

Exhibit "G"
City of Key West General Contract Conditions

**GENERAL CONDITIONS
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DEFINITIONS

Whenever in the Contract Documents the following terms are used, the intent and meaning shall be interpreted as follows:

1. AS APPROVED

The words "as approved", unless otherwise qualified, shall be understood to be followed by the words "by the Engineer for conformance with the Contract Document".

2. AS SHOWN, AND AS INDICATED

The words "as shown" and "as Indicated" shall be understood to be followed by the words "on the Drawings".

3. BIDDER

The person or persons, partnership, firm, or corporation submitting a Bid for the work contemplated.

4. CONTRACT DOCUMENTS

The "Contract Documents" consist of the Bid Requirements, Contract Forms, Conditions of the Contract, Specifications, Drawings, all modifications thereof incorporated into the Documents before their execution, Change Orders, and all other requirements incorporated by specific reference thereto. These form the Contract.

5. CONTRACTOR

The person or persons, partnership, firm, or corporation who enters into the Contract awarded him by the Owner.

6. CONTRACT COMPLETION

The "Contract Completion" is the date the Owner accepts the entire work as being in compliance with the Contract Documents, or formally waives nonconforming work to extent of nonconformity, and issues the final payment in accordance with the requirements set forth in Article, "Final Payment" of these General Conditions.

7. DAYS

Unless otherwise specifically stated, the term "days" will be understood to mean calendar days. Business day or working day means any day other than Saturday, Sunday, or legal holiday.

8. DRAWINGS

The term "Drawings" refers to the official Drawings, profiles, cross sections, elevations, details, and other working drawings and supplementary drawings, or reproductions thereof which shows the location, character, dimensions, and details of the work to be performed.

9. ENGINEER

The person or organization identified as such in the Contract Documents. The Term "Engineer" means the Owner's Engineer, Owner's contracted Engineer, or its authorized representative.

9(a). PROJECT MANAGER

The person or organization identified as such in the Contract Documents. The Term "Project Manager" means the Owner's authorized representative overseeing the project for the City.

10. NOTICE

The term "notice" or the requirement to notify, as used in the Contract Documents or applicable state or federal statutes, shall signify a written communication delivered in person or by registered mail to the individual, or to a member of the firm, or to an officer of the corporation for whom it is intended. Certified or registered mail shall be addressed to the last business address known to him who gives the notice.

11. OR EQUAL

The term "or equal" shall be understood to indicate that the "equal" product is equivalent to or better than the product named in function, performance, reliability, quality, and general configuration. The Engineer will make determination of equality in reference to the project design requirements. Such equal products shall not be purchased or installed by the Contractor without written authorization.

12. OWNER

The person, organization, or public body identified as such in the Contract Documents.

Wherever in these Documents the word "Owner" appears, it shall be understood to mean the City of Key West whose address is 3126 Flagler Ave., P.O. Box 1409, Key West, Florida 33041-1409.

13. PLANS (See Drawings)

14. SPECIFICATIONS

The term "Specifications" refers to those portions of the Contract Documents consisting of written technical descriptions of materials, equipment, construction systems, standards, and workmanship as applied to the work and certain administrative details applicable thereto. Where standard specifications, such as those of ASTM, AASHTO, etc., have been referred to, the applicable portions of such standard specifications shall become a part of these Contract Documents. If referenced specifications conflict with specifications contained herein, the requirements contained herein shall prevail.

FEDERAL, STATE, COUNTY, AND LOCAL STANDARD SPECIFICATIONS

Where portions of the work traverse or cross federal, state, county, or local highways, roads, or streets, and the agency in control of such property has established standard specifications governing items of work that differ from these Specifications, the most stringent requirements shall apply.

The Contractor shall comply with all regulations and requirements of the State Highway Department and the County Road Department wherever the work traverses or crosses state or county highways.

15. NOTICE TO PROCEED

A written notice given by the Owner to the Contractor (with a copy to the Engineer) fixing the date on which the Contract time will commence to run and on which the Contractor shall start to perform his obligation under the Contract Documents. The Owner will give the Notice to Proceed within thirty (30) calendar days following the execution of the Contract.

16. SUBSTANTIAL COMPLETION

"Substantial Completion" shall be that degree of completion of the project or a defined portion of the project, as evidenced by the Engineer's written notice of Substantial Completion, sufficient to provide the Owner, at his discretion, the full-time use of the project or defined portion of the project for the purposes for which it was intended. "Substantial Completion" of an operating facility shall be that degree of completion that has provided a minimum of seven (7) continuous days of successful, trouble-free, operation, which period shall begin after all performance and acceptance testing has been successfully demonstrated to the Engineer. All equipment contained in the work, plus all other components necessary to enable the Owner to operate the facility in a manner that was intended, shall be complete on the substantial completion date.

17. WORK

The word "work" within these Contract Documents shall include all material, labor, tools, and all appliances, machinery, transportation, and appurtenances necessary to perform and complete the Contract, and such additional items not specifically indicated or described which can be reasonably inferred as belonging to the item described or indicated and as required by good practice to provide a complete and satisfactory system or structure. As used herein, "provide" shall be understood to mean, "furnish and install, complete in-place".

CONTRACT DOCUMENTS

18. INTENT OF CONTRACT DOCUMENTS

The Contract Documents are complementary, and what is called for by one shall be as binding as if called for by all. The intent of the Documents is to describe a functionally complete project (or part thereof) to be constructed in accordance with the Contract Documents. Any work, materials, or equipment that may reasonably be inferred from the Contract Documents, as being required to produce the intended result shall be supplied

whether or not specifically called for. When words, which have a well-known technical or trade meaning, are used to describe work, materials, or equipment, such words shall be interpreted in accordance with that meaning.

Reference to standard specifications, manuals, or codes of any technical society, organization or association, or to the laws or regulations of any governmental authority, whether such reference be specific or by implication, shall mean the latest standard specification, manual, code or laws or regulations in effect on the first published date of the Invitation to Bid, except as may be otherwise specifically stated. However, no provision of any referenced standard specification, manual or code (whether or not specifically incorporated by reference in the Contract Documents) shall be effective to change the duties and responsibilities of Owner, Contractor, or Engineer, or any of their consultants, agents, or employees from those set forth in the Contract Documents, nor shall it be effective to assign to Engineer, or any Engineer's consultants, agents, or employees, any duty or authority to supervise or direct the furnishing or performance of the work or any duty or authority to undertake responsibility contrary to the provisions of Article LIMITATIONS ON ENGINEER'S RESPONSIBILITIES.

19. DISCREPANCIES AND OMISSIONS

Any discrepancies or omissions found in the Contract Documents shall be reported to the Engineer immediately. The Engineer will clarify discrepancies or omissions, in writing, within a reasonable time.

In resolving inconsistencies among two or more sections of the Contract Documents, precedence shall be given in the following order:

- A. CONTRACT
- B. BID
- C. CRITERION FOR KEY WEST BIGHT HARBOR WALK/DOCK AND PLAZA BOARD REPLACEMENT/INSTALLATION
- D. SPECIAL CONDITIONS
- E. SUPPLEMENTARY CONDITIONS
- F. REQUEST FOR BIDS
- G. INSTRUCTIONS TO BIDDERS
- H. GENERAL CONDITIONS
- I. SPECIFICATIONS
- J. DRAWINGS

Addenda shall take precedence over all sections referenced therein. Figure dimensions on Drawings shall take precedence over scale dimensions. Detailed Drawings shall take precedence over general Drawings.

20. CHANGES IN THE WORK

The Owner, without notice to the Sureties and without invalidating the Contract, may order changes in the work within the general scope of the Contract by altering, adding to, or deducting from the work, the Contract being adjusted accordingly. All such work shall be executed under the conditions of the original Contract, except as specifically adjusted at the time of ordering such change.

In giving instructions, the Engineer may order minor changes in the work not involving extra cost and not inconsistent with the purposes of the project, but otherwise, except in an emergency endangering life and property, additions or deductions from the work shall be performed only in pursuance of an approved Change Order from the Owner, countersigned by the Engineer.

If the work is reduced by alterations, such action shall not constitute a claim for damages based on loss of anticipated profits.

21. EXAMINATIONS AND VERIFICATION OF CONTRACT DOCUMENTS

The Contractor shall thoroughly examine and become familiar with all of the various parts of these Contract Documents and determine the nature and location of the work, the general and local conditions, and all other matters, which can in any way affect the work under this Contract. Failure to make an examination necessary for this determination shall not release the Contractor from the obligations of this Contract. No verbal agreement or conversation with any officer, agent, or employee of the Owner, or with the Engineer either before or after the execution of this Contract, shall affect or modify any of the terms or obligations herein contained.

