL SERVICES**

TERM:

FROM: FEBRUARY 1, 2025 TO: DECEMBER 31, 2025

SCOPE OF WORK

The work performed through this contract agreement will be coordinated through General Manager Steven Palmer. Scope of work is described in the attached proposal and email dated January 16, 2025.

ATTACHMENT B
AGREEMENT BETWEEN
DONNER SUMMIT PUBLIC UTILITY DISTRICT
AND LG SONIC
FOR THE PROVISION OF PROFESSIONAL SERVICES

TERM:

FROM: FEBRUARY 1, 2025 TO: DECEMBER 31, 2025

SCHEDULE OF FEES

Schedule of fees is described in the attached proposal and email dated January 16, 2025.

The annual costs are shown in the table below and described.

<i>Year</i>	<i>Cost</i>
One (4/25-10/25)	\$ 46,371 plus tax
Two (10/25-10/26)	\$ 44,365 plus tax
Three (10/26 to 10/27)	\$ 24,200 plus tax
<i>Three-Year Total</i>	<i>\$114,936 plus tax</i>

First year costs include:

<i>Item</i>	<i>Cost</i>
MPC-Buoy payment (7 months)	\$ 28,791
One year of interactive algae control	Included
Anchor system	Included
SIM card	Included
Transportation to site	\$ 5,800
Installation and setup	\$ 5,980
Winter removal (2025)	\$ 5,800
<i>Total</i>	<i>\$ 46,371 plus tax</i>

Second year costs include:

<i>Item</i>	<i>Cost</i>
MPC-Buoy payment (5 months)	\$ 20,565
One year of interactive algae control	\$ 6,450
SIM card	\$ 350
Build shed	\$ 5,600
Spring installation (2026)	\$ 5,800
Sensor calibration	\$ 5,600
<i>Total</i>	<i>\$ 44,365 plus tax</i>

Third year costs include:

<i>Item</i>	<i>Cost</i>
One year of interactive algae control	\$ 6,450
SIM card	\$ 350
Winter removal (2026)	\$ 5,800
Spring installation (2027)	\$ 5,800
Winter removal (2027)	\$ 5,800
<i>Total</i>	<i>\$ 24,200 plus tax</i>

ATTACHMENT C
AGREEMENT BETWEEN
DONNER SUMMIT PUBLIC UTILITY DISTRICT
AND LG SONIC
FOR THE PROVISION OF PROFESSIONAL SERVICES

TERM:

FROM: FEBRUARY 1, 2025 to DECEMBER 31, 2025

SCHEDULE OF TRAVEL AND PER DIEM PAYMENT:

Travel and per diem costs will not be paid for by the District. The District will only pay for items identified in Attachment B – Schedule of Fees

ATTACHMENT D
AGREEMENT BETWEEN
DONNER SUMMIT PUBLIC UTILITY DISTRICT
AND LG SONIC.
FOR THE PROVISION OF PROFESSIONAL SERVICES

TERM:

FROM: FEBRUARY 1, 2025 to DECEMBER 31, 2025

Contractor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, or employees.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

1. **Commercial General Liability (CGL):** Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than **\$1,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.
2. **Automobile Liability:** Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if Contractor has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than **\$1,000,000** per accident for bodily injury and property damage.
3. **Workers' Compensation** insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than **\$1,000,000** per accident for bodily injury or disease.
(Not required if Contractor provides written verification it has no employees)
4. **Professional Liability** (Errors and Omissions) Insurance appropriate to the Contractor's profession, with limit no less than **\$2,000,000** per occurrence or claim, \$2,000,000 aggregate.

~~If the Contractor maintains broader coverage and/or higher limits than the minimums shown above, the District requires and shall be entitled to the broader coverage and/or higher limits maintained by the Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the District.~~

Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Status

The District, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance (at least as broad as ISO Form CG 20 10 11 85 or **both** CG 20 10, CG 20 26, CG 20 33, or CG 20 38; **and** CG 20 37 forms if later revisions used).

Primary Coverage

For any claims related to this contract, the **Contractor's insurance coverage shall be primary** insurance primary coverage at least as broad as ISO CG 20 01 12 19 04 13 as respects the District, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the District, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.

Notice of Cancellation

Each insurance policy required above shall state that **coverage shall not be canceled, except with notice to the District.**

Waiver of Subrogation

Contractor hereby grants to District a waiver of any right to subrogation which any insurer of said Contractor may acquire against the District by virtue of the payment of any loss under such insurance. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the District has received a waiver of subrogation endorsement from the insurer.

Self-Insured Retentions

Self-insured retentions must be declared to and approved by the District. The District may require the Contractor to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or District.

Acceptability of Insurers

Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the District.

Claims Made Policies

If any of the required policies provide coverage on a claims-made basis:

1. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.
2. Insurance must be maintained and evidence of insurance must be provided **for at least three (3) ~~five (5)~~ years after completion of the contract of work.**
3. If coverage is canceled or non-renewed, and not **replaced with another claims-made policy form with a Retroactive Date** prior to the contract effective date, the Contractor must purchase "extended reporting" coverage for a minimum of three (3) ~~five (5)~~ years after completion of contract work.

Verification of Coverage

Contractor shall furnish the District with original Certificates of Insurance including all required amendatory endorsements (or copies of the applicable policy language effecting coverage required by this clause) and a copy of the Declarations and Endorsement Page of the CGL policy listing all policy endorsements to District before work begins. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The District reserves the right to require ~~complete~~, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

Subcontractors

Contractor shall require and verify that all subcontractors maintain insurance meeting all the applicable requirements stated herein, and Contractor shall ensure that District is an additional insured on insurance required from subcontractors.

~~Special Risks or Circumstances~~

~~District reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.~~

RESOLUTION NO. 2025-01

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE DONNER SUMMIT PUBLIC UTILITY DISTRICT DISPENSING WITH THE FORMAL REQUEST FOR PROPOSAL PROCEDURE AND APPROVING A PROFESSIONAL SERVICES AGREEMENT WITH LG SONIC IN THE AMOUNT OF \$49,850 FOR ONE YEAR OF LAKE ANGELA ULTRASONIC ALGAE REMOVAL SYSTEM EQUIPMENT AND MONITORING

WHEREAS, Donner Summit Public Utility District (DSPUD) desires professional services to provide ultrasonic algae removal at Lake Angela; and

WHEREAS, LG Sonic has provided a proposal to provide the desired professional services for one year for a not to exceed amount of \$49,850; and

WHEREAS, the General Manager has researched ultrasonic algae removal equipment and services and identified LG Sonic as the only firm that provides these services in California; and

WHEREAS, this expense is necessary to protect the quality of drinking water but was not included in the current year operating budget; and

WHEREAS, a budget amendment is necessary to increase funding from reserves by \$49,850.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF DONNER SUMMIT PUBLIC UTILITY DISTRICT DOES HEREBY RESOLVE that compliance with the formal RFP procedure is not possible because the equipment and services can only be provided by LG Sonic and hereby approves with dispensing with the formal RFP procedure for this agreement.

BE IT FURTHER RESOLVED that the Professional Services Agreement with LG Sonic for ultrasonic algae removal system equipment and monitoring in the amount of \$49,850 is approved and the General Manager is authorized to execute the Professional Services Agreement.

BE IT FURTHER RESOLVED that a budget amendment is approved to increase funding from reserves to water department by \$49,850.

PASSED AND ADOPTED by the Board of Directors of Donner Summit Public Utility District, this 21st day of January 2025, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

DONNER SUMMIT PUBLIC UTILITY DISTRICT

By: _____
Cathy Preis
President, Board of Directors

ATTEST:

By: _____
Dawn Parkhurst
Secretary of the Board

Agenda Item: 8B



STAFF REPORT

TO: Board of Directors

PREPARED BY: Steven Palmer, PE, General Manager *SP*

SUBJECT: Authorize the General Manager to Submit Application for Funding from the Placer County Water Agency Financial Assistance Program

RECOMMENDATION

Authorize the General Manager to submit application and pursue funding from the Placer County Water Agency (PCWA) Financial Assistance Program (FAP).

BACKGROUND

PCWA implements a FAP to provide loans or grants to districts for the conservation and development of eligible water supplies and facilities. To be eligible, the organization must be an irrigation district, county water district, water conservation district, municipality, town, or any other district or political subdivision of the State empowered by law to appropriate water and deliver water to water users within Placer County. Projects, programs, or facilities related to the production, treatment, storage, transmission, distribution or conservation of water for beneficial use within the County of Placer are eligible for funding. More information regarding the program is available on the PCWA website: <https://www.pcwa.net/business/cwmp>.

DISCUSSION

PCWA allocated \$250,000 for the FAP in FY2025 and issued the attached request for applications. The FAP application submittal period has now started, and it will run through February 20. Strategic priorities for FAP funding are:

- a) Studies or projects that lead to interconnections, emergency supplies, or potential consolidations.
- b) Activities in support of at-risk water systems.
- c) Projects or activities that are not typically supported by operations or rehabilitation/replacement funds.
- d) Projects that leverage other sources of funds, such as State or Federal grants and loans.
- e) Projects that provide a local entity cost share.

The following projects and activities appear to be good candidates for FAP funding:

- Lake Angela ultrasonic algae control.
 - This activity meets the FAP priority e) local entity cost share, and arguably c) not typically supported by operations.
- Preliminary engineering for interconnection with Sierra Lakes County Water District.
 - This activity meets FAP priorities a) leads to interconnection and c) Not typically supported by operations funds. The approach with this request is to obtain FAP funding for topographic and utility survey that can be used for basemaps and layout for the new waterline.

While Lake Angela ultrasonic algae control is a higher priority for DSPUD, the interconnection project better embodies the PCWA FAP priorities. The General Manager is seeking Board input regarding which project(s) to submit, if any.

FISCAL IMPACT

There is no direct fiscal impact to the District at this time. Approving this item makes the District eligible for possible grant opportunities.

CEQA ASSESSMENT

This is not a CEQA Project.



November 22, 2024

Re: **Placer County Water Agency – 2025 Financial Assistance Program**

Dear Eligible Entity,

At yesterday’s Board of Directors meeting, the Agency’s 2025 Budget was adopted, therefore Placer County Water Agency (PCWA) is now accepting online funding request submissions from eligible entities to request 2025 funding for County-Wide Master Plan (CWMP) Projects. The 2025 Budget includes \$250,000 for the Financial Assistance Program (FAP) and there is an additional \$79,440 which may be appropriated at the Board’s discretion.

At the Board’s direction, the strategic objectives for prioritizing projects for the 2025 FAP funding awards will be:

- a) Prioritize studies or projects that lead to interconnections, emergency supplies, or potential consolidations;
- b) Prioritize activities in support of at-risk water systems;
- c) Prioritize projects or activities that are not typically supported by operations or rehabilitation/replacement funds;
- d) Prioritize projects that leverage other sources of funds to complete projects, including applications for State or Federal grants and loans; and
- e) Prioritize projects that provide an entity cost share.

The anticipated timeline for the 2025 FAP is detailed as follows:

- November 21, 2024 - Commence the 2025 FAP funding request online submission period
- Throughout the year and continuing from the date of this letter to February 7, 2025 - Project submission into the Project Database
- January 9, 2025, 9:00 am - Virtual meeting with Agency staff to answer questions and provide Project Database support
- February 7, 2025 - Please have your project(s) submitted for Agency staff review
- February 20, 2025, 5:00 pm - Deadline for 2025 FAP funding request online submissions through the Project Database
- February 21 through mid-June 2025 - Evaluation and Board consideration of awards
- PCWA FAP Grants to be completed by the specified time frame based on the award

Please find the Financial Assistance Program Request for Funding information attached. Should you have any questions, please contact me at 530.823.4875 or Melissa Cope at 530.823.4858.

Sincerely,

Joseph H. Parker

Director of Financial Services



2025 Financial Assistance Program Request for Funding Document

Introduction

Placer County Water Agency (PCWA) is accepting online funding submissions from eligible entities to request 2025 funding for County-Wide Master Plan (CWMP) Projects. PCWA has provided more functionality to the Project Database for collection of all project information required to complete the Financial Assistance Program (FAP) funding request and the ability to apply electronically through the Project Database.

Background

On November 19, 1992, the Placer County Water Agency Board of Directors approved a Financial Assistance Program (FAP) to provide financial assistance, in the form of loans or grants, to eligible entities for the development of eligible water supplies and facilities. In 2010, the Board directed Agency staff to develop the CWMP as a centralized way for the Agency to identify, evaluate and track projects and programs across Placer County.

2025 FAP Budget and Strategic Objectives

PCWA's 2025 Budget for the FAP is \$250,000 and there is an additional \$79,440 available which may be appropriated at the Board's discretion.

At the Board's direction, the strategic objectives for prioritizing projects for the 2025 FAP funding awards will be:

- a) Prioritize studies or projects that lead to interconnections, emergency supplies, or potential consolidations;
- b) Prioritize activities in support of at-risk water systems;
- c) Prioritize projects or activities that are not typically supported by operations or rehabilitation/replacement funds;
- d) Prioritize projects that leverage other sources of funds to complete projects, including applications for State or Federal grants and loans; and
- e) Prioritize projects that provide an entity cost share.

Project or Program Eligibility

The types of projects or programs which are eligible for funding are those related to the protection, supply development, capture, conveyance, treatment, storage, transmission, distribution, conservation or recycling of water for beneficial use within the County of Placer, including the planning, environmental



2025 Financial Assistance Program Request for Funding Document

analysis, design and construction of facilities for such purposes. Projects or programs will fall under one or more of the following elements captured in the Agency's CWMP:

- Element 1 - Unserved Areas
- Element 2 - Water Infrastructure Reliability
- Element 3 - Water Supply Reliability
- Element 4 - Renewable Energy Development
- Element 5 - Watershed Stewardship
- Element 6 - Agriculture
- Element 7 - Conservation and Water Use Efficiency
- Element 8 - Public Education and Outreach

Funds under this FAP shall not be used for the daily operation and maintenance of the Entities' systems, for funding the construction of facilities that are normally the financial responsibility of land developers, or for capacity to serve new development, nor are these funds to be considered continuous sources of financing to be relied on for regular operation, maintenance or capital expenditures.

Project Submission into the Project Database

To be eligible to submit a project for PCWA's 2025 FAP funding, projects must be entered into the Project Database and reviewed/approved by Agency staff. Inclusion in the Project Database does not automatically submit the project for the current year funding.

Project details entered in the following fields of the Project Database will be extracted for current year funding requests. Please ensure these fields are complete when entering a project:

- **Project Name**: In the Project Info tab, under Project Name, enter the name of the project.
- **Entity Name**: In the Project Info tab, under Entity Name, enter the name of the entity submitting the funding request.
- **Project Statement**: In the Description tab, enter the reason why the project is proposed and/or the problem addressed by the project.
- **Project Description**: In the Description tab, enter the description of the overall proposed project.
- **Primary Element**: In the Element Support tab, in Primary Element Support, select the primary element.



2025 Financial Assistance Program Request for Funding Document

- **Total Project Cost:** In the Cost/Funding tab, enter the anticipated funding amount from the Applicant in the Applicant column, FAP (the amount the entity is requesting to fund through FAP) in the FAP request column, and other Funding Sources (as applicable) so the total amount in the Total column is equal to the total project cost.
- **Purpose of the FAP Funding Request:** In the Cost/Funding tab, describe what the requested FAP amount will be used for. This may be a subsection of the total project (i.e. environmental compliance, design, a study, etc.)
- **Entity Information:** In Profile, under the Entity Info tab, complete all requested information regarding your entity and upload the most current Financial Statements and Budget (if not available online).

Once you have entered all project details and confirmed that all mandatory fields have been entered, click on the Project Review button to submit the project for Agency’s staff initial review. **Please note**, in order to give Agency staff time to review the project prior to the deadline, please submit the project for review by **February 7, 2024**.

Funding Request Submission Instructions

PCWA is now accepting submissions online through the Project Database for the 2025 FAP. Please note, when accessing the Project Database, the preferred browser is Google Chrome. In order to submit a funding request in the Project Database, please follow the steps below:

1. Navigate to the FAP button and select Submit Funding Requests.
2. An Entity Selection dialogue box will automatically pop up, select the entity name.
3. A Submit FAP Request dialogue box will automatically pop up. Complete all the requested information. Select the project you would like to apply for funding.
4. Select Export Funding Request and verify the information is accurate. Revise the information if needed and re-export the form, sign the form, and upload the completed authorized funding request under Electronic Submission (as a PDF).
5. Select Submit.

The deadline to submit a funding request online is **February 20, 2025 5:00 pm**.

Funding Request Review Process

Pursuant to the PCWA FAP Policy, funding requests received shall be reviewed and evaluated by Agency staff, who will use the Board’s established strategic objectives, as well as general and element specific criteria as contained within the CWMP, to make funding recommendations to the Board of Directors.



2025 Financial Assistance Program
Request for Funding Document

Reference Documents

Please refer to the following documents at <https://pcwa.net/business/cwmp> for more information:

- Project Database
- Financial Assistance Program Policy
- County-Wide Master Plan

Questions

For questions, please contact us at PCWAFAP@pcwa.net.

Agenda Item: 8C



STAFF REPORT

TO: Board of Directors

PREPARED BY: Steven Palmer, PE, General Manager *SP*

SUBJECT: Approve the Plans and Specifications and Authorize the General Manager to Issue a Notice Inviting Bids for the Reservoir 2 Lining Project

RECOMMENDATION

Approve the plans and specifications and authorize the General Manager to issue a notice inviting bids for the Reservoir Lining 2 Project.

BACKGROUND

Drinking water storage tanks, Clear Well, Reservoir 1, Reservoir 2, and the Big Bend concrete tank, were inspected in September 2023. That inspection provided the following assessment of the interior tanks condition.

Tank	Interior Condition	Recommendation
Clear Well	Good	Remove sediment staining
Reservoir 1	Fair to Good	Blast and recoat
Reservoir 2	Poor to Fair	Blast and recoat
Big Bend	Good	Resurface pop-outs and exposed aggregate. Resurface cracks and voids.

Recoating of Reservoir 1 and 2 were programmed into the adopted five-year Capital Improvement Plan and some funding was included in the Fiscal Year 2024/2025 operating budget.

Based on the results of the inspection, Reservoir 2 has been prioritized for recoating in calendar year 2025. A copy of the inspection report with photos for Reservoir 2 is included as Attachment 1.

DISCUSSION

This project includes the blasting and recoating of the exterior and interior of Reservoir 2. The General Manager has assembled bid documents and engineering specifications and they are ready for advertising for construction bidding. Bid documents are included as Attachment 2.

If the Board approves advertising the Project at this meeting, the anticipated schedule is listed below.

February 3, 2025	Notice Inviting Bids Distributed
March 11, 2025	Bid Opening
April 15, 2025	Award Construction Contract
June 2, 2025	Issue Notice to Proceed to Contractor
July 1, 2025	Construction Start
August 27, 2025	Construction Complete (45 calendar days)

In addition to hiring a contractor to perform the work, DSPUD needs to contract with a certified coating inspector to make sure the coating meets all required specifications. The General Manager is collecting proposals from qualified firms and will select one based on their qualifications and ability to meet the project schedule.

FISCAL IMPACT

The CIP includes \$160,000 for all costs to recoat one tank, including \$30,000 that is budgeted during the current fiscal year.

CEQA ASSESSMENT

This project is exempt per CEQA Section 15301 Existing Facilities, operation, repair, maintenance, and minor alteration of an existing drinking water reservoir. There is no expansion of existing use. A notice of exemption will be filed.

ATTACHMENTS

1. Reservoir 2 Inspection Report
2. Bid Documents
3. Resolution



MIT DIVING AND COATING



<u>Tank Name:</u>	<u>Utility Name:</u>	<u>Tank Capacity:</u>
<u>Tank Manufacture:</u>	<u>Storage Type:</u>	Diameter/Height

MIT Diving and Coating



MIT DIVING AND COATING

<u>Reservoir</u>	<u>Utility Name</u>	<u>Date</u>
<u>Dive Control/Supervisor</u>	<u>Diver/Inspector</u>	<u>Tender</u>

<p><u>SSPC Rating's Key</u></p> <p><u>Description - Good Condition</u> 10 - No Rusting, or <0.01% of surface is rusted 9 - Minor rusting, or <0.03% of surface is rusted 8 - Isolated rust, <.01% of surface is rusted</p> <p><u>Description - Fair Condition</u> 7 - Isolated rust, <.03% of surface is rusted 6 - Extensive rusting, <1% of surface is rusted 5 - Approximately 3% of the surface is rusted</p> <p><u>Description - Poor Condition</u> 4 - Approximately 10% of the surface is rusted 3 - Approximately 17% of the surface is rusted 2 - Approximately 33% of the surface is rusted 1 - Approximately 50% of the surface is rusted 0 - Approximately 100% of the surface is rusted</p>	<u>Exterior Upper Wall Panel Condition</u>			
	Quadrant 1	Quadrant 2	Quadrant 3	Quadrant 4
	<u>Exterior Middle Wall Panel Condition</u>			
	Quadrant 1	Quadrant 2	Quadrant 3	Quadrant 4
	<u>Exterior Lower Wall Panel Condition</u>			
	Quadrant 1	Quadrant 2	Quadrant 3	Quadrant 4
	<u>Interior Upper Wall Panel Condition</u>			
	Quadrant 1	Quadrant 2	Quadrant 3	Quadrant 4
	<u>Interior Middle Wall Panel Condition</u>			
	Quadrant 1	Quadrant 2	Quadrant 3	Quadrant 4
<u>Interior Lower Wall Panel Condition</u>				
Quadrant 1	Quadrant 2	Quadrant 3	Quadrant 4	

Overall Coating Condition

Int. Roof Ext. Roof
 Int. Floor Ext. Floor

Overall Weld Condition

Int. Roof Ext. Roof
 Int. Floor Ext. Floor

Overall Coating Deficiency's

Delamination	Blistering
Chalking	Staining
Cracking	Pinholes
Cratering	Sags/Runs

Additional Comments



<u>Reservoir</u>	<u>Utility Name</u>	<u>Date</u>
<u>Dive Control/Supervisor</u>	<u>Diver/Inspector</u>	<u>Tender</u>

<p><u>SSPC Rating's Key</u></p> <p><u>Description - Good Condition</u> 10 - No Rusting, or <0.01% of surface is rusted 9 - Minor rusting, or <0.03% of surface is rusted 8 - Isolated rust, <0.01% of surface is rusted</p> <p><u>Description - Fair Condition</u> 7 - Isolated rust, <.03% of surface is rusted 6 - Extensive rusting, <1% of surface is rusted 5 - Approximately 3% of the surface is rusted</p> <p><u>Description - Poor Condition</u> 4 - Approximately 10% of the surface is rusted 3 - Approximately 17% of the surface is rusted 2 - Approximately 33% of the surface is rusted 1 - Approximately 50% of the surface is rusted 0 - Approximately 100% of the surface is rusted</p>	<u>Interior Roof Panel Condition</u>			
	Quadrant 1	Quadrant 2	Quadrant 3	Quadrant 4
	<u>Exterior Roof Panel Condition</u>			
	Quadrant 1	Quadrant 2	Quadrant 3	Quadrant 4
	<u>Internal Roof Support</u>			
	Quadrant 1	Quadrant 2	Quadrant 3	Quadrant 4
	<u>Interior Floor Panel Condition</u>			
	Quadrant 1	Quadrant 2	Quadrant 3	Quadrant 4
	<u>Exterior Floor Panel Condition</u>			
	Quadrant 1	Quadrant 2	Quadrant 3	Quadrant 4
<u>Support Columns</u>				
Quadrant 1	Quadrant 2	Quadrant 3	Quadrant 4	

Overall Coating Condition

Int. Roof Ext. Roof
 Int. Floor Ext. Floor

Overall Weld Condition

Int. Roof Ext. Roof
 Int. Floor Ext. Floor

Overall Coating Deficiency's

Delamination	Blistering
Chalking	Staining
Cracking	Pinholes
Cratering	Sags/Runs

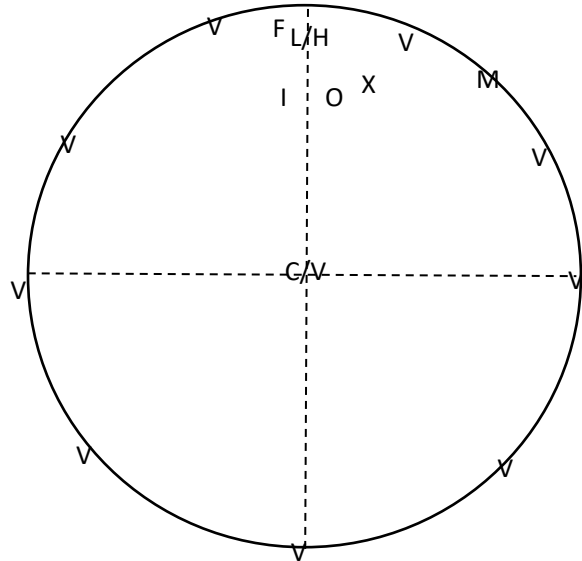
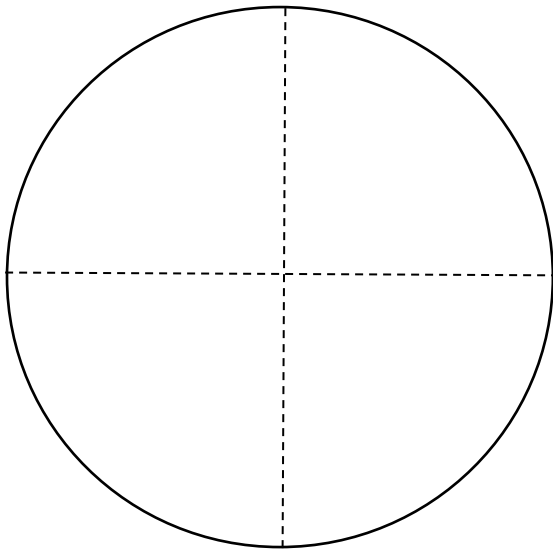
Additional Comments



MIT DIVING AND COATING

Plumbing Locations and Condition									
	Quadrant One		Quadrant Two		Quadrant Three		Quadrant Four		
	SSPC Rating	Corrosion	SSPC Rating	Corrosion	SSPC Rating	Corrosion	SSPC Rating	Corrosion	
Inlet Plumbing									
Outlet Plumbing									
Manways									
Interior Overflow									
Floor Drains									

Sediment Depths & Plumbing Locations



<p>Sediment Depths</p> <p>Average Depth of sediment</p> <p>Sediment Type</p>	<p>Plumbing Locations & Plumbing Identification Key</p> <p>O = Outlet I = Inlet M = Manway V = Vent D = Drain S = Sump L = Ladder H = Hatch X = Overflow F = Float Level Indicator T = Telemetry C = Column</p>
<p>Additional Comments</p>	



<u>Additional Reservoir Components</u>				
<u>Primary Manway</u>	Condition	Size	Leaking	Location
<u>Primary Air Vent</u>	Type	Screen Installed		Screen Condition
<u>Exterior Overflow</u>	Location	Condition		
<u>Cathodic Protection</u>	Installed	Amount of Penetrations		Properly Secured
<u>Water Level Indicator</u>	Condition	Type		
<u>Primary Access hatch</u>	Condition	Size		
<u>Exterior Ladder</u>	Condition	Rail to Rail	Rung to Rung	Rung To Wall
	Rail Width	Rail Length		
<u>Railings</u>	Present	Condition		
<u>Roof Integrity</u>	Holes	Cracks	Structural Condition	
<u>Wall Integrity</u>	Holes	Cracks	Structural Condition	
<u>Antennas</u>	Present	Obstructs Work Site		Antennas Offline
<u>Hypalon Floating Cover</u>	Present	Condition		
<u>Inspection Supplemental Report and Additional Information</u>				





