

City Council Action Item Cover Sheet

DATE: July 17, 2019

Agenda Item:

Library Addition/Remodel

Question Before Council:

Will the Council take the work and recommendation of the Library Commission to move forward in
issuing the invitation to bid.

Person/Group Initiating Request:

Library Commission

Item Summary/Background:

The Library Addition/remodel invitation to bid is the long awaited next step in the project and is
associated to the selection of a contractor for constructing the addition and remodeling the current
facility.

Projected Project Timeline:

Council Approval: July 17; ITB Issuance: August 2; Bids Due: September 20; Award Letter: Nov 1

Protests deadline: Nov 8; Final contract signed: Nov 15; Council Approval: Dec 4;

Project completion/Occupancy: May 1, 2020

Table 1

**LIBRARY EXPANSION/REMODEL
PROJECT FUNDING PLAN -
JULY 17, 2019**

	ADDITION (400sq. ft. @ \$325/sq.ft.)	REMODEL (2000 sq. ft. @ \$85/sq.ft.)	FURNITURE/ FIXTURES	TOTAL
BUDGET:	\$130,000	\$170,000	\$70,000	\$370,000
FUNDING GOAL:	\$140,000	\$180,000	\$80,000	\$400,000
	CITY OF YACHATS	CITY OF YACHATS	FRIENDS OF THE YACHATS LIBRARY	
FUNDING TO DATE:				
CIP Funds	\$26,250	\$33,750		\$60,000
Hall Bequest Funds	\$43,750	\$56,250		\$100,000
Lincoln County Community and Economic Development Funds			\$15,000	\$15,000
Oregon Community Foundation - Community Grants Program			\$11,400	\$11,400
Ford Family Foundation - Technical Assistance Grant			\$4,000	\$4,000
Fundraising - Events			\$2,100	\$2,100
Fundraising - Individual Donations			\$17,000	\$17,000
In-Kind Labor (estimate: 800 hours @ \$15/hr.)	\$5,250	\$6,750	\$12,000	\$24,000
Total To Date	\$75,250	\$96,750	\$49,500	\$221,500
TO BE RAISED:	\$64,750	\$83,250	\$30,500	\$178,500
PENDING AND PLANNED:				
Ford Family Foundation - Rural Capital Grant	\$55,000	\$70,000		\$125,000
Collins Foundation	\$15,000	\$20,000		\$35,000
Siletz Tribal Charitable Contribution Fund			\$5,000	\$5,000
Fundraising/Grants			\$25,500	\$25,500
TOTAL TO DATE AND PLANNED:	\$145,250	\$186,750	\$80,000	\$412,000

Yachats Public Library

Addition and Remodel

INVITATION TO BID

Contractors are invited to bid on the construction of the addition to the Yachats Public Library located at 560 W 7th St. Yachats, OR 97498. The Addition will be approximately 400 sq. ft., as well as the remodeling and updating of the existing building. Sealed bids will be received by The City of Yachats, 441 Hwy 101 N, Yachats, OR 97498 at or before 4:00 p.m., September 20, 2019 .

This contract is for a public work subject to ORS 279C.800 to 279C.870 relating to the payment of prevailing wages.

The terms, conditions and specifications for this Project (Project Documents) may be examined at Yachats City Hall office located at 441 Hwy 101 N, Yachats, OR 97498, between the hours of 9:00 a.m. to 4:00 p.m., [Monday through Friday] until September 20, 2019. The Project Documents will be available at this location from the date of this Notice until November 15, 2019.

Shannon Beaucaire, Yachats City Manager

City of Yachats

PO Box 345

441 Highway 101 N.

Yachats OR 97498

INSTRUCTIONS TO BIDDERS

Bids will be received by The City of Yachats (hereinafter called "City") at 441 Hwy 101 N., Yachats, OR 97498, until 4:00 p.m., Pacific Daylight Time, September 20, 2019.

Each bid must be submitted in a sealed envelope, addressed to Shannon Beaucaire, City Manager, City of Yachats, at the above address. Each bid must be plainly marked on the outside of the envelope with the name of the bidder, and "Library Addition Project." Bids not so marked may be disqualified. Faxed or electronically submitted bids shall be refused as non-responsive.

This contract is for a public work subject to ORS 279C.800 to 279C.870 , relating to the payment of prevailing wages.

No prequalification will be required for this Project.

Contract terms, conditions and Project specifications for this Project (Project Documents) may be examined at the City office located at 441 Hwy 101 N. , Yachats, Oregon.

All bids must be submitted on the required bid form. All blank spaces for bid prices must be completed in ink and the bid form must be fully completed and executed when submitted. Only one copy of the bid form is required.

Contractor must comply with all federal, state, and local laws or regulations dealing with the prevention of environmental pollution and preservation of natural resources that affect the performance of the Contract.

1. Non-Compliant Bids

The City may reject any bid not in compliance with all prescribed public bidding procedures and requirements. Any bid failing to certify compliance with ORS 279C.800 to 279C.870 et seq. will not be received or considered by the City. All bids must identify whether the bidder is a resident bidder as defined in ORS 279A.120. The City may reject for good cause any and all bids upon finding it is in the public interest to do so. Any bid may be withdrawn prior to the above scheduled time for the opening of bids. Any bid received after the closing time and date specified above shall not be considered. No bidder may withdraw a bid within forty (40) days after the actual date of the bid opening. Should there be reasons why the contract cannot be awarded within the specified time; the time may be extended by mutual agreement between the City and the bidder.

2. Bidder Responsibilities

Before submitting a bid, each bidder must:

- (a) Examine the contract documents thoroughly;
- (b) Visit the site, so that the bidder may familiarize itself with local conditions which may, in any manner, affect cost progress, or performance of the Work;
- (c) Be familiar with state, federal, and local laws, ordinances, rules and regulations which may, in any manner, affect cost, progress or performance of the Work; and
- (d) Study and carefully correlate bidder's observations with the contract documents.

3. Instructions for First-Tier Subcontractor Disclosure

Bidders are required to disclose information about certain first-tier subcontractors when the contract value for a Public Improvement is greater than \$100,000 (see ORS 279C.370). Specifically, when the contract amount of a first-tier subcontractor furnishing labor or labor and materials would be greater than or equal to: (i) 5% of the Project Bid, but at least \$15,000, or (ii) \$350,000 regardless of the percentage, the bidder must disclose the following information about that subcontract either in its Bid submission, or within two hours after Bid Closing:

- (a) The subcontractor's name;
- (b) The category of work that the subcontractor would be performing, and
- (c) The dollar value of the subcontract.

If the bidder will not be using any subcontractors that are subject to the above disclosure requirements, the bidder is required to indicate "NONE" on the accompanying form.

4. The Importance of Bids and Contract Documents

The submission of a bid will constitute an incontrovertible representation by the bidder: (1) of bidder's intent to be bound by the attached contract documents, if awarded the contract; (2) that the bidder has complied with each of the requirements within these bid documents; (3) that the contract documents are sufficient in scope and detail to indicate and convey understanding of all terms and conditions for performance of the Work; and (4) of bidder's intent to sign, upon negotiation of a contract price acceptable to The City.

The contract documents contain the provisions required for the construction of the Project. Information obtained from an officer, agent, or employee of the City or any other person is not binding upon the City, and shall not affect the risks or obligations assumed by the Contractor or relieve Contractor from fulfilling any conditions of this solicitation or the contract, once executed, unless confirmed by written addendum or contract amendment.

5. Requests for Clarification/Addenda

All questions about the meaning or intent of the contract documents shall be submitted to the City representative in writing. If merited, replies may be issued by addendum, mailed or delivered to all parties recorded by the City representative as having received the bidding documents. Only questions answered by formal written addenda will be binding. Oral and other interpretations or clarifications will be without legal effect.

6. Performance and Payment Bonds

A performance bond and a payment bond, in the forms attached, each in the amount of 100% of the contract price, with a corporate surety approved by the City, will be required for the faithful performance of the contract. Attorneys in fact who sign bid bonds or payment bonds and performance bonds must file with each bond a certified and effective dated copy of their Power of Attorney. All bonding companies must be authorized to do business in the State of Oregon.

7. City Investigation of Bidder

The City may make such investigations as deemed necessary to determine the ability of the bidder to perform work. In determining the lowest responsible bidder, the City shall check the list created by the Construction Contractors Board under ORS 701.227 for bidders who are not qualified to hold a public improvement contract and determine whether the bidder has met the standards of responsibility. City shall also consider the following factors and may disqualify any person as a bidder if it finds the bidder:

- (a) Does not have available the appropriate financial, material, equipment, facility and personnel resources and expertise, or the ability to obtain the resources and expertise, necessary to meet all contractual responsibilities;
- (b) Does not hold a current license that a contractor operating in Oregon must hold in order to undertake or perform Project Work;
- (c) Is not covered by liability insurance or other insurance in required amounts;
- (d) Does not qualify as a carrier insured employer or a self-insured employer under ORS 656.407 or has not elected coverage under ORS 656.128;
- (e) Failed to provide a First-Tier Subcontractor Disclosure Form, if required under ORS 279C.370;
- (f) Does not have a satisfactory record of performance. The City shall document the record of performance of a bidder if the City finds the bidder not to be responsible under this paragraph (f);
- (g) Does not have a satisfactory record of integrity. The City shall document the record of integrity of a bidder if the City finds the bidder not to be responsible under this paragraph (g);

- (h) Is not qualified legally to contract with the City; or
- (i) Has not supplied all necessary information in connection with the inquiry concerning responsibility.