22. DOCUMENTS TO BE KEPT ON THE JOBSITE

The Contractor shall keep one copy of the Contract Documents on the job- site, in good order, available to the Engineer and to his/her representatives.

The Contractor shall maintain on a daily basis at the jobsite, and make available to the Engineer on request, one current record set of the Drawings which have been accurately marked to indicate all modifications in the completed work that differ from the design information shown on the Drawings. Upon Substantial completion of the work, the Contractor shall give the Engineer one (1) complete set of these marked up record Drawings.

23. ADDITIONAL CONTRACT DOCUMENTS

Copies of Contract Documents or Drawings may be obtained on request from the Engineer and by paying the actual cost of reproducing the Contract Documents or Drawings.

24. OWNERSHIP OF CONTRACT DOCUMENTS

All portions of the Contract Documents, and copies thereof furnished by the Engineer are instruments of service for this project. They are not to be used on other work and are to be returned to the Engineer on request at the completion of the work. Any reuse of these materials without specific written verification or adaptation by the Engineer will be at the risk of the user and without liability or legal expense to the Engineer. Such user shall hold

the Engineer harmless from any and all damages, including reasonable attorneys' fees, from any and all claims arising from any such reuse. Any such verification and adaptation shall entitle the Engineer to further compensation at rates to be agreed upon by the user and the Engineer.

THE ENGINEER

25. AUTHORITY OF THE ENGINEER

The Engineer will be the Owner's representative during the construction period. His/her authority and responsibility will be limited to the provisions set forth in these Contract Documents. The Engineer will have the Authority to reject work that does not conform to the Contract Documents. However, neither the Engineer's authority to act under this provision, nor any decision made by him/her in good faith either to exercise or not to exercise such authority, shall give rise to any duty or responsibility of the Engineer to the Contractor, any Subcontractor, their respective Sureties, any of their agents or employees, or any other person performing any of the work.

26. DUTIES AND RESPONSIBILITIES OF THE ENGINEER

The Engineer will make visits to the site at intervals appropriate to the various stages of construction to observe the progress and quality of the work and to determine, in general, if the work is proceeding in accordance with the intent of the Contract Documents. He/she will not make comprehensive or continuous review or observation to check quality or quantity of the work, and he/she will not be responsible for construction means, methods, techniques, sequences, or procedures, or for safety precautions and programs in connection with the work. Visits and observations made by the Engineer shall not relieve the Contractor of his/her obligation to conduct comprehensive inspections of the work and to furnish materials and perform acceptable work, and to provide adequate safety precautions, in conformance with the intent of the Contract.

The Engineer will make recommendations to the Owner, in writing, on all claims of the Owner or the Contractor arising from interpretation or execution of the Contract Documents. Such recommendations will be of factual and/or technical nature, and will not include the legal interpretation of the Contract Documents. The Owner will make any necessary legal interpretation of the Contract Document. Such recommendation shall be necessary before the Contractor can receive additional money under the terms of the Contract. Changes in work ordered by the Engineer shall be made in compliance with Article CHANGES IN THE WORK.

One or more project representatives may be assigned to observe the work. It is understood that such project representatives shall have the authority to issue notice of nonconformance and make decisions within the limitations of the authority of the Engineer. The Contractor shall furnish all reasonable assistance required by the Engineer or project representatives for proper observation of the work. The above-mentioned project representatives shall not relieve the Contractor of his/her obligations to conduct comprehensive inspections of the work and to furnish materials and perform acceptable work, and to provide adequate safety precautions, in conformance with the intent of the Contract.

27. LIMITATIONS ON ENGINEER'S RESPONSIBILITIES

Engineer will not be responsible for Contractor's means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, and Engineer will not be responsible for Contractor's failure to perform or furnish the work in accordance with the Contract Documents.

Engineer will not be responsible for the acts or omissions of Contractor or of any Subcontractor, any supplier, or of any other person or organization performing or furnishing any of the work.

Whenever in the Contract Documents the terms "as ordered", "as directed", "as required", "as allowed", "as approved", or terms of like effect or import are used, or the adjectives "reasonable", "suitable", "acceptable", "proper", or "satisfactory", or adjectives of like effect or import are used to describe a requirement, direction, review or judgment of Engineer as to the work, it is intended that such requirement, direction, review, or judgment will be solely to evaluate the work for compliance with the Contract Documents (unless there is a specific statement indicating otherwise). The use of any such term or adjective shall not be effective to assign to Engineer any duty or authority to supervise or direct the furnishing or performance of the work or any duty or authority to undertake responsibility contrary to the provisions of this Article.

28. REJECTED WORK

Any defective work or nonconforming materials or equipment that may be discovered at any time prior to expiration of the warranty period shall be removed and replaced by work which shall conform to the provisions of the Contract Documents. Any material condemned or rejected shall be removed at once from the project site.

Failure on the part of the Engineer to condemn or reject bad or inferior work or to note nonconforming materials or equipment on Contractor submittals shall not be construed to imply acceptance of such work. The Owner shall reserve and retain all of its rights and remedies at law against the Contractor and its Surety for correction of any and all latent defects discovered after the guarantee period.

29. LINES AND GRADES

Lines and grades shall be established as provided in the supplementary conditions. All stakes, marks, and other reference information shall be carefully preserved by the Contractor, and in case of their careless or unnecessary destruction or removal by him/her or his/her employees, such stakes, marks, and other information shall be replaced at the Contractor's expense.

It will be the Contractor's responsibility to layout the work and to transfer elevations from benchmarks. Where new construction connects to existing facilities, the Contractor shall check and establish the exact location prior to construction of the facilities.

The Contractor shall furnish all surveys, labor, and equipment, including setting all alignment and gradient, grade stakes, batter boards, and everything necessary to lay out his/her work. The Contractor shall be responsible for maintaining and re-establishing at

his expense, all control points. After completion of his construction, he shall reset all permanent monuments at their original locations and elevations.

The Engineer may check all layout work, and the Contractor shall furnish all necessary labor, equipment, and materials, and shall cooperate and assist the Engineer in making such checks.

The dimensions for lines and elevations for grades of the fuel system structures, appurtenances, and utilities will be shown on Drawings produced by the Contractor for the issuance of all required permits, together with other pertinent information required for laying out the work. If site conditions vary from those indicated, the Contractor shall notify the Engineer immediately, who will make any minor adjustments as required.

30. SUBMITTALS

After checking and verifying all field measurements and after complying with applicable procedures specified in Division I, GENERAL REQUIREMENTS, Contractor shall submit to Engineer, in accordance with the schedule for submittals for review, shop drawings, electrical diagrams, and catalog cuts for fabricated items and manufactured items (including mechanical and electrical equipment), which shall bear a stamp or specific written indication that Contractor has satisfied Contractor's responsibilities under the Contract Documents with respect to the review of the submittal. All submittals shall be identified as Engineer may require. The data shown shall be complete with respect to quantities, dimensions specified, performance and design criteria, materials, and similar data to enable Engineer to review the information. Contractor shall also submit to Engineer for review, with such promptness as to cause no delay in work, all samples required by the Contract Documents. All samples shall have been checked by and accompanied by a specific written indication that Contractor has satisfied Contractor's responsibilities under the Contract Documents with respect to the review of the submission and shall be identified clearly as to material, supplier, pertinent data such as catalog numbers and the use for which intended.

Before submission of each submittal, Contractor shall have determined and verified all quantities, dimensions, specified performance criteria, installation requirements, materials, catalog numbers, and similar data with respect thereto and reviewed or coordinated each submittal with other submittals and with the requirements of the work and the Contract Documents.

At the time of each submission, Contractor shall give Engineer specific written notice of each variation that the submittal may have from the requirements of the Contract Documents, and, in addition, shall cause a specific notation to be made on each shop drawing submitted to Engineer for review and approval of each variation.

Engineer will review submittals with reasonable promptness, but Engineer's review will be only for conformance with the design concept of the project and for compliance with the information given in the Contract Documents and shall not extend to means, methods, techniques, sequences, or procedures of construction (except where a specific means, method, technique, sequence, or procedure of construction is indicated in or required by the Contract Documents) or to safety precautions or programs incident thereto. The review of a separate item as such will not indicate review of the assembly in which the item

functions. Contractor shall make corrections required by Engineer, and shall return the required number of corrected copies of shop drawings and submit as required new samples for review. Contractor shall direct specific attention in writing to revisions other than the corrections called for by Engineer on previous submittals.

