

**CITY OF ST. JOHNS
CLINTON COUNTY, MICHIGAN**

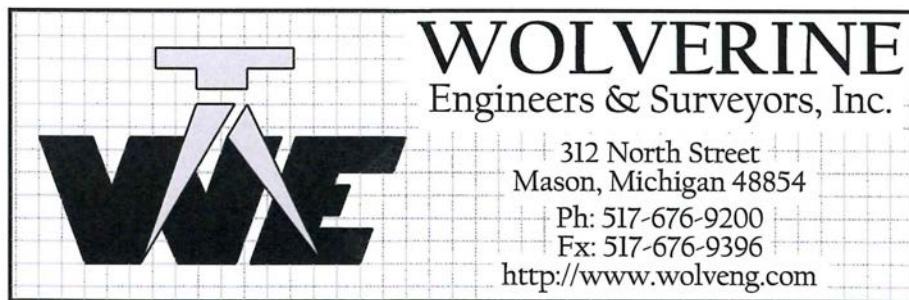
**CONTRACT DOCUMENTS
AND
SPECIFICATIONS**

FOR

**2026 MILLING AND PAVING DOWNTOWN STREETS
AND PARKING AREAS**

**NORTH CLINTON AVENUE (100 Block through 300 Block)
WALKER STREET (100 Block east to Spring Street, 100
Block to Brush Street)
HIGHAM STREET (100 Block east to Spring Street, 100
Block to Brush Street)**

JANUARY 2026



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Brush Street)
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Brush Street)**

JANUARY 2026

WOLVERINE ENGINEERS AND SURVEYORS, INC.
312 NORTH STREET
MASON, MI 48854
517 676-9200
JOB 26-0003

CITY OF ST. JOHNS
2026 Milling and Paving Downtown Streets and Parking Areas –
NORTH CLINTON AVENUE (100 Block through 300 Block)
WALKER STREET (100 Block east to Spring Street, 100 Block to Brush Street)
HIGHAM STREET (100 Block east to Spring Street, 100 Block to Brush Street)

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ADVERTISEMENT FOR BIDS

The **CITY OF ST. JOHNS**, Clinton County, Michigan, through Wolverine Engineers and Surveyors, Inc. of Mason, Michigan, will receive sealed bids for the **2026 Milling and Paving Downtown Streets and Parking Areas** – until 10am, Local Time, February 10, 2026, at the offices of The City of St. Johns (100 E. State Street, Suite 1100, St. Johns, MI 48879) At that time and place all bids received shall be publicly opened and read aloud.

General Description

This project consists of reconstruction of **2026 Milling and Paving Downtown Streets and Parking Areas – North Clinton Avenue (100 Block through 300 Block)** **WALKER STREET (100 Block east to Spring Street, 100 Block to Brush Street)** **HIGHAM STREET (100 Block east to Spring Street, 100 Block to Brush Street)**, all within the City of St. Johns: construction shall include milling and paving approximately 135,000 square feet (15,000 square yards) of streets within the City of St. Johns downtown district, removal of four (4) existing brick inlay crosswalks, 18 manhole adjustments, 8 water valve adjustments, pavement markings and the cleanup and restoration and other miscellaneous work items that normally are included with the described work items.

This work is to be initiated on May 18, 2026 and completed not later than May 29, 2026.

Documents - IMPORTANT

The Issuing Office for the Bidding Documents is: **Wolverine Engineers & Surveyors, Inc., 312 North Street, Mason, MI 48854, Phone 517.676.9200**. Prospective Bidders may obtain copies of the Bidding Documents from the Issuing Office as described below.

Contract Documents for the project will be on file and available for inspection at the offices of the City of St. Johns, 100 E. State Street, Suite 1100, St. Johns, MI 48879, and at the offices of Wolverine Engineers and Surveyors, Inc. 312 North Street, Mason, MI 48854; Builders Exchange offices in Lansing, Kalamazoo, and Grand Rapids, Construction Association of Michigan in Bloomfield Hills, Michigan.

Electronic Bidding Documents will be furnished **free-of-charge** by registering with Wolverine Engineers & Surveyors, Inc. **All bidders MUST register with Engineer by sending an email to calebn@wolveng.com requesting to be added to the bidders list.** Registering ensures timely receipt of all addenda. Following registration, complete hard copy sets of Bidding Documents may be purchased from the Issuing Office and cost will depend on the number and size of the Drawings and Project Manual, applicable taxes, and shipping method selected by the prospective Bidder. Cost of Bidding Documents and shipping is non-refundable. Upon Issuing Office's receipt of payment, printed Bidding Documents will be sent via the prospective Bidder's delivery method of choice; the shipping charge will depend on the shipping method chosen. The date that the Bidding Documents are transmitted by the

Issuing Office will be considered the Bidder's date of receipt of the Bidding Documents. Partial sets of the Bidding Documents will not be available from the Issuing Office.

Bid Bond

Each bid proposal shall be accompanied with a bid bond, certified check or cashier's check payable to the Owner in an amount not less than five percent (5%) of the bid as a guarantee that the bidder shall, within ten (10) days after the award of a contract, execute a contract or agreement and file necessary insurance and other bonds if selected as the accepted bidder. If the selected awardee fails to properly execute the necessary bonds, Agreement and insurance requirement, the bid bond shall be deemed forfeited to the Owner as liquidated damages.

Bid Rejections

The Owner reserves the right to accept or reject any or all bids and to waive irregularities or to accept the lowest bid that in the opinion of the Owner will serve the best interest of the Owner. The Owner is not obligated to accept the lowest bidder.

Bids shall be held for consideration for a period of time not to exceed SIXTY (60) days from the date of bid opening without increase in cost bid for the project. Further time extension may occur only with mutual agreement by the Owner and the successful bidder and the Surety Company issuing the bid bond for the successful bidder. The Owner also reserves the right to reject any or all bids received which are judged by the Owner to not serve the best interests of the Owner in the conduct of this project.

The Owner shall have the right to determine if bids are responsive and responsible and to waive defects or irregularities in any bid if it appears in the best interest of the Owner to do so.

MINDY SEAVEY, CLERK
CITY OF ST. JOHNS

INFORMATION FOR BIDDERS

1. Description of Work

The work consists of doing everything required to be performed and providing and furnishing all of the labor, power, materials as described in the Specifications and Drawings, necessary tools and equipment, Workman's Compensation and Property Damage and Public Liability Insurance, superintendence and all utility and transportation services required to complete in a workmanlike manner all the work required.

2. Location of Work and Soil Conditions

The work required under this contract is located upon sites owned by the Owner and/or rights-of-way obtained by the Owner.

The bidder shall base his bid upon his personal information on soils, soil conditions, roadways and working areas, facilities for receiving, transporting, handling, storing and placing materials and equipment and shall base his bid upon his personal knowledge of environment and physical conditions which he may encounter during construction. This personal knowledge must be obtained by the bidder from his own detailed inspection of the proposed construction site together with information such as he shall personally acquire, or obtain from his own observations and investigations.

The Owner and the Owner's Engineer shall have no financial or other responsibility for soil conditions which may be encountered by the bidder and/or contractor because of soil, physical or environmental conditions or circumstances.

3. Owner

The word "Owner" as used in the Specifications and Contract Documents shall refer to the **CITY OF ST. JOHNS**, Clinton County, Michigan.

4. Basis of Proposals

Proposals are solicited for the construction of the work as shown on the Drawings and/or as described in the Specifications at prices as listed on the Proposal blanks. The quantities given are to be regarded as approximate only and as being given for the general guidance of the bidders and as a basis upon which the different proposals will be compared. In comparing proposals, the total Base Bid Price will be used as the basis of award. Bid prices will be corrected for errors in extensions or additions.

5. Form of Proposals

All proposals must be submitted on the form prepared for that purpose, which are titled "Bid Proposal". Each Bid Proposal, included with the Contract Documents, shall be

enclosed in a sealed envelope, addressed to: "**City of St. Johns, 100 E. State Street, Suite 1100, St. Johns, MI 48879, Clinton County, Michigan**" and clearly marked on the outside of the proposal packet "**2026 Milling and Paving Downtown Streets and Parking Areas**. All bids received shall be publicly opened and read aloud at the offices of the City of St. Johns at the address listed above.

6. **Interpretation of Contract Documents**

If any individual, corporation or partnership contemplating submitting a bid for the proposed contract is in doubt as to the true meaning of any part of the Drawings, Specifications, or other parts of the documents, he may submit to the Owner a written request for an interpretation thereof. The person submitting the request will be responsible for its prompt delivery. Any interpretation of the documents will be made by an addendum issued by the Engineer. A copy of such addendum will be mailed or delivered to each person receiving a set of the documents and to such other prospective bidders as have requested that they be furnished with a copy of each Addendum.

7. **Bid Bond Required**

Each bid must be accompanied with a certified or cashier's check or bid bond in a sum not less than five percent (5%) of the total amount of the bid, made payable to the Owner.

The proceeds of such checks or bid bonds shall become the property of the Owner in case of refusal or failure of the individual, corporation, or partnership to whom the award is to be made, to enter into a contract with the Owner within ten (10) days after formal notification.

8. **Return of Bid Check**

The bid bond of all except the three (3) apparent lowest bidders will be returned within three (3) days after the opening of the bids. When the Agreement is executed, the bonds of the two remaining unsuccessful bidders will be returned. The Bid Bond of the successful Bidder will be retained until the Payment Bond and Performance Bond have been executed and approved, after which it will be returned.

9. **Withdrawal of Bids**

Any bidder may withdraw his bid prior to the scheduled time for receipt of bids. No bidder may withdraw his bid for a period of One Hundred Twenty (120) days from the date of bid opening.

10. **Basis of Award**

The contract for this construction shall be awarded to the lowest responsive, responsible bidder. The lowest bid shall be determined based on the lowest bid for the total of all sections of the bid proposal.

The procedure for Bid Award shall be as follows:

- (1) Open Sealed Bids
- (2) Engineer reviews Bid Proposals and makes recommendation for award to Owner.
- (3) Decision by Owner.

Prior to final award of the contract, the Bidder shall be required to furnish evidence satisfactory to the Owner and to the Engineer that the Bidder has the facilities, equipment, ability and pecuniary resources to fulfill the conditions of the contract.

11. Right to Reject and Waive Defects

The Owner shall have the right to determine if bids are responsive and responsible, and to waive minor defects or irregularities in any Proposal, if it appears in the interest of the Owner to do so. Bids which contain stipulations shall not be considered.

12. Bid Proposal

The Bidder is cautioned that each item contained in the Bid Proposal and supplemental documents must be properly completed for the bid to be considered.

THE BIDDER SHALL COMPLETE THE FOLLOWING:

- (1) Proposal which includes legal status of bidder (Prop)
- (2) Bid Bond or attached bid certificate (B. Bond)

The legal status of the bidder, that is, as a corporation, a partnership, or an individual, must be stated in the Proposal. A corporation bidder must name the state in which its articles of incorporation are held and must give the title of the official having authority to sign contracts. A partnership bidder must give the full name and post-office address of all partners. (See Bid Proposal).

The official address of each Bidder must be provided in the Bid Proposal. All proposals shall be in full conformity with all conditions set forth in the Information to Bidders, Contract, Specifications and Drawings.

13. Owner Right to Reduce Scope of Work

If the apparent lowest, responsive, responsible bidder exceeds the funds available to the Owner for the project, the Owner shall then have the right to reduce the scope of the work, delete items in the Bid Proposal or reject all bids.

Changes in project scope as-bid shall be by Change Order No. 1 which shall be agreed to by the Owner and the Contractor and which shall be signed at the same time as the Contract.

14. Time for Consideration of Proposals

The Owner shall have SIXTY (60) days to consider the award of the Contract. If no contract is awarded within SIXTY (60) days from the date of bid opening, all bids and proposals shall be considered as automatically rejected.

15. Execution of Contract

The Bidder to whom the contract is awarded will be required to execute the Contract and obtain the performance BOND and payment BOND within ten (10) calendar days from the date when NOTICE OF AWARD is delivered to the BIDDER. The NOTICE OF AWARD shall be accompanied by the necessary Contract and BOND forms. In case of failure of the BIDDER to execute the Contract, the OWNER may consider the BIDDER in default, in which case the BID BOND accompanying the proposal shall become the property of the OWNER.

The OWNER within ten (10) days of receipt of acceptable performance BOND, payment BOND and Contract signed by the party to whom the Contract was awarded shall sign the Contract and return to such party an executed duplicate of the Contract. Should the OWNER not execute the Contract within such period, the BIDDER may by WRITTEN NOTICE withdraw the signed Contract. Such notice of withdrawal shall be effective upon receipt of the notice by the OWNER.

The NOTICE TO PROCEED shall be issued within ten (10) days of the execution of the Contract by the OWNER. Should there be reasons why the NOTICE TO PROCEED cannot be issued within such period, the time may be extended by mutual agreement between the OWNER and CONTRACTOR. If the NOTICE TO PROCEED has not been issued within the ten (10) day period or within the period mutually agreed upon, the CONTRACTOR may terminate the Contract without further liability on the part of either party.

16. Bonds

The successful bidder will be required to execute three (3) bonds, in the forms hereto attached, with sureties acceptable to the Owner. One bond shall be conditioned for the faithful fulfillment of the Contract and to include the protection of the Owner from all liens and damages arising out of the work; another bond to be conditioned for the payment of all labor and materials used in the work and the protection of the Owner from all liens and damages arising therefrom; each of which bonds shall be in amount equal to the total amount of the contract. The third bond shall be a Maintenance and Guarantee Bond in the amount of one hundred percent (100%) of the contract price. All bonds shall extend from time of issuance of a "Notice to Proceed" by the Owner. The Maintenance

and Guarantee Bond shall be for a period of one (1) year from the date of the payment of the final estimate.

17. Contractors Insurance

The Contractor shall not commence work under this Contract until he has obtained all insurance required under this section and such insurance has been approved by the Owner, nor shall the Contractor allow any subcontractor to commence work on his subcontract until all similar insurance required of the subcontractor has been so obtained and approved.