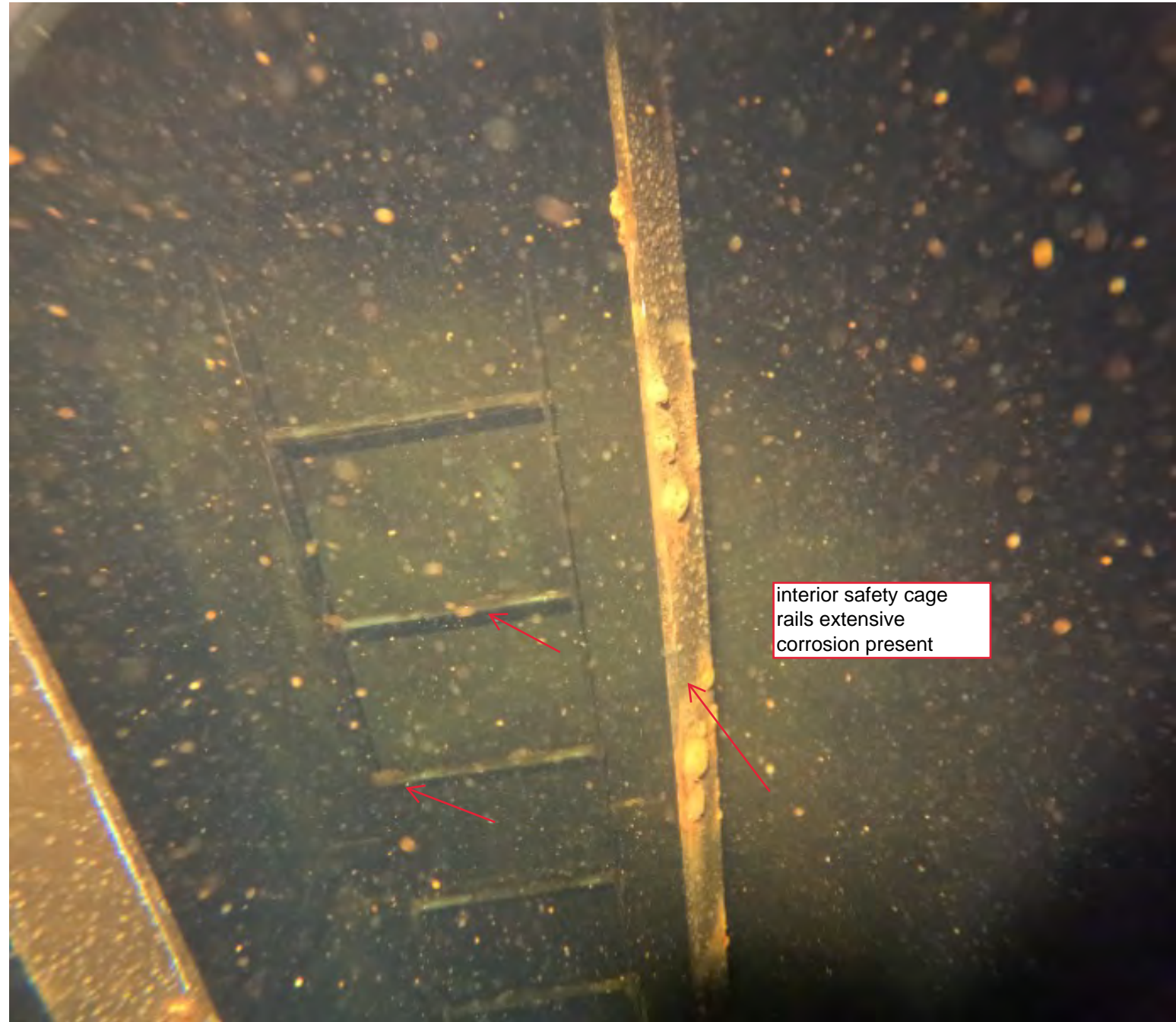


















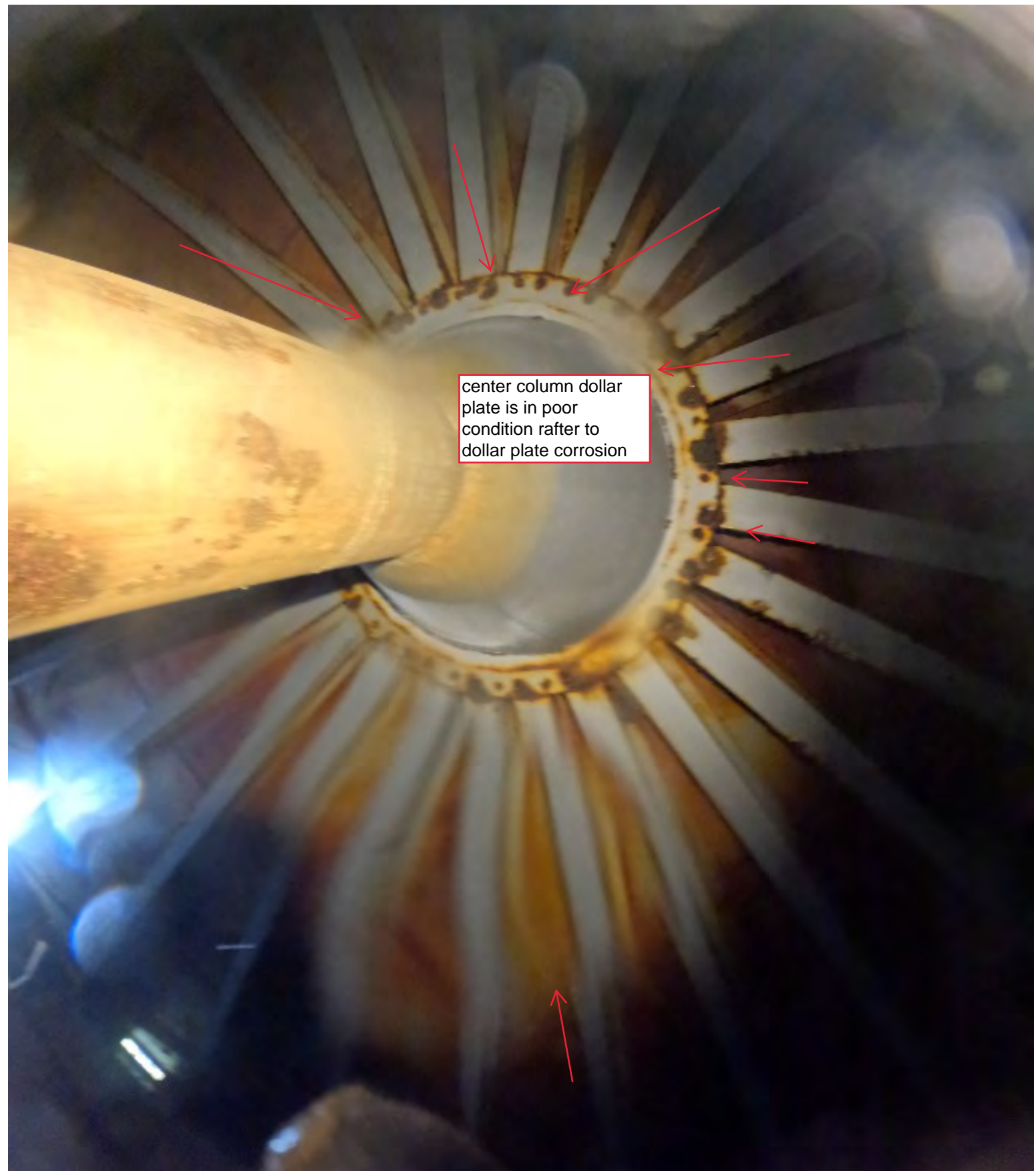












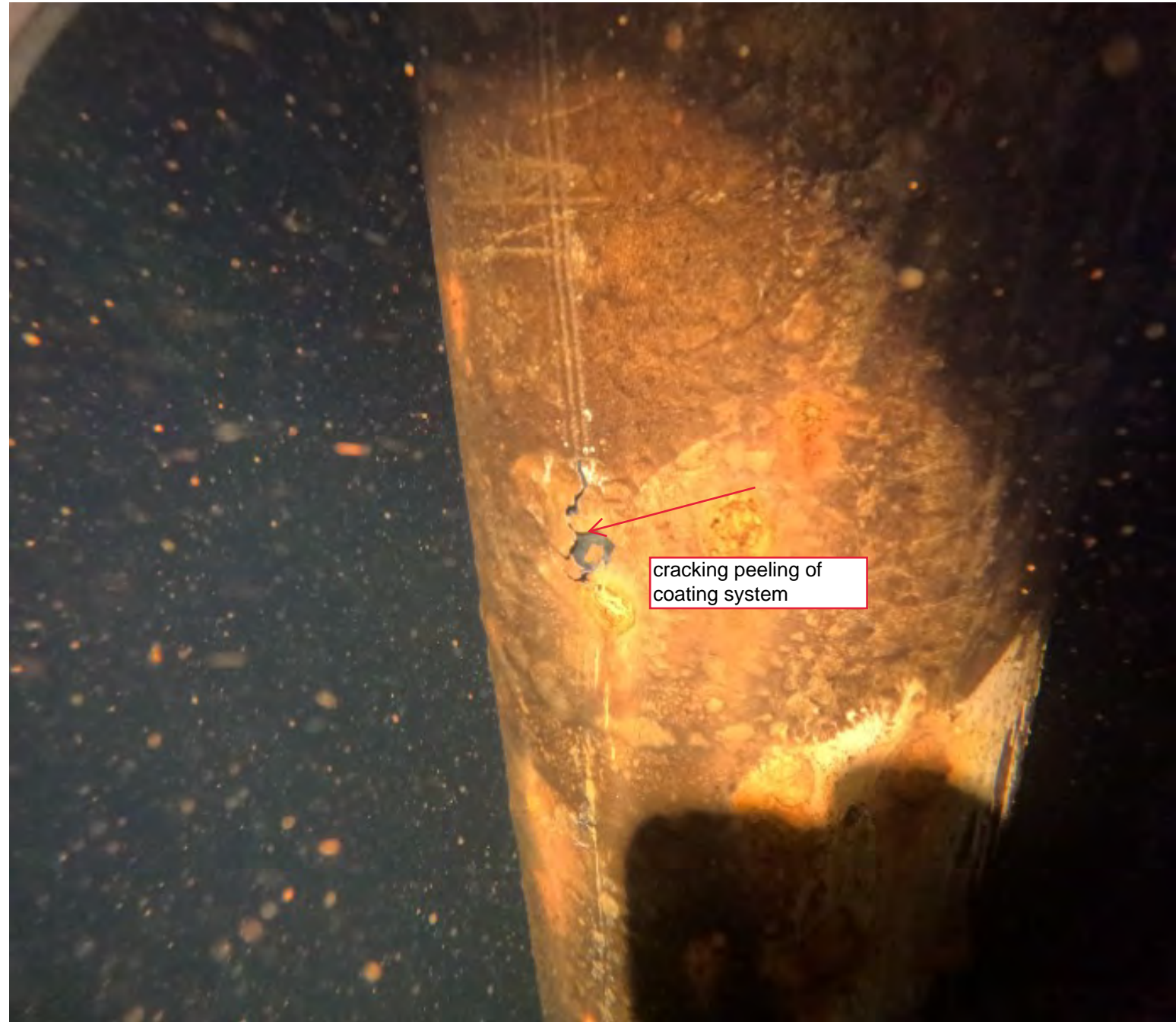














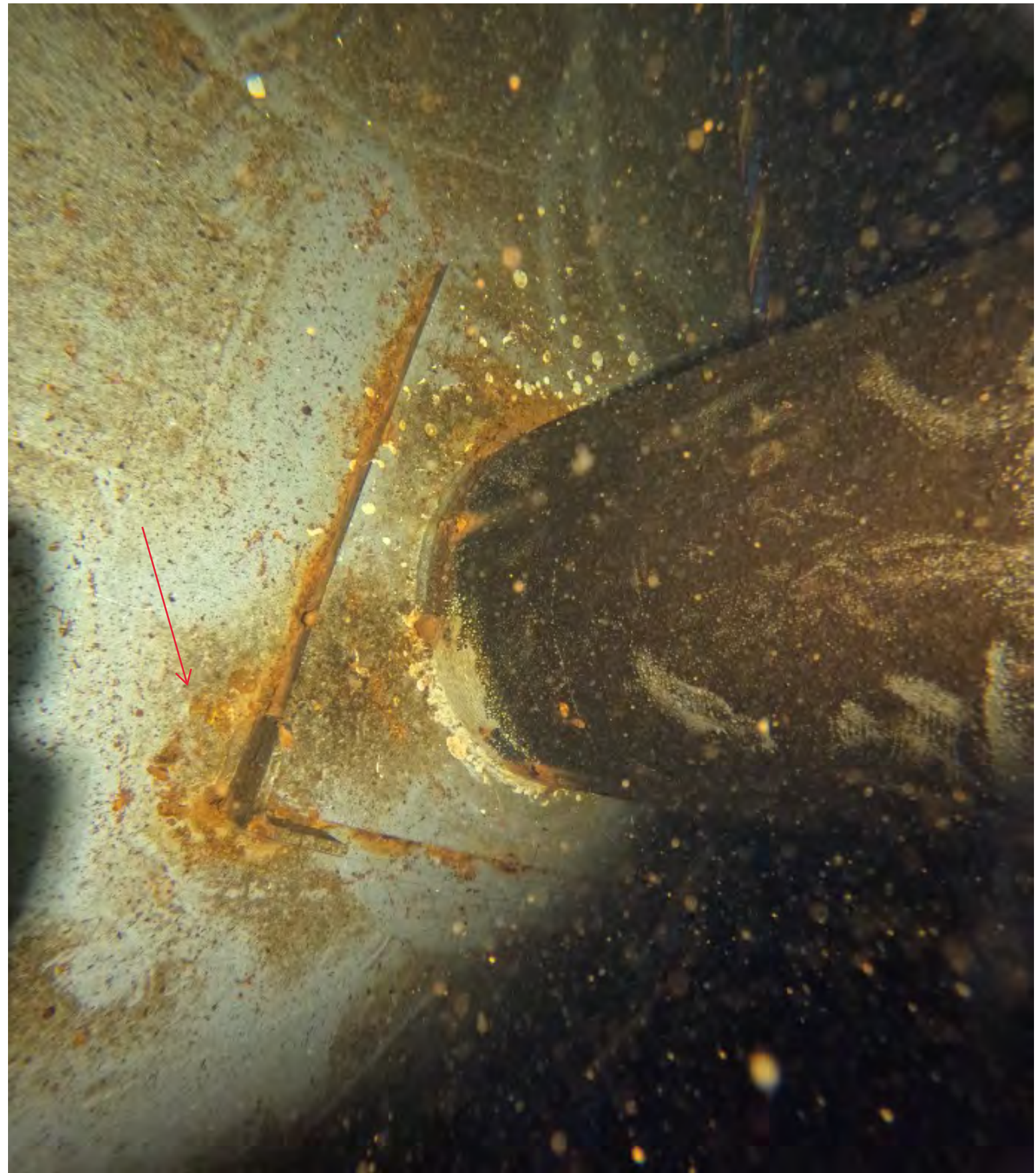


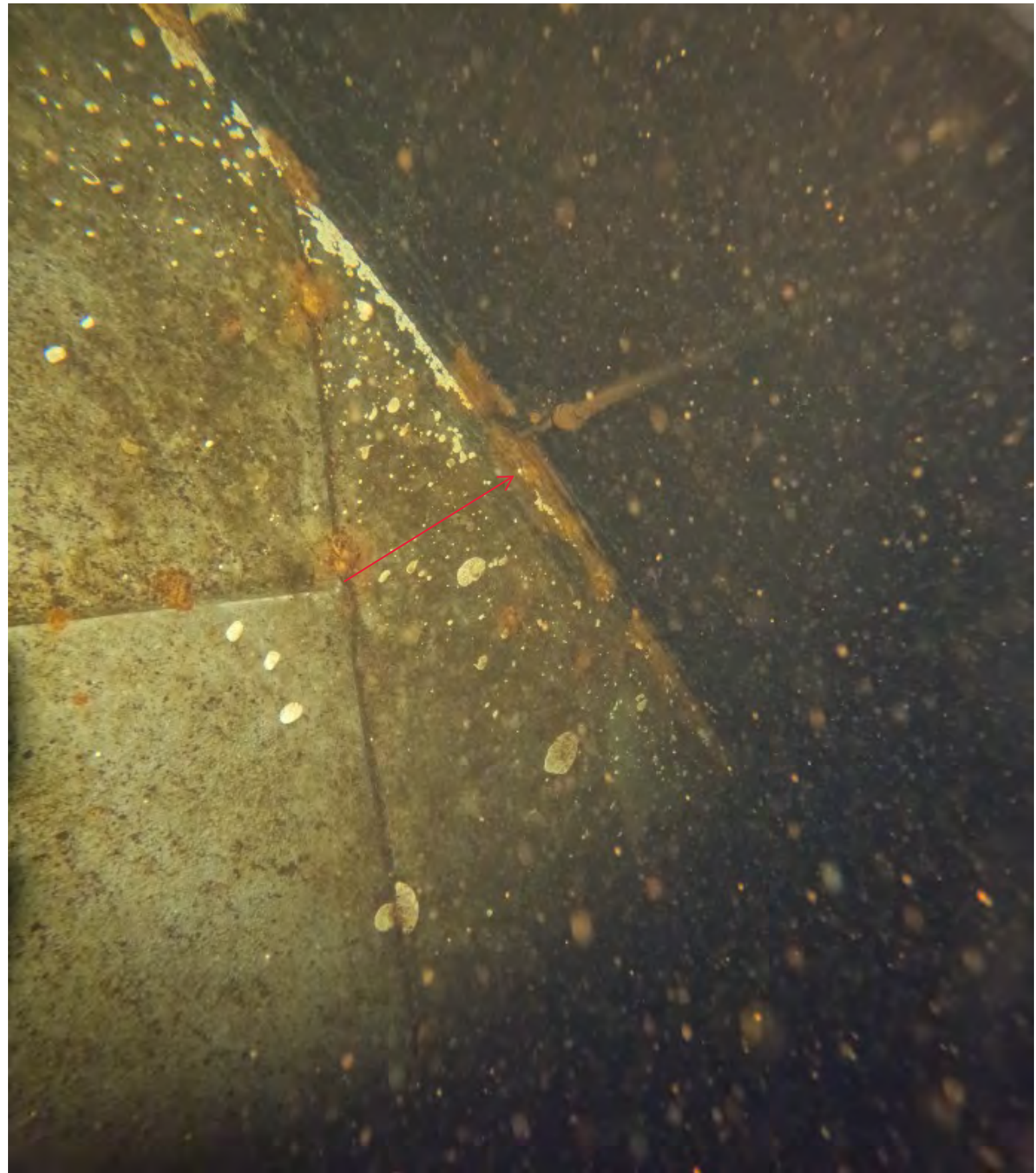


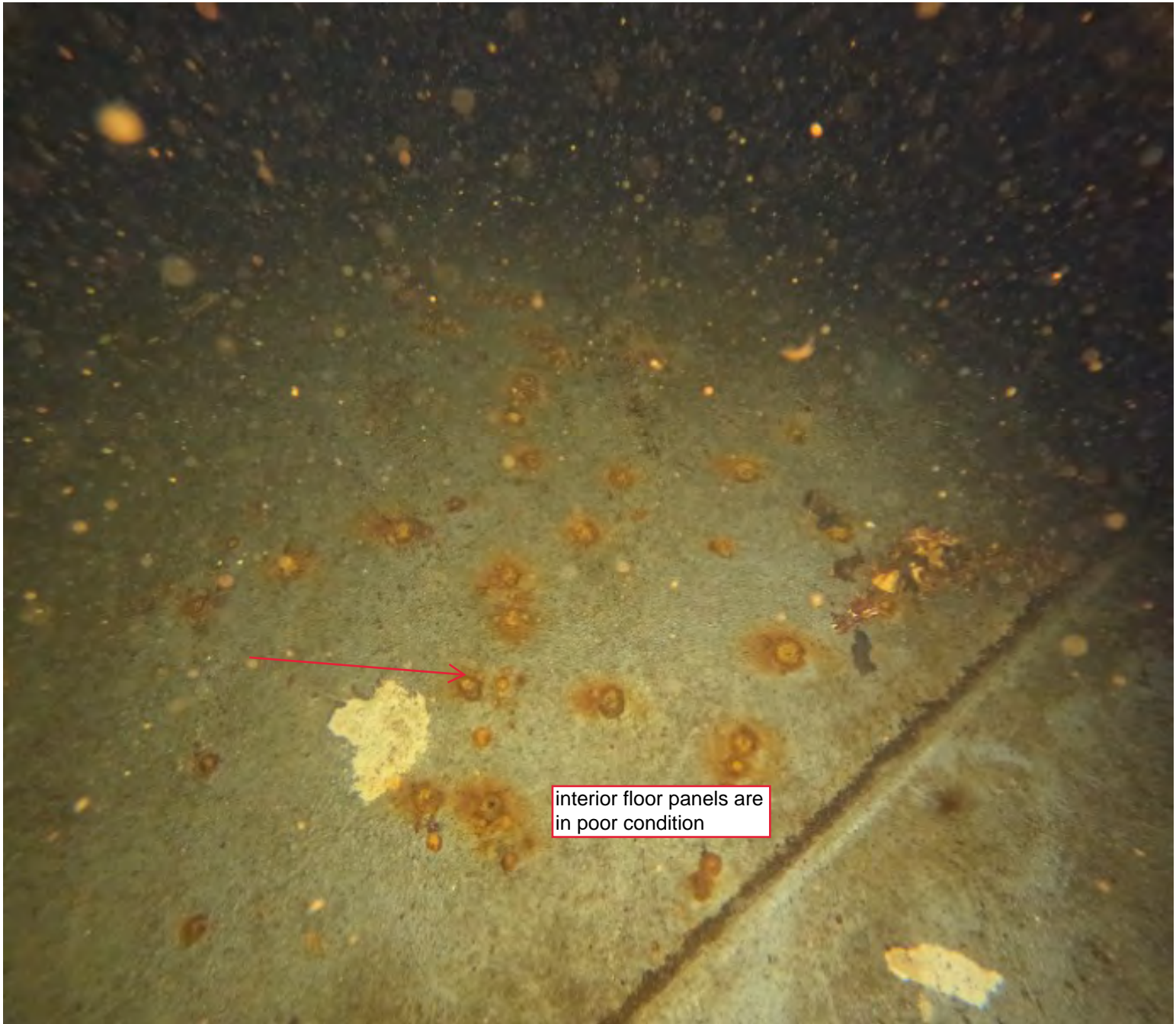


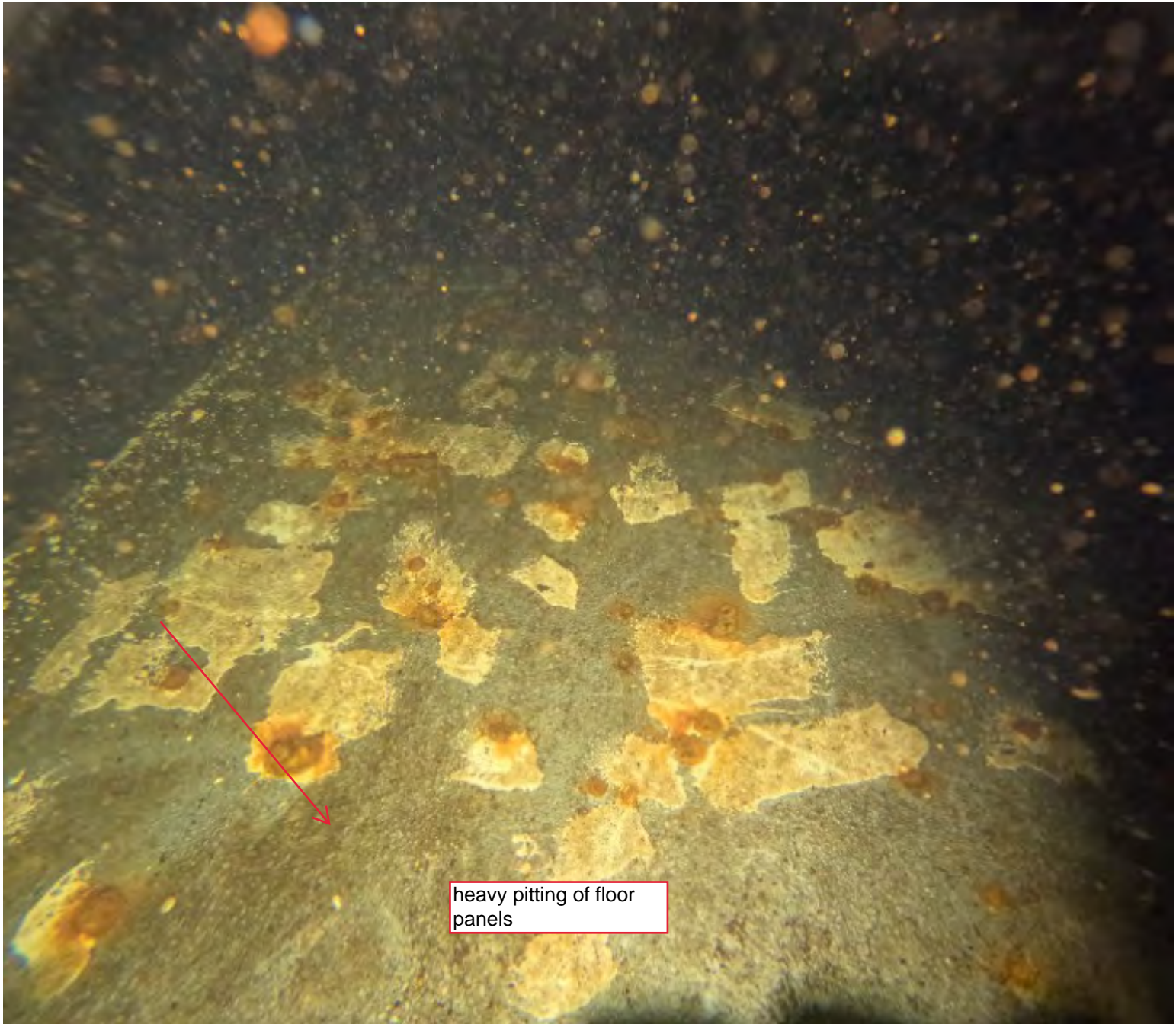




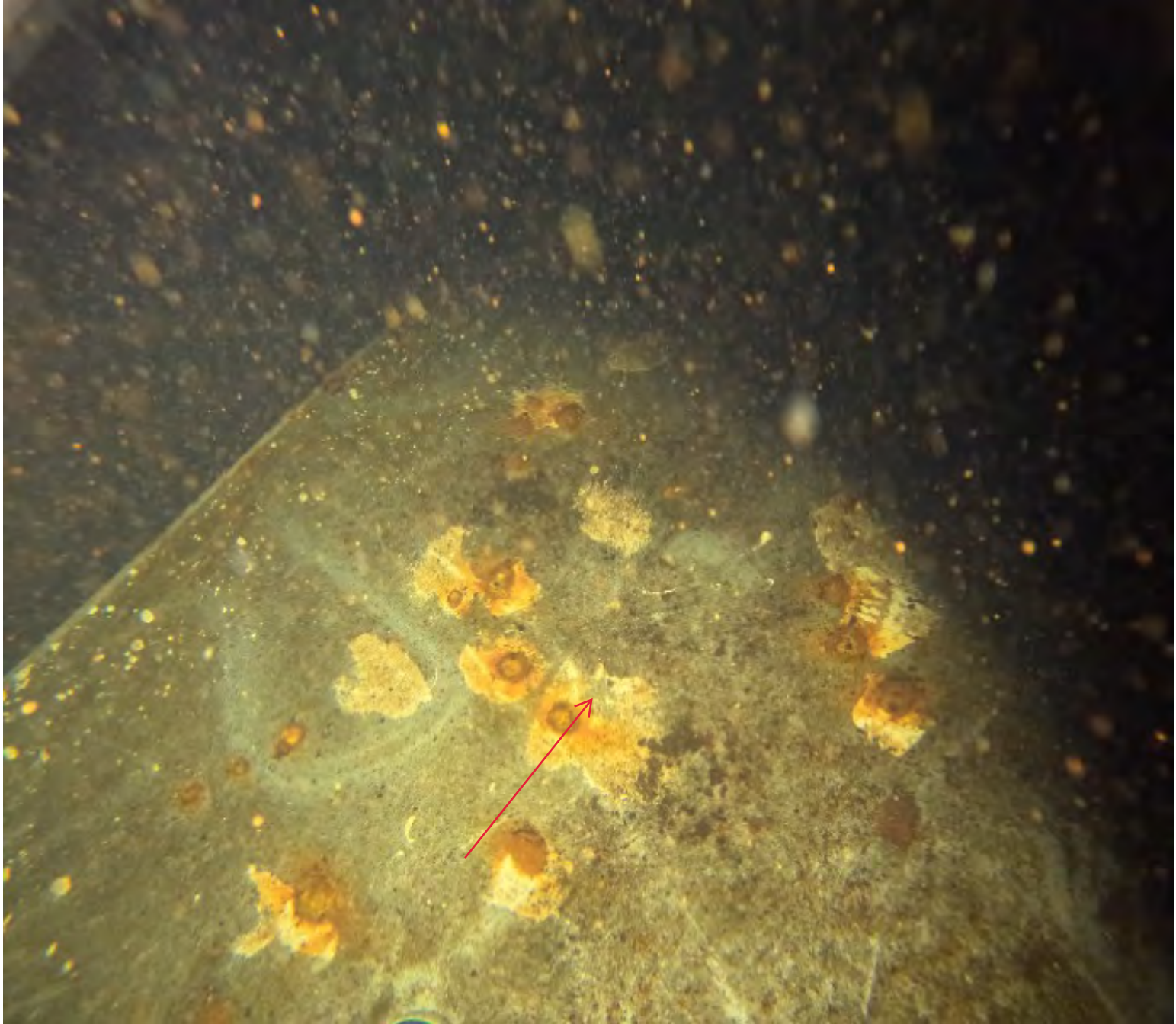




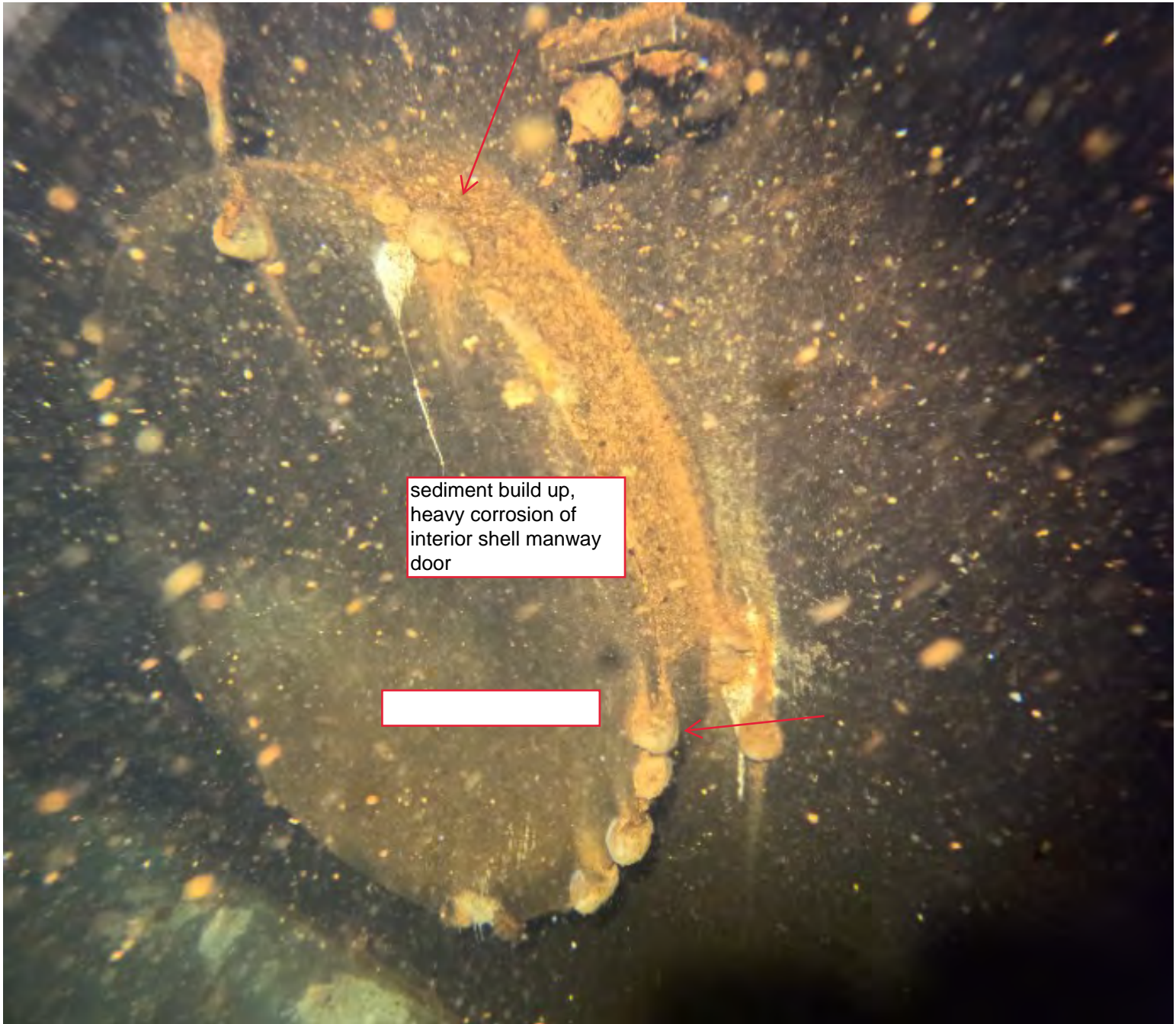










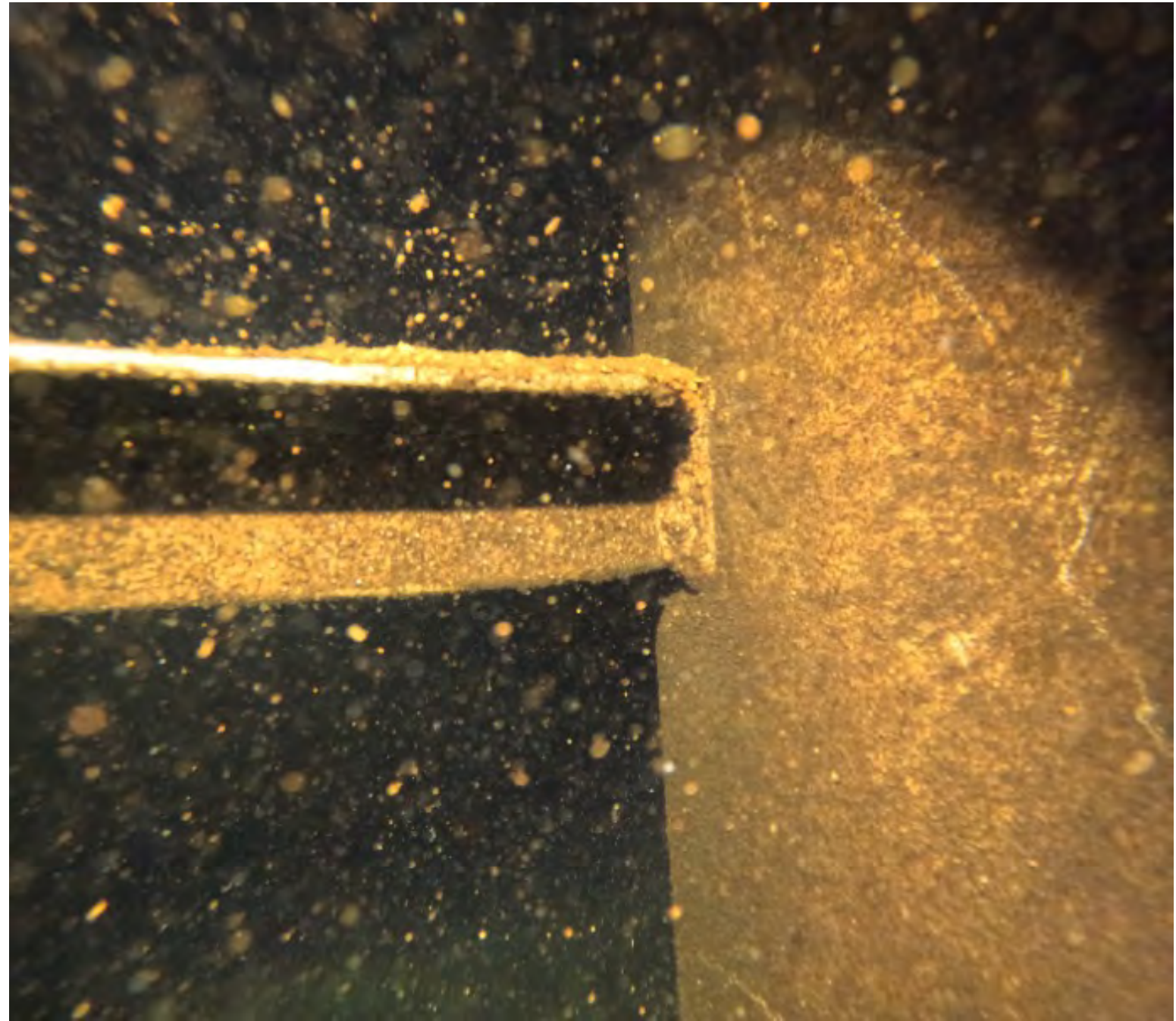




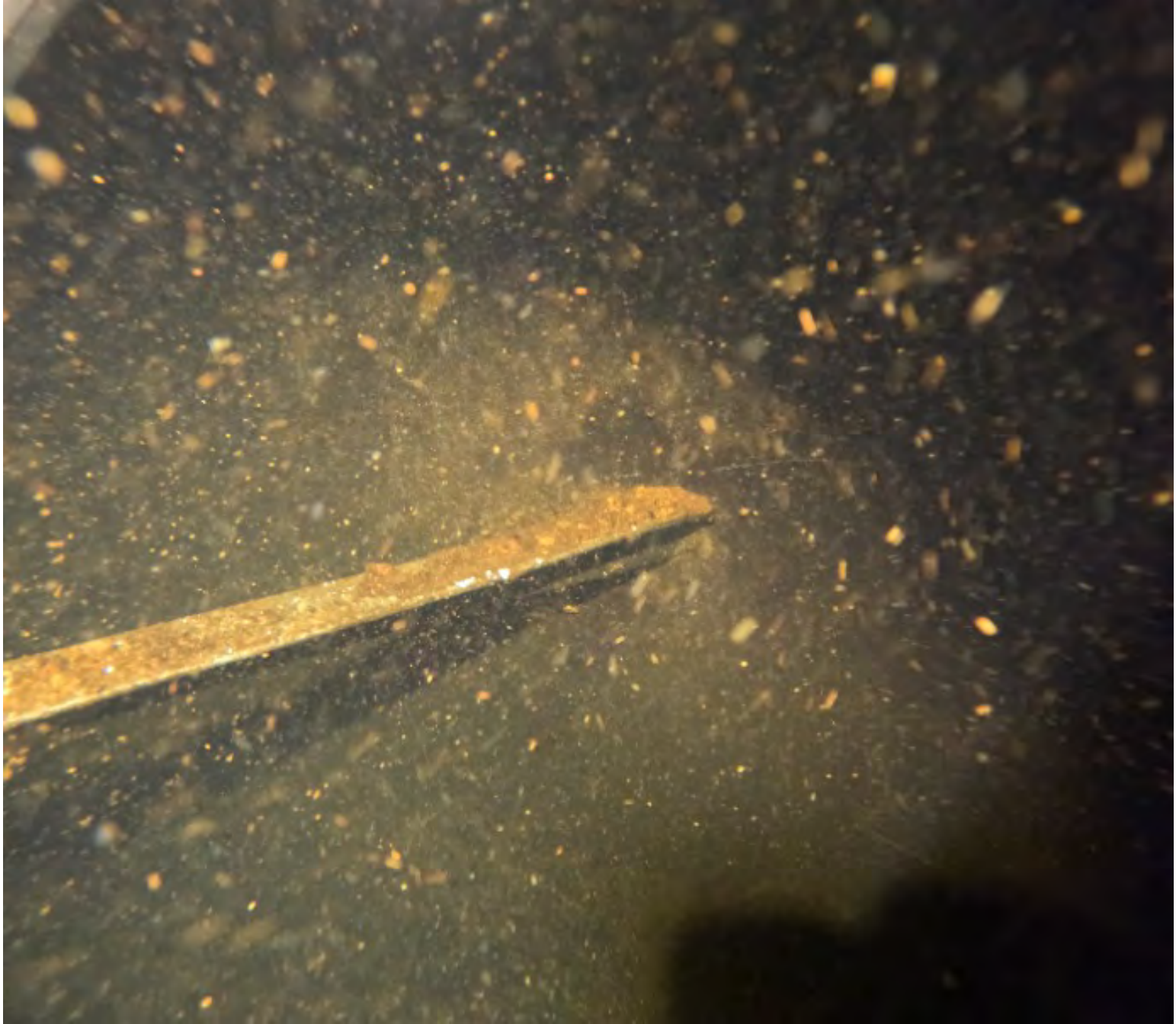






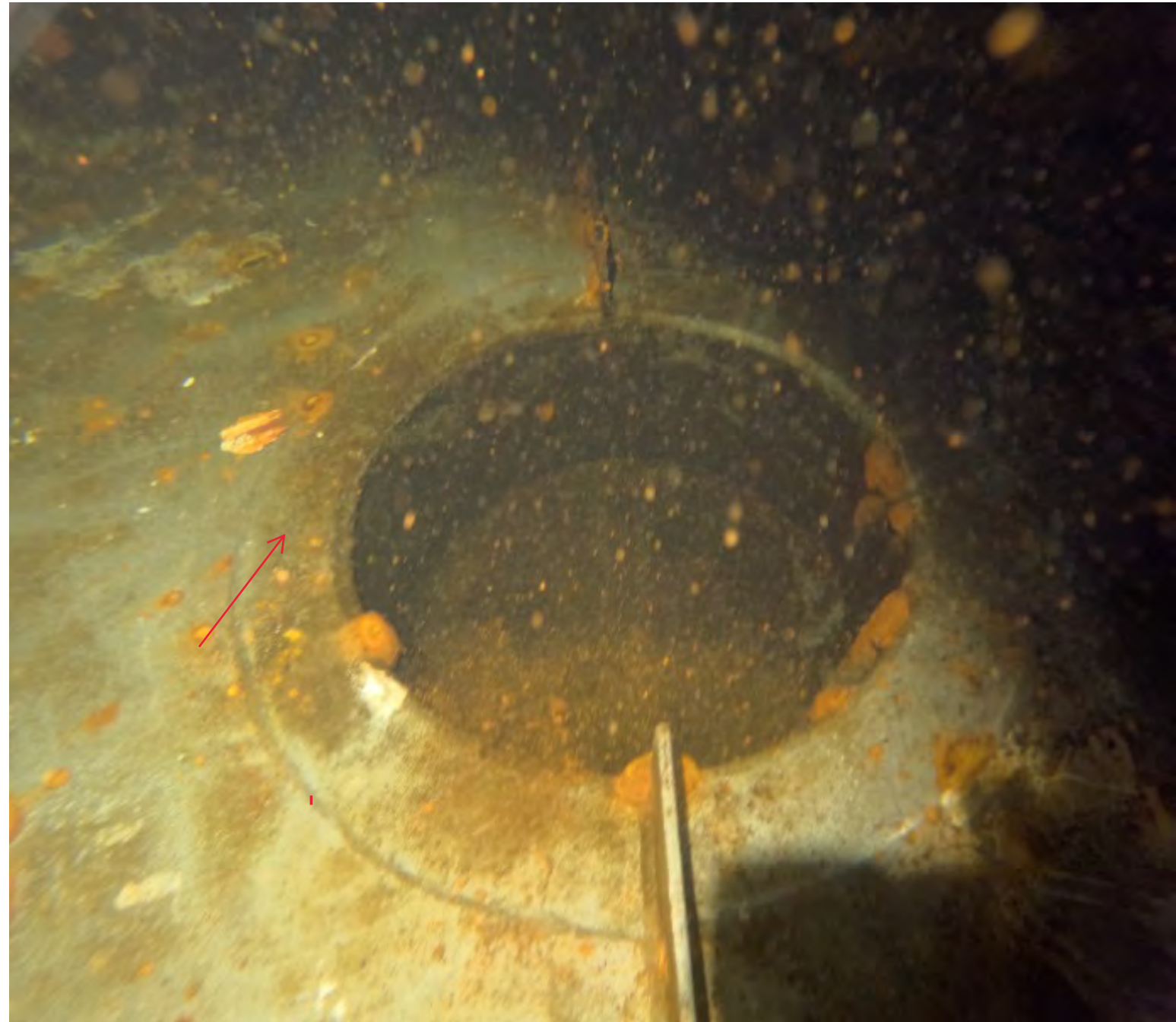


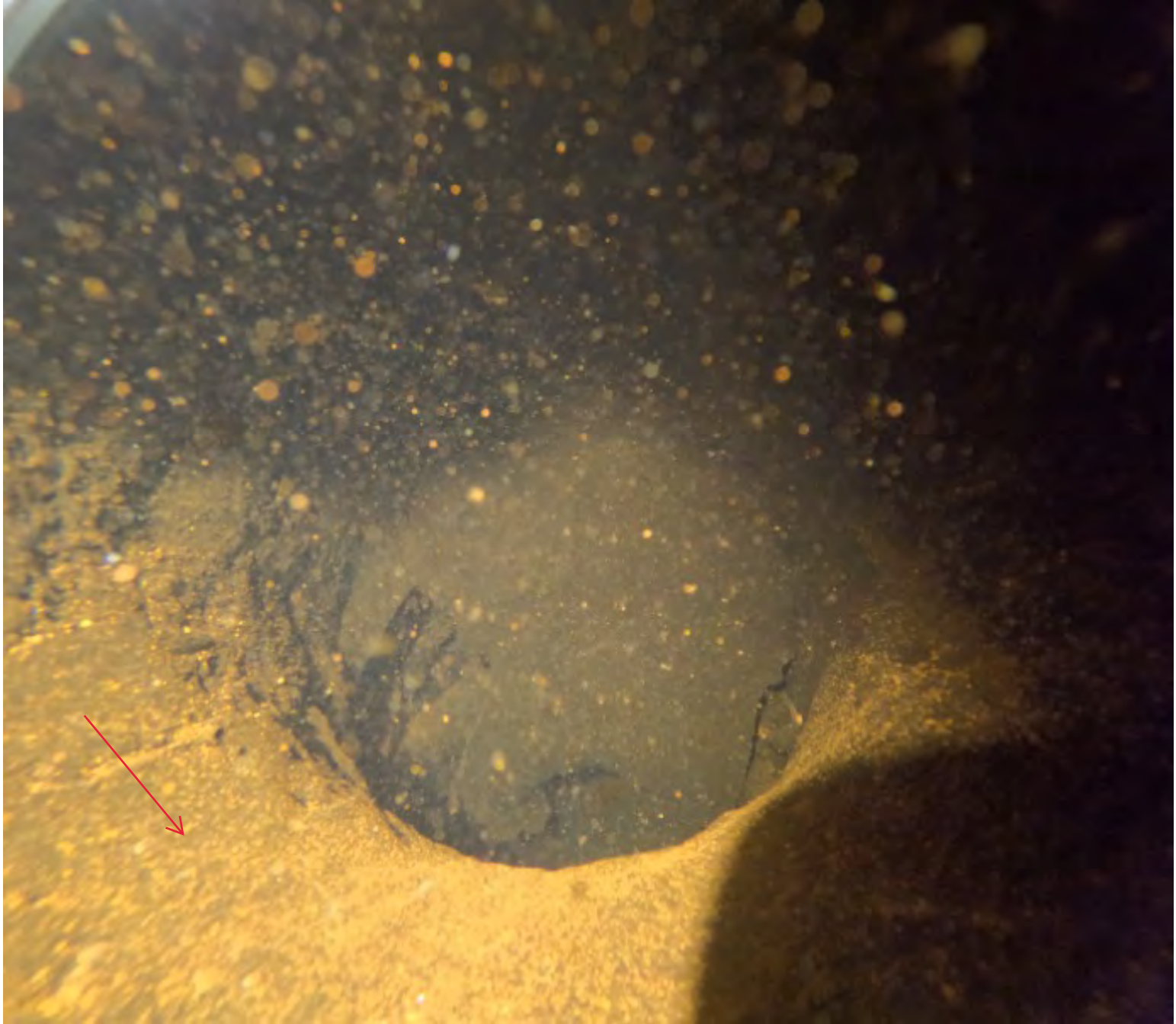




















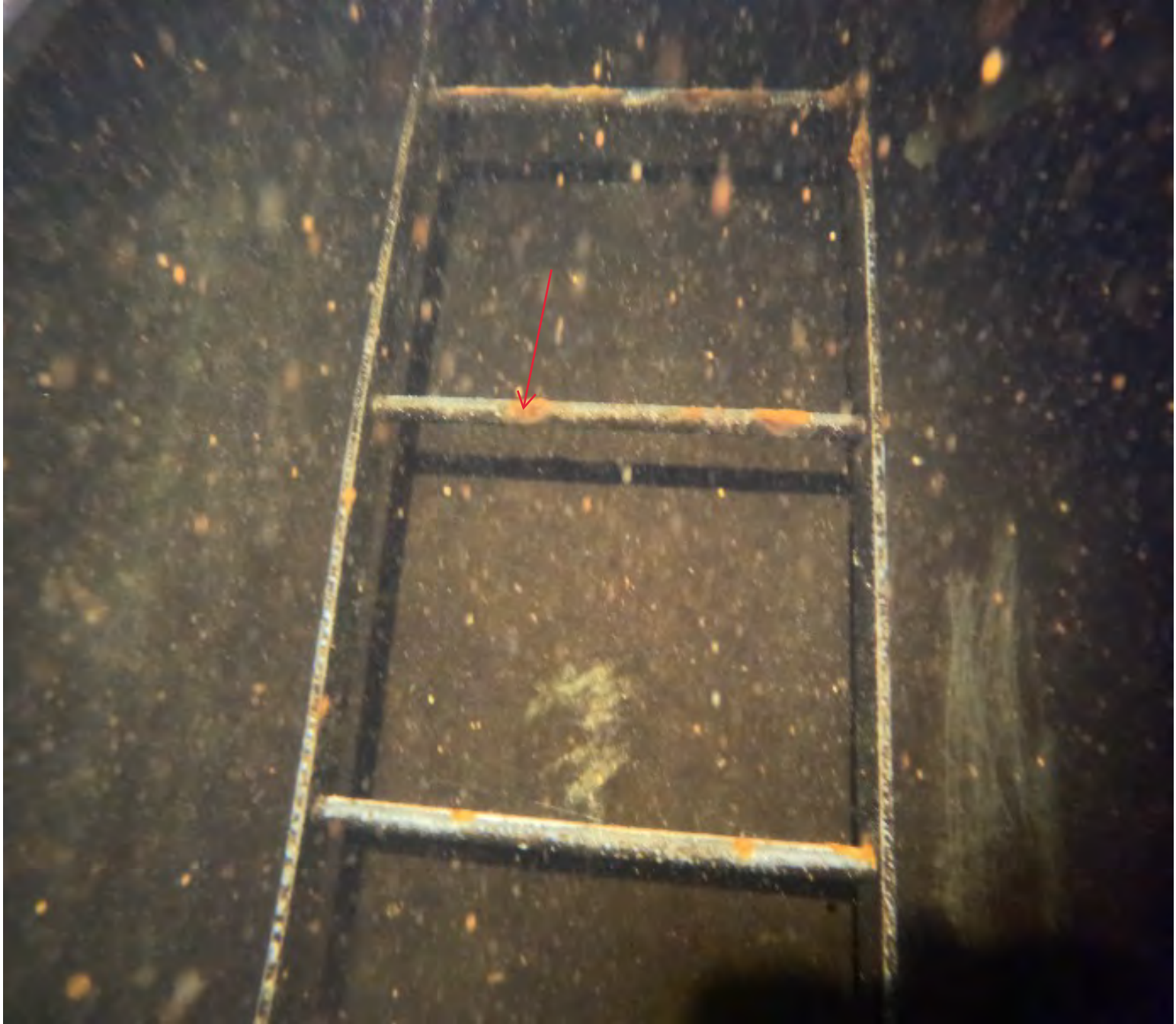


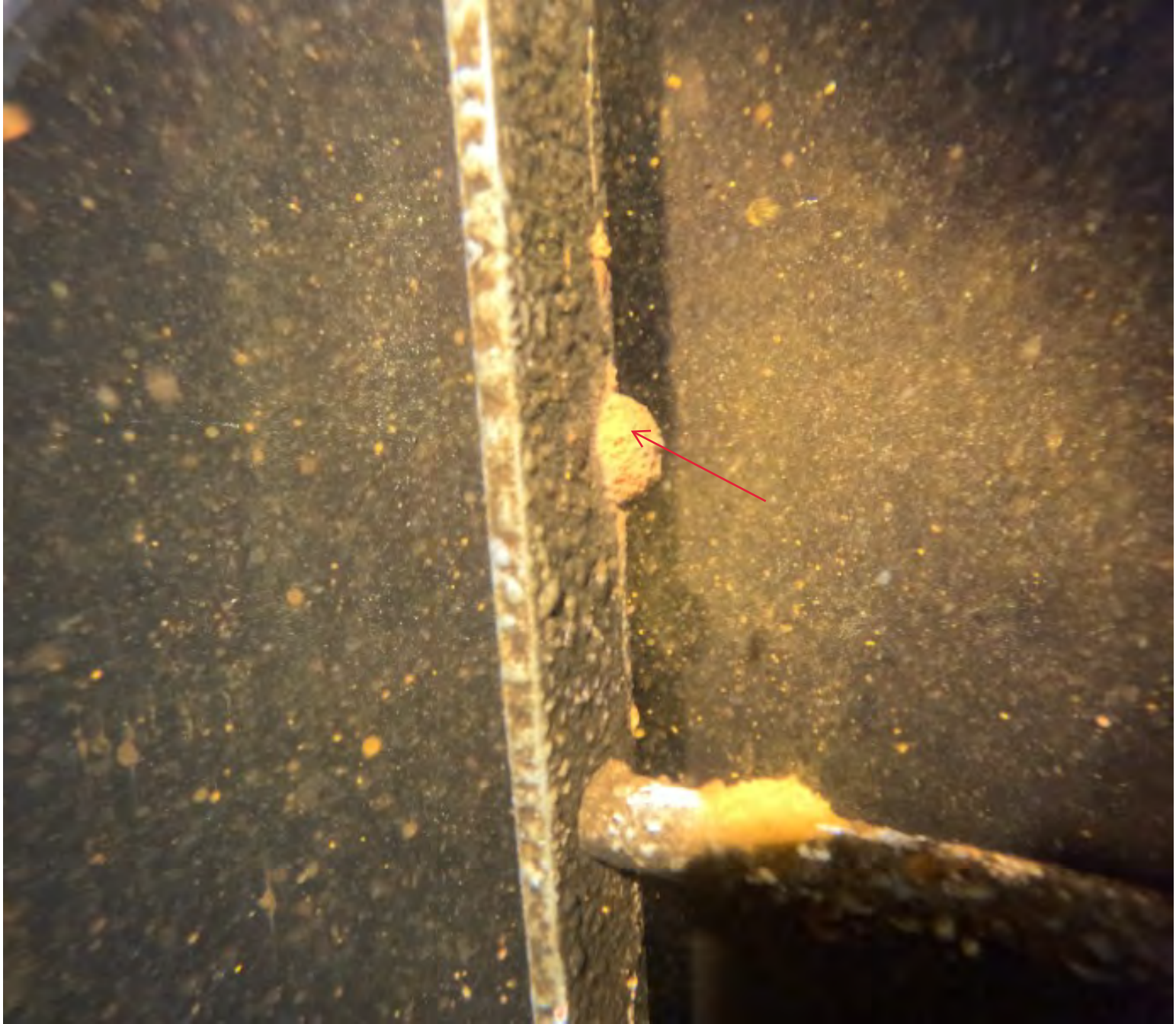




























































































ADVERTISEMENT FOR BIDS
DONNER SUMMIT PUBLIC UTILITY DISTRICT
SODA SPRINGS, CALIFORNIA
RESERVOIR NO. 2 TANK RECOATING

General Notice

Donner Summit Public Utility District (DSPUD) (Owner) is requesting Bids for the construction of the following Project:

RESERVOIR NO. 2 TANK RECOATING

Bids for the construction of the Project will be received at the **DSPUD Office** located at **53823 Sherritt Lane, Soda**, until **[day], [date]** at **2:00PM** local time. At that time the Bids received will be **publicly** opened and read.

The Project includes the following Work:

Remove all existing interior and exterior coatings and recoat the interior and exterior shell, rafters, floor, ladders, overflow, ceiling, roof drain piping, and all other miscellaneous steel on the 500,000 gallon, 50 foot diameter, 35 foot tall Reservoir No. 2 with a NSF/UL 61 certified lining system. Repair welds and steel as needed and directed.

Bids are requested for the following Contract: **Reservoir No. 2 Tank Recoating**

Owner anticipates that the Project's total bid price will be approximately **\$130,000**. The Project has an expected duration of **45** days.

Obtaining the Bidding Documents

Information and Bidding Documents for the Project can be found at the following designated website:

<https://dspud.com/bid-opportunities/>

Bidding Documents may be downloaded from the designated website. Prospective Bidders are encouraged to register with the designated website or the Owner as a plan holder, even if Bidding Documents are obtained from a plan room or source other than the designated website in either electronic or paper format. The designated website will be updated periodically with addenda, lists of registered plan holders, reports, and other information relevant to submitting a Bid for the Project. All official notifications, addenda, and other Bidding Documents will be offered only through the designated website. Neither Owner nor Engineer will be responsible for Bidding Documents, including addenda, if any, obtained from sources other than the designated website.

The Issuing Office for the Bidding Documents is:

DSPUD
53823 Sherritt Lane, Soda Springs, California.

Prospective Bidders may examine the Bidding Documents at the Issuing Office on Monday through Friday between the hours of **9:00AM and 3:00PM**. Copies of the Bidding Documents can only be obtained from the website specified above. Copies are not available from the Issuing Office.

Pre-bid Conference

A mandatory pre-bid conference for the Project will be held on [day, date] at [time] at [name of venue] [street address of venue] [city, state, zip code]. Bids will not be accepted from Bidders that do not attend the mandatory pre-bid conference.

Instructions to Bidders.

For all further requirements regarding bid submittal, qualifications, procedures, and contract award, refer to the Instructions to Bidders that are included in the Bidding Documents.

This Advertisement is issued by:

Owner: **Donner Summit Public Utility District**

By: **Steven Palmer**

Title: **General Manager**

Date: **[Date of initial publication of advertisement]**

INSTRUCTIONS TO BIDDERS FOR CONSTRUCTION CONTRACT

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ARTICLE 1—DEFINED TERMS

- 1.01 Terms used in these Instructions to Bidders have the meanings indicated in the General Conditions and Supplementary Conditions. Additional terms used in these Instructions to Bidders have the meanings indicated below:
- A. *Issuing Office*—The office from which the Bidding Documents are to be issued, and which registers plan holders.

ARTICLE 2—BIDDING DOCUMENTS

- 2.01 Bidder shall obtain a complete set of Bidding Requirements and proposed Contract Documents (together, the Bidding Documents). See the Agreement for a list of the Contract Documents. It is Bidder's responsibility to determine that it is using a complete set of documents in the preparation of a Bid. Bidder assumes sole responsibility for errors or misinterpretations resulting from the use of incomplete documents, by Bidder itself or by its prospective Subcontractors and Suppliers.
- 2.02 Bidding Documents are made available for the sole purpose of obtaining Bids for completion of the Project and permission to download or distribution of the Bidding Documents does not confer a license or grant permission or authorization for any other use. Authorization to download documents, or other distribution, includes the right for plan holders to print documents solely for their use, and the use of their prospective Subcontractors and Suppliers, provided the plan holder pays all costs associated with printing or reproduction. Printed documents may not be re-sold under any circumstances.
- 2.03 Owner has established a Bidding Documents Website as indicated in the Advertisement or invitation to bid. Owner recommends that Bidder register as a plan holder with the Issuing Office at such website, and obtain a complete set of the Bidding Documents from such website. Bidders may rely that sets of Bidding Documents obtained from the Bidding Documents Website are complete, unless an omission is blatant. Registered plan holders will receive Addenda issued by Owner.
- 2.04 Plan rooms (including construction information subscription services, and electronic and virtual plan rooms) may distribute the Bidding Documents, or make them available for examination. Those prospective bidders that obtain an electronic (digital) copy of the Bidding Documents from a plan room are encouraged to register as plan holders from the Bidding Documents Website or Issuing Office. Owner is not responsible for omissions in Bidding Documents or other documents obtained from plan rooms, or for a Bidder's failure to obtain Addenda from a plan room.
- 2.05 *Electronic Documents*
- A. When the Bidding Requirements indicate that electronic (digital) copies of the Bidding Documents are available, such documents will be made available to the Bidders as Electronic Documents in the manner specified.
1. Bidding Documents will be provided in Adobe PDF (Portable Document Format) (.pdf) that is readable by Adobe Acrobat Reader. It is the intent of the Engineer and Owner that such Electronic Documents are to be exactly representative of the paper copies of the documents. However, because the Owner and Engineer cannot totally control the transmission and receipt of Electronic Documents nor the Contractor's means of reproduction of such documents, the Owner and Engineer cannot and do not guarantee

that Electronic Documents and reproductions prepared from those versions are identical in every manner to the paper copies.

- B. Unless otherwise stated in the Bidding Documents, the Bidder may use and rely upon complete sets of Electronic Documents of the Bidding Documents, described in Paragraph 2.05.A above. However, Bidder assumes all risks associated with differences arising from transmission/receipt of Electronic Documents versions of Bidding Documents and reproductions prepared from those versions and, further, assumes all risks, costs, and responsibility associated with use of the Electronic Documents versions to derive information that is not explicitly contained in printed paper versions of the documents, and for Bidder's reliance upon such derived information.
- ~~C. After the Contract is awarded, the Owner will provide or direct the Engineer to provide for the use of the Contractor documents that were developed by Engineer as part of the Project design process, as Electronic Documents in native file formats.~~
 - ~~1. Electronic Documents that are available in native file format include:
 - a. **None**~~
 - ~~2. Release of such documents will be solely for the convenience of the Contractor. No such document is a Contract Document.~~
 - ~~3. Unless the Contract Documents explicitly identify that such information will be available to the Successful Bidder (Contractor), nothing herein will create an obligation on the part of the Owner or Engineer to provide or create such information, and the Contractor is not entitled to rely on the availability of such information in the preparation of its Bid or pricing of the Work. In all cases, the Contractor shall take appropriate measures to verify that any electronic/digital information provided in Electronic Documents is appropriate and adequate for the Contractor's specific purposes.~~
 - ~~4. In no case will the Contractor be entitled to additional compensation or time for completion due to any differences between the actual Contract Documents and any related document in native file format.~~

ARTICLE 3—QUALIFICATIONS OF BIDDERS

- 3.01 Bidder is to submit the following information with its Bid to demonstrate Bidder's qualifications to perform the Work:
 - A. Written evidence establishing its qualifications such as financial data, previous experience, and present commitments.
 - B. A written statement that Bidder is authorized to do business in the state where the Project is located, or a written certification that Bidder will obtain such authority prior to the Effective Date of the Contract.
 - C. Bidder's state or other contractor license number, if applicable.
 - D. Subcontractor and Supplier qualification information.
 - E. Other required information regarding qualifications.

- 3.02 A Bidder's failure to submit required qualification information within the times indicated may disqualify Bidder from receiving an award of the Contract.
- 3.03 No requirement in this Article 3 to submit information will prejudice the right of Owner to seek additional pertinent information regarding Bidder's qualifications.

ARTICLE 4—PRE-BID CONFERENCE

- 4.01 A non-mandatory pre-bid conference will be held at the time and location indicated in the Advertisement or invitation to bid. Representatives of Owner and Engineer will be present to discuss the Project. Bidders are encouraged to attend and participate in the conference; however, attendance at this conference is not required to submit a Bid.
- 4.02 A mandatory pre-bid conference will be held at the time and location indicated in the Advertisement or invitation to bid. Representatives of Owner and Engineer will be present to discuss the Project. Proposals will not be accepted from Bidders who do not attend the conference. It is each Bidder's responsibility to sign in at the pre-bid conference to verify its participation. Bidders must sign in using the name of the organization that will be submitting a Bid. A list of qualified Bidders that attended the pre-bid conference and are eligible to submit a Bid for this Project will be issued in an Addendum.
- 4.03 Information presented at the pre-Bid conference does not alter the Contract Documents. Owner will issue Addenda to make any changes to the Contract Documents that result from discussions at the pre-Bid conference. Information presented, and statements made at the pre-bid conference will not be binding or legally effective unless incorporated in an Addendum.

ARTICLE 5—SITE AND OTHER AREAS; EXISTING SITE CONDITIONS; EXAMINATION OF SITE; OWNER'S SAFETY PROGRAM; OTHER WORK AT THE SITE

- 5.01 *Site and Other Areas*
 - A. The Site is identified in the Bidding Documents. By definition, the Site includes rights-of-way, easements, and other lands furnished by Owner for the use of the Contractor. Any additional lands required for temporary construction facilities, construction equipment, or storage of materials and equipment, and any access needed for such additional lands, are to be obtained and paid for by Contractor.
- 5.02 *Existing Site Conditions*
 - A. *Subsurface and Physical Conditions; Hazardous Environmental Conditions*
 - 1. The Supplementary Conditions identify the following regarding existing conditions at or adjacent to the Site:
 - a. Those reports of explorations and tests of subsurface conditions at or adjacent to the Site that contain Technical Data.
 - b. Those drawings known to Owner of existing physical conditions at or adjacent to the Site, including those drawings depicting existing surface or subsurface structures at or adjacent to the Site (except Underground Facilities), that contain Technical Data.
 - c. Reports and drawings known to Owner relating to Hazardous Environmental Conditions that have been identified at or adjacent to the Site.

- d. Technical Data contained in such reports and drawings.
2. Owner will make copies of reports and drawings referenced above available to any Bidder on request. These reports and drawings are not part of the Contract Documents, but the Technical Data contained therein upon whose accuracy Bidder is entitled to rely, as provided in the General Conditions, has been identified and established in the Supplementary Conditions. Bidder is responsible for any interpretation or conclusion Bidder draws from any Technical Data or any other data, interpretations, opinions, or information contained in such reports or shown or indicated in such drawings.
3. If the Supplementary Conditions do not identify Technical Data, the default definition of Technical Data set forth in Article 1 of the General Conditions will apply.
4. ~~Geotechnical Baseline Report/Geotechnical Data Report: The Bidding Documents contain a Geotechnical Baseline Report (GBR) and Geotechnical Data Report (GDR).~~
 - a. ~~As set forth in the Supplementary Conditions, the GBR describes certain select subsurface conditions that are anticipated to be encountered by Contractor during construction in specified locations ("Baseline Conditions"). The GBR is a Contract Document.~~
 - b. ~~The Baseline Conditions in the GBR are intended to reduce uncertainty and the degree of contingency in submitted Bids. However, Bidders cannot rely solely on the Baseline Conditions. Bids should be based on a comprehensive approach that includes an independent review and analysis of the GBR, all other Contract Documents, Technical Data, other available information, and observable surface conditions. Not all potential subsurface conditions are baselined.~~
 - c. ~~Nothing in the GBR is intended to relieve Bidders of the responsibility to make their own determinations regarding construction costs, bidding strategies, and Bid prices, nor of the responsibility to select and be responsible for the means, methods, techniques, sequences, and procedures of construction, and for safety precautions and programs incident thereto.~~
 - d. ~~As set forth in the Supplementary Conditions, the GDR is a Contract Document containing data prepared by or for the Owner in support of the GBR.~~
- B. *Underground Facilities:* Underground Facilities are shown or indicated on the Drawings, pursuant to Paragraph 5.05 of the General Conditions, and not in the drawings referred to in Paragraph 5.02.A of these Instructions to Bidders. Information and data regarding the presence or location of Underground Facilities are not intended to be categorized, identified, or defined as Technical Data.

5.03 *Other Site-related Documents*

- A. In addition to the documents regarding existing Site conditions referred to in Paragraph 5.02.A, the following other documents relating to conditions at or adjacent to the Site are known to Owner and made available to Bidders for reference:
 1. **[List of other Site-related documents].**Owner will make copies of these other Site-related documents available to any Bidder on request.

- B. Owner has not verified the contents of these other Site-related documents, and Bidder may not rely on the accuracy of any data or information in such documents. Bidder is responsible for any interpretation or conclusion Bidder draws from the other Site-related documents.
- C. The other Site-related documents are not part of the Contract Documents.
- D. Bidders are encouraged to review the other Site-related documents, but Bidders will not be held accountable for any data or information in such documents. The requirement to review and take responsibility for documentary Site information is limited to information in (1) the Contract Documents and (2) the Technical Data.
- E. No other Site-related documents are available.