Engineer's review of submittals shall not relieve Contractor from the responsibility for any variation from the requirements of the Contract Documents unless Contractor has in writing called Engineer's attention to each such variation at the time of submission and Engineer has given written approval of each such variation by a specific written notation thereof incorporated therein or accompanying the shop drawing or sample approval; nor will any approval by Engineer relieve Contractor from responsibility for errors or omissions in the shop drawings or from responsibility for having complied with the provisions herein.

Where a shop drawing or sample is required by the specifications, any related work performed prior to Engineer's review and approval of the pertinent submission shall be at the sole expense and responsibility of the Contractor.

31. DETAIL DRAWINGS AND INSTRUCTIONS

The Engineer will furnish, with reasonable promptness, additional instructions by means of Drawings or otherwise, if, in the Engineer's opinion, such are required for the proper execution of the work. All such Drawings and instructions will be consistent with the Contract Documents, true developments thereof, and reasonably inferable there from.

THE CONTRACTOR AND HIS EMPLOYEES

32. CONTRACTOR, AN INDEPENDENT AGENT

The Contractor shall independently perform all work under this Contract and shall not be considered as an agent of the Owner or of the Engineer, nor shall the Contractor's Subcontractors or employees be subagents of the Owner or of the Engineer.

32. (a) ASSIGNMENT OF CONTRACT

Assignment of any part or the whole of this Contract shall be subject to review and approval of the City Commission.

33. SUBCONTRACTING

Unless modified in the Supplementary Conditions, within ten (10) calendar days after the execution of the Contract, the Contractor shall submit to the Engineer the names of all Subcontractors proposed for the work, including the names of any Subcontractors that were submitted with the Bid. The Contractor shall not employ any subcontractors to which the Owner may object to as lacking capability to properly perform work of the type and scope anticipated.

The Contractor is as fully responsible to the Owner for the acts and omissions of his Subcontractors and of persons either directly or indirectly employed by them as he is for the acts and omissions of persons directly employed by him.

Nothing contained in the Contract Documents shall create any contractual relationship between any Subcontractor and the Owner or Engineer.

34. INSURANCE AND LIABILITY

A. GENERAL

The Contractor shall provide (from insurance companies acceptable to the Owner) the insurance coverage designated hereinafter and pay all costs.

Before commencing work under this Contract, Contractor shall furnish the Owner with certificates of insurance specified herein showing the type, amount class of operations covered, effective dates, and date of expiration of policies, and containing substantially the following statement:

"The insurance covered by this certificate shall not be canceled or materially altered, except after 30 days' written notice has been received by the Owner."

In case of the breach of any provision of this Article, the Owner, at his option, may take out and maintain, at the expense of the Contractor, such insurance as the Owner may deem proper and may deduct the cost of such insurance from any monies which may be due or become due the Contractor under this Contract.

B. CONTRACTOR AND SUBCONTRACTOR INSURANCE

The Contractor shall not commence work under this Contract until he has obtained all the insurance required hereunder and such insurance has been reviewed by the Owner, nor shall the Contractor allow any Subcontractor to commence work on his subcontract until insurance specified below has been obtained. Review of the insurance by the Owner shall not relieve or decrease the liability of the Contractor hereunder.

C. COMPENSATION AND EMPLOYER'S LIABILITY INSURANCE

The Contractor shall maintain during the life of this Contract the statutory amount of Workmen's Compensation Insurance, in addition, Employer's Liability Insurance in an amount as specified in the Supplementary Conditions, for each occurrence, for all of his employees to be engaged in work on the project under this Contract. In case any such work is subcontracted, the Contractor shall require the Subcontractor to provide similar Workmen's Compensation and Employer's Liability Insurance for all of the Subcontractor's employees to be engaged in such work.

D. GENERAL LIABILITY INSURANCE (INCLUDING AUTOMOBILE)

The Contractor shall maintain during the life of this Contract such general liability, completed operations and products liability, and automobile liability insurance as will provide coverage for claims for damages for personal injury, including accidental death, as well as for claims for property damage, which may arise directly or indirectly from performance of the work under this Contract. The

general liability policy shall include contractual liability assumed by the Contractor under Article **INDEMNITY**. Coverage for property damage shall be on a "broad form" basis with no exclusions for "X, C & U". The amount of insurance to be provided shall be as specified in the Supplementary Conditions.

In the event a Subcontractor performs any work under this Contract, the Contractor shall be responsible for any liability directly or indirectly arising out of the work performed by the Subcontractor to the extent such liability is not covered by the Subcontractor's insurance.

The Owner and Engineer, their officers, agents, and employees shall be named as Additional Insureds on the Contractor's and any Subcontractor's general liability and automobile liability insurance policies for any claims arising out of work performed under this Contract.

E. BUILDERS RISK ALL RISK INSURANCE

Unless otherwise modified in the Supplementary Conditions, the Contractor shall secure and maintain during the life of this Contract, Builders Risk All Risk Insurance Coverage in an amount equal to the full value of the facilities under construction. Deductible shall be no greater than \$5,000. Such insurance shall include coverage for earthquake, landslide, flood, collapse, loss due to the result of faulty workmanship or design, and all other normally covered risks, and shall provide losses to be paid to the Contractor, Owner, and Engineer as their interests may appear.

The Owner and Engineer, their officers, agents, and employees shall be named as additional insureds on the Contractor's and any subcontractors Builders Risk All Risk insurance policies for any claims arising out of work performed under this Contract.

This insurance shall include a waiver of subrogation as to the Engineer, the Owner, the Contractor, and their respective officers, agents, employees, and subcontractors.

F. NO PERSONAL LIABILITY OF PUBLIC OFFICIALS

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

G. SURETY AND INSURER QUALIFICATIONS

All bonds, insurance contracts, and certificates of insurance shall be either executed by or countersigned by a licensed resident agent of the Surety or insurance company, having his place of business in the State of Florida, and in all ways complying with the insurance laws of the State of Florida. Further, the said Surety or insurance company shall be duly licensed and qualified to do business in the State of Florida. If requested, Contractor shall provide proof of Florida Licensure for all insurance companies.

35. INDEMNITY

- A. CONTRACTOR agrees to protect, defend, indemnify, save and hold harmless The City of Key West, all Departments, Agencies, Boards and Commissions, its officers, agents, servants and employees, including volunteers, from and against any and all claims, demands, expense and liability arising out of injury or death to any person or the damage, loss of destruction of any property which may occur or in any way grow out of any act or omission of the CONTRACTOR, its agents, servants, and employees, or any and all costs, expense and/or attorney fees incurred by the City as a result of any claim, demands, and/or causes of action except of those claims, demands, and/or causes of action arising out of the negligence of The City of Key West, all Departments, Agencies, Boards and Commissions, its officers, agents, servants and employees. The CONTRACTOR agrees to investigate, handle, respond to, provide defense for and defend any such claims, demand, or suit at its sole expense and agrees to bear all other costs and expenses related thereto, even if it (claims, etc.) is groundless, false or fraudulent.

Nothing in this indemnification is intended to act as a waiver of the City's sovereign immunity rights, including those provided under section 768.28, Florida Statutes

- B. This indemnification shall survive the expiration or termination of this Agreement. In the event that any action or proceeding is brought against the CITY by reason of such claim or demand, CONTRACTOR shall, upon written notice from the CITY, resist and defend such action or proceeding by counsel satisfactory to the CITY. The CONTRACTOR shall defend at its own expense to and through appellate, supplemental or bankruptcy proceeding, or to provide for such defense, at the CITY's option, any and all claims of liability and all suits and actions of every name and description covered above which may be brought against the CITY whether performed by CONTRACTOR, or by persons employed or used by CONTRACTOR.

36. EXCLUSION OF CONTRACTOR CLAIMS

In performing its obligations, the Engineer and its consultants may cause expense for the Contractor or its subcontractors and equipment or material suppliers. However, those parties and their sureties shall maintain no direct action against the Engineer, its officers, employees, agents, and consultants for any claim arising out of, in connection with, or resulting from the engineering services performed or required to be performed.

37. TAXES AND CHARGES

The Contractor shall withhold and pay any and all sales and use taxes and all withholding taxes, whether State or Federal, and pay all Social Security charges and also all State Unemployment Compensation charges, and pay or cause to be withheld, as the case may be, any and all taxes, charges, or fees or sums whatsoever, which are now or may hereafter be required to be paid or withheld under any laws.

