

**Project Manual for
Construction Of
Navajo Gallup Water Supply Project
Reaches 10.1, 10.2 & 10.3**

The Navajo Nation



VOLUME 1

August 2025

Volume 1

Contract Documents, Appendices, and Exhibits

Table of Contents to Contract Documents

C-100 Engineer Certification Sheets	12 pages
C-200 Instructions to Bidders	13 pages
C-410 Bid Form	21 pages
C-430 Bid Bond	2 pages
C-440 List of Proposed Subcontractors	2 pages
C-442 List of Proposed Equipment Manufacturers	1 page
C-444 Bidder's Qualifications Statement	5 pages
C-510 Notice of Award.....	1 page
C-520 Agreement between Owner and Contractor.....	9 pages
C-550 Notice to Proceed.....	1 page
C-610 Performance Bond	3 pages
C-615 Payment Bond.....	3 pages
C-618 Certificate of Insurance.....	1 page
C-620 Contractor's Application for Payment.....	3 pages
C-625 Certificate of Substantial Completion.....	1 page
C-700 Standard General Conditions and Navajo Nation Supplemental Conditions of the Construction Contract	68 pages
C-800 Supplementary Conditions	3 pages
C-940 Work Change Directive	1 page
C-941 Contract Change Order	1 page
C-942 Field Order	1 page

Index to Appendices

Appendix A - Navajo Nation Forms

- Navajo Nation Certification Regarding Debarment and Suspension
- Affidavit of Responsibility for Subcontractors
- Affidavit of Non-Collusion
- Affidavit of Non-Debarment & Non-Suspension

Appendix B - Office of Navajo Labor Relations Minimum Wage Rate Determinations and Requirements

Appendix C - Regulatory Requirements & Permits

- Cultural Resource Compliance Form (with conditions of compliance)
- Biological Resource Compliance Form (with conditions of compliance)
- Finding of No New Significant Impact (FONNSI) from the Bureau of Reclamation (Reclamation)
- Finding of No Significant Impact (FONSI) from the Bureau of Indian Affairs (BIA)
- Navajo Nation Water Code Administration – Water Use Permit
- Navajo Department of Agriculture Re-seeding Requirements

Appendix D - Contractor Submittal Form (Blank) and Submittals Checklist

Index to Exhibits

Exhibit A - Geotechnical Engineering Services Reports

- Geo-Test Geotechnical Engineering Services Report No. 1-10912A for Reach 10.1 Surge Tank
- Geo-Test Geotechnical Engineering Services Report No. 1-00908 Reach 10.2 Pump Plant 12 and Addendum 1 for Increased Tank Size
- Geo-Test Geotechnical Engineering Services Report No. 1-00909 for Reach 10.2 Pump Plant 13 and Addendum 1 for Increased Tank Size
- Geo-Test Geotechnical Engineering Services Report No. 1-11001A for Nahodishgish Tank Site
- Geo-Test Geotechnical Engineering Services Report No. 1-11106 for Reach 10.1 Waterline
- IME Subsurface Exploration and Geotechnical Engineering Services Report No. 23171-ZX for the BBN9 Water Supply Project.

Exhibit B - Soil and Rock Potholing Information

Exhibit C - Soil Chemical Analysis

Exhibit D - Utility Companies Encroachment Agreements and Requirements

- Design One-Call Information
- NTUA Encroachment Agreements

Exhibit E - Filling, Hydrostatic Testing, Flushing, and Disinfection Plan and Hydrostatic Pressure

and Leakage Test Calculations

Exhibit F - NTUA Permission to Tap an Existing Waterline Application includes Utility Transfer Agreement for Water and Wastewater Facilities

Exhibit G - Survey Authorization Forms

- Owner Provided Survey Request Form

**** See Volume 2 for Technical Specifications***

C-100 Engineer Certifications

NGWSP BBN9 Reach 10.1

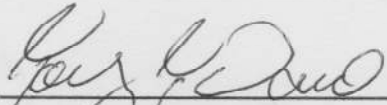
- Tory Tadano, PE
- Hunter Riek, PE
- Tom Ruehle, PE

ENGINEER CERTIFICATION

These Plans, Contract Documents and Technical Specifications (except structural and electrical plans and specifications) for the **Navajo Gallup Water Supply Project Beacon Bisti N9 Reach 10.1** were prepared by:

Souder, Miller & Associates
5454 Venice Avenue NE, Suite D
Albuquerque, NM 87113
(505) 299-0942 or Fax (505) 293-3430

The technical material and data contained in the specifications were prepared under the supervision and direction of **Tory Tadano, P.E.**, whose seal as a Professional Engineer licensed to practice in the state of New Mexico is affixed below.



Tory Tadano, P.E.
New Mexico PE License # 21073

8/29/25
Date

All questions about the meaning or intent of these documents shall be submitted only to the Engineer of Record stated above, IN WRITING for interpretations.