5.04 *Site Visit and Testing by Bidders*

- A. Bidder is required to visit the Site and conduct a thorough visual examination of the Site and adjacent areas. During the visit the Bidder must not disturb any ongoing operations at the Site.
- B. A Site visit is scheduled following the pre-bid conference. Maps to the Site will be available at the pre-Bid conference.
- C. Bidders visiting the Site are required to arrange their own transportation to the Site.
- D. All access to the Site other than during a regularly scheduled Site visit must be coordinated through the following Owner contact for visiting the Site: **Steven Palmer, spalmer@dspud.com**. Bidder must conduct the required Site visit during normal working hours.
- E. Bidder is not required to conduct any subsurface testing, or exhaustive investigations of Site conditions.
- F. On request, and to the extent Owner has control over the Site, and schedule permitting, the Owner will provide Bidder general access to the Site to conduct such additional examinations, investigations, explorations, tests, and studies as Bidder deems necessary for preparing and submitting a successful Bid. Owner will not have any obligation to grant such access if doing so is not practical because of existing operations, security or safety concerns, or restraints on Owner's authority regarding the Site. Bidder is responsible for establishing access needed to reach specific selected test sites.
- G. Bidder must comply with all applicable Laws and Regulations regarding excavation and location of utilities, obtain all permits, and comply with all terms and conditions established by Owner or by property owners or other entities controlling the Site with respect to schedule, access, existing operations, security, liability insurance, and applicable safety programs.
- H. Bidder must fill all holes and clean up and restore the Site to its former condition upon completion of such explorations, investigations, tests, and studies.

5.05 *Owner's Safety Program*

- A. Site visits and work at the Site may be governed by an Owner safety program. If an Owner safety program exists, it will be noted in the Supplementary Conditions.

5.06 *Other Work at the Site*

- A. Reference is made to Article 8 of the Supplementary Conditions for the identification of the general nature of other work of which Owner is aware (if any) that is to be performed at the Site by Owner or others (such as utilities and other prime contractors) and relates to the Work contemplated by these Bidding Documents. If Owner is party to a written contract for such other work, then on request, Owner will provide to each Bidder access to examine such contracts (other than portions thereof related to price and other confidential matters), if any.

ARTICLE 6—BIDDER’S REPRESENTATIONS AND CERTIFICATIONS

6.01 *Express Representations and Certifications in Bid Form, Agreement*

- A. The Bid Form that each Bidder will submit contains express representations regarding the Bidder’s examination of Project documentation, Site visit, and preparation of the Bid, and certifications regarding lack of collusion or fraud in connection with the Bid. Bidder should review these representations and certifications, and assure that Bidder can make the representations and certifications in good faith, before executing and submitting its Bid.
- B. If Bidder is awarded the Contract, Bidder (as Contractor) will make similar express representations and certifications when it executes the Agreement.

ARTICLE 7—INTERPRETATIONS AND ADDENDA

- 7.01 Owner on its own initiative may issue Addenda to clarify, correct, supplement, or change the Bidding Documents.
- 7.02 Bidder shall submit all questions about the meaning or intent of the Bidding Documents to Engineer in writing. Contact information and submittal procedures for such questions are as follows:
 - A. **Submit questions by email to DSPUD General Manager Steven Palmer at spalmer@dspud.com.**
- 7.03 Interpretations or clarifications considered necessary by Engineer in response to such questions will be issued by Addenda delivered to all registered plan holders. Questions received less than seven days prior to the date for opening of Bids may not be answered.
- 7.04 Only responses set forth in an Addendum will be binding. Oral and other interpretations or clarifications will be without legal effect. Responses to questions are not part of the Contract Documents unless set forth in an Addendum that expressly modifies or supplements the Contract Documents.

ARTICLE 8—BID SECURITY

- 8.01 A Bid must be accompanied by Bid security made payable to Owner in an amount of **ten (10)** percent of Bidder’s maximum Bid price (determined by adding the base bid and all alternates) and in the form of a Bid bond issued by a surety meeting the requirements of Paragraph 6.01 of the General Conditions. Such Bid bond will be issued in the form included in the Bidding Documents.
- 8.02 The Bid security of the apparent Successful Bidder will be retained until Owner awards the contract to such Bidder, and such Bidder has executed the Contract, furnished the required Contract security, and met the other conditions of the Notice of Award, whereupon the Bid

security will be released. If the Successful Bidder fails to execute and deliver the Contract and furnish the required Contract security within 15 days after the Notice of Award, Owner may consider Bidder to be in default, annul the Notice of Award, and the Bid security of that Bidder will be forfeited, in whole in the case of a penal sum bid bond, and to the extent of Owner's damages in the case of a damages-form bond. Such forfeiture will be Owner's exclusive remedy if Bidder defaults.

- 8.03 The Bid security of other Bidders that Owner believes to have a reasonable chance of receiving the award may be retained by Owner until the earlier of 7 days after the Effective Date of the Contract or 61 days after the Bid opening, whereupon Bid security furnished by such Bidders will be released.
- 8.04 Bid security of other Bidders that Owner believes do not have a reasonable chance of receiving the award will be released within 7 days after the Bid opening.

ARTICLE 9—CONTRACT TIMES

- 9.01 The number of days within which, or the dates by which, the Work is to be (a) substantially completed and (b) ready for final payment, and (c) Milestones (if any) are to be achieved, are set forth in the Agreement.
- 9.02 Provisions for liquidated damages, if any, for failure to timely attain a Milestone, Substantial Completion, or completion of the Work in readiness for final payment, are set forth in the Agreement.

ARTICLE 10—SUBSTITUTE AND "OR EQUAL" ITEMS

- 10.01 The Contract for the Work, as awarded, will be on the basis of materials and equipment specified or described in the Bidding Documents without consideration during the bidding and Contract award process of possible substitute or "or-equal" items. In cases in which the Contract allows the Contractor to request that Engineer authorize the use of a substitute or "or-equal" item of material or equipment, application for such acceptance may not be made to and will not be considered by Engineer until after the Effective Date of the Contract.
- 10.02 All prices that Bidder sets forth in its Bid will be based on the presumption that the Contractor will furnish the materials and equipment specified or described in the Bidding Documents, as supplemented by Addenda. Any assumptions regarding the possibility of post-Bid approvals of "or-equal" or substitution requests are made at Bidder's sole risk.

ARTICLE 11—SUBCONTRACTORS, SUPPLIERS, AND OTHERS

- 11.01 The apparent Successful Bidder, and any other Bidder so requested, must submit to Owner a list of the Subcontractors or Suppliers proposed for the following portions of the Work within five days after Bid opening:
- A. **All.**
- 11.02 If requested by Owner, such list must be accompanied by an experience statement with pertinent information regarding similar projects and other evidence of qualification for each such Subcontractor or Supplier. If Owner or Engineer, after due investigation, has reasonable objection to any proposed Subcontractor or Supplier, Owner may, before the Notice of Award is given, request apparent Successful Bidder to submit an acceptable substitute, in which case apparent

Successful Bidder will submit a substitute, Bidder's Bid price will be increased (or decreased) by the difference in cost occasioned by such substitution, and Owner may consider such price adjustment in evaluating Bids and making the Contract award.

- 11.03 If apparent Successful Bidder declines to make any such substitution, Owner may award the Contract to the next lowest Bidder that proposes to use acceptable Subcontractors and Suppliers. Declining to make requested substitutions will constitute grounds for forfeiture of the Bid security of any Bidder. Any Subcontractor or Supplier, so listed and against which Owner or Engineer makes no written objection prior to the giving of the Notice of Award will be deemed acceptable to Owner and Engineer subject to subsequent revocation of such acceptance as provided in Paragraph 7.07 of the General Conditions.

ARTICLE 12—PREPARATION OF BID

- 12.01 The Bid Form is included with the Bidding Documents.
- A. All blanks on the Bid Form must be completed in ink and the Bid Form signed in ink. Erasures or alterations must be initialed in ink by the person signing the Bid Form. A Bid price must be indicated for each section, Bid item, alternate, adjustment unit price item, and unit price item listed therein.
 - B. If the Bid Form expressly indicates that submitting pricing on a specific alternate item is optional, and Bidder elects to not furnish pricing for such optional alternate item, then Bidder may enter the words "No Bid" or "Not Applicable."
- 12.02 If Bidder has obtained the Bidding Documents as Electronic Documents, then Bidder shall prepare its Bid on a paper copy of the Bid Form printed from the Electronic Documents version of the Bidding Documents. The printed copy of the Bid Form must be clearly legible, printed on 8½ inch by 11-inch paper and as closely identical in appearance to the Electronic Document version of the Bid Form as may be practical. The Owner reserves the right to accept Bid Forms which nominally vary in appearance from the original paper version of the Bid Form, providing that all required information and submittals are included with the Bid.
- 12.03 A Bid by a corporation must be executed in the corporate name by a corporate officer (whose title must appear under the signature), accompanied by evidence of authority to sign. The corporate address and state of incorporation must be shown.
- 12.04 A Bid by a partnership must be executed in the partnership name and signed by a partner (whose title must appear under the signature), accompanied by evidence of authority to sign. The official address of the partnership must be shown.
- 12.05 A Bid by a limited liability company must be executed in the name of the firm by a member or other authorized person and accompanied by evidence of authority to sign. The state of formation of the firm and the official address of the firm must be shown.
- 12.06 A Bid by an individual must show the Bidder's name and official address.
- 12.07 A Bid by a joint venture must be executed by an authorized representative of each joint venturer in the manner indicated on the Bid Form. The joint venture must have been formally established prior to submittal of a Bid, and the official address of the joint venture must be shown.
- 12.08 All names must be printed in ink below the signatures.

- 12.09 The Bid must contain an acknowledgment of receipt of all Addenda, the numbers of which must be filled in on the Bid Form.
- 12.10 Postal and e-mail addresses and telephone number for communications regarding the Bid must be shown.
- 12.11 The Bid must contain evidence of Bidder's authority to do business in the state where the Project is located, or Bidder must certify in writing that it will obtain such authority within the time for acceptance of Bids and attach such certification to the Bid.
- 12.12 If Bidder is required to be licensed to submit a Bid or perform the Work in the state where the Project is located, the Bid must contain evidence of Bidder's licensure, or Bidder must certify in writing that it will obtain such licensure within the time for acceptance of Bids and attach such certification to the Bid. Bidder's state contractor license number, if any, must also be shown on the Bid Form.

ARTICLE 13—BASIS OF BID

13.01 *Lump Sum*

- A. Bidders must submit a Bid on a lump sum basis as set forth in the Bid Form.

13.02 *Unit Price*

- A. Bidders must submit a Bid on a unit price basis for each item of Work listed in the unit price section of the Bid Form.
- B. The "Bid Price" (sometimes referred to as the extended price) for each unit price Bid item will be the product of the "Estimated Quantity", which Owner or its representative has set forth in the Bid Form, for the item and the corresponding "Bid Unit Price" offered by the Bidder. The total of all unit price Bid items will be the sum of these "Bid Prices"; such total will be used by Owner for Bid comparison purposes. The final quantities and Contract Price will be determined in accordance with Paragraph 13.03 of the General Conditions.
- C. Discrepancies between the multiplication of units of Work and unit prices will be resolved in favor of the unit prices. Discrepancies between the indicated sum of any column of figures and the correct sum thereof will be resolved in favor of the correct sum.

ARTICLE 14—SUBMITTAL OF BID

- 14.01 The Bidding Documents include one separate unbound copy of the Bid Form, and, if required, the Bid Bond Form. The unbound copy of the Bid Form is to be completed and submitted with the Bid security and the other documents required to be submitted under the terms of Article 2 of the Bid Form.
- 14.02 A Bid must be received no later than the date and time prescribed and at the place indicated in the Advertisement or invitation to bid and must be enclosed in a plainly marked package with the Project title, and, if applicable, the designated portion of the Project for which the Bid is submitted, the name and address of Bidder, and must be accompanied by the Bid security and other required documents. If a Bid is sent by mail or other delivery system, the sealed envelope containing the Bid must be enclosed in a separate package plainly marked on the outside with the

notation "BID ENCLOSED." A mailed Bid must be addressed to the location designated in the Advertisement.

- 14.03 Bids received after the date and time prescribed for the opening of bids, or not submitted at the correct location or in the designated manner, will not be accepted and will be returned to the Bidder unopened.

ARTICLE 15—MODIFICATION AND WITHDRAWAL OF BID

- 15.01 An unopened Bid may be withdrawn by an appropriate document duly executed in the same manner that a Bid must be executed and delivered to the place where Bids are to be submitted prior to the date and time for the opening of Bids. Upon receipt of such notice, the unopened Bid will be returned to the Bidder.
- 15.02 If a Bidder wishes to modify its Bid prior to Bid opening, Bidder must withdraw its initial Bid in the manner specified in Paragraph 15.01 and submit a new Bid prior to the date and time for the opening of Bids.

ARTICLE 16—OPENING OF BIDS

- 16.01 Bids will be opened at the time and place indicated in the advertisement or invitation to bid and, unless obviously non-responsive, read aloud publicly. An abstract of the amounts of the base Bids and major alternates, if any, will be made available to Bidders after the opening of Bids.

ARTICLE 17—BIDS TO REMAIN SUBJECT TO ACCEPTANCE

- 17.01 All Bids will remain subject to acceptance for the period of time stated in the Bid Form, but Owner may, in its sole discretion, release any Bid and return the Bid security prior to the end of this period.

ARTICLE 18—EVALUATION OF BIDS AND AWARD OF CONTRACT

- 18.01 Owner reserves the right to reject any or all Bids, including without limitation, nonconforming, nonresponsive, unbalanced, or conditional Bids. Owner also reserves the right to waive all minor Bid informalities not involving price, time, or changes in the Work.
- 18.02 Owner will reject the Bid of any Bidder that Owner finds, after reasonable inquiry and evaluation, to not be responsible.
- 18.03 If Bidder purports to add terms or conditions to its Bid, takes exception to any provision of the Bidding Documents, or attempts to alter the contents of the Contract Documents for purposes of the Bid, whether in the Bid itself or in a separate communication to Owner or Engineer, then Owner will reject the Bid as nonresponsive.
- 18.04 If Owner awards the contract for the Work, such award will be to the responsible Bidder submitting the lowest responsive Bid.
- 18.05 *Evaluation of Bids*
- A. In evaluating Bids, Owner will consider whether the Bids comply with the prescribed requirements, and such alternates, unit prices, and other data, as may be requested in the Bid Form or prior to the Notice of Award.

- B. In the comparison of Bids, alternates will be applied in the same order of priority as listed in the Bid Form. To determine the Bid prices for purposes of comparison, Owner will announce to all bidders a “Base Bid plus alternates” budget after receiving all Bids, but prior to opening them. For comparison purposes alternates will be accepted, following the order of priority established in the Bid Form, until doing so would cause the budget to be exceeded. After determination of the Successful Bidder based on this comparative process and on the responsiveness, responsibility, and other factors set forth in these Instructions, the award may be made to said Successful Bidder on its base Bid and any combination of its additive alternate Bids for which Owner determines funds will be available at the time of award.
 - C. For determination of the apparent low Bidder(s) when sectional bids are submitted, Bids will be compared on the basis of the aggregate of the Bids for separate sections and the Bids for combined sections that result in the lowest total amount for all of the Work.
 - D. For the determination of the apparent low Bidder when unit price bids are submitted, Bids will be compared on the basis of the total of the products of the estimated quantity of each item and unit price Bid for that item, together with any lump sum items.
- 18.06 In evaluating whether a Bidder is responsible, Owner will consider the qualifications of the Bidder and may consider the qualifications and experience of Subcontractors and Suppliers proposed for those portions of the Work for which the identity of Subcontractors and Suppliers must be submitted as provided in the Bidding Documents.
- 18.07 Owner may conduct such investigations as Owner deems necessary to establish the responsibility, qualifications, and financial ability of Bidders and any proposed Subcontractors or Suppliers.

ARTICLE 19—BONDS AND INSURANCE

- 19.01 Article 6 of the General Conditions, as may be modified by the Supplementary Conditions, sets forth Owner’s requirements as to performance and payment bonds, other required bonds (if any), and insurance. When the Successful Bidder delivers the executed Agreement to Owner, it must be accompanied by required bonds and insurance documentation.
- 19.02 Article 8, Bid Security, of these Instructions, addresses any requirements for providing bid bonds as part of the bidding process.

ARTICLE 20—SIGNING OF AGREEMENT

- 20.01 When Owner issues a Notice of Award to the Successful Bidder, it will be accompanied by the unexecuted counterparts of the Agreement along with the other Contract Documents as identified in the Agreement. Within 15 days thereafter, Successful Bidder must execute and deliver the required number of counterparts of the Agreement and any bonds and insurance documentation required to be delivered by the Contract Documents to Owner. Within 10 days thereafter, Owner will deliver one fully executed counterpart of the Agreement to Successful Bidder, together with printed and electronic copies of the Contract Documents as stated in Paragraph 2.02 of the General Conditions.

BID FORM FOR CONSTRUCTION CONTRACT

The terms used in this Bid with initial capital letters have the meanings stated in the Instructions to Bidders, the General Conditions, and the Supplementary Conditions.

ARTICLE 1—OWNER AND BIDDER

- 1.01 This Bid is submitted to: **Donner Summit Public Utility District, 53823 Sherritt Lane, Soda Springs, California, 95728**
- 1.02 The undersigned Bidder proposes and agrees, if this Bid is accepted, to enter into an Agreement with Owner in the form included in the Bidding Documents to perform all Work as specified or indicated in the Bidding Documents for the prices and within the times indicated in this Bid and in accordance with the other terms and conditions of the Bidding Documents.

ARTICLE 2—ATTACHMENTS TO THIS BID

- 2.01 The following documents are submitted with and made a condition of this Bid:
 - A. Required Bid security;
 - B. List of Proposed Subcontractors;
 - C. List of Proposed Suppliers;
 - D. Evidence of authority to do business in the state of the Project; or a written covenant to obtain such authority within the time for acceptance of Bids;
 - E. Contractor’s license number as evidence of Bidder’s State Contractor’s License or a covenant by Bidder to obtain said license within the time for acceptance of Bids;
 - F. Required Bidder Qualification Statement with supporting data; and

ARTICLE 3—BASIS OF BID—LUMP SUM BID AND UNIT PRICES

- 3.01 *Unit Price Bids*
 - A. Bidder will perform the following Work at the indicated unit prices:

Item No.	Description	Unit	Estimated Quantity	Bid Unit Price	Bid Amount
1	Mobilization, Insurance, Bonds	EA	1		\$
2	Preparation and Coating Tank Exterior	EA	1		\$
3	Preparation and Coating Tank Interior	EA	1		\$
4	Laboratory Testing and Waste Removal	LS	1		\$
5	Welding Repair Per Pit	EA	50		\$
6	Welding Repair Per Linear Feet	LF	20		
7	Seal Welding Repair 4"x4" Plate	EA	10		
8	Weld Grinding per Hour	HR	8		
Total of All Unit Price Bid Items					\$

B. Bidder acknowledges that:

Each Bid Unit Price includes an amount considered by Bidder to be adequate to cover Contractor's overhead and profit for each separately identified item, and estimated quantities are not guaranteed, and are solely for the purpose of comparison of Bids, and final payment for all Unit Price Work will be based on actual quantities, determined as provided in the Contract Documents.

ARTICLE 4—TIME OF COMPLETION

4.01 Bidder agrees that the Work will be substantially complete and will be completed and ready for final payment in accordance with Paragraph 15.06 of the General Conditions on or before the dates or within the number of calendar days indicated in the Agreement.

4.02 Bidder accepts the provisions of the Agreement as to liquidated damages.

ARTICLE 5—BIDDER'S ACKNOWLEDGEMENTS: ACCEPTANCE PERIOD, INSTRUCTIONS, AND RECEIPT OF ADDENDA

5.01 *Bid Acceptance Period*

A. This Bid will remain subject to acceptance for 60 days after the Bid opening, or for such longer period of time that Bidder may agree to in writing upon request of Owner.

5.02 *Instructions to Bidders*

A. Bidder accepts all of the terms and conditions of the Instructions to Bidders, including without limitation those dealing with the disposition of Bid security.

5.03 *Receipt of Addenda*

A. Bidder hereby acknowledges receipt of the following Addenda:

Addendum Number	Addendum Date

ARTICLE 6—BIDDER'S REPRESENTATIONS AND CERTIFICATIONS

6.01 *Bidder's Representations*

A. In submitting this Bid, Bidder represents the following:

1. Bidder has examined and carefully studied the Bidding Documents, including Addenda.
2. Bidder has visited the Site, conducted a thorough visual examination of the Site and adjacent areas, and become familiar with the general, local, and Site conditions that may affect cost, progress, and performance of the Work.
3. Bidder is familiar with all Laws and Regulations that may affect cost, progress, and performance of the Work.
4. Bidder has carefully studied the reports of explorations and tests of subsurface conditions at or adjacent to the Site and the drawings of physical conditions relating to existing

surface or subsurface structures at the Site that have been identified in the Supplementary Conditions, with respect to the Technical Data in such reports and drawings.

5. Bidder has carefully studied the reports and drawings relating to Hazardous Environmental Conditions, if any, at or adjacent to the Site that have been identified in the Supplementary Conditions, with respect to Technical Data in such reports and drawings.
6. Bidder has considered the information known to Bidder itself; information commonly known to contractors doing business in the locality of the Site; information and observations obtained from visits to the Site; the Bidding Documents; and the Technical Data identified in the Supplementary Conditions or by definition, with respect to the effect of such information, observations, and Technical Data on (a) the cost, progress, and performance of the Work; (b) the means, methods, techniques, sequences, and procedures of construction to be employed by Bidder, if selected as Contractor; and (c) Bidder's (Contractor's) safety precautions and programs.
7. Based on the information and observations referred to in the preceding paragraph, Bidder agrees that no further examinations, investigations, explorations, tests, studies, or data are necessary for the performance of the Work at the Contract Price, within the Contract Times, and in accordance with the other terms and conditions of the Contract.
8. Bidder is aware of the general nature of work to be performed by Owner and others at the Site that relates to the Work as indicated in the Bidding Documents.
9. Bidder has given Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that Bidder has discovered in the Bidding Documents, and of discrepancies between Site conditions and the Contract Documents, and the written resolution thereof by Engineer is acceptable to Contractor.
10. The Bidding Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.
11. The submission of this Bid constitutes an incontrovertible representation by Bidder that without exception the Bid and all prices in the Bid are premised upon performing and furnishing the Work required by the Bidding Documents.

6.02 *Bidder's Certifications*

A. The Bidder certifies the following:

1. This Bid is genuine and not made in the interest of or on behalf of any undisclosed individual or entity and is not submitted in conformity with any collusive agreement or rules of any group, association, organization, or corporation.
2. Bidder has not directly or indirectly induced or solicited any other Bidder to submit a false or sham Bid.
3. Bidder has not solicited or induced any individual or entity to refrain from bidding.
4. Bidder has not engaged in corrupt, fraudulent, collusive, or coercive practices in competing for the Contract. For the purposes of this Paragraph 8.02.A:

- a. Corrupt practice means the offering, giving, receiving, or soliciting of anything of value likely to influence the action of a public official in the bidding process.
- b. Fraudulent practice means an intentional misrepresentation of facts made (a) to influence the bidding process to the detriment of Owner, (b) to establish bid prices at artificial non-competitive levels, or (c) to deprive Owner of the benefits of free and open competition.
- c. Collusive practice means a scheme or arrangement between two or more Bidders, with or without the knowledge of Owner, a purpose of which is to establish bid prices at artificial, non-competitive levels.
- d. Coercive practice means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the bidding process or affect the execution of the Contract.

BIDDER hereby submits this Bid as set forth above:

Bidder:

(typed or printed name of organization)

By: _____
(individual's signature)

Name: _____
(typed or printed)

Title: _____
(typed or printed)

Date: _____
(typed or printed)

If Bidder is a corporation, a partnership, or a joint venture, attach evidence of authority to sign.

Attest: _____
(individual's signature)

Name: _____
(typed or printed)

Title: _____
(typed or printed)

Date: _____
(typed or printed)

Address for giving notices:

Bidder's Contact:

Name: _____
(typed or printed)

Title: _____
(typed or printed)

Phone: _____

Email: _____

Address: _____

Bidder's Contractor License No.: (if applicable) _____

BID BOND (DAMAGES FORM)

Bidder Name: [Full formal name of Bidder] Address <i>(principal place of business)</i> : [Address of Bidder's principal place of business]	Surety Name: [Full formal name of Surety] Address <i>(principal place of business)</i> : [Address of Surety's principal place of business]
Owner Name: [Full formal name of Owner] Address <i>(principal place of business)</i> : [Address of Owner's principal place of business]	Bid Project <i>(name and location)</i> : [Owner project/contract name, and location of the project] Bid Due Date: [Enter date bid is due]
Bond Bond Amount: [Amount] Date of Bond: [Date]	
Surety and Bidder, intending to be legally bound hereby, subject to the terms set forth in this Bid Bond, do each cause this Bid Bond to be duly executed by an authorized officer, agent, or representative.	
Bidder	Surety
<i>(Full formal name of Bidder)</i>	<i>(Full formal name of Surety) (corporate seal)</i>
By: _____ <i>(Signature)</i>	By: _____ <i>(Signature) (Attach Power of Attorney)</i>
Name: _____ <i>(Printed or typed)</i>	Name: _____ <i>(Printed or typed)</i>
Title: _____	Title: _____
Attest: _____ <i>(Signature)</i>	Attest: _____ <i>(Signature)</i>
Name: _____ <i>(Printed or typed)</i>	Name: _____ <i>(Printed or typed)</i>
Title: _____	Title: _____
<i>Notes: (1) Note: Addresses are to be used for giving any required notice. (2) Provide execution by any additional parties, such as joint venturers, if necessary.</i>	

1. Bidder and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors, and assigns to pay to Owner upon default of Bidder any difference between the total amount of Bidder's Bid and the total amount of the Bid of the next lowest, responsible Bidder that submitted a responsive Bid, as determined by Owner, for the work required by the Contract Documents, provided that:
 - 1.1. If there is no such next Bidder, and Owner does not abandon the Project, then Bidder and Surety shall pay to Owner the bond amount set forth on the face of this Bond, and
 - 1.2. In no event will Bidder's and Surety's obligation hereunder exceed the bond amount set forth on the face of this Bond.
 - 1.3. Recovery under the terms of this Bond will be Owner's sole and exclusive remedy upon default of Bidder.
2. Default of Bidder occurs upon the failure of Bidder to deliver within the time required by the Bidding Documents (or any extension thereof agreed to in writing by Owner) the executed Agreement required by the Bidding Documents and any performance and payment bonds required by the Bidding Documents.
3. This obligation will be null and void if:
 - 3.1. Owner accepts Bidder's Bid and Bidder delivers within the time required by the Bidding Documents (or any extension thereof agreed to in writing by Owner) the executed Agreement required by the Bidding Documents and any performance and payment bonds required by the Bidding Documents, or
 - 3.2. All Bids are rejected by Owner, or
 - 3.3. Owner fails to issue a Notice of Award to Bidder within the time specified in the Bidding Documents (or any extension thereof agreed to in writing by Bidder and, if applicable, consented to by Surety when required by Paragraph 5 hereof).
4. Payment under this Bond will be due and payable upon default of Bidder and within 30 calendar days after receipt by Bidder and Surety of written notice of default from Owner, which notice will be given with reasonable promptness, identifying this Bond and the Project and including a statement of the amount due.
5. Surety waives notice of any and all defenses based on or arising out of any time extension to issue Notice of Award agreed to in writing by Owner and Bidder, provided that the total time for issuing Notice of Award including extensions will not in the aggregate exceed 120 days from Bid due date without Surety's written consent.
6. No suit or action will be commenced under this Bond prior to 30 calendar days after the notice of default required in Paragraph 4 above is received by Bidder and Surety, and in no case later than one year after the Bid due date.
7. Any suit or action under this Bond must be commenced only in a court of competent jurisdiction located in the state in which the Project is located.
8. Notices required hereunder must be in writing and sent to Bidder and Surety at their respective addresses shown on the face of this Bond. Such notices may be sent by personal delivery, commercial courier, or by United States Postal Service registered or certified mail, return receipt requested, postage pre-paid, and will be deemed to be effective upon receipt by the party concerned.
9. Surety shall cause to be attached to this Bond a current and effective Power of Attorney evidencing the authority of the officer, agent, or representative who executed this Bond on behalf of Surety to execute, seal, and deliver such Bond and bind the Surety thereby.
10. This Bond is intended to conform to all applicable statutory requirements. Any applicable requirement of any applicable statute that has been omitted from this Bond will be deemed to be included herein as if set forth at length. If any provision of this Bond conflicts with any applicable statute, then the provision of said statute governs and the remainder of this Bond that is not in conflict therewith continues in full force and effect.
11. The term "Bid" as used herein includes a Bid, offer, or proposal as applicable.

ARTICLE 1—GENERAL INFORMATION

1.01 Provide contact information for the Business:

Legal Name of Business:			
Corporate Office			
Name:		Phone number:	
Title:		Email address:	
Business address of corporate office:			
Local Office			
Name:		Phone number:	
Title:		Email address:	
Business address of local office:			

1.02 Provide information on the Business’s organizational structure:

Form of Business:	<input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation		
<input type="checkbox"/> Limited Liability Company <input type="checkbox"/> Joint Venture comprised of the following companies:			
	1.		
	2.		
	3.		
Provide a separate Qualification Statement for each Joint Venturer.			
Date Business was formed:		State in which Business was formed:	
Is this Business authorized to operate in the Project location?		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Pending	

1.03 Identify all businesses that own Business in whole or in part (25% or greater), or that are wholly or partly (25% or greater) owned by Business:

Name of business:		Affiliation:	
Address:			
Name of business:		Affiliation:	
Address:			
Name of business:		Affiliation:	
Address:			

1.04 Provide information regarding the Business’s officers, partners, and limits of authority.

Name:		Title:	
Authorized to sign contracts:	<input type="checkbox"/> Yes <input type="checkbox"/> No	Limit of Authority:	\$
Name:		Title:	
Authorized to sign contracts:	<input type="checkbox"/> Yes <input type="checkbox"/> No	Limit of Authority:	\$
Name:		Title:	
Authorized to sign contracts:	<input type="checkbox"/> Yes <input type="checkbox"/> No	Limit of Authority:	\$
Name:		Title:	

ARTICLE 2—LICENSING

2.01 Provide information regarding licensure for Business:

Name of License:			
Licensing Agency:			
License No:		Expiration Date:	
Name of License:			
Licensing Agency:			
License No:		Expiration Date:	

ARTICLE 3—DIVERSE BUSINESS CERTIFICATIONS

3.01 Provide information regarding Business’s Diverse Business Certification, if any. Provide evidence of current certification.

Certification	Certifying Agency	Certification Date
<input type="checkbox"/> Disadvantaged Business Enterprise		
<input type="checkbox"/> Minority Business Enterprise		
<input type="checkbox"/> Woman-Owned Business Enterprise		
<input type="checkbox"/> Small Business Enterprise		
<input type="checkbox"/> Disabled Business Enterprise		
<input type="checkbox"/> Veteran-Owned Business Enterprise		
<input type="checkbox"/> Service-Disabled Veteran-Owned Business		
<input type="checkbox"/> HUBZone Business (Historically Underutilized) Business		
<input type="checkbox"/> Other		
<input type="checkbox"/> None		

ARTICLE 4—SAFETY

4.01 Provide information regarding Business’s safety organization and safety performance.

Name of Business’s Safety Officer:			
Safety Certifications			
Certification Name	Issuing Agency	Expiration	

4.02 Provide Worker’s Compensation Insurance Experience Modification Rate (EMR), Total Recordable Frequency Rate (TRFR) for incidents, and Total Number of Recorded Manhours (MH) for the last 3 years and the EMR, TRFR, and MH history for the last 3 years of any proposed Subcontractor(s) that will provide Work valued at 10% or more of the Contract Price. Provide documentation of the EMR history for Business and Subcontractor(s).

Year									
Company	EMR	TRFR	MH	EMR	TRFR	MH	EMR	TRFR	MH

ARTICLE 5—FINANCIAL

5.01 Provide information regarding the Business’s financial stability. Provide the most recent audited financial statement, and if such audited financial statement is not current, also provide the most current financial statement.

Financial Institution:			
Business address:			
Date of Business’s most recent financial statement:		<input type="checkbox"/> Attached	
Date of Business’s most recent audited financial statement:		<input type="checkbox"/> Attached	
Financial indicators from the most recent financial statement			
Contractor’s Current Ratio (Current Assets ÷ Current Liabilities)			
Contractor’s Quick Ratio ((Cash and Cash Equivalents + Accounts Receivable + Short Term Investments) ÷ Current Liabilities)			

ARTICLE 6—SURETY INFORMATION

6.01 Provide information regarding the surety company that will issue required bonds on behalf of the Business, including but not limited to performance and payment bonds.

Surety Name:			
Surety is a corporation organized and existing under the laws of the state of:			
Is surety authorized to provide surety bonds in the Project location?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
Is surety listed in “Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies” published in Department Circular 570 (as amended) by the Bureau of the Fiscal Service, U.S. Department of the Treasury?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
Mailing Address (principal place of business):			
Physical Address (principal place of business):			
Phone (main):		Phone (claims):	

ARTICLE 7—INSURANCE

7.01 Provide information regarding Business’s insurance company(s), including but not limited to its Commercial General Liability carrier. Provide information for each provider.

Name of insurance provider, and type of policy (CLE, auto, etc.):			
Insurance Provider	Type of Policy (Coverage Provided)		
Are providers licensed or authorized to issue policies in the Project location?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
Does provider have an A.M. Best Rating of A-VII or better?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
Mailing Address (principal place of business):			
Physical Address (principal place of business):			
Phone (main):		Phone (claims):	

ARTICLE 8—CONSTRUCTION EXPERIENCE

8.01 Provide information that will identify the overall size and capacity of the Business.

Average number of current full-time employees:	
Estimate of revenue for the current year:	
Estimate of revenue for the previous year:	

8.02 Provide information regarding the Business’s previous contracting experience.

Years of experience with projects like the proposed project:		
As a general contractor:		As a joint venturer:
Has Business, or a predecessor in interest, or an affiliate identified in Paragraph 1.03:		
Been disqualified as a bidder by any local, state, or federal agency within the last 5 years? <input type="checkbox"/> Yes <input type="checkbox"/> No		
Been barred from contracting by any local, state, or federal agency within the last 5 years? <input type="checkbox"/> Yes <input type="checkbox"/> No		
Been released from a bid in the past 5 years? <input type="checkbox"/> Yes <input type="checkbox"/> No		
Defaulted on a project or failed to complete any contract awarded to it? <input type="checkbox"/> Yes <input type="checkbox"/> No		
Refused to construct or refused to provide materials defined in the contract documents or in a change order? <input type="checkbox"/> Yes <input type="checkbox"/> No		
Been a party to any currently pending litigation or arbitration? <input type="checkbox"/> Yes <input type="checkbox"/> No		
Provide full details in a separate attachment if the response to any of these questions is Yes.		

8.03 List all projects currently under contract in Schedule A and provide indicated information.

8.04 List a minimum of three and a maximum of six projects completed in the last 5 years in Schedule B and provide indicated information to demonstrate the Business’s experience with projects similar in type and cost of construction.

8.05 In Schedule C, provide information on key individuals whom Business intends to assign to the Project. Provide resumes for those individuals included in Schedule C. Key individuals include the Project Manager, Project Superintendent, Quality Manager, and Safety Manager. Resumes may be provided for Business’s key leaders as well.

ARTICLE 9—REQUIRED ATTACHMENTS

9.01 Provide the following information with the Statement of Qualifications:

- A. If Business is a Joint Venture, separate Qualifications Statements for each Joint Venturer, as required in Paragraph 1.02.
- B. Diverse Business Certifications if required by Paragraph 3.01.
- C. Certification of Business’s safety performance if required by Paragraph 4.02.
- D. Financial statements as required by Paragraph 5.01.

- E. Attachments providing additional information as required by Paragraph 8.02.
- F. Schedule A (Current Projects) as required by Paragraph 8.03.
- G. Schedule B (Previous Experience with Similar Projects) as required by Paragraph 8.04.
- H. Schedule C (Key Individuals) and resumes for the key individuals listed, as required by Paragraph 8.05.
- I. Additional items as pertinent.

This Statement of Qualifications is offered by:

Business: _____
(typed or printed name of organization)

By: _____
(individual's signature)

Name: _____
(typed or printed)

Title: _____
(typed or printed)

Date: _____
(date signed)

(If Business is a corporation, a partnership, or a joint venture, attach evidence of authority to sign.)

Attest: _____
(individual's signature)

Name: _____
(typed or printed)

Title: _____
(typed or printed)

Address for giving notices:

Designated Representative:
Name: _____
(typed or printed)

Title: _____
(typed or printed)

Address:

Phone: _____

Email: _____

Schedule A—Current Projects

Name of Organization					
Project Owner		Project Name			
General Description of Project					
Project Cost		Date Project			
Key Project Personnel		Project Manager		Project Superintendent	
Name				Safety Manager	
				Quality Control Manager	
Reference Contact Information (listing names indicates approval to contacting the names individuals as a reference)					
	Name	Title/Position	Organization	Telephone	Email
Owner					
Designer					
Construction Manager					

Project Owner		Project Name			
General Description of Project					
Project Cost		Date Project			
Key Project Personnel		Project Manager		Project Superintendent	
Name				Safety Manager	
				Quality Control Manager	
Reference Contact Information (listing names indicates approval to contacting the names individuals as a reference)					
	Name	Title/Position	Organization	Telephone	Email
Owner					
Designer					
Construction Manager					

Project Owner		Project Name			
General Description of Project					
Project Cost		Date Project			
Key Project Personnel		Project Manager		Project Superintendent	
Name				Safety Manager	
				Quality Control Manager	
Reference Contact Information (listing names indicates approval to contacting the names individuals as a reference)					
	Name	Title/Position	Organization	Telephone	Email
Owner					
Designer					
Construction Manager					

Schedule B—Previous Experience with Similar Projects

Name of Organization					
Project Owner		Project Name			
General Description of Project					
Project Cost		Date Project			
Key Project Personnel		Project Manager	Project Superintendent	Safety Manager	Quality Control Manager
Name					
Reference Contact Information (listing names indicates approval to contacting the names individuals as a reference)					
Name		Title/Position	Organization	Telephone	Email
Owner					
Designer					
Construction Manager					

Project Owner		Project Name			
General Description of Project					
Project Cost		Date Project			
Key Project Personnel		Project Manager	Project Superintendent	Safety Manager	Quality Control Manager
Name					
Reference Contact Information (listing names indicates approval to contacting the names individuals as a reference)					
Name		Title/Position	Organization	Telephone	Email
Owner					
Designer					
Construction Manager					

Project Owner		Project Name			
General Description of Project					
Project Cost		Date Project			
Key Project Personnel		Project Manager	Project Superintendent	Safety Manager	Quality Control Manager
Name					
Reference Contact Information (listing names indicates approval to contacting the names individuals as a reference)					
Name		Title/Position	Organization	Telephone	Email
Owner					
Designer					
Construction Manager					

Schedule B—Previous Experience with Similar Projects

Name of Organization					
Project Owner				Project Name	
General Description of Project					
Project Cost				Date Project	
Key Project Personnel		Project Manager	Project Superintendent	Safety Manager	Quality Control Manager
Name					
Reference Contact Information (listing names indicates approval to contacting the names individuals as a reference)					
		Name	Title/Position	Organization	Telephone
Owner					
Designer					
Construction Manager					

Project Owner				Project Name	
General Description of Project					
Project Cost				Date Project	
Key Project Personnel		Project Manager	Project Superintendent	Safety Manager	Quality Control Manager
Name					
Reference Contact Information (listing names indicates approval to contacting the names individuals as a reference)					
		Name	Title/Position	Organization	Telephone
Owner					
Designer					
Construction Manager					

Project Owner				Project Name	
General Description of Project					
Project Cost				Date Project	
Key Project Personnel		Project Manager	Project Superintendent	Safety Manager	Quality Control Manager
Name					
Reference Contact Information (listing names indicates approval to contacting the names individuals as a reference)					
		Name	Title/Position	Organization	Telephone
Owner					
Designer					
Construction Manager					

Schedule C—Key Individuals

Project Manager			
Name of individual			
Years of experience as project manager			
Years of experience with this organization			
Number of similar projects as project manager			
Number of similar projects in other positions			
Current Project Assignments			
Name of assignment		Percent of time used for this project	Estimated project completion date
Reference Contact Information (listing names indicates approval to contact named individuals as a reference)			
Name		Name	
Title/Position		Title/Position	
Organization		Organization	
Telephone		Telephone	
Email		Email	
Project		Project	
Candidate's role on project		Candidate's role on project	
Project Superintendent			
Name of individual			
Years of experience as project superintendent			
Years of experience with this organization			
Number of similar projects as project superintendent			
Number of similar projects in other positions			
Current Project Assignments			
Name of assignment		Percent of time used for this project	Estimated project completion date
Reference Contact Information (listing names indicates approval to contact named individuals as a reference)			
Name		Name	
Title/Position		Title/Position	
Organization		Organization	
Telephone		Telephone	
Email		Email	
Project		Project	
Candidate's role on project		Candidate's role on project	

Safety Manager			
Name of individual			
Years of experience as project manager			
Years of experience with this organization			
Number of similar projects as project manager			
Number of similar projects in other positions			
Current Project Assignments			
Name of assignment		Percent of time used for this project	Estimated project completion date
Reference Contact Information (listing names indicates approval to contact named individuals as a reference)			
Name		Name	
Title/Position		Title/Position	
Organization		Organization	
Telephone		Telephone	
Email		Email	
Project		Project	
Candidate's role on project		Candidate's role on project	
Quality Control Manager			
Name of individual			
Years of experience as project superintendent			
Years of experience with this organization			
Number of similar projects as project superintendent			
Number of similar projects in other positions			
Current Project Assignments			
Name of assignment		Percent of time used for this project	Estimated project completion date
Reference Contact Information (listing names indicates approval to contact named individuals as a reference)			
Name		Name	
Title/Position		Title/Position	
Organization		Organization	
Telephone		Telephone	
Email		Email	
Project		Project	
Candidate's role on project		Candidate's role on project	

STANDARD GENERAL CONDITIONS OF THE CONSTRUCTION CONTRACT

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STANDARD GENERAL CONDITIONS OF THE CONSTRUCTION CONTRACT

ARTICLE 1—DEFINITIONS AND TERMINOLOGY

1.01 *Defined Terms*

- A. Wherever used in the Bidding Requirements or Contract Documents, a term printed with initial capital letters, including the term's singular and plural forms, will have the meaning indicated in the definitions below. In addition to terms specifically defined, terms with initial capital letters in the Contract Documents include references to identified articles and paragraphs, and the titles of other documents or forms.
1. *Addenda*—Written or graphic instruments issued prior to the opening of Bids which clarify, correct, or change the Bidding Requirements or the proposed Contract Documents.
 2. *Agreement*—The written instrument, executed by Owner and Contractor, that sets forth the Contract Price and Contract Times, identifies the parties and the Engineer, and designates the specific items that are Contract Documents.
 3. *Application for Payment*—The document prepared by Contractor, in a form acceptable to Engineer, to request progress or final payments, and which is to be accompanied by such supporting documentation as is required by the Contract Documents.
 4. *Bid*—The offer of a Bidder submitted on the prescribed form setting forth the prices for the Work to be performed.
 5. *Bidder*—An individual or entity that submits a Bid to Owner.
 6. *Bidding Documents*—The Bidding Requirements, the proposed Contract Documents, and all Addenda.
 7. *Bidding Requirements*—The Advertisement or invitation to bid, Instructions to Bidders, Bid Bond or other Bid security, if any, the Bid Form, and the Bid with any attachments.
 8. *Change Order*—A document which is signed by Contractor and Owner and authorizes an addition, deletion, or revision in the Work or an adjustment in the Contract Price or the Contract Times, or other revision to the Contract, issued on or after the Effective Date of the Contract.
 9. *Change Proposal*—A written request by Contractor, duly submitted in compliance with the procedural requirements set forth herein, seeking an adjustment in Contract Price or Contract Times; contesting an initial decision by Engineer concerning the requirements of the Contract Documents or the acceptability of Work under the Contract Documents; challenging a set-off against payments due; or seeking other relief with respect to the terms of the Contract.
 10. *Claim*
 - a. A demand or assertion by Owner directly to Contractor, duly submitted in compliance with the procedural requirements set forth herein, seeking an adjustment of Contract Price or Contract Times; contesting an initial decision by Engineer concerning the

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- requirements of the Contract Documents or the acceptability of Work under the Contract Documents; contesting Engineer's decision regarding a Change Proposal; seeking resolution of a contractual issue that Engineer has declined to address; or seeking other relief with respect to the terms of the Contract.
- b. A demand or assertion by Contractor directly to Owner, duly submitted in compliance with the procedural requirements set forth herein, contesting Engineer's decision regarding a Change Proposal, or seeking resolution of a contractual issue that Engineer has declined to address.
 - c. A demand or assertion by Owner or Contractor, duly submitted in compliance with the procedural requirements set forth herein, made pursuant to Paragraph 12.01.A.4, concerning disputes arising after Engineer has issued a recommendation of final payment.
 - d. A demand for money or services by a third party is not a Claim.
11. *Constituent of Concern*—Asbestos, petroleum, radioactive materials, polychlorinated biphenyls (PCBs), lead-based paint (as defined by the HUD/EPA standard), hazardous waste, and any substance, product, waste, or other material of any nature whatsoever that is or becomes listed, regulated, or addressed pursuant to Laws and Regulations regulating, relating to, or imposing liability or standards of conduct concerning, any hazardous, toxic, or dangerous waste, substance, or material.
 12. *Contract*—The entire and integrated written contract between Owner and Contractor concerning the Work.
 13. *Contract Documents*—Those items so designated in the Agreement, and which together comprise the Contract.
 14. *Contract Price*—The money that Owner has agreed to pay Contractor for completion of the Work in accordance with the Contract Documents.
 15. *Contract Times*—The number of days or the dates by which Contractor shall: (a) achieve Milestones, if any; (b) achieve Substantial Completion; and (c) complete the Work.
 16. *Contractor*—The individual or entity with which Owner has contracted for performance of the Work.
 17. *Cost of the Work*—See Paragraph 13.01 for definition.
 18. *Drawings*—The part of the Contract that graphically shows the scope, extent, and character of the Work to be performed by Contractor.
 19. *Effective Date of the Contract*—The date, indicated in the Agreement, on which the Contract becomes effective.
 20. *Electronic Document*—Any Project-related correspondence, attachments to correspondence, data, documents, drawings, information, or graphics, including but not limited to Shop Drawings and other Submittals, that are in an electronic or digital format.
 21. *Electronic Means*—Electronic mail (email), upload/download from a secure Project website, or other communications methods that allow: (a) the transmission or communication of Electronic Documents; (b) the documentation of transmissions, including sending and receipt; (c) printing of the transmitted Electronic Document by the

recipient; (d) the storage and archiving of the Electronic Document by sender and recipient; and (e) the use by recipient of the Electronic Document for purposes permitted by this Contract. Electronic Means does not include the use of text messaging, or of Facebook, Twitter, Instagram, or similar social media services for transmission of Electronic Documents.