38. REQUIREMENTS OF STATE LAW FOR PUBLIC WORKS PROJECTS

When the Contract Documents concern public works of the state or any county, municipality, or political subdivision created by its laws, the applicable statutes shall apply. All parties to this Contract shall determine the contents of all applicable statutes and comply with their provisions throughout the performance of the Contract.

39. CODES, ORDINANCES, PERMITS, AND LICENSES

The Contractor shall keep himself fully informed of all local codes and ordinances, as well as state and federal laws, which in any manner affect the work herein specified. The Contractor shall at all times comply with said codes and ordinances, laws, and regulations, and protect and indemnify the Owner, the Engineer and their respective employees, and its officers and agents against any claim or liability arising from or based on the violation of any such laws, ordinances, or regulations. All permits, licenses and inspection fees necessary for prosecution and completion of the work shall be secured and paid for by the Contractor, unless otherwise specified.

A. PERMIT FOR WORK WITHIN LOCAL RIGHTS-OF-WAY

The Contractor shall obtain from the City of Key West the necessary permits for work within the rights-of-way. The Contractor shall abide by all regulations and conditions, including maintenance of traffic, FDOT Standard.

B. NOISE ORDINANCE

The Contractor shall comply with the City of Key West Noise Ordinance.

C. LICENSES

BIDDER must represent that he holds all applicable state, county, and City of Key West licenses and permits required to do business as a contractor with respect to the work described in the Contract Documents before he may Bid on the project.

The following licenses and certificates are required as a minimum:

- A. All licenses or certificates required by federal, state or local statutes or regulations.
- B. A valid Business Tax Receipt issued by the City of Key West, if required.
- C. A valid Certificate of Competency issued by the Building Official of the City of Key West which shall remain valid throughout the time period of the Contract, if required.

Further, the successful BIDDER must, within ten (10) calendar days of Notice of Award, furnish documentation showing that, as a minimum, he has complied with the provisions of Chapter 91 of the Code of Ordinances of the City of Key West

in order to enter into the Agreement contained in the Contract Documents.

40. SUPERINTENDENCE

The Contractor shall keep at the project site, competent supervisory personnel. The Contractor shall designate, in writing, before starting work, a project superintendent who shall be an employee of the Contractor and shall have complete authority to represent and to act for the Contractor. Engineer shall be notified in writing prior to any change in superintendent assignment. The Contractor shall give efficient supervision to the work, using his best skill and attention. The Contractor shall be solely responsible for all construction means, methods, techniques, and procedures, and for providing adequate safety precautions and coordinating all portions of the work under the Contract. It is specifically understood and agreed that the Engineer, its employees and agents, shall not have control or charge of and shall not be responsible for the construction means, methods, techniques, procedures, or for providing adequate safety precautions in connection with the work under Contract.

40(a). CONTRACTOR'S RESPONSIBILITIES:

- A. The Contractor shall employ such superintendents, foremen, and workmen as are careful and competent. Whenever the Engineer shall determine that any person employed by the Contractor is in his opinion, incompetent, unfaithful, disorderly or insubordinate, such person shall, upon notice, be discharged from the work and shall not again be employed on it except with the written consent of the Engineer. Should the Contractor fail to remove such person or persons, or fail to furnish suitable or sufficient machinery, equipment or force for the proper prosecution of the work the Engineer may withhold all estimates which are, or may become due, or may suspend the work until such orders are complied with.
- B. The Contractor shall provide qualified personnel to assist the Engineer in making field checks, measurements, asbuilt checks, inspection, test runs, and the necessary quality check work related to the project work. An english speaking superintendent or foreman shall be onsite at all times.
- C. The Contractor shall provide and maintain at his own expense, in a sanitary condition, such accommodations for the use of his employees as is necessary to comply with the requirements and regulations of the State and County Boards of Health. He shall commit no public nuisance.
- D. The Contractor shall conduct the work so as to insure the least obstruction to traffic practicable, and shall provide for the convenience of the general public and of the residents along and adjacent to the work in a manner satisfactory to the Engineer. Materials and equipment stored on the work site shall be placed so as to cause as little obstruction to the public as possible and shall be lighted and barricaded as hereinafter provided. Keep driveways and entrances serving the premises clear and available to the Owner and the Owner's employees at all times. Do not use these areas for parking or storage of materials and equipment on site.
- E. Unless otherwise expressly stipulated herein, the use of explosives is not

contemplated in the prosecution of the Contract, and in no case will their use be permitted within a municipality without the written permission of the City Engineer and a permit issued by the Chief of the Fire Department. Where such permission for the use of explosives is obtained, the Contractor shall use the utmost care so as not to endanger life or property, and whenever directed the size and number of charges shall be reduced. All explosives shall be stored in a secure manner, and all such storage places shall be marked clearly, "DANGEROUS EXPLOSIVES", and shall be in care of competent watchmen

41. RECEPTION OF ENGINEER'S COMMUNICATIONS

The superintendent shall receive for the Contractor all communications from the Engineer. Communications of major importance will be confirmed in writing upon request from the Contractor.

The Engineer may schedule project meetings for the purposes of discussing and resolving matters concerning the various elements of the work. The Engineer shall determine the time and place for these meetings, and the names of persons required being present. The Contractor shall comply with these attendance requirements and shall also require his/her Subcontractors to comply.

42. SAFETY

The Contractor shall be solely and completely responsible for conditions of the jobsite, including safety of all persons (including employees) and property during performance of the work. This requirement shall apply continuously and not be limited to normal working hours. Safety provisions shall conform to U.S. Department of Labor (OSHA), and all other applicable federal, state, county, and local laws, ordinances, codes, and regulations. Where any of these are in conflict, the more stringent requirement shall be followed. The Contractor's failure to thoroughly familiarize himself/herself with the aforementioned safety provisions shall not relieve him from compliance with the obligations and penalties set forth therein.

The Contractor shall develop and maintain for the duration of this Contract, a safety program that will effectively incorporate and implement all required safety provisions. The Contractor shall appoint an employee who is qualified and authorized to supervise and enforce compliance with the safety program.

The duty of the Engineer to conduct construction review of the work does not include review or approval of the adequacy of the Contractor's safety program, safety supervisor, or any safety measures taken in, on, or near the construction site.

The Contractor, as a part of his safety program, shall maintain at hi/hers office or other well-known place at the jobsite, safety equipment applicable to the work as prescribed by the aforementioned authorities, all articles necessary for giving first-aid to the injured, and shall establish the procedure for the immediate removal to a hospital or a doctor's care of persons (including employees) who may be injured on the jobsite.

If death or serious injuries or serious damages are caused, the accident shall be reported immediately by telephone or messenger to both the Engineer and the Owner. In addition,

the Contractor must promptly report in writing to the Engineer all accidents whatsoever arising out of, or in connection with, the performance of the work whether on, or adjacent to, the site, giving full details and statements of witnesses.

If a claim is made by anyone against the Contractor or any Subcontractor on account of any accident, the Contractor shall promptly report the facts in writing to the Engineer, giving full details of the claim.

A. OWNER'S RIGHT TO STOP WORK

If the Contractor or Subcontractor fails to provide adequate safety provisions as required by the Contract Documents the Owner has the right to stop all construction work at the location with inadequate safety provisions until adequate provisions are in place. The Owner shall not be liable for any delays caused by the Contractor's failure to provide and maintain required safety provisions.

B. CLEANUP PROCEDURES FOR HURRICANE WARNINGS AND HURRICANE WATCH

In the event the National Oceanographic and Atmospheric Administration (NOAA) issues a Tropical Storm Watch or a Hurricane Watch for the Keys the Engineer will Contact the Contractor informing him that the Watch has been established. Within four (4) hours of the notice the Contractor shall provide the Engineer with a written plan and schedule describing how and when the Contractor will remove all unnecessary items from the work area and tie down all necessary supplies and barricades in the event a Tropical Storm Warning or a Hurricane Warning is issued. The Contractor shall remove all unnecessary items from work areas and shall tie down all movable objects (under 200 lbs.) The Engineer will determine "necessary" items. The Owner shall not be liable for any financial hardship or delays caused as a result of demobilization or remobilization of work due to the above.

C. OCCUPATIONAL SAFETY AND HEALTH

The Contractor shall observe and comply with all applicable local, state, and federal occupational safety and health regulations during the prosecution of work under this Contract. In addition, full compliance by the Contractor with the U.S. Department of Labor's Occupational Safety and Health Standards, as established in Public Law 91-596, will be required under the terms of this Contract.

43. PROTECTION OF WORK AND PROPERTY

The Contractor shall at all times safely guard and protect from damage the Owner's property, adjacent property, and his/her own work from injury or loss in connection with this Contract. All facilities required for protection by federal, state, or municipal laws and regulations and local conditions must be provided and maintained.