In addition to the insurance requirements of paragraph 21, "Insurance" of the General Conditions, the Contractor shall provide the following coverages:

- a. Compensation Insurance. --The Contractor shall take out and maintain during the life of the Contract, Worker's Compensation Insurance in accordance with the Worker's Compensation Law of Michigan, for all of his employees employed at the site of the project, and in case any work is sublet, the Contractor shall require the subcontractor similarly to provide said insurance for all of the latter's employees, unless such employees are covered by the protection afforded by the Contractor.
- b. Public Liability and Property Damage Insurance.--The Contractor shall take out and maintain during the life of the Contract such Public Liability and Property Damage Insurance as shall protect him and any Subcontractor performing work covered by the Contract, including owned and non-owned automobile insurance, and protect and hold the Owner, **CITY OF ST. JOHNS and WOLVERINE ENGINEERS AND SURVEYORS, INC.**, harmless from claims for damages for personal injury, including accidental death, as well as from claims for property damages, which may arise from operations under this contract, whether such operations be by himself, or by any Subcontractor or by anyone directly or indirectly employed by either of them. The amounts of such insurance shall be as provided herein.
- c. Indemnification-Owner's Protective Insurance.--The CONTRACTOR shall purchase an Owner's Protective Insurance Policy which will indemnify and hold harmless the OWNER and the ENGINEER and their agents and employees from and against all claims, damages, losses and expenses including attorney's fees arising out of or resulting from the performance of the WORK, provided that any such claims, damage, loss or expense is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property including the loss of use resulting therefrom; and is caused in whole or in part by an negligent or willful act or omission of the CONTRACTOR, and SUBCONTRACTOR,

any directly or indirectly employed by any of them or anyone for whose acts any of them may be liable.

In any and all claims against the OWNER or ENGINEER, or any of their agents or employees, by any employee of the CONTRACTOR, any SUBCONTRACTOR, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable, the indemnification obligation shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the CONTRACTOR or any SUBCONTRACTOR under workmen's compensation acts, disability benefit acts or other employee benefits acts.

The Owner's Protective Indemnification Insurance Policy shall specifically name as insured, the **City of St. Johns and Wolverine Engineers & Surveyors, Inc.** Certificate of this policy and coverage shall be provided prior to commencement of work.

Insurance and additional insured: The contractor shall provide for and on behalf of the state, the commission, the department and its officials, agents and employees, and all agencies specifically named below and their employees, Owner's Protective Public Liability Insurance. Such insurance shall provide coverage and limits the same as the Contractor's Public Liability Insurance.

- d. Underground Collapse and Explosion -- The Contractor shall take out and maintain during the life of the Contract, coverage for Underground Collapse and Explosion Insurance as shall protect him and any Subcontractor performing work covered by the Contract, from claims for damages that may arise from operations under this Contract, whether such operations be by himself or by any subcontractor or by anyone directly or indirectly employed by either of them and the amounts of such insurance shall be as follows.
- e. Builders Risk Insurance--The Contractor shall provide all Builders Risk Insurance for damage by fire, explosion and other causes to any part of the construction, which fully protects him and the Owner from loss or damage while the project is under construction and prior to the full acceptance thereof by the Owner. The policies shall be payable to the Contractor and to the Owner as their interests may appear.
- f. Minimum coverage limits for Public Liability Insurance and Owner's Protective Insurance shall be as follows:

Bodily Injury - \$ 1,000,000/\$ 1,000,000 Aggregate
Property Damage - \$1,000,000 Aggregate

Combined Single Limit - \$ 2,000,000

- g. The Surety & Insurance companies providing all coverages on this Project shall have and maintain during the term of this contract a minimum A.M. Best (Best's Key Rating Guide) rating classification of "A-."
- h. Standard language regarding cancellation will be as follows: "*Should any of the above described policies be cancelled before the expiration date thereof, the issuing insurer will provide by first class mail 30 days written notice to the certificate holder.*" The language "*failure to do so shall impose no obligation or liability of any kind upon the insurer, its agents or representatives*", shall be struck from the certificate(s).

18. Time of Starting and Completion

The work to be done is to be started by the Contractor on **May 18, 2026 and completed no later than May 29, 2026**, unless the Owner shall, in writing authorize a further delay, and the work shall be prosecuted diligently thereafter and shall be completed as stated in Section 21, Information to Bidders unless the time shall be extended by the Owner under the provisions of the Contract.

19. Definition of Notice

Where in any of the Contract Documents there is any provision to the giving of any notice, such notice shall be deemed to have been given: (1) As to the Owner, when written notice shall be delivered to the Engineer of the Owner, or shall have been placed in the mails addressed to the chief executive officer of the Owner at the place where the bids for the Contract were opened; (2) As to the Contractor, when a written notice shall have been delivered to the chief representative of the Contractor at the site of the work or by mailing such notice to the Contractor at the place stated in the papers prepared by him to accompany his proposal as the address of his permanent place of business; (3) As to the surety, on the performance bond when a written notice is placed in the United States Mails addressed to the surety at the home office of said surety or to its agents who executed such performance bond in behalf of such surety.

20. Payments to Contractor

Payments to Contractors will be made in accordance with General Conditions, Paragraph 19 and with Act 524 of Michigan Public Acts of 1980, as applicable. In preparing estimates, the material delivered on the site and preparatory work done may be taken into consideration.

All material and work covered by partial payments made shall thereupon become the sole property of the Owner, but this provision shall not be construed as relieving the Contractor from the sole responsibility for the care and protection of materials and work

upon which payments have been made or the restoration of any damaged work, or as a waiver of the right of the Owner to require the fulfillment of all the terms of the Contract.

Final payment to the contractor shall not be made until final acceptance of all work under this Contract. Final acceptance shall mean acceptance and approval by the Owner and Engineer of the entire work under this Contract and approval of all records and other written data required in the Contract Documents. A Consent of Surety for Final Payment must be submitted before releasing all the retainage.

21. Time of Completion and Liquidated Damages

Bidder agrees to commence work on or before the date to be specified in a written Notice to Proceed of the Owner and to fully complete the various items of construction no later than **May 29, 2026** and in accordance with any intermediate completion dates as outlined and described in the Schedule of Construction in the Special Conditions of the Specifications. It is an important part of this Contract that the various sections of the work be completed on a planned time schedule and the Contractor shall adhere to the requirements of the Schedule for Construction unless the schedule is changed by the Engineer in writing.

The Contractor agrees to pay as liquidated damages the sum as listed in the Bid Proposal, for each successive calendar day that the Contractor or any Subcontractor shall be in default beyond the date of completion or beyond any intermediate date required in the Schedule of Construction. Liquidated damages shall be imposed in accordance with Paragraph 15 "Time for Completion and Liquidated Damages," of the General Conditions.

22. Elliott-Larsen Civil Rights Act

Neither the Contractor nor any of its subcontractors shall discriminate against any employee or applicant for employment with respect to hire, tenure, terms, conditions or privileges of employment or a matter directly or indirectly related to employment because of race, color, religion, national origin, age, sex, height, weight or marital status, and Contractor agrees that all subcontracts will provide language substantially identical to that set forth herein. It is further understood that a breach of this covenant may be regarded as a material breach of this contract.

23. Michigan Handicappers' Civil Rights Act

Incorporated by reference in Section 209 of Article 2 of the Michigan Handicappers' Civil Rights Act of 1976, as amended, which states in part that a contractor and his/her subcontractor(s) shall not "discriminate against an employee or applicant for employee with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of handicap that is unrelated to the individual's ability to perform the duties of a particular job or position." Breach of this covenant may be regarded as a material breach of this Agreement.

24. Americans With Disabilities Act

Incorporated by reference in Section 102 of the American With Disabilities Act, 42 U.S.C. Subsection 12112, which provides that no covered entity shall discriminate against a qualified individual with a disability because of the disability of such individual with regard to job application procedures, the hiring, advancement, or discharge of employees, employee compensation, job training, and other terms, conditions and privileges of employment, and Section 202 of the Americans With Disabilities Act, 42 U.S.C. Subsection 12132, which provides that no qualified individual with a disability shall, by reason of such disability, be excluded from participation in or be denied the benefits of the services, programs or activities of a public entity or be subject to discrimination by any such entity.

**SPECIAL CONDITIONS
(Project Specifications)
CITY OF ST. JOHNS**

**2026 Milling and Paving Downtown Streets and Parking Areas –
North Clinton Avenue (100 Block through 300 Block)
WALKER STREET (100 Block east to Spring Street, 100 Block to
Brush Street)
HIGHAM STREET (100 Block east to Spring Street, 100 Block to
Brush Street)**

1. General

These Special Project Conditions are intended to modify, add to, or clarify the Contract Plans and Specifications.

Where any section of the Contract Documents is supplemented by these Special Project Conditions, the section shall remain in effect and the Special Project Conditions shall be considered added thereto.

The Special Conditions of the Contract (Project Specifications, Standard Specifications, Advertisement, Information for Bidders, and General Conditions), together with the Bid Proposal, Contract and Bonds have been bound together for convenience and together with the Plans shall govern this construction and shall constitute the Contract Documents.

2. Description of the Project

This project consists of reconstruction of **2026 Milling and Paving Downtown Streets and Parking Areas – North Clinton Avenue (100 Block through 300 Block), WALKER STREET (100 Block east to Spring Street, 100 Block to Brush Street), HIGHAM STREET (100 Block east to Spring Street, 100 Block to Brush Street)**, all within the City of St. Johns: construction shall include milling and paving approximately 135,000 square feet (15,000 square yards) of streets within the City of St. Johns downtown district, removal of four (4) existing brick inlay crosswalks, 18 manhole adjustments, 8 water valve adjustments, pavement markings and the cleanup and restoration and other miscellaneous work items that normally are included with the described work items.

It is the intent of these specifications to require the Contractor to furnish all necessary labor, equipment, materials, tools, power, insurance and supervision for the complete construction of the work described in the specifications and shown on the plans as required by the Engineer.

3. Schedule of Construction

The Contractor shall start work on May 18, 2026 with a final completion date of May 29, 2026. At the preconstruction meeting, a schedule of construction showing the start and completion dates and all the intermediary work shall be provided for review by the City.

The Owner reserves the right to amend the schedule if severe conflicts are perceived.

4. Scope of Project

The Owner may increase or decrease the scope of work in this project to match funds available. If mutually agreeable, unit prices may be extended into the next construction season for that annual street program, taking into account an annual allowance for the cost of liquid asphalt.

5. Use of Michigan Department of Transportation Standard Specifications

The handbook entitled "2020 Standard Specifications for Construction" adopted by the Michigan Department of Transportation shall be a Contract Document for this construction project and shall be binding when cited in these specifications, construction drawings and plans or related Contract Documents. The handbook cited shall hereinafter be referred to as MDOT Standard Specifications, or alternatively MDOT Specifications.

MDOT Standard Specifications shall, when cited, be binding in its entirety except when specifically modified, in which instance the applicable Special Conditions shall govern.

6. Disposition of Surplus Excavated Material

All surplus earth excavation from trenches, roadway embankment, or slope excavation shall become property of the Contractor. All surplus material not required for making fills, and other materials such as bituminous pavement shall be hauled and disposed of by the Contractor in a safe legal manner, and all other materials shall be incidental to the cost of construction unless otherwise stated in the Bid Proposal.

7. Excavation, Filling and Grading

This work shall include all removing, stripping, excavation of earth and other materials, filling, hauling and other work necessary for the construction of a public street, to conform to the finish elevations and contours as described in the Specifications and shown on the Plans. All areas to receive fill or stockpiled shall have the topsoil stripped prior to placement of the material. Topsoil shall be stripped and stockpiled on site as directed by the Engineer for future use by the Owner. The work shall include fine grading and cleanup of the construction site upon completion of the work.

The Contractor shall accomplish all removals within the limits designated by the Engineer or as required for the construction work involved and shall dispose of all materials so removed to the satisfaction of the Engineer.

8. Project Scope

The Owner may increase or decrease the scope of work under this contract, including adding or deleting entire streets as funds allow. If work is added to the contract, additional time for completion will be negotiated. The unit prices bid under this contract will be used for any added or deleted work. If different unit prices are bid for like items, the Owner will use the lower price for added work, if any.

9. Coordination of Construction Activities

The Contractor shall be responsible for coordinating the activities of his work crews with the activities of his subcontractors and with the Owner, all local police, fire and emergency services, and any other public or private contractors performing work activities in the project area.

10. Utility Coordination

For protection of underground utilities and in conformance with Public Act 53, the contractor shall contact Miss Dig at **800-482-7171** a minimum of three full working days, excluding Saturdays, Sundays, and holidays prior to any excavation in areas where public utilities have not been previously located. Members will thus be routinely notified. This does not relieve the contractor of the responsibility of notifying utility owners who may not be a part of the "Miss Dig" alert system.

The owners of existing service facilities that are within grading or structure limits will move these facilities to locations designated by the Engineer or will remove them entirely from the street Right-of-Way. Owners of Public Utilities will not be required by the Village to move additional poles or structures in order to facilitate the operation of construction equipment unless it is determined by the Engineer that such poles or structures constitute a hazard to the public or are extraordinarily dangerous to the Contractor's operations.

No additional compensation will be paid to the Contractor for delays due to material shortages or other reasons beyond the control of the City, or for delays on construction due to the encountering of existing utilities that are, or are not, shown on the plans.

Work stoppage by employees of utility companies which results in a delay of utility revisions on any portion of this project may be considered the basis for a claim for an extension of time for completion but will not be considered the basis for a claim for extra compensation or an adjustment in contract unit prices.

12. Construction Signage and Maintaining Traffic

It shall be the Contractor's responsibility to furnish and maintain Construction Zone Signage in accordance with the "Michigan Manual of Uniform Traffic Control Devices" (MMUTCD) and any requirements that may be deemed necessary by the Village of Morrice or Clinton County Sheriff's Department.