22. *Engineer*—The individual or entity named as such in the Agreement.
23. *Field Order*—A written order issued by Engineer which requires minor changes in the Work but does not change the Contract Price or the Contract Times.
24. *Hazardous Environmental Condition*—The presence at the Site of Constituents of Concern in such quantities or circumstances that may present a danger to persons or property exposed thereto.
 - a. The presence at the Site of materials that are necessary for the execution of the Work, or that are to be incorporated into the Work, and that are controlled and contained pursuant to industry practices, Laws and Regulations, and the requirements of the Contract, is not a Hazardous Environmental Condition.
 - b. The presence of Constituents of Concern that are to be removed or remediated as part of the Work is not a Hazardous Environmental Condition.
 - c. The presence of Constituents of Concern as part of the routine, anticipated, and obvious working conditions at the Site, is not a Hazardous Environmental Condition.
25. *Laws and Regulations; Laws or Regulations*—Any and all applicable laws, statutes, rules, regulations, ordinances, codes, and binding decrees, resolutions, and orders of any and all governmental bodies, agencies, authorities, and courts having jurisdiction.
26. *Liens*—Charges, security interests, or encumbrances upon Contract-related funds, real property, or personal property.
27. *Milestone*—A principal event in the performance of the Work that the Contract requires Contractor to achieve by an intermediate completion date, or by a time prior to Substantial Completion of all the Work.
28. *Notice of Award*—The written notice by Owner to a Bidder of Owner’s acceptance of the Bid.
29. *Notice to Proceed*—A written notice by Owner to Contractor fixing the date on which the Contract Times will commence to run and on which Contractor shall start to perform the Work.
30. *Owner*—The individual or entity with which Contractor has contracted regarding the Work, and which has agreed to pay Contractor for the performance of the Work, pursuant to the terms of the Contract.
31. *Progress Schedule*—A schedule, prepared and maintained by Contractor, describing the sequence and duration of the activities comprising Contractor’s plan to accomplish the Work within the Contract Times.
32. *Project*—The total undertaking to be accomplished for Owner by engineers, contractors, and others, including planning, study, design, construction, testing, commissioning, and start-up, and of which the Work to be performed under the Contract Documents is a part.

33. *Resident Project Representative*—The authorized representative of Engineer assigned to assist Engineer at the Site. As used herein, the term Resident Project Representative (RPR) includes any assistants or field staff of Resident Project Representative.
34. *Samples*—Physical examples of materials, equipment, or workmanship that are representative of some portion of the Work and that establish the standards by which such portion of the Work will be judged.
35. *Schedule of Submittals*—A schedule, prepared and maintained by Contractor, of required submittals and the time requirements for Engineer’s review of the submittals.
36. *Schedule of Values*—A schedule, prepared and maintained by Contractor, allocating portions of the Contract Price to various portions of the Work and used as the basis for reviewing Contractor’s Applications for Payment.
37. *Shop Drawings*—All drawings, diagrams, illustrations, schedules, and other data or information that are specifically prepared or assembled by or for Contractor and submitted by Contractor to illustrate some portion of the Work. Shop Drawings, whether approved or not, are not Drawings and are not Contract Documents.
38. *Site*—Lands or areas indicated in the Contract Documents as being furnished by Owner upon which the Work is to be performed, including rights-of-way and easements, and such other lands or areas furnished by Owner which are designated for the use of Contractor.
39. *Specifications*—The part of the Contract that consists of written requirements for materials, equipment, systems, standards, and workmanship as applied to the Work, and certain administrative requirements and procedural matters applicable to the Work.
40. *Subcontractor*—An individual or entity having a direct contract with Contractor or with any other Subcontractor for the performance of a part of the Work.
41. *Submittal*—A written or graphic document, prepared by or for Contractor, which the Contract Documents require Contractor to submit to Engineer, or that is indicated as a Submittal in the Schedule of Submittals accepted by Engineer. Submittals may include Shop Drawings and Samples; schedules; product data; Owner-delegated designs; sustainable design information; information on special procedures; testing plans; results of tests and evaluations, source quality-control testing and inspections, and field or Site quality-control testing and inspections; warranties and certifications; Suppliers’ instructions and reports; records of delivery of spare parts and tools; operations and maintenance data; Project photographic documentation; record documents; and other such documents required by the Contract Documents. Submittals, whether or not approved or accepted by Engineer, are not Contract Documents. Change Proposals, Change Orders, Claims, notices, Applications for Payment, and requests for interpretation or clarification are not Submittals.
42. *Substantial Completion*—The time at which the Work (or a specified part thereof) has progressed to the point where, in the opinion of Engineer, the Work (or a specified part thereof) is sufficiently complete, in accordance with the Contract Documents, so that the Work (or a specified part thereof) can be utilized for the purposes for which it is intended. The terms “substantially complete” and “substantially completed” as applied to all or part of the Work refer to Substantial Completion of such Work.

43. *Successful Bidder*—The Bidder to which the Owner makes an award of contract.
44. *Supplementary Conditions*—The part of the Contract that amends or supplements these General Conditions.
45. *Supplier*—A manufacturer, fabricator, supplier, distributor, or vendor having a direct contract with Contractor or with any Subcontractor to furnish materials or equipment to be incorporated in the Work by Contractor or a Subcontractor.
46. *Technical Data*
- a. Those items expressly identified as Technical Data in the Supplementary Conditions, with respect to either (1) existing subsurface conditions at or adjacent to the Site, or existing physical conditions at or adjacent to the Site including existing surface or subsurface structures (except Underground Facilities) or (2) Hazardous Environmental Conditions at the Site.
 - b. If no such express identifications of Technical Data have been made with respect to conditions at the Site, then Technical Data is defined, with respect to conditions at the Site under Paragraphs 5.03, 5.04, and 5.06, as the data contained in boring logs, recorded measurements of subsurface water levels, assessments of the condition of subsurface facilities, laboratory test results, and other factual, objective information regarding conditions at the Site that are set forth in any geotechnical, environmental, or other Site or facilities conditions report prepared for the Project and made available to Contractor.
 - c. Information and data regarding the presence or location of Underground Facilities are not intended to be categorized, identified, or defined as Technical Data, and instead Underground Facilities are shown or indicated on the Drawings.
47. *Underground Facilities*—All active or not-in-service underground lines, pipelines, conduits, ducts, encasements, cables, wires, manholes, vaults, tanks, tunnels, or other such facilities or systems at the Site, including but not limited to those facilities or systems that produce, transmit, distribute, or convey telephone or other communications, cable television, fiber optic transmissions, power, electricity, light, heat, gases, oil, crude oil products, liquid petroleum products, water, steam, waste, wastewater, storm water, other liquids or chemicals, or traffic or other control systems. An abandoned facility or system is not an Underground Facility.
48. *Unit Price Work*—Work to be paid for on the basis of unit prices.
49. *Work*—The entire construction or the various separately identifiable parts thereof required to be provided under the Contract Documents. Work includes and is the result of performing or providing all labor, services, and documentation necessary to produce such construction; furnishing, installing, and incorporating all materials and equipment into such construction; and may include related services such as testing, start-up, and commissioning, all as required by the Contract Documents.
50. *Work Change Directive*—A written directive to Contractor issued on or after the Effective Date of the Contract, signed by Owner and recommended by Engineer, ordering an addition, deletion, or revision in the Work.

1.02 *Terminology*

- A. The words and terms discussed in Paragraphs 1.02.B, C, D, and E are not defined terms that require initial capital letters, but, when used in the Bidding Requirements or Contract Documents, have the indicated meaning.
- B. *Intent of Certain Terms or Adjectives:* The Contract Documents include the terms “as allowed,” “as approved,” “as ordered,” “as directed” or terms of like effect or import to authorize an exercise of professional judgment by Engineer. In addition, the adjectives “reasonable,” “suitable,” “acceptable,” “proper,” “satisfactory,” or adjectives of like effect or import are used to describe an action or determination of Engineer as to the Work. It is intended that such exercise of professional judgment, action, or determination will be solely to evaluate, in general, the Work for compliance with the information in the Contract Documents and with the design concept of the Project as a functioning whole as shown or indicated in the Contract Documents (unless there is a specific statement indicating otherwise). The use of any such term or adjective is not intended to and shall not be effective to assign to Engineer any duty or authority to supervise or direct the performance of the Work, or any duty or authority to undertake responsibility contrary to the provisions of Article 10 or any other provision of the Contract Documents.
- C. *Day:* The word “day” means a calendar day of 24 hours measured from midnight to the next midnight.
- D. *Defective:* The word “defective,” when modifying the word “Work,” refers to Work that is unsatisfactory, faulty, or deficient in that it:
1. does not conform to the Contract Documents;
 2. does not meet the requirements of any applicable inspection, reference standard, test, or approval referred to in the Contract Documents; or
 3. has been damaged prior to Engineer’s recommendation of final payment (unless responsibility for the protection thereof has been assumed by Owner at Substantial Completion in accordance with Paragraph 15.03 or Paragraph 15.04).
- E. *Furnish, Install, Perform, Provide*
1. The word “furnish,” when used in connection with services, materials, or equipment, means to supply and deliver said services, materials, or equipment to the Site (or some other specified location) ready for use or installation and in usable or operable condition.
 2. The word “install,” when used in connection with services, materials, or equipment, means to put into use or place in final position said services, materials, or equipment complete and ready for intended use.
 3. The words “perform” or “provide,” when used in connection with services, materials, or equipment, means to furnish and install said services, materials, or equipment complete and ready for intended use.
 4. If the Contract Documents establish an obligation of Contractor with respect to specific services, materials, or equipment, but do not expressly use any of the four words “furnish,” “install,” “perform,” or “provide,” then Contractor shall furnish and install said services, materials, or equipment complete and ready for intended use.

- F. *Contract Price or Contract Times*: References to a change in “Contract Price or Contract Times” or “Contract Times or Contract Price” or similar, indicate that such change applies to (1) Contract Price, (2) Contract Times, or (3) both Contract Price and Contract Times, as warranted, even if the term “or both” is not expressed.
- G. Unless stated otherwise in the Contract Documents, words or phrases that have a well-known technical or construction industry or trade meaning are used in the Contract Documents in accordance with such recognized meaning.

ARTICLE 2—PRELIMINARY MATTERS

2.01 *Delivery of Performance and Payment Bonds; Evidence of Insurance*

- A. *Performance and Payment Bonds*: When Contractor delivers the signed counterparts of the Agreement to Owner, Contractor shall also deliver to Owner the performance bond and payment bond (if the Contract requires Contractor to furnish such bonds).
- B. *Evidence of Contractor’s Insurance*: When Contractor delivers the signed counterparts of the Agreement to Owner, Contractor shall also deliver to Owner, with copies to each additional insured (as identified in the Contract), the certificates, endorsements, and other evidence of insurance required to be provided by Contractor in accordance with Article 6, except to the extent the Supplementary Conditions expressly establish other dates for delivery of specific insurance policies.
- C. *Evidence of Owner’s Insurance*: After receipt of the signed counterparts of the Agreement and all required bonds and insurance documentation, Owner shall promptly deliver to Contractor, with copies to each additional insured (as identified in the Contract), the certificates and other evidence of insurance required to be provided by Owner under Article 6.

2.02 *Copies of Documents*

- A. Owner shall furnish to Contractor four printed copies of the Contract (including one fully signed counterpart of the Agreement), and one copy in electronic portable document format (PDF). Additional printed copies will be furnished upon request at the cost of reproduction.
- B. Owner shall maintain and safeguard at least one original printed record version of the Contract, including Drawings and Specifications signed and sealed by Engineer and other design professionals. Owner shall make such original printed record version of the Contract available to Contractor for review. Owner may delegate the responsibilities under this provision to Engineer.

2.03 *Before Starting Construction*

- A. *Preliminary Schedules*: Within 10 days after the Effective Date of the Contract (or as otherwise required by the Contract Documents), Contractor shall submit to Engineer for timely review:
 - 1. a preliminary Progress Schedule indicating the times (numbers of days or dates) for starting and completing the various stages of the Work, including any Milestones specified in the Contract;
 - 2. a preliminary Schedule of Submittals; and
 - 3. a preliminary Schedule of Values for all of the Work which includes quantities and prices of items which when added together equal the Contract Price and subdivides the Work

into component parts in sufficient detail to serve as the basis for progress payments during performance of the Work. Such prices will include an appropriate amount of overhead and profit applicable to each item of Work.

2.04 *Preconstruction Conference; Designation of Authorized Representatives*

- A. Before any Work at the Site is started, a conference attended by Owner, Contractor, Engineer, and others as appropriate will be held to establish a working understanding among the parties as to the Work, and to discuss the schedules referred to in Paragraph 2.03.A, procedures for handling Shop Drawings, Samples, and other Submittals, processing Applications for Payment, electronic or digital transmittals, and maintaining required records.
- B. At this conference Owner and Contractor each shall designate, in writing, a specific individual to act as its authorized representative with respect to the services and responsibilities under the Contract. Such individuals shall have the authority to transmit and receive information, render decisions relative to the Contract, and otherwise act on behalf of each respective party.

2.05 *Acceptance of Schedules*

- A. At least 10 days before submission of the first Application for Payment a conference, attended by Contractor, Engineer, and others as appropriate, will be held to review the schedules submitted in accordance with Paragraph 2.03.A. No progress payment will be made to Contractor until acceptable schedules are submitted to Engineer.
 - 1. The Progress Schedule will be acceptable to Engineer if it provides an orderly progression of the Work to completion within the Contract Times. Such acceptance will not impose on Engineer responsibility for the Progress Schedule, for sequencing, scheduling, or progress of the Work, nor interfere with or relieve Contractor from Contractor's full responsibility therefor.
 - 2. Contractor's Schedule of Submittals will be acceptable to Engineer if it provides a workable arrangement for reviewing and processing the required submittals.
 - 3. Contractor's Schedule of Values will be acceptable to Engineer as to form and substance if it provides a reasonable allocation of the Contract Price to the component parts of the Work.
 - 4. If a schedule is not acceptable, Contractor will have an additional 10 days to revise and resubmit the schedule.

2.06 *Electronic Transmittals*

- A. Except as otherwise stated elsewhere in the Contract, the Owner, Engineer, and Contractor may send, and shall accept, Electronic Documents transmitted by Electronic Means.
- B. If the Contract does not establish protocols for Electronic Means, then Owner, Engineer, and Contractor shall jointly develop such protocols.
- C. Subject to any governing protocols for Electronic Means, when transmitting Electronic Documents by Electronic Means, the transmitting party makes no representations as to long-term compatibility, usability, or readability of the Electronic Documents resulting from the recipient's use of software application packages, operating systems, or computer hardware differing from those used in the drafting or transmittal of the Electronic Documents.

ARTICLE 3—CONTRACT DOCUMENTS: INTENT, REQUIREMENTS, REUSE

3.01 *Intent*

- A. The Contract Documents are complementary; what is required by one Contract Document is as binding as if required by all.
- B. It is the intent of the Contract Documents to describe a functionally complete Project (or part thereof) to be constructed in accordance with the Contract Documents.
- C. Unless otherwise stated in the Contract Documents, if there is a discrepancy between the electronic versions of the Contract Documents (including any printed copies derived from such electronic versions) and the printed record version, the printed record version will govern.
- D. The Contract supersedes prior negotiations, representations, and agreements, whether written or oral.
- E. Engineer will issue clarifications and interpretations of the Contract Documents as provided herein.
- F. Any provision or part of the Contract Documents held to be void or unenforceable under any Law or Regulation will be deemed stricken, and all remaining provisions will continue to be valid and binding upon Owner and Contractor, which agree that the Contract Documents will be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.
- G. Nothing in the Contract Documents creates:
 - 1. any contractual relationship between Owner or Engineer and any Subcontractor, Supplier, or other individual or entity performing or furnishing any of the Work, for the benefit of such Subcontractor, Supplier, or other individual or entity; or
 - 2. any obligation on the part of Owner or Engineer to pay or to see to the payment of any money due any such Subcontractor, Supplier, or other individual or entity, except as may otherwise be required by Laws and Regulations.

3.02 *Reference Standards*

- A. *Standards Specifications, Codes, Laws and Regulations*
 - 1. Reference in the Contract Documents to standard specifications, manuals, reference standards, or codes of any technical society, organization, or association, or to Laws or Regulations, whether such reference be specific or by implication, means the standard specification, manual, reference standard, code, or Laws or Regulations in effect at the time of opening of Bids (or on the Effective Date of the Contract if there were no Bids), except as may be otherwise specifically stated in the Contract Documents.
 - 2. No provision of any such standard specification, manual, reference standard, or code, and no instruction of a Supplier, will be effective to change the duties or responsibilities of Owner, Contractor, or Engineer from those set forth in the part of the Contract Documents prepared by or for Engineer. No such provision or instruction shall be effective to assign to Owner or Engineer any duty or authority to supervise or direct the performance of the Work, or any duty or authority to undertake responsibility

inconsistent with the provisions of the part of the Contract Documents prepared by or for Engineer.

3.03 *Reporting and Resolving Discrepancies*

A. *Reporting Discrepancies*

1. *Contractor's Verification of Figures and Field Measurements:* Before undertaking each part of the Work, Contractor shall carefully study the Contract Documents, and check and verify pertinent figures and dimensions therein, particularly with respect to applicable field measurements. Contractor shall promptly report in writing to Engineer any conflict, error, ambiguity, or discrepancy that Contractor discovers, or has actual knowledge of, and shall not proceed with any Work affected thereby until the conflict, error, ambiguity, or discrepancy is resolved by a clarification or interpretation by Engineer, or by an amendment or supplement to the Contract issued pursuant to Paragraph 11.01.
2. *Contractor's Review of Contract Documents:* If, before or during the performance of the Work, Contractor discovers any conflict, error, ambiguity, or discrepancy within the Contract Documents, or between the Contract Documents and (a) any applicable Law or Regulation, (b) actual field conditions, (c) any standard specification, manual, reference standard, or code, or (d) any instruction of any Supplier, then Contractor shall promptly report it to Engineer in writing. Contractor shall not proceed with the Work affected thereby (except in an emergency as required by Paragraph 7.15) until the conflict, error, ambiguity, or discrepancy is resolved, by a clarification or interpretation by Engineer, or by an amendment or supplement to the Contract issued pursuant to Paragraph 11.01.
3. Contractor shall not be liable to Owner or Engineer for failure to report any conflict, error, ambiguity, or discrepancy in the Contract Documents unless Contractor had actual knowledge thereof.

B. *Resolving Discrepancies*

1. Except as may be otherwise specifically stated in the Contract Documents, the provisions of the part of the Contract Documents prepared by or for Engineer take precedence in resolving any conflict, error, ambiguity, or discrepancy between such provisions of the Contract Documents and:
 - a. the provisions of any standard specification, manual, reference standard, or code, or the instruction of any Supplier (whether or not specifically incorporated by reference as a Contract Document); or
 - b. the provisions of any Laws or Regulations applicable to the performance of the Work (unless such an interpretation of the provisions of the Contract Documents would result in violation of such Law or Regulation).

3.04 *Requirements of the Contract Documents*

- A. During the performance of the Work and until final payment, Contractor and Owner shall submit to the Engineer in writing all matters in question concerning the requirements of the Contract Documents (sometimes referred to as requests for information or interpretation—RFIs), or relating to the acceptability of the Work under the Contract Documents, as soon as possible after such matters arise. Engineer will be the initial interpreter of the requirements of the Contract Documents, and judge of the acceptability of the Work.

- B. Engineer will, with reasonable promptness, render a written clarification, interpretation, or decision on the issue submitted, or initiate an amendment or supplement to the Contract Documents. Engineer's written clarification, interpretation, or decision will be final and binding on Contractor, unless it appeals by submitting a Change Proposal, and on Owner, unless it appeals by filing a Claim.
- C. If a submitted matter in question concerns terms and conditions of the Contract Documents that do not involve (1) the performance or acceptability of the Work under the Contract Documents, (2) the design (as set forth in the Drawings, Specifications, or otherwise), or (3) other engineering or technical matters, then Engineer will promptly notify Owner and Contractor in writing that Engineer is unable to provide a decision or interpretation. If Owner and Contractor are unable to agree on resolution of such a matter in question, either party may pursue resolution as provided in Article 12.

3.05 *Reuse of Documents*

- A. Contractor and its Subcontractors and Suppliers shall not:
 - 1. have or acquire any title to or ownership rights in any of the Drawings, Specifications, or other documents (or copies of any thereof) prepared by or bearing the seal of Engineer or its consultants, including electronic media versions, or reuse any such Drawings, Specifications, other documents, or copies thereof on extensions of the Project or any other project without written consent of Owner and Engineer and specific written verification or adaptation by Engineer; or
 - 2. have or acquire any title or ownership rights in any other Contract Documents, reuse any such Contract Documents for any purpose without Owner's express written consent, or violate any copyrights pertaining to such Contract Documents.
- B. The prohibitions of this Paragraph 3.05 will survive final payment, or termination of the Contract. Nothing herein precludes Contractor from retaining copies of the Contract Documents for record purposes.

ARTICLE 4—COMMENCEMENT AND PROGRESS OF THE WORK

4.01 *Commencement of Contract Times; Notice to Proceed*

- A. The Contract Times will commence to run on the 30th day after the Effective Date of the Contract or, if a Notice to Proceed is given, on the day indicated in the Notice to Proceed. A Notice to Proceed may be given at any time within 30 days after the Effective Date of the Contract. In no event will the Contract Times commence to run later than the 60th day after the day of Bid opening or the 30th day after the Effective Date of the Contract, whichever date is earlier.

4.02 *Starting the Work*

- A. Contractor shall start to perform the Work on the date when the Contract Times commence to run. No Work may be done at the Site prior to such date.

4.03 *Reference Points*

- A. Owner shall provide engineering surveys to establish reference points for construction which in Engineer's judgment are necessary to enable Contractor to proceed with the Work. Contractor shall be responsible for laying out the Work, shall protect and preserve the

established reference points and property monuments, and shall make no changes or relocations without the prior written approval of Owner. Contractor shall report to Engineer whenever any reference point or property monument is lost or destroyed or requires relocation because of necessary changes in grades or locations, and shall be responsible for the accurate replacement or relocation of such reference points or property monuments by professionally qualified personnel.

4.04 *Progress Schedule*

- A. Contractor shall adhere to the Progress Schedule established in accordance with Paragraph 2.05 as it may be adjusted from time to time as provided below.
 - 1. Contractor shall submit to Engineer for acceptance (to the extent indicated in Paragraph 2.05) proposed adjustments in the Progress Schedule that will not result in changing the Contract Times.
 - 2. Proposed adjustments in the Progress Schedule that will change the Contract Times must be submitted in accordance with the requirements of Article 11.
- B. Contractor shall carry on the Work and adhere to the Progress Schedule during all disputes or disagreements with Owner. No Work will be delayed or postponed pending resolution of any disputes or disagreements, or during any appeal process, except as permitted by Paragraph 16.04, or as Owner and Contractor may otherwise agree in writing.

4.05 *Delays in Contractor's Progress*

- A. If Owner, Engineer, or anyone for whom Owner is responsible, delays, disrupts, or interferes with the performance or progress of the Work, then Contractor shall be entitled to an equitable adjustment in Contract Price or Contract Times.
- B. Contractor shall not be entitled to an adjustment in Contract Price or Contract Times for delay, disruption, or interference caused by or within the control of Contractor. Delay, disruption, and interference attributable to and within the control of a Subcontractor or Supplier shall be deemed to be within the control of Contractor.
- C. If Contractor's performance or progress is delayed, disrupted, or interfered with by unanticipated causes not the fault of and beyond the control of Owner, Contractor, and those for which they are responsible, then Contractor shall be entitled to an equitable adjustment in Contract Times. Such an adjustment will be Contractor's sole and exclusive remedy for the delays, disruption, and interference described in this paragraph. Causes of delay, disruption, or interference that may give rise to an adjustment in Contract Times under this paragraph include but are not limited to the following:
 - 1. Severe and unavoidable natural catastrophes such as fires, floods, epidemics, and earthquakes;
 - 2. Abnormal weather conditions;
 - 3. Acts or failures to act of third-party utility owners or other third-party entities (other than those third-party utility owners or other third-party entities performing other work at or adjacent to the Site as arranged by or under contract with Owner, as contemplated in Article 8); and
 - 4. Acts of war or terrorism.

- D. Contractor's entitlement to an adjustment of Contract Times or Contract Price is limited as follows:
1. Contractor's entitlement to an adjustment of the Contract Times is conditioned on the delay, disruption, or interference adversely affecting an activity on the critical path to completion of the Work, as of the time of the delay, disruption, or interference.
 2. Contractor shall not be entitled to an adjustment in Contract Price for any delay, disruption, or interference if such delay is concurrent with a delay, disruption, or interference caused by or within the control of Contractor. Such a concurrent delay by Contractor shall not preclude an adjustment of Contract Times to which Contractor is otherwise entitled.
 3. Adjustments of Contract Times or Contract Price are subject to the provisions of Article 11.
- E. Each Contractor request or Change Proposal seeking an increase in Contract Times or Contract Price must be supplemented by supporting data that sets forth in detail the following:
1. The circumstances that form the basis for the requested adjustment;
 2. The date upon which each cause of delay, disruption, or interference began to affect the progress of the Work;
 3. The date upon which each cause of delay, disruption, or interference ceased to affect the progress of the Work;
 4. The number of days' increase in Contract Times claimed as a consequence of each such cause of delay, disruption, or interference; and
 5. The impact on Contract Price, in accordance with the provisions of Paragraph 11.07.
- Contractor shall also furnish such additional supporting documentation as Owner or Engineer may require including, where appropriate, a revised progress schedule indicating all the activities affected by the delay, disruption, or interference, and an explanation of the effect of the delay, disruption, or interference on the critical path to completion of the Work.
- F. Delays, disruption, and interference to the performance or progress of the Work resulting from the existence of a differing subsurface or physical condition, an Underground Facility that was not shown or indicated by the Contract Documents, or not shown or indicated with reasonable accuracy, and those resulting from Hazardous Environmental Conditions, are governed by Article 5, together with the provisions of Paragraphs 4.05.D and 4.05.E.
- G. Paragraph 8.03 addresses delays, disruption, and interference to the performance or progress of the Work resulting from the performance of certain other work at or adjacent to the Site.

ARTICLE 5—SITE; SUBSURFACE AND PHYSICAL CONDITIONS; HAZARDOUS ENVIRONMENTAL CONDITIONS

5.01 *Availability of Lands*

- A. Owner shall furnish the Site. Owner shall notify Contractor in writing of any encumbrances or restrictions not of general application but specifically related to use of the Site with which Contractor must comply in performing the Work.

- B. Upon reasonable written request, Owner shall furnish Contractor with a current statement of record legal title and legal description of the lands upon which permanent improvements are to be made and Owner's interest therein as necessary for giving notice of or filing a mechanic's or construction lien against such lands in accordance with applicable Laws and Regulations.
- C. Contractor shall provide for all additional lands and access thereto that may be required for temporary construction facilities or storage of materials and equipment.

5.02 *Use of Site and Other Areas*

A. *Limitation on Use of Site and Other Areas*

1. Contractor shall confine construction equipment, temporary construction facilities, the storage of materials and equipment, and the operations of workers to the Site, adjacent areas that Contractor has arranged to use through construction easements or otherwise, and other adjacent areas permitted by Laws and Regulations, and shall not unreasonably encumber the Site and such other adjacent areas with construction equipment or other materials or equipment. Contractor shall assume full responsibility for (a) damage to the Site; (b) damage to any such other adjacent areas used for Contractor's operations; (c) damage to any other adjacent land or areas, or to improvements, structures, utilities, or similar facilities located at such adjacent lands or areas; and (d) for injuries and losses sustained by the owners or occupants of any such land or areas; provided that such damage or injuries result from the performance of the Work or from other actions or conduct of the Contractor or those for which Contractor is responsible.
 2. If a damage or injury claim is made by the owner or occupant of any such land or area because of the performance of the Work, or because of other actions or conduct of the Contractor or those for which Contractor is responsible, Contractor shall (a) take immediate corrective or remedial action as required by Paragraph 7.13, or otherwise; (b) promptly attempt to settle the claim as to all parties through negotiations with such owner or occupant, or otherwise resolve the claim by arbitration or other dispute resolution proceeding, or in a court of competent jurisdiction; and (c) to the fullest extent permitted by Laws and Regulations, indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them, from and against any such claim, and against all costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to any claim or action, legal or equitable, brought by any such owner or occupant against Owner, Engineer, or any other party indemnified hereunder to the extent caused directly or indirectly, in whole or in part by, or based upon, Contractor's performance of the Work, or because of other actions or conduct of the Contractor or those for which Contractor is responsible.
- B. *Removal of Debris During Performance of the Work:* During the progress of the Work the Contractor shall keep the Site and other adjacent areas free from accumulations of waste materials, rubbish, and other debris. Removal and disposal of such waste materials, rubbish, and other debris will conform to applicable Laws and Regulations.
 - C. *Cleaning:* Prior to Substantial Completion of the Work Contractor shall clean the Site and the Work and make it ready for utilization by Owner. At the completion of the Work Contractor shall remove from the Site and adjacent areas all tools, appliances, construction equipment

and machinery, and surplus materials and shall restore to original condition all property not designated for alteration by the Contract Documents.

- D. *Loading of Structures:* Contractor shall not load nor permit any part of any structure to be loaded in any manner that will endanger the structure, nor shall Contractor subject any part of the Work or adjacent structures or land to stresses or pressures that will endanger them.

5.03 *Subsurface and Physical Conditions*

- A. *Reports and Drawings:* The Supplementary Conditions identify:

1. Those reports of explorations and tests of subsurface conditions at or adjacent to the Site that contain Technical Data;
2. Those drawings of existing physical conditions at or adjacent to the Site, including those drawings depicting existing surface or subsurface structures at or adjacent to the Site (except Underground Facilities), that contain Technical Data; and
3. Technical Data contained in such reports and drawings.

- B. *Underground Facilities:* Underground Facilities are shown or indicated on the Drawings, pursuant to Paragraph 5.05, and not in the drawings referred to in Paragraph 5.03.A. Information and data regarding the presence or location of Underground Facilities are not intended to be categorized, identified, or defined as Technical Data.

- C. *Reliance by Contractor on Technical Data:* Contractor may rely upon the accuracy of the Technical Data expressly identified in the Supplementary Conditions with respect to such reports and drawings, but such reports and drawings are not Contract Documents. If no such express identification has been made, then Contractor may rely upon the accuracy of the Technical Data as defined in Paragraph 1.01.A.46.b.

- D. *Limitations of Other Data and Documents:* Except for such reliance on Technical Data, Contractor may not rely upon or make any claim against Owner or Engineer, or any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors, with respect to:

1. the completeness of such reports and drawings for Contractor's purposes, including, but not limited to, any aspects of the means, methods, techniques, sequences, and procedures of construction to be employed by Contractor, and safety precautions and programs incident thereto;
2. other data, interpretations, opinions, and information contained in such reports or shown or indicated in such drawings;
3. the contents of other Site-related documents made available to Contractor, such as record drawings from other projects at or adjacent to the Site, or Owner's archival documents concerning the Site; or
4. any Contractor interpretation of or conclusion drawn from any Technical Data or any such other data, interpretations, opinions, or information.

5.04 *Differing Subsurface or Physical Conditions*

- A. *Notice by Contractor:* If Contractor believes that any subsurface or physical condition that is uncovered or revealed at the Site:
1. is of such a nature as to establish that any Technical Data on which Contractor is entitled to rely as provided in Paragraph 5.03 is materially inaccurate;
 2. is of such a nature as to require a change in the Drawings or Specifications;
 3. differs materially from that shown or indicated in the Contract Documents; or
 4. is of an unusual nature, and differs materially from conditions ordinarily encountered and generally recognized as inherent in work of the character provided for in the Contract Documents;

then Contractor shall, promptly after becoming aware thereof and before further disturbing the subsurface or physical conditions or performing any Work in connection therewith (except in an emergency as required by Paragraph 7.15), notify Owner and Engineer in writing about such condition. Contractor shall not further disturb such condition or perform any Work in connection therewith (except with respect to an emergency) until receipt of a written statement permitting Contractor to do so.

- B. *Engineer's Review:* After receipt of written notice as required by the preceding paragraph, Engineer will promptly review the subsurface or physical condition in question; determine whether it is necessary for Owner to obtain additional exploration or tests with respect to the condition; conclude whether the condition falls within any one or more of the differing site condition categories in Paragraph 5.04.A; obtain any pertinent cost or schedule information from Contractor; prepare recommendations to Owner regarding the Contractor's resumption of Work in connection with the subsurface or physical condition in question and the need for any change in the Drawings or Specifications; and advise Owner in writing of Engineer's findings, conclusions, and recommendations.
- C. *Owner's Statement to Contractor Regarding Site Condition:* After receipt of Engineer's written findings, conclusions, and recommendations, Owner shall issue a written statement to Contractor (with a copy to Engineer) regarding the subsurface or physical condition in question, addressing the resumption of Work in connection with such condition, indicating whether any change in the Drawings or Specifications will be made, and adopting or rejecting Engineer's written findings, conclusions, and recommendations, in whole or in part.
- D. *Early Resumption of Work:* If at any time Engineer determines that Work in connection with the subsurface or physical condition in question may resume prior to completion of Engineer's review or Owner's issuance of its statement to Contractor, because the condition in question has been adequately documented, and analyzed on a preliminary basis, then the Engineer may at its discretion instruct Contractor to resume such Work.
- E. *Possible Price and Times Adjustments*
1. Contractor shall be entitled to an equitable adjustment in Contract Price or Contract Times, to the extent that the existence of a differing subsurface or physical condition, or any related delay, disruption, or interference, causes an increase or decrease in

Contractor's cost of, or time required for, performance of the Work; subject, however, to the following:

- a. Such condition must fall within any one or more of the categories described in Paragraph 5.04.A;
 - b. With respect to Work that is paid for on a unit price basis, any adjustment in Contract Price will be subject to the provisions of Paragraph 13.03; and,
 - c. Contractor's entitlement to an adjustment of the Contract Times is subject to the provisions of Paragraphs 4.05.D and 4.05.E.
2. Contractor shall not be entitled to any adjustment in the Contract Price or Contract Times with respect to a subsurface or physical condition if:
- a. Contractor knew of the existence of such condition at the time Contractor made a commitment to Owner with respect to Contract Price and Contract Times by the submission of a Bid or becoming bound under a negotiated contract, or otherwise;
 - b. The existence of such condition reasonably could have been discovered or revealed as a result of any examination, investigation, exploration, test, or study of the Site and contiguous areas expressly required by the Bidding Requirements or Contract Documents to be conducted by or for Contractor prior to Contractor's making such commitment; or
 - c. Contractor failed to give the written notice required by Paragraph 5.04.A.
3. If Owner and Contractor agree regarding Contractor's entitlement to and the amount or extent of any adjustment in the Contract Price or Contract Times, then any such adjustment will be set forth in a Change Order.
4. Contractor may submit a Change Proposal regarding its entitlement to or the amount or extent of any adjustment in the Contract Price or Contract Times, no later than 30 days after Owner's issuance of the Owner's written statement to Contractor regarding the subsurface or physical condition in question.
- F. *Underground Facilities; Hazardous Environmental Conditions*: Paragraph 5.05 governs rights and responsibilities regarding the presence or location of Underground Facilities. Paragraph 5.06 governs rights and responsibilities regarding Hazardous Environmental Conditions. The provisions of Paragraphs 5.03 and 5.04 are not applicable to the presence or location of Underground Facilities, or to Hazardous Environmental Conditions.

5.05 *Underground Facilities*

- A. *Contractor's Responsibilities*: Unless it is otherwise expressly provided in the Supplementary Conditions, the cost of all of the following are included in the Contract Price, and Contractor shall have full responsibility for:
1. reviewing and checking all information and data regarding existing Underground Facilities at the Site;
 2. complying with applicable state and local utility damage prevention Laws and Regulations;

3. verifying the actual location of those Underground Facilities shown or indicated in the Contract Documents as being within the area affected by the Work, by exposing such Underground Facilities during the course of construction;
 4. coordination of the Work with the owners (including Owner) of such Underground Facilities, during construction; and
 5. the safety and protection of all existing Underground Facilities at the Site, and repairing any damage thereto resulting from the Work.
- B. *Notice by Contractor:* If Contractor believes that an Underground Facility that is uncovered or revealed at the Site was not shown or indicated on the Drawings, or was not shown or indicated on the Drawings with reasonable accuracy, then Contractor shall, promptly after becoming aware thereof and before further disturbing conditions affected thereby or performing any Work in connection therewith (except in an emergency as required by Paragraph 7.15), notify Owner and Engineer in writing regarding such Underground Facility.
- C. *Engineer's Review:* Engineer will:
1. promptly review the Underground Facility and conclude whether such Underground Facility was not shown or indicated on the Drawings, or was not shown or indicated with reasonable accuracy;
 2. identify and communicate with the owner of the Underground Facility; prepare recommendations to Owner (and if necessary issue any preliminary instructions to Contractor) regarding the Contractor's resumption of Work in connection with the Underground Facility in question;
 3. obtain any pertinent cost or schedule information from Contractor; determine the extent, if any, to which a change is required in the Drawings or Specifications to reflect and document the consequences of the existence or location of the Underground Facility; and
 4. advise Owner in writing of Engineer's findings, conclusions, and recommendations.

During such time, Contractor shall be responsible for the safety and protection of such Underground Facility.

- D. *Owner's Statement to Contractor Regarding Underground Facility:* After receipt of Engineer's written findings, conclusions, and recommendations, Owner shall issue a written statement to Contractor (with a copy to Engineer) regarding the Underground Facility in question addressing the resumption of Work in connection with such Underground Facility, indicating whether any change in the Drawings or Specifications will be made, and adopting or rejecting Engineer's written findings, conclusions, and recommendations in whole or in part.
- E. *Early Resumption of Work:* If at any time Engineer determines that Work in connection with the Underground Facility may resume prior to completion of Engineer's review or Owner's issuance of its statement to Contractor, because the Underground Facility in question and conditions affected by its presence have been adequately documented, and analyzed on a preliminary basis, then the Engineer may at its discretion instruct Contractor to resume such Work.
- F. *Possible Price and Times Adjustments*
1. Contractor shall be entitled to an equitable adjustment in the Contract Price or Contract Times, to the extent that any existing Underground Facility at the Site that was not shown

or indicated on the Drawings, or was not shown or indicated with reasonable accuracy, or any related delay, disruption, or interference, causes an increase or decrease in Contractor's cost of, or time required for, performance of the Work; subject, however, to the following:

- a. With respect to Work that is paid for on a unit price basis, any adjustment in Contract Price will be subject to the provisions of Paragraph 13.03;
 - b. Contractor's entitlement to an adjustment of the Contract Times is subject to the provisions of Paragraphs 4.05.D and 4.05.E; and
 - c. Contractor gave the notice required in Paragraph 5.05.B.
2. If Owner and Contractor agree regarding Contractor's entitlement to and the amount or extent of any adjustment in the Contract Price or Contract Times, then any such adjustment will be set forth in a Change Order.
 3. Contractor may submit a Change Proposal regarding its entitlement to or the amount or extent of any adjustment in the Contract Price or Contract Times, no later than 30 days after Owner's issuance of the Owner's written statement to Contractor regarding the Underground Facility in question.
 4. The information and data shown or indicated on the Drawings with respect to existing Underground Facilities at the Site is based on information and data (a) furnished by the owners of such Underground Facilities, or by others, (b) obtained from available records, or (c) gathered in an investigation conducted in accordance with the current edition of ASCE 38, Standard Guideline for the Collection and Depiction of Existing Subsurface Utility Data, by the American Society of Civil Engineers. If such information or data is incorrect or incomplete, Contractor's remedies are limited to those set forth in this Paragraph 5.05.F.

5.06 *Hazardous Environmental Conditions at Site*

A. *Reports and Drawings*: The Supplementary Conditions identify:

1. those reports known to Owner relating to Hazardous Environmental Conditions that have been identified at or adjacent to the Site;
2. drawings known to Owner relating to Hazardous Environmental Conditions that have been identified at or adjacent to the Site; and
3. Technical Data contained in such reports and drawings.

B. *Reliance by Contractor on Technical Data Authorized*: Contractor may rely upon the accuracy of the Technical Data expressly identified in the Supplementary Conditions with respect to such reports and drawings, but such reports and drawings are not Contract Documents. If no such express identification has been made, then Contractor may rely on the accuracy of the Technical Data as defined in Paragraph 1.01.A.46.b. Except for such reliance on Technical Data, Contractor may not rely upon or make any claim against Owner or Engineer, or any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors, with respect to:

1. the completeness of such reports and drawings for Contractor's purposes, including, but not limited to, any aspects of the means, methods, techniques, sequences and procedures

- of construction to be employed by Contractor, and safety precautions and programs incident thereto;
2. other data, interpretations, opinions, and information contained in such reports or shown or indicated in such drawings; or
 3. any Contractor interpretation of or conclusion drawn from any Technical Data or any such other data, interpretations, opinions or information.
- C. Contractor shall not be responsible for removing or remediating any Hazardous Environmental Condition encountered, uncovered, or revealed at the Site unless such removal or remediation is expressly identified in the Contract Documents to be within the scope of the Work.
- D. Contractor shall be responsible for controlling, containing, and duly removing all Constituents of Concern brought to the Site by Contractor, Subcontractors, Suppliers, or anyone else for whom Contractor is responsible, and for any associated costs; and for the costs of removing and remediating any Hazardous Environmental Condition created by the presence of any such Constituents of Concern.
- E. If Contractor encounters, uncovers, or reveals a Hazardous Environmental Condition whose removal or remediation is not expressly identified in the Contract Documents as being within the scope of the Work, or if Contractor or anyone for whom Contractor is responsible creates a Hazardous Environmental Condition, then Contractor shall immediately: (1) secure or otherwise isolate such condition; (2) stop all Work in connection with such condition and in any area affected thereby (except in an emergency as required by Paragraph 7.15); and (3) notify Owner and Engineer (and promptly thereafter confirm such notice in writing). Owner shall promptly consult with Engineer concerning the necessity for Owner to retain a qualified expert to evaluate such condition or take corrective action, if any. Promptly after consulting with Engineer, Owner shall take such actions as are necessary to permit Owner to timely obtain required permits and provide Contractor the written notice required by Paragraph 5.06.F. If Contractor or anyone for whom Contractor is responsible created the Hazardous Environmental Condition in question, then Owner may remove and remediate the Hazardous Environmental Condition, and impose a set-off against payments to account for the associated costs.
- F. Contractor shall not resume Work in connection with such Hazardous Environmental Condition or in any affected area until after Owner has obtained any required permits related thereto, and delivered written notice to Contractor either (1) specifying that such condition and any affected area is or has been rendered safe for the resumption of Work, or (2) specifying any special conditions under which such Work may be resumed safely.
- G. If Owner and Contractor cannot agree as to entitlement to or on the amount or extent, if any, of any adjustment in Contract Price or Contract Times, as a result of such Work stoppage, such special conditions under which Work is agreed to be resumed by Contractor, or any costs or expenses incurred in response to the Hazardous Environmental Condition, then within 30 days of Owner's written notice regarding the resumption of Work, Contractor may submit a Change Proposal, or Owner may impose a set-off. Entitlement to any such adjustment is subject to the provisions of Paragraphs 4.05.D, 4.05.E, 11.07, and 11.08.
- H. If, after receipt of such written notice, Contractor does not agree to resume such Work based on a reasonable belief it is unsafe, or does not agree to resume such Work under such special

- conditions, then Owner may order the portion of the Work that is in the area affected by such condition to be deleted from the Work, following the contractual change procedures in Article 11. Owner may have such deleted portion of the Work performed by Owner's own forces or others in accordance with Article 8.
- I. To the fullest extent permitted by Laws and Regulations, Owner shall indemnify and hold harmless Contractor, Subcontractors, and Engineer, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals, and all court, arbitration, or other dispute resolution costs) arising out of or relating to a Hazardous Environmental Condition, provided that such Hazardous Environmental Condition (1) was not shown or indicated in the Drawings, Specifications, or other Contract Documents, identified as Technical Data entitled to limited reliance pursuant to Paragraph 5.06.B, or identified in the Contract Documents to be included within the scope of the Work, and (2) was not created by Contractor or by anyone for whom Contractor is responsible. Nothing in this Paragraph 5.06.I obligates Owner to indemnify any individual or entity from and against the consequences of that individual's or entity's own negligence.
 - J. To the fullest extent permitted by Laws and Regulations, Contractor shall indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to the failure to control, contain, or remove a Constituent of Concern brought to the Site by Contractor or by anyone for whom Contractor is responsible, or to a Hazardous Environmental Condition created by Contractor or by anyone for whom Contractor is responsible. Nothing in this Paragraph 5.06.J obligates Contractor to indemnify any individual or entity from and against the consequences of that individual's or entity's own negligence.
 - K. The provisions of Paragraphs 5.03, 5.04, and 5.05 do not apply to the presence of Constituents of Concern or to a Hazardous Environmental Condition uncovered or revealed at the Site.

ARTICLE 6—BONDS AND INSURANCE

6.01 *Performance, Payment, and Other Bonds*

- A. Contractor shall furnish a performance bond and a payment bond, each in an amount at least equal to the Contract Price, as security for the faithful performance and payment of Contractor's obligations under the Contract. These bonds must remain in effect until one year after the date when final payment becomes due or until completion of the correction period specified in Paragraph 15.08, whichever is later, except as provided otherwise by Laws or Regulations, the terms of a prescribed bond form, the Supplementary Conditions, or other provisions of the Contract.
- B. Contractor shall also furnish such other bonds (if any) as are required by the Supplementary Conditions or other provisions of the Contract.
- C. All bonds must be in the form included in the Bidding Documents or otherwise specified by Owner prior to execution of the Contract, except as provided otherwise by Laws or

Regulations, and must be issued and signed by a surety named in “Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies” as published in Department Circular 570 (as amended and supplemented) by the Bureau of the Fiscal Service, U.S. Department of the Treasury. A bond signed by an agent or attorney-in-fact must be accompanied by a certified copy of that individual’s authority to bind the surety. The evidence of authority must show that it is effective on the date the agent or attorney-in-fact signed the accompanying bond.

- D. Contractor shall obtain the required bonds from surety companies that are duly licensed or authorized, in the state or jurisdiction in which the Project is located, to issue bonds in the required amounts.
- E. If the surety on a bond furnished by Contractor is declared bankrupt or becomes insolvent, or the surety ceases to meet the requirements above, then Contractor shall promptly notify Owner and Engineer in writing and shall, within 20 days after the event giving rise to such notification, provide another bond and surety, both of which must comply with the bond and surety requirements above.
- F. If Contractor has failed to obtain a required bond, Owner may exclude the Contractor from the Site and exercise Owner’s termination rights under Article 16.
- G. Upon request to Owner from any Subcontractor, Supplier, or other person or entity claiming to have furnished labor, services, materials, or equipment used in the performance of the Work, Owner shall provide a copy of the payment bond to such person or entity.
- H. Upon request to Contractor from any Subcontractor, Supplier, or other person or entity claiming to have furnished labor, services, materials, or equipment used in the performance of the Work, Contractor shall provide a copy of the payment bond to such person or entity.

6.02 *Insurance—General Provisions*

- A. Owner and Contractor shall obtain and maintain insurance as required in this article and in the Supplementary Conditions.
- B. All insurance required by the Contract to be purchased and maintained by Owner or Contractor shall be obtained from insurance companies that are duly licensed or authorized in the state or jurisdiction in which the Project is located to issue insurance policies for the required limits and coverages. Unless a different standard is indicated in the Supplementary Conditions, all companies that provide insurance policies required under this Contract shall have an A.M. Best rating of A-VII or better.
- C. Alternative forms of insurance coverage, including but not limited to self-insurance and “Occupational Accident and Excess Employer’s Indemnity Policies,” are not sufficient to meet the insurance requirements of this Contract, unless expressly allowed in the Supplementary Conditions.
- D. Contractor shall deliver to Owner, with copies to each additional insured identified in the Contract, certificates of insurance and endorsements establishing that Contractor has obtained and is maintaining the policies and coverages required by the Contract. Upon request by Owner or any other insured, Contractor shall also furnish other evidence of such required insurance, including but not limited to copies of policies, documentation of applicable self-insured retentions (if allowed) and deductibles, full disclosure of all relevant exclusions, and evidence of insurance required to be purchased and maintained by

- Subcontractors or Suppliers. In any documentation furnished under this provision, Contractor, Subcontractors, and Suppliers may block out (redact) (1) any confidential premium or pricing information and (2) any wording specific to a project or jurisdiction other than those applicable to this Contract.
- E. Owner shall deliver to Contractor, with copies to each additional insured identified in the Contract, certificates of insurance and endorsements establishing that Owner has obtained and is maintaining the policies and coverages required of Owner by the Contract (if any). Upon request by Contractor or any other insured, Owner shall also provide other evidence of such required insurance (if any), including but not limited to copies of policies, documentation of applicable self-insured retentions (if allowed) and deductibles, and full disclosure of all relevant exclusions. In any documentation furnished under this provision, Owner may block out (redact) (1) any confidential premium or pricing information and (2) any wording specific to a project or jurisdiction other than those relevant to this Contract.
- F. Failure of Owner or Contractor to demand such certificates or other evidence of the other party's full compliance with these insurance requirements, or failure of Owner or Contractor to identify a deficiency in compliance from the evidence provided, will not be construed as a waiver of the other party's obligation to obtain and maintain such insurance.
- G. In addition to the liability insurance required to be provided by Contractor, the Owner, at Owner's option, may purchase and maintain Owner's own liability insurance. Owner's liability policies, if any, operate separately and independently from policies required to be provided by Contractor, and Contractor cannot rely upon Owner's liability policies for any of Contractor's obligations to the Owner, Engineer, or third parties.
- H. Contractor shall require:
1. Subcontractors to purchase and maintain worker's compensation, commercial general liability, and other insurance that is appropriate for their participation in the Project, and to name as additional insureds Owner and Engineer (and any other individuals or entities identified in the Supplementary Conditions as additional insureds on Contractor's liability policies) on each Subcontractor's commercial general liability insurance policy; and
 2. Suppliers to purchase and maintain insurance that is appropriate for their participation in the Project.
- I. If either party does not purchase or maintain the insurance required of such party by the Contract, such party shall notify the other party in writing of such failure to purchase prior to the start of the Work, or of such failure to maintain prior to any change in the required coverage.
- J. If Contractor has failed to obtain and maintain required insurance, Contractor's entitlement to enter or remain at the Site will end immediately, and Owner may impose an appropriate set-off against payment for any associated costs (including but not limited to the cost of purchasing necessary insurance coverage), and exercise Owner's termination rights under Article 16.
- K. Without prejudice to any other right or remedy, if a party has failed to obtain required insurance, the other party may elect (but is in no way obligated) to obtain equivalent insurance to protect such other party's interests at the expense of the party who was required to provide such coverage, and the Contract Price will be adjusted accordingly.