Each bidder shall promptly supply information as requested by the City pursuant to such investigation. If a bidder fails to promptly supply information requested by the City concerning responsibility, the City shall base the determination of responsibility upon any available information, or may find the bidder not to be responsible. Failure to supply such information may be grounds for disqualification.

8. Registration and Licenses

No bid for a construction contract shall be received or considered by the City unless the bidder is registered and in good standing with the Construction Contractors Board or licensed and in good standing with the State Landscape Contractors Board, as required by ORS 671.530. Bidders need not be licensed to work with asbestos, under ORS 468A.720.

9. Protests

Award and solicitation protests shall be submitted in accordance with City Rule 137-049-0260(3) and 137-049-0450(4), respectively.

10. Process

At least seven (7) days prior to final award, all bidders will receive the City's Notice of Intent to Award issued via email. The City anticipates final Contract award on or before November 1, 2019.

The bidder to whom the contract is awarded will be required to execute the attached agreement and obtain the performance and payment bonds within ten (10) calendar days from the date when Notice of Award is delivered to the bidder. Submittal of a bid indicates bidder's intent to be bound to all terms and conditions of the attached agreement. The Notice of Award shall be accompanied by the necessary agreement and bond forms. In case of a failure of the bidder to execute the agreement, the City may, at its option, consider the bidder in default in which case the bid bond accompanying the bid shall become the property of the City.

The award will be made to the lowest responsible bidder. The Contractor shall submit to the City representative by the last calendar day of each month a partial payment estimate for work performed during the prior pay period.

NOTICE OF INTENT TO AWARD

The City of Yachats

Invitation to Bid

Library Addition and Remodel Project

To all Bidders:

Based on responses to the recent Invitation to Bid and other information obtained from third party sources, _____ has been identified as the lowest responsible, responsive bidder to contract with the City for the above referenced Project. Protests regarding this intended award will be received by Shannon Beaucaire, City Manager, City of Yachats, 441 Hwy 101 N., Yachats, OR 97498, until November 8, 2019. Award will become final on November 15, 2019, or once the City responds to all timely filed protests and affirms the award, whichever is later.

It is the City's intent to begin negotiations and enter into a contract for these services with _____, by November 8, 2019. The City would like to finalize the contract no later than November 15, 2019, with approval by the City Council on December 2, 2019. The contract terms, specifications and conditions were included with the ITB.

If you have any questions, please feel free to call me at _____.

Sincerely,

City of Yachats

By: _____

BID FORM

The City of Yachats

Library addition and remodel (Project)

Yachats, OR 97498

This bid is submitted to The City of Yachats, 441 Hwy 101 N., Yachats, OR 97498.

1. The undersigned bidder proposes and agrees, if this bid is accepted, to enter into a Construction Agreement with the City in the form included in the contract documents and to complete all work as specified or indicated in the contract documents for the contract price and within the contract time indicated in this bid and in accordance with the contract documents.
2. Bidder accepts all of the terms and conditions of the Instructions to Bidders, including without limitation, those dealing with disposition of bid security. This bid may not be amended or withdrawn and is subject to acceptance for forty (40) days after the date of bid opening. The successful bidder will sign the Construction Agreement included as part of the bid packet and submit the security and other documents required by the contract documents within ten (10) days after the date of City's Notice of Award.
3. In submitting this bid, bidder represents as more fully set forth in the Construction Agreement, that:
 - (a) Bidder has examined copies of the contract documents and the following addenda:

Date:	Number:
Date:	Number:
Date:	Number:
Date:	Number:

and also copies of the advertisement or Invitation to Bid and Instructions to Bidders;
 - (b) Bidder has examined the site and locality where the Work is to be performed, the applicable legal requirements (federal, state, and local, ordinances, rules, and regulations) and the conditions affecting cost, progress, or performance of work, and has made such independent investigation as bidder deems necessary;
 - (c) This bid is genuine and not made in the interest of or on behalf of any undisclosed person, firm, or corporation, and is not submitted in conformity with any agreement or rules

of any group, association, organization, or corporation; bidder has not directly or indirectly induced or solicited any other bidder to submit a false or sham bid; bidder has not solicited or induced any person, firm, or corporation to refrain from bidding; and bidder has not sought by collusion to obtain for himself any advantage over any other bidder or the City;

(d) The City anticipates awarding to contractor, in the City's sole discretion. The City does not have to award any contract based on the bids submitted. Any award which the City makes will be on the basis of the lowest responsible bidder.

4. Bid Quantities and Specifications	Unit Price	Total
<hr/>	<hr/>	
<hr/>		
<hr/>	<hr/>	
<hr/>		
<hr/>	<hr/>	
<hr/>		
<hr/>	<hr/>	

Bidder will complete the entire Library Project for the following

Total price: \$

5. Bidder agrees to prepare the site and perform the labor necessary to complete the Library Project which will be substantially completed in accordance with the plans and specifications attached hereto within _____ days of the receipt of the notice to proceed.

6. Bidder acknowledges that bidder has reviewed the provisions of the Construction Agreement as to liquidated damages which may be assessed in the event of failure to complete the Work on time and has considered those potential damages in formulating this bid.

7. The following documents are attached to and made a condition to the bid:

- (a) Required bid security in the form of a bid bond or certified check in the amount of 10% of the bid;
- (b) Non-Collusion Affidavit;
- (c) First Tier Subcontractor Disclosure Form (attached to the bid or submitted to the City within two (2) hours after bid closing).

8. Bidder agrees and certifies as follows:

(a) The provisions of ORS 279C.800 et seq., relating to the prevailing wage rates, will be complied with;

(b) Bidder is a resident of the State of _____ as defined in ORS 279A.120;

(c) The provisions of ORS 305.385 relating to Oregon tax laws will be complied with;

(d) Bidder has not and will not discriminate against minorities, women or emerging small business enterprises in obtaining any subcontracts required under this Contract, or against a business enterprise owner controlled by, or that employs, a disabled veteran as defined in ORS 408.225;

(e) All employers, including bidder, that employ subject workers who work under the Construction Agreement shall comply with ORS 656.017 and provide the required Workers' Compensation coverage unless such employers are exempt under ORS 656.126. Bidder shall ensure that each of its subcontractors complies with these requirements;

(f) Bidder is registered and in good standing with the Construction Contractors Board in accordance with ORS 701.035 to 701.055;

(g) All subcontractors performing work as described in ORS 701.005(2) will be registered with the Construction Contractors Board in accordance with ORS 701.035 to 701.055 before the subcontractors commence work under the contract.

9. Communications concerning this bid shall be addressed to:

Bidder:

Submitted this _____ day of _____, 2019.

(Corporate Name) (Company Name)

(Corporate Seal, if any)

By:

(Name of person authorized to
Sign, or Title)

Business Address:

Phone:()

State of Incorporation:

Oregon Contractor Board No.:

ATTEST:

Secretary of bidding corporation

NOTICE OF AWARD

To:

PROJECT description: The City of Yachats

The City of Yachats (City)

Yachats Public Library Addition and Remodel (Project)

The City has considered the bid submitted by _____ (Contractor) for the above described Project in response to its advertisement for bids dated [weekday], _____, 20__, and Instructions to Bidders.

Contractor is hereby notified that its bid in the amount of _____
(amount in written form) (\$) has been
accepted by the City.

Contractor is required by the Instructions to Bidders to execute the Construction Agreement and furnish the required Contractor's Performance Bond, Payment Bond and certificates of insurance within ten (10) calendar days from the date of this notice.

If Contractor fails to execute the Construction Agreement and to furnish the required bonds and certificates of insurance within ten (10) days from the date of this notice, City will be entitled to consider all Contractor's rights arising out of City's acceptance of Contractor's bid as abandoned and as a forfeiture of Contractor's bid bond. The City will be entitled to such other rights as may be granted by law.

Please return an acknowledged copy of this Notice to Award to City.

DATED this _____ day of _____, 2019.

The City of Yachats

Yachats Public Library

By: _____

* * * * *

ACCEPTANCE OF AWARD

Receipt of the above Notice of Award is hereby acknowledged by _____
on this _____ day of _____, 2019.

By:

Title:

NOTICE TO PROCEED

TO:

Date:

The City of Yachats (City)

Library addition and remodel Project (Project)

(Contractor) is hereby notified to commence Project in accordance with the Construction Agreement dated _____, 20____, on or before _____, 20____, and Contractor is to complete the Work on the Project within ____ consecutive calendar days thereafter. The date of final completion for all work is _____, 20____.

Please return an acknowledged copy of this Notice to Proceed to The City.

The City of Yachats

Yachats Public Library

By: _____

* * * * *

ACCEPTANCE OF NOTICE TO PROCEED

Receipt of the above Notice to Proceed is hereby acknowledged by
on this day of , 2019.