Every attempt shall be made to provide vehicular access to homes and businesses during construction. Emergency vehicle access shall be maintained at all times. Short term interruptions to residential access shall be coordinated with the Engineer and Property Owners.

13. Incidental Items

The Bid Proposal lists the major work items that will be necessary to construct this project. Any additional items of work that are necessary to complete the project shall be considered incidental.

Examples of incidental items include, but are not limited to: removal, temporary relocation, and replacement of mailboxes and mailbox posts, support of existing utilities and repair of existing field tiles and fences encountered during construction.

14. Trimming of Trees and Limbs

The proposed construction will be adjacent to and under many mature trees. It is intended to protect the trees during construction. As such, the Contractor is required to prune any overhanging limbs or branches which may interfere with the operations associated with the installation of utilities.

The branches, limbs, etc. shall be pruned in accordance with accepted practices for pruning as published by the International Society of Arboriculture (217) 355-9411. All pruning shall be completed by a competent, experienced person and/or company. All trimmed limbs or branches shall be removed from the site and properly disposed of by the Contractor.

Any tree, limb or branch damaged during construction operations shall be (pruned) to prevent further damage to the tree. This shall be completed at no additional cost to the project.

Protection of trees shall be incidental to the construction contract.

15. Specific Project Overview and Requirements

The project includes the following streets and limits:

North Clinton Avenue: 100-block through 300-block intersection
(1,159 linear feet x 69 feet)

Walker Street: From the 100-block east to the Spring Street intersection and from the 100-block west to the Brush Street intersection
(675 linear feet x 38 feet)

Higham Street: From the 100-block east to the Spring Street intersection and from the 100-block west to the Brush Street intersection
(675 linear feet x 40 feet)

If the project is not completed within the established timeframe, liquidated damages of \$5,000 per day will be assessed for each calendar day beyond the agreed completion date.

Barricades will be installed to close work zones a minimum of one day prior to the agreed construction start date.

Crosswalk Removal

The existing crosswalks consist of a concrete base with brick inlay. Each crosswalk is approximately 7 feet wide, 30 inches deep, and 36 to 40 feet in length.

Removal of four (4) existing brick inlay crosswalks, located as follows:

- One (1) at the Walker Street intersection
- Two (2) at the Higham Street intersection
- One (1) at the Railroad intersection

Demolition shall conform to the following general parameters:

- Maintain the integrity of existing curbs
- Minimize over-excavation

Excavated areas shall be:

- Backfilled with MDOT Class II granular material, compacted to 16 inches below the existing asphalt surface
- The second lift shall consist of 8-inches compacted in place (CIP), MDOT 21AA aggregate. The material shall be placed and compacted to a depth that results in the surface being 4 inches below the finished roadway grade, providing a prepared base for the asphalt leveling course. All aggregate density testing shall be performed in accordance with City construction standards.

Milling Operations

Mainline Milling:

Mill to a depth of 2 inches from the existing roadway surface

Existing road profile, including cross slopes, shall be maintained

Primary objective is to ensure proper drainage to catch basins and eliminate ponding
The millings will be the contractor's responsibility for removal and disposal

Railroad Intersection:

A 2-inch curb mill with a zero-depth at the center of the intersection shall be performed. This milling will raise the center profile to direct water toward the curb and mitigate existing ponding on both sides of the intersection

Additional requirements:

A mini-mill shall be used around castings and in areas inaccessible to full-size milling equipment

All milled surfaces shall be cleaned using a vacuum truck to provide a clean surface prior to tack application

Paving Operations / manhole's and valve box's

PAVING OPERATIONS SHALL BEGIN ONE (1) CALENDAR DAY AFTER MILLING OPERATIONS ARE COMPLETED.

Placement of a 2-inch wearing course of MDOT 13A hot mixed asphalt (HMA) over all milled areas

Application of a sufficient tack coat to ensure proper bonding between the milled surface and new asphalt

Compaction shall achieve a minimum of 95% density

Manholes – 18 Structures

The manhole castings shall be paved around as required to achieve proper roadway grade and maintain sufficient slope to prevent water ponding. After paving, the 18 castings shall be cut using a circular saw and adjusted to the new finished street grade. The oversized cut area shall be a minimum of 6 feet in diameter. The cut area shall then be restored with concrete to match the new asphalt grade.

Water Valve Boxes – 8 Structures

The water valve box castings shall be paved around as required to achieve proper roadway grade and maintain sufficient slope to prevent water ponding. After paving, the 8 castings shall be cut using a circular saw and adjusted to the new finished street grade. The oversized cut area shall be a minimum of 2 feet in diameter. The cut area shall then be restored with concrete to match the new asphalt grade.

Pavement Markings

Layout and installation of lane markings and parking spaces

A striping layout map will be provided by the City of St. Johns.

Marking requirements:

- Double yellow centerline on North Clinton Avenue
- White striping for standard parking spaces
- Blue striping for designated handicapped parking spaces
-

The work item Pavement Removal shall consist of all material regardless of thickness, equipment costs, and labor to remove, salvage, and disposal of all types of pavement material including asphalt, brick pavers, concrete, driveways, and any other paving material, or combination, to the full depth and width of removal area. This includes any paving materials layered in combination with granular material.

Disposal of Material

Removed materials shall become the property of the Contractor and shall be disposed of outside the right-of-way's, the Contractor shall furnish the Engineer written permission from the property owner of the disposed site.

Adjacent soils or base materials removed when removing payment, shall be replaced with a similar material at the Contractors expense.

17. Sawcut and Removal

Sawcuts on concrete, bituminous, or a combination thereof shall be made at locations as directed by the Engineer.

The Contractor shall take any precautions necessary to maintain a clean vertical edge on the sawcut throughout the duration of work. Any re-sawing or additional removal and replacement of pavement, curb, gutter, sidewalk, or combination thereof which may be necessary, due to Contractor carelessness, shall be at the Contractor's expense.

Removed materials shall become the property of the Contractor and shall be disposed in a legal manner. The Contractor shall furnish the Engineer written permission from the property owner of the disposal site.

Adjacent soils or base materials removed when removing pavement shall be replaced with a similar material at the Contractor's expense.

All work in this section shall be incidental and shall include all labor, equipment and materials needed to accomplish the work.

18. Vegetation Removal

This provision covers the removal of all vegetation within the influence of construction area. Removals shall be made at locations as shown on the plans or as directed by the Engineer.

It is the intent that as little as possible vegetation be removed or damaged. It shall be the Contractor's responsibility to provide protection to any vegetation not scheduled to be removed. Any vegetation damaged, destroyed, or removed without prior approval by the Engineer, shall be replaced in kind at the Contractor's expense.

Removed materials shall become the property of the Contractor and shall be disposed of offsite in a legal manner. The Contractor shall furnish the Engineer written permission from the property owner(s) of the disposal site(s).

Adjacent material and or vegetation removed or damaged when removing existing vegetation shall be replaced in kind at the Contractor's expense.

BID PROPOSAL

Proposal of
(hereinafter called "Bidder")* a corporation, organized and existing under the laws of the State of _____ a partnership, or an individual doing business as _____

To: City of St. Johns
Clinton County, Michigan

Gentlemen:

The Bidder, in compliance with your Advertisement for Bids for the construction of the contract entitled, **2026 Milling and Paving Downtown Streets and Parking Areas** having examined the Specifications, related documents, the site of the proposed work and being familiar with all of the conditions surrounding the construction of the proposed project including the soil and other site conditions, availability of materials and supplies, hereby propose to construct the project in accordance with the Contract Documents within the time set forth therein, and at the prices stated herein. These prices are to cover all expenses incurred in performing the work required under the Contract Documents, of which the Proposal is a part.

Bidder hereby agrees to commence work under this Contract on or before a date to be specified in written "Notice to Proceed" of the Owner and to fully complete the project in accordance with the schedule for completion as outlined in Information for Bidders. Bidder further agrees to pay as liquidated damages, the sum of \$5,000.00 each consecutive calendar day thereafter as hereinafter provided in the Information for Bidders.

Bidder acknowledges receipt of the following addendum:

*Insert corporation, partnership, or individual as applicable.

Bidder agrees to perform all the work described in the Contract Documents, for the following price(s):

2026 Milling and Paving Downtown Streets and Parking Areas					
ITEM	EST QTY	UNIT	DESCRIPTION	UNIT PRICE	TOTAL
1	1	LS	Milling and Paving North Clinton Avenue, 100 Block through 300 Block (Approximately 1,159 feet by 69 feet)		
2	1	LS	Milling and Paving Walker Street, 100 Block east to the Spring Street intersection and 100 Block west to the Brush Street Intersection (Approximately 675 feet by 38 feet)		
3	1	LS	Milling and Paving Higham Street, 100 Block east to the Spring Street Intersection and from the 100 Block west to the Brush Street intersection (Approximately 675 feet by 40 feet)		
4	1	EA	Crosswalk Removal, Walker Street Intersection		
5	2	EA	Crosswalk Removal, Higham Street Intersection		
6	1	EA	Crosswalk Removal, Railroad Intersection		
7	18	EA	Manhole Structure Adjustments		
8	1	LS	Pavement Marking, North Clinton Avenue Double Yellow Centerline		
9	1	LS	Pavement Marking, Parking Spaces, White		
10	1	LS	Pavement Marking, Handicap Spaces, Blue		
11	1	LSUM	Restoration & Clean Up		
TOTAL AMOUNT OF BID:					

Contractors Experience Modification Rate
Year EMR Was Issued

Furnishing of the EMR is required by the City of St. Johns. Failure to do so will be considered as an unresponsive bid and the bid will be rejected.

Bidders shall enter amounts for ALL Bid Items.

The Bidder agrees that the above total Amount of Base Bid, (corrected for any errors in extensions or additions) shall be the basis for determination of award of this contract along with all other requirements and consideration for award as provided under Basis of Award, Information for Bidders. Bidder further agrees that final contract price will be adjusted up or down to reflect actual units constructed, furnished or placed under this Contract. Engineer shall check extensions and addition of all items.

The above prices shall include all labor, materials, removal, overhead, profit, insurance, etc. to cover the finished work of the several kinds called for.

Bidder understands that the Owner reserves the right to reject any, or all bids, and to waive any informalities in the bidding.

The Bidder agrees that this bid shall be good and may not be withdrawn for a period of SIXTY (60) calendar days after the scheduled closing time for receiving bids.

Upon receipt of written notice of the acceptance of bid, bidder will execute the formal contract attached within ten (10) days. The bid security attached in the sum of

is to become the property of the Owner in the event the Contract and Bond are not executed within the time above set forth, as liquidated damages for the delay and additional expense to the Owner caused thereby.

IN WITNESS WHEREOF, the Contractor agrees to the foregoing terms this ____ day of _____, 20___.

By: _____
Title: _____
P.O. Address: _____

Zip Code _____
Telephone No: _____

LEGAL STATUS OF BIDDER

The bidder shall fill out the appropriate form and strike out the other two.

A corporation duly organized and doing business under the laws of the State of _____ for whom _____ bearing the official title of _____, whose signature is affixed to this proposal, is duly authorized to execute contracts.

A partnership, all of the members of which, with addresses, are:

An individual, whose signature is affixed to this proposal.

BID BOND

KNOW ALL MEN BY THESE PRESENTS, that we, the undersigned, _____ as Principal, and _____ as Surety, are hereby held and firmly bound unto **City of St. Johns** as OWNER in the penal sum of _____ for the payment of which, well and truly to be made, we hereby jointly and severally bind ourselves, successors and assigns.

Signed, this _____ day of _____, 2026.

The Condition of the above obligation is such that whereas the Principal has submitted to **City of St. Johns** a certain BID, attached hereto and hereby made a part hereof to enter into a contract in writing, for the **City of St. Johns – 2026 Milling and Paving Downtown Streets and Parking Areas**

NOW, THEREFORE

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

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

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

Principal (L.S.) _____

Surety

By: _____

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

The Surety and insurance companies providing all coverages on this Project shall have and maintain during the term of this contract a minimum A.M. Best (Best's Key Rating Guide) rating classification of "A-".

CONTRACT

THIS AGREEMENT, Entered into this _____ day of _____, **2026** by and between _____, of _____ party of the first part and hereinafter called the Contractor, and the **City of St. Johns**, hereinafter called the Owner, party of the second part.

WITNESSETH, That the said Contractor, for the consideration hereinafter mentioned, has agreed and does hereby agree with the said Owner that he will furnish all labor, power, materials, equipment, supplies, superintendence, Bonds, Workmen's Compensation, Public Liability and Property Damage Insurance to do and complete the work for the construction of **City of St. Johns – 2026 Milling and Paving Downtown Streets and Parking Areas** for the said Owner and that he will fully complete the same according to the Drawings and Specifications therefore and according to the proposal attached hereto and made a part of this Contract, to which reference is made for a more particular description of the work.

The Contractor agrees, as he has bid, to do said work at the prices bid in his Proposal, which price is understood to cover every contingency, the furnishing of all labor, power, materials, supplies, equipment, superintendence, complete insurance coverage, and the completion of everything connected with the construction of said **City of St. Johns – 2026 Milling and Paving Downtown Streets and Parking Areas**.

The total contract price based on prices stated in the proposal and approximate quantities stated therein is _____ **Dollars and Cents.** (\$ _____).

It is agreed between the parties, that in case the Contractor shall abandon the work to be done or shall fail to do said work, or any part thereof, according to the terms of this Contract or in case the Owner shall at any time be convinced that the work is unreasonably delayed, or that the conditions of the Contract are being willfully violated, or executed carelessly, or in bad faith, then and in such case, the Owner reserves the right to declare this Contract forfeited and to relet the unfinished portion thereof and such person or persons to whom said work shall have been relet, are hereby authorized to complete said work without hindrance from the Contractor. And the said Contractor shall be liable, in case of the non-performance of this Contract or any part thereof, and he hereby agrees to pay to the said Owner, as damages, all costs, charges and expenses attending such reletting and also such sum or sums as it shall cost to complete said Contract over and above the amounts agreed, therefore.