- L. Owner does not represent that insurance coverage and limits established in this Contract necessarily will be adequate to protect Contractor or Contractor's interests. Contractor is responsible for determining whether such coverage and limits are adequate to protect its interests, and for obtaining and maintaining any additional insurance that Contractor deems necessary.
- M. The insurance and insurance limits required herein will not be deemed as a limitation on Contractor's liability, or that of its Subcontractors or Suppliers, under the indemnities granted to Owner and other individuals and entities in the Contract or otherwise.
- N. All the policies of insurance required to be purchased and maintained under this Contract will contain a provision or endorsement that the coverage afforded will not be canceled, or renewal refused, until at least 10 days prior written notice has been given to the purchasing policyholder. Within three days of receipt of any such written notice, the purchasing policyholder shall provide a copy of the notice to each other insured and Engineer.

6.03 *Contractor's Insurance*

- A. *Required Insurance:* Contractor shall purchase and maintain Worker's Compensation, Commercial General Liability, and other insurance pursuant to the specific requirements of the Supplementary Conditions.
- B. *General Provisions:* The policies of insurance required by this Paragraph 6.03 as supplemented must:
 - 1. include at least the specific coverages required;
 - 2. be written for not less than the limits provided, or those required by Laws or Regulations, whichever is greater;
 - 3. remain in effect at least until the Work is complete (as set forth in Paragraph 15.06.D), and longer if expressly required elsewhere in this Contract, and at all times thereafter when Contractor may be correcting, removing, or replacing defective Work as a warranty or correction obligation, or otherwise, or returning to the Site to conduct other tasks arising from the Contract;
 - 4. apply with respect to the performance of the Work, whether such performance is by Contractor, any Subcontractor or Supplier, or by anyone directly or indirectly employed by any of them to perform any of the Work, or by anyone for whose acts any of them may be liable; and
 - 5. include all necessary endorsements to support the stated requirements.
- C. *Additional Insureds:* The Contractor's commercial general liability, automobile liability, employer's liability, umbrella or excess, pollution liability, and unmanned aerial vehicle liability policies, if required by this Contract, must:
 - 1. include and list as additional insureds Owner and Engineer, and any individuals or entities identified as additional insureds in the Supplementary Conditions;
 - 2. include coverage for the respective officers, directors, members, partners, employees, and consultants of all such additional insureds;
 - 3. afford primary coverage to these additional insureds for all claims covered thereby (including as applicable those arising from both ongoing and completed operations);

4. not seek contribution from insurance maintained by the additional insured; and
5. as to commercial general liability insurance, apply to additional insureds with respect to liability caused in whole or in part by Contractor's acts or omissions, or the acts and omissions of those working on Contractor's behalf, in the performance of Contractor's operations.

6.04 *Builder's Risk and Other Property Insurance*

- A. *Builder's Risk*: Unless otherwise provided in the Supplementary Conditions, Contractor shall purchase and maintain builder's risk insurance upon the Work on a completed value basis, in the amount of the Work's full insurable replacement cost (subject to such deductible amounts as may be provided in the Supplementary Conditions or required by Laws and Regulations). The specific requirements applicable to the builder's risk insurance are set forth in the Supplementary Conditions.
- B. *Property Insurance for Facilities of Owner Where Work Will Occur*: Owner is responsible for obtaining and maintaining property insurance covering each existing structure, building, or facility in which any part of the Work will occur, or to which any part of the Work will attach or be adjoined. Such property insurance will be written on a special perils (all-risk) form, on a replacement cost basis, providing coverage consistent with that required for the builder's risk insurance, and will be maintained until the Work is complete, as set forth in Paragraph 15.06.D.
- C. *Property Insurance for Substantially Complete Facilities*: Promptly after Substantial Completion, and before actual occupancy or use of the substantially completed Work, Owner will obtain property insurance for such substantially completed Work, and maintain such property insurance at least until the Work is complete, as set forth in Paragraph 15.06.D. Such property insurance will be written on a special perils (all-risk) form, on a replacement cost basis, and provide coverage consistent with that required for the builder's risk insurance. The builder's risk insurance may terminate upon written confirmation of Owner's procurement of such property insurance.
- D. *Partial Occupancy or Use by Owner*: If Owner will occupy or use a portion or portions of the Work prior to Substantial Completion of all the Work, as provided in Paragraph 15.04, then Owner (directly, if it is the purchaser of the builder's risk policy, or through Contractor) will provide advance notice of such occupancy or use to the builder's risk insurer, and obtain an endorsement consenting to the continuation of coverage prior to commencing such partial occupancy or use.
- E. *Insurance of Other Property; Additional Insurance*: If the express insurance provisions of the Contract do not require or address the insurance of a property item or interest, then the entity or individual owning such property item will be responsible for insuring it. If Contractor elects to obtain other special insurance to be included in or supplement the builder's risk or property insurance policies provided under this Paragraph 6.04, it may do so at Contractor's expense.

6.05 *Property Losses; Subrogation*

- A. The builder's risk insurance policy purchased and maintained in accordance with Paragraph 6.04 (or an installation floater policy if authorized by the Supplementary Conditions), will contain provisions to the effect that in the event of payment of any loss or damage the insurer will have no rights of recovery against any insureds thereunder, or against

Engineer or its consultants, or their officers, directors, members, partners, employees, agents, consultants, or subcontractors.

1. Owner and Contractor waive all rights against each other and the respective officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, for all losses and damages caused by, arising out of, or resulting from any of the perils, risks, or causes of loss covered by such policies and any other property insurance applicable to the Work; and, in addition, waive all such rights against Engineer, its consultants, all individuals or entities identified in the Supplementary Conditions as builder's risk or installation floater insureds, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, under such policies for losses and damages so caused.
 2. None of the above waivers extends to the rights that any party making such waiver may have to the proceeds of insurance held by Owner or Contractor as trustee or fiduciary, or otherwise payable under any policy so issued.
- B. Any property insurance policy maintained by Owner covering any loss, damage, or consequential loss to Owner's existing structures, buildings, or facilities in which any part of the Work will occur, or to which any part of the Work will attach or adjoin; to adjacent structures, buildings, or facilities of Owner; or to part or all of the completed or substantially completed Work, during partial occupancy or use pursuant to Paragraph 15.04, after Substantial Completion pursuant to Paragraph 15.03, or after final payment pursuant to Paragraph 15.06, will contain provisions to the effect that in the event of payment of any loss or damage the insurer will have no rights of recovery against any insureds thereunder, or against Contractor, Subcontractors, or Engineer, or the officers, directors, members, partners, employees, agents, consultants, or subcontractors of each and any of them, and that the insured is allowed to waive the insurer's rights of subrogation in a written contract executed prior to the loss, damage, or consequential loss.
1. Owner waives all rights against Contractor, Subcontractors, and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them, for all losses and damages caused by, arising out of, or resulting from fire or any of the perils, risks, or causes of loss covered by such policies.
- C. The waivers in this Paragraph 6.05 include the waiver of rights due to business interruption, loss of use, or other consequential loss extending beyond direct physical loss or damage to Owner's property or the Work caused by, arising out of, or resulting from fire or other insured peril, risk, or cause of loss.
- D. Contractor shall be responsible for assuring that each Subcontract contains provisions whereby the Subcontractor waives all rights against Owner, Contractor, all individuals or entities identified in the Supplementary Conditions as insureds, the Engineer and its consultants, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, for all losses and damages caused by, arising out of, relating to, or resulting from fire or other peril, risk, or cause of loss covered by builder's risk insurance, installation floater, and any other property insurance applicable to the Work.

6.06 *Receipt and Application of Property Insurance Proceeds*

- A. Any insured loss under the builder's risk and other policies of property insurance required by Paragraph 6.04 will be adjusted and settled with the named insured that purchased the policy. Such named insured shall act as fiduciary for the other insureds, and give notice to such other insureds that adjustment and settlement of a claim is in progress. Any other insured may state its position regarding a claim for insured loss in writing within 15 days after notice of such claim.
- B. Proceeds for such insured losses may be made payable by the insurer either jointly to multiple insureds, or to the named insured that purchased the policy in its own right and as fiduciary for other insureds, subject to the requirements of any applicable mortgage clause. A named insured receiving insurance proceeds under the builder's risk and other policies of insurance required by Paragraph 6.04 shall maintain such proceeds in a segregated account, and distribute such proceeds in accordance with such agreement as the parties in interest may reach, or as otherwise required under the dispute resolution provisions of this Contract or applicable Laws and Regulations.
- C. If no other special agreement is reached, Contractor shall repair or replace the damaged Work, using allocated insurance proceeds.

ARTICLE 7—CONTRACTOR'S RESPONSIBILITIES

7.01 *Contractor's Means and Methods of Construction*

- A. Contractor shall be solely responsible for the means, methods, techniques, sequences, and procedures of construction.
- B. If the Contract Documents note, or Contractor determines, that professional engineering or other design services are needed to carry out Contractor's responsibilities for construction means, methods, techniques, sequences, and procedures, or for Site safety, then Contractor shall cause such services to be provided by a properly licensed design professional, at Contractor's expense. Such services are not Owner-delegated professional design services under this Contract, and neither Owner nor Engineer has any responsibility with respect to (1) Contractor's determination of the need for such services, (2) the qualifications or licensing of the design professionals retained or employed by Contractor, (3) the performance of such services, or (4) any errors, omissions, or defects in such services.

7.02 *Supervision and Superintendence*

- A. Contractor shall supervise, inspect, and direct the Work competently and efficiently, devoting such attention thereto and applying such skills and expertise as may be necessary to perform the Work in accordance with the Contract Documents.
- B. At all times during the progress of the Work, Contractor shall assign a competent resident superintendent who will not be replaced without written notice to Owner and Engineer except under extraordinary circumstances.

7.03 *Labor; Working Hours*

- A. Contractor shall provide competent, suitably qualified personnel to survey and lay out the Work and perform construction as required by the Contract Documents. Contractor shall maintain good discipline and order at the Site.

- B. Contractor shall be fully responsible to Owner and Engineer for all acts and omissions of Contractor's employees; of Suppliers and Subcontractors, and their employees; and of any other individuals or entities performing or furnishing any of the Work, just as Contractor is responsible for Contractor's own acts and omissions.
- C. Except as otherwise required for the safety or protection of persons or the Work or property at the Site or adjacent thereto, and except as otherwise stated in the Contract Documents, all Work at the Site will be performed during regular working hours, Monday through Friday. Contractor will not perform Work on a Saturday, Sunday, or any legal holiday. Contractor may perform Work outside regular working hours or on Saturdays, Sundays, or legal holidays only with Owner's written consent, which will not be unreasonably withheld.

7.04 *Services, Materials, and Equipment*

- A. Unless otherwise specified in the Contract Documents, Contractor shall provide and assume full responsibility for all services, materials, equipment, labor, transportation, construction equipment and machinery, tools, appliances, fuel, power, light, heat, telephone, water, sanitary facilities, temporary facilities, and all other facilities and incidentals necessary for the performance, testing, start up, and completion of the Work, whether or not such items are specifically called for in the Contract Documents.
- B. All materials and equipment incorporated into the Work must be new and of good quality, except as otherwise provided in the Contract Documents. All special warranties and guarantees required by the Specifications will expressly run to the benefit of Owner. If required by Engineer, Contractor shall furnish satisfactory evidence (including reports of required tests) as to the source, kind, and quality of materials and equipment.
- C. All materials and equipment must be stored, applied, installed, connected, erected, protected, used, cleaned, and conditioned in accordance with instructions of the applicable Supplier, except as otherwise may be provided in the Contract Documents.

7.05 *"Or Equals"*

- A. *Contractor's Request; Governing Criteria:* Whenever an item of equipment or material is specified or described in the Contract Documents by using the names of one or more proprietary items or specific Suppliers, the Contract Price has been based upon Contractor furnishing such item as specified. The specification or description of such an item is intended to establish the type, function, appearance, and quality required. Unless the specification or description contains or is followed by words reading that no like, equivalent, or "or equal" item is permitted, Contractor may request that Engineer authorize the use of other items of equipment or material, or items from other proposed Suppliers, under the circumstances described below.
 - 1. If Engineer in its sole discretion determines that an item of equipment or material proposed by Contractor is functionally equal to that named and sufficiently similar so that no change in related Work will be required, Engineer will deem it an "or equal" item. For the purposes of this paragraph, a proposed item of equipment or material will be considered functionally equal to an item so named if:
 - a. in the exercise of reasonable judgment Engineer determines that the proposed item:
 - 1) is at least equal in materials of construction, quality, durability, appearance, strength, and design characteristics;

- 2) will reliably perform at least equally well the function and achieve the results imposed by the design concept of the completed Project as a functioning whole;
 - 3) has a proven record of performance and availability of responsive service; and
 - 4) is not objectionable to Owner.
- b. Contractor certifies that, if the proposed item is approved and incorporated into the Work:
- 1) there will be no increase in cost to the Owner or increase in Contract Times; and
 - 2) the item will conform substantially to the detailed requirements of the item named in the Contract Documents.
- B. *Contractor's Expense:* Contractor shall provide all data in support of any proposed "or equal" item at Contractor's expense.
- C. *Engineer's Evaluation and Determination:* Engineer will be allowed a reasonable time to evaluate each "or-equal" request. Engineer may require Contractor to furnish additional data about the proposed "or-equal" item. Engineer will be the sole judge of acceptability. No "or-equal" item will be ordered, furnished, installed, or utilized until Engineer's review is complete and Engineer determines that the proposed item is an "or-equal," which will be evidenced by an approved Shop Drawing or other written communication. Engineer will advise Contractor in writing of any negative determination.
- D. *Effect of Engineer's Determination:* Neither approval nor denial of an "or-equal" request will result in any change in Contract Price. The Engineer's denial of an "or-equal" request will be final and binding, and may not be reversed through an appeal under any provision of the Contract.
- E. *Treatment as a Substitution Request:* If Engineer determines that an item of equipment or material proposed by Contractor does not qualify as an "or-equal" item, Contractor may request that Engineer consider the item a proposed substitute pursuant to Paragraph 7.06.

7.06 *Substitutes*

- A. *Contractor's Request; Governing Criteria:* Unless the specification or description of an item of equipment or material required to be furnished under the Contract Documents contains or is followed by words reading that no substitution is permitted, Contractor may request that Engineer authorize the use of other items of equipment or material under the circumstances described below. To the extent possible such requests must be made before commencement of related construction at the Site.
1. Contractor shall submit sufficient information as provided below to allow Engineer to determine if the item of material or equipment proposed is functionally equivalent to that named and an acceptable substitute therefor. Engineer will not accept requests for review of proposed substitute items of equipment or material from anyone other than Contractor.
 2. The requirements for review by Engineer will be as set forth in Paragraph 7.06.B, as supplemented by the Specifications, and as Engineer may decide is appropriate under the circumstances.

3. Contractor shall make written application to Engineer for review of a proposed substitute item of equipment or material that Contractor seeks to furnish or use. The application:
 - a. will certify that the proposed substitute item will:
 - 1) perform adequately the functions and achieve the results called for by the general design;
 - 2) be similar in substance to the item specified; and
 - 3) be suited to the same use as the item specified.
 - b. will state:
 - 1) the extent, if any, to which the use of the proposed substitute item will necessitate a change in Contract Times;
 - 2) whether use of the proposed substitute item in the Work will require a change in any of the Contract Documents (or in the provisions of any other direct contract with Owner for other work on the Project) to adapt the design to the proposed substitute item; and
 - 3) whether incorporation or use of the proposed substitute item in connection with the Work is subject to payment of any license fee or royalty.
 - c. will identify:
 - 1) all variations of the proposed substitute item from the item specified; and
 - 2) available engineering, sales, maintenance, repair, and replacement services.
 - d. will contain an itemized estimate of all costs or credits that will result directly or indirectly from use of such substitute item, including but not limited to changes in Contract Price, shared savings, costs of redesign, and claims of other contractors affected by any resulting change.
- B. *Engineer's Evaluation and Determination:* Engineer will be allowed a reasonable time to evaluate each substitute request, and to obtain comments and direction from Owner. Engineer may require Contractor to furnish additional data about the proposed substitute item. Engineer will be the sole judge of acceptability. No substitute will be ordered, furnished, installed, or utilized until Engineer's review is complete and Engineer determines that the proposed item is an acceptable substitute. Engineer's determination will be evidenced by a Field Order or a proposed Change Order accounting for the substitution itself and all related impacts, including changes in Contract Price or Contract Times. Engineer will advise Contractor in writing of any negative determination.
- C. *Special Guarantee:* Owner may require Contractor to furnish at Contractor's expense a special performance guarantee or other surety with respect to any substitute.
- D. *Reimbursement of Engineer's Cost:* Engineer will record Engineer's costs in evaluating a substitute proposed or submitted by Contractor. Whether or not Engineer approves a substitute so proposed or submitted by Contractor, Contractor shall reimburse Owner for the reasonable charges of Engineer for evaluating each such proposed substitute. Contractor shall also reimburse Owner for the reasonable charges of Engineer for making changes in the Contract Documents (or in the provisions of any other direct contract with Owner) resulting from the acceptance of each proposed substitute.

- E. *Contractor's Expense*: Contractor shall provide all data in support of any proposed substitute at Contractor's expense.
- F. *Effect of Engineer's Determination*: If Engineer approves the substitution request, Contractor shall execute the proposed Change Order and proceed with the substitution. The Engineer's denial of a substitution request will be final and binding, and may not be reversed through an appeal under any provision of the Contract. Contractor may challenge the scope of reimbursement costs imposed under Paragraph 7.06.D, by timely submittal of a Change Proposal.

7.07 *Concerning Subcontractors and Suppliers*

- A. Contractor may retain Subcontractors and Suppliers for the performance of parts of the Work. Such Subcontractors and Suppliers must be acceptable to Owner. The Contractor's retention of a Subcontractor or Supplier for the performance of parts of the Work will not relieve Contractor's obligation to Owner to perform and complete the Work in accordance with the Contract Documents.
- B. Contractor shall retain specific Subcontractors and Suppliers for the performance of designated parts of the Work if required by the Contract to do so.
- C. Subsequent to the submittal of Contractor's Bid or final negotiation of the terms of the Contract, Owner may not require Contractor to retain any Subcontractor or Supplier to furnish or perform any of the Work against which Contractor has reasonable objection.
- D. Prior to entry into any binding subcontract or purchase order, Contractor shall submit to Owner the identity of the proposed Subcontractor or Supplier (unless Owner has already deemed such proposed Subcontractor or Supplier acceptable during the bidding process or otherwise). Such proposed Subcontractor or Supplier shall be deemed acceptable to Owner unless Owner raises a substantive, reasonable objection within 5 days.
- E. Owner may require the replacement of any Subcontractor or Supplier. Owner also may require Contractor to retain specific replacements; provided, however, that Owner may not require a replacement to which Contractor has a reasonable objection. If Contractor has submitted the identity of certain Subcontractors or Suppliers for acceptance by Owner, and Owner has accepted it (either in writing or by failing to make written objection thereto), then Owner may subsequently revoke the acceptance of any such Subcontractor or Supplier so identified solely on the basis of substantive, reasonable objection after due investigation. Contractor shall submit an acceptable replacement for the rejected Subcontractor or Supplier.
- F. If Owner requires the replacement of any Subcontractor or Supplier retained by Contractor to perform any part of the Work, then Contractor shall be entitled to an adjustment in Contract Price or Contract Times, with respect to the replacement; and Contractor shall initiate a Change Proposal for such adjustment within 30 days of Owner's requirement of replacement.
- G. No acceptance by Owner of any such Subcontractor or Supplier, whether initially or as a replacement, will constitute a waiver of the right of Owner to the completion of the Work in accordance with the Contract Documents.

- H. On a monthly basis, Contractor shall submit to Engineer a complete list of all Subcontractors and Suppliers having a direct contract with Contractor, and of all other Subcontractors and Suppliers known to Contractor at the time of submittal.
- I. Contractor shall be solely responsible for scheduling and coordinating the work of Subcontractors and Suppliers.
- J. The divisions and sections of the Specifications and the identifications of any Drawings do not control Contractor in dividing the Work among Subcontractors or Suppliers, or in delineating the Work to be performed by any specific trade.
- K. All Work performed for Contractor by a Subcontractor or Supplier must be pursuant to an appropriate contractual agreement that specifically binds the Subcontractor or Supplier to the applicable terms and conditions of the Contract for the benefit of Owner and Engineer.
- L. Owner may furnish to any Subcontractor or Supplier, to the extent practicable, information about amounts paid to Contractor for Work performed for Contractor by the Subcontractor or Supplier.
- M. Contractor shall restrict all Subcontractors and Suppliers from communicating with Engineer or Owner, except through Contractor or in case of an emergency, or as otherwise expressly allowed in this Contract.

7.08 *Patent Fees and Royalties*

- A. Contractor shall pay all license fees and royalties and assume all costs incident to the use in the performance of the Work or the incorporation in the Work of any invention, design, process, product, or device which is the subject of patent rights or copyrights held by others. If an invention, design, process, product, or device is specified in the Contract Documents for use in the performance of the Work and if, to the actual knowledge of Owner or Engineer, its use is subject to patent rights or copyrights calling for the payment of any license fee or royalty to others, the existence of such rights will be disclosed in the Contract Documents.
- B. To the fullest extent permitted by Laws and Regulations, Owner shall indemnify and hold harmless Contractor, and its officers, directors, members, partners, employees, agents, consultants, and subcontractors, from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals, and all court or arbitration or other dispute resolution costs) arising out of or relating to any infringement of patent rights or copyrights incident to the use in the performance of the Work or resulting from the incorporation in the Work of any invention, design, process, product, or device specified in the Contract Documents, but not identified as being subject to payment of any license fee or royalty to others required by patent rights or copyrights.
- C. To the fullest extent permitted by Laws and Regulations, Contractor shall indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them, from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to any infringement of patent rights or copyrights incident to the use in the performance of the Work or resulting from the incorporation in the Work of any invention, design, process, product, or device not specified in the Contract Documents.

7.09 *Permits*

- A. Unless otherwise provided in the Contract Documents, Contractor shall obtain and pay for all construction permits, licenses, and certificates of occupancy. Owner shall assist Contractor, when necessary, in obtaining such permits and licenses. Contractor shall pay all governmental charges and inspection fees necessary for the prosecution of the Work which are applicable at the time of the submission of Contractor's Bid (or when Contractor became bound under a negotiated contract). Owner shall pay all charges of utility owners for connections for providing permanent service to the Work.

7.10 *Taxes*

- A. Contractor shall pay all sales, consumer, use, and other similar taxes required to be paid by Contractor in accordance with the Laws and Regulations of the place of the Project which are applicable during the performance of the Work.

7.11 *Laws and Regulations*

- A. Contractor shall give all notices required by and shall comply with all Laws and Regulations applicable to the performance of the Work. Neither Owner nor Engineer shall be responsible for monitoring Contractor's compliance with any Laws or Regulations.
- B. If Contractor performs any Work or takes any other action knowing or having reason to know that it is contrary to Laws or Regulations, Contractor shall bear all resulting costs and losses, and shall indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such Work or other action. It is not Contractor's responsibility to make certain that the Work described in the Contract Documents is in accordance with Laws and Regulations, but this does not relieve Contractor of its obligations under Paragraph 3.03.
- C. Owner or Contractor may give written notice to the other party of any changes after the submission of Contractor's Bid (or after the date when Contractor became bound under a negotiated contract) in Laws or Regulations having an effect on the cost or time of performance of the Work, including but not limited to changes in Laws or Regulations having an effect on procuring permits and on sales, use, value-added, consumption, and other similar taxes. If Owner and Contractor are unable to agree on entitlement to or on the amount or extent, if any, of any adjustment in Contract Price or Contract Times resulting from such changes, then within 30 days of such written notice Contractor may submit a Change Proposal, or Owner may initiate a Claim.

7.12 *Record Documents*

- A. Contractor shall maintain in a safe place at the Site one printed record copy of all Drawings, Specifications, Addenda, Change Orders, Work Change Directives, Field Orders, written interpretations and clarifications, and approved Shop Drawings. Contractor shall keep such record documents in good order and annotate them to show changes made during construction. These record documents, together with all approved Samples, will be available to Engineer for reference. Upon completion of the Work, Contractor shall deliver these record documents to Engineer.

7.13 *Safety and Protection*

- A. Contractor shall be solely responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the Work. Such responsibility does not relieve Subcontractors of their responsibility for the safety of persons or property in the performance of their work, nor for compliance with applicable safety Laws and Regulations.
- B. Contractor shall designate a qualified and experienced safety representative whose duties and responsibilities are the prevention of Work-related accidents and the maintenance and supervision of safety precautions and programs.
- C. Contractor shall take all necessary precautions for the safety of, and shall provide the necessary protection to prevent damage, injury, or loss to:
 - 1. all persons on the Site or who may be affected by the Work;
 - 2. all the Work and materials and equipment to be incorporated therein, whether in storage on or off the Site; and
 - 3. other property at the Site or adjacent thereto, including trees, shrubs, lawns, walks, pavements, roadways, structures, other work in progress, utilities, and Underground Facilities not designated for removal, relocation, or replacement in the course of construction.
- D. All damage, injury, or loss to any property referred to in Paragraph 7.13.C.2 or 7.13.C.3 caused, directly or indirectly, in whole or in part, by Contractor, any Subcontractor, Supplier, or any other individual or entity directly or indirectly employed by any of them to perform any of the Work, or anyone for whose acts any of them may be liable, shall be remedied by Contractor at its expense (except damage or loss attributable to the fault of Drawings or Specifications or to the acts or omissions of Owner or Engineer or anyone employed by any of them, or anyone for whose acts any of them may be liable, and not attributable, directly or indirectly, in whole or in part, to the fault or negligence of Contractor or any Subcontractor, Supplier, or other individual or entity directly or indirectly employed by any of them).
- E. Contractor shall comply with all applicable Laws and Regulations relating to the safety of persons or property, or to the protection of persons or property from damage, injury, or loss; and shall erect and maintain all necessary safeguards for such safety and protection.
- F. Contractor shall notify Owner; the owners of adjacent property; the owners of Underground Facilities and other utilities (if the identity of such owners is known to Contractor); and other contractors and utility owners performing work at or adjacent to the Site, in writing, when Contractor knows that prosecution of the Work may affect them, and shall cooperate with them in the protection, removal, relocation, and replacement of their property or work in progress.
- G. Contractor shall comply with the applicable requirements of Owner's safety programs, if any. Any Owner's safety programs that are applicable to the Work are identified or included in the Supplementary Conditions or Specifications.
- H. Contractor shall inform Owner and Engineer of the specific requirements of Contractor's safety program with which Owner's and Engineer's employees and representatives must comply while at the Site.

- I. Contractor's duties and responsibilities for safety and protection will continue until all the Work is completed, Engineer has issued a written notice to Owner and Contractor in accordance with Paragraph 15.06.C that the Work is acceptable, and Contractor has left the Site (except as otherwise expressly provided in connection with Substantial Completion).
- J. Contractor's duties and responsibilities for safety and protection will resume whenever Contractor or any Subcontractor or Supplier returns to the Site to fulfill warranty or correction obligations, or to conduct other tasks arising from the Contract Documents.

7.14 *Hazard Communication Programs*

- A. Contractor shall be responsible for coordinating any exchange of safety data sheets (formerly known as material safety data sheets) or other hazard communication information required to be made available to or exchanged between or among employers at the Site in accordance with Laws or Regulations.

7.15 *Emergencies*

- A. In emergencies affecting the safety or protection of persons or the Work or property at the Site or adjacent thereto, Contractor is obligated to act to prevent damage, injury, or loss. Contractor shall give Engineer prompt written notice if Contractor believes that any significant changes in the Work or variations from the Contract Documents have been caused by an emergency, or are required as a result of Contractor's response to an emergency. If Engineer determines that a change in the Contract Documents is required because of an emergency or Contractor's response, a Work Change Directive or Change Order will be issued.

7.16 *Submittals*

A. *Shop Drawing and Sample Requirements*

- 1. Before submitting a Shop Drawing or Sample, Contractor shall:
 - a. review and coordinate the Shop Drawing or Sample with other Shop Drawings and Samples and with the requirements of the Work and the Contract Documents;
 - b. determine and verify:
 - 1) all field measurements, quantities, dimensions, specified performance and design criteria, installation requirements, materials, catalog numbers, and similar information with respect to the Submittal;
 - 2) the suitability of all materials and equipment offered with respect to the indicated application, fabrication, shipping, handling, storage, assembly, and installation pertaining to the performance of the Work; and
 - 3) all information relative to Contractor's responsibilities for means, methods, techniques, sequences, and procedures of construction, and safety precautions and programs incident thereto;
 - c. confirm that the Submittal is complete with respect to all related data included in the Submittal.
- 2. Each Shop Drawing or Sample must bear a stamp or specific written certification that Contractor has satisfied Contractor's obligations under the Contract Documents with respect to Contractor's review of that Submittal, and that Contractor approves the Submittal.

3. With each Shop Drawing or Sample, Contractor shall give Engineer specific written notice of any variations that the Submittal may have from the requirements of the Contract Documents. This notice must be set forth in a written communication separate from the Submittal; and, in addition, in the case of a Shop Drawing by a specific notation made on the Shop Drawing itself.
- B. *Submittal Procedures for Shop Drawings and Samples:* Contractor shall label and submit Shop Drawings and Samples to Engineer for review and approval in accordance with the accepted Schedule of Submittals.
1. *Shop Drawings*
 - a. Contractor shall submit the number of copies required in the Specifications.
 - b. Data shown on the Shop Drawings must be complete with respect to quantities, dimensions, specified performance and design criteria, materials, and similar data to show Engineer the services, materials, and equipment Contractor proposes to provide, and to enable Engineer to review the information for the limited purposes required by Paragraph 7.16.C.
 2. *Samples*
 - a. Contractor shall submit the number of Samples required in the Specifications.
 - b. Contractor shall clearly identify each Sample as to material, Supplier, pertinent data such as catalog numbers, the use for which intended and other data as Engineer may require to enable Engineer to review the Submittal for the limited purposes required by Paragraph 7.16.C.
 3. Where a Shop Drawing or Sample is required by the Contract Documents or the Schedule of Submittals, any related Work performed prior to Engineer's review and approval of the pertinent submittal will be at the sole expense and responsibility of Contractor.
- C. *Engineer's Review of Shop Drawings and Samples*
1. Engineer will provide timely review of Shop Drawings and Samples in accordance with the accepted Schedule of Submittals. Engineer's review and approval will be only to determine if the items covered by the Submittals will, after installation or incorporation in the Work, comply with the requirements of the Contract Documents, and be compatible with the design concept of the completed Project as a functioning whole as indicated by the Contract Documents.
 2. Engineer's review and approval will not extend to means, methods, techniques, sequences, or procedures of construction, or to safety precautions or programs incident thereto.
 3. Engineer's review and approval of a separate item as such will not indicate approval of the assembly in which the item functions.
 4. Engineer's review and approval of a Shop Drawing or Sample will not relieve Contractor from responsibility for any variation from the requirements of the Contract Documents unless Contractor has complied with the requirements of Paragraph 7.16.A.3 and Engineer has given written approval of each such variation by specific written notation thereof incorporated in or accompanying the Shop Drawing or Sample. Engineer will

document any such approved variation from the requirements of the Contract Documents in a Field Order or other appropriate Contract modification.

5. Engineer's review and approval of a Shop Drawing or Sample will not relieve Contractor from responsibility for complying with the requirements of Paragraphs 7.16.A and B.
6. Engineer's review and approval of a Shop Drawing or Sample, or of a variation from the requirements of the Contract Documents, will not, under any circumstances, change the Contract Times or Contract Price, unless such changes are included in a Change Order.
7. Neither Engineer's receipt, review, acceptance, or approval of a Shop Drawing or Sample will result in such item becoming a Contract Document.
8. Contractor shall perform the Work in compliance with the requirements and commitments set forth in approved Shop Drawings and Samples, subject to the provisions of Paragraph 7.16.C.4.

D. *Resubmittal Procedures for Shop Drawings and Samples*

1. Contractor shall make corrections required by Engineer and shall return the required number of corrected copies of Shop Drawings and submit, as required, new Samples for review and approval. Contractor shall direct specific attention in writing to revisions other than the corrections called for by Engineer on previous Submittals.
2. Contractor shall furnish required Shop Drawing and Sample submittals with sufficient information and accuracy to obtain required approval of an item with no more than two resubmittals. Engineer will record Engineer's time for reviewing a third or subsequent resubmittal of a Shop Drawing or Sample, and Contractor shall be responsible for Engineer's charges to Owner for such time. Owner may impose a set-off against payments due Contractor to secure reimbursement for such charges.
3. If Contractor requests a change of a previously approved Shop Drawing or Sample, Contractor shall be responsible for Engineer's charges to Owner for its review time, and Owner may impose a set-off against payments due Contractor to secure reimbursement for such charges, unless the need for such change is beyond the control of Contractor.

E. *Submittals Other than Shop Drawings, Samples, and Owner-Delegated Designs*

1. The following provisions apply to all Submittals other than Shop Drawings, Samples, and Owner-delegated designs:
 - a. Contractor shall submit all such Submittals to the Engineer in accordance with the Schedule of Submittals and pursuant to the applicable terms of the Contract Documents.
 - b. Engineer will provide timely review of all such Submittals in accordance with the Schedule of Submittals and return such Submittals with a notation of either Accepted or Not Accepted. Any such Submittal that is not returned within the time established in the Schedule of Submittals will be deemed accepted.
 - c. Engineer's review will be only to determine if the Submittal is acceptable under the requirements of the Contract Documents as to general form and content of the Submittal.

- d. If any such Submittal is not accepted, Contractor shall confer with Engineer regarding the reason for the non-acceptance, and resubmit an acceptable document.
- 2. Procedures for the submittal and acceptance of the Progress Schedule, the Schedule of Submittals, and the Schedule of Values are set forth in Paragraphs 2.03, 2.04, and 2.05.
- F. Owner-delegated Designs: Submittals pursuant to Owner-delegated designs are governed by the provisions of Paragraph 7.19.

7.17 *Contractor's General Warranty and Guarantee*

- A. Contractor warrants and guarantees to Owner that all Work will be in accordance with the Contract Documents and will not be defective. Engineer is entitled to rely on Contractor's warranty and guarantee.
- B. Owner's rights under this warranty and guarantee are in addition to, and are not limited by, Owner's rights under the correction period provisions of Paragraph 15.08. The time in which Owner may enforce its warranty and guarantee rights under this Paragraph 7.17 is limited only by applicable Laws and Regulations restricting actions to enforce such rights; provided, however, that after the end of the correction period under Paragraph 15.08:
 - 1. Owner shall give Contractor written notice of any defective Work within 60 days of the discovery that such Work is defective; and
 - 2. Such notice will be deemed the start of an event giving rise to a Claim under Paragraph 12.01.B, such that any related Claim must be brought within 30 days of the notice.
- C. Contractor's warranty and guarantee hereunder excludes defects or damage caused by:
 - 1. abuse, or improper modification, maintenance, or operation, by persons other than Contractor, Subcontractors, Suppliers, or any other individual or entity for whom Contractor is responsible; or
 - 2. normal wear and tear under normal usage.
- D. Contractor's obligation to perform and complete the Work in accordance with the Contract Documents is absolute. None of the following will constitute an acceptance of Work that is not in accordance with the Contract Documents, a release of Contractor's obligation to perform the Work in accordance with the Contract Documents, or a release of Owner's warranty and guarantee rights under this Paragraph 7.17:
 - 1. Observations by Engineer;
 - 2. Recommendation by Engineer or payment by Owner of any progress or final payment;
 - 3. The issuance of a certificate of Substantial Completion by Engineer or any payment related thereto by Owner;
 - 4. Use or occupancy of the Work or any part thereof by Owner;
 - 5. Any review and approval of a Shop Drawing or Sample submittal;
 - 6. The issuance of a notice of acceptability by Engineer;
 - 7. The end of the correction period established in Paragraph 15.08;
 - 8. Any inspection, test, or approval by others; or

9. Any correction of defective Work by Owner.
- E. If the Contract requires the Contractor to accept the assignment of a contract entered into by Owner, then the specific warranties, guarantees, and correction obligations contained in the assigned contract will govern with respect to Contractor's performance obligations to Owner for the Work described in the assigned contract.

7.18 *Indemnification*

- A. To the fullest extent permitted by Laws and Regulations, and in addition to any other obligations of Contractor under the Contract or otherwise, Contractor shall indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them, from losses, damages, costs, and judgments (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals, and all court or arbitration or other dispute resolution costs) arising from third-party claims or actions relating to or resulting from the performance or furnishing of the Work, provided that any such claim, action, loss, cost, judgment or damage is attributable to bodily injury, sickness, disease, or death, or to damage to or destruction of tangible property (other than the Work itself), including the loss of use resulting therefrom, but only to the extent caused by any negligent act or omission of Contractor, any Subcontractor, any Supplier, or any individual or entity directly or indirectly employed by any of them to perform any of the Work, or anyone for whose acts any of them may be liable.
- B. In any and all claims against Owner or Engineer, or any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors, by any employee (or the survivor or personal representative of such employee) of Contractor, any Subcontractor, any Supplier, or any individual or entity directly or indirectly employed by any of them to perform any of the Work, or anyone for whose acts any of them may be liable, the indemnification obligation under Paragraph 7.18.A will 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 such Subcontractor, Supplier, or other individual or entity under workers' compensation acts, disability benefit acts, or other employee benefit acts.

7.19 *Delegation of Professional Design Services*

- A. Owner may require Contractor to provide professional design services for a portion of the Work by express delegation in the Contract Documents. Such delegation will specify the performance and design criteria that such services must satisfy, and the Submittals that Contractor must furnish to Engineer with respect to the Owner-delegated design.
- B. Contractor shall cause such Owner-delegated professional design services to be provided pursuant to the professional standard of care by a properly licensed design professional, whose signature and seal must appear on all drawings, calculations, specifications, certifications, and Submittals prepared by such design professional. Such design professional must issue all certifications of design required by Laws and Regulations.
- C. If a Shop Drawing or other Submittal related to the Owner-delegated design is prepared by Contractor, a Subcontractor, or others for submittal to Engineer, then such Shop Drawing or other Submittal must bear the written approval of Contractor's design professional when submitted by Contractor to Engineer.

- D. Owner and Engineer shall be entitled to rely upon the adequacy, accuracy, and completeness of the services, certifications, and approvals performed or provided by the design professionals retained or employed by Contractor under an Owner-delegated design, subject to the professional standard of care and the performance and design criteria stated in the Contract Documents.
- E. Pursuant to this Paragraph 7.19, Engineer's review, approval, and other determinations regarding design drawings, calculations, specifications, certifications, and other Submittals furnished by Contractor pursuant to an Owner-delegated design will be only for the following limited purposes:
 - 1. Checking for conformance with the requirements of this Paragraph 7.19;
 - 2. Confirming that Contractor (through its design professionals) has used the performance and design criteria specified in the Contract Documents; and
 - 3. Establishing that the design furnished by Contractor is consistent with the design concept expressed in the Contract Documents.
- F. Contractor shall not be responsible for the adequacy of performance or design criteria specified by Owner or Engineer.
- G. Contractor is not required to provide professional services in violation of applicable Laws and Regulations.

ARTICLE 8—OTHER WORK AT THE SITE

8.01 *Other Work*

- A. In addition to and apart from the Work under the Contract Documents, the Owner may perform other work at or adjacent to the Site. Such other work may be performed by Owner's employees, or through contracts between the Owner and third parties. Owner may also arrange to have third-party utility owners perform work on their utilities and facilities at or adjacent to the Site.
- B. If Owner performs other work at or adjacent to the Site with Owner's employees, or through contracts for such other work, then Owner shall give Contractor written notice thereof prior to starting any such other work. If Owner has advance information regarding the start of any third-party utility work that Owner has arranged to take place at or adjacent to the Site, Owner shall provide such information to Contractor.
- C. Contractor shall afford proper and safe access to the Site to each contractor that performs such other work, each utility owner performing other work, and Owner, if Owner is performing other work with Owner's employees, and provide a reasonable opportunity for the introduction and storage of materials and equipment and the execution of such other work.
- D. Contractor shall do all cutting, fitting, and patching of the Work that may be required to properly connect or otherwise make its several parts come together and properly integrate with such other work. Contractor shall not endanger any work of others by cutting, excavating, or otherwise altering such work; provided, however, that Contractor may cut or alter others' work with the written consent of Engineer and the others whose work will be affected.

- E. If the proper execution or results of any part of Contractor's Work depends upon work performed by others, Contractor shall inspect such other work and promptly report to Engineer in writing any delays, defects, or deficiencies in such other work that render it unavailable or unsuitable for the proper execution and results of Contractor's Work. Contractor's failure to so report will constitute an acceptance of such other work as fit and proper for integration with Contractor's Work except for latent defects and deficiencies in such other work.
- F. The provisions of this article are not applicable to work that is performed by third-party utilities or other third-party entities without a contract with Owner, or that is performed without having been arranged by Owner. If such work occurs, then any related delay, disruption, or interference incurred by Contractor is governed by the provisions of Paragraph 4.05.C.3.

8.02 *Coordination*

- A. If Owner intends to contract with others for the performance of other work at or adjacent to the Site, to perform other work at or adjacent to the Site with Owner's employees, or to arrange to have utility owners perform work at or adjacent to the Site, the following will be set forth in the Supplementary Conditions or provided to Contractor prior to the start of any such other work:
 - 1. The identity of the individual or entity that will have authority and responsibility for coordination of the activities among the various contractors;
 - 2. An itemization of the specific matters to be covered by such authority and responsibility; and
 - 3. The extent of such authority and responsibilities.
- B. Unless otherwise provided in the Supplementary Conditions, Owner shall have sole authority and responsibility for such coordination.

8.03 *Legal Relationships*

- A. If, in the course of performing other work for Owner at or adjacent to the Site, the Owner's employees, any other contractor working for Owner, or any utility owner that Owner has arranged to perform work, causes damage to the Work or to the property of Contractor or its Subcontractors, or delays, disrupts, interferes with, or increases the scope or cost of the performance of the Work, through actions or inaction, then Contractor shall be entitled to an equitable adjustment in the Contract Price or the Contract Times. Contractor must submit any Change Proposal seeking an equitable adjustment in the Contract Price or the Contract Times under this paragraph within 30 days of the damaging, delaying, disrupting, or interfering event. The entitlement to, and extent of, any such equitable adjustment will take into account information (if any) regarding such other work that was provided to Contractor in the Contract Documents prior to the submittal of the Bid or the final negotiation of the terms of the Contract, and any remedies available to Contractor under Laws or Regulations concerning utility action or inaction. When applicable, any such equitable adjustment in Contract Price will be conditioned on Contractor assigning to Owner all Contractor's rights against such other contractor or utility owner with respect to the damage, delay, disruption, or interference that is the subject of the adjustment. Contractor's entitlement to an adjustment of the Contract Times or Contract Price is subject to the provisions of Paragraphs 4.05.D and 4.05.E.

- B. Contractor shall take reasonable and customary measures to avoid damaging, delaying, disrupting, or interfering with the work of Owner, any other contractor, or any utility owner performing other work at or adjacent to the Site.
 - 1. If Contractor fails to take such measures and as a result damages, delays, disrupts, or interferes with the work of any such other contractor or utility owner, then Owner may impose a set-off against payments due Contractor, and assign to such other contractor or utility owner the Owner's contractual rights against Contractor with respect to the breach of the obligations set forth in this Paragraph 8.03.B.
 - 2. When Owner is performing other work at or adjacent to the Site with Owner's employees, Contractor shall be liable to Owner for damage to such other work, and for the reasonable direct delay, disruption, and interference costs incurred by Owner as a result of Contractor's failure to take reasonable and customary measures with respect to Owner's other work. In response to such damage, delay, disruption, or interference, Owner may impose a set-off against payments due Contractor.
- C. If Contractor damages, delays, disrupts, or interferes with the work of any other contractor, or any utility owner performing other work at or adjacent to the Site, through Contractor's failure to take reasonable and customary measures to avoid such impacts, or if any claim arising out of Contractor's actions, inactions, or negligence in performance of the Work at or adjacent to the Site is made by any such other contractor or utility owner against Contractor, Owner, or Engineer, then Contractor shall (1) promptly attempt to settle the claim as to all parties through negotiations with such other contractor or utility owner, or otherwise resolve the claim by arbitration or other dispute resolution proceeding or at law, and (2) indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them from and against any such claims, and against all costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such damage, delay, disruption, or interference.

ARTICLE 9—OWNER'S RESPONSIBILITIES

9.01 *Communications to Contractor*

- A. Except as otherwise provided in these General Conditions, Owner shall issue all communications to Contractor through Engineer.

9.02 *Replacement of Engineer*

- A. Owner may at its discretion appoint an engineer to replace Engineer, provided Contractor makes no reasonable objection to the replacement engineer. The replacement engineer's status under the Contract Documents will be that of the former Engineer.

9.03 *Furnish Data*

- A. Owner shall promptly furnish the data required of Owner under the Contract Documents.

9.04 *Pay When Due*

- A. Owner shall make payments to Contractor when they are due as provided in the Agreement.

9.05 *Lands and Easements; Reports, Tests, and Drawings*

- A. Owner's duties with respect to providing lands and easements are set forth in Paragraph 5.01.
- B. Owner's duties with respect to providing engineering surveys to establish reference points are set forth in Paragraph 4.03.
- C. Article 5 refers to Owner's identifying and making available to Contractor copies of reports of explorations and tests of conditions at the Site, and drawings of physical conditions relating to existing surface or subsurface structures at the Site.

9.06 *Insurance*

- A. Owner's responsibilities, if any, with respect to purchasing and maintaining liability and property insurance are set forth in Article 6.

9.07 *Change Orders*

- A. Owner's responsibilities with respect to Change Orders are set forth in Article 11.

9.08 *Inspections, Tests, and Approvals*

- A. Owner's responsibility with respect to certain inspections, tests, and approvals is set forth in Paragraph 14.02.B.

9.09 *Limitations on Owner's Responsibilities*

- A. The Owner shall not supervise, direct, or have control or authority over, nor be responsible for, Contractor's means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or for any failure of Contractor to comply with Laws and Regulations applicable to the performance of the Work. Owner will not be responsible for Contractor's failure to perform the Work in accordance with the Contract Documents.

9.10 *Undisclosed Hazardous Environmental Condition*

- A. Owner's responsibility in respect to an undisclosed Hazardous Environmental Condition is set forth in Paragraph 5.06.

9.11 *Evidence of Financial Arrangements*

- A. Upon request of Contractor, Owner shall furnish Contractor reasonable evidence that financial arrangements have been made to satisfy Owner's obligations under the Contract (including obligations under proposed changes in the Work).

9.12 *Safety Programs*

- A. While at the Site, Owner's employees and representatives shall comply with the specific applicable requirements of Contractor's safety programs of which Owner has been informed.
- B. Owner shall furnish copies of any applicable Owner safety programs to Contractor.