By:

Title:

NON-COLLUSION AFFIDAVIT

STATE OF Oregon

)

The City of Yachats

) ss. Yachats Public Library

County of Lincoln

)

Addition and Remodel Project

I state that I am _____ of _____
and that I am authorized to make this affidavit on behalf of my firm, and its owners,
directors, and officers. I am the person responsible in my firm for the price(s) and the
amount of this bid.

I state that:

- (1) The price(s) and amount of this bid have been arrived at independently and without consultation, communication or agreement with any other contractor, bidder or potential bidder, except as disclosed on the attached appendix.
- (2) That neither the price(s) nor the amount of this bid, and neither the approximate price(s) nor approximate amount of this bid, have been discussed with any other contractor, bidder or potential bidder, except as disclosed on the attached appendix.
- (3) No attempt has been made or will be made to induce any firm or person to refrain from bidding on this contract, or to submit a bid higher than this bid, or to submit any intentionally high or noncompetitive bid or other form of complementary bid.
- (4) The bid of my firm is made in good faith and not pursuant to any agreement or discussion with, or inducement from, any firm or person to submit a complementary or other noncompetitive bid.
- (5) _____, its affiliates, subsidiaries, officers, directors and employees are not currently under investigation by any governmental agency and have not in the last four years been convicted of or found liable for any act prohibited by state or federal law in any jurisdiction, involving conspiracy or collusion with respect to bidding on any public contract, except as described on the attached appendix.

I state that _____ understands and acknowledges that the above representations are material and important, and will be relied on by the City in awarding the contract(s) for which this bid is submitted. I understand and my firm understands that any misstatement in this affidavit is and shall be treated as fraudulent concealment from the City of the true facts relating to the submission of bids for this contract.

Name of Company:

Position:

SIGNED and SWORN to before me this _____ day of _____, 2019,
by _____

Notary Public for _____

FIRST-TIER SUBCONTRACTOR DISCLOSURE FORM

PROJECT NAME: Library addition and remodel Project

BID #:

BID CLOSING: Date:

Time:

This form must be submitted at the location specified in the Invitation to Bid on the advertised bid closing date and within two working hours after the advertised bid closing time.

List below the name of each subcontractor that is required to be disclosed, the category of work that the subcontractor will be performing and the dollar value of the subcontract. Enter "NONE" if there are no subcontractors that need to be disclosed. (ATTACH ADDITIONAL SHEETS IF NEEDED.)

NAME	DOLLAR VALUE	CATEGORY OF WORK
1)	\$	
2)	\$	
3)	\$	
4)	\$	
5)	\$	
6)	\$	

FAILURE TO SUBMIT THIS FORM BY THE DISCLOSURE DEADLINE WILL RESULT IN A NON-RESPONSIVE BID. A NON-RESPONSIVE BID WILL NOT BE CONSIDERED FOR AWARD.

Form submitted by (bidder name):

Contact name:

Phone no.:

BIDDER'S PERFORMANCE AND PAYMENT

BOND STATEMENT

(Contractor) is submitting a bid to The City of Yachats (City) pursuant to the City's advertisement for bids dated [weekday], [date], 20__.

Contractor certifies that, if it is awarded the contract, Contractor has the financial ability to obtain good and sufficient bonds in the forms attached, issued by a surety to the City, each in a sum equal to the amount of the bid providing for the faithful performance of the contract.

Contractor understands and agrees that if Contractor fails to provide either the required performance bond or payment bond, the City may reject the bid and the bid bond submitted with the bid may be forfeited.

The surety requested to issue the performance bond will be (Surety Company). Contractor authorizes Surety Company to disclose any information to the City concerning Contractor's ability to supply a performance bond in the amount of the contract.

The surety requested to issue the payment bond will be
(Surety Company). Contractor authorizes Surety Company to disclose any information to the
City concerning Contractor's ability to supply a payment bond in the amount of the contract.

(Name of Contractor)

By:

PERFORMANCE BOND

KNOW ALL PERSONS BY THESE PRESENTS that

(Name of Contractor)

(Address of Contractor)

a _____ hereinafter called "PRINCIPAL", and
(Corporation, Partnership, or Individual)

(Name of Surety)

(Address of Surety)

(Oregon representative for service of process for Surety)

hereinafter called "SURETY", are held and firmly bound unto

The City of Yachats

441 Hwy 101, Yachats, Oregon 97498

hereinafter called "OWNER", in the total amount of

(insert here a sum

Dollars (\$)) for the

equal to the contract price)

payment whereof PRINCIPAL and SURETY bind themselves, their heirs, executors, administrators, successors and assigns jointly and severally, firmly by these presents.

WHEREAS, the PRINCIPAL has by written agreement entered into a certain contract with the OWNER, dated the day of , 2019, a copy of which is hereto attached and made a part hereof and is hereinafter referred to as the Contract. Said Contract is for:

NOW, THEREFORE:

1. The condition of this obligation is such that, if PRINCIPAL shall promptly and faithfully perform said Contract, then this obligation shall be null and void; otherwise it shall remain in full force and effect.
2. The SURETY hereby waives notice of any alteration or extension of time made by the OWNER.
3. It is expressly agreed that the Bond shall be deemed amended automatically and immediately, without formal and separate amendments hereto, upon amendment of the Contract, so as to bind the PRINCIPAL and the SURETY to the full and faithful performance of the Contract as so amended. The term "Amendment," wherever used in this Bond, and whether referring to this Bond, the Contract, or any Loan Documents shall include any alteration, addition, extension or modification of any character whatsoever.
4. Whenever PRINCIPAL shall be, and declared by OWNER to be in default under the Contract, the OWNER having performed OWNER's obligations thereunder, the SURETY may promptly remedy the default, or shall promptly:

- a) Arrange for the PRINCIPAL, with consent of the OWNER, to perform and complete the contract;
- b) Complete the Contract in accordance with its terms and conditions, or
- c) Obtain a bid or bids for completing the Contract in accordance with its terms and conditions, and upon determination by OWNER and the SURETY jointly of the lowest responsible bidder, arrange for a contract between such bidder and OWNER, and make available as work progresses (even though there should be a default or a succession of defaults under the contract or contracts of completion arranged under this paragraph) sufficient funds to pay the cost of completion less the balance of the contract price; but not exceeding, including other costs and damages for which the SURETY may be liable hereunder, the amount set forth above. The term "balance of the contract price," as used in this paragraph, shall mean the total amount payable by OWNER to PRINCIPAL under the Contract and any amendments thereto, less the amount properly paid by OWNER to PRINCIPAL.

5. Any suit under this Bond must be instituted before the expiration of two (2) years from the date on which final payment under the Contract falls due.

6. If any provision of this Bond conflicts with state law, such portion will be deemed deleted therefrom and provisions conforming to such state law shall be deemed incorporated herein. The intent is that the bond shall be construed as a statutory bond and not as a common law bond.

7. No right of action shall accrue on this Bond to or for the use of any person or corporation other than the OWNER named herein or the heirs, executors, administrators or successors of the OWNER.

IN WITNESS WHEREOF, this instrument is executed in _____ counterparts, each one of which shall be deemed an original and this the _____ day of _____, 201 _____

ATTEST:

PRINCIPAL

(PRINCIPAL) Secretary

(SEAL)

By:

(Witness to PRINCIPAL)

(Address)

(Address)

(SURETY)

ATTEST:

By

(Witness to SURETY)

(Attorney-in-Fact)

(Address)

(Address)

NOTE: Date of Bond must not be prior to date of Contract.

If CONTRACTOR is partnership, all partners must execute Bond.

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 Oregon. SURETY companies must also have an Oregon representative for service of process.

PAYMENT BOND

Any singular reference to Contractor, Surety, Owner, or other party shall be considered plural where applicable.

CONTRACTOR (Name and Address):
Principal Place of Business):

SURETY (Name and Address of

CONTRACT

Effective Date of Agreement:

Amount:

Description (Name and Location):

BOND

Bond Number:

Date (Not earlier than Effective Date of Agreement):

Amount:

Modifications to this Bond Form:

Surety and Contractor, intending to be legally bound hereby, subject to the terms set forth below, do each cause this Payment Bond to be duly executed by an authorized officer, agent, or representative.