The Contractor shall protect his/her work and materials from damage due to the nature of the work, the elements, carelessness of other contractors, or from any cause whatever until the completion and acceptance of the work. All loss or damages arising out of the nature of

the work to be done under these Contract Documents, or from any unforeseen obstruction or defects which may be encountered in the prosecution of the work, or from the action of the elements, shall be sustained by the Contractor.

43(a). HISTORIC PRESERVATION

The Contractor shall comply with Florida Historical Resources Act (Florida Statutes, Chapter 267) and the regulations of the local historic preservation board as applicable and protect against the potential loss or destruction of significant historical or archaeological data, sites, and properties in connection with the project.

44. RESPONSIBILITY OF CONTRACTOR TO ACT IN AN EMERGENCY

In case of an emergency that threatens loss or injury of property, and/or safety of life, the Contractor shall act, without previous instructions from the Owner or Engineer, as the situation may warrant. The Contractor shall notify the Engineer thereof immediately thereafter. Any claim for compensation by the Contractor, together with substantiating documents in regard to expense, shall be submitted to the Owner through the Engineer and the amount of compensation shall be determined by agreement.

45. MATERIALS AND APPLIANCES

Unless otherwise stipulated, the Contractor shall provide and pay for all materials, labor, water, tools, equipment, heat, light, fuel, power, transportation, construction equipment and machinery, appliances, telephone, sanitary facilities, temporary facilities and other facilities and incidentals necessary for the execution and completion of the work.

Unless otherwise specified, all materials shall be new, and both workmanship and materials shall be of good quality. The Contractor shall, if required, furnish satisfactory evidence as to the kind and quality of materials.

In selecting and/or approving equipment for installation in the project, the Owner and Engineer assume no responsibility for injury or claims resulting from failure of the equipment to comply with applicable federal, state, and local safety codes or requirements, or the safety requirements of a recognized agency, or failure due to faulty design concepts, or defective workmanship and materials.

46. CONTRACTORS' AND MANUFACTURERS' COMPLIANCE WITH STATE SAFETY, OSHA, AND OTHER CODE REQUIREMENTS

The completed work shall include all necessary permanent safety devices, such as machinery guards and similar ordinary safety items required by the state and federal (OSHA) industrial authorities and applicable local and national codes. Further, any features of the work subject to such safety regulations shall be fabricated, furnished, and installed (including Owner-furnished equipment) in compliance with these requirements. Contractors and manufacturers of equipment shall be held responsible for compliance with the requirements included herein. Contractors shall notify all equipment suppliers and Subcontractors of the provisions of this Article.

47. SUBSTITUTION OF MATERIALS

Except for Owner-selected equipment items, and items where no substitution is clearly specified, whenever any material, article, device, product, fixture, form, type of construction, or process is indicated or specified by patent or proprietary name, by name of manufacturer, or by catalog number, such specifications shall be deemed to be used for the purpose of establishing a standard of quality and facilitating the description of the material or process desired. This procedure is not to be construed as eliminating from competition other products of equal or better quality by other manufacturers where fully suitable in design, and shall be deemed to be followed by the words "or equal". The Contractor may, in such cases, submit complete data to the Engineer for consideration of another material, type, or process, which shall be substantially equal in every respect to that so indicated or specified. Substitute materials shall not be used unless approved in writing. The Engineer will be the sole judge of the substituted article or material.

48. TESTS, SAMPLES, AND OBSERVATIONS

The Contractor shall furnish, without extra charge, the necessary test pieces and samples, including facilities and labor for obtaining the same, as requested by the Engineer. When required, the Contractor shall furnish certificates of tests of materials and equipment made at the point of manufacture by a recognized testing laboratory.

The Owner, Engineer, and authorized government agents, and their representatives shall at all times be provided safe access to the work wherever it is in preparation or progress, and the Contractor shall provide facilities for such access and for observations, including maintenance of temporary and permanent access.

If the Specifications, laws, ordinances, or any public authority require any work, to be specially tested or approved, the Contractor shall give timely notice of its readiness for observations. If any work should be covered up without approval or consent of the Engineer, it shall, if required by the Engineer, be uncovered for examination at the Contractor's expense.

The Engineer may order re-examination of questioned work, and, if so ordered, the Contractor shall uncover the work. If such work is found to be in accordance with the Contract Documents, the Owner will pay the cost of uncovering, exposure, observation, inspection, testing and reconstruction. If such work is found to be not in accordance with the Contract Documents, the Contractor shall correct the defective work, and the cost of reexamination and correction of the defective work shall be paid by the Contractor.

49. ROYALTIES AND PATENTS

The Contractor shall pay all royalty and licenses fees, unless otherwise specified. The Contractor shall defend all suits or claims for infringement of any patent rights and shall save the Owner and the Engineer harmless from any and all loss, including reasonable attorneys' fees, on account thereof.

50. CONTRACTOR'S RIGHT TO TERMINATE CONTRACT

If the work should be stopped under an order of any court or other public authority for a period of more than three (3) months, through no act or fault of the Contractor, its

Subcontractors, or respective employees or if the Engineer should fail to make recommendation for payment to the Owner or return payment request to Contractor for revision within thirty (30) calendar days after it is due, or if the Owner should fail to pay the Contractor within thirty (30) calendar days after time specified in Article PARTIAL PAYMENTS, any sum recommended by the Engineer, then the Contractor may, upon 15 days' written notice to the Owner and the Engineer, stop work or terminate this Contract and recover from the Owner payment for all acceptable work performed and reasonable termination expenses, unless said default has been remedied.

51. CORRECTION OF DEFECTIVE WORK DURING WARRANTY PERIOD

The Contractor hereby agrees to make, at his own expense, all repairs or replacements necessitated by defects in materials or workmanship, provided under terms of this Contract, and pay for any damage to other works resulting from such defects, which become evident within two (2) year after the date of final acceptance of the work or within two (2) year after the date of substantial completion established by the Engineer for specified items of equipment, or within such longer period as may be prescribed by law or by the terms of any applicable special guarantee required by the Contract Documents. Un-remedied defects identified for correction during the warranty period but remaining after its expiration shall be considered as part of the obligations of the warranty. Defects in material, workmanship, or equipment, which are remedied as a result of obligations of the warranty, shall subject the remedied portion of the work to an extended warranty period of two (2) year after the defect has been remedied.

The Contractor further assumes responsibility for a similar guarantee for all work and materials provided by Subcontractors or manufacturers of packaged equipment components. The effective date for the start of the guarantee or warranty period for equipment qualifying as substantially complete is defined in Article SUBSTANTIAL COMPLETION, AND Article SUBSTANTIAL COMPLETION DATE, in these General Conditions.

The Contractor also agrees to hold the Owner and the Engineer harmless from liability of any kind arising from damage due to said defects. The Contractor shall make all repairs and replacements promptly upon receipt of written order for same from the Owner. If the Contractor fails to make the repairs and replacements promptly, or in an emergency where delay would cause serious risk, or loss, or damage, the Owner may have the defective work corrected or the rejected work removed and replaced, and the Contractor and his Surety shall be liable for the cost thereof.

PROGRESS OF THE WORK

52. BEGINNING OF THE WORK

Following execution of the Contract, the Contractor shall meet with the Owner and Engineer relative to his arrangements for prosecuting the work.

53. SCHEDULES AND PROGRESS REPORTS

Prior to starting the construction, the Contractor shall prepare and submit to the Engineer, a

progress schedule showing the dates on which each part or division of the work is expected to be started and finished, and a preliminary schedule for submittals. The progress schedule for submittals shall be brought up to date and submitted to the Engineer at the end of each month or at such other times the Engineer may request.

The Contractor shall forward to the Engineer, at the end of each month, an itemized report of the delivery status of major and critical items of purchased equipment and material, including shop drawings and the status of shop and field fabricated work. These progress reports shall indicate the date of the purchase order, the current percentage of completion, estimated delivery, and cause of delay, if any.

If the completion of any part of the work or the delivery of materials is behind the submitted progress schedule, the Contractor shall submit in writing a plan acceptable to the Owner and Engineer for bringing the work up to schedule.

The Owner shall have the right to withhold progress payments for the work if the Contractor fails to update and submit the progress schedule and reports as specified.

Unless specifically authorized by the Engineer, work shall not be performed during the Goombay Festival, Fantasy Fest, Thanksgiving, or Christmas.