In case of actual or alleged disagreement or discrepancy between the Contract, the Specifications and the Drawings, the language and provisions of the Contract shall take precedence and prevail. Several sections of the Contract Documents are herein listed in their order of precedence:

- (a) Contract
- (b) Bid Proposal and Addenda (as accepted in signed Contract Documents)
- (c) Information for Bidders

- (d) Special Conditions
- (e) Technical Specifications
- (f) Drawings
- (g) Standard Project Requirements
- (h) General Conditions

All Contract documents herein listed, shall be binding by parties' signatory to this Contract.

The Contractor hereby agrees to commence work under this Contract on or before a date to be specified in a written "Notice to Proceed" of the Owner and to fully complete the project in accordance with the schedule for completion as outlined in Information for Bidders, "Liquidated Damages". The Contractor further agrees to pay the sum of liquidated damages, as stated in Bid Proposal Page 1, for each consecutive day thereafter as hereinafter provided in "Information to Bidders."

The Contractor hereby certifies and agrees that all construction work and all operations relating to work done under this contract by the Contractor or any subcontractor will be done in accordance with all applicable, current Federal and State laws and regulations and the Occupational Safety and Health Act. The Contractor further certifies that he will provide training and instruction on state and federal safety laws and regulations and on safe working practices to all persons involved with work under this contract.

The Contractor agrees that at his own expense, he shall protect and defend the Owner and agrees to indemnify, and save harmless the Owner for all damage, injuries, deaths, costs and expenses that may be incurred as a result of any activities of the Contractor or his subcontractors on this project.

The Contractor and the Owner mutually agree that the Owner shall have the right to reduce the scope of this work in accordance with the Bid Proposal of these Contract Documents and that such deletion, when made in writing by the Owner or his Engineer shall be by an amount which is in accordance with the Contractor's Bid Proposal.

IN WITNESS WHEREOF, the parties hereunto have set their hands and seals the day and year first above written.

CITY OF ST. JOHNS

Owner

Contractor

By _____

By _____

Title

Title

PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS, That _____
Contractor, as principal, and _____ as surety, are held and
firmly bound unto the City of St. Johns Owner, in the sum of _____
Dollars and Cents. (\$) to be paid to the Owner for which payment well and
truly to be made we jointly and severally bind ourselves, our heirs, executors, administrators, and
assigns firmly by these presents.

THE CONDITIONS OF THE ABOVE OBLIGATIONS ARE such that,

WHEREAS the _____ did, on the ____ day of _____, 2026 by
articles that date enter into contract with the said Owner for the construction of City of St. Johns
– 2026 Milling and Paving Downtown Streets and Parking Areas

NOW, THEREFORE, if the said Contractor shall save and hold harmless the said Owner for all
public liability and damages of every description in connection therewith, shall well and
faithfully in all things fulfill the said contract according to all the conditions and stipulations
therein contained in all respects, and shall save and hold harmless the said Owner from and
against all liens and claims of every description in connection therewith, then this obligation
shall be void and of no effect; but otherwise it shall remain in full force and virtue, and, in the
event that the said Owner shall extend the time for the completion of said work or otherwise
modify elements of the contract in accordance with provisions thereof, such extension of time or
modification of the contract shall not in any way release the sureties of this bond.

WITNESS our hands and seals this ____ day of _____, 2026

WITNESSES:

(SEAL)

(SEAL)

Principal

(SEAL)

(SEAL)

Surety

PAYMENT BOND

KNOW ALL MEN BY THESE PRESENT, that we, _____, of _____, hereinafter called the Principal, and _____, hereinafter called the Surety, are held and firmly bound unto the **City of St. Johns** Owner, in the **Dollars and Cents.. (\$)** to the payment whereof, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these present.

Sealed with our seals and dated this _____ day of _____ A.D., **2026**.

WHEREAS, the above named Principal has entered into a certain contract with the **City of St. Johns**, hereinafter called the Owner, dated the _____ day of _____, A.D., **2026**. (Hereinafter called the Contract) for **City of St. Johns – 2026 Milling and Paving Downtown Streets and Parking Areas** which contract and the specifications for said work shall be deemed a part hereof as fully as if set out herein.

AND, WHEREAS, this bond is given in compliance with and subject to the provisions of Act No. 213 of the Public Acts of Michigan for the year 1963, as amended.

NOW, THEREFORE, THE CONDITIONS OF THIS OBLIGATION IS SUCH that if the above named Principal, legal representatives, or successors shall pay or cause to be paid to all subcontractors, persons, firms and corporations, the same may become due and payable, all indebtedness which may arise from said Principal to a subcontractor or party performing labor or furnishing materials, or any subcontractor to any person, firm, or corporation on account of any labor performed or materials furnished in connection with the contract, construction, and work herein referred to, then this obligation shall be void; otherwise to remain in full force and effect.

This bond given upon the express condition that any alterations, or modifications that may be hereafter recorded or made in the construction and complete installation of the work here referred to, or the placing of an inspector or superintendent thereon by the Owner shall not operate to discharge or release the sureties thereon.

IN WITNESS THEREOF, the parties hereto have caused this instrument to be executed by their respective authorized officers this _____ day of _____, A.D., **2026**.

(Seal)
(Seal)

Principal

(Seal)
(Seal)

Surety

Signed, sealed and delivered in the presence of:

Bonds correct in form: _____ Attorney.

PayBond-1

MAINTENANCE AND GUARANTEE BOND

KNOW ALL MEN BY THESE PRESENT, that _____.
Contractor, as principal and _____, as surety, are held and firmly
bound unto **City of St. Johns** Owner, in the sum of _____,
Dollars and Cents. (\$) to be paid to said Owner, its
legal representative and assigns, for which payment will and truly to be made, we bind ourselves,
our heirs, executors, administrators, successors and assigns and each and every one of them
jointly and firmly by these present.

Sealed with our seals and dated the _____ day of _____, 2026.

WHEREAS, the above-named principal has entered into a certain written contract with **City of St. Johns**, dated this _____ day of _____, 2026, wherein the principal agreed as follows:

City of St. Johns – 2026 Milling and Paving Downtown Streets and Parking Areas

NOW THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that by and under
said contract, the above-named principal has agreed with said Owner for a period of one (1) year
from the date of the payment of the final estimate and for such new guarantee periods as may be
required pursuant to the Special Project Conditions, General Conditions, to keep in good order
and repair any defect in all the work done under said contract either by the Principal or his
subcontractors, or his material suppliers, that may develop during said period due to improper
materials, defective equipment, workmanship or arrangements, and any other work affected in
making good such imperfections, shall also be made good, all without expense to the Owner,
excepting only such part or parts of said work as may have been disturbed without the consent or
approval of the Principal after the final acceptance of the work and that whenever directed so to
do by the Owner, by notice served in writing, either personally or by mail, on the Principal
at _____

_____ or _____ legal representative, or successors, or on the
Surety at _____ he will proceed at once to make such repairs as
directed by said Owner; and in case of failure so to do within one (1) week from the date of
service of such notice, or within reasonable time, not less than one (1) week, as shall be fixed in
said notice, then the said Owner shall have the right to purchase such materials and employ such
labor and equipment as may be necessary for the purpose and to undertake to do and make such
repairs and charge the expense thereof to and receive same from said Principal or Surety. If any
repair is necessary to be made at once to protect life and property, then and in that case, the said
Owner may take immediate steps to repair or barricade such defects without notice to the
Contractor. In such accounting the Owner shall not be held to obtain the lowest figure for doing
of the work or any part thereof, but all sums actually paid therefore shall be charged to the
Principal or Surety. In this connection the judgment of the Owner is final and conclusive. If the
said Principal for a period of one (1) year from the date of the final estimate payment shall keep
such work so constructed under the contract in good order and repair, excepting only such part or
parts of such work as may have been disturbed without the consent or approval of said Principal
after the final acceptance of the same and shall, whenever notice is given as hereinbefore
specified, at once proceed to make repair as in said notice directed or shall reimburse said Owner
for any expense incurred by making such repairs, should the Principal or Surety fail to do as

hereinbefore specified and shall fully indemnify, defend and save harmless the said Owner from all suits and actions for damages of every name and description brought or claimed against it for or on account of any injury to person or property received or sustained by any party or parties, by or from any of the acts or omissions or through the negligence of said Principal, servants or employees, in the prosecution of the work included in said contract and from any and all claims arising under the Workmen's Compensation Act, so called, of the State of Michigan, then the above obligation shall be void, otherwise to remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed by their respective authorized officers this _____ day of, _____ 2026.

Signed, Sealed and delivered
in the presence of:

(L.S.)

(L.S.)

(L.S.)

NOTICE OF AWARD

TO: _____

Date: _____, **2026**

PROJECT Description: **City of St. Johns – 2026 Milling and Paving Downtown Streets and Parking Areas**

The OWNER has considered the BID submitted by you for the above-described WORK in response to its Advertisement for Bids dated _____, **2026**, and Information for Bidders.

You are hereby notified that your BID has been accepted for items in the amount of \$_____.

You are required by the Information for Bidders to execute the Contract and furnish the required CONTRACTOR'S Performance BOND, Payment BOND, Maintenance and Guarantee Bond and certificates of insurance within ten (10) calendar days from the date of this Notice to you.

If you fail to execute said Contract and to furnish said BONDS within ten (10) days from the date of this Notice, said OWNER will be entitled to consider all your rights arising out of the OWNER'S acceptance of your BID as abandoned and as a forfeiture of your BID BOND. The OWNER will be entitled to such other rights as may be granted by law.

You are required to return an acknowledged copy of this NOTICE OF AWARD to the Owner.

Dated this ____ day of _____, **2026**

CITY OF ST. JOHNS

Owner

By: _____

Title: _____

ACCEPTANCE OF NOTICE

Receipt of the above NOTICE OF AWARD is hereby acknowledged

By: _____ this the ____ day of _____, **2026**.

By: _____ Title: _____

NOTICE TO PROCEED

TO: _____ DATE: _____

_____ PROJECT: City of St. Johns –
2026 Milling and Paving Downtown Streets and
Parking Areas

You are hereby notified to commence WORK in accordance with the Contract dated _____,
2026 on May 18, 2026, and you are to complete the not later than May 29, 2026.

CITY OF ST. JOHNS
Owner

By: _____

Title: _____

ACCEPTANCE OF NOTICE

Receipt of the above NOTICE TO PROCEED is hereby acknowledged by
_____ this the _____ day of _____, 2026.

By: _____

Title: _____

Employer Identification
Number: _____

**CONSENT OF SURETY
For Final Payment**

PROJECT NAME: City of St. Johns – 2026 Milling and Paving Downtown Streets and Parking Areas

OWNER: CITY OF ST. JOHNS

PROJECT NO.:

AMOUNT OF CONTRACT: _____

In accordance with the provisions of the above-named contract between the Owner and the Contractor, the following named surety:

on the Payment Bond of the following-named Contractor:

hereby approves of final payment to the Contractor, and further agrees that said final payment to the Contractor shall not relieve the Surety Company named herein of any of its obligations to the Owner as set forth in said Surety company's bond.

IN WITNESS WHEREOF, the Surety Company has hereunto set its hand and seal this _____ day of _____, 2026.

(Name of Surety Company)

(Signature of Authorized Representative)

TITLE: _____

(Corporation Seal)

CONTRACTS FOR IMPROVEMENT TO REAL PROPERTY
Act 57 of 1998

AN ACT to require contractors to provide certain notices to governmental entities concerning improvements on real property; to allow for the modification of contracts for improvement to real property; to provide for remedies; and to repeal acts and parts of acts.

History: 1998, Act 57, Eff. Oct. 6, 1998.

The People of the State of Michigan enact:

125.1591 Definitions.

Sec. 1. As used in this act:

(a) "Contractor" means a person who contracts with a governmental entity to improve real property or perform or manage construction services. Contractor does not include a person licensed under article 20 of the occupational code, 1980 PA 299, MCL 339.2001 to 339.2014.

(b) "Governmental entity" means the state, a county, city, township, village, public educational institution, or any political subdivision thereof.

(c) "Improve" means to build, alter, repair, or demolish an improvement upon, connected with, or beneath the surface of any real property, to excavate, clear, grade, fill, or landscape any real property, to construct driveways and roadways, or to perform labor upon improvements.

(d) "Improvement" includes, but is not limited to, all or any part of any building, structure, erection, alteration, demolition, excavation, clearing, grading, filling, landscaping, trees, shrubbery, driveways, and roadways on real property.

(e) "Person" means an individual, corporation, partnership, association, governmental entity, or any other legal entity.

(f) "Real property" means the real estate that is improved, including, but not limited to, lands, leaseholds, tenements, hereditaments, and improvements placed on the real property.

History: 1998, Act 57, Eff. Oct. 6, 1998.

125.1592 Improvement contract exceeding \$75,000; provisions.

Sec. 2. A contract between a contractor and a governmental entity for an improvement that exceeds \$75,000.00 shall contain all of the following provisions:

(a) That if a contractor discovers 1 or both of the following physical conditions of the surface or subsurface at the improvement site, before disturbing the physical condition, the contractor shall promptly notify the governmental entity of the physical condition in writing:

(i) A subsurface or a latent physical condition at the site is differing materially from those indicated in the improvement contract.

(ii) An unknown physical condition at the site is of an unusual nature differing materially from those ordinarily encountered and generally recognized as inhering in work of the character provided for in the improvement contract.

(b) That if the governmental entity receives a notice under subdivision (a), the governmental entity shall promptly investigate the physical condition.

(c) That if the governmental entity determines that the physical conditions do materially differ and will cause an increase or decrease in costs or additional time needed to perform the contract, the governmental entity's determination shall be made in writing and an equitable adjustment shall be made and the contract modified in writing accordingly.

(d) That the contractor cannot make a claim for additional costs or time because of a physical condition unless the contractor has complied with the notice requirements of subdivision (a). The governmental entity may extend the time required for notice under subdivision (a).