CONTRACTOR AS PRINCIPAL

SURETY

(Seal)

(Seal)

Contractor's Name and Corporate Seal

Surety's Name and Corporate Seal

By:

By:

Signature
Attorney)

Signature (Attach Power of

Print Name:

Print Name:

Title:

Title:

ATTEST:

ATTEST:

Signature

Signature

Title

Title

1. Contractor and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors, and assigns to Owner to pay for labor, materials, and equipment furnished by Claimants for use in the performance of the Contract, which is incorporated herein by reference.
2. With respect to Owner, this obligation shall be null and void if Contractor:
 - 2.1 Promptly makes payment, directly or indirectly, for all sums due Claimants, and
 - 2.2 Defends, indemnifies, and holds harmless Owner from all claims, demands, liens, or suits alleging non-payment by Contractor by any person or entity who furnished labor, materials, or equipment for use in the performance of the Contract, provided Owner has promptly notified Contractor and Surety (at the addresses described in paragraph 12) of any claims, demands, liens, or suits and tendered defense of such claims, demands, liens, or suits to Contractor and Surety, and provided there is no Owner Default.
3. With respect to Claimants, this obligation shall be null and void if Contractor promptly makes payment, directly or indirectly, for all sums due.
4. Surety shall have no obligation to Claimants under this Bond until:
 - 4.1 Claimants who are employed by or have a direct contract with Contractor have given notice to Surety (at the address described in paragraph 12) and sent a copy, or notice thereof, to Owner, stating that a claim is being made under this Bond and, with substantial accuracy, the amount of the claim.
 - 4.2 Claimants who do not have a direct contract with Contractor:
 1. Have furnished written notice to Contractor and sent a copy, or notice thereof, to Owner, within 90 days after having last performed labor or last furnished materials or

equipment included in the claim stating, with substantial accuracy, the amount of the claim and the name of the party to whom the materials or equipment were furnished or supplied, or for whom the labor was done or performed; and

2. Have either received a rejection in whole or in part from Contractor, or not received within 30 days of furnishing the above notice any communication from Contractor by which Contractor indicated the claim will be paid directly or indirectly; and

3. Not having been paid within the above 30 days, have sent a written notice to Surety (at the address described in paragraph 12) and sent a copy, or notice thereof, to Owner, stating that a claim is being made under this Bond and enclosing a copy of the previous written notice furnished to Contractor.

5. If a notice by a Claimant required by paragraph 4 is provided by Owner to Contractor or to Surety, that is sufficient compliance.

6. Reserved.

7. Surety's total obligation shall not exceed the amount of this Bond, and the amount of this Bond shall be credited for any payments made in good faith by Surety.

8. Amounts owed by Owner to Contractor under the Contract shall be used for the performance of the Contract and to satisfy claims, if any, under any performance bond. By Contractor furnishing and Owner accepting this Bond, they agree that all funds earned by Contractor in the performance of the Contract are dedicated to satisfy obligations of Contractor and Surety under this Bond, subject to Owner's priority to use the funds for the completion of the Work.

9. Surety shall not be liable to Owner, Claimants, or others for obligations of Contractor that are unrelated to the Contract. Owner shall not be liable for payment of any costs or expenses of any Claimant under this Bond, and shall have under this Bond no obligations to make payments to, give notices on behalf of, or otherwise have obligations to Claimants under this Bond.

10. Surety hereby waives notice of any change, including changes of time, to the Contract or to related subcontracts, purchase orders, and other obligations.

11. No suit or action shall be commenced by a Claimant under this Bond other than in a court of competent jurisdiction in the location in which the Work or part of the Work is located or after the expiration of one year from the date (1) on which the Claimant gave the notice required by Paragraph 4.1 or Paragraph 4.2.3, or (2) on which the last labor or service was performed by anyone or the last materials or equipment were furnished by anyone under the Contract, whichever of (1) or (2) first occurs. If the provisions of this paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable.

12. Notice to Surety, Owner, or Contractor shall be mailed or delivered to the addresses shown on the signature page. Actual receipt of notice by Surety, Owner, or Contractor, however accomplished shall be sufficient compliance as of the date received at the address shown on the signature page.

13. When this Bond has been furnished to comply with a statutory requirement in the location where the Contract was to be performed, any provision in this Bond conflicting with said statutory requirement shall be deemed deleted here from and provisions conforming to such statutory requirement shall be deemed incorporated herein. The intent is that this Bond shall be construed as a statutory Bond and not as a common law bond.

14. Upon request of any person or entity appearing to be a potential beneficiary of this Bond, Contractor shall promptly furnish a copy of this Bond or shall permit a copy to be made.

15. Definitions

15.1 Claimant: An individual or entity having a direct contract with Contractor, or with a first-tier subcontractor of Contractor, to furnish labor, materials, or equipment for use in the performance of the Contract. The intent of this Bond shall be to include without limitation in the terms "labor, materials or equipment" that part of water, gas, power, light, heat, oil, gasoline, telephone service, or rental equipment used in the Contract, architectural and engineering services required for performance of the Work of Contractor and Contractor's subcontractors, and all other items for which a mechanic's lien may be asserted in the jurisdiction where the labor, materials, or equipment were furnished.

15.2 Contract: The agreement between Owner and Contractor identified on the signature page, including all Contract Documents and changes thereto.

15.3 Owner Default: Failure of Owner, which has neither been remedied nor waived, to pay Contractor as required by the Contract, or to perform and complete or otherwise comply with the other terms thereof.

FOR INFORMATION ONLY:

Name, Address and Telephone:

Surety Agency or Broker:

Owner's Representative (Engineer or other):

AGREEMENT

THIS AGREEMENT is made this day of , 2019, by and between the City of Yachats, hereinafter called Owner, and , hereinafter called Contractor, in consideration of mutual covenants hereinafter set forth, agree as follows:

1. Work. Contractor shall complete all work as specified in the contract documents and in accordance with the documents and drawings provided for the Project known as the Station Construction Project (Project).
2. Materials. Contractor will furnish all materials, supplies, tools, equipment, labor and other services necessary for the construction and completion of the Project described herein.

3. Contract Time. The Work will commence within ten (10) calendar days after the date of the Notice to Proceed and will be completed by the Contractor and accepted by the City no later than _____, 20____, unless the period for completion is extended otherwise by the contract documents or by written agreement of the parties.

4. Contract Price. Owner shall pay Contractor for performance of the Work in accordance with the documents the sum of \$ _____ as shown in Contractor's bid.

5. Liquidated Damages. Owner and Contractor acknowledge and agree that if the Work is not completed by the contract time, the amount of Owner's actual loss of use damages will be difficult and impractical, or impossible to determine. Accordingly, the parties agree that if the Project is not completed by the agreed upon date, as adjusted pursuant to the contract documents, the Contractor shall pay \$ _____ to Owner, as liquidated damages for the loss of use of the Project.

The parties further acknowledge and agree that the daily sum for liquidated damages to be paid, as set forth above, is reasonable and that the payment of such liquidated damages is not intended to nor constitutes a penalty or forfeiture. The parties further acknowledge that these liquidated damages are meant to reimburse the Owner only for loss of use delay damages and that Owner reserves the right to claim other types of damages against Contractor including but not limited to actual delay damages.

6. Progress Payments. Owner shall make progress payments on the basis of the Contractor's application for payment as approved by the Owner's representative on or about the last day of each month during construction as provided herein. All progress payments shall be on the basis of progress of the Work measured by the schedule of values provided for in Section 19 of the General Conditions. Prior to substantial completion, progress payments will be an amount equal to not more than 95% of the Work completed and 95% of the materials and equipment not incorporated in the Work, but delivered and suitably stored, less in each case the aggregate of payments previously made. Upon substantial completion, the Owner shall pay an amount sufficient to increase total payments to Contractor to 95% of the contract price, less such amounts as the Owner shall determine in accordance with Section 19 of the General Conditions. Final payment shall be upon final completion and acceptance of the Work. Approved partial payment estimates shall be reviewed and approved at the next regularly scheduled Board meeting.

7. Contract Documents. The term "contract documents" means and includes the following:

- (a) Invitation to Bid;
- (b) Instructions to Bidders;
- (c) Bid;
- (d) Bid Bond;
- (e) Construction Agreement;
- (f) First-Tier Subcontractor Disclosure Form
- (g) Oregon Prevailing Wage Rates;
- (h) General Conditions;
- (i) Payment Bond;
- (j) Performance Bond;
- (k) Notice of Intent to Award;
- (l) Notice to Proceed;
- (m) Drawings and Specifications attached;
- (n) Change Orders;
- (o) Addenda; Number: _____ Dated: _____
- (p) Proof of Insurance

8. **Contractor's Representations.** In order to induce Owner to enter into this agreement, Contractor makes the following representations:

- (a) Contractor has familiarized itself with the nature and extent of the contract documents, work, locality, and with all local conditions and any federal, state, and local laws, ordinances, rules, and regulations which, in any manner, may affect cost, progress, or performance of the Work;
- (b) Contractor has studied carefully all reports, investigations, and tests of subsurface and latent physical conditions at the site which may affect cost, progress, or performance of work and which were relied upon in the preparation of the drawings and specifications;

(c) Contractor has made or has caused to be made examinations, investigations, tests and studies of reports and related data, in addition to those referred to in paragraph (b), which Contractor deems necessary for the performance of the Work, determination of the contract price, and completion of the Project within the contract time in accordance with the other terms and conditions of the contract documents. No additional examinations, investigations, tests, reports, or similar data are or will be required by Contractor for such purposes;

(d) Contractor has reconciled the results of all such observations, examinations, investigations, tests, reports, and data with the terms and conditions of the contract documents;

(e) Contractor has given the Owner's representative written notice of all conflicts, errors or discrepancies which he has discovered in the contract documents and the written resolution thereof by the Owner's representative is acceptable to the Contractor.

9. Miscellaneous.

(a) No assignment by a party hereto of any rights under or interests in the contract documents will be binding on another party to this contract without the written consent of the parties sought to be bound; and specifically but without limitation, monies which may become due and monies which are due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law) and unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under the contract documents.