54. PROSECUTION OF THE WORK

It is expressly understood and agreed that the time of beginning, rate of progress, and time of completion of the work are the essence of this Contract. The work shall be prosecuted at such time, and in or on such part or parts of the project as may be required, to complete the project as contemplated in the Contract Documents and the progress schedule.

If the Contractor desires to carry on work at night or outside the regular hours, he shall give timely notice to the Engineer to allow satisfactory arrangements to be made for observing the work in progress.

55. OWNER'S RIGHT TO RETAIN IMPERFECT WORK

If any part or portion of the work completed under this Contract shall prove defective and not in accordance with the Drawings and Specifications, and if the imperfection in the same shall not be of sufficient magnitude or importance as to make the work dangerous or unsuitable, or if the removal of such work will create conditions which are dangerous or undesirable, the Owner shall have the right and authority to retain such work but will make such deductions in the final payment therefore as may be just and reasonable.

55(a). OWNER'S RIGHT TO STOP WORK

If the Contractor or any subcontractor should fail to provide adequate safety provisions required by the Contract Documents, including but not limited to maintenance of traffic, trench safety devices and procedures, safety fencing, barricading, signage or unsafe work practices, the Owner has the right to issue a Stop Work Notice and stop all construction work at the location with the inadequate safety provisions until such time that adequate safety provisions are in place. The Owner shall not be liable for delays caused by the Contractor's failure to provide and maintain required safety provisions. No extension of

time will be granted to the Contractor for delays occurring due to a Stop Work Notice.

56. OWNER'S RIGHT TO DO WORK

Should the Contractor neglect to prosecute the work in conformance with the Contract Documents or neglect or refuse at his own cost to remove and replace work rejected by the Engineer, then the Owner may notify the Surety of the condition, and after ten (10) calendar days' written notice to the Contractor and the Surety, or without notice if an emergency or danger to the work or public exists, and without prejudice to any other right which the Owner may have under Contract, or otherwise, take over that portion of the work which has been improperly or non timely executed, and make good the deficiencies and deduct the cost thereof from the payments then or thereafter due the Contractor.

57. OWNER'S RIGHT TO TRANSFER EMPLOYMENT

If the Contractor should abandon the work or if he should persistently or repeatedly refuse or should fail to make prompt payment to Subcontractors for material or labor, or to persistently disregard laws, ordinances, or to prosecute the work in conformance with the Contract Documents, or otherwise be guilty of a substantial violation of any provision of the Contract or any laws or ordinance, then the Owner may, without prejudice to any other right or remedy, and after giving the Contractor and Surety 10 days' written notice, transfer the employment for said work from the Contractor to the Surety. Upon receipt of such notice, such Surety shall enter upon the premises and take possession of all materials, tools, and appliances thereon for the purpose of completing the work included under this Contract and employ by Contract or otherwise, any qualified person or persons to finish the work and provide the materials therefor, in accordance with the Contract Documents, without termination of the continuing full force and effect of this Contract. In case of such transfer of employment to such Surety, the Surety shall be paid in its own name on estimates according to the terms hereof without any right of the Contractor to make any claim for the same or any part thereof.

If, after the furnishing of said written notice to the Surety, the Contractor and the Surety still fail to make reasonable progress on the performance of the work, the Owner may terminate the employment of the Contractor and take possession of the premises and of all materials, tools, and appliances thereon and finish the work by whatever method he may deem expedient and charge the cost thereof to the Contractor and the Surety. In such case, the Contractor shall not be entitled to receive any further payment until the work is finished. If the expense of completing the Contract, including compensation for additional managerial and administrative services, shall exceed such unpaid balance, the Contractor and the Surety shall pay the difference to the Owner.

58. DELAYS AND EXTENSION OF TIME

If the Contractor is delayed in the progress of the work by any act or neglect of the Owner or the Engineer, or by any separate Contractor employed by the Owner, or by strikes, lockouts, fire, adverse weather conditions not reasonably anticipated, or acts of Nature, and if the Contractor, within forty-eight (48) hours of the start of the occurrence, gives written notice to the Owner of the cause of the potential delay and estimate of the possible time extension involved, and within ten (10) calendar days after the cause of the delay has been remedied, the Contractor gives written notice to the Owner of any actual time extension requested as a result of the aforementioned occurrence, then the Contract time may be

extended by change order for such reasonable time as the Engineer determines. It is agreed that no claim shall be made or allowed for any damages, loss, or expense which may arise out of any delay caused by the above referenced acts or occurrences other than claims for the appropriate extension of time.

No extension of time will be granted to the Contractor for delays occurring to parts of the work that have no measurable impact on the completion of the total work under this Contract. No extension of time will be considered for weather conditions reasonably anticipated for the area in which the work is being performed. Reasonably anticipated weather conditions will be based on official records of monthly precipitation and other historical data. Adverse weather conditions, if determined to be of a severity that would impact progress of the work, may be considered as cause for an extension of Contract completion time.

Delays in delivery of equipment or material purchased by the Contractor or his Subcontractors, including Owner-selected equipment shall not be considered as a just cause for delay, unless the Owner determines that for good cause the delay is beyond the control of the Contractor. The Contractor shall be fully responsible for the timely ordering, scheduling, expediting, delivery, and installation of all equipment and materials.

Within a reasonable period after the Contractor submits to the Owner a written request for an extension of time, the Engineer will present his written opinion to the Owner as to whether an extension of time is justified, and, if so, his recommendation as to the number of days for time extension. The Owner will make the final decision on all requests for extension of time.

59. **DIFFERING SITE CONDITIONS**

The Contractor shall promptly, and before the conditions are disturbed, give a written notice to the Owner and Engineer of:

- A. Subsurface or latent physical conditions at the site which differ materially from those indicated in this contract,
- B. Unknown physical conditions at the site, of an unusual nature, which differ materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in the Contract.

The Engineer will investigate the site conditions promptly after receiving the notice. If the conditions do materially so differ and cause an increase or decrease in the Contractor's cost of, or the time required for, performing any part of the work under this Contract, whether or not changed as a result of the conditions, and equitable adjustment shall be made under this Article and the Contract modified in writing accordingly.

No request by the Contractor for an equitable adjustment to the Contract under this Article will be allowed, unless the Contractor has given the written notice required; provided that the time prescribed above for giving written notice may be extended by the Owner.

No request by the Contractor for an equitable adjustment to the Contract for differing site conditions will be allowed if made after final payment under this Contract.

60. LIQUIDATED DAMAGES

Should the Contractor fail to complete the work, or any part thereof in the time agreed upon in each Work Order or within such extra time as may have been allowed for delays by extensions granted as provided in the Contract, the Contractor shall reimburse the Owner for the additional expense and damage for each calendar day, Sundays, and legal holidays included, that project outlined in each Work Order remains uncompleted after the Work Order completion date. Liquidated damages shall be assessed individually against each Work Order. It is agreed that the amount of such additional expense and damage incurred by reason of failure to complete the work is the per diem rate, as stipulated in the Bid. The said amount is hereby agreed upon as a reasonable estimate of the costs that may be accrued by the Owner after the expiration of the time of completion. It is expressly understood and agreed that this amount is not to be considered in the nature of a penalty, but as liquidated damages that have accrued against the Contractor. The Owner shall have the right to deduct such damages from any amount due, or that may become due the Contractor, or the amount of such damages shall be due and collectible from the Contractor or Surety.

61. OTHER CONTRACTS

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

If any part of the work under this Contract depends for proper execution or results upon the work of any other Contractor, utility service company or Owner, the Contractor shall inspect and promptly report to the Engineer in writing any patent or apparent defects to deficiencies in such work that render it unsuitable for such proper execution and results. The Contractor's failure to so report shall constitute acceptance of the work by others as being fit and proper for integration with work under this Contract, except for latent or non apparent defects and deficiencies in the work.

62. USE OF PREMISES

The Contractor shall confine his equipment, the storage of materials and the operation of his workers to limits shown on the Drawings or indicated by law, ordinances, permits, or directions of the Engineer, and shall not unreasonably encumber the premises with his materials. The Contractor shall provide, at his own expense, the necessary rights-of-way, and access to the work, which may be required outside the limits of the Owner's property and shall furnish the Engineer copies of permits and agreements for use of the property outside that provided by the Owner.

The Contractor shall not load nor permit any part of the structure to be loaded in any manner that will endanger the structure, nor shall Contractor subject any part of the work or adjacent property to stresses or pressures that will endanger it.