ARTICLE 10—ENGINEER'S STATUS DURING CONSTRUCTION

10.01 *Owner's Representative*

- A. Engineer will be Owner's representative during the construction period. The duties and responsibilities and the limitations of authority of Engineer as Owner's representative during construction are set forth in the Contract.

10.02 *Visits to Site*

- A. Engineer will make visits to the Site at intervals appropriate to the various stages of construction as Engineer deems necessary in order to observe, as an experienced and qualified design professional, the progress that has been made and the quality of the various aspects of Contractor's executed Work. Based on information obtained during such visits and observations, Engineer, for the benefit of Owner, will determine, in general, if the Work is proceeding in accordance with the Contract Documents. Engineer will not be required to make exhaustive or continuous inspections on the Site to check the quality or quantity of the Work. Engineer's efforts will be directed toward providing for Owner a greater degree of confidence that the completed Work will conform generally to the Contract Documents. On the basis of such visits and observations, Engineer will keep Owner informed of the progress of the Work and will endeavor to guard Owner against defective Work.
- B. Engineer's visits and observations are subject to all the limitations on Engineer's authority and responsibility set forth in Paragraph 10.07. Particularly, but without limitation, during or as a result of Engineer's visits or observations of Contractor's Work, Engineer will not supervise, direct, control, or have authority over or be responsible for Contractor's means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or for any failure of Contractor to comply with Laws and Regulations applicable to the performance of the Work.

10.03 *Resident Project Representative*

- A. If Owner and Engineer have agreed that Engineer will furnish a Resident Project Representative to represent Engineer at the Site and assist Engineer in observing the progress and quality of the Work, then the authority and responsibilities of any such Resident Project Representative will be as provided in the Supplementary Conditions, and limitations on the responsibilities thereof will be as provided in the Supplementary Conditions and in Paragraph 10.07.
- B. If Owner designates an individual or entity who is not Engineer's consultant, agent, or employee to represent Owner at the Site, then the responsibilities and authority of such individual or entity will be as provided in the Supplementary Conditions.

10.04 *Engineer's Authority*

- A. Engineer has the authority to reject Work in accordance with Article 14.
- B. Engineer's authority as to Submittals is set forth in Paragraph 7.16.
- C. Engineer's authority as to design drawings, calculations, specifications, certifications and other Submittals from Contractor in response to Owner's delegation (if any) to Contractor of professional design services, is set forth in Paragraph 7.19.
- D. Engineer's authority as to changes in the Work is set forth in Article 11.

E. Engineer's authority as to Applications for Payment is set forth in Article 15.

10.05 *Determinations for Unit Price Work*

A. Engineer will determine the actual quantities and classifications of Unit Price Work performed by Contractor as set forth in Paragraph 13.03.

10.06 *Decisions on Requirements of Contract Documents and Acceptability of Work*

A. Engineer will render decisions regarding the requirements of the Contract Documents, and judge the acceptability of the Work, pursuant to the specific procedures set forth herein for initial interpretations, Change Proposals, and acceptance of the Work. In rendering such decisions and judgments, Engineer will not show partiality to Owner or Contractor, and will not be liable to Owner, Contractor, or others in connection with any proceedings, interpretations, decisions, or judgments conducted or rendered in good faith.

10.07 *Limitations on Engineer's Authority and Responsibilities*

A. Neither Engineer's authority or responsibility under this Article 10 or under any other provision of the Contract, nor any decision made by Engineer in good faith either to exercise or not exercise such authority or responsibility or the undertaking, exercise, or performance of any authority or responsibility by Engineer, will create, impose, or give rise to any duty in contract, tort, or otherwise owed by Engineer to Contractor, any Subcontractor, any Supplier, any other individual or entity, or to any surety for or employee or agent of any of them.

B. Engineer will not supervise, direct, control, or have authority over or be responsible for Contractor's means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or for any failure of Contractor to comply with Laws and Regulations applicable to the performance of the Work. Engineer will not be responsible for Contractor's failure to perform the Work in accordance with the Contract Documents.

C. Engineer will not be responsible for the acts or omissions of Contractor or of any Subcontractor, any Supplier, or of any other individual or entity performing any of the Work.

D. Engineer's review of the final Application for Payment and accompanying documentation, and all maintenance and operating instructions, schedules, guarantees, bonds, certificates of inspection, tests and approvals, and other documentation required to be delivered by Contractor under Paragraph 15.06.A, will only be to determine generally that their content complies with the requirements of, and in the case of certificates of inspections, tests, and approvals, that the results certified indicate compliance with the Contract Documents.

E. The limitations upon authority and responsibility set forth in this Paragraph 10.07 also apply to the Resident Project Representative, if any.

10.08 *Compliance with Safety Program*

A. While at the Site, Engineer's employees and representatives will comply with the specific applicable requirements of Owner's and Contractor's safety programs of which Engineer has been informed.

ARTICLE 11—CHANGES TO THE CONTRACT

11.01 *Amending and Supplementing the Contract*

- A. The Contract may be amended or supplemented by a Change Order, a Work Change Directive, or a Field Order.
- B. If an amendment or supplement to the Contract includes a change in the Contract Price or the Contract Times, such amendment or supplement must be set forth in a Change Order.
- C. All changes to the Contract that involve (1) the performance or acceptability of the Work, (2) the design (as set forth in the Drawings, Specifications, or otherwise), or (3) other engineering or technical matters, must be supported by Engineer's recommendation. Owner and Contractor may amend other terms and conditions of the Contract without the recommendation of the Engineer.

11.02 *Change Orders*

- A. Owner and Contractor shall execute appropriate Change Orders covering:
 - 1. Changes in Contract Price or Contract Times which are agreed to by the parties, including any undisputed sum or amount of time for Work actually performed in accordance with a Work Change Directive;
 - 2. Changes in Contract Price resulting from an Owner set-off, unless Contractor has duly contested such set-off;
 - 3. Changes in the Work which are: (a) ordered by Owner pursuant to Paragraph 11.05, (b) required because of Owner's acceptance of defective Work under Paragraph 14.04 or Owner's correction of defective Work under Paragraph 14.07, or (c) agreed to by the parties, subject to the need for Engineer's recommendation if the change in the Work involves the design (as set forth in the Drawings, Specifications, or otherwise) or other engineering or technical matters; and
 - 4. Changes that embody the substance of any final and binding results under: Paragraph 11.03.B, resolving the impact of a Work Change Directive; Paragraph 11.09, concerning Change Proposals; Article 12, Claims; Paragraph 13.02.D, final adjustments resulting from allowances; Paragraph 13.03.D, final adjustments relating to determination of quantities for Unit Price Work; and similar provisions.
- B. If Owner or Contractor refuses to execute a Change Order that is required to be executed under the terms of Paragraph 11.02.A, it will be deemed to be of full force and effect, as if fully executed.

11.03 *Work Change Directives*

- A. A Work Change Directive will not change the Contract Price or the Contract Times but is evidence that the parties expect that the modification ordered or documented by a Work Change Directive will be incorporated in a subsequently issued Change Order, following negotiations by the parties as to the Work Change Directive's effect, if any, on the Contract Price and Contract Times; or, if negotiations are unsuccessful, by a determination under the terms of the Contract Documents governing adjustments, expressly including Paragraph 11.07 regarding change of Contract Price.

- B. If Owner has issued a Work Change Directive and:
 - 1. Contractor believes that an adjustment in Contract Times or Contract Price is necessary, then Contractor shall submit any Change Proposal seeking such an adjustment no later than 30 days after the completion of the Work set out in the Work Change Directive.
 - 2. Owner believes that an adjustment in Contract Times or Contract Price is necessary, then Owner shall submit any Claim seeking such an adjustment no later than 60 days after issuance of the Work Change Directive.

11.04 *Field Orders*

- A. Engineer may authorize minor changes in the Work if the changes do not involve an adjustment in the Contract Price or the Contract Times and are compatible with the design concept of the completed Project as a functioning whole as indicated by the Contract Documents. Such changes will be accomplished by a Field Order and will be binding on Owner and also on Contractor, which shall perform the Work involved promptly.
- B. If Contractor believes that a Field Order justifies an adjustment in the Contract Price or Contract Times, then before proceeding with the Work at issue, Contractor shall submit a Change Proposal as provided herein.

11.05 *Owner-Authorized Changes in the Work*

- A. Without invalidating the Contract and without notice to any surety, Owner may, at any time or from time to time, order additions, deletions, or revisions in the Work. Changes involving the design (as set forth in the Drawings, Specifications, or otherwise) or other engineering or technical matters will be supported by Engineer's recommendation.
- B. Such changes in the Work may be accomplished by a Change Order, if Owner and Contractor have agreed as to the effect, if any, of the changes on Contract Times or Contract Price; or by a Work Change Directive. Upon receipt of any such document, Contractor shall promptly proceed with the Work involved; or, in the case of a deletion in the Work, promptly cease construction activities with respect to such deleted Work. Added or revised Work must be performed under the applicable conditions of the Contract Documents.
- C. Nothing in this Paragraph 11.05 obligates Contractor to undertake work that Contractor reasonably concludes cannot be performed in a manner consistent with Contractor's safety obligations under the Contract Documents or Laws and Regulations.

11.06 *Unauthorized Changes in the Work*

- A. Contractor shall not be entitled to an increase in the Contract Price or an extension of the Contract Times with respect to any work performed that is not required by the Contract Documents, as amended, modified, or supplemented, except in the case of an emergency as provided in Paragraph 7.15 or in the case of uncovering Work as provided in Paragraph 14.05.C.2.

11.07 *Change of Contract Price*

- A. The Contract Price may only be changed by a Change Order. Any Change Proposal for an adjustment in the Contract Price must comply with the provisions of Paragraph 11.09. Any Claim for an adjustment of Contract Price must comply with the provisions of Article 12.
- B. An adjustment in the Contract Price will be determined as follows:

1. Where the Work involved is covered by unit prices contained in the Contract Documents, then by application of such unit prices to the quantities of the items involved (subject to the provisions of Paragraph 13.03);
 2. Where the Work involved is not covered by unit prices contained in the Contract Documents, then by a mutually agreed lump sum (which may include an allowance for overhead and profit not necessarily in accordance with Paragraph 11.07.C.2); or
 3. Where the Work involved is not covered by unit prices contained in the Contract Documents and the parties do not reach mutual agreement to a lump sum, then on the basis of the Cost of the Work (determined as provided in Paragraph 13.01) plus a Contractor's fee for overhead and profit (determined as provided in Paragraph 11.07.C).
- C. *Contractor's Fee*: When applicable, the Contractor's fee for overhead and profit will be determined as follows:
1. A mutually acceptable fixed fee; or
 2. If a fixed fee is not agreed upon, then a fee based on the following percentages of the various portions of the Cost of the Work:
 - a. For costs incurred under Paragraphs 13.01.B.1 and 13.01.B.2, the Contractor's fee will be 15 percent;
 - b. For costs incurred under Paragraph 13.01.B.3, the Contractor's fee will be 5 percent;
 - c. Where one or more tiers of subcontracts are on the basis of Cost of the Work plus a fee and no fixed fee is agreed upon, the intent of Paragraphs 11.07.C.2.a and 11.07.C.2.b is that the Contractor's fee will be based on: (1) a fee of 15 percent of the costs incurred under Paragraphs 13.01.B.1 and 13.01.B.2 by the Subcontractor that actually performs the Work, at whatever tier, and (2) with respect to Contractor itself and to any Subcontractors of a tier higher than that of the Subcontractor that actually performs the Work, a fee of 5 percent of the amount (fee plus underlying costs incurred) attributable to the next lower tier Subcontractor; provided, however, that for any such subcontracted Work the maximum total fee to be paid by Owner will be no greater than 27 percent of the costs incurred by the Subcontractor that actually performs the Work;
 - d. No fee will be payable on the basis of costs itemized under Paragraphs 13.01.B.4, 13.01.B.5, and 13.01.C;
 - e. The amount of credit to be allowed by Contractor to Owner for any change which results in a net decrease in Cost of the Work will be the amount of the actual net decrease in Cost of the Work and a deduction of an additional amount equal to 5 percent of such actual net decrease in Cost of the Work; and
 - f. When both additions and credits are involved in any one change or Change Proposal, the adjustment in Contractor's fee will be computed by determining the sum of the costs in each of the cost categories in Paragraph 13.01.B (specifically, payroll costs, Paragraph 13.01.B.1; incorporated materials and equipment costs, Paragraph 13.01.B.2; Subcontract costs, Paragraph 13.01.B.3; special consultants costs, Paragraph 13.01.B.4; and other costs, Paragraph 13.01.B.5) and applying to each such cost category sum the appropriate fee from Paragraphs 11.07.C.2.a through 11.07.C.2.e, inclusive.

11.08 *Change of Contract Times*

- A. The Contract Times may only be changed by a Change Order. Any Change Proposal for an adjustment in the Contract Times must comply with the provisions of Paragraph 11.09. Any Claim for an adjustment in the Contract Times must comply with the provisions of Article 12.
- B. Delay, disruption, and interference in the Work, and any related changes in Contract Times, are addressed in and governed by Paragraph 4.05.

11.09 *Change Proposals*

A. *Purpose and Content:* Contractor shall submit a Change Proposal to Engineer to request an adjustment in the Contract Times or Contract Price; contest an initial decision by Engineer concerning the requirements of the Contract Documents or relating to the acceptability of the Work under the Contract Documents; challenge a set-off against payment due; or seek other relief under the Contract. The Change Proposal will specify any proposed change in Contract Times or Contract Price, or other proposed relief, and explain the reason for the proposed change, with citations to any governing or applicable provisions of the Contract Documents. Each Change Proposal will address only one issue, or a set of closely related issues.

B. *Change Proposal Procedures*

1. *Submittal:* Contractor shall submit each Change Proposal to Engineer within 30 days after the start of the event giving rise thereto, or after such initial decision.
2. *Supporting Data:* The Contractor shall submit supporting data, including the proposed change in Contract Price or Contract Time (if any), to the Engineer and Owner within 15 days after the submittal of the Change Proposal.
 - a. Change Proposals based on or related to delay, interruption, or interference must comply with the provisions of Paragraphs 4.05.D and 4.05.E.
 - b. Change proposals related to a change of Contract Price must include full and detailed accounts of materials incorporated into the Work and labor and equipment used for the subject Work.

The supporting data must be accompanied by a written statement that the supporting data are accurate and complete, and that any requested time or price adjustment is the entire adjustment to which Contractor believes it is entitled as a result of said event.

3. *Engineer's Initial Review:* Engineer will advise Owner regarding the Change Proposal, and consider any comments or response from Owner regarding the Change Proposal. If in its discretion Engineer concludes that additional supporting data is needed before conducting a full review and making a decision regarding the Change Proposal, then Engineer may request that Contractor submit such additional supporting data by a date specified by Engineer, prior to Engineer beginning its full review of the Change Proposal.
4. *Engineer's Full Review and Action on the Change Proposal:* Upon receipt of Contractor's supporting data (including any additional data requested by Engineer), Engineer will conduct a full review of each Change Proposal and, within 30 days after such receipt of the Contractor's supporting data, either approve the Change Proposal in whole, deny it in whole, or approve it in part and deny it in part. Such actions must be in writing, with a copy provided to Owner and Contractor. If Engineer does not take action on the Change

Proposal within 30 days, then either Owner or Contractor may at any time thereafter submit a letter to the other party indicating that as a result of Engineer's inaction the Change Proposal is deemed denied, thereby commencing the time for appeal of the denial under Article 12.

5. *Binding Decision*: Engineer's decision is final and binding upon Owner and Contractor, unless Owner or Contractor appeals the decision by filing a Claim under Article 12.
- C. *Resolution of Certain Change Proposals*: If the Change Proposal does not involve the design (as set forth in the Drawings, Specifications, or otherwise), the acceptability of the Work, or other engineering or technical matters, then Engineer will notify the parties in writing that the Engineer is unable to resolve the Change Proposal. For purposes of further resolution of such a Change Proposal, such notice will be deemed a denial, and Contractor may choose to seek resolution under the terms of Article 12.
- D. *Post-Completion*: Contractor shall not submit any Change Proposals after Engineer issues a written recommendation of final payment pursuant to Paragraph 15.06.B.

11.10 *Notification to Surety*

- A. If the provisions of any bond require notice to be given to a surety of any change affecting the general scope of the Work or the provisions of the Contract Documents (including, but not limited to, Contract Price or Contract Times), the giving of any such notice will be Contractor's responsibility. The amount of each applicable bond will be adjusted to reflect the effect of any such change.

ARTICLE 12—CLAIMS

12.01 *Claims*

- A. *Claims Process*: The following disputes between Owner and Contractor are subject to the Claims process set forth in this article:
 1. Appeals by Owner or Contractor of Engineer's decisions regarding Change Proposals;
 2. Owner demands for adjustments in the Contract Price or Contract Times, or other relief under the Contract Documents;
 3. Disputes that Engineer has been unable to address because they do not involve the design (as set forth in the Drawings, Specifications, or otherwise), the acceptability of the Work, or other engineering or technical matters; and
 4. Subject to the waiver provisions of Paragraph 15.07, any dispute arising after Engineer has issued a written recommendation of final payment pursuant to Paragraph 15.06.B.
- B. *Submittal of Claim*: The party submitting a Claim shall deliver it directly to the other party to the Contract promptly (but in no event later than 30 days) after the start of the event giving rise thereto; in the case of appeals regarding Change Proposals within 30 days of the decision under appeal. The party submitting the Claim shall also furnish a copy to the Engineer, for its information only. The responsibility to substantiate a Claim rests with the party making the Claim. In the case of a Claim by Contractor seeking an increase in the Contract Times or Contract Price, Contractor shall certify that the Claim is made in good faith, that the supporting data are accurate and complete, and that to the best of Contractor's knowledge

and belief the amount of time or money requested accurately reflects the full amount to which Contractor is entitled.

- C. *Review and Resolution*: The party receiving a Claim shall review it thoroughly, giving full consideration to its merits. The two parties shall seek to resolve the Claim through the exchange of information and direct negotiations. The parties may extend the time for resolving the Claim by mutual agreement. All actions taken on a Claim will be stated in writing and submitted to the other party, with a copy to Engineer.
- D. *Mediation*
 - 1. At any time after initiation of a Claim, Owner and Contractor may mutually agree to mediation of the underlying dispute. The agreement to mediate will stay the Claim submittal and response process.
 - 2. If Owner and Contractor agree to mediation, then after 60 days from such agreement, either Owner or Contractor may unilaterally terminate the mediation process, and the Claim submittal and decision process will resume as of the date of the termination. If the mediation proceeds but is unsuccessful in resolving the dispute, the Claim submittal and decision process will resume as of the date of the conclusion of the mediation, as determined by the mediator.
 - 3. Owner and Contractor shall each pay one-half of the mediator's fees and costs.
- E. *Partial Approval*: If the party receiving a Claim approves the Claim in part and denies it in part, such action will be final and binding unless within 30 days of such action the other party invokes the procedure set forth in Article 17 for final resolution of disputes.
- F. *Denial of Claim*: If efforts to resolve a Claim are not successful, the party receiving the Claim may deny it by giving written notice of denial to the other party. If the receiving party does not take action on the Claim within 90 days, then either Owner or Contractor may at any time thereafter submit a letter to the other party indicating that as a result of the inaction, the Claim is deemed denied, thereby commencing the time for appeal of the denial. A denial of the Claim will be final and binding unless within 30 days of the denial the other party invokes the procedure set forth in Article 17 for the final resolution of disputes.
- G. *Final and Binding Results*: If the parties reach a mutual agreement regarding a Claim, whether through approval of the Claim, direct negotiations, mediation, or otherwise; or if a Claim is approved in part and denied in part, or denied in full, and such actions become final and binding; then the results of the agreement or action on the Claim will be incorporated in a Change Order or other written document to the extent they affect the Contract, including the Work, the Contract Times, or the Contract Price.

ARTICLE 13—COST OF THE WORK; ALLOWANCES; UNIT PRICE WORK

13.01 *Cost of the Work*

- A. *Purposes for Determination of Cost of the Work*: The term Cost of the Work means the sum of all costs necessary for the proper performance of the Work at issue, as further defined below. The provisions of this Paragraph 13.01 are used for two distinct purposes:
 - 1. To determine Cost of the Work when Cost of the Work is a component of the Contract Price, under cost-plus-fee, time-and-materials, or other cost-based terms; or

2. When needed to determine the value of a Change Order, Change Proposal, Claim, set-off, or other adjustment in Contract Price. When the value of any such adjustment is determined on the basis of Cost of the Work, Contractor is entitled only to those additional or incremental costs required because of the change in the Work or because of the event giving rise to the adjustment.
- B. *Costs Included:* Except as otherwise may be agreed to in writing by Owner, costs included in the Cost of the Work will be in amounts no higher than those commonly incurred in the locality of the Project, will not include any of the costs itemized in Paragraph 13.01.C, and will include only the following items:
1. Payroll costs for employees in the direct employ of Contractor in the performance of the Work under schedules of job classifications agreed upon by Owner and Contractor in advance of the subject Work. Such employees include, without limitation, superintendents, foremen, safety managers, safety representatives, and other personnel employed full time on the Work. Payroll costs for employees not employed full time on the Work will be apportioned on the basis of their time spent on the Work. Payroll costs include, but are not limited to, salaries and wages plus the cost of fringe benefits, which include social security contributions, unemployment, excise, and payroll taxes, workers' compensation, health and retirement benefits, sick leave, and vacation and holiday pay applicable thereto. The expenses of performing Work outside of regular working hours, on Saturday, Sunday, or legal holidays, will be included in the above to the extent authorized by Owner.
 2. Cost of all materials and equipment furnished and incorporated in the Work, including costs of transportation and storage thereof, and Suppliers' field services required in connection therewith. All cash discounts accrue to Contractor unless Owner deposits funds with Contractor with which to make payments, in which case the cash discounts will accrue to Owner. All trade discounts, rebates, and refunds and returns from sale of surplus materials and equipment will accrue to Owner, and Contractor shall make provisions so that they may be obtained.
 3. Payments made by Contractor to Subcontractors for Work performed by Subcontractors. If required by Owner, Contractor shall obtain competitive bids from subcontractors acceptable to Owner and Contractor and shall deliver such bids to Owner, which will then determine, with the advice of Engineer, which bids, if any, will be acceptable. If any subcontract provides that the Subcontractor is to be paid on the basis of Cost of the Work plus a fee, the Subcontractor's Cost of the Work and fee will be determined in the same manner as Contractor's Cost of the Work and fee as provided in this Paragraph 13.01.
 4. Costs of special consultants (including but not limited to engineers, architects, testing laboratories, surveyors, attorneys, and accountants) employed or retained for services specifically related to the Work.
 5. Other costs consisting of the following:
 - a. The proportion of necessary transportation, travel, and subsistence expenses of Contractor's employees incurred in discharge of duties connected with the Work.
 - b. Cost, including transportation and maintenance, of all materials, supplies, equipment, machinery, appliances, office, and temporary facilities at the Site, which are

consumed in the performance of the Work, and cost, less market value, of such items used but not consumed which remain the property of Contractor.

- 1) In establishing included costs for materials such as scaffolding, plating, or sheeting, consideration will be given to the actual or the estimated life of the material for use on other projects; or rental rates may be established on the basis of purchase or salvage value of such items, whichever is less. Contractor will not be eligible for compensation for such items in an amount that exceeds the purchase cost of such item.
- c. *Construction Equipment Rental*
- 1) Rentals of all construction equipment and machinery, and the parts thereof, in accordance with rental agreements approved by Owner as to price (including any surcharge or special rates applicable to overtime use of the construction equipment or machinery), and the costs of transportation, loading, unloading, assembly, dismantling, and removal thereof. All such costs will be in accordance with the terms of said rental agreements. The rental of any such equipment, machinery, or parts must cease when the use thereof is no longer necessary for the Work.
 - 2) Costs for equipment and machinery owned by Contractor or a Contractor-related entity will be paid at a rate shown for such equipment in the equipment rental rate book specified in the Supplementary Conditions. An hourly rate will be computed by dividing the monthly rates by 176. These computed rates will include all operating costs.
 - 3) With respect to Work that is the result of a Change Order, Change Proposal, Claim, set-off, or other adjustment in Contract Price ("changed Work"), included costs will be based on the time the equipment or machinery is in use on the changed Work and the costs of transportation, loading, unloading, assembly, dismantling, and removal when directly attributable to the changed Work. The cost of any such equipment or machinery, or parts thereof, must cease to accrue when the use thereof is no longer necessary for the changed Work.
- d. Sales, consumer, use, and other similar taxes related to the Work, and for which Contractor is liable, as imposed by Laws and Regulations.
- e. Deposits lost for causes other than negligence of Contractor, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable, and royalty payments and fees for permits and licenses.
- f. Losses and damages (and related expenses) caused by damage to the Work, not compensated by insurance or otherwise, sustained by Contractor in connection with the performance of the Work (except losses and damages within the deductible amounts of builder's risk or other property insurance established in accordance with Paragraph 6.04), provided such losses and damages have resulted from causes other than the negligence of Contractor, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable. Such losses include settlements made with the written consent and approval of Owner. No such losses, damages, and expenses will be included in the Cost of the Work for the purpose of determining Contractor's fee.

- g. The cost of utilities, fuel, and sanitary facilities at the Site.
 - h. Minor expenses such as communication service at the Site, express and courier services, and similar petty cash items in connection with the Work.
 - i. The costs of premiums for all bonds and insurance that Contractor is required by the Contract Documents to purchase and maintain.
- C. *Costs Excluded*: The term Cost of the Work does not include any of the following items:
- 1. Payroll costs and other compensation of Contractor's officers, executives, principals, general managers, engineers, architects, estimators, attorneys, auditors, accountants, purchasing and contracting agents, expeditors, timekeepers, clerks, and other personnel employed by Contractor, whether at the Site or in Contractor's principal or branch office for general administration of the Work and not specifically included in the agreed upon schedule of job classifications referred to in Paragraph 13.01.B.1 or specifically covered by Paragraph 13.01.B.4. The payroll costs and other compensation excluded here are to be considered administrative costs covered by the Contractor's fee.
 - 2. The cost of purchasing, renting, or furnishing small tools and hand tools.
 - 3. Expenses of Contractor's principal and branch offices other than Contractor's office at the Site.
 - 4. Any part of Contractor's capital expenses, including interest on Contractor's capital employed for the Work and charges against Contractor for delinquent payments.
 - 5. Costs due to the negligence of Contractor, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable, including but not limited to, the correction of defective Work, disposal of materials or equipment wrongly supplied, and making good any damage to property.
 - 6. Expenses incurred in preparing and advancing Claims.
 - 7. Other overhead or general expense costs of any kind and the costs of any item not specifically and expressly included in Paragraph 13.01.B.
- D. *Contractor's Fee*
- 1. When the Work as a whole is performed on the basis of cost-plus-a-fee, then:
 - a. Contractor's fee for the Work set forth in the Contract Documents as of the Effective Date of the Contract will be determined as set forth in the Agreement.
 - b. for any Work covered by a Change Order, Change Proposal, Claim, set-off, or other adjustment in Contract Price on the basis of Cost of the Work, Contractor's fee will be determined as follows:
 - 1) When the fee for the Work as a whole is a percentage of the Cost of the Work, the fee will automatically adjust as the Cost of the Work changes.
 - 2) When the fee for the Work as a whole is a fixed fee, the fee for any additions or deletions will be determined in accordance with Paragraph 11.07.C.2.
 - 2. When the Work as a whole is performed on the basis of a stipulated sum, or any other basis other than cost-plus-a-fee, then Contractor's fee for any Work covered by a Change

Order, Change Proposal, Claim, set-off, or other adjustment in Contract Price on the basis of Cost of the Work will be determined in accordance with Paragraph 11.07.C.2.

- E. *Documentation and Audit*: Whenever the Cost of the Work for any purpose is to be determined pursuant to this Article 13, Contractor and pertinent Subcontractors will establish and maintain records of the costs in accordance with generally accepted accounting practices. Subject to prior written notice, Owner will be afforded reasonable access, during normal business hours, to all Contractor's accounts, records, books, correspondence, instructions, drawings, receipts, vouchers, memoranda, and similar data relating to the Cost of the Work and Contractor's fee. Contractor shall preserve all such documents for a period of three years after the final payment by Owner. Pertinent Subcontractors will afford such access to Owner, and preserve such documents, to the same extent required of Contractor.

13.02 Allowances

- A. It is understood that Contractor has included in the Contract Price all allowances so named in the Contract Documents and shall cause the Work so covered to be performed for such sums and by such persons or entities as may be acceptable to Owner and Engineer.
- B. *Cash Allowances*: Contractor agrees that:
1. the cash allowances include the cost to Contractor (less any applicable trade discounts) of materials and equipment required by the allowances to be delivered at the Site, and all applicable taxes; and
 2. Contractor's costs for unloading and handling on the Site, labor, installation, overhead, profit, and other expenses contemplated for the cash allowances have been included in the Contract Price and not in the allowances, and no demand for additional payment for any of the foregoing will be valid.
- C. *Owner's Contingency Allowance*: Contractor agrees that an Owner's contingency allowance, if any, is for the sole use of Owner to cover unanticipated costs.
- D. Prior to final payment, an appropriate Change Order will be issued as recommended by Engineer to reflect actual amounts due Contractor for Work covered by allowances, and the Contract Price will be correspondingly adjusted.

13.03 Unit Price Work

- A. Where the Contract Documents provide that all or part of the Work is to be Unit Price Work, initially the Contract Price will be deemed to include for all Unit Price Work an amount equal to the sum of the unit price for each separately identified item of Unit Price Work times the estimated quantity of each item as indicated in the Agreement.
- B. The estimated quantities of items of Unit Price Work are not guaranteed and are solely for the purpose of comparison of Bids and determining an initial Contract Price. Payments to Contractor for Unit Price Work will be based on actual quantities.
- C. Each unit price will be deemed to include an amount considered by Contractor to be adequate to cover Contractor's overhead and profit for each separately identified item.
- D. Engineer will determine the actual quantities and classifications of Unit Price Work performed by Contractor. Engineer will review with Contractor the Engineer's preliminary determinations on such matters before rendering a written decision thereon (by recommendation of an Application for Payment or otherwise). Engineer's written decision

thereon will be final and binding (except as modified by Engineer to reflect changed factual conditions or more accurate data) upon Owner and Contractor, and the final adjustment of Contract Price will be set forth in a Change Order, subject to the provisions of the following paragraph.

E. *Adjustments in Unit Price*

1. Contractor or Owner shall be entitled to an adjustment in the unit price with respect to an item of Unit Price Work if:
 - a. the quantity of the item of Unit Price Work performed by Contractor differs materially and significantly from the estimated quantity of such item indicated in the Agreement; and
 - b. Contractor's unit costs to perform the item of Unit Price Work have changed materially and significantly as a result of the quantity change.
2. The adjustment in unit price will account for and be coordinated with any related changes in quantities of other items of Work, and in Contractor's costs to perform such other Work, such that the resulting overall change in Contract Price is equitable to Owner and Contractor.
3. Adjusted unit prices will apply to all units of that item.

ARTICLE 14—TESTS AND INSPECTIONS; CORRECTION, REMOVAL, OR ACCEPTANCE OF DEFECTIVE WORK

14.01 *Access to Work*

- A. Owner, Engineer, their consultants and other representatives and personnel of Owner, independent testing laboratories, and authorities having jurisdiction have access to the Site and the Work at reasonable times for their observation, inspection, and testing. Contractor shall provide them proper and safe conditions for such access and advise them of Contractor's safety procedures and programs so that they may comply with such procedures and programs as applicable.

14.02 *Tests, Inspections, and Approvals*

- A. Contractor shall give Engineer timely notice of readiness of the Work (or specific parts thereof) for all required inspections and tests, and shall cooperate with inspection and testing personnel to facilitate required inspections and tests.
- B. Owner shall retain and pay for the services of an independent inspector, testing laboratory, or other qualified individual or entity to perform all inspections and tests expressly required by the Contract Documents to be furnished and paid for by Owner, except that costs incurred in connection with tests or inspections of covered Work will be governed by the provisions of Paragraph 14.05.
- C. If Laws or Regulations of any public body having jurisdiction require any Work (or part thereof) specifically to be inspected, tested, or approved by an employee or other representative of such public body, Contractor shall assume full responsibility for arranging and obtaining such inspections, tests, or approvals, pay all costs in connection therewith, and furnish Engineer the required certificates of inspection or approval.

- D. Contractor shall be responsible for arranging, obtaining, and paying for all inspections and tests required:
1. by the Contract Documents, unless the Contract Documents expressly allocate responsibility for a specific inspection or test to Owner;
 2. to attain Owner's and Engineer's acceptance of materials or equipment to be incorporated in the Work;
 3. by manufacturers of equipment furnished under the Contract Documents;
 4. for testing, adjusting, and balancing of mechanical, electrical, and other equipment to be incorporated into the Work; and
 5. for acceptance of materials, mix designs, or equipment submitted for approval prior to Contractor's purchase thereof for incorporation in the Work.

Such inspections and tests will be performed by independent inspectors, testing laboratories, or other qualified individuals or entities acceptable to Owner and Engineer.

- E. If the Contract Documents require the Work (or part thereof) to be approved by Owner, Engineer, or another designated individual or entity, then Contractor shall assume full responsibility for arranging and obtaining such approvals.
- F. If any Work (or the work of others) that is to be inspected, tested, or approved is covered by Contractor without written concurrence of Engineer, Contractor shall, if requested by Engineer, uncover such Work for observation. Such uncovering will be at Contractor's expense unless Contractor had given Engineer timely notice of Contractor's intention to cover the same and Engineer had not acted with reasonable promptness in response to such notice.

14.03 *Defective Work*

- A. *Contractor's Obligation:* It is Contractor's obligation to assure that the Work is not defective.
- B. *Engineer's Authority:* Engineer has the authority to determine whether Work is defective, and to reject defective Work.
- C. *Notice of Defects:* Prompt written notice of all defective Work of which Owner or Engineer has actual knowledge will be given to Contractor.
- D. *Correction, or Removal and Replacement:* Promptly after receipt of written notice of defective Work, Contractor shall correct all such defective Work, whether or not fabricated, installed, or completed, or, if Engineer has rejected the defective Work, remove it from the Project and replace it with Work that is not defective.
- E. *Preservation of Warranties:* When correcting defective Work, Contractor shall take no action that would void or otherwise impair Owner's special warranty and guarantee, if any, on said Work.
- F. *Costs and Damages:* In addition to its correction, removal, and replacement obligations with respect to defective Work, Contractor shall pay all claims, costs, losses, and damages arising out of or relating to defective Work, including but not limited to the cost of the inspection, testing, correction, removal, replacement, or reconstruction of such defective Work, fines levied against Owner by governmental authorities because the Work is defective, and the costs of repair or replacement of work of others resulting from defective Work. Prior to final payment, if Owner and Contractor are unable to agree as to the measure of such claims, costs,

losses, and damages resulting from defective Work, then Owner may impose a reasonable set-off against payments due under Article 15.

14.04 *Acceptance of Defective Work*

- A. If, instead of requiring correction or removal and replacement of defective Work, Owner prefers to accept it, Owner may do so (subject, if such acceptance occurs prior to final payment, to Engineer's confirmation that such acceptance is in general accord with the design intent and applicable engineering principles, and will not endanger public safety). Contractor shall pay all claims, costs, losses, and damages attributable to Owner's evaluation of and determination to accept such defective Work (such costs to be approved by Engineer as to reasonableness), and for the diminished value of the Work to the extent not otherwise paid by Contractor. If any such acceptance occurs prior to final payment, the necessary revisions in the Contract Documents with respect to the Work will be incorporated in a Change Order. If the parties are unable to agree as to the decrease in the Contract Price, reflecting the diminished value of Work so accepted, then Owner may impose a reasonable set-off against payments due under Article 15. If the acceptance of defective Work occurs after final payment, Contractor shall pay an appropriate amount to Owner.

14.05 *Uncovering Work*

- A. Engineer has the authority to require additional inspection or testing of the Work, whether or not the Work is fabricated, installed, or completed.
- B. If any Work is covered contrary to the written request of Engineer, then Contractor shall, if requested by Engineer, uncover such Work for Engineer's observation, and then replace the covering, all at Contractor's expense.
- C. If Engineer considers it necessary or advisable that covered Work be observed by Engineer or inspected or tested by others, then Contractor, at Engineer's request, shall uncover, expose, or otherwise make available for observation, inspection, or testing as Engineer may require, that portion of the Work in question, and provide all necessary labor, material, and equipment.
 1. If it is found that the uncovered Work is defective, Contractor shall be responsible for all claims, costs, losses, and damages arising out of or relating to such uncovering, exposure, observation, inspection, and testing, and of satisfactory replacement or reconstruction (including but not limited to all costs of repair or replacement of work of others); and pending Contractor's full discharge of this responsibility the Owner shall be entitled to impose a reasonable set-off against payments due under Article 15.
 2. If the uncovered Work is not found to be defective, Contractor shall be allowed an increase in the Contract Price or an extension of the Contract Times, directly attributable to such uncovering, exposure, observation, inspection, testing, replacement, and reconstruction. If the parties are unable to agree as to the amount or extent thereof, then Contractor may submit a Change Proposal within 30 days of the determination that the Work is not defective.

14.06 *Owner May Stop the Work*

- A. If the Work is defective, or Contractor fails to supply sufficient skilled workers or suitable materials or equipment, or fails to perform the Work in such a way that the completed Work will conform to the Contract Documents, then Owner may order Contractor to stop the Work,

or any portion thereof, until the cause for such order has been eliminated; however, this right of Owner to stop the Work will not give rise to any duty on the part of Owner to exercise this right for the benefit of Contractor, any Subcontractor, any Supplier, any other individual or entity, or any surety for, or employee or agent of any of them.

14.07 *Owner May Correct Defective Work*

- A. If Contractor fails within a reasonable time after written notice from Engineer to correct defective Work, or to remove and replace defective Work as required by Engineer, then Owner may, after 7 days' written notice to Contractor, correct or remedy any such deficiency.
- B. In exercising the rights and remedies under this Paragraph 14.07, Owner shall proceed expeditiously. In connection with such corrective or remedial action, Owner may exclude Contractor from all or part of the Site, take possession of all or part of the Work and suspend Contractor's services related thereto, and incorporate in the Work all materials and equipment stored at the Site or for which Owner has paid Contractor but which are stored elsewhere. Contractor shall allow Owner, Owner's representatives, agents and employees, Owner's other contractors, and Engineer and Engineer's consultants access to the Site to enable Owner to exercise the rights and remedies under this paragraph.
- C. All claims, costs, losses, and damages incurred or sustained by Owner in exercising the rights and remedies under this Paragraph 14.07 will be charged against Contractor as set-offs against payments due under Article 15. Such claims, costs, losses and damages will include but not be limited to all costs of repair, or replacement of work of others destroyed or damaged by correction, removal, or replacement of Contractor's defective Work.
- D. Contractor shall not be allowed an extension of the Contract Times because of any delay in the performance of the Work attributable to the exercise by Owner of Owner's rights and remedies under this Paragraph 14.07.

ARTICLE 15—PAYMENTS TO CONTRACTOR; SET-OFFS; COMPLETION; CORRECTION PERIOD

15.01 *Progress Payments*

- A. *Basis for Progress Payments:* The Schedule of Values established as provided in Article 2 will serve as the basis for progress payments and will be incorporated into a form of Application for Payment acceptable to Engineer. Progress payments for Unit Price Work will be based on the number of units completed during the pay period, as determined under the provisions of Paragraph 13.03. Progress payments for cost-based Work will be based on Cost of the Work completed by Contractor during the pay period.
- B. *Applications for Payments*
 - 1. At least 20 days before the date established in the Agreement for each progress payment (but not more often than once a month), Contractor shall submit to Engineer for review an Application for Payment filled out and signed by Contractor covering the Work completed as of the date of the Application and accompanied by such supporting documentation as is required by the Contract Documents.
 - 2. If payment is requested on the basis of materials and equipment not incorporated in the Work but delivered and suitably stored at the Site or at another location agreed to in writing, the Application for Payment must also be accompanied by: (a) a bill of sale, invoice, copies of subcontract or purchase order payments, or other documentation

establishing full payment by Contractor for the materials and equipment; (b) at Owner's request, documentation warranting that Owner has received the materials and equipment free and clear of all Liens; and (c) evidence that the materials and equipment are covered by appropriate property insurance, a warehouse bond, or other arrangements to protect Owner's interest therein, all of which must be satisfactory to Owner.

3. Beginning with the second Application for Payment, each Application must include an affidavit of Contractor stating that all previous progress payments received by Contractor have been applied to discharge Contractor's legitimate obligations associated with prior Applications for Payment.
 4. The amount of retainage with respect to progress payments will be as stipulated in the Agreement.
- C. *Review of Applications*
1. Engineer will, within 10 days after receipt of each Application for Payment, including each resubmittal, either indicate in writing a recommendation of payment and present the Application to Owner, or return the Application to Contractor indicating in writing Engineer's reasons for refusing to recommend payment. In the latter case, Contractor may make the necessary corrections and resubmit the Application.
 2. Engineer's recommendation of any payment requested in an Application for Payment will constitute a representation by Engineer to Owner, based on Engineer's observations of the executed Work as an experienced and qualified design professional, and on Engineer's review of the Application for Payment and the accompanying data and schedules, that to the best of Engineer's knowledge, information and belief:
 - a. the Work has progressed to the point indicated;
 - b. the quality of the Work is generally in accordance with the Contract Documents (subject to an evaluation of the Work as a functioning whole prior to or upon Substantial Completion, the results of any subsequent tests called for in the Contract Documents, a final determination of quantities and classifications for Unit Price Work under Paragraph 13.03, and any other qualifications stated in the recommendation); and
 - c. the conditions precedent to Contractor's being entitled to such payment appear to have been fulfilled in so far as it is Engineer's responsibility to observe the Work.
 3. By recommending any such payment Engineer will not thereby be deemed to have represented that:
 - a. inspections made to check the quality or the quantity of the Work as it has been performed have been exhaustive, extended to every aspect of the Work in progress, or involved detailed inspections of the Work beyond the responsibilities specifically assigned to Engineer in the Contract; or
 - b. there may not be other matters or issues between the parties that might entitle Contractor to be paid additionally by Owner or entitle Owner to withhold payment to Contractor.

4. Neither Engineer's review of Contractor's Work for the purposes of recommending payments nor Engineer's recommendation of any payment, including final payment, will impose responsibility on Engineer:
 - a. to supervise, direct, or control the Work;
 - b. for the means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto;
 - c. for Contractor's failure to comply with Laws and Regulations applicable to Contractor's performance of the Work;
 - d. to make any examination to ascertain how or for what purposes Contractor has used the money paid by Owner; or
 - e. to determine that title to any of the Work, materials, or equipment has passed to Owner free and clear of any Liens.
 5. Engineer may refuse to recommend the whole or any part of any payment if, in Engineer's opinion, it would be incorrect to make the representations to Owner stated in Paragraph 15.01.C.2.
 6. Engineer will recommend reductions in payment (set-offs) necessary in Engineer's opinion to protect Owner from loss because:
 - a. the Work is defective, requiring correction or replacement;
 - b. the Contract Price has been reduced by Change Orders;
 - c. Owner has been required to correct defective Work in accordance with Paragraph 14.07, or has accepted defective Work pursuant to Paragraph 14.04;
 - d. Owner has been required to remove or remediate a Hazardous Environmental Condition for which Contractor is responsible; or
 - e. Engineer has actual knowledge of the occurrence of any of the events that would constitute a default by Contractor and therefore justify termination for cause under the Contract Documents.
- D. *Payment Becomes Due*
1. Ten days after presentation of the Application for Payment to Owner with Engineer's recommendation, the amount recommended (subject to any Owner set-offs) will become due, and when due will be paid by Owner to Contractor.
- E. *Reductions in Payment by Owner*
1. In addition to any reductions in payment (set-offs) recommended by Engineer, Owner is entitled to impose a set-off against payment based on any of the following:
 - a. Claims have been made against Owner based on Contractor's conduct in the performance or furnishing of the Work, or Owner has incurred costs, losses, or damages resulting from Contractor's conduct in the performance or furnishing of the Work, including but not limited to claims, costs, losses, or damages from workplace injuries, adjacent property damage, non-compliance with Laws and Regulations, and patent infringement;

- b. Contractor has failed to take reasonable and customary measures to avoid damage, delay, disruption, and interference with other work at or adjacent to the Site;
 - c. Contractor has failed to provide and maintain required bonds or insurance;
 - d. Owner has been required to remove or remediate a Hazardous Environmental Condition for which Contractor is responsible;
 - e. Owner has incurred extra charges or engineering costs related to submittal reviews, evaluations of proposed substitutes, tests and inspections, or return visits to manufacturing or assembly facilities;
 - f. The Work is defective, requiring correction or replacement;
 - g. Owner has been required to correct defective Work in accordance with Paragraph 14.07, or has accepted defective Work pursuant to Paragraph 14.04;
 - h. The Contract Price has been reduced by Change Orders;
 - i. An event has occurred that would constitute a default by Contractor and therefore justify a termination for cause;
 - j. Liquidated or other damages have accrued as a result of Contractor's failure to achieve Milestones, Substantial Completion, or final completion of the Work;
 - k. Liens have been filed in connection with the Work, except where Contractor has delivered a specific bond satisfactory to Owner to secure the satisfaction and discharge of such Liens; or
 - l. Other items entitle Owner to a set-off against the amount recommended.
2. If Owner imposes any set-off against payment, whether based on its own knowledge or on the written recommendations of Engineer, Owner will give Contractor immediate written notice (with a copy to Engineer) stating the reasons for such action and the specific amount of the reduction, and promptly pay Contractor any amount remaining after deduction of the amount so withheld. Owner shall promptly pay Contractor the amount so withheld, or any adjustment thereto agreed to by Owner and Contractor, if Contractor remedies the reasons for such action. The reduction imposed will be binding on Contractor unless it duly submits a Change Proposal contesting the reduction.
 3. Upon a subsequent determination that Owner's refusal of payment was not justified, the amount wrongfully withheld will be treated as an amount due as determined by Paragraph 15.01.D.1 and subject to interest as provided in the Agreement.

15.02 *Contractor's Warranty of Title*

- A. Contractor warrants and guarantees that title to all Work, materials, and equipment furnished under the Contract will pass to Owner free and clear of (1) all Liens and other title defects, and (2) all patent, licensing, copyright, or royalty obligations, no later than 7 days after the time of payment by Owner.

15.03 *Substantial Completion*

- A. When Contractor considers the entire Work ready for its intended use Contractor shall notify Owner and Engineer in writing that the entire Work is substantially complete and request that Engineer issue a certificate of Substantial Completion. Contractor shall at the same time

submit to Owner and Engineer an initial draft of punch list items to be completed or corrected before final payment.

- B. Promptly after Contractor's notification, Owner, Contractor, and Engineer shall make an inspection of the Work to determine the status of completion. If Engineer does not consider the Work substantially complete, Engineer will notify Contractor in writing giving the reasons therefor.
- C. If Engineer considers the Work substantially complete, Engineer will deliver to Owner a preliminary certificate of Substantial Completion which will fix the date of Substantial Completion. Engineer shall attach to the certificate a punch list of items to be completed or corrected before final payment. Owner shall have 7 days after receipt of the preliminary certificate during which to make written objection to Engineer as to any provisions of the certificate or attached punch list. If, after considering the objections to the provisions of the preliminary certificate, Engineer concludes that the Work is not substantially complete, Engineer will, within 14 days after submission of the preliminary certificate to Owner, notify Contractor in writing that the Work is not substantially complete, stating the reasons therefor. If Owner does not object to the provisions of the certificate, or if despite consideration of Owner's objections Engineer concludes that the Work is substantially complete, then Engineer will, within said 14 days, execute and deliver to Owner and Contractor a final certificate of Substantial Completion (with a revised punch list of items to be completed or corrected) reflecting such changes from the preliminary certificate as Engineer believes justified after consideration of any objections from Owner.
- D. At the time of receipt of the preliminary certificate of Substantial Completion, Owner and Contractor will confer regarding Owner's use or occupancy of the Work following Substantial Completion, review the builder's risk insurance policy with respect to the end of the builder's risk coverage, and confirm the transition to coverage of the Work under a permanent property insurance policy held by Owner. Unless Owner and Contractor agree otherwise in writing, Owner shall bear responsibility for security, operation, protection of the Work, property insurance, maintenance, heat, and utilities upon Owner's use or occupancy of the Work.
- E. After Substantial Completion the Contractor shall promptly begin work on the punch list of items to be completed or corrected prior to final payment. In appropriate cases Contractor may submit monthly Applications for Payment for completed punch list items, following the progress payment procedures set forth above.
- F. Owner shall have the right to exclude Contractor from the Site after the date of Substantial Completion subject to allowing Contractor reasonable access to remove its property and complete or correct items on the punch list.