(b) This Agreement shall be binding upon all parties to the contract and their respective partners, successor, heirs, assigns, and legal representatives in respect to all covenants, agreements, and obligations contained in the contractual documents.

THIS AGREEMENT is effective on the _____ day of _____, 2019.

OWNER:

CONTRACTOR:

By:

By:

Address for giving notices:

Address for giving notices:

ATTEST:

ATTEST:

Agent for Service of Process

License #

GENERAL CONDITIONS

Section 1. Definitions. Whenever used in these General Conditions or in the other contract documents, the following terms have the meanings indicated which are applicable in both the singular and plural or masculine or feminine thereof:

1. 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.

2. Bid. The offer or proposal of the bidder submitted on the prescribed form setting forth the prices for the Work to be performed.

3. Bonds. Bid, performance and payment bonds and other instruments of security.

4. **Change Order.** A written order to the Contractor signed by the Owner authorizing an addition, deletion or revision in the Work, or an adjustment in the contract price or the contract time issued after the effective date of the Agreement.
5. **Contract Price.** The total monies payable to the Contractor under the terms and conditions of the contract documents.
6. **Contract Time.** The number of calendar days stated in the contract documents for completion of the Work.
7. **Contractor.** The person, firm, or corporation with whom the Owner has executed the Agreement.
8. **Drawings.** The part of the contract documents which show the characteristics and scope of the Work to be performed and are referred to in the contract documents.
9. **Owner's Representative.** That person appointed by the Board of Directors of the Owner to act as the Owner's Representative in all matters relating to this contract.
10. **Field Order.** A written order issued by the Owner's Representative which orders minor changes in Work not involving an adjustment in the contract price or an extension of the contract time.
11. **Substantial Completion.** The date certified by the Owner's Representative 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 a specified part can be utilized for purposes for which it is intended.
12. **Subcontractor.** An individual, firm, or corporation having a direct contract with the Contractor or with any other Subcontractor for the performance of a part of the Work at the site.

13. 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.

14. 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.

15. Written Notice. Any notice to any party to the Agreement, or relative to any part of this Agreement, in writing is considered delivered and service completed when posted by certified mail or registered mail to the party at the party's last given address as shown on the Agreement, or when delivered in person to the party or the party's authorized representative on the worksite.

Section 2. Preliminary Matters.

1. Delivery of Bonds. When the Contractor delivers the executed Contract Documents to the Owner, Contractor shall also deliver to Owner such bonds as the Contractor may be required to furnish.

2. Copies of Documents. Owner shall furnish to Contractor up to three (3) copies of the contract documents. Additional copies will be furnished upon request at the cost of reproduction.

3. Commencement of Contract Time. The contract time will commence to run on the day indicated in the Notice to Proceed.

4. Insurance. Before undertaking any Work on the Project, Contractor shall obtain and, during the life of this Agreement, Contractor shall maintain the following minimum public liability and property damage insurance naming the Owner as an additional insured, which shall protect the Owner and the Contractor from claims for injuries, including accidental death, as well as from claims for property damage which may arise out of or result from Contractor's performance of the Work and Contractor's other obligations under the Contract Documents whether such performance is by Contractor or 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:

- (a) Commercial general liability insurance, including personal injury liability, blanket contractual liability and broad form property damage liability. The combined single limit for bodily injury and property damage shall not be less than \$2,000,000.
- (b) Statutory workers' compensation and employer's liability insurance for the State of Oregon.

Contractor shall provide the Owner with certificates of insurance before undertaking any Work on the Project. Insurance policies shall not be amended, canceled or terminated without 30-days prior written notice to the Owner.

5. Owner Insurance. The Owner shall be responsible for purchasing and maintaining its own liability insurance. Owner shall also purchase and maintain property insurance upon the Work at the site to the full insurable value thereof and shall include the interest of the Owner, Contractor and Subcontractors in the Work against the perils of fire and extended coverage. All other risk of loss at the Work site shall be borne by Contractor until acceptance of building by Owner.

6. Subrogation Waiver. Owner and Contractor waive all rights against each other, their agents and any Subcontractors and their agents and employees for damages caused by fire or other perils to the extent covered by insurance provided for in this Section. The Contractor shall require similar written waivers from each Subcontractor and each such waiver shall be in favor of all other parties enumerated in this paragraph.

Section 3. Contract Documents.

1. The contract documents comprise the entire agreement between Owner and Contractor concerning the Work. They may be altered only by written modification, as provided in this Agreement.

2. The contract documents are complementary; what is called for by one is binding as if called for by all. If, during the performance of the Work, Contractor finds a conflict, error or discrepancy in the contract documents, Contractor shall report it to the Owner's Representative in writing at once and before proceeding with the Work affected by the conflict.

3. It is the intent of the specifications and Drawings to describe the complete Project to be constructed in accordance with the contract documents. Any Work which may reasonably be inferred from the specifications or Drawings as being required to produce the intended result shall be supplied whether or not it is 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 such meaning. Reference to standard specifications, manuals, or codes of any technical society, organization, or association, or to the code of any governmental authority, whether such reference be specific or by implication, shall mean the latest standard, specification, manual or code in effect at the time of the opening of the bid, except as may be otherwise specifically stated. However, no provision of any reference, standard, specification, manual or code shall change the duties and responsibilities of the Owner, Contractor, or any of their agents or employees from those set forth in the contract documents. Clarifications and interpretations of the contract documents shall be issued by the Owner's Representative.

4. Re-use of Documents. Neither Contractor nor any Subcontractor, manufacturer, fabricator, Supplier, or distributor shall have or acquire any title to or ownership rights in any of the Drawings, specifications, or other documents which are a part of this contract. They may not be reused by any party without the express written consent of the Owner and of the preparer of the Drawings.

Section 4. Materials, Service and Facilities.

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, lights, 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.

2. Materials and equipment shall be stored so as to ensure 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. All materials and equipment shall be applied, installed, connected, erected, used, cleaned and conditioned as directed by the manufacturer.

3. All materials and equipment shall be of good quality and new except as otherwise provided in the contract documents.

4. **Equivalent Materials and Equipment.** Whenever materials or equipment are specified or described in Drawings or specifications by using the name of proprietary item or the name of a particular manufacturer, fabricator, Supplier or distributor, the name of the item is intended to establish the type, function and quality required. Unless the name is followed by words indicating that no substitution is permitted, materials or equipment of other manufacturers, fabricators, Suppliers, or distributors may be accepted by the Owner's Representative if sufficient information is submitted by Contractor to allow the Owner's Representative to determine that the material proposed is equivalent to that named.

5. Contractor shall be fully responsible for all acts and omissions of its Subcontractors and of persons and organizations directly or indirectly employed by Contractor and any Subcontractor and of persons or organizations for whose acts any of them may be liable to the same extent Contractor is responsible for the acts and omissions of persons directly employed by Contractor. Nothing in these documents creates any obligation on the part of the Owner to pay or to see to the payment of any monies due any Subcontractor or other person or organization except as may otherwise be required by law.

Section 5. Fees, Taxes and Permits.

1. Contractor shall pay all applicable royalties and license fees. Contractor shall defend all suits or claims for infringement of any patent rights and save Owner harmless from loss on account thereof.

2. All permits and licenses, [including SDC or other governmental fees, licenses, and inspections] required for construction shall be obtained at the expense of Contractor. Owner shall assist the Contractor when necessary in obtaining such permits and licenses. Contractor shall pay all governmental charges and inspection fees necessary for the prosecution of the Work and which are applicable at the time of Bid opening. Contractor shall pay all charges of utility service companies for connections to the Work. Contractor shall pay all sales, consumer, use and other similar taxes required to be paid by Contractor in accordance with the laws of the place of the Project.

Section 6. Survey, Permits and Regulations.

1. Owner shall furnish all boundary surveys and establish all base lines for locating principal component parts of the Work together with a suitable number of bench marks adjacent to the Work as shown in the contract documents. From the information provided by Owner, unless otherwise specified in the contract documents, Contractor shall develop and

make all detailed surveys needed for construction such as slope stakes, stakes for piling locations, and other working points, lines, elevations and cut sheets.

2. The Contractor shall carefully preserve bench marks, reference points and stakes and, in case of willful or careless destruction, Contractor shall be charged with the resulting expense and shall be responsible for any mistakes which may be caused by unnecessary loss or disturbance.

Section 7. Protection of Work, Property and Persons.

Contractor will be responsible for initiating, maintaining and supervising all safety precautions and programs in connection with the Work. Contractor will take all necessary precautions for the safety of, or provide the necessary protection to prevent injury, damage, or loss, to all employees on the worksite and other persons who may be affected. Contractor shall also be responsible for all safety precautions regarding all Work and all materials or equipment to be incorporated into the Work, whether in storage on or off the site, and the property at the site or adjacent to it, including trees, shrubs, lawns, walks, pavements, roadways, structures, and utilities not designed for removal, relocation, or replacement in the course of construction. Contractor will remedy all damage, injury or loss to any property caused, directly or indirectly, in whole or in part, by the Contractor, any Subcontractor, or anyone directly or indirectly employed by any of them or any for whose acts any of them may be liable except for acts directly attributable to Owner or Owner's Representative or any person employed by either of them whose acts are not attributable directly or indirectly in whole or in part to the fault or negligence of Contractor.