(e) That the contractor cannot make a claim for an adjustment under the contract after the contractor has received the final payment under the contract.

History: 1998, Act 57, Eff. Oct. 6, 1998.

125.1593 Contract completion; performance; consent of governmental entity; arbitration; judgment rendered.

Sec. 3. (1) If the contractor does not agree with the governmental entity's determination, with the governmental entity's consent the contractor may complete performance on the contract.

(2) At the option of the governmental entity, the contractor and the governmental entity shall arbitrate the contractor's entitlement to recover the actual increase in contract time and costs incurred because of the physical condition of the improvement site. The arbitration shall be conducted in accordance with the rules of the American arbitration association and judgment rendered may be entered in any court having jurisdiction.

History: 1998, Act 57, Eff. Oct. 6, 1998.

125.1594 Incorporation of additional provisions.

Sec. 4. If an improvement contract does not contain the provisions required under section 2, the provisions shall be incorporated into and considered part of the improvement contract.

History: 1998, Act 57, Eff. Oct. 6, 1998.

125.1595 Rights or remedies.

Sec. 5. This act does not limit the rights or remedies otherwise available to a contractor or the governmental entity under any other law or statute.

History: 1998, Act 57, Eff. Oct. 6, 1998.

125.1596 Repealed. 2001, Act 28, Imd. Eff. June 22, 2001.

Compiler's note: The repealed section pertained to repeal of act.

Act No. 524
Public Acts of 1980
Approved by Governor
FEBRUARY 29, 1981

PAYMENT TO CONTRACTORS

**STATE OF MICHIGAN
80TH LEGISLATURE
REGULAR SESSION OF 1980**

Introduced by Rep. Ryan

ENROLLED HOUSE BILL NO. 5541

An ACT to provide for the terms of certain construction contracts with certain public agencies; to regulate the payment and retainage of payments on construction contracts with certain public agencies; and to provide for the resolution of certain disputes.

The People of the State of Michigan enact:

Sec. 1. As used in this act:

- (a) "Agent" means the person or persons agreed to or selected by the contractor and the public agency pursuant to section 4(2).
- (b) "Architect or professional engineer" means an architect or professional engineer licensed under Act No. 299 of the Public Acts of 1980, being sections 339.101 to 339.2601 of the Michigan Compiled Laws, and designated by a public agency in a construction contract to recommend progress payments.
- (c) "Construction contract" or "contract" means a written agreement between a contractor and a public agency for the construction, alteration, demolition, or repair of a facility, other than a contract having a dollar value of less than \$30,000.00 or a contract that provides for 3 or fewer payments.
- (d) "Contract documents" means the construction contract; instructions to bidders; proposal; conditions of the contract; performance bond; labor and material bond; drawings; specifications; all addenda issued before execution of the construction contract and all modifications issued subsequently.
- (e) "Contractor" means an individual, sole proprietorship, partnership, corporation, or joint venture, that is a party to a construction contract with a public agency.
- (f) "Facility" means a building, utility, road, street, boulevard, parkway, bridge, ditch, drain, levee, dike, sewer, park, playground, or other structure or work that is paid for with public funds or a special assessment.
- (g) "Progress payment" means a payment by a public agency to a contractor for work in place under the terms of a construction contract.
- (h) "Public agency" means this state, or a county, Village, township, village, assessment district, or other political subdivision, corporation, commission, agency, or authority created by law. However, public agency does not include the state transportation department, a school district, junior or community college, the Michigan state housing development authority created in Act No. 346 of the Public Acts of 1966, as amended, being sections 125.1401 to 125.1496 of the Michigan Compiled Laws and a municipal electric utility or agency. "Assessment district" means the real property within a distinct area upon which special assessments are levied or imposed for the construction, reconstruction, betterment, replacement, or repair of a facility

to be paid for by funds derived from those special assessments imposed or levied on the benefitted real property.

(1) "Retainage" or "retained funds" means the amount withheld from a progress payment to a contractor pursuant to section 3.

Sec. 2. (1) The construction contract shall designate a person representing the contractor who will submit written requests for progress payments, and a person representing the public agency to whom requests for progress payments are to be submitted. The written requests for progress payments shall be submitted to the designated person in a manner and at such times as provided in the construction contract.

(2) The processing of progress payments by the public agency may be deferred by the public agency until work having a prior sequence, as provided in the contract documents, is in place and is approved.

(3) Each progress payment requested, including reasonable interest if requested under subsection (4) shall be paid within 1 of the following time periods, whichever is later:

(a) Thirty days after the architect or professional engineer has certified to the public agency that work is in place in the portion of the facility covered by the applicable request for payment in accordance with the contract documents.

(b) Fifteen days after the public agency has received the funds with which to make the progress payment from a department or agency of the federal or state government, if any funds are to come from either of those sources.

(4) Upon failure of a public agency to make a timely progress payment pursuant to this section, the person designated to submit requests for progress payments may include reasonable interest on amounts past due in the next request for payment.

Sec. 3. (1) To assure proper performance of a construction contract by the contractor, a public agency may retain a portion of each progress payment otherwise due as provided in this section.

(2) The retainage shall be limited to the following:

(a) Not more than 10% of the dollar value of all work in place until work is 50% in place.

(b) After the work is 50% in place, additional retainage shall not be withheld unless the public agency determines that the contractor is not making satisfactory progress, or for other specific cause relating to the contractor's performance under the contract. If the public agency so determines, the public agency may retain not more than 10% of the dollar value of work more than 50% in place.

(3) The retained funds shall not exceed the pro rata share of the public agency's matching requirement under the construction contract and shall not be commingled with other funds of the public agency and shall be deposited in an interest-bearing account in a regulated financial institution in this state wherein all such retained funds are kept by the public agency which shall account for both retainage and interest on each construction contract separately. A public agency is not required to deposit retained funds in an interest-bearing account if the retained funds are to be provided under a state or federal grant and the retained funds have not been paid to the public agency.

(4) Except as provided in section 4(7) and (8), retainage and interest earned on retainage shall be released to a contractor together with the final progress payment.

(5) At any time after 94% of work under the contract is in place and at the request of the original contractor, the public agency shall release the retainage plus interest to the original contractor only if the original contractor provides to the public agency an irrevocable letter of credit in the amount of the retainage plus interest, issued by a bank authorized to do business in this state, containing terms mutually acceptable to the contractor and the public agency.

Sec. 4. (1) The construction contract shall contain an agreement to submit those matters described in subsection (3) to the decision of an agent at the option of the public agency.

(2) If a dispute regarding a matter described in subsection (3) arises, the contractor and the public agency shall designate an agent who has background, training, and experience in the construction of facilities similar to that which is the subject of the contract, as follows:

(a) In an agreement reached within 10 days after a dispute arises.

(b) If an agreement cannot be reached within 10 days after a dispute arises, the public agency shall designate an agent who has background, training, and experience in the construction of facilities similar to that which is the subject of the contract and who is not an employee of the agency.

(3) The public agency may request dispute resolution by the agent regarding the following:

(a) At any time during the term of the contract, to determine whether there has been a delay for reasons that were within the control of the contractor, and the period of time that delay has been caused, continued, or aggravated by actions of the contractor.

(b) At any time after 94% of work under the contract is in place, whether there has been an unacceptable delay by the contractor in performance of the remaining 6% of work under the contract. The agent shall consider the terms of the contract and the procedures normally followed in the industry and shall determine whether the delay was for failure to follow reasonable and prudent practices in the industry for completion of the project.

(4) This dispute resolution process shall be used only for the purpose of determining the rights of the parties to retained funds and interest earned on retained funds and is not intended to alter, abrogate, or limit any rights with respect to remedies that are available to enforce or compel performance of the terms of the contract by either party.

(5) The agent may request and shall receive all pertinent information from the parties and shall provide an opportunity for an informal meeting to receive comments, documents, and other relevant information in order to resolve the dispute. The agent shall determine the time, place, and procedure for the informal meeting. A written decision and reasons for the decision shall be given to the parties within 14 days after the meeting.

(6) The decision of the agent shall be final and binding upon all parties. Upon application of either party, the decision of the agent may be vacated by order of the circuit court only upon a finding by the court that the decision was procured by fraud, duress, or other illegal means.

(7) If the dispute resolution results in a decision:

(a) That there has been a delay as described in subsection (3)(a), all interest earned on retained funds during the period of delay shall become the property of the public agency.

(b) That there has been unacceptable delay as described in subsection (3)(b), the public agency may contract with a subsequent contractor to complete the remaining 6% of work under the contract, and interest earned on retained funds shall become the property of the public agency. A subsequent contractor under this subdivision shall be paid by the public agency from the following sources until each source is depleted, in the order listed below:

(i) The dollar value of the original contract, less the dollar value of funds already paid to the original contractor and the dollar value of work in place for which the original contractor has not received payment.

(ii) Retainage from the original contractor, or funds made available under a letter of credit provided under section 3(5).

(iii) Interest earned on retainage from the original contractor, or funds made available under a letter of credit provided under section 3(5).

(8) If the public agency contracts with a subsequent contractor as provided in subsection (7)(b), the final progress payment shall be payable to the original contractor within the time period specified in section 2(3). The amount of the final progress payment to the original contractor shall not include interest earned on retained funds. The public agency may deduct from the final

progress payment all expenses of contracting with the subsequent contractor. This act shall not impair the right of the public agency to bring an action or to otherwise enforce a performance bond to complete work under a construction contract.

Sec.5. (1) Except as provided in subsection (2), this act shall apply only to a construction contract entered into after the effective date of this act.

(2) For a construction contract entered into before the effective date of this act, the provisions of this act may be implemented by a public agency, through a contract amendment, upon the written request of the contractor, with such consideration as the public considers adequate.

Sec.6. This act shall take effect FEBRUARY 1, 1983.

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1. DEFINITIONS

- 1.1 Wherever used in the CONTRACT DOCUMENTS, the following terms shall have the meanings indicated and shall be applicable to both the singular and plural thereof:
 - 1.2 ADDENDA - Written or graphic instruments issued prior to the execution of the Agreement which modify or interpret the CONTRACT DOCUMENTS, DRAWINGS, and SPECIFICATIONS, by additions, deletions, clarifications or corrections.
 - 1.3 BID - The offer or proposal of the BIDDER submitted on the prescribed form setting forth the prices for the WORK to be performed.
 - 1.4 BIDDER - Any person, firm or corporation submitting a BID for the WORK.
 - 1.5 BONDS - Bid Bond, Performance, Payment and Maintenance and Guarantee Bonds and other instruments of surety, furnished by the CONTRACTOR and the CONTRACTOR'S surety in accordance with the CONTRACT DOCUMENTS.

- 1.6 CHANGE ORDER - A written order to the CONTRACTOR authorizing an addition, deletion, or revision in the WORK within the general scope of the CONTRACT DOCUMENTS or authorizing an adjustment in the CONTRACT PRICE or CONTRACT TIME.
- 1.7 CONTRACT DOCUMENTS - The CONTRACT, including ADVERTISEMENT FOR BIDS, INFORMATION FOR BIDDERS, PROPOSAL, BID BOND, CONTRACT, PAYMENT BOND, PERFORMANCE BOND, MAINTENANCE AND GUARANTEE BOND, NOTICE OF AWARD, NOTICE TO PROCEED, CHANGE ORDER, DRAWINGS, SPECIFICATIONS, and ADDENDA.
- 1.8 CONTRACT PRICE - The total monies payable to the CONTRACTOR under the terms and conditions of the CONTRACT DOCUMENTS.
- 1.9 CONTRACT TIME - The number of calendar days stated in the CONTRACT DOCUMENTS for the completion of the WORK.
- 1.10 CONTRACTOR - The person, firm, or corporation with whom the OWNER has executed the Agreement.
- 1.11 DRAWINGS - The parts of the CONTRACT DOCUMENTS which show the characteristics and scope of the WORK to be performed and which have been prepared or approved by the ENGINEER.
- 1.12 ENGINEER - The person, firm, or corporation named as such in the CONTRACT DOCUMENTS.
- 1.13 FIELD ORDER - A written order effecting a change in the WORK not involving an adjustment in the CONTRACT PRICE or an extension of the CONTRACT TIME, issued by the ENGINEER to the CONTRACTOR during construction.
- 1.14 NOTICE OF AWARD - The written notice of the acceptance of the BID from the OWNER to the successful BIDDER.
- 1.15 NOTICE TO PROCEED - Written communication issued by the OWNER to the CONTRACTOR authorizing him/her to proceed with the WORK and establishing the date for commencement of the WORK.
- 1.16 OWNER - A public or quasi-public body or authority, corporation, association, partnership, or an individual for whom the WORK is to be performed.
- 1.17 PROJECT - The undertaking to be performed as provided in the CONTRACT DOCUMENTS.
- 1.18 RESIDENT PROJECT REPRESENTATIVE - The authorized representative of

the OWNER who is assigned to the PROJECT site or any part thereof.

- 1.19 **SHOP DRAWINGS** - All drawings, diagrams, illustrations, brochures, schedules and other data which are prepared by the CONTRACTOR, or SUBCONTRACTOR, manufacturer, SUPPLIER or distributor, which illustrate how specific portions of the WORK shall be fabricated or installed.
- 1.20 **SPECIFICATIONS** - A part of the CONTRACT DOCUMENTS consisting of written descriptions of a technical nature of materials, equipment, construction systems, standard and workmanship.
- 1.21 **SUBCONTRACTOR** - An individual, firm or corporation having a direct contact with CONTRACTOR or with any other SUBCONTRACTOR for the performance of a part of the WORK at the site.
- 1.22 **SUBSTANTIAL COMPLETION** - That date certified by the ENGINEER when the construction of the PROJECT or a specified part thereof is sufficiently completed, in accordance with the CONTRACT DOCUMENTS, so that the PROJECT or specified part can be utilized for the purposes for which it is intended.
- 1.23 **SUPPLEMENTAL GENERAL CONDITIONS** - Modifications to General Conditions required by a Federal agency for participation in the PROJECT and approved by the agency in writing prior to inclusion in the CONTRACT DOCUMENTS, or such requirements that may be imposed by applicable state laws.
- 1.24 **SUPPLIER** - Any person or organization who supplies materials or equipment for the WORK, including that fabricated to a special design, but who does not perform labor at the site.
- 1.25 **WORK** - All labor necessary to produce the construction required by the CONTRACT DOCUMENTS, and all materials and equipment incorporated or to be incorporated in the PROJECT.
- 1.26 **WRITTEN NOTICE** - Any notice to any party of the Agreement relative to any part of this Agreement in writing and considered delivered and the service thereof completed, when posted by certified or registered mail to the said party at their last given address or delivered in person to said party to their authorized representative on the WORK.