15.04 *Partial Use or Occupancy*

- A. Prior to Substantial Completion of all the Work, Owner may use or occupy any substantially completed part of the Work which has specifically been identified in the Contract Documents, or which Owner, Engineer, and Contractor agree constitutes a separately functioning and usable part of the Work that can be used by Owner for its intended purpose without

significant interference with Contractor's performance of the remainder of the Work, subject to the following conditions:

1. At any time, Owner may request in writing that Contractor permit Owner to use or occupy any such part of the Work that Owner believes to be substantially complete. If and when Contractor agrees that such part of the Work is substantially complete, Contractor, Owner, and Engineer will follow the procedures of Paragraph 15.03.A through 15.03.E for that part of the Work.
2. At any time, Contractor may notify Owner and Engineer in writing that Contractor considers any such part of the Work substantially complete and request Engineer to issue a certificate of Substantial Completion for that part of the Work.
3. Within a reasonable time after either such request, Owner, Contractor, and Engineer shall make an inspection of that part of the Work to determine its status of completion. If Engineer does not consider that part of the Work to be substantially complete, Engineer will notify Owner and Contractor in writing giving the reasons therefor. If Engineer considers that part of the Work to be substantially complete, the provisions of Paragraph 15.03 will apply with respect to certification of Substantial Completion of that part of the Work and the division of responsibility in respect thereof and access thereto.
4. No use or occupancy or separate operation of part of the Work may occur prior to compliance with the requirements of Paragraph 6.04 regarding builder's risk or other property insurance.

15.05 *Final Inspection*

- A. Upon written notice from Contractor that the entire Work or an agreed portion thereof is complete, Engineer will promptly make a final inspection with Owner and Contractor and will notify Contractor in writing of all particulars in which this inspection reveals that the Work, or agreed portion thereof, is incomplete or defective. Contractor shall immediately take such measures as are necessary to complete such Work or remedy such deficiencies.

15.06 *Final Payment*

A. *Application for Payment*

1. After Contractor has, in the opinion of Engineer, satisfactorily completed all corrections identified during the final inspection and has delivered, in accordance with the Contract Documents, all maintenance and operating instructions, schedules, guarantees, bonds, certificates or other evidence of insurance, certificates of inspection, annotated record documents (as provided in Paragraph 7.12), and other documents, Contractor may make application for final payment.
2. The final Application for Payment must be accompanied (except as previously delivered) by:
 - a. all documentation called for in the Contract Documents;
 - b. consent of the surety, if any, to final payment;
 - c. satisfactory evidence that all title issues have been resolved such that title to all Work, materials, and equipment has passed to Owner free and clear of any Liens or other title defects, or will so pass upon final payment.

- d. a list of all duly pending Change Proposals and Claims; and
 - e. complete and legally effective releases or waivers (satisfactory to Owner) of all Lien rights arising out of the Work, and of Liens filed in connection with the Work.
3. In lieu of the releases or waivers of Liens specified in Paragraph 15.06.A.2 and as approved by Owner, Contractor may furnish receipts or releases in full and an affidavit of Contractor that: (a) the releases and receipts include all labor, services, material, and equipment for which a Lien could be filed; and (b) all payrolls, material and equipment bills, and other indebtedness connected with the Work for which Owner might in any way be responsible, or which might in any way result in liens or other burdens on Owner's property, have been paid or otherwise satisfied. If any Subcontractor or Supplier fails to furnish such a release or receipt in full, Contractor may furnish a bond or other collateral satisfactory to Owner to indemnify Owner against any Lien, or Owner at its option may issue joint checks payable to Contractor and specified Subcontractors and Suppliers.
- B. *Engineer's Review of Final Application and Recommendation of Payment:* If, on the basis of Engineer's observation of the Work during construction and final inspection, and Engineer's review of the final Application for Payment and accompanying documentation as required by the Contract Documents, Engineer is satisfied that the Work has been completed and Contractor's other obligations under the Contract have been fulfilled, Engineer will, within 10 days after receipt of the final Application for Payment, indicate in writing Engineer's recommendation of final payment and present the final Application for Payment to Owner for payment. Such recommendation will account for any set-offs against payment that are necessary in Engineer's opinion to protect Owner from loss for the reasons stated above with respect to progress payments. Otherwise, Engineer will return the Application for Payment to Contractor, indicating in writing the reasons for refusing to recommend final payment, in which case Contractor shall make the necessary corrections and resubmit the Application for Payment.
- C. *Notice of Acceptability:* In support of its recommendation of payment of the final Application for Payment, Engineer will also give written notice to Owner and Contractor that the Work is acceptable, subject to stated limitations in the notice and to the provisions of Paragraph 15.07.
- D. *Completion of Work:* The Work is complete (subject to surviving obligations) when it is ready for final payment as established by the Engineer's written recommendation of final payment and issuance of notice of the acceptability of the Work.
- E. *Final Payment Becomes Due:* Upon receipt from Engineer of the final Application for Payment and accompanying documentation, Owner shall set off against the amount recommended by Engineer for final payment any further sum to which Owner is entitled, including but not limited to set-offs for liquidated damages and set-offs allowed under the provisions of this Contract with respect to progress payments. Owner shall pay the resulting balance due to Contractor within 30 days of Owner's receipt of the final Application for Payment from Engineer.

15.07 *Waiver of Claims*

- A. By making final payment, Owner waives its claim or right to liquidated damages or other damages for late completion by Contractor, except as set forth in an outstanding Claim,

appeal under the provisions of Article 17, set-off, or express reservation of rights by Owner. Owner reserves all other claims or rights after final payment.

- B. The acceptance of final payment by Contractor will constitute a waiver by Contractor of all claims and rights against Owner other than those pending matters that have been duly submitted as a Claim, or appealed under the provisions of Article 17.

15.08 *Correction Period*

- A. If within one year after the date of Substantial Completion (or such longer period of time as may be prescribed by the Supplementary Conditions or the terms of any applicable special guarantee required by the Contract Documents), Owner gives Contractor written notice that any Work has been found to be defective, or that Contractor's repair of any damages to the Site or adjacent areas has been found to be defective, then after receipt of such notice of defect Contractor shall promptly, without cost to Owner and in accordance with Owner's written instructions:
 - 1. correct the defective repairs to the Site or such adjacent areas;
 - 2. correct such defective Work;
 - 3. remove the defective Work from the Project and replace it with Work that is not defective, if the defective Work has been rejected by Owner, and
 - 4. satisfactorily correct or repair or remove and replace any damage to other Work, to the work of others, or to other land or areas resulting from the corrective measures.
- B. Owner shall give any such notice of defect within 60 days of the discovery that such Work or repairs is defective. If such notice is given within such 60 days but after the end of the correction period, the notice will be deemed a notice of defective Work under Paragraph 7.17.B.
- C. If, after receipt of a notice of defect within 60 days and within the correction period, Contractor does not promptly comply with the terms of Owner's written instructions, or in an emergency where delay would cause serious risk of loss or damage, Owner may have the defective Work corrected or repaired or may have the rejected Work removed and replaced. Contractor shall pay all costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such correction or repair or such removal and replacement (including but not limited to all costs of repair or replacement of work of others). Contractor's failure to pay such costs, losses, and damages within 10 days of invoice from Owner will be deemed the start of an event giving rise to a Claim under Paragraph 12.01.B, such that any related Claim must be brought within 30 days of the failure to pay.
- D. In special circumstances where a particular item of equipment is placed in continuous service before Substantial Completion of all the Work, the correction period for that item may start to run from an earlier date if so provided in the Specifications.
- E. Where defective Work (and damage to other Work resulting therefrom) has been corrected or removed and replaced under this paragraph, the correction period hereunder with respect to such Work will be extended for an additional period of one year after such correction or removal and replacement has been satisfactorily completed.

- F. Contractor's obligations under this paragraph are in addition to all other obligations and warranties. The provisions of this paragraph are not to be construed as a substitute for, or a waiver of, the provisions of any applicable statute of limitation or repose.

ARTICLE 16—SUSPENSION OF WORK AND TERMINATION

16.01 *Owner May Suspend Work*

- A. At any time and without cause, Owner may suspend the Work or any portion thereof for a period of not more than 90 consecutive days by written notice to Contractor and Engineer. Such notice will fix the date on which Work will be resumed. Contractor shall resume the Work on the date so fixed. Contractor shall be entitled to an adjustment in the Contract Price or an extension of the Contract Times directly attributable to any such suspension. Any Change Proposal seeking such adjustments must be submitted no later than 30 days after the date fixed for resumption of Work.

16.02 *Owner May Terminate for Cause*

- A. The occurrence of any one or more of the following events will constitute a default by Contractor and justify termination for cause:
1. Contractor's persistent failure to perform the Work in accordance with the Contract Documents (including, but not limited to, failure to supply sufficient skilled workers or suitable materials or equipment, or failure to adhere to the Progress Schedule);
 2. Failure of Contractor to perform or otherwise to comply with a material term of the Contract Documents;
 3. Contractor's disregard of Laws or Regulations of any public body having jurisdiction; or
 4. Contractor's repeated disregard of the authority of Owner or Engineer.
- B. If one or more of the events identified in Paragraph 16.02.A occurs, then after giving Contractor (and any surety) 10 days' written notice that Owner is considering a declaration that Contractor is in default and termination of the Contract, Owner may proceed to:
1. declare Contractor to be in default, and give Contractor (and any surety) written notice that the Contract is terminated; and
 2. enforce the rights available to Owner under any applicable performance bond.
- C. Subject to the terms and operation of any applicable performance bond, if Owner has terminated the Contract for cause, Owner may exclude Contractor from the Site, take possession of the Work, incorporate in the Work all materials and equipment stored at the Site or for which Owner has paid Contractor but which are stored elsewhere, and complete the Work as Owner may deem expedient.
- D. Owner may not proceed with termination of the Contract under Paragraph 16.02.B if Contractor within 7 days of receipt of notice of intent to terminate begins to correct its failure to perform and proceeds diligently to cure such failure.
- E. If Owner proceeds as provided in Paragraph 16.02.B, Contractor shall not be entitled to receive any further payment until the Work is completed. If the unpaid balance of the Contract Price exceeds the cost to complete the Work, including all related claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects,

attorneys, and other professionals) sustained by Owner, such excess will be paid to Contractor. If the cost to complete the Work including such related claims, costs, losses, and damages exceeds such unpaid balance, Contractor shall pay the difference to Owner. Such claims, costs, losses, and damages incurred by Owner will be reviewed by Engineer as to their reasonableness and, when so approved by Engineer, incorporated in a Change Order. When exercising any rights or remedies under this paragraph, Owner shall not be required to obtain the lowest price for the Work performed.

- F. Where Contractor's services have been so terminated by Owner, the termination will not affect any rights or remedies of Owner against Contractor then existing or which may thereafter accrue, or any rights or remedies of Owner against Contractor or any surety under any payment bond or performance bond. Any retention or payment of money due Contractor by Owner will not release Contractor from liability.
- G. If and to the extent that Contractor has provided a performance bond under the provisions of Paragraph 6.01.A, the provisions of that bond will govern over any inconsistent provisions of Paragraphs 16.02.B and 16.02.D.

16.03 *Owner May Terminate for Convenience*

- A. Upon 7 days' written notice to Contractor and Engineer, Owner may, without cause and without prejudice to any other right or remedy of Owner, terminate the Contract. In such case, Contractor shall be paid for (without duplication of any items):
 - 1. completed and acceptable Work executed in accordance with the Contract Documents prior to the effective date of termination, including fair and reasonable sums for overhead and profit on such Work;
 - 2. expenses sustained prior to the effective date of termination in performing services and furnishing labor, materials, or equipment as required by the Contract Documents in connection with uncompleted Work, plus fair and reasonable sums for overhead and profit on such expenses; and
 - 3. other reasonable expenses directly attributable to termination, including costs incurred to prepare a termination for convenience cost proposal.
- B. Contractor shall not be paid for any loss of anticipated profits or revenue, post-termination overhead costs, or other economic loss arising out of or resulting from such termination.

16.04 *Contractor May Stop Work or Terminate*

- A. If, through no act or fault of Contractor, (1) the Work is suspended for more than 90 consecutive days by Owner or under an order of court or other public authority, or (2) Engineer fails to act on any Application for Payment within 30 days after it is submitted, or (3) Owner fails for 30 days to pay Contractor any sum finally determined to be due, then Contractor may, upon 7 days' written notice to Owner and Engineer, and provided Owner or Engineer do not remedy such suspension or failure within that time, terminate the contract and recover from Owner payment on the same terms as provided in Paragraph 16.03.
- B. In lieu of terminating the Contract and without prejudice to any other right or remedy, if Engineer has failed to act on an Application for Payment within 30 days after it is submitted, or Owner has failed for 30 days to pay Contractor any sum finally determined to be due, Contractor may, 7 days after written notice to Owner and Engineer, stop the Work until payment is made of all such amounts due Contractor, including interest thereon. The

provisions of this paragraph are not intended to preclude Contractor from submitting a Change Proposal for an adjustment in Contract Price or Contract Times or otherwise for expenses or damage directly attributable to Contractor's stopping the Work as permitted by this paragraph.

ARTICLE 17—FINAL RESOLUTION OF DISPUTES

17.01 *Methods and Procedures*

- A. *Disputes Subject to Final Resolution:* The following disputed matters are subject to final resolution under the provisions of this article:
1. A timely appeal of an approval in part and denial in part of a Claim, or of a denial in full, pursuant to Article 12; and
 2. Disputes between Owner and Contractor concerning the Work, or obligations under the Contract Documents, that arise after final payment has been made.
- B. *Final Resolution of Disputes:* For any dispute subject to resolution under this article, Owner or Contractor may:
1. elect in writing to invoke the dispute resolution process provided for in the Supplementary Conditions;
 2. agree with the other party to submit the dispute to another dispute resolution process; or
 3. if no dispute resolution process is provided for in the Supplementary Conditions or mutually agreed to, give written notice to the other party of the intent to submit the dispute to a court of competent jurisdiction.

ARTICLE 18—MISCELLANEOUS

18.01 *Giving Notice*

- A. Whenever any provision of the Contract requires the giving of written notice to Owner, Engineer, or Contractor, it will be deemed to have been validly given only if delivered:
1. in person, by a commercial courier service or otherwise, to the recipient's place of business;
 2. by registered or certified mail, postage prepaid, to the recipient's place of business; or
 3. by e-mail to the recipient, with the words "Formal Notice" or similar in the e-mail's subject line.

18.02 *Computation of Times*

- A. When any period of time is referred to in the Contract by days, it will be computed to exclude the first and include the last day of such period. If the last day of any such period falls on a Saturday or Sunday or on a day made a legal holiday by the law of the applicable jurisdiction, such day will be omitted from the computation.

18.03 *Cumulative Remedies*

- A. The duties and obligations imposed by these General Conditions and the rights and remedies available hereunder to the parties hereto are in addition to, and are not to be construed in any way as a limitation of, any rights and remedies available to any or all of them which are otherwise imposed or available by Laws or Regulations, by special warranty or guarantee, or by other provisions of the Contract. The provisions of this paragraph will be as effective as if repeated specifically in the Contract Documents in connection with each particular duty, obligation, right, and remedy to which they apply.

18.04 *Limitation of Damages*

- A. With respect to any and all Change Proposals, Claims, disputes subject to final resolution, and other matters at issue, neither Owner nor Engineer, nor any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors, shall be liable to Contractor for any claims, costs, losses, or damages sustained by Contractor on or in connection with any other project or anticipated project.

18.05 *No Waiver*

- A. A party's non-enforcement of any provision will not constitute a waiver of that provision, nor will it affect the enforceability of that provision or of the remainder of this Contract.

18.06 *Survival of Obligations*

- A. All representations, indemnifications, warranties, and guarantees made in, required by, or given in accordance with the Contract, as well as all continuing obligations indicated in the Contract, will survive final payment, completion, and acceptance of the Work or termination of the Contract or of the services of Contractor.

18.07 *Controlling Law*

- A. This Contract is to be governed by the law of the state in which the Project is located.

18.08 *Assignment of Contract*

- A. Unless expressly agreed to elsewhere in the Contract, no assignment by a party to this Contract of any rights under or interests in the Contract will be binding on the other party without the written consent of the party sought to be bound; and, specifically but without limitation, money that may become due and money that is due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under the Contract.

18.09 *Successors and Assigns*

- A. Owner and Contractor each binds itself, its successors, assigns, and legal representatives to the other party hereto, its successors, assigns, and legal representatives in respect to all covenants, agreements, and obligations contained in the Contract Documents.

18.10 *Headings*

- A. Article and paragraph headings are inserted for convenience only and do not constitute parts of these General Conditions.

SUPPLEMENTARY CONDITIONS OF THE CONSTRUCTION CONTRACT

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SUPPLEMENTARY CONDITIONS OF THE CONSTRUCTION CONTRACT

These Supplementary Conditions amend or supplement EJCDC® C-700, Standard General Conditions of the Construction Contract (2018). The General Conditions remain in full force and effect except as amended.

The terms used in these Supplementary Conditions have the meanings stated in the General Conditions. Additional terms used in these Supplementary Conditions have the meanings stated below, which are applicable to both the singular and plural thereof.

The address system used in these Supplementary Conditions is the same as the address system used in the General Conditions, with the prefix "SC" added—for example, "Paragraph SC-4.05."

ARTICLE 1—DEFINITIONS AND TERMINOLOGY

No Supplementary Conditions.

ARTICLE 2—PRELIMINARY MATTERS

2.02 *Copies of Documents*

SC-2.02 Amend the first sentence of Paragraph 2.02.A. to read as follows:

Owner shall furnish to Contractor **one** printed copies of the Contract Documents (including one fully signed counterpart of the Agreement), and **one copy** in electronic portable document format (PDF).

ARTICLE 3—CONTRACT DOCUMENTS: INTENT, REQUIREMENTS, REUSE

No Supplementary Conditions.

ARTICLE 4—COMMENCEMENT AND PROGRESS OF THE WORK

No Supplementary Conditions.

ARTICLE 5—SITE, SUBSURFACE AND PHYSICAL CONDITIONS, HAZARDOUS ENVIRONMENTAL CONDITIONS

5.03 *Subsurface and Physical Conditions*

SC-5.03 Add the following new paragraphs immediately after Paragraph 5.03.D:

- E. The following table lists the reports of explorations and tests of subsurface conditions at or adjacent to the Site that contain Technical Data, and specifically identifies the Technical Data in the report upon which Contractor may rely: **[If there are no such reports, so indicate in the table.]**

Report Title	Date of Report	Technical Data
		[Identify Technical Data]

- F. The following table lists the drawings of existing physical conditions at or adjacent to the Site, including those drawings depicting existing surface or subsurface structures at or adjacent to the Site (except Underground Facilities), that contain Technical Data, and specifically identifies the Technical Data upon which Contractor may rely: **[If there are no such drawings, so indicate in the table.]**

Drawings Title	Date of Drawings	Technical Data
		[Identify Technical Data]

- G. Contractor may examine copies of reports and drawings identified in SC-5.03.E and SC-5.03.F that were not included with the Bidding Documents at **[location]** during regular business hours, or may request copies from Engineer.

5.06 *Hazardous Environmental Conditions*

SC-5.06 Add the following new paragraphs immediately after Paragraph 5.06.A.3:

4. The following table lists the reports known to Owner relating to Hazardous Environmental Conditions at or adjacent to the Site, and the Technical Data (if any) upon which Contractor may rely:

Report Title	Date of Report	Technical Data
None		[Identify Technical Data]

5. The following table lists the drawings known to Owner relating to Hazardous Environmental Conditions at or adjacent to the Site, and Technical Data (if any) contained in such Drawings upon which Contractor may rely:

Drawings Title	Date of Drawings	Technical Data
None		[Identify Technical Data]

ARTICLE 6—BONDS AND INSURANCE

6.01 *Performance, Payment, and Other Bonds*

SC-6.01 Add the following paragraphs immediately after Paragraph 6.01.A:

1. *Required Performance Bond Form:* The performance bond that Contractor furnishes will be in the form of EJCDC® C-610, Performance Bond (2010, 2013, or 2018 edition).

2. *Required Payment Bond Form:* The payment bond that Contractor furnishes will be in the form of EJCDC® C-615, Payment Bond (2010, 2013, or 2018 edition).

6.03 *Contractor's Insurance*

SC-6.03 Supplement Paragraph 6.03 with the following provisions after Paragraph 6.03.C:

- E. *Workers' Compensation and Employer's Liability:* Contractor shall purchase and maintain workers' compensation and employer's liability insurance, including, as applicable, United States Longshoreman and Harbor Workers' Compensation Act, Jones Act, stop-gap employer's liability coverage for monopolistic states, and foreign voluntary workers' compensation (from available sources, notwithstanding the jurisdictional requirement of Paragraph 6.02.B of the General Conditions).

Workers' Compensation and Related Policies	Policy limits of not less than:
Workers' Compensation	
State	Statutory
Applicable Federal (e.g., Longshoreman's)	Statutory
Foreign voluntary workers' compensation (employer's responsibility coverage), if applicable	Statutory
Employer's Liability	
Each accident	\$1,000,000
Each employee	\$1,000,000
Policy limit	\$1,000,000
Stop-gap Liability Coverage	
For work performed in monopolistic states, stop-gap liability coverage must be endorsed to either the worker's compensation or commercial general liability policy with a minimum limit of:	N/A

- F. *Commercial General Liability—Claims Covered:* Contractor shall purchase and maintain commercial general liability insurance, covering all operations by or on behalf of Contractor, on an occurrence basis, against claims for:
 1. damages because of bodily injury, sickness or disease, or death of any person other than Contractor's employees,
 2. damages insured by reasonably available personal injury liability coverage, and
 3. damages because of injury to or destruction of tangible property wherever located, including loss of use resulting therefrom.
- G. *Commercial General Liability—Form and Content:* Contractor's commercial liability policy must be written on a 1996 (or later) Insurance Services Organization, Inc. (ISO) commercial general liability form (occurrence form) and include the following coverages and endorsements:
 1. Products and completed operations coverage.
 - a. Such insurance must be maintained for three years after final payment.

- b. Contractor shall furnish Owner and each other additional insured (as identified in the Supplementary Conditions or elsewhere in the Contract) evidence of continuation of such insurance at final payment and three years thereafter.
 - 2. Blanket contractual liability coverage, including but not limited to coverage of Contractor’s contractual indemnity obligations in Paragraph 7.18.
 - 3. Severability of interests and no insured-versus-insured or cross-liability exclusions.
 - 4. Underground, explosion, and collapse coverage.
 - 5. Personal injury coverage.
 - 6. Additional insured endorsements that include both ongoing operations and products and completed operations coverage through ISO Endorsements CG 20 10 10 01 and CG 20 37 10 01 (together). If Contractor demonstrates to Owner that the specified ISO endorsements are not commercially available, then Contractor may satisfy this requirement by providing equivalent endorsements.
 - 7. For design professional additional insureds, ISO Endorsement CG 20 32 07 04 “Additional Insured—Engineers, Architects or Surveyors Not Engaged by the Named Insured” or its equivalent.
- H. *Commercial General Liability—Excluded Content:* The commercial general liability insurance policy, including its coverages, endorsements, and incorporated provisions, must not include any of the following:
- 1. Any modification of the standard definition of “insured contract” (except to delete the railroad protective liability exclusion if Contractor is required to indemnify a railroad or others with respect to Work within 50 feet of railroad property).
 - 2. Any exclusion for water intrusion or water damage.
 - 3. Any provisions resulting in the erosion of insurance limits by defense costs other than those already incorporated in ISO form CG 00 01.
 - 4. Any exclusion of coverage relating to earth subsidence or movement.
 - 5. Any exclusion for the insured’s vicarious liability, strict liability, or statutory liability (other than worker’s compensation).
 - 6. Any limitation or exclusion based on the nature of Contractor’s work.
 - 7. Any professional liability exclusion broader in effect than the most recent edition of ISO form CG 22 79.
- I. *Commercial General Liability—Minimum Policy Limits*

Commercial General Liability	Policy limits of not less than:
General Aggregate	\$2,000,000
Products—Completed Operations Aggregate	\$2,000,000
Personal and Advertising Injury	\$2,000,000
Bodily Injury and Property Damage—Each Occurrence	\$2,000,000

- J. *Automobile Liability*: Contractor shall purchase and maintain automobile liability insurance for damages because of bodily injury or death of any person or property damage arising out of the ownership, maintenance, or use of any motor vehicle. The automobile liability policy must be written on an occurrence basis.

Automobile Liability	Policy limits of not less than:
Combined Single Limit	
Combined Single Limit (Bodily Injury and Property Damage)	\$2,000,000

- K. *Umbrella or Excess Liability*: Contractor shall purchase and maintain umbrella or excess liability insurance written over the underlying employer’s liability, commercial general liability, and automobile liability insurance described in the Paragraphs above. The coverage afforded must be at least as broad as that of each and every one of the underlying policies.

Excess or Umbrella Liability	Policy limits of not less than:
Each Occurrence	\$2,000,000
General Aggregate	\$2,000,000

- L. *Using Umbrella or Excess Liability Insurance to Meet CGL and Other Policy Limit Requirements*: Contractor may meet the policy limits specified for employer’s liability, commercial general liability, and automobile liability through the primary policies alone, or through combinations of the primary insurance policy’s policy limits and partial attribution of the policy limits of an umbrella or excess liability policy that is at least as broad in coverage as that of the underlying policy, as specified herein.

- M. *Contractor’s Pollution Liability Insurance*: Contractor shall purchase and maintain a policy covering third-party injury and property damage, including cleanup costs, as a result of pollution conditions arising from Contractor’s operations and completed operations. This insurance must be maintained for no less than three years after final completion.

Contractor’s Pollution Liability	Policy limits of not less than:
Each Occurrence/Claim	\$2,000,000
General Aggregate	\$2,000,000

- N. *Contractor’s Professional Liability Insurance*: If Contractor will provide or furnish professional services under this *Contract*, through a delegation of professional design services or otherwise, then Contractor shall be responsible for purchasing and maintaining applicable professional liability insurance. This insurance must cover negligent acts, errors, or omissions in the performance of professional design or related services by the insured or others for whom the insured is legally liable. The insurance must be maintained throughout the duration of the Contract and for a minimum of two years after Substantial Completion. The retroactive date on the policy must pre-date the commencement of furnishing services on the Project.

Contractor’s Professional Liability	Policy limits of not less than:
Each Claim	\$2,000,000
Annual Aggregate	\$2,000,000

- O. *Unmanned Aerial Vehicle Liability Insurance:* If Contractor uses unmanned aerial vehicles (UAV—commonly referred to as drones) at the Site or in support of any aspect of the Work, Contractor shall obtain UAV liability insurance in the amounts stated; name Owner, Engineer, and all individuals and entities identified in the Supplementary Conditions as additional insureds; and provide a certificate to Owner confirming Contractor’s compliance with this requirement. Such insurance will provide coverage for property damage, bodily injury or death, and invasion of privacy.

Unmanned Aerial Vehicle Liability Insurance	Policy limits of not less than:
Each Claim	\$2,000,000
General Aggregate	\$2,000,000

- Q. *Other Required Insurance:* **None**

6.04 *Builder’s Risk and Other Property Insurance*

SC-6.04 Supplement Paragraph 6.04 of the General Conditions with the following provisions:

- F. *Builder’s Risk Requirements:* The builder’s risk insurance must:
1. be written on a builder’s risk “all risk” policy form that at a minimum includes insurance for physical loss or damage to the Work, temporary buildings, falsework, and materials and equipment stored and in transit, and must not exclude the coverage of the following risks: fire; windstorm; hail; flood; earthquake, volcanic activity, and other earth movement; lightning; riot; civil commotion; terrorism; vehicle impact; aircraft; smoke; theft; vandalism and malicious mischief; mechanical breakdown, boiler explosion, and artificially generated electric current; collapse; explosion; debris removal; demolition occasioned by enforcement of Laws and Regulations; and water damage (other than that caused by flood).
 - a. Such policy will include an exception that results in coverage for ensuing losses from physical damage or loss with respect to any defective workmanship, methods, design, or materials exclusions.
 - b. If insurance against mechanical breakdown, boiler explosion, and artificially generated electric current; earthquake, volcanic activity, and other earth movement; or flood, are not commercially available under builder’s risk policies, by endorsement or otherwise, such insurance will be provided through other insurance policies acceptable to Owner and Contractor.
 2. cover, as insured property, at least the following: (a) the Work and all materials, supplies, machinery, apparatus, equipment, fixtures, and other property of a similar nature that are to be incorporated into or used in the preparation, fabrication, construction, erection, or completion of the Work, including Owner-furnished or assigned property; (b) spare parts inventory required within the scope of the Contract;

Exhibit C—Geotechnical Baseline Report Supplement to the Supplementary Conditions.

EJCDC® C-800, Supplementary Conditions of the Construction Contract.

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and (c) temporary works which are not intended to form part of the permanent constructed Work but which are intended to provide working access to the Site, or to the Work under construction, or which are intended to provide temporary support for the Work under construction, including scaffolding, form work, fences, shoring, falsework, and temporary structures.

3. cover expenses incurred in the repair or replacement of any insured property (including but not limited to fees and charges of contractors, engineers, and architects).
4. extend to cover damage or loss to insured property while in temporary storage at the Site or in a storage location outside the Site (but not including property stored at the premises of a manufacturer or Supplier). If this coverage is subject to a sublimit, such sublimit will be a minimum of **\$500,000**.
5. extend to cover damage or loss to insured property while in transit. If this coverage is subject to a sublimit, such sublimit will be a minimum of \$500,000.
6. allow for the waiver of the insurer's subrogation rights, as set forth in this Contract.
7. allow for partial occupancy or use by Owner by endorsement, and without cancellation or lapse of coverage.
8. include performance/hot testing and start-up, if applicable.
9. be maintained in effect until the Work is complete, as set forth in Paragraph 15.06.D of the General Conditions, or until written confirmation of Owner's procurement of property insurance following Substantial Completion, whichever occurs first.
10. include as named insureds the Owner, Contractor, Subcontractors (of every tier), and any other individuals or entities required by this Contract to be insured under such builder's risk policy. For purposes of Paragraphs 6.04, 6.05, and 6.06 of the General Conditions, and this and all other corresponding Supplementary Conditions, the parties required to be insured will be referred to collectively as "insureds."
11. include, in addition to the Contract Price amount, the value of the following equipment and materials to be installed by the Contractor but furnished by the Owner or third parties:
 - a. **None**
12. If debris removal in connection with repair or replacement of insured property is subject to a coverage sublimit, such sublimit will be a minimum of **\$500,000**.
13. In addition to the coverage sublimits stated above, the following coverages are also subject to sublimits, as follows:
 - a. **None**

SC-6.04 Supplement Paragraph 6.04 of the General Conditions with the following provision:

- G. *Coverage for Completion Delays:* The builder's risk policy will include, for the benefit of Owner, loss of revenue and soft cost coverage for losses arising from delays in completion that result from covered physical losses or damage. Such coverage will include, without limitation, fixed expenses and debt service for a minimum of 12 months with a maximum

deductible of 30 days, compensation for loss of net revenues, rental costs, and attorneys' fees and engineering or other consultants' fees, if not otherwise covered.

SC-6.04 Supplement Paragraph 6.04 of the General Conditions with the following provisions:

- H. *Builder's Risk and Other Property Insurance Deductibles:* The purchaser of any required builder's risk, installation floater, or other property insurance will be responsible for costs not covered because of the application of a policy deductible.
1. The builder's risk policy (or if applicable the installation floater) will be subject to a deductible amount of no more than **\$100,000** for direct physical loss in any one occurrence.

ARTICLE 7—CONTRACTOR'S RESPONSIBILITIES

7.03 *Labor; Working Hours*

SC-7.03 Add the following new subparagraphs immediately after Paragraph 7.03.C:

1. Regular working hours will be: **7:30am until 5:30pm Monday through Friday. Contractor must request permission by Wednesday of each week to determine possible hours of work on Saturday. Construction on Sunday is not permitted.**
2. Owner's legal holidays are:

New Year's Day	Veterans Day
Martin Luther King Day	Thanksgiving
President's Day	Day After Thanksgiving
Memorial Day	Christmas Day
Independence Day	
Labor Day	

SC-7.03 Add the following new paragraph immediately after Paragraph 7.03.C:

- D. **Contractor** shall be responsible for the cost of any overtime pay or other expense incurred by the Owner for Engineer's services (including those of the Resident Project Representative, if any), Owner's representative, and construction observation services, occasioned by the performance of Work on Saturday, Sunday, any legal holiday, or as overtime on any regular work day. If Contractor is responsible but does not pay, or if the parties are unable to agree as to the amount owed, then Owner may impose a reasonable set-off against payments due under Article 15.

ARTICLE 8—OTHER WORK AT THE SITE

No Supplementary Conditions.

ARTICLE 9—OWNER’S RESPONSIBILITIES

9.13 *Owner’s Site Representative*

SC-9.13 Add the following new paragraph immediately after Paragraph 9.12 of the General Conditions:

9.13 *Owner’s Site Representative*

- A. Owner will furnish an “Owner’s Site Representative” to represent Owner at the Site and assist Owner in observing the progress and quality of the Work. The Owner’s Site Representative is not Engineer’s consultant, agent, or employee. Owner’s Site Representative will be Owner’s General Manager or their designee. The authority and responsibilities of Owner’s Site Representative follow:
1. *Conferences and Meetings:* Attend meetings with Contractor, such as preconstruction conferences, progress meetings, job conferences, and other Project-related meetings (but not including Contractor’s safety meetings), and as appropriate prepare and circulate copies of minutes thereof.
 2. *Safety Compliance:* Comply with Site safety programs, as they apply to OSR, and if required to do so by such safety programs, receive safety training specifically related to OSR’s own personal safety while at the Site.
 3. *Liaison*
 - a. Serve as Engineer’s liaison with Contractor. Working principally through Contractor’s authorized representative or designee, assist in providing information regarding the provisions and intent of the Contract Documents.
 - b. Assist in obtaining from Owner additional details or information, when required for Contractor’s proper execution of the Work.
 4. *Review of Work; Defective Work*
 - a. Conduct on-Site observations of the Work to assist Engineer in determining, to the extent set forth in Paragraph 10.02, if the Work is in general proceeding in accordance with the Contract Documents.
 - b. Observe whether any Work in place appears to be defective.
 - c. Observe whether any Work in place should be uncovered for observation, or requires special testing, inspection or approval.
 5. *Inspections and Tests*
 - a. Observe Contractor-arranged inspections required by Laws and Regulations, including but not limited to those performed by public or other agencies having jurisdiction over the Work.

- b. Accompany visiting inspectors representing public or other agencies having jurisdiction over the Work.
- 6. *Payment Requests: Review Applications for Payment with Contractor.*
- 7. *Completion*
 - a. Participate in visits regarding Substantial Completion.
 - b. Assist in the preparation of a punch list of items to be completed or corrected.
 - c. Participate in visit to the Site in the company of Owner and Contractor regarding completion of the Work, and prepare a final punch list of items to be completed or corrected by Contractor.
 - d. Observe whether items on the final punch list have been completed or corrected.
- D. The OSR will not:
 - 1. Authorize any deviation from the Contract Documents or substitution of materials or equipment (including “or-equal” items).
 - 2. Exceed limitations of OSR’s authority as set forth in the Contract Documents.
 - 3. Undertake any of the responsibilities of Contractor, Subcontractors, or Suppliers.
 - 4. Advise on, issue directions relative to, or assume control over any aspect of the means, methods, techniques, sequences or procedures of construction.
 - 5. Advise on, issue directions regarding, or assume control over security or safety practices, precautions, and programs in connection with the activities or operations of Owner or Contractor.
 - 6. Participate in specialized field or laboratory tests or inspections conducted off-site by others except as specifically authorized by Owner.
- 7. Authorize Owner to occupy the Project in whole or in part

ARTICLE 10—ENGINEER’S STATUS DURING CONSTRUCTION

10.03 *Resident Project Representative*

SC-10.03 Add the following new subparagraph immediately after Paragraph 10.03.A:

- 1. On this Project, by agreement with the Owner, the Engineer will not furnish a Resident Project Representative to represent Engineer at the Site or assist Engineer in observing the progress and quality of the Work.

ARTICLE 11—CHANGES TO THE CONTRACT

No Supplementary Conditions.

ARTICLE 12—CLAIMS

No Supplementary Conditions.

ARTICLE 13—COST OF WORK; ALLOWANCES, UNIT PRICE WORK

13.01 *Cost of the Work*

SC-13.01 Supplement Paragraph 13.01.B.5.c.(2) by adding the following sentence:

The equipment rental rate book that governs the included costs for the rental of machinery and equipment owned by Contractor (or a related entity) under the Cost of the Work provisions of this Contract is the most current edition of **Rental Rate Blue Book for Construction Equipment**.

SC-13.01 Supplement Paragraph 13.01.C.2 by adding the following definition of small tools and hand tools:

- a. For purposes of this paragraph, “small tools and hand tools” means any tool or equipment whose current price if it were purchased new at retail would be less than \$500.

13.03 *Unit Price Work*

SC-13.03 Delete Paragraph 13.03.E in its entirety and insert the following in its place:

E. *Adjustments in Unit Price*

1. Contractor or Owner shall be entitled to an adjustment in the unit price with respect to an item of Unit Price Work if:
 - a. the extended price of a particular item of Unit Price Work amounts to **10** percent or more of the Contract Price (based on estimated quantities at the time of Contract formation) and the variation in the quantity of that particular item of Unit Price Work actually furnished or performed by Contractor differs by more than **20** percent from the estimated quantity of such item indicated in the Agreement; and
 - b. Contractor’s unit costs to perform the item of Unit Price Work have changed materially and significantly as a result of the quantity change.
2. The adjustment in unit price will account for and be coordinated with any related changes in quantities of other items of Work, and in Contractor’s costs to perform such other Work, such that the resulting overall change in Contract Price is equitable to Owner and Contractor.
3. Adjusted unit prices will apply to all units of that item.

TECHNICAL SPECIFICATIONS

PART 1.0 - GENERAL

1.01 PURPOSE

- A. The purpose of this specification is to establish the requirements for the recoating of the exterior and interior of Reservoir No. 2, a 500,000 gallon welded steel potable water storage reservoir owned and operated by Donner Summit Public Utility District (Owner).

1.02 SCOPE OF WORK

- A. Provide and pay for all labor, equipment, materials, machinery, facilities, and services necessary to complete the work in accordance with these specifications.
- B. The work includes the surface preparation and application of protective coatings to all specified surfaces of the tank structure, including all metal attachments, appurtenances, and accessories. The work includes all costs for the proper removal and disposal of all waste generated on the project.
- C. The work to be accomplished includes the complete removal of all existing interior linings and replacement with an NSF ANSI Standard 61 certified immersion grade liner. The new lining system within the vapor area shall be an organic zinc-rich primer followed by two coats of epoxy. The immersed areas shall be lined with a three-coat epoxy system. As part of this effort the contractor shall apply caulking to any internal interfaces or crevices (e.g. roof plate lap seams) that preclude proper liquid coating application.
- D. The work to be accomplished includes the complete removal of the exterior paint and replacement with an epoxy and acrylic-urethane paint system. As part of this effort the contractor shall apply caulking to the crevice between the tank bottom and concrete ring wall (lower chime).
- E. The work to be completed also includes the potential for mechanical repairs to corroded surfaces prior to coating work. This work is quantified in the Basis of Bid and no additional charges for standby time, mobilization, or demobilization shall be charged associated with any mechanical repair work on this project.
 - 1. The work to be accomplished will include some grinding of the roof support structure beams that have developed localized advanced corrosion. It is anticipated that 20 linear feet of corroded edges will require grinding work to remove sharp edges.

2. The work to be accomplished includes a limited amount of weld repairs of corrosion pits and/or other severely corroded localized surfaces. It is anticipated that 10 localized corroded areas (e.g. pits) may require weld repair with a plate, and 50 pits will require welding repair.

1.03 BACKGROUND

- A. Reservoir No. 2 is a welded steel water storage tank located at the DSPUD parcel at the Boreal Ski Resort at 19749 Boreal Ridge Road Soda Springs, California. The tank was built by Pittsburgh Des Moines Steel Company in 1971. The tank is approximately 50 feet in diameter by 35 feet high, providing a nominal capacity of 500,000 gallons. The tank has one roof vent, roof hatch, one lower shell manway, exterior ladder with vandal guard, interior overflow, roof vents, and interior ladder with safety cage. Record drawings for the tank are included in the Project Documents.
- B. An inspection of the tank was completed in September 2023 and the inspection report, including underwater photographs is included with the Project Documents. The exterior roof coating is in poor condition with 10-17 percent of the surface exhibiting signs of moderate to heavy surface corrosion. The interior lining is in fair to poor condition with nodules of corrosion on all interior surfaces. The center support column shows heavy staining, heavy nodules of corrosion, and epoxy repairs with corrosion leaking through. Heavy corrosion was observed on all roof panels with mild corrosion on the roof supports. Delamination was observed on the center column to roof hardware, all roof panels, roof supports, and some upper wall panels.
- C. The above information is provided for bidding purposes only. The contractor shall conduct his own tests to assure that all work to be performed will be in strict accordance with all local, state and federal health, safety and environmental regulations. The results of this testing shall be taken into consideration when providing environmental protection, worker protection, and waste disposal plans. No responsibility is assumed by the owner for the actual toxic metal content of the coating system. The Contractor is responsible to conduct appropriate testing of their own and comply with local, state and federal health, safety and environmental regulations.

1.04 REFERENCE SPECIFICATIONS AND STANDARDS

- A. Without limiting the general aspects or other requirements of this specification, work and equipment shall conform to applicable requirements of municipal, state and federal codes, laws and ordinances governing the work, American Water Works Association, SSPC: The Society of Protective Coatings, and the manufacturer's printed instructions, subject to Engineer's approval.

- B. The Engineer's decision shall be final as to interpretation and/or conflict between any of the referenced codes, laws, ordinances, specifications and standards contained herein.
- C. The latest edition of standards and regulations herein form a part of this specification.
- D. American Society for Testing and Materials (ASTM)
 - 1. ASTM D4138, Standard Test Method for Measurement of Dry Paint Thickness of Protective Coating Systems by Destructive Means
 - 2. ASTM D4285, Standard Test Method for Indicating Oil or Water in Compressed Air
 - 3. ASTM D4414, Standard Practice for Measurement of Wet Film Thickness by Notch Gages
 - 4. ASTM D4417, Standard Test Methods for Field Measurement of Surface Profile of Blast Cleaned Steel
 - 5. ASTM D5402, Standard Test Methods for Assessing the Solvent Resistance of Organic Coatings Using Solvent Rubs
 - 6. ASTM D7091, Standard Test Method for Measurement of Dry Film Thickness of Nonmagnetic Coatings Applied to Ferrous Metals and Nonmagnetic, Nonconductive Coatings Applied to Non-Ferrous Metals
 - 7. ASTM E337, Standard Test Method for Measuring Humidity with a Psychrometer
- E. American Water Works Association (AWWA)
 - 1. AWWA D102, AWWA Standard for Coating Steel Water Storage Tanks
 - 2. AWWA C652, AWWA Standard for Disinfection of Water Storage Facilities
 - 3. AWWA M42, AWWA Manual of Water Supply Practices, Steel Water Storage Tanks
- F. Code of Federal Regulations (CFR)
 - 1. 29 CFR 1910, Occupational Safety and Health Regulations for General Industry

2. 29 CFR 1926, Occupational Safety and Health Regulations for the Construction Industry
 3. Health and Safety Code, Div. 20, Chapter 6.5, 6.67, 6.7, 6.95, Hazardous Waste Control Law, Health and Safety Code
- G. International Standard Organization (ISO)
1. ISO 8502-3, Preparation of Steel Substrates before Application of Paints and Related Products
- H. SSPC: Society for Protective Coatings (SSPC)
1. SSPC-AB1, Mineral and Slag Abrasive
 2. SSPC-SP 1, Solvent Cleaning
 3. SSPC-SP2/SP3, Hand/Power Tool Cleaning
 4. SSPC-SP7, Brush-off Blast Cleaning
 5. SSPC-SP6, Commercial Blast Cleaning
 6. SSPC-SP10, Near-White Blast Cleaning
 7. SSPC-SP11, Power Tool Cleaning to Bare Metal
 8. SSPC-SP15, Power Tool Cleaning to Commercial Grade Cleanliness
 9. SSPC-PA2, Measurement of Dry Film Thickness with Magnetic Gages
 10. SSPC-VIS 1, Visual Standard for Abrasive Blast Cleaned Steel
 11. SSPC-VIS 3, Visual Standard Hand and Power Tool Cleaned Steel
 12. SSPC Publication No. 91-12, Coating and Lining Inspection Manual
 13. SSPC-SSPC Visual Comparison Manual
 14. SSPC Technology Guide No. 12 for Illumination of Industrial Painting Projects
- I. NACE International (NACE)
1. NACE SP 0188-06, Standard Practice for Discontinuity (Holiday) Testing of Protective Coatings
 2. NACE SP 0178-89, Standard Recommended Practice for

Fabrication Details, Surface Finish Requirements, and Proper Design Considerations for Tanks and Vessels to be Lined for Immersion Service.

- J. California Code of Regulations (CCR)
- K. General Industry Safety Orders (GISO)
- L. Construction Safety Orders (CSO)
- M. EPA Methods
 - 1. SW 846, Test Methods for Evaluating Solid Waste - Physical/Chemical Methods
 - 2. Method 1311, Toxicity Characteristic Leaching Procedure (TCLP)
 - 3. Method 3050, Acid Digestion of Sediment, Sludge, and Soils
- N. Equipment and Coating Manufacturers' Published Instructions.

1.05 SUBMITTALS

- A. The successful Contractor must submit the following plans and programs for Engineer review and acceptance a minimum of 14 days prior to project start-up, and 7 days prior to the Pre-Job Conference.
 - 1. The Contractor shall submit Coating Manufacturers' Product Data Sheets and Material Safety Data Sheets on all materials to be used including, but not limited to coatings, thinners, solvents, inhibitors, and abrasive media.
 - 2. The Contractor shall submit the Coating Manufacturer's written recommended testing requirements to assure that the zinc primer is at the proper level of cure for overcoating with epoxy.
- B. Acceptance of the submittals does not relieve the Contractor from the responsibility to conduct the work in strict accordance with the requirements of this Specification, or to adequately protect the environment, health and safety of all workers involved in the project including any members of the public who may be affected by the project.
- C. Contractor shall maintain copies of submittal data at the jobsite at all times, and shall furnish a complete set of submittals for use by Inspector.

1.06 CONTRACTOR

- A. The contractor shall be a licensed Painting and Decorating Contractor in the State of California (C-33 Classification). They shall have a minimum of

five (5) years practical experience and successful history in the application of specified products to surfaces of steel water storage tanks. Upon request, they shall substantiate this requirement by furnishing a written list of references.

1.07 DEFINITIONS

- A. "Lining" refers to protective materials used or applied to interior surfaces. "Paint" refers to protective materials used or applied to exterior surfaces. "Coating" refers to protective materials used or applied on any surface, or any protective material in general.
- B. "Vapor Area" refers to the underside of the roof including the center column cone and all surfaces above the lower weld seam of the knuckle plate. "Immersion Area" refers to all surfaces below the Vapor Area.