Section 8. Supervision by Contractor.

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

Section 9. Changes in Work.

Owner, at any time the need arises, may order changes in the scope of the Work without invalidating the Agreement. If such changes increase or decrease the amount due under the contract documents, or the time required for performance of the Work, an equitable adjustment shall be authorized by Change Order. Owner or its representative may also, at any time, by issuing a Field Order, make changes in the details of the Work. Contractor shall proceed with the performance of any changes in the Work so ordered, unless Contractor believes that such Field Order entitles Contractor to a change in Contract Price or Contract Time, or both, in which event Contractor shall give Owner's Representative Written Notice of the proposed Change Order within two (2) days after receipt of the Field Order. Contractor shall document in Contractor's notice the basis for the change in Contract Price or Contract Time by separate notice delivered within five (5) days of the date of the Written Notice of the proposed Change Order. Contractor shall not execute such changes pending the receipt of an executed Change Order or further instruction from Owner.

Section 10. Changes in Contract Price.

The Contract Price may be changed only by a written, signed 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:

1. Unit prices previously approved.
2. An agreed lump sum.
3. The actual cost of labor, direct overhead, materials, supplies, and other services necessary to complete the Work plus an amount not to exceed 10% of the actual Work to cover the cost of general overhead profit.

Section 11. Limitation on Liquidated Damages.

Contractor shall not be charged with liquidated damages when the delay in completion of the Work is due to the following and Contractor has promptly given Written Notice of such delay to Owner or its representative:

1. Unforeseeable causes beyond the control and without the fault or negligence of Contractor, including but not restricted to acts of God or of the public enemy, acts of Owner, acts of another Contractor in performance of the contract with the Owner, fires, floods, epidemics, quarantine restriction, strikes, freight embargoes, and abnormal and unforeseen weather; and
2. Any delays of Subcontractors occasioned by any of the causes specified above.

Section 12. Correction of Work.

1. Contractor shall promptly remove from the premises all Work rejected by Owner's Representative for failure to comply with the contract documents, whether incorporated in construction or not, and Contractor shall promptly replace and re execute the Work in accordance with the contract documents and without expense to Owner and shall bear the expense of making good all Work of other contractors destroyed or damaged by such removal or replacement.
2. All removal and replacement Work shall be done at Contractor's expense. If Contractor does not take action to remove rejected Work within five (5) days after receipt of Written Notice of rejection, Owner may remove such Work and store the materials at the expense of Contractor.

Section 13. Subsurface Conditions.

Contractor shall promptly and before such conditions are disturbed, except in the event of an emergency, notify Owner by Written Notice of:

1. Subsurface or latent physical conditions at the site differing materially from those indicated in the contract documents.
2. Unknown physical conditions at the site of an unusual nature, differing markedly from those ordinarily encountered and generally recognized as inherent in Work of the character provided for in the contract.

Owner shall promptly investigate the conditions and if 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 of Contractor for adjustment hereunder shall not be allowed unless he has given the required Written Notice.

Section 14. Suspension of Work, Termination Delay.

1. If Contractor is adjudged a bankrupt or insolvent or if Contractor makes a general assignment for the benefit of Contractor's creditors, or if a trustee or receiver is appointed for the Contractor or for any of Contractor's property, or if Contractor files a petition to take advantage of any debtor's act or to reorganize under bankruptcy or applicable laws, or if Contractor repeatedly fails to supply sufficient skilled workmen or suitable material or equipment, or if Contractor repeatedly fails to make prompt payments to Subcontractors for labor, materials, or equipment, or if Contractor disregards laws, ordinances, rules, regulations, or orders of any public body having jurisdiction of the Work, or if Contractor disregards the authority of Owner's Representative or if Contractor otherwise violates any provision of the contract documents, then Owner may, without prejudice to any other right or remedy, after giving Contractor and Contractor's surety a minimum of five (5) days' Written Notice, terminate the services of the Contractor and take possession of the Project and all materials, equipment, tools, construction equipment, and machinery owned by Contractor and finish the Work by whatever method Owner may deem expedient. In such case, 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 Contractor. If the costs exceed such unpaid balances, Contractor will pay the difference to Owner. Such costs incurred by Owner will be determined by Owner and incorporated in a change order.

2. Where Contractor's services have been terminated under Section 14.1, by Owner, the termination shall not affect any right of Owner against Contractor then existing or which may thereafter accrue. Any retention or payment of monies by Owner due Contractor will not release Contractor from compliance with the contract documents.

3. After five (5) days from delivery of Written Notice under Section 14.1 to Contractor, Owner may, without cause and without prejudice to any other right or remedy, elect to

abandon the Project and terminate the contract. In such case, Contractor shall be paid for all Work executed and any reasonable expense sustained plus reasonable profit for the Work performed.

Section 15. Equal Opportunity.

Contractor agrees to comply with the applicable provisions of the Equal Opportunity Act of 1972 and the Civil Rights Act of 1964 as amended. Contractor shall have the obligation to ensure that the employees and applicants for employment are not discriminated against because of race, creed, color, sex, or national origin.

Section 16. Public Contracting Code Requirements.

1. Contractor shall pay promptly, as due, all persons supplying labor or materials for the prosecution of the Work provided for in the contract, and shall be responsible for such payment of all persons supplying such labor or material to any Subcontractor.

(a) ORS 279C.580(3)(a) requires the prime Contractor to include a clause in each subcontract requiring Contractor to pay the first-tier Subcontractor for satisfactory performance under its subcontract within ten (10) days out of such amounts as are paid to the prime Contractor by the public contracting agency; and

(b) ORS 279C.580(3)(b) requires the prime Contractor to include a clause in each subcontract requiring Contractor to pay an interest penalty to the first-tier Subcontractor if payment is not made within thirty (30) days after receipt of payment from the public contracting agency.

(c) ORS 279C.580(4) requires the prime Contractor to include in every subcontract a requirement that the payment and interest penalty clauses required by ORS 279C.580(3)(a) and (b) be included in every contract between a Subcontractor and a lower-tier Subcontractor or Supplier.

2. Contractor shall promptly pay all contributions or amounts due the Industrial Accident Fund from such Contractor or Subcontractor incurred in the performance of the contract, and shall be responsible that all sums due the State Unemployment Compensation Fund from Contractor or any Subcontractor in connection with the performance of the contract shall promptly be paid.

3. Contractor shall not permit any lien or claim to be filed or prosecuted against the Owner on account of any labor or material furnished and agrees to assume responsibility for satisfaction of any such lien so filed or prosecuted.

4. A notice of claim on Contractor's payment bond shall be submitted only in accordance with ORS 279C.600 and 279C.605.

5. Contractor and any Subcontractor shall pay to the Department of Revenue all sums withheld from employees pursuant to ORS 316.167.

6. Contractor shall demonstrate to Owner that an employee drug-testing program is in place within ten (10) days of receiving a Notice of Award.

7. Pursuant to ORS 279C.515, if Contractor fails, neglects or refuses to make prompt payment of any claim for labor or materials furnished to the Contractor or a Subcontractor by any person in connection with the contract as such claim becomes due, the Owner may pay such claim to the persons furnishing the labor or material and charge the amount of payment against funds due or to become due to Contractor by reason of the contract. The payment of a claim in the manner authorized hereby shall not relieve the Contractor or its surety from their obligations with respect to any unpaid claim. If Owner is unable to determine the validity of any claim for labor or material furnished, Owner may withhold from any current payment due Contractor an amount equal to said claim until its validity is determined and the claim, if valid, is paid.

8. Pursuant to ORS 279C.515, if the Contractor or a first-tier Subcontractor fails, neglects, or refuses to make payment to a person furnishing labor or materials in connection with the public contract for a public improvement within 30 days after receipt of payment from Owner or Contractor, the Contractor or first-tier Subcontractor shall owe the person the amount due plus interest charges commencing at the end of the 10 day period that payment is due under ORS 279C.580(4) and ending upon final payment, unless payment is subject to a good faith dispute as defined in ORS 279C.580. The rate of interest charged to Contractor or first-tier Subcontractor on the amount due shall equal three times the discount rate on 90-day commercial paper in effect at the Federal Reserve Bank in the Federal Reserve City that includes Oregon on the date that is thirty (30) days after the date when payment was received from the public contracting agency or from the Contractor, but the rate of interest shall not exceed thirty (30) percent. The amount of interest may not be waived.

9. As provided in ORS 279C.515, if the Contractor or a Subcontractor fails, neglects, or refuses to make payment to a person furnishing labor or materials in connection with the public contract, the person may file a complaint with the Construction Contractors Board, unless payment is subject to a good faith dispute as defined in ORS 279C.580.

10. Pursuant to ORS 279C.530, Contractor shall promptly, as due, make payment to any person, co-partnership, association, or corporation, furnishing medical, surgical and hospital care or other needed care and attention, incident to sickness or injury, to employees of such Contractor, of all sums which the Contractor agrees to pay for such services and all monies and sums which the Contractor collected or deducted from the wages of employees pursuant to any law, contract or agreement for the purpose of providing or paying for such service.