2. ADDITIONAL INSTRUCTIONS AND DETAIL DRAWINGS

- 2.1 The CONTRACTOR may be furnished additional instructions and detail

drawings, by the ENGINEER, as necessary to carry out the WORK required by the CONTRACT DOCUMENTS.

- 2.2 The additional drawings and instructions thus supplied will become a part of the CONTRACT DOCUMENTS. The CONTRACTOR shall carry out the WORK in accordance with the additional detail drawings and instructions.

3. SCHEDULES, REPORTS AND RECORDS

- 3.1 The CONTRACTOR shall submit to the OWNER such schedule of quantities and costs, progress schedules, payrolls, reports, estimates, records and other data where applicable as are required by the CONTRACT DOCUMENTS for the WORK to be performed.
- 3.2 Prior to the first partial payment estimate the CONTRACTOR shall submit construction progress schedules showing the order in which the CONTRACTOR proposes to carry on the WORK, including dates at which the various parts of the WORK will be started, estimated date of completion at each part and, as applicable:
 - 3.2.1 The dates at which special drawings will be required; and
 - 3.2.2 Respective dates for submission of SHOP DRAWINGS, the beginning of manufacture, the testing and the installation of materials, supplies and equipment.
- 3.3 The CONTRACTOR shall also submit a schedule of payments that the CONTRACTOR anticipates will be earned during the course of the WORK.

4. DRAWINGS AND SPECIFICATIONS

- 4.1 The intent of the DRAWINGS and SPECIFICATIONS is that the CONTRACTOR shall furnish all labor, materials, tools, equipment, and transportation necessary for the proper execution of the WORK in accordance with the CONTRACT DOCUMENTS and all incidental work necessary to complete the PROJECT in an acceptable manner, ready for use, occupancy or operation by the OWNER.
- 4.2 In case of conflict between the DRAWINGS and SPECIFICATIONS, refer to Contract. Figure dimensions on DRAWINGS shall govern over general DRAWINGS.
- 4.3 Any discrepancies found between the DRAWINGS and SPECIFICATIONS and site conditions or any inconsistencies or ambiguities in the DRAWINGS or SPECIFICATIONS shall be immediately reported to the ENGINEER, in writing,

who shall promptly correct such inconsistencies or ambiguities in writing. WORK done by the CONTRACTOR after discovery of such discrepancies, inconsistencies or ambiguities shall be done at the CONTRACTOR'S risk.

5. SHOP DRAWINGS

- 5.1 The CONTRACTOR shall provide SHOP DRAWINGS as may be necessary for the prosecution of the WORK as required by the CONTRACT DOCUMENTS. The ENGINEER shall promptly review all SHOP DRAWINGS. The ENGINEER'S approval of any SHOP DRAWING shall not release the CONTRACTOR from responsibility for deviations from the CONTRACT DOCUMENTS. The approval of any SHOP DRAWING which substantially deviates from the requirement of the CONTRACT DOCUMENTS shall be evidenced by a CHANGE ORDER.
- 5.2 When submitted for the ENGINEER'S review, SHOP DRAWINGS shall bear the CONTRACTOR'S certification that he has reviewed, check and approved the SHOP DRAWINGS and that they are in conformance with the requirements of the CONTRACT DOCUMENTS.
- 5.3 Portions of the WORK requiring a SHOP DRAWING or sample submission shall not begin until the SHOP DRAWING or submission has been approved by the ENGINEER. A copy of each approved SHOP DRAWING and each approved sample shall be kept in good order by the CONTRACTOR at the site and shall be available to the ENGINEER.

6. MATERIALS, SERVICES AND FACILITIES

- 6.1 It is understood that, except as otherwise specifically stated in the CONTRACT DOCUMENTS, the CONTRACTOR shall provide and pay for all materials, labor, tools, equipment, water, light, power, transportation, supervision, temporary construction of any nature, and all other services and facilities of any nature whatsoever necessary to execute, complete and deliver the WORK within the specified time.
- 6.2 Materials and equipment shall be so stored as to insure the preservation of their quality and fitness for the WORK. Stored materials and equipment to be incorporated in the WORK shall be located so as to facilitate prompt inspection.
- 6.3 Manufactured articles, materials and equipment shall be applied, installed, connected, erected, used, cleaned and conditioned as directed by the manufacturer.

- 6.4 Materials, supplies, and equipment shall be in accordance with samples submitted by the CONTRACTOR and approved by the ENGINEER.
- 6.5 Materials, supplies, or equipment to be incorporated into the WORK shall not be purchased by the CONTRACTOR or the SUBCONTRACTOR subject to a chattel mortgage or under a conditional sale contract or other agreement by which an interest is retained by the seller.

7. INSPECTION AND TESTING

- 7.1 All materials and equipment used in the construction of the PROJECT shall be subject to adequate inspection and testing in accordance with generally accepted standards, as required and defined in the CONTRACT DOCUMENTS.
- 7.2 The OWNER shall provide all inspection and testing services not required by the CONTRACT DOCUMENTS.
- 7.3 The CONTRACTOR shall provide at the CONTRACTOR'S expense the testing and inspection services required by the CONTRACT DOCUMENTS.
- 7.4 If the CONTRACT DOCUMENTS, laws, ordinances, rules, regulations or orders of any public authority having jurisdiction require any WORK to specifically be inspected, tested, or approved by someone other than the CONTRACTOR, the CONTRACTOR will give the ENGINEER timely notice of readiness. The CONTRACTOR will then furnish the ENGINEER the required certificates of inspection, testing or approval.
- 7.5 Inspections, tests, or approvals by the ENGINEER or others shall not relieve the CONTRACTOR from the obligations to perform the WORK in accordance with the requirements of the CONTRACT DOCUMENTS.
- 7.6 The ENGINEER and the ENGINEER'S representatives will at all times have access to the WORK. In addition, authorized representatives and agents of any participating Federal or State agency shall be permitted to inspect all work, materials, payrolls, records or personnel, invoices of materials, and other relevant data and records. The CONTRACTOR will provide proper facilities for such access and observation of the WORK and also for any inspection or testing thereof.
- 7.7 If any WORK is covered contrary to the written instructions of the ENGINEER it must, if required by the ENGINEER, be uncovered for the ENGINEER'S observation and replaced at the CONTRACTOR'S expense.
- 7.8 If the ENGINEER considers it necessary or advisable that covered WORK be

inspected or tested by others, the CONTRACTOR, at the ENGINEER'S request, will uncover, expose or otherwise make available for observation, inspection or testing as the ENGINEER may require, that portion of the WORK in question, furnishing all necessary labor, materials, tools and equipment. If it is found that such WORK is defective, the CONTRACTOR will bear all the expenses of such uncovering, exposure, observation, inspection and testing and of satisfactory reconstruction, if, however, such WORK is not found to be defective, the CONTRACTOR will be allowed an increase in the CONTRACT PRICE or an extension of the CONTRACT TIME, or both, directly attributable to such uncovering, exposure, observation, inspection, testing and reconstruction and an appropriate CHANGE ORDER shall be issued.

8. SUBSTITUTIONS

8.1 Whenever a material, article, or piece of equipment is identified on the DRAWINGS or SPECIFICATIONS by reference to brand name or catalogue numbers, it shall be understood that this is referenced for the purpose of defining the performance or other salient requirements and that other products of equivalent capacities, quality and function shall be considered. The CONTRACTOR may recommend the substitution of a material, article, or piece of equipment of equivalent substance and function for those referred to in the CONTRACT DOCUMENT by reference to brand name or catalogue number, and if, in the opinion of the ENGINEER, such material, article, or piece of equipment is of equivalent substance and function to that specified, the ENGINEER may approve its substitution and use by the CONTRACTOR. Any cost differential shall be deductible from the CONTRACT PRICE and the CONTRACT DOCUMENTS shall be appropriately modified by CHANGE ORDER. The CONTRACTOR warrants that if substitutes are approved, no major changes in the function or general design of the PROJECT will result. Incidental changes or extra component parts required to accommodate the substitute will be made by the CONTRACTOR without a change in the CONTRACT PRICE or CONTRACT TIME.

9. PATENTS

9.1 The CONTRACTOR shall pay all applicable royalties and license fees, and shall defend all suits or claims for infringement of any patent rights and save the OWNER harmless from loss or account thereof, except that the OWNER shall be responsible for any such loss when a particular process, design, or product of a particular manufacturer or manufacturers is specified, however, if the CONTRACTOR has reason to believe that the design, process or product specified is an infringement of a patent, the CONTRACTOR shall be responsible for such loss unless the CONTRACTOR promptly gives such information to the ENGINEER.

10. SURVEYS, PERMITS, REGULATIONS

- 10.1 The OWNER shall furnish all boundary surveys and establish all base lines for locating the principal component parts of the WORK together with a suitable number of benchmarks adjacent to the WORK as shown in the CONTRACT DOCUMENTS. From the information provided by the OWNER, unless otherwise specified in the CONTRACT DOCUMENTS, the CONTRACTOR shall develop and make all detail surveys needed for construction such as slope stakes, batter boards, stakes for pipe locations and other working points, lines, elevations and cut sheets.
- 10.2 The CONTRACTOR shall carefully preserve benchmarks, reference points and stakes and, in case of willful or careless destruction, shall be charged with the resulting expense and shall be responsible for any mistake that may be caused by their unnecessary loss or disturbance.
- 10.3 Permits and licenses of a temporary nature necessary for the prosecution of the WORK shall be secured and paid for by the CONTRACTOR unless otherwise stated in the SUPPLEMENTAL GENERAL CONDITIONS (SPECIAL CONDITIONS). Permits, licenses and easements for permanent structures or permanent changes in existing facilities shall be secured and paid for by the OWNER, unless otherwise specified. The CONTRACTOR shall give all notices and comply with all laws, ordinances, rules and regulations bearing on the conduct of the WORK as drawn and specified. If the CONTRACTOR observes that the CONTRACT DOCUMENTS are at variance therewith, the CONTRACTOR shall promptly notify the ENGINEER in writing, and any necessary changes shall be adjusted as provided in Section 13, CHANGES IN THE WORK.

11. PROTECTION OF WORK, PROPERTY AND PERSONS

- 11.1 The CONTRACTOR will be responsible for initiating, maintaining and supervising all safety precautions and programs in connection with the WORK. The CONTRACTOR will take all necessary precautions for the safety of, will provide the necessary precautions for the safety of, and will provide the necessary protection to prevent damage, injury or loss of all employees on the WORK and other persons who may be affected thereby, all the WORK and all materials or equipment to be incorporated therein, whether in storage on or off the site, and other property at the site or adjacent thereto, including trees, shrubs, lawns, walks, pavements, roadways, structures and utilities not designated for removal, relocation or replacement in the course of construction.

- 11.2 The CONTRACTOR will comply with all applicable laws, ordinances, rules, regulations and orders of any public body having jurisdiction. The CONTRACTOR will erect and maintain, as required by the conditions and progress of the WORK, all necessary safeguards for safety and protection. The CONTRACTOR will notify owners of adjacent utilities when prosecution of the WORK may affect them. The CONTRACTOR will remedy all damage, injury or loss to any property caused, directly or indirectly, in whole or part, by the CONTRACTOR, any SUBCONTRACTOR or anyone directly or indirectly employed by any of them or anyone of whose acts any of them be liable, except damage or loss attributable to the fault of the CONTRACT DOCUMENTS or to the acts or omissions of the OWNER, of the ENGINEER or anyone employed by either of them or anyone for whose acts either of them may be liable, and not attributable, directly or indirectly, in whole or in part, to the fault or negligence of the CONTRACTOR.
- 11.3 In emergencies affecting the safety of persons or the WORK or property at the site or adjacent thereof, the CONTRACTOR, without special instructions or authorization from the ENGINEER or OWNER, shall act to prevent threatened damage, injury or loss. The CONTRACTOR will give the ENGINEER prompt WRITTEN NOTICE of any significant changes in the WORK or deviations from the CONTRACT DOCUMENTS caused thereby, and a CHANGE ORDER shall thereupon be issued covering the changes and deviations involved.

12. SUPERVISION BY CONTRACTOR

- 12.1 The CONTRACTOR will supervise and direct the WORK. He will be solely responsible for the means, methods, techniques, sequences and procedures of construction. The CONTRACTOR will employ and maintain on the WORK a qualified supervisor or superintendent who shall have been designated in writing by the CONTRACTOR as the CONTRACTOR'S representative at the site. The supervisor shall have full authority to act on behalf of the CONTRACTOR and all communications given to the supervisor shall be as binding as if given to the CONTRACTOR. The supervisor shall be present on the site at all times as required to perform adequate supervision and coordination of the WORK.