63. SUBSTANTIAL COMPLETION DATE

The Engineer may issue a written notice of substantial completion for the purpose of establishing the starting date for specific equipment guarantees, and to establish the date

that the Owner will assume the responsibility for the cost of operating such equipment. Said notice shall not be considered as final acceptance of any portion of the work or relieve the Contractor from completing the remaining work within the specified time and in full compliance with the Contract Documents. See SUBSTANTIAL COMPLETION under DEFINITIONS of these General Conditions.

64. PERFORMANCE TESTING

Operating equipment and systems shall be performance tested in the presence of the Engineer to demonstrate compliance with the specified requirements. Performance testing shall be conducted under the specified design operating conditions or under such simulated operating conditions as recommended or approved by the Engineer. Such testing will be scheduled with the Engineer at least one week in advance of the planned date for testing.

65. OWNER'S USE OF PORTIONS OF THE WORK

Following issuance of the written notice of Substantial Completion, the Owner may initiate operation of the facility. Such use shall not be considered as final acceptance of any portion of the work, nor shall such use be considered as cause for an extension of the Contract completion time, unless authorized by a Change Order issued by the Owner.

66. CUTTING AND PATCHING

The Contractor shall do all cutting, fitting, or patching of his work that may be required to make its several parts come together properly and fit it to receive or be received by work of other Contractors shown upon or reasonably implied by the Drawings.

67. CLEANING UP

The Contractor shall, at all times, keep property on which work is in progress and the adjacent property free from accumulations of waste material or rubbish caused by employees or by the work. Upon completion of the construction, the Contractor shall remove all temporary structures, rubbish, and waste materials resulting from his operations.

PAYMENT

68. PAYMENT FOR CHANGE ORDERS

The Owner's request for quotations on alterations to the work shall not be considered authorization to proceed with the work prior to the issuance of a formal Change Order, nor shall such request justify any delay in existing work. Quotations for alterations to the work shall include substantiating documentation with an itemized breakdown of Contractor and Subcontractor costs, including labor, material, rentals, approved services, overhead, and profit. Owner may require detailed cost data in order to substantiate the reasonableness of the proposed costs.

Any compensation paid in conjunction with the terms of a Change Order shall comprise total compensation due the Contractor for the work or alteration defined in the Change Order. By signing the Change Order, the Contractor acknowledges that the stipulated compensation includes payment for the work or alteration plus all payment for the

interruption of schedules, extended overhead, delay, or any other impact claim or ripple effect, and by such signing specifically waives any reservation or claim for additional compensation in respect to the subject Change Order.

At the Owner's option, payment or credit for any alterations covered by a Change Order shall be determined by one or a combination of the methods set forth in A, B, or C below, as applicable:

A. UNIT PRICES

Those unit prices stipulated in the Bid shall be utilized where they are applicable. In the event the Change Order results in a change in the original quantity that is materially and significantly different from the original Bid quantity, a new unit price shall be negotiated upon demand of either party. Unit prices for new items included in the Change Order shall be negotiated and mutually agreed upon.

B. LUMP SUM

A total lump sum for the work negotiated and mutually acceptable to the Contractor and the Owner.

Lump sum quotations for modifications to the work shall include substantiating documentation with an itemized breakdown of Contractor and Subcontractor costs, including labor, material, rentals, approved services, overhead, and profit, all calculated as specified under "C" below.

C. COST REIMBURSEMENT WORK

The term "cost reimbursement" shall be understood to mean that payment for the work will be made on a time and expense basis, that is, on an accounting of the Contractor's forces, materials, equipment, and other items of cost as required and used to do the work.

If the method of payment cannot be agreed upon prior to the beginning of the work, and the Owner directs by written Change Order that the work be done on a cost reimbursement basis, then the Contractor shall furnish labor, and furnish and install equipment and materials necessary to complete the work in a satisfactory manner and within a reasonable period of time. For the work performed, payment will be made for the documented actual cost of the following:

1. Labor including foremen for those hours they are assigned and participating in the cost reimbursement work (actual payroll cost, including wages, fringe benefits as established by negotiated labor agreements, labor insurance, and labor taxes as established by law). No other fixed labor burdens will be considered, unless approved in writing by the Owner.
2. Material delivered and used on the designated work, including sales tax, if paid by the Contractor or his Subcontractor.
3. Rental, or equivalent rental cost of equipment, including necessary transportation for items having a value in excess of one hundred (100) dollars.

Rental or equivalent rental cost will be allowed for only those days or hours

during which the equipment is in actual use. Rental and transportation allowances shall not exceed the current rental rates prevailing in the locality. The rentals allowed for equipment will, in all cases, be understood to cover all fuel, supplies, repairs, and renewals, and no further allowances will be made for those items, unless specific agreement to that effect is made.

4. Additional bond, as required and approved by the owner.
5. Additional insurance (other than labor insurance) as required and approved by the Owner.

In addition to items 1 through 5 above, an added fixed fee for general overhead and profit shall be negotiated and allowed for the Contractor (or approved Subcontractor) actually executing the Cost Reimbursement work.

An additional fixed fee shall be negotiated and allowed the Contractor for the administrative handling of portions of the work that are executed by an approved Subcontractor. No additional fixed fee will be allowed for the administrative handling of work executed by a Subcontractor of a Subcontractor, unless by written permission from the Owner.

The added fixed fees shall be considered to be full compensation, covering the cost of general supervision, overhead, profit, and any other general expense. The Contractor's records shall make clear distinction between the direct costs of work paid for on a cost reimbursement basis and the costs of other work. The Contractor shall furnish the Engineer report sheets in duplicate of each day's cost reimbursement work no later than the working day following the performance of said work. The daily report sheets shall itemize the materials used, and shall cover the direct cost of labor and the charges for equipment rental, whether furnished by the Contractor, Subcontractor or other forces. The daily report sheets shall provide names or identifications and classifications of workers, the hourly rate of pay and hours worked, and also the size, type, and identification number of equipment and hours operated.

Valid copies of vendors' invoices shall substantiate material charges. Such invoices shall be submitted with the daily report sheets, or, if not available, they shall be submitted with subsequent daily report sheets. Said daily report sheets shall be signed by the Contractor or his authorized agent.

The Owner reserves the right to furnish such materials and equipment as he deems expedient and the Contractor shall have no claim for profit or added fees on the cost of such materials and equipment. To receive partial payments and final payment for cost reimbursement work, the Contractor shall submit to the Engineer, detailed and complete documented verification of the Contractor's and any of his Subcontractors' actual costs involved in the cost reimbursement work. Such costs shall be submitted within 30 days after said work has been performed.

69. PARTIAL PAYMENTS

A. GENERAL

Nothing in this Article shall be construed to affect the right, hereby reserved, to reject the whole or any part of the aforesaid work, should such work be later found not to comply with the provisions of the Contract Documents. All estimated quantities of work for which partial payments have been made are subject to review and correction on the final estimate. Payment by the Owner and acceptance by the Contractor of partial payments based on periodic estimates of quantities of work performed shall not, in any way, constitute acceptance of the estimated quantities used as a basis for computing the amounts of the partial payments.

B. ESTIMATE

No more than once each month, the Contractor shall submit to the Engineer a detailed estimate of the amount earned during the preceding month for the separate portions of the work, and request payment. As used in this Article, the words "amount earned" means the value, on the date of the estimate for partial payment, of the work completed in accordance with the Contract Documents, and the value of approved materials delivered to the project site suitably stored and protected prior to incorporation into the work.

The Owner will make payment to the Contractor within forty five (45) calendar days upon receipt of the written recommendation of payment from the Engineer.

The Engineer will, within seven (7) calendar days after receipt of each request for payment, both indicate in writing a recommendation of payment and present the request to Owner, or return the request to Contractor indicating in writing Engineer's reasons for refusing to recommend payment. In the latter case, Contractor may, within seven (7) calendar days, make the necessary corrections and resubmit the request.

Engineer may refuse to recommend the whole or any part of any payment if, in his opinion, it would be incorrect to make such representations to Owner. Engineer may also refuse to recommend any such payment, or, because of subsequently discovered evidence or the results of subsequent inspections or tests, nullify any such payment previously recommended to such an extent as may be necessary in Engineer's opinion to protect the Owner from loss because:

1. The work is defective, or completed work has been damaged requiring correction or replacement.
2. Written claims have been made against Owner or Liens have been filed in connection with the work.
3. The Contract Price has been reduced because of Change Orders.
4. Owner has been required to correct defective work or complete the work in accordance with Article OWNER'S RIGHT TO DO WORK;
5. Of Contractor's unsatisfactory prosecution of the work in accordance with the Contract Documents; or

6. Contractor's failure to make payment to Subcontractors or for labor, materials, or equipment.

C. DEDUCTION FROM ESTIMATE

Unless modified in the Supplementary Conditions, deductions from the estimate will be as described below:

1. The Owner will deduct from the estimate, and retain as part security, ten (10) percent of the amount earned for work satisfactorily completed. A deduction and retainage of ten (10) percent will be made on the estimated amount earned for approved items of material delivered to and properly stored at the jobsite but not incorporated into the work. When the work is fifty (50) percent complete, the Owner may reduce the retainage to five (5) percent of the dollar value of all work satisfactorily completed to date provided the Contractor is making satisfactory progress and there is no specific cause for a greater retainage. The Owner may reinstate the retainage up to ten (10) percent if the Owner determines, at his discretion, that the Contractor is not making satisfactory progress or where there is other specific cause for such withholding.