11. Contractor shall employ no person for more than ten (10) hours in any one day, or forty (40) hours in any one week, except in cases of necessity, emergency, or where public policy absolutely requires it, and in such cases, except in cases of contracts for personal services designated under ORS 279A.055, Contractor shall pay the employee at least time and one-half pay for all overtime in excess of eight (8) hours a day or forty (40) hours in any one week when the Work is five (5) consecutive days, Monday through Friday; or for all overtime in excess of ten (10) hours a day or forty (40) hours in any one week when the Work week is 4 consecutive days, Monday through Friday; and for all Work performed on Saturday and on any legal holidays as specified in ORS 279C.540.

12. Pursuant to ORS 279C.540(2), the Contractor must give notice to employees who Work on this contract in writing, either at the time of hire or before commencement of Work on the contract, or by posting a notice in a location frequented by employees, of the number of hours per day and the days per week that the employees may be required to Work.

13. The provisions of ORS 279C.800 to ORS 279C.870 relating to the prevailing wage rates will be complied with.

(a) The hourly rate of wage to be paid by Contractor or any Subcontractor to workers in each trade or occupation required for the public works employed in the performance of this Contract shall not be less than the specified minimum rate of wage in accordance with ORS 279C.838 and ORS 279C.840.

(b) The latest prevailing wage rates for public works contracts in Oregon are contained in the following publications: The January 1, 2019, Prevailing Wage Rates for Public Works Projects in Oregon, including the April 1, 2019, July 1, 2019 Amendments. Such publication can be reviewed electronically at:

<https://www.oregon.gov/boli/WHD/PWR/Pages/PWR-Rate-Publications---2019.aspx>

and are hereby incorporated as part of the contract documents.

(c) Contractor and all Subcontractors shall keep the prevailing wage rates for this Project posted in a conspicuous and accessible place in or about the Project.

(d) The Owner shall pay a fee to the Commissioner of the Oregon Bureau of Labor and Industries as provided in ORS 279C.825. The fee shall be paid to the Commissioner as required by the administrative rules adopted by the Commissioner.

(e) If Contractor or any Subcontractor also provides for or contributes to a health and welfare plan or a pension plan, or both, for its employees on the Project, it shall post notice describing such plans in a conspicuous and accessible place in or about the Project. The notice shall contain information on how and where to make claims and where to obtain future information.

14. Unless exempt under ORS 279C.836(4), (7), (8) or (9), before starting Work on this contract, or any subcontract hereunder, Contractor and all Subcontractors must have on file with the Construction Contractors Board a public works bond with a corporate surety authorized to do business in the State of Oregon in the amount of \$30,000. The bond must provide that the Contractor or Subcontractor will pay claims ordered by the Bureau of Labor

and Industries to workers performing labor upon public works projects. The bond must be a continuing obligation, and the surety's liability for the aggregate of claims that may be payable from the bond may not exceed the penal sum of the bond. The bond must remain in effect continuously until depleted by claims paid under ORS 279C.836(2), unless the surety sooner cancels the bond. The surety may cancel the bond by giving thirty (30) days' Written Notice to the Contractor or Subcontractor, to the Construction Contractors Board and to the Bureau of Labor and Industries. When the bond is canceled, the surety is relieved of further liability for Work performed on contracts entered into after the cancellation. The cancellation does not limit the surety's liability for Work performed on contracts entered into before the cancellation. Contractor further certifies that Contractor will include in every subcontract a provision requiring a Subcontractor to file a public works bond with the Construction Contractors Board before starting Work on the Project, unless exempt under ORS 279C.836(4), (7), (8), or (9).

(a) Unless exempt under ORS 279C.836(4), (7), (8), or (9), before permitting a Subcontractor to start Work on this public works project, the Contractor shall verify that the Subcontractor has filed a public works bond as required under this section or has elected not to file a public works bond under ORS 279C.836(7).

(b) Unless the Owner has been notified of any applicable exemptions under ORS 279C.836(4), (7), (8), or (9), the public works bond requirement above is in addition to any other bond Contractor or Subcontractors may be required to obtain under this contract.

15. As may be required by ORS 279C.845, Contractor or Contractor's surety and every Subcontractor or Subcontractor's surety shall file certified payroll statements with the Owner in writing.

(a) If Contractor is required to file certified statements under ORS 279C.845, the Owner shall retain twenty-five (25) percent of any amount earned by the Contractor on the public works project until the Contractor has filed with the Owner a certified statement as required by ORS 279C.845. The Owner shall pay the Contractor the amount retained within 14 days after the Contractor files the required certified statements, regardless of whether a Subcontractor has failed to file certified statements required by statute. The Owner is not required to verify the truth of the contents of certified statements filed by the Contractor under this section and ORS 279C.845.

(b) The Contractor shall retain twenty-five (25) percent of any amount earned by a first-tier Subcontractor on this public works contract until the Subcontractor has filed with the Owner certified statements as required by ORS 279C.845. The Contractor shall

verify that the first-tier Subcontractor has filed the certified statements before the Contractor may pay the Subcontractor any amount retained. The Contractor shall pay the first-tier Subcontractor the amount retained within fourteen (14) days after the Subcontractor files the certified statements as required by ORS 279C.845. Neither the Owner nor the Contractor is required to verify the truth of the contents of certified statements filed by a first-tier Subcontractor.

16. All employers, including Contractor, that employ subject workers who Work under this contract shall comply with ORS 656.017 and provide the required Workers' Compensation coverage, unless such employers are exempt under ORS 656.126. Contractor shall ensure that each of its Subcontractors complies with these requirements.

17. All sums due the State Unemployment Compensation Fund from the Contractor or any Subcontractor in connection with the performance of the contract shall be promptly so paid.

18. The contract may be canceled at the election of Owner for any willful failure on the part of Contractor to faithfully perform the contract according to its terms.

19. Contractor certifies that it has not and will not discriminate against minorities, women or emerging small business enterprises in obtaining any required Subcontractors, or against a business enterprise that is owned or controlled by, or that employs a disabled veteran as defined in ORS 408.225.

20. Contractor certifies its compliance with the Oregon tax laws, in accordance with ORS 305.385.

21. In the performance of this contract, the Contractor shall use, to the maximum extent economically feasible, recycled paper, materials, and supplies, and shall compost or mulch yard waste material at an approved site, if feasible and cost effective.

22. As may be applicable, Contractor certifies that all Subcontractors performing construction Work under this contract will be registered with the Construction Contractors Board or licensed by the state Landscaping Contractors Board in accordance with ORS 701.035 to ORS 701.055 before the Subcontractors commence Work under this contract.

23. Pursuant to City Rule 137-049-0880, the Owner may, at reasonable times and places, have access to and an opportunity to inspect, examine, copy, and audit the records relating to the Contract.

24. Pursuant to ORS 279C.510, if feasible and cost-effective and contract is for demolition, Contractor shall salvage or recycle construction and demolition debris.

25. Pursuant to ORS 279C.510, if feasible and cost-effective and contract is for lawn and landscape maintenance, Contractor shall compost or mulch yard waste material at an approved site.

26. In compliance with the provisions of ORS 279C.525, the following is a list of federal, state and local agencies, of which the Owner has knowledge, that have enacted ordinances or regulations dealing with the prevention of environmental pollution and the preservation of natural resources that may affect the performance of the contract:

FEDERAL AGENCIES:

- Agriculture, Department of
 - o Forest Service
 - o Soil Conservation Service
- Defense, Department of
 - o Army Corps of Engineers
- Environmental Protection Agency
- Interior, Department of
 - o Bureau of Sport Fisheries and Wildlife
 - o Bureau of Outdoor Recreation
 - o Bureau of Land Management
 - o Bureau of Indian Affairs
 - o Bureau of Reclamation

- Labor, Department of
- o Occupational Safety and Health Administration
- Transportation, Department of
- o Federal Highway Administration
- Homeland Security, Department of
- o Coast Guard

STATE AGENCIES:

- Agriculture, Department of
- Environmental Quality, Department of
- Fish and Wildlife, Department of
- Forestry, Department of
- Geology and Mineral Industries, Department of
- Human Resources, Department of
- Land Conservation and Development Commission
- Soil and Water Conservation Commission
- State Engineer
- State Land Board
- Water Resources Board

LOCAL AGENCIES:

- City Council
- County Court
- County Commissioners, Board of
- Port District

- Metropolitan Service District
- County Service District
- Sanitary District
- Water District
- Fire Protection District

24. Once before the first payment and once before final payment is made of any sum due on account of the contract for a public work, Contractor or Contractor's surety and every Subcontractor with a Subcontractor's surety, shall file a statement with Owner in writing in the form prescribed by the Commissioner of the Bureau of Labor and Industries, certifying the hourly rate of wage paid each classification of worker which Contractor or Subcontractor has employed upon such public work, and further certifying that no worker employed upon such public work has been paid less than the prevailing rate of wage or less than the minimum hourly rate of wage specified in the contract, which certificate and statement shall be verified by the oath of Contractor or Contractor's surety or Subcontractor or the Subcontractor's surety, that Contractor or Subcontractor has read such statement and certificate, knows the contents thereof, and that the same is true to Contractor's or Subcontractor's knowledge. A true copy of the certification or certifications required to be filed pursuant to this section shall also be filed at the same time with the Commissioner of the Bureau of Labor and Industries.