13. CHANGES IN THE WORK

- 13.1 The OWNER may at any time, as the need arises, order changes within the scope of the WORK without invalidating the Agreement. If such changes increase or decrease the amount due under the CONTRACT DOCUMENTS, or in the time required for performance of the WORK, an equitable adjustment shall be authorized by CHANGE ORDER.
- 13.2 The ENGINEER, also, may at any time, by issuing a FIELD ORDER, make

changes in the details of the WORK. The CONTRACTOR shall proceed with the performance of any changes in the WORK so ordered by the ENGINEER unless the CONTRACTOR believes that such FIELD ORDER entitles the CONTRACTOR to a change in CONTRACT PRICE or TIME, or both, in which event the CONTRACTOR shall give the ENGINEER WRITTEN NOTICE thereof within seven (7) days after the receipt of the ordered change. Thereafter the CONTRACTOR shall document the basis for the change in CONTRACT PRICE or TIME within thirty (30) days. The CONTRACTOR shall not execute such changes pending the receipt of an executed CHANGE ORDER or further instruction from the OWNER.

14. CHANGES IN CONTRACT PRICE

- 14.1 The CONTRACT PRICE may be changed only by a CHANGE ORDER. The value of any WORK covered by a CHANGE ORDER or of any claim for increase or decrease in the CONTRACT PRICE shall be determined by one or more of the following methods in the order of precedence listed below:
 - a. Unit prices previously approved.
 - b. An agreed lump sum.

15. TIME FOR COMPLETION AND LIQUIDATED DAMAGES

- 15.1 The date of beginning and the time for completion of the WORK are essential conditions of the CONTRACT DOCUMENTS and the WORK embraced shall be commenced on a date specified in the NOTICE TO PROCEED.
- 15.2 The CONTRACTOR will proceed with the WORK at such rate of progress to insure full completion within the CONTRACT TIME. It is expressly understood and agreed, by and between the CONTRACTOR and the OWNER, that the CONTRACT TIME for the completion of the WORK described herein is a reasonable time, taking into consideration the average climatic and economic conditions and other factors prevailing in the locality of the WORK.
- 15.3 If the CONTRACTOR shall fail to complete the WORK within the CONTRACT TIME, or extension of time granted by the OWNER, then the CONTRACTOR will pay to the OWNER the amount for liquidated damages as specified in the BID for each calendar day that the CONTRACTOR shall be in default after the time stipulated in the CONTRACT DOCUMENTS.
- 15.4 The CONTRACTOR shall not be charged with liquidated damages or any excess cost, and shall not be entitled to additional payment, when the delay in completion of the WORK is due to the following and the CONTRACTOR has promptly

given WRITTEN NOTICE of such delay to the OWNER or ENGINEER.

15.4.1 To any preference, priority, or allocation order duly issued by the OWNER.

15.4.2 To unforeseeable causes beyond the control and without the fault or negligence of the CONTRACTOR, including but not restricted to, acts of God, or of the public enemy, acts of the OWNER, acts of another CONTRACTOR in the performance of a contract with the OWNER, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and abnormal and unforeseeable weather; and

15.4.3 To any delays of SUBCONTRACTORS occasioned by any of the causes specified in paragraph 15.4.1 and 15.4.2 of this article.

16. CORRECTION OF WORK

- 16.1 The CONTRACTOR shall promptly remove from the premises all WORK rejected by the ENGINEER for failure to comply with the CONTRACT DOCUMENTS, whether incorporated in the construction or not, and the CONTRACTOR shall promptly replace and reexecute the WORK in accordance with the CONTRACT DOCUMENTS and without expense to the OWNER and shall bear the expense of making good all WORK of other CONTRACTORS destroyed or damaged by such removal or replacement.
- 16.2 All removal and replacement WORK shall be done at the CONTRACTOR'S expense. If the CONTRACTOR does not take action to remove such rejected WORK within ten (10) days after receipt of WRITTEN NOTICE, the OWNER may remove such WORK and store the materials at the expense of the CONTRACTOR.

17. SUBSURFACE CONDITIONS

- 17.1 The CONTRACTOR shall promptly, and before such conditions are disturbed, except in the event of an emergency, notify the OWNER by WRITTEN NOTICE of:
 - 17.1.1 Subsurface or latent physical conditions at the site differing materially from those indicated in the CONTRACT DOCUMENTS; or
 - 17.1.2 Unknown physical conditions at the site, of an unusual nature, differing materially from those ordinarily encountered and generally recognized as inherent in WORK of the character provided for in the CONTRACT DOCUMENTS.

17.2 The OWNER shall promptly investigate the conditions, and if it is found that such conditions do so materially differ and cause an increase or decrease in the cost of, or in the time required for, performance of the WORK, an equitable adjustment shall be made and the CONTRACT DOCUMENTS shall be modified by a CHANGE ORDER. Any claim to the CONTRACTOR for adjustment hereunder shall not be allowed unless the required WRITTEN NOTICE has been given; provided that the OWNER may, if the OWNER determines the facts so justify, consider and adjust any such claims asserted before the date of final payment.

18. SUSPENSION OF WORK, TERMINATION AND DELAY

18.1 The OWNER may suspend the WORK or any portion thereof for a period of not more than ninety days or such further time as agreed upon by the CONTRACTOR by WRITTEN NOTICE to the CONTRACTOR and the ENGINEER which shall fix the date on which WORK shall be resumed. The CONTRACTOR will resume that WORK on the date so fixed. The CONTRACTOR will be allowed an increase in the CONTRACT PRICE or an extension of the CONTRACT TIME, or both, directly attributable to any suspension.

18.2 If the CONTRACTOR is adjudged bankrupt or insolvent, or makes a general assignment for the benefit of its creditors, or if a trustee or receiver is appointed for the CONTRACTOR or for any of its property, or if CONTRACTOR files a petition to take advantage of any debtor's act, or to reorganize under the bankruptcy or applicable laws, or repeatedly fails to supply sufficient skilled workmen or suitable materials or equipment, or repeatedly fails to make prompt payments to SUBCONTRACTORS or for labor, materials or equipment or disregards laws, ordinances, rules, regulations or orders of any public body having jurisdiction of the WORK or disregards the authority of the ENGINEER or otherwise violates any provision of the CONTRACT DOCUMENTS, then the OWNER may, without prejudice to any other right or remedy and after giving the CONTRACTOR and its surety a minimum of ten (10) days from delivery of a WRITTEN NOTICE, terminate the services of the CONTRACTOR and take possession of the PROJECT and of all materials, equipment, tools, construction equipment and machinery thereon owned by the CONTRACTOR, and finish the WORK by whatever method the OWNER may deem expedient. In such case the CONTRACTOR shall not be entitled to receive any further payment until the WORK is finished. If the unpaid balance of the CONTRACT PRICE exceeds the direct and indirect costs of completing the PROJECT, including compensation for additional professional services, such excess SHALL BE PAID TO THE CONTRACTOR. If such costs exceed such unpaid balance, the CONTRACTOR SHALL PAY THE DIFFERENCE TO THE OWNER. Such costs incurred by the OWNER will be determined by the ENGINEER and incorporated in a CHANGE ORDER.

- 18.3 Where the CONTRACTOR'S services have been so terminated by the OWNER, said termination shall not effect any right of the OWNER against the CONTRACTOR then existing or which may thereafter accrue. Any retention or payment of monies by the OWNER due the CONTRACTOR will not release the CONTRACTOR from compliance with the CONTRACT DOCUMENTS.
- 18.4 After ten (10) days from delivery of a WRITTEN NOTICE to the CONTRACTOR and the ENGINEER, the OWNER may, without cause and without prejudice to another right or remedy, elect to abandon the PROJECT and terminate the CONTRACT. In such case the CONTRACTOR shall be paid for all WORK executed and any expense sustained plus reasonable profit.
- 18.5 If, through no act or fault of the CONTRACTOR, the WORK is suspended for a period of more than ninety (90) days by the OWNER or under an order of court or other public authority, or the ENGINEER fails to act on any request for payment within thirty (30) days after it is submitted, or the OWNER fails to pay the CONTRACTOR substantially the sum approved by the ENGINEER or awarded by arbitrators within thirty (30) days of its approval and presentation, then the CONTRACTOR may, after ten (10) days from delivery of a WRITTEN NOTICE to the OWNER and the ENGINEER terminate the CONTRACT and recover from the OWNER payment for all WORK executed and all expenses sustained. In addition and in lieu of terminating the CONTRACT, if the ENGINEER has failed to act on a request for payment or if the OWNER has failed to make any payment as aforesaid, the CONTRACTOR may upon ten (10) days written notice to the OWNER and the ENGINEER stop the WORK until paid all amounts then due, in which event and upon resumption of the WORK CHANGE ORDERS shall be issued for adjusting the CONTRACT PRICE or extending the CONTRACT TIME or both to compensate for the costs and delays attributable to the stoppage of the WORK.
- 18.6 If the performance of all or any portion of the WORK is suspended, delayed or interrupted as a result of a failure of the OWNER or ENGINEER to act within the time specified in the CONTRACT DOCUMENTS, or if no time is specified, within a reasonable time, an adjustment in the CONTRACT PRICE or an extension of the CONTRACT TIME, or both, shall be made by CHANGE ORDER to compensate the CONTRACTOR for the costs and delays necessarily caused by the failure of the OWNER or ENGINEER.

19. PAYMENT TO CONTRACTOR

- 19.1 At least ten (10) days before each progress payment falls due (but not more often than once a month), the CONTRACTOR will submit to the ENGINEER a partial

payment estimate filled out and signed by the CONTRACTOR covering the WORK performed during the period covered by the partial payment estimate and supported by such data as the ENGINEER may reasonably require. If payment is requested on the basis of materials and equipment not incorporated in the WORK but delivered and suitably stored at or near the site, the partial payment estimate shall also be accompanied by such supporting data, satisfactory to the OWNER, as will establish the OWNER'S title to the material and equipment and protect the OWNER'S interest therein, including applicable insurance. The ENGINEER will, within ten (10) days after receipt of each partial payment estimate, either indicate in writing approval of payment, and present the partial payment estimate to the OWNER, or return the partial payment estimate to the CONTRACTOR indicating in writing the reasons for refusing to approve payment. In the latter case, the CONTRACTOR may make the necessary corrections and resubmit the partial payment estimate. The OWNER will, within thirty (30) days of presentation of an approved partial payment estimate, pay the CONTRACTOR a progress payment on the basis of the approved partial payment estimate less the retainage. The retainage shall be an amount equal to 10% of said estimate until 50% of the work has been completed. At 50% completion, further partial payments shall be made in full to the CONTRACTOR and no additional amounts may be retained unless the ENGINEER certifies that the job is not proceeding satisfactorily but amounts previously retained shall not be paid to the CONTRACTOR. At 50% completion or any time thereafter when the progress of the WORK is not satisfactory, additional amounts may be retained but in no event shall the total retainage be more than 10% of the value of the work completed. Upon substantial completion of the work, any amount retained may be paid to the CONTRACTOR. When the WORK has been substantially completed except for WORK which cannot be completed because of weather conditions, lack of materials or other reasons which in the judgment of the OWNER are valid reasons for non-completion, the OWNER may make additional payments, retaining at all times an amount sufficient to cover the estimated cost of the WORK still to be completed.

- 19.2 The request for payment may also include an allowance for the cost of such major materials and equipment which are suitably stored either at or near the site.
- 19.3 Prior to SUBSTANTIAL COMPLETION, the OWNER, with the approval of the ENGINEER and with the concurrence of the CONTRACTOR, may use any completed or substantially completed portions of the WORK. Such use shall not constitute an acceptance of such portions of the WORK.
- 19.4 The OWNER shall have the right to enter the premises for the purposes of doing work not covered by the CONTRACT DOCUMENTS. This provision shall not be construed as relieving the CONTRACTOR of the sole responsibility for the care and protection of the WORK, or the restoration of any damaged WORK except such as may be caused by agents or employees of the OWNER.

- 19.5 Upon completion and acceptance of the WORK, the ENGINEER shall issue a certificate attached to the final payment request that the WORK has been accepted under the conditions of the CONTRACT DOCUMENTS. The entire balance found to be due the CONTRACTOR, including the retained percentages, but except such sums as may be lawfully retained by the OWNER, shall be paid to the CONTRACTOR within thirty (30) days of completion and acceptance of the WORK.
- 19.6 The CONTRACTOR will indemnify and save the OWNER or the OWNER'S agents harmless from all claims growing out of the lawful demand of SUBCONTRACTORS, laborers, workmen, mechanics, material men, and furnishers of machinery and parts thereof, equipment, tools and all supplies, incurred in the furtherance of the performance of the WORK. The CONTRACTOR shall, at the OWNER'S request, furnish satisfactory evidence that all obligations of the nature designated above have been paid, discharged, or waived. If the CONTRACTOR fails to do so the OWNER may, after having notified the CONTRACTOR, either pay unpaid bills or withhold from the CONTRACTOR'S unpaid compensation a sum of money deemed reasonably sufficient to pay any and all such lawful claims until satisfactory evidence is furnished that all liabilities have been fully discharged whereupon payment to the CONTRACTOR shall be resumed in accordance with the terms of the CONTRACT DOCUMENTS, but in no event shall the provisions of this sentence be construed to impose any obligations upon the OWNER to either the CONTRACTOR, the CONTRACTOR'S Surety, or any third party. In paying any unpaid bills of the CONTRACTOR, any payment so made by the OWNER shall be considered as a payment made under the CONTRACT DOCUMENTS by the OWNER to the CONTRACTOR and the OWNER shall not be liable to the CONTRACTOR for any such payments made in good faith.
- 19.7 If the OWNER fails to make payment thirty (30) days after approval by the ENGINEER, in addition to other remedies available to the CONTRACTOR, there shall be added to each such payment interest at the maximum legal rate commencing on the first day after said payment is due and continuing until the payment is received by the CONTRACTOR.

20. ACCEPTANCE OF FINAL PAYMENT AS RELEASE

- 20.1 The acceptance by the CONTRACTOR of final payment shall be and shall operate as a release to the OWNER of all claims and all liability to the CONTRACTOR other than claims in stated amounts as may be specifically excepted by the CONTRACTOR for all things done or furnished in connection with this WORK and for every act and neglect of the OWNER and others relating to or arising out of this WORK. Any payment, however, final or otherwise, shall not release the CONTRACTOR or its sureties from any obligations under the CONTRACT DOCUMENTS or the Performance and Payment BONDS.