1.10 QUALITY ASSURANCE

- A. General: Quality assurance procedures and practices shall be used to monitor all phases of surface preparation, application and inspection throughout the duration of the project. Procedures or practices not specifically defined herein may be used provided they meet recognized and acceptable professional standards and are approved by the Engineer.
- B. Ambient Conditions: no coating shall be applied when the surrounding air temperature or the temperature of the surface to be coated or painted is below 50 degrees F. No coatings shall be applied at temperatures above 110 degrees F. No coatings shall be applied to wet or damp surfaces or in rain, snow, fog or mist, when the temperature is less than 5 degrees F. above the dewpoint, or when it is expected the air temperature will drop below 50 degrees F. Dewpoint shall be measured by the use of an instrument such as a Sling Psychrometer in conjunction with U.S. Department of Commerce Weather Bureau Psychrometer Tables or equivalent in accordance with ASTM E337. If unacceptable conditions are prevalent coating or paint application shall be delayed or postponed until conditions are favorable. The day's coating or paint application shall be completed in time to permit the film sufficient drying time prior to damage though atmospheric conditions.
- C. Surface Preparation: surface preparation will be based upon comparison with: "Pictorial Surface Preparation Standards for Painting Steel Surfaces," SSPC-Vis 1 and as described herein. Anchor profile for prepared surfaces shall be measured by using a nondestructive instrument such as a Testex Press-0-Film System in accordance with ASTM D4417. Temperature and dewpoint requirements noted above and herein shall apply to all surface preparation operations, except low and high temperature limits.

- D. The Contractor shall conduct all operations so as to confine abrasive blasting debris and paint overspray to within the bounds of the site. The Contractor shall take all precautions necessary to prevent adverse off-site consequences of painting operations. Any complaints received by the Engineer relating to any such potential offsite problems will be immediately delivered to the Contractor. The Contractor shall immediately halt work and shall take whatever corrective action is required to mitigate any such problems. All costs associated with protection of off-site properties and/or correction of damage to property as a result of painting operations shall be borne directly by the Contractor at no additional expense to the Owner.
- E. Film Thickness Testing: thickness of coatings and paint shall be checked with a non-destructive film thickness gauge in accordance with ASTM D7091. An instrument such as Tooke Gage should be used in accordance with ASTM D4138 if a destructive tester is deemed necessary. The sampling of film thickness of flat (e.g. plate) surfaces shall be tested in accordance with SSPC-PA2. The sampling of structural members or irregular surfaces shall be tested in frequency and locations, as directed by the engineer.
- F. Holiday Detection: coating integrity of all interior coated surfaces shall be tested with an approved inspection device in accordance with NACE SP 0188. All pinholes shall be repaired in accordance with the manufacturer's printed recommendations and retested. No pinholes or other irregularities will be permitted in the final coating.
- G. Inspection Devices: Contractor shall furnish, until final acceptance of coating and painting, inspection devices in good working condition for detection of holidays and measurement of dry-film thickness of coatings and paints. They shall also furnish National Institute of Standards and Technology/National Bureau of Standards (NIST/NBS) certified thickness calibration plates to test accuracy of thickness gauges. Dry film thickness gauges and holiday detectors shall be available at all times until final acceptance of application. Inspection devices shall be operated by, or in the presence of the Engineer with location and frequency basis determined by the Engineer. The Engineer is not precluded from furnishing his own inspection devices and rendering decisions based solely upon these quality assurance tests. Should in the opinion of the Engineer a 24-hour, continuous reading surface temperature gauge be required to assure that maximum recoat windows are observed, the Contractor shall provide a working calibrated instrument to meet this need. The gauge shall be digital and capable of providing instantaneous average measurements of the temperatures recorded.
- H. Acceptable Inspection Devices: acceptable devices for ferrous metal surfaces include, but are not limited to Tinker-Razor Models AP and AP-W

holiday detectors and SSPC, Type II units for dry film thickness gauging. Inspection devices shall be calibrated and operated in accordance with specified requirements. This high-voltage testing requires the contractor to obtain written acceptance from the lining manufacturer endorsing the use of high-voltage in accordance NACE SP 0188 and as specified herein.

- I. Warranty Inspection: warranty inspection shall be conducted between the eleventh- and seventeenth-months following acceptance of all coating and painting work. All personnel present at the Pre-Job Conference should be present at this inspection. All defective work shall be repaired in strict accordance with this specification and to the satisfaction of the Owner.
 1. Notification: The Engineer shall establish the date for the inspection and shall notify the Contractor at least 30 days in advance. The Owner will drain the tanks and Contractor shall provide, at his own expense, suitable lighting and ventilation for the inspection. At the Owner's option, warranty inspection may be accomplished by diving operations.
 2. Inspection: all surfaces of the coating systems shall be visually inspected. All defective coatings, as well as damage or rusting spots of the tanks, shall be satisfactorily repaired by and at the sole expense of the Contractor. Defective coating shall be any of those defined by SSPC's Visual Comparison Manual.
 3. Inspection Report: the Engineer shall prepare and deliver to the Contractor an inspection report covering the warranty inspection. The report shall set forth the number and type of failures observed, the percentage of the surface area where failure has occurred, and the names of the persons making the inspection.
 4. Schedule: upon completion of the inspection and receipt of Inspection Report as noted herein, Engineer shall establish a date for Contractor to proceed with remedial work. Any delay on part of Contractor to meet schedule established by Owner shall constitute breach of this Contract and Owner may proceed to have defects remedied through other means, and these costs may be charged to the Contractor.
 5. Remedial Work: any location where coating or paint is defined as defective shall be considered to be a failure of the system at that location. The Contractor shall make repairs at all points where failures are observed by removing the deteriorated coating, cleaning the surface, and recoating or repainting with the same system specified herein. Any spot repairs to defective areas will require feathering at least 3 inches into sound adjacent coating. If an area of failure exceeds 25 percent of a specific coated surface, the entire coating system from that specific area may be required to

be removed and recoated in accordance with the original specification.

a. Specific coated surfaces are defined as follows:

- (1) Roof - interior
- (2) Shell - interior
- (3) Floor - interior
- (4) Roof - exterior
- (5) Shell - exterior
- (6) Attachments, accessories and appurtenances

6. Should any of the defined surface noted in 5.a above require removal and replacement, the owner has the option to charge all costs associated with the owner appointed inspection of the rework to the Contractor.

1.11 SAFETY AND HEALTH REQUIREMENTS

- A. General: ventilation, electrical grounding, and care in handling coatings, paints, solvents and equipment are important safety precautions during coating and painting projects. Contractor shall conform with safety requirements set forth by regulatory agencies applicable to the construction industry and manufacturer's printed instructions and appropriate technical bulletins and manuals. The Contractor shall provide and require use of personal protective life saving equipment for all persons working in or about the project site.
- B. Access Facilities: all ladders, scaffolding and rigging shall be designed for their intended uses. Ladders and scaffolding shall be erected where requested by Engineer to facilitate inspection and be moved by the Contractor to locations requested by the Engineer.
- C. Ventilation: where ventilation is used to control hazardous exposure, all equipment shall be explosion-proof, of industrial design and shall be approved by the Engineer. Ventilation shall reduce the concentration of air contaminant to the degree a hazard does not exist by educting air, vapors, etc. from the confined space. Air circulation and exhausting of solvent vapors shall be continued until coatings have fully cured. Forced air eduction during blast cleaning and coating application operations is mandatory 24 hours per day until coatings have fully cured. If dehumidification equipment is used, equipment must be operated on a continuous basis during all blasting and coating operations, including shifts during which no work is being accomplished. Only ventilation, not dehumidification is required during final curing phases.
1. Ventilation system shall be furnished and installed by the Contractor in accordance with these specifications. The Contractor

shall make modifications to the ventilation system as directed by the Engineer to insure a safe working environment and complete removal of all solvent vapors. Upon completion of the final curing period, as determined by the Engineer, the Contractor shall remove the ventilation system.

2. The exhaust blower capacity shall be sufficient to maintain air changes within tank interiors in accordance with OSHA, the coating manufacturer's recommendations, and the local Air Pollution Control District regulations.
 3. If Contractor uses dehumidification equipment, or any other alternative ventilation systems, Contractor must submit, in advance, for approval by the Engineer, a complete list of equipment and procedures for its use.
- D. Head and Face Protection and Respiratory Devices: equipment shall include protective helmets, which shall be worn by all persons while in the vicinity of the work. During abrasive blasting operations, nozzle-men shall wear U.S. Bureau of Mines approved air-supplied helmets and all other persons who are exposed to blasting dust shall wear approved filter-type respirators and safety goggles. When coatings are applied in confined areas all persons exposed to toxic vapors shall wear approved respiratory protection.
- E. Grounding: blasting, spray and air hoses shall be grounded to prevent accumulation of charges of static electricity.
- F. Illumination: spark proof artificial lighting shall be provided for all work in confined spaces. Light bulbs shall be guarded to prevent breakage. Lighting fixtures and flexible cords shall comply with the requirements of NFPA 70 "National Electric Code" for the atmosphere in which they will be used. Whenever required by the Engineer, the Contractor shall provide additional illumination and necessary supports to cover all areas to be inspected. The level of illumination shall be in accordance with SSPC Technology Guide No. 12 for Illumination of Industrial Painting Projects.
- G. Toxicity and Explosiveness: the solvents used with specified protective coatings are explosive at low concentrations and are highly toxic. The maximum allowable concentration of vapor shall be kept below the maximum safe concentration for eight-hour exposure, plus Lower Explosive Limit must be strictly adhered to. If coatings or paints contain lead or other hazardous materials, all regulations related to safety of personnel and handling of such materials shall be strictly adhered to.
- H. Protective Clothing: coating and paint materials may be irritating to the skin and eyes. When handling and mixing coatings and paints workmen shall wear appropriate covering gloves and eye shields.

- I. Fire: during mixing and application of coatings and paints, all flames, welding and smoking shall be prohibited in the vicinity. Appropriate type fire extinguishers shall be provided by Contractor and kept at the jobsite during all operations.
- J. Sound Levels: whenever the occupational noise exposure exceeds the maximum allowable sound levels, the Contractor shall provide and require the use of approved ear protective devices. General sound levels for project shall be those that will not affect routine facility or neighborhood activities. Whenever any levels are objectionable, they shall be adjusted as directed by the Engineer. Adjustments to noise levels required may include the relocation of equipment or the installation of a sound barrier, as required by the Engineer.
- K. Compliance with California Code of Regulations: Contractor shall submit a notarized letter signed by a principal officer of the Corporation certifying the Contractor fully complies with California Code of Regulations pertaining to the work including, but not limited to, the following:
 - 1. Illness Injury Prevention Program CSO/GISO 1508/3203
 - 2. Confined Space Plan GISO 5156/5159
 - 3. Respiratory CSO/GISO 1531/5144
 - 4. Hazard Communication GISO 5194
 - 5. Rolling Scaffolds CSO 1646
 - 6. Employee Safety Instruction CSO 1510
 - 7. Emergency Medical Service CSO 5112
 - 8. Dusts, Fumes, Mists, Vapors & Gases CSO 1528
- L. Protective Coverings, Containment, and Ventilation Materials/Equipment: The Contractor shall Provide all protective coverings needed to protect those surfaces that are not designated to be prepared or coated. Provide all materials needed for the implementation of a containment/ventilation system around the operation to control emissions and exposures in accordance with the provisions of this Section. This includes, but is not limited to, rigging, scaffolding, planking, tarpaulins, dust collectors and vacuums. Verify that all materials are free of lead, chromium, loose dust and debris when brought onto the Owner's property and upon removal from the site.

2.0 MATERIALS

2.01 GENERAL

- A. Materials specified are those which have been evaluated for the specific service. Products are listed to establish a standard of quality. Standard products of manufacturers other than those specified will be accepted when proven to the satisfaction of the Engineer they are equal in composition, durability, usefulness and convenience for the purpose

intended. Substitutions will be considered provided the following minimum conditions are met:

1. The proposed coating system shall have a dry film thickness equal to or greater than that of the specified system.
 2. The proposed coating or paint system shall employ an equal or greater number of separate coats.
 3. The proposed coating or paint system shall employ coatings or paints of the same generic type.
 4. All requests for substitution shall carry full descriptive literature and directions for application, along with complete information on generic type, non-volatile content by volume and a list of 10 similar projects, all at least three years old, where the coatings or paints have been applied to similar exposure. Substitutions shall be endorsed in writing from the materials manufacturer that these substituted materials will provide equivalent performance as those specified.
 5. If the above-mentioned data appears to be in order, the Engineer may require that the Contractor provide certified laboratory data sheets showing the results of complete spectrographic and durability tests accomplished on the proposed substitute. An independent testing laboratory satisfactory to the Engineer shall accomplish tests and all costs incurred in the testing program shall be borne by the Contractor. In any case, the Engineer shall be sole and final judge of the acceptability of any proposed substitution. Requests for substitution must be approved in writing.
- B. All materials shall be brought to the jobsite in the original sealed containers. They shall not be opened or used until Engineer has physically inspected contents and obtained necessary data from information printed on containers or labels. Materials exceeding storage life recommended by the manufacturer shall be rejected.
- C. Flammability, toxicity, allergenic properties, and any other characteristic requiring field precautions shall be identified and specific safety practices shall be stipulated.
- D. All coating materials shall be stored in enclosed structures to protect them from weather and excessive heat or cold. Flammable coatings and paints must be stored to conform with local, county, state and federal safety codes for flammable coating and paint materials. At all times, coatings and paint shall be protected from freezing.
- E. Contractor shall use products of the same manufacturer for all coats.

2.02 EXTERIOR PAINT MATERIALS

- A. Paint materials shall consist of an epoxy/urethane system and conform to the regulations and applicable requirements of applicable local, state and federal air pollution regulatory agencies.
 - 1. Prime coat shall be similar or equal to that defined in AWWA Standard D102-17, Outside Coating No. 5 (OCS-5). Materials listed herein as standards of quality.
 - 2. Finish coat shall be equal or similar to that defined in AWWA Standard D102-17, Outside Paint System No. 5 (OCS-5). Materials listed herein as standards of quality.

2.03 INTERIOR COATING MATERIALS

- A. Interior coating materials for immersed surfaces of the tanks must appear on the current National Sanitation Foundation (ANSI/NSF) Standard 61-1999. They shall conform to the regulations and applicable requirements of local, state and federal air pollution and health regulatory agencies.
 - 1. Coatings applied to the Vapor Area shall be similar or equal to AWWA Standard D102-17 Inside Coating System No. 5 (ICS-5). Materials have been listed herein as standards of quality.
 - 2. Coatings applied the Immersion Area shall be similar or equal to AWWA Standard D102-17 Inside Coating System No. 2 (ICS-2). Materials have been listed herein as standards of quality.
 - 3. Dry film thicknesses shall not exceed those certified by NSF or UL.
 - 4. Joint sealant shall be a flexible polyurethane or polysulfide product, similar or equal to Federal Specification TT-S-230.

3.0 EXECUTION

3.01 GENERAL

- A. All surface preparation, coating and paint application shall conform to applicable standards of SSPC and the manufacturer's printed instructions. Material applied prior to approval of the surface by the Engineer shall be removed and reapplied to the satisfaction of the Engineer at the expense of the Contractor.
- B. All work shall be performed by skilled craftsmen qualified to accomplish the required work in a manner comparable with the best standards of practice. Continuity of personnel shall be maintained, and transfer of key personnel shall be coordinated with the Owner.

- C. The Contractor shall provide a supervisor to be at the work site during cleaning, application and disinfection operations. The supervisor shall have the authority to sign any change orders, coordinate work and make other decisions pertaining to the fulfillment of their contract.
- D. Contractor shall provide approved sanitary facilities for all project personnel, as no existing facilities will be available to the Contractor. Facilities shall be maintained during the project to complete standards established by Owner, and shall be removed prior to Contractor's departure from the site at completion of the project.
- E. Dust, dirt, oil, grease or any foreign matter which will affect the adhesion or durability of the finish must be removed by washing with clean rags dipped in an approved commercial cleaning solvent, rinsed with clean water and wiped dry with clean rags.
- F. The Contractor's coating and painting equipment shall be designed for application of materials specified and shall be maintained in first class working condition. Compressors shall have suitable traps and filters to remove water and oils from the air. Blotter test shall be accomplished at each start-up period and as deemed necessary by the Engineer. Contractor's equipment shall be subject to approval of the Engineer.
 - 1. Cleanliness of compressed air supply shall be verified daily, and as deemed necessary by Engineer, by directing a stream of air, without abrasive, from the blast nozzle onto a white blotter or cloth for twenty seconds in accordance with ASTM D4285. If air contamination is evident, change filters, clean traps, add moisture separators or filters, or make adjustments as necessary to achieve clean, dry air.
- G. Application of the first coat shall follow immediately after surface preparation and cleaning within an eight-hour working day. Any cleaned areas not receiving first coat within an eight-hour period shall be recleaned prior to application of first coat.
 - 1. If dehumidification equipment is used, cleaned areas may have first coat applied during last shift of the week, provided dehumidification equipment has run continuously during the complete week and surface meets requirements of the specification.
- H. Because of the presence of moisture and possible contaminants in the working atmosphere, care shall be taken to ensure previously coated or painted surfaces are protected or recleaned prior to application of subsequent coat(s). The Engineer shall approve methods of protection and recleaning.
 - 1. The project is subject to intermittent shutdown if, in the opinion of

the Engineer, cleaning, coating and painting operations are creating a localized condition detrimental to ongoing facility activities, personnel, or adjacent property.

2. In the event of emergency shutdown by the Engineer, Contractor shall immediately correct deficiencies. All additional costs created by shutdown shall be borne by Contractor.
- I. The Contractor shall provide, at his own expense, all necessary power for his operations under the contract.

3.02 SURFACE PREPARATION, GENERAL

- A. The latest revision of the following surface preparation specifications of SSPC shall form a part of this specification. (Note: An element of surface area is defined as any given 9 square inches of surface).
 1. Solvent Cleaning (SSPC-SP1): Removal of oil, grease, soil and other contaminants by use of solvents, emulsions, cleaning compounds, steam cleaning or similar materials and methods, which involve a solvent or cleaning action.
 2. Hand/Powertool Cleaning (SSPC-SP2/SP3): Prepared surfaces shall be free of all loose mill scale, loose rust, loose paint, and other loose detrimental foreign matter. Materials are considered adherent if they cannot be removed by lifting with a dull putty knife.
 3. Brush-off Blast Cleaning (SSPC-SP7): Blast cleaning to remove loose rust, loose mill scale, and other detrimental foreign matter present to the degree specified.
 4. Commercial Blast Cleaning (SSPC-SP6): Blast cleaning to near-white metal cleanliness, until at least thirty-three percent of each element of surface area is free of all visible residues.
 5. Near-White Blast Cleaning (SSPC-SP10): Blast cleaning to near-white metal cleanliness, until at least ninety-five percent of each element of surface area is free of all visible residues.
 6. Powertool Cleaning to Bare Metal (SSPC-SP11): Powertool cleaning to bare metal cleanliness, until each element of surface area is free of all visible residues and has minimum of 1 mils profile.
 7. Powertool Cleaning to Commercial Grade Cleanliness (SSPC-SP15): Powertool cleaning to commercial cleanliness, until at least sixty-six percent of each element of surface area is free of all visible residues.

- B. All exterior surfaces shall be abrasively blast cleaned to "Commercial Blast Cleaning" in conformance to SSPC's Surface Preparation Specification No. 6 (SSPC-SP6) with a surface profile or anchor pattern of 2 to 3 mils (0.002" - 0.003").
- C. All interior surfaces, including stainless steel ladders, shall be abrasively blast cleaned to "Near-White Blast Cleaning" in conformance to SSPC's - Surface Preparation Specification No. 10 (SSPC-SP10) with a surface profile or anchor pattern of 2 to 3 mils (0.002" - 0.003").

3.03 SURFACE PREPARATION, SPECIFIC

- A. Slag, weld spatter, or sharp edges such as those created by corrosion shall be removed by grinding. All sharp edges shall be ground or otherwise blunted as required by the Engineer in accordance with NACE SP0178.
- B. Abrasive blasting nozzles shall be equipped with "deadman" emergency shut-off nozzles. Blast nozzle pressure shall be a minimum of 95 P.S.I. and shall be verified by using an approved nozzle pressure gage at each start-up period or as directed by the Engineer. Number of nozzles used during all blast cleaning operations must be sufficient to insure timely completion of project as approved and directed by Engineer.
- C. All blast hose connections shall be connected with external couplings. These connections shall be taped with duct tape prior to pressurizing. All taped connections shall be visually inspected for leaks within five minutes after start of blast cleaning operations and at the end of blast cleaning operations. Leaking connections shall be immediately repaired to prevent further damage.
- D. Particle size of abrasives used in blast cleaning shall be that which will produce a surface profile or anchor pattern specified herein, or in accordance with recommendations of the manufacturer of the specified coating or paint system to be applied, subject to approval of Engineer.
- E. Abrasive used in blast cleaning operations shall be new, washed, graded and free of contaminants, which would interfere with adhesion of coatings and paints and shall not be reused unless specifically approved by the Engineer. Abrasives shall be certified for unconfined dry blasting pursuant to the California Administrative Code, Section 92520 of Subchapter 6, title 17, and shall appear on the current listing of approved abrasives.
- F. The Contractor shall select an abrasive media that is proper for the quality of surface preparation specified. Should it be determined that the production rate and quality of the surface preparation is less than

specified, it shall be the Contractor's responsibility to use other types and/or sizes of abrasive to meet the requirements of this contract. At no time shall considerations of extra effort be considered by the Owner unless, in the opinion of the Engineer the Contractor has explored all alternative means of abrasive blasting during their operations.

- G. Blast cleaning from rolling scaffolds shall only be performed within the confines of the interior perimeter of the scaffold. Reaching beyond the limits of the perimeter will be allowed only if blast nozzle is maintained in position, which will produce a profile acceptable to the Engineer.
- H. The Contractor shall keep the area of work in a clean condition and shall not permit blasting materials to accumulate as to constitute a nuisance or hazard to the prosecution of the work or the operation of the existing facilities. Spent abrasives and other debris shall be removed at the Contractor's expense as directed by the Engineer. If waste is determined to be hazardous, disposal by Contractor shall meet requirements of all regulatory agencies for handling such wastes.
- I. Blast cleaned surfaces shall be cleaned prior to the application of specified coatings or paints through a combination of blowing with clean dry air, brushing/brooming and/or vacuuming as directed by the Engineer. Air hose for blowing shall be at least 1/2" in diameter and shall be equipped with a shut-off device.
- J. The surfaces of any non-carbon steel substrates, or specialty items (i.e. galvanized, anodized, etc.) shall be properly treated and prepared prior to any coating operations in accordance with the coating manufacturer's written recommendations, subject to approval of the engineer.

3.04 MECHANICAL REPAIRS

- A. There are areas of corrosion within the reservoir that will require mechanical repairs. Excessive metal loss shall be repaired using the following procedure:
 - 1. Grind all sharp edges in accordance with NACE SP 0178.
- B. Excessive metal loss and/or pitting or shall be repaired using the following procedure:
 - 1. Repair all areas as directed by the Engineer. The Engineer will advise the contractor as to which method(s) of repair to use. Methods of repair may include:
 - a) Abrasive blast cleaning pitted areas, fill with welding, and grind smooth. Welding will be required for any pit measured to be deeper than 25% of the plate original thickness. As an

option to puddle welding, the pits may be covered with a steel patch plate installed with a continuous weld bead.

3.05 APPLICATION, GENERAL

- A. Coating and paint application shall conform to the requirements of the SSPC's Paint Application Specification No. 1 (SSPC-PA1), latest revision, for "Shop, Field and Maintenance Painting," the manufacturer of the coating and paint materials printed literature, and as specified herein.
- B. Thinning shall only be permitted as recommended by the manufacturer and approved by the Engineer, and shall not exceed the limits set by applicable regulatory agencies.
 - 1. If the Contractor applies any coatings which have been modified or thinned to such a degree as to cause them to exceed established maximum VOC levels, Contractor shall be responsible for any fines, costs, remedies, or legal action and costs which may result.
- C. Each application of coating and paint shall be applied evenly with a uniform appearance. The system shall be free of brush marks, unfeathered edges, sags, runs, and evidence of poor workmanship, or any aesthetic defects, as defined by SSPC. Care should be exercised to avoid lapping on glass or hardware. Coating and paint shall be sharply cut to lines. Finish surfaces shall be uniform in appearance and shall be free from defects or blemishes.
- D. Protective coverings or drop cloths shall be used to protect floors, concrete, fixtures, equipment, prepared surface and applied coatings. Personnel entering tanks or walking on exterior roof of tanks shall take precautions to prevent damage or contamination of coated or painted surfaces. Care shall be exercised to prevent coating or paint from being spattered onto surfaces, which are not to be coated or painted. Surfaces from which such material cannot be removed satisfactorily shall be replaced, repainted or recoated as required to produce a finish satisfactory to the Engineer.
- E. All welds and irregular surfaces, as defined by the engineer shall receive a brush coat of the specified product prior to application of each complete coat. Coating/paint shall be brushed in multiple directions to insure penetration and coverage, as directed by the Engineer. These areas include, but are not limited to welds, roof lap seams, nuts, bolts, ends, and flanges of rafters, etc.
- F. At the conclusion daily abrasive blasting and coating operations, a 6" wide strip of blast cleaned substrate shall remain uncoated to facilitate locating the point of origin for successive blast cleaning/priming operations.

- G. Epoxy coating which has endured an excessive time element beyond manufacturer's recommended recoat cycle, shall be scarified by Brush-off Blast Cleaning (SSPC-SP7) or methods approved by the Engineer, prior to application of additional coating or paint. Scarified coating shall have sufficient depth to assure a mechanical bond of subsequent coat.
- H. All attachments, accessories, and appurtenances to be coating shall be prepared and finished in the same manner as specified for adjacent tank sections.
- I. The stainless steel ladder and baton strips are to be prepared and coated

3.06 PAINT APPLICATION, EXTERIOR SURFACES

- A. After completion of surface preparation as specified, all bare metal surfaces shall receive the coatings specified under 2.02 "EXTERIOR PAINT MATERIALS." The total system shall include the following:
 - 1. Sherwin-Williams Company
 - a. 4-6 mils Macropoxy 646-PW - Prime Coat
 - b. 2-5 mils Acrolon 100 – Finish Coat
 - c. 7 mils (0.007") shall be the nominal dry film thickness of the completed system
 - 2. Tnemec Company
 - a. 4-6 mils Series L140 or L69 Epoxoline - Spot Prime (metal)
 - b. 2-4 mils Endurashield Series 1081 – Finish Coat
 - c. 7 mils (0.007") shall be the minimum dry film thickness of the completed new system.
- B. Color Scheme: the Owner shall select the exterior finish coat color(s) for the tank. The Contractor shall submit a current chart of the manufacturer's available colors to the Owner's representative at least ten days prior to the start of painting operations.

3.07 COATING APPLICATION, INTERIOR SURFACES

- A. After completion of surface preparation as specified, all surfaces, including stainless steel ladders, shall receive a three coat system from one of the manufacturers as noted below and specified under 2.03 "INTERIOR COATING MATERIALS." Where possible, each coat shall be of contrasting color and the topcoat shall be white. The approved lining systems for the Vapor Area and Immersion Area of the interiors follow:

1. **Roof and Knuckle Plate (vapor area):**

Sherwin Williams

- a. 3-4 mils Corothane I Galvapak 2K 100 Prime Coat
- b. 5-6 mils Macropoxy 646 PW Intermediate Coat
- c. 5-6 mils Macropoxy 646 PW Topcoat
- d. 13 mils (0.013") shall be the minimum DFT of the system.

Tnemec Company

- a. 3-4 mils Series 94 H2O Hydro-Zinc Prime Coat
- b. 4-6 mils Series L140F PotaPox Intermediate Coat
- c. 4-6 mils Series L140F PotaPox Topcoat
- d. 13 mils (0.013") shall be the minimum DFT of the system.

2. **Surfaces below the vapor area (immersion):**

Sherwin Williams

- a. 4-7 mils Macropoxy 646 PW Prime Coat
- b. 4-7 mils Macropoxy 646 PW Intermediate Coat
- c. 4-7 mils Macropoxy 646 PW Topcoat
- d. 15 mils (0.015") shall be the minimum DFT of the system.

Tnemec Company

- a. 4-6 mils Series L140F PotaPox Prime Coat
- b. 4-6 mils Series L140F PotaPox Intermediate Coat
- c. 4-6 mils Series L140F PotaPox Topcoat
- d. 15 mils (0.015") shall be the minimum dry film thickness of the completed system.

B. Shell/roof junction, roof plate lap seams, and designated void areas:

- 1. After completion of coating application, as specified, all void areas shall be filled with a joint sealant as specified under 2.03 "INTERIOR COATING MATERIALS". Joint sealant may be applied by caulking gun, trowel or other approved method. Sealant shall be pressed firmly into voids to insure 100% filling/sealing.

3.08 DEHUMIDIFICATION

- A. Provide all equipment and manpower to provide supplemental heat and dehumidification (DH) of the reservoir interior as required to maintain proper curing conditions as specified by the coating manufacturer. If DH is used to control the environment within the tank it shall be provided 24 hours a day throughout blast cleaning, coating application, and curing operations. The DH system shall be similar or equal to the following requirements.

B. Operation Criteria:

1. The tank shall be continuously dehumidified 24 hours per day, 7 days per week during blasting, coating, between applications of coating, unless approved in writing by the Engineer.
2. Maintain the dehumidification system at all times. Only ventilation equipment, not dehumidification equipment is required throughout final cure period.
3. Dehumidification equipment shall also provide the necessary ventilation for the removal of solvent vapors during the coating and final cure phase. At all times, maintain the concentration of solvent vapors in all parts of the tank at 10-percent below the lower explosive limit (LEL).
4. Ducting shall be a minimum of 18 inches in diameter, airtight and reinforced with spirally-wound wire to prevent collapse. Size of ducting shall be larger if deemed necessary by the Contractor in order to comply with these specifications or any local, state, or federal safety regulations. Sizing of the ducting, ventilation, and dehumidification equipment shall be the sole responsibility of the Contractor. Provide an appropriate connecting device between the 18-inch duct and designated opening. All bends in duct work shall have a minimum radius of 2 X ID of the ducting (i.e. 18" ID = 36" minimum radius).
5. The Contractor shall design and submit for review a dehumidification and ventilation plan, which provides for a minimum cross-draft velocity of 100 feet per minute in the vicinity of the work area. The cross-draft velocities shall be obtained with the use of a portable blower or fans.
6. The areas adjacent to the surface that are to be blasted and coated shall not be exposed to a relative humidity over thirty-five percent, unless it is required to assure that a zinc primer will reach proper cure. Furthermore, these areas shall not have a surface temperature that is less than 15 degrees F above dew point at any time during cleaning and coating phases.

C. Equipment:

1. The dehumidification equipment shall be a solid desiccant (not liquid, granular, or loose lithium chloride) design having a single rotary desiccant bed capable of continuous operation, fully automatic, with

drip-proof automatic electrical controller.

2. The equipment shall be capable of making two complete air changes every sixty minutes unless the 100 feet per minute cross-draft velocity requirement requires a larger volume.
 3. The processed air from the dehumidification unit must maintain a relative humidity of eleven percent or less.
 4. During the coating phase, dehumidification units shall have auxiliary heaters capable of maintaining a constant air temperature inside the tank.
 5. Air heaters are not acceptable as substitutes for dehumidification units.
 6. Air chillers, heaters, or air conditioners may be used downstream of the dehumidifiers if they are approved for use by the manufacturer of the dehumidification equipment and the Engineer.
- D. Dehumidification equipment shall be operating continuously, 24 hours a day, seven days per week from the time abrasive blasting begins, through to completion of all lining application. Equipment shall be turned off only for regular servicing or fueling of climate control equipment or generator(s). Equipment can be turned off during periods when there is no demand for dehumidification only if automatic controls are installed that perform the following:
1. Activates and deactivates the equipment by determining the difference between the coldest surface temperature and the dew point temperature in the tank.
 2. Measures and logs surface temperature, inside air temperature, inside dew point temperature and equipment run time at 1 minute intervals. Copies of this data will be delivered to the owner.
 3. Climate control equipment equipped with a monitoring and control device, including complete control module, sensor module, and web-based support such as ExactAire supplied by Polygon Corporation that notifies a capable technician of any failure of the equipment or power source, by cellular phone or pager.
- E. Coating System Identification: unless otherwise directed by the Engineer, stencil the following information on the completed exterior system. Location will be selected by the Engineer. Use a black urethane coating and provide lettering that is 2 to 3 inches in height.

1. Month and Year of Completion
2. Identification of Coating System

3.09 QUALITY CONTROL

- A. All coating components shall be mixed in exact proportions specified by the manufacturer. Care shall be exercised to insure all material is removed from containers during mixing and metering operations.
- B. All coatings shall be thoroughly mixed utilizing an approved slow-speed power mixer until all components are thoroughly combined and are of a smooth consistency. Catalyzed coatings shall not be applied beyond pot-life limits specified by manufacturer. Any required induction requirements shall be strictly followed.
- C. Thinners shall be added to coating materials only as required in accordance with manufacturer's printed literature and in the presence of the Engineer. Quantities of thinner shall not exceed limits set by applicable regulatory agencies.
- D. Application shall be by airless spray method except as otherwise specified, or approved by the Engineer. Drying time between coats shall be strictly observed as stated in the manufacturer's printed instructions.
- E. When two or more coats are specified, where possible, each coat shall be of contrasting color.
- F. Paint shall not be applied when wind speeds exceed 15 miles per hour.
- G. Care shall be exercised during spray operations to hold the spray nozzle perpendicular and sufficiently close to surfaces being coated to avoid excessive evaporation of volatile constituents and loss of material into the air or the bridging of cracks and crevices. Reaching beyond limits of scaffold perimeter will not be permitted. All dryspray or overspray shall be removed as directed by Engineer and the area recoated.
- H. Upon completion of the interior coating operations and after the required drying intervals, holiday detection shall be accomplished on all coated surfaces below the overflow. The instrument shall be set at 2,000 volts, include a wire brush electrode, and be properly grounded. Repairs shall be retested. The contractor shall obtain a letter from the coating manufacturer approving this test procedure, prior to any testing. Should the manufacturer not approve of this device, an 67.5 volt device Tinker and Razor M-1 device shall be used.

- I. All holiday detection of coatings shall be performed in the presence of the Engineer. Holiday detection may be completed above the overflow to verify continuity or areas suspected of not being continuous, as deemed necessary by the Engineer. It is the intent of these specifications to assure that all coatings are continuous and free of holidays that can be sealed with the specified coatings.
- J. A time element equivalent to 7 days curing time at 70 degrees and 50% relative humidity, and as required by the coating manufacturer and approved by Engineer, shall be required before placing the epoxy coating system into service, as determined in 3.10" FINAL CURING OF EPOXY COATING."

3.10 FINAL CURING COATING

- A. Special care shall be used to assure the proper cure of the zinc primer prior to overcoating, notably if relatively low-humidity conditions have been prevalent or dehumidification has been in use. Prior to overcoating zinc primer, its proper level of cure shall be determined by implementing testing completed in accordance with the coating manufacturer's written recommendations.

Upon completion and acceptance of applied coating system, Contractor shall furnish an approved exhaust fan or blower of sufficient capacity to insure removal of solvent vapors during curing process. The fan or blower, after approval by Engineer, shall be installed as directed by the Engineer and shall remain in continuous operation until coating is completely cured as determined by the manufacturer of the coating system.

- B. After completion of curing cycle as noted above, the Contractor shall test the applied coating with a solvent rub test performed in accordance with ASTM D 5402 to verify adequate curing has been attained.
 - 1. If final cure has not been attained, ventilation shall be continued until applied lining passes the solvent wipe test.
- C. After final cure is approved by Owner, Contractor shall remove fan or blower.

3.11 TESTING FOR VOLATILE ORGANIC COMPOUNDS (VOC's)

- A. In order to monitor the presence of excessive levels of VOC's leached into the water from the coating process, the following procedure shall be utilized:
 - 1. After satisfactory curing and disinfection, the Owner in accordance with standard filling procedures shall fill the tank. Water shall then be retained for a period of 5 days.

2. On the sixth day following completion of filling of tank, samples of the water shall be removed by Owner in accordance with latest Health Department memoranda. Samples shall then be forwarded, by Owner, to an approved test laboratory for testing to determine presence of VOC'S.
3. After testing of samples, results must show levels of leached organics to be in accordance with levels established by the Health Department for various VOC'S. Health Department will verify results and tank(s) will be then placed into operating service.
4. If levels of leached organics exceed those acceptable to the Health Department, the tanks shall be drained, flushed, refilled and retested; all at the Contractor's expense. Failure of the tanks to attain levels acceptable to the Health Department shall be the responsibility of the Contractor and remedial measures to attain such levels shall be at his sole expense.

3.12 CLEAN-UP

- A. Upon completion of the work, all staging, scaffolding and containers shall be removed from the site or destroyed in a manner approved by the Engineer. Coating or paint spots upon adjacent surfaces shall be removed and the entire jobsite cleaned. All damage to surfaces resulting from the work of this section shall be cleaned, repaired, or refinished to the complete satisfaction of the Engineer at no cost to the Owner.

3.13 OMISSIONS

- A. Care has been taken to delineate herein those surfaces to be coated. However, if coating or painting requirements have been inadvertently omitted from this section or any other section of the specifications, it is intended that all metal surfaces, unless specifically exempted herein, shall receive a first-class protective coating or paint equal to that given the same type surface pursuant to these specifications.

RESOLUTION NO. 2025-02

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE DONNER SUMMIT PUBLIC UTILITY DISTRICT APPROVING THE PLANS AND SPECIFICATIONS AND AUTHORIZING THE GENERAL MANAGER TO ISSUE A NOTICE INVITING BIDS FOR THE RESERVOIR 2 TANK COATING PROJECT

WHEREAS, the District's water storage tanks were inspected in September 2023 and the interior of Reservoir 2 was found to be in poor to fair condition; and

WHEREAS, coating of two tanks was programmed in the five-year capital improvement plan for fiscal years 2024 through 2027; and

WHEREAS, the General Manager has completed bid documents for recoating Reservoir 2; and

WHEREAS, the engineer's estimate of construction costs is \$130,000; and

WHEREAS, this Project is exempt from CEQA per Section 15301 Existing Facilities, operation, repair, maintenance, and minor alteration of an existing drinking water reservoir.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF DONNER SUMMIT PUBLIC UTILITY DISTRICT DOES HEREBY RESOLVE that the foregoing recitals are true and correct and are part of this resolution.

BE IT FURTHER RESOLVED that the bid documents for the Reservoir 2 Tank Coating Project are approved and the General Manager is authorized to issue a notice inviting bids for the project.

PASSED AND ADOPTED by the Board of Directors of Donner Summit Public Utility District, this 21st day of January 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

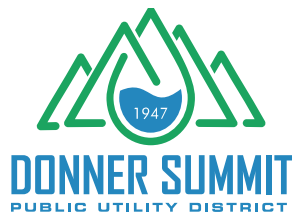
DONNER SUMMIT PUBLIC UTILITY DISTRICT

By: _____
Cathy Preis
President, Board of Directors

ATTEST:

By: _____
Dawn Parkhurst
Secretary of the Board

Agenda Item: 8D



STAFF REPORT

TO: Board of Directors

PREPARED BY: Steven Palmer, PE, General Manager *SP*

SUBJECT: Adopt an Updated Conflict of Interest Code

RECOMMENDATION

Adopt a resolution approving the updated Conflict of Interest Code.

BACKGROUND

The Political Reform Act (Government Code Section 81000, et seq.) requires state and local agencies to adopt and follow a conflict-of-interest code. The purpose of the code is to designate positions and establish requirements for disclosures of financial interest to identify real or potential conflicts of interest. Donner Summit Public Utility District's (DSPUD) existing Conflict of Interest Code was adopted by the Board as Board Policy 1020 (Attachment 1).

Agencies are required to review their conflict-of-interest code biennially. In May 2024, the General Manager received notice from the Fair Political Practices Commission (FPPC) that it was time for DSPUD to review its conflict-of-interest code and notify the FPPC of any needed changes. The General Manager compared the current Board approved conflict of interest code with the FPPC sample and guidelines, and determined that an update was required.

DISCUSSION

The General Manager submitted a markup of the existing code with proposed changes to the FPPC for review. The FPPC reviewed and commented on the proposed changes, and the General Manager updated the code to address their comments.

The updated code incorporates the language and formatting per the FPPC template and adds the Chief Plant Manager as a designated position. The code has been updated to incorporate 2 California Code Regulations Section 18730 by reference, instead of trying to copy the regulations. The positions that are required to file statements of economic interest with DSPUD and the disclosure requirements are listed below, as designated in the updated code:

A. Attorney

Required to disclose investments and business positions in business entities and sources of income if the business entity or source is subject to DSPUD's regulatory, permit, or licensing authority. Required to disclose investments and business positions in business entities and sources of income if the business entity or source has, during the reporting period, filed a claim or has a claim pending before DSPUD.

B. Chief Plant Manager

Required to disclose investments and business positions in business entities and sources of income from sources that provide services, including consulting services, supplies, materials, machinery or equipment of the type utilized by DSPUD.

C. Board of Directors and General Manager

These individuals manage public investments and will file a statement of economic interests pursuant to Government Code Section 87200 (ie. Form 700).

The updated conflict of interest code is included as Attachment 2. As required by the FPPC, the updated conflict of interest code was circulated to employees and the FPPC for review. No comments were received and it is appropriate for the Board to adopt the updated conflict of interest code. The General Manager recommends the Board adopt the attached resolution approving the updated conflict of interest code. After adoption, the General Manager will notify the FPPC.

FISCAL IMPACT

Adoption of this updated policy does not have any fiscal impact.

CEQA ASSESSMENT

This is not a CEQA Project

ATTACHMENTS

1. Existing Conflict of Interest Code
2. Updated Conflict of Interest Code
3. Resolution

APPROVED

DONNER SUMMIT PUBLIC UTILITY DISTRICT POLICY MANUAL

POLICY TITLE: Conflict of Interest
POLICY NUMBER: 1020

1020.10 The Political Reform Act, Government Code §81000, et seq., requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation, 2 Cal. Code of Regs. §18730, which contains the terms of a standard conflict of interest code. It can be incorporated by reference and may be amended by the Fair Political Practices Commission after public notice and hearings to conform to amendments in the Political Reform Act. Therefore, the terms of 2 Cal. Code of Regs. §18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference and, along with the attached Appendix A in which members of the Board of Directors and employees are designated, and in which disclosure categories are set forth, constitute the conflict of interest code of the Donner Summit Public Utility District.

1020.20 Designated employees shall file statements of economic interests with the Clerk of the County of Nevada, State of California.

APPENDIX A

PART I - DESIGNATED EMPLOYEES

<u>Position</u>	<u>Disclosure Category</u>	<u>Applicable FPPC Form</u>
Board Members	1	721
General Manager	1	721
Attorneys	1	721
Consultants	3	721

PART II - DISCLOSURE CATEGORIES

1. Investments and business positions in any business entity and sources of income listed in Appendix B are disclosable if:
 - a. The business entity or business position in which the investment is held or which is the source of income is of the type which, within the last two years, has contracted with the District; or,
 - b. The business entity or business position in which the investment is held or which is the source of income is of the type which, within the last two years, has contracted to furnish supplies or services as subcontractors in any contract with the District.
2. With respect to designated positions, investments or business positions in any business entity or sources of income which are (1) private companies or (2) entities or persons engaged in real estate development or owners of real estate, and interests in real property are disclosable if held, regardless of any contractual relationship with the District at any time.
3. Consultants shall disclose all sources of income, interests in real property and investments and business positions in business entities.

The General Manager of the District may determine in writing that a particular consultant, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements described in this section. Such written determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. Such determination shall be a public record and shall be retained for public inspection in the same manner and locations as this conflict of interest code.

PART III - APPLICABLE FPPC FORM

In accordance with Government Code §87200, certain District officers are required to disclose - upon assuming and leaving office, and annually while in office - their investments, income, and interests in real property by way of FPPC Form 721.

APPENDIX B

All interests in real property as well as investments and business positions in business entities and income from sources which provide facilities, services, supplies, or equipment of the type utilized by the District, including but not limited to:

- Pipe, valves, fittings, etc.
- Pumps, motors, etc.
- Meters and other water measurement equipment
- Construction and building materials
- Engineering services, including hydrology services
- Construction contractors
- Safety equipment and facilities
- Hardware tools and supplies
- Freight and hauling
- Motor vehicles, heavy equipment, special vehicles and parts and services thereto
- Petroleum products
- Water quality testing
- Communications equipment and services
- Well drilling supplies and contractors
- Electrical equipment, including pumping equipment
- Architectural services
- Water treatment equipment, supplies and services
- Telemetry equipment
- Public utilities
- Pipeline maintenance services



POLICY TITLE: CONFLICT OF INTEREST POLICY

POLCY NUMBER: 1020

1020.10 GENERAL

1020.11 Purpose

The purpose of this policy is to provide a conflict-of-interest code as required by the Political Reform Act.

1020.12 Policy

The District's attached Conflict of Interest Code, which was approved by the Fair Political Practices Commission (FPPC), constitutes the Districts' Conflict of Interest Policy.



**CONFLICT OF INTEREST CODE FOR THE
DONNER SUMMIT PUBLIC UTILITY DISTRICT**

The Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict-of-interest codes. The Fair Political Practices Commission has adopted a regulation (2 California Code of Regulations Section 18730) that contains the terms of a standard conflict-of-interest code, which can be incorporated by reference in an agency's code. After public notice and hearing, the standard code may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendices, designating positions and establishing disclosure categories, shall constitute the conflict of interest code of the **Donner Summit Public Utility District (District)**.

Individuals holding designated positions shall file their statements of economic interests with the **District**, which will make the statements available for public inspection and reproduction. (Gov. Code Sec. 81008) All statements will be retained by the **District**.

**CONFLICT OF INTEREST CODE FOR THE
DONNER SUMMIT PUBLIC UTILITY DISTRICT**

**APPENDIX A
DESIGNATED POSITIONS**

Designated Positions	Disclosure Categories
Attorney	2, 3
Chief Plant Manager	1
Consultants & New Positions	*

* The Attorney position is filled by an outside consultant but acts in a staff capacity.

*Consultants/new positions shall be included in the list of designated positions and shall disclose pursuant to the broadest disclosure category in the code subject to the following limitation:

The General Manager may determine in writing that a particular consultant or new position, although a “designated position,” is hired to perform a range of duties that is limited in scope and thus is not required to comply fully with the disclosure requirements described in this section. Such written determination shall include a description of the consultant’s or new position’s duties and, based upon that description, a statement of the extent of disclosure requirements. The General Manager’s determination is a public record and shall be retained for public inspection in the same manner and location as this conflict-of-interest code (Gov. Code Sec. 81008).

Officials Who Manage Public Investments

It has been determined that the positions listed below manage public investments and will file a statement of economic interests pursuant to Government Code Section 87200. These positions are listed for informational purposes only:

- Board of Directors
- General Manager

An individual holding one of the above-listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by Government Code Section 87200.

**CONFLICT OF INTEREST CODE FOR THE
DONNER SUMMIT PUBLIC UTILITY DISTRICT**

**APPENDIX B
DISCLOSURE CATEGORIES**

Category 1

Investments and business positions in business entities, and sources of income, (including receipt of gifts, loans, and travel payments) from sources, that provide services, including consulting services, supplies, materials, machinery or equipment of the type utilized by the District.

Category 2

Investments and business positions in business entities and sources of income (including receipt of gifts, loans and travel payments) if the business entity or source is subject to the District's regulatory, permit or licensing authority.

Category 3

Investments and business positions in business entities and sources of income (including receipt of gifts, loans and travel payments) if the business entity or source has, during the reporting period, filed a claim or has a claim pending before the District.

RESOLUTION NO. 2025-03

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE DONNER SUMMIT PUBLIC UTILITY DISTRICT APPROVING AN UPDATED CONFLICT OF INTEREST POLICY

WHEREAS, local agencies such as Donner Summit Public Utility District (District) are required to adopt and follow a conflict-of-interest code, and review that code biannually; and

WHEREAS, the Board adopted the District's conflict-of-interest code as Board Policy 1020; and

WHEREAS, the District was notified by the Fair Political Practices Commission (FPPC) in May 2024 of the need to review the conflict-of-interest code; and

WHEREAS, the District's General Manager reviewed the conflict-of-interest code and coordinated with FPPC to update the code; and

WHEREAS, the updated code has been reviewed by FPPC and circulated to employees as required by FPPC.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF DONNER SUMMIT PUBLIC UTILITY DISTRICT DOES HEREBY RESOLVE that the Board Policy 1020 is rescinded and the attached updated Policy 1020 - Conflict of Interest Code is approved.

PASSED AND ADOPTED by the Board of Directors of Donner Summit Public Utility District, this 21st day of January 2025, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

DONNER SUMMIT PUBLIC UTILITY DISTRICT

By: _____
Cathy Preis
President, Board of Directors

ATTEST:

By: _____
Dawn Parkhurst
Secretary of the Board