Section 17. Warranty and Guarantee.

1. Contractor warrants and guarantees to Owner that all Work will be done in accordance with the Contract Documents and will not be defective. Prompt notice of all defects shall be given to Contractor. All defective Work, whether or not in place, may be rejected, corrected or accepted. Contractor understands that the City of Yachats and their various departments, and agencies, must be consulted and be allowed to inspect the Work and sign off in each particular area. At all times Owner's Representative and appropriate inspectors shall have access to the Work for inspection and testing. Contractor shall provide proper and safe conditions for such access.

2. Where any law, ordinance, rule, regulation, code, or other order of any public body having jurisdiction requires any Work or part thereof to specifically inspected, tested or approved, Contractor shall assume full responsibility for such inspection, testing, or approval, and pay all costs in connection therewith and furnish Owner's Representative with the required certificates of inspection, testing or approval. If any Work to be inspected, tested,

or approved is covered without written concurrence of Owner's Representative, it must be, if requested, uncovered for observation. Such uncovering shall be at Contractor's expense.

3. Neither observations by the Owner's Representative nor inspection tests or approvals by others shall relieve the Contractor from his obligations to perform the Work in accordance with the contract documents.

4. If, within two (2) years after the date of final completion and sign off and payment of any retainage by Owner to Contractor, there is any defect in materials or workmanship, Contractor shall promptly, without cost to Owner and in accordance with Owner's written instructions, either correct such defective Work or, if it has been rejected by Owner, remove it from the site and replace it with non-defective Work. If Contractor does not promptly comply with the terms of such instructions, or in an emergency where a delay would cause serious risk of loss or damage, Owner may have the defective Work corrected or the rejected Work removed and replaced. All direct or indirect costs of such removal or replacement, including compensation for additional professional services, shall be paid by Contractor. Such additional professional services include the services of any attorney employed by Owner to assist it in dealings with Contractor. If Contractor does not pay for such Work, or does not ensure that such Work is performed as required by this section, Owner may pursue reimbursement from Contractor, including pursuing a claim upon Contractor's bond, if applicable, for payment of such Work. All notices sent to Contractor shall have copies sent to Contractor's surety.

5. Contractor warrants and guarantees that title to all Work, materials, and equipment covered by the 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 of any party whomsoever.

Section 18. Bond Form.

Payment and Performance Bonds shall be in the form provided within the Invitation to Bid packet. Bid Bonds shall be in the standard form of the issuing company. If a standard form is not available, the AIA Form A-310 shall be acceptable for the Bid Bond.

Section 19. Payments to Contractor.

1. By the 5th day of each month, Contractor will submit to Owner's Representative a partial payment estimate filled out and signed by Contractor covering the Work performed during the period covered by the partial payment estimate and supported by such data as Owner's Representative 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 Owner, as will establish Owner's title to the material and equipment, and protect its interest therein, including applicable insurance. Owner's Representative will, within ten (10) days after receipt of each partial payment estimate, either indicate in writing his approval of payment and present the partial payment estimate to Owner, or return the partial payment estimate to Contractor indicating in writing his reasons for refusing to approve payment. In the latter case, Contractor may make the necessary corrections and resubmit the partial payment estimate. Owner will, within ten (10) days of the next Board meeting after presentation by Owner's Representative of an approved partial payment estimate, pay Contractor a progress payment on the basis of the approved partial payment estimate. Owner shall retain five percent (5%) of the amount of each payment until final completion and acceptance of all Work covered by the contract documents. After fifty percent (50%) of the Work has been completed, Owner may, at Owner's sole discretion, reduce or eliminate retainage on the remaining progress estimates. When the Work is substantially complete, Owner may, at Owner's sole discretion, further reduce the retained amount below 5% to only that amount necessary to assure completion. On completion and acceptance of a part of the Work on which the price is stated separately in the contract documents, Owner may, in Owner's sole discretion, pay for that part of the Work in full, including retained percentages, less authorized deductions.

2. A 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.

3. Prior to Substantial Completion, Owner, with the approval of Owner's Representative 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.

4. Owner shall have the right to enter the premises for the purpose of doing Work not covered by the contract documents. This provision shall not be construed as relieving 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 Owner. Such entry or Work shall only be allowed to the extent it does not interfere with Contractor's Work.

5. Upon completion and acceptance of the Work, Owner's Representative shall issue a certificate attached to the final payment request that the Work has been accepted by him 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 Owner, shall be paid to the Contractor within thirty (30) days of the issuance of the certificate of completion and acceptance of the Work.

6. Contractor will indemnify and save Owner and Owner's officials, employees, agents, and volunteers harmless from all claims arising out of the lawful demands of Subcontractors, laborers, workmen, mechanics, materialmen, and furnishers or machinery and parts thereof, equipment, tools, and all supplies, incurred in the furtherance of the performance of the Work. Contractor shall, at Owner's request, furnish satisfactory evidence that all obligations of the nature designated above have been paid, discharged or waived. If Contractor fails to do so, Owner may, after having notified Contractor, either pay unpaid bills or withhold from 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 Contractor shall be resumed in accordance with the terms of the contract documents, but in no event shall the provisions of this Section be construed to impose any obligations upon Owner to either Contractor, Contractor's surety or any third party. In paying any unpaid bills of Contractor, any payment so made by Owner shall be considered as a payment made under the contract documents by Owner to Contractor and Owner shall not be liable to Contractor for any such payments made in good faith.

7. If Owner fails to make payment thirty (30) days after approval of a partial payment estimate by Owner's Representative, in addition to the other remedies available to 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.

Section 20. Cleanup.

1. From time to time as the Work progresses and immediately after completion of the Work, Contractor shall clean up and remove all refuse and unused materials of any kind resulting from the Work. Upon failure of Contractor to do so within 24 hours after being so directed by Owner's Representative, the Work may be done by Owner and the cost thereof may be deducted from any payment due Contractor.

2. After all other Work embraced in the contract is completed and before final acceptance of the contract, the entire right of way and driveways, alleys, and side street

approaches, slopes, ditches, utility trenches, and construction areas shall be neatly finished to the lines, grades and cross sections shown in the specifications.

3. As a condition precedent to final acceptance of the Project, Contractor shall remove all equipment and temporary structures, and all rubbish, waste and generally clean the right of way and premises.

Section 21. Use of Light, Power and Water.

Contractor shall furnish temporary light, power, and water complete with connecting piping, wiring, lamps, and similar equipment necessary before the Work is improved. Contractor shall install, maintain and remove temporary lines upon completion of Work. Contractor shall obtain all permits and bear all costs for connection with temporary services and facilities at no expense to Owner.

Section 22. Arbitration.

1. All claims, disputes, and other matters in question between Owner and Contractor arising out of, or relating to, the contract documents, including rescission, reformation, enforcement, or the breach of the terms thereof, except for claims which may have been waived by the making or acceptance of final payment or for acquisition of property subject to eminent domain, may be decided by arbitration. Owner shall have the sole discretion as to whether or not a dispute will be decided by arbitration conducted in Lincoln County, Oregon, rather than through the court process.

2. No demand for arbitration of any claimed dispute or other matter shall be effective until after a claim or demand regarding the underlying dispute is made to the City's Board and the Board at its next regularly scheduled meeting, has rendered a written decision with respect thereto denying the claim or demand. No demand for arbitration of the denial of any such claim, dispute, or other matter shall be made later than thirty (30) days after the date on which the Board of Directors has rendered a written decision denying the claim. The failure to demand arbitration within thirty (30) days of the date of the Board of Director's decision denying the claim shall result in the Board of Director's decision being binding upon Owner and Contractor.

3. Notice of demand for arbitration shall be filed in writing with the other party to the agreement. The demand for arbitration shall be made within the 30 day period specified above. Owner, if not the party demanding arbitration, has the option of allowing the matter to proceed with arbitration or by Written Notice within five (5) days after receipt of a demand for arbitration, or rejecting arbitration and requiring Contractor to proceed through the courts for relief. Arbitration shall be conducted under the Uniform Arbitration Act, ORS 36.600 et seq. If the parties are unable to mutually select an arbitrator within twenty (20) days following Owner's decision to pursue arbitration, then each party shall select an arbitrator, and the two arbitrators shall select a single arbitrator. The arbitrator(s) shall have substantial experience in construction disputes. The parties agree that any award rendered by the arbitrator will be final, and judgment may be entered upon the award in any court having jurisdiction thereof, and will not be subject to modification or appeal except to the extent permitted by Oregon law.

Section 23. Attorney Fees.

If suit, action or arbitration is brought either directly or indirectly to rescind or enforce the terms of this agreement, the prevailing party shall recover and the losing party hereby agrees to pay reasonable attorney's fees incurred in such proceeding, in both the trial and appellate courts, as well as any costs and disbursements. Further, if it becomes necessary for Owner to incur the services of an attorney to enforce any provision of this agreement without initiating litigation, Contractor agrees to pay Owner's attorney's fees so incurred. Such costs and fees shall bear interest at the maximum legal rate from the date incurred, until the date paid by losing party.

SPECIFICATIONS

[INSERT SPECIFICATIONS]