21. INSURANCE - Refer to Information for Bidders - “Section 17 - Contractors Insurance”

21.1 The CONTRACTOR shall purchase and maintain such insurance as will protect it from claims set forth below which may arise out of, or result from, the CONTRACTOR'S execution of the WORK, whether such execution be by the CONTRACTOR, any SUBCONTRACTOR or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable:

21.1.1 Claims under workmen's compensation, liability benefit and other similar employee benefit acts;

21.1.2 Claims for damages because of bodily injury, occupational sickness or disease, or death of employees;

21.1.3 Claims for damages because of bodily injury, sickness or disease, or death of any person other than employees;

21.1.4 Claims for damages insured by usual personal injury liability coverage which are sustained (1) by any person as a result of offense directly or indirectly related to the employment of such person by the CONTRACTOR, or (2) by any other person; and

21.1.5 Claims for damages because of injury to or destruction of tangible property, including loss of use resulting therefrom.

21.2 Certificates of Insurance acceptable to the Owner shall be filed with the OWNER prior to commencement of the WORK. These Certificates shall contain a provision that coverages afforded under the policies will not be canceled unless at least fifteen (15) days prior WRITTEN NOTICE has been given to the OWNER.

21.3 The CONTRACTOR shall procure and maintain, at the CONTRACTOR'S own expense, during the CONTRACT TIME, Liability insurance as hereinafter specified:

21.3.1 CONTRACTOR'S General Public Liability and Property Damage Insurance including vehicle coverage issued to the CONTRACTOR and protecting the CONTRACTOR from all claims for personal injury, including death and all claims for destruction of or damage to property, arising out of or in connection with any operations under the CONTRACT DOCUMENTS, whether such operations be by the CONTRACTOR or by a SUBCONTRACTOR employed by the CONTRACTOR or anyone directly or indirectly employed by the CONTRACTOR or by a SUBCONTRACTOR employed by the CONTRACTOR. Insurance shall be written with a limit of liability of not less than \$1,000,000 for all damages arising out of bodily injury, including death, at any time resulting therefrom, sustained by any one person in any one accident;

and a limit of liability of not less than \$1,000,000 aggregate for any such damages sustained by two or more persons in any one accident. Insurance shall be written with a limit of liability of not less than \$1,000,000 for all property damage sustained by any one person in any one accident; and a limit of liability of not less than \$1,000,000 aggregate for any such damage sustained by two or more persons in any one accident; and a combined single limit of liability of not less than \$2,000,000.

21.3.2 The CONTRACTOR shall acquire and maintain, if applicable, Fire and Extended Coverage insurance upon the PROJECT to the full insurable value thereof for the benefit of the OWNER, the CONTRACTOR and SUBCONTRACTORS as their interest may appear. This provision shall in no way release the CONTRACTOR or CONTRACTOR'S surety from obligations under the CONTRACT DOCUMENTS to fully complete the PROJECT.

- 21.4 The CONTRACTOR shall procure and maintain, at the CONTRACTOR'S own expense, during the CONTRACT TIME, in accordance with the provisions of the laws of the state in which the WORK is performed, Workmen's Compensation Insurance, including occupational disease provisions, for all of the CONTRACTOR'S employees at the site of the PROJECT and in case any WORK is sublet, the CONTRACTOR shall require such SUBCONTRACTOR similarly to provide Workmen's Compensation Insurance, including occupational disease provisions for all of the latter's employees unless such employees are covered by the protection afforded by the CONTRACTOR. In case any class of employees engaged in hazardous work under this contract at the site of the PROJECT is not protected under Workmen's Compensation statute, the CONTRACTOR shall provide, and shall cause each SUBCONTRACTOR to provide, adequate and suitable insurance for the protection of its employees not otherwise protected.
- 21.5 The CONTRACTOR shall secure, if applicable, "All Risks" type Builder's Risk Insurance for WORK to be performed. Unless specifically authorized by the OWNER, the amount of such insurance shall not be less than the CONTRACT PRICE totaled in the BID. The policy shall cover not less than the losses due to fire, explosion, hail, lightening, vandalism, malicious mischief, wind, collapse, riot, aircraft, and smoke during the CONTRACT TIME, and until the WORK is accepted by the OWNER. The policy shall name as the insured the CONTRACTOR, and the OWNER.

22. **CONTRACT SECURITY**

- 22.1 The CONTRACTOR shall within ten (10) days after the receipt of the NOTICE OF AWARD furnish the OWNER with a Performance BOND and a Payment BOND in penal sums equal to the amount of the CONTRACT PRICE, conditioned upon the performance by the CONTRACTOR of all undertakings, covenants, terms, conditions and agreements of the CONTRACT

DOCUMENTS, and upon the prompt payment by the CONTRACTOR to all persons supplying labor and materials in the prosecution of the WORK provided by the CONTRACT DOCUMENTS. Such BONDS shall be executed by the CONTRACTOR and a corporate bonding company licensed to transact such business in the state in which the WORK is to be performed and named on the current list of "Surety Companies Acceptable on Federal Bonds" as published in the Treasury Department Circular Number 570. The expense of these BONDS shall be borne by the CONTRACTOR. If at any time a surety on any such BOND is declared a bankrupt or loses its right to do business in the state in which the WORK is to be performed or is removed from the list of Surety Companies accepted on Federal Bonds, CONTRACTOR shall within ten (10) days after notice from the OWNER to do so, substitute an acceptable BOND (or BONDS) in such form and sum and signed by such other surety or sureties as may be satisfactory to the OWNER. The premiums on such BOND shall be paid by the CONTRACTOR. No further payment shall be deemed due nor shall be made until the new surety or sureties shall have furnished an acceptable BOND to the OWNER.

23. ASSIGNMENTS

23.1 Neither the CONTRACTOR nor the OWNER shall sell, transfer, assign or otherwise dispose of the Contract or any portion thereof, or of any right, title or interest therein, or any obligations thereunder, without written consent of the other party.

24. INDEMNIFICATION

24.1 The CONTRACTOR will indemnify and hold harmless the OWNER and the ENGINEER and their agents and employees from and against all claims, damages, losses and expenses including attorney's fees arising out of or resulting from the performance of the WORK, provided that any such claims, damage, loss or expense is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property including the loss of use resulting therefrom; and is caused in whole or in part by any negligent or willful act or omission of the CONTRACTOR, and SUBCONTRACTOR, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable.

24.2 In any and all claims against the OWNER or the ENGINEER, or any of their agents or employees, by any employee of the CONTRACTOR, any SUBCONTRACTOR, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable, the indemnification obligation shall not be limited in any way by any limitation on the amount or type of

damages, compensation or benefits payable by or for the CONTRACTOR or any SUBCONTRACTOR under workmen's compensation acts, disability benefit acts or other employee benefits acts.

24.3 The obligation of the CONTRACTOR under this paragraph shall not extend to the liability of the ENGINEER, its agents or employees arising out of the preparation or approval of maps, DRAWINGS, opinions, reports, surveys, CHANGE ORDERS, design or SPECIFICATIONS.

25. SEPARATE CONTRACTS

25.1 The OWNER reserves the right to let other contracts in connection with this PROJECT. The CONTRACTOR shall afford other CONTRACTORS reasonable opportunity for the introduction and storage of their materials and the execution of their WORK and shall properly connect and coordinate the WORK with theirs. If the proper execution or results of any part of the CONTRACTOR'S WORK depends upon the WORK of any other CONTRACTOR, the CONTRACTOR shall inspect and promptly report to the ENGINEER any defects in such WORK that render it unsuitable for such proper execution and results.

25.2 The OWNER may perform additional WORK related to the PROJECT or the OWNER may let other contracts containing provisions similar to these. The CONTRACTOR will afford the other CONTRACTORS who are parties to such Contracts (or the OWNER, if the OWNER is performing the additional WORK) reasonable opportunity for the introduction and storage of materials and equipment and the execution of WORK and shall properly connect and coordinate the WORK with theirs.

25.3 If the performance of additional WORK by other CONTRACTORS or the OWNER is not noted in the CONTRACT DOCUMENTS prior to the execution of the CONTRACT, written notice thereof shall be given to the CONTRACTOR prior to starting any such additional WORK. If the CONTRACTOR believes that the performance of such additional WORK by the OWNER or others involves it in additional expense or entitles it to an extension of the CONTRACT TIME, the CONTRACTOR may make a claim thereof as provided in Sections 14 and 15.

26. SUBCONTRACTING

26.1 The CONTRACTOR may utilize the services of specialty SUBCONTRACTS on those parts of the WORK which, under normal contracting practices, are performed by specialty SUBCONTRACTORS.

26.2 The CONTRACTOR shall not award WORK to SUBCONTRACTOR(S), in excess of fifty (50%) percent of the CONTRACT PRICE, without prior written

notice and approval of the OWNER.

- 26.3 The CONTRACTOR shall be fully responsible to the OWNER for the acts and omissions of its SUBCONTRACTORS, and of persons either directly or indirectly employed by them, as the CONTRACTOR is for the acts and omissions of persons directly employed by the SUBCONTRACTOR.
- 26.4 The CONTRACTOR shall cause appropriate provisions to be inserted in all subcontracts relative to the WORK to bind SUBCONTRACTORS to the CONTRACTOR by the terms of the CONTRACT DOCUMENTS insofar as applicable to the WORK of SUBCONTRACTORS and to give the CONTRACTOR the same power as regards terminating any subcontract that the OWNER may exercise over the CONTRACTOR under any provision of the CONTRACT DOCUMENTS.
- 26.5 Nothing contained in this CONTRACT shall create any contractual relationship between any SUBCONTRACTOR and the OWNER.

27. ENGINEER'S AUTHORITY

- 27.1 The ENGINEER shall act as the OWNER'S representative during the construction period, shall decide questions which may arise as to quality and acceptability of materials furnished and WORK performed, and shall interpret the intent of the CONTRACT DOCUMENTS in a fair and unbiased manner. The ENGINEER will make visits to the site and determine if the WORK is proceeding in accordance with the CONTRACT DOCUMENTS.
- 27.2 The CONTRACTOR will be held strictly to the intent of the CONTRACT DOCUMENTS in regard to the quality of materials, workmanship, and execution of the WORK. Inspections may be made at the factory or fabrication plant of the source of material supply.
- 27.3 The ENGINEER will not be responsible for the construction means, controls, techniques, sequences, procedures, or construction safety.
- 27.4 The ENGINEER shall promptly make decisions relative to interpretation of the CONTRACT DOCUMENTS.

28. LAND AND RIGHTS-OF-WAY

- 28.1 Prior to issuance of NOTICE TO PROCEED, the OWNER shall obtain all land and rights-of-way necessary for carrying out and for the completion of the WORK to be performed pursuant to the CONTRACT DOCUMENTS, unless otherwise mutually agreed.

28.2 The OWNER shall provide to the CONTRACTOR information which delineates and describes the lands owned and rights-of-way acquired.

28.3 The CONTRACTOR shall provide at its own expense and without liability to the OWNER any additional land and access thereto that the CONTRACTOR may desire for temporary construction facilities, or for storage of materials.

29. GUARANTEE

29.1 The CONTRACTOR shall guarantee all materials and equipment furnished and WORK performed for a period of one (1) year from the date of the payment of the final estimate. The CONTRACTOR warrants and guarantees for a period of one (1) year from the date of the payment of the final estimate, that the completed system is free from all defects due to faulty materials or workmanship and the CONTRACTOR shall promptly make such corrections as may be necessary by reason of such defects including the repairs of any damage to other parts of the system resulting from such defects. The OWNER will give notice of observed defects with reasonable promptness. In the event that the CONTRACTOR should fail to make such repairs, adjustments, or other WORK that may be made necessary by such defects, the OWNER may do so and charge the CONTRACTOR the cost thereby incurred.

29.2 To insure reliability of the materials and equipment provided under this Contract, the normal one-year guarantee will be modified as follows:

WHEN a second failure occurs on the same equipment item, component part of an equipment item, material component, or on any item that may be related to a previously failed item, a new one-year guarantee will go into effect when the failed item is repaired. The new guarantee will apply only to the failed and repaired item. The Maintenance and Guarantee Bond of this Contract will also remain in effect during any of the guaranteed extensions due to second failures.

30. TAXES

30.1 The CONTRACTOR will pay all sales, consumer, use, and other similar taxes required by the laws of the place where the WORK is performed.

31. MICHIGAN STATE ELLIOTT-LARSEN CIVIL RIGHTS ACT

31.1 Incorporated by reference in Section 209 of Article 2 of the Michigan State Elliott-Larsen Civil Rights Act of 1976, as amended, which states in part that a contractor and his/her subcontractor(s) shall not "discriminate against an employee or applicant for employee with respect to hire, tenure, terms,

conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex, height, weight, or marital status.” Breach of this covenant may be regarded as a material breach of this Agreement.

32. MICHIGAN HANDICAPPERS’ CIVIL RIGHTS ACT

32.1 Incorporated by reference in Section 209 of Article 2 of the Michigan Handicappers’ Civil Rights Act of 1976, as amended, which states in part that a contractor and his/her subcontractor(s) shall not “discriminate against an employee or applicant for employee with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of handicap that is unrelated to the individual’s ability to perform the duties of a particular job or position.” Breach of this covenant may be regarded as a material breach of this Agreement.

33. AMERICANS WITH DISABILITIES ACT

33.1 Incorporated by reference in Section 102 of the American With Disabilities Act, 42 U.S.C. Subsection 12112, which provides that no covered entity shall discriminate against a qualified individual with a disability because of the disability of such individual with regard to job application procedures, the hiring, advancement, or discharge of employees, employee compensation, job training, and other terms, conditions and privileges of employment, and Section 202 of the Americans With Disabilities Act, 42 U.S.C. Subsection 12132, which provides that no qualified individual with a disability shall, by reason of such disability, be excluded from participation in or be denied the benefits of the services, programs or activities of a public entity or be subject to discrimination by any such entity.