D. QUALIFICATION FOR PARTIAL PAYMENT FOR MATERIALS DELIVERED

Unless modified in the Supplementary Conditions, qualification for partial payment for materials delivered but not yet incorporated into the work shall be as described below:

1. Materials, as used herein, shall be considered to be those items that are fabricated and manufactured material and equipment. No consideration shall be given to individual purchases of less than two hundred (200) dollars for any one item.
2. To receive partial payment for materials delivered to the site, but not incorporated in the work, it shall be necessary for the Contractor to include a list of such materials on the Partial Payment Request. At his sole discretion, the Engineer may approve items for which partial payment is to be made. Partial payment shall be based on the Contractor's actual cost for the materials as evidenced by invoices from the supplier. Proper storage and protection shall be provided by the Contractor, and as approved by the Engineer. Final payment shall be made only for materials actually incorporated in the work and, upon acceptance of the work, all materials remaining for which advance payments had been made shall revert to the Contractor, unless otherwise agreed, and partial payments made for these items shall be deducted from the final payment for the work.
3. Contractor warrants and guarantees that title to all work, materials, and equipment covered by any Application for Payment, whether incorporated in the project or not, will pass to Owner at the time of payment free and clear of all liens, claims, security interests, and encumbrances.

4. If requested by the Engineer, the Contractor shall provide, with subsequent pay requests, invoices received by the supplier showing payment in full has been made.

E. PAYMENT

After deducting the retainage and the amount of all previous partial payments made to the Contractor from the amount earned, the amount due will be made payable to the Contractor. Recommendations for payment received by the Owner less than forty five (45) calendar days prior to the scheduled day for payment will not be processed or paid until the following month.

70. CLAIMS FOR EXTRA WORK

In any case where the Contractor deems additional time or compensation will become due him under this Contract for circumstances other than those defined in Article DELAYS AND EXTENSION OF TIME, the Contractor shall notify the Engineer, in writing, of his intention to make claim for such time or compensation before he begins the work on which he bases the claim, in order that such matters may be settled, if possible, or other appropriate action taken. The notice of claim shall be in duplicate, in writing, and shall state the circumstances and the reasons for the claim, but need not state the amount. If such notification is not given, or if the Engineer is not afforded proper facilities by the Contractor for keeping strict account of actual costs, then the Contractor hereby agrees to waive the claim for such additional time or compensation. Such notice by the Contractor, and fact that the Engineer has kept account of the cost as aforesaid, shall not in any way be construed as proving the validity of the claim.

No extension of time will be granted to the Contractor for delays resulting from extra work that have no measurable impact on the completion of the total Work under this Contract. Claims for additional time or compensation shall be made in itemized detail and submitted, in writing, to the Owner and Engineer within ten (10) calendar days following completion of that portion of the work for which the Contractor bases his claim. Failure to make the claim for additional compensation in the manner and within the time specified above shall constitute waiver of that claim. In case the claim is found to be just, it shall be allowed and paid for as provided in Article PAYMENT FOR CHANGE ORDERS.

71. RELEASE OF LIENS OR CLAIMS

The Contractor shall indemnify and hold harmless the Owner from all claims for labor and materials furnished under this Contract. Prior to the final payment, the Contractor shall furnish to the Owner, as part of his final payment request, a certification that all of the Contractor's obligations on the project have been satisfied and that all monetary claims and indebtedness have been paid. The Contractor shall furnish complete and legal effective releases or waivers, satisfactory to the Owner, of all liens arising out of or filed in connection with the work.

72. FINAL PAYMENT

Upon completion of the work, the Contractor shall notify the Engineer, in writing, that he

has completed it and shall request final payment for that Work Performed. The Contractor shall be responsible for keeping an accurate and detailed record of his actual construction. Upon completion of construction and before final acceptance and payment, the Contractor shall furnish the Engineer record drawings (if applicable) of his construction. Upon receipt of a request for final payment and the record drawings, the Engineer will inspect and, if acceptable, submit to the Owner his recommendation as to acceptance of the completed work and as to the final estimate of the amount due the Contractor. Upon approval of this final estimate by the Owner and compliance by the Contractor with provisions in Article 71. RELEASE OF LIENS OR CLAIMS, and other provisions as may be applicable, the Owner shall pay to the Contractor all monies due him under the provisions of these Contract Documents.

73. NO WAIVER OF RIGHTS

Neither the inspection by the Owner, through the Engineer or any of his employees, nor any order by the Owner for payment of money, nor any payment for, or acceptance of, the whole or any part of the work by the Owner or Engineer, nor any extension of time, nor any possession taken by the owner or its employees, shall operate as a waiver of any provision of this Contract, or any power herein reserved to the Owner, or any right to damages herein provided, nor shall any waiver of any breach in this Contract be held to be a waiver of any other or subsequent breach. Acceptance or final payment shall not be final and conclusive with regards to latent defects, fraud, or such gross mistakes as may amount to fraud, or as regards the Owner's rights under the warranty.

74. ACCEPTANCE OF FINAL PAYMENT CONSTITUTES RELEASE

The acceptance by the Contractor of the final payment shall release the Owner and the Engineer, as representatives of the Owner, from all claims and all liability to the Contractor for all things done or furnished in connection with the work, and every act of the Owner and others relating to or arising out of the work except claims previously made in writing and still unsettled. No payment, however, final or otherwise, shall operate to release the Contractor or his Sureties from obligations under this Contract and the Performance Bond, Payment Bond, and other bonds and warranties, as herein provided.

SUPPLEMENTARY CONDITIONS

REVISIONS AND ADDITIONS TO THE GENERAL CONDITIONS

The General Conditions are hereby revised as follows:

ARTICLE 9 "ENGINEER"

Add the following:

Wherever in these Documents the word "Engineer" appears, it shall be understood to mean the Owner's representative overseeing the project for the City.

ARTICLE 34 INSURANCE & INDEMNIFICATION:

Before commencing work as specified in the contract Contractor shall obtain at its own cost and expense the following insurance in insurance companies authorized in the State of Florida, with an A.M. Best rating of A-:VI or higher and shall provide evidence of such insurance to the City. The policies or certificates shall provide thirty (30) days prior to cancellation notices of same shall be given to the City by registered mail, return receipt requested, for all of the required insurance policies stated below. All notices shall name the Contractor and identify the agreement or contract number. The City of Key West, all Departments, Agencies, Boards and Commissions, its officers, agents, servants and employees are to be added as "Additional Insured" as respects liability arising out of activities performed by or on behalf of the Contractor.

Contractor shall maintain limits no less than those stated below:

- A. **Worker's Compensation:** Statutory – in compliance with the Workers' Compensation law of the State of Florida. The coverage must include Employer's Liability with a limit of \$1,000,000 each accident.
- B. **Commercial General Liability:** Insurance with a minimum limit of liability per occurrence of One Million (\$1,000,000.00) Dollars including but not limited to bodily injury, property damage, contractual liability, products and completed operations (without limitation) premises-operations and personal injury liability.
- C. **Business Automobile Liability:** Insurance with a minimum limit of liability per occurrence of One Million (\$1,000,000.00) Dollars for bodily injury and property damage. This insurance shall include for bodily injury and property damage the following coverage:
 - Owned automobiles
 - Hired automobiles
 - Non-owned automobiles

Location of operation shall be "All Locations."

- D. **Builder's Risk Insurance:** Builder's Risk Insurance is not required as part of this contract.

- E. All insurance required by this contract shall include a waiver of subrogation as to the Owner, Consultant, Contractor and their respective officers, agents, employees and subcontractors.
- F. It shall be the responsibility of the Contractor to ensure that all subcontractors comply with the same insurance requirements as is required of Contractor.
- G. Certificates of Insurance meeting the required insurance provisions include in Article 34; Supplementary Conditions, shall be forwarded to Engineer, Owner's and Risk Management.