ENGINEER CERTIFICATION

The Structural Plans and Technical Specifications for the **Navajo Gallup Water Supply Project Beacon Bisti N9 Reach 10.1 Waterline** were prepared by:

Souder, Miller & Associates
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The technical material and data contained in the structural plans and technical specifications were prepared under the supervision and direction of **Hunter Riek, P.E.**, whose seal as a Professional Engineer licensed to practice in the state of New Mexico is affixed below.



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05-23-2025

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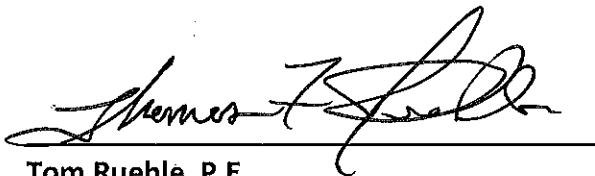
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ENGINEER CERTIFICATION

The Electrical Plans and Technical Specifications for the **Navajo Gallup Water Supply Project Beacon Bisti N9 Reach 10.1 Waterline** were prepared by:

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The technical material and data contained in the electrical plans and technical specifications were prepared under the supervision and direction of **Tom Ruehle, P.E.**, whose seal as a Professional Engineer licensed to practice in the state of New Mexico is affixed below.

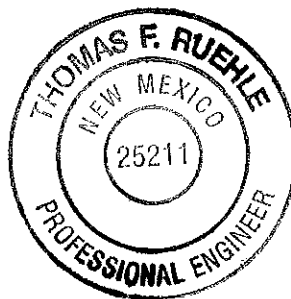


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All questions about the meaning of intent of these documents shall be submitted only to the Engineer of Record stated above, IN WRITING for interpretations.



C-100 Engineer Certifications

NGWSP BBN9 Reach 10.2


- Tory Tadano, PE
- Hunter Riek, PE
- Tom Ruehle, PE

ENGINEER CERTIFICATION

These Plans, Contract Documents and Technical Specifications (except structural and electrical plans and specifications) for the **Navajo Gallup Water Supply Project Beacon Bisti N9 Reach 10.2** were prepared by:

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The technical material and data contained in the specifications were prepared under the supervision and direction of **Tory Tadano, P.E.**, whose seal as a Professional Engineer licensed to practice in the state of New Mexico is affixed below.

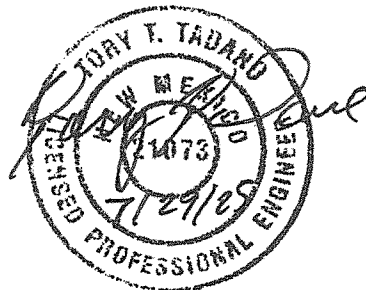


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7/29/25

Date

All questions about the meaning or intent of these documents shall be submitted only to the Engineer of Record stated above, IN WRITING for interpretations.



ENGINEER CERTIFICATION

The Structural Plans and Technical Specifications for the **Navajo Gallup Water Supply Project Beacon Bisti N9 Reach 10.2 Waterline** were prepared by:

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The technical material and data contained in the structural plans and technical specifications were prepared under the supervision and direction of **Hunter Riek, P.E.**, whose seal as a Professional Engineer licensed to practice in the state of New Mexico is affixed below.



08-31-25
Date

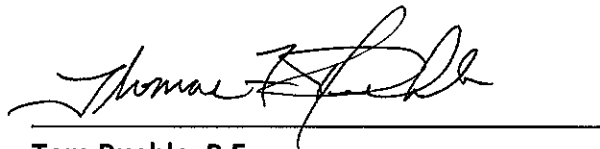
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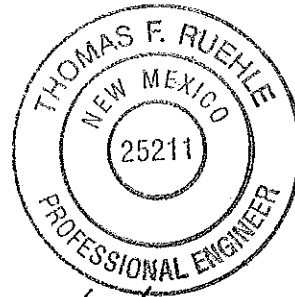
The Electrical Plans and Technical Specifications for the **Navajo Gallup Water Supply Project Beacon Bisti N9 Reach 10.2 Waterline** were prepared by:

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7/18/25
Date

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C-100 Engineer Certifications

NGWSP BBN9 Reach 10.3


- Tory Tadano, PE
- Hunter Riek, PE
- Tom Ruehle, PE

ENGINEER CERTIFICATION

These Contract Documents and Technical Specifications (except structural and electrical plans and specifications) for the **Navajo Gallup Water Supply Project Beacon Bisti N9 Reach 10.3 Waterline** were prepared by:

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8/29/25
Date

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The Structural Plans and Technical Specifications for the **Navajo Gallup Water Supply Project Beacon Bisti N9 Reach 10.3 Waterline** were prepared by:

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The technical material and data contained in the structural plans and technical specifications were prepared under the supervision and direction of **Hunter Riek, P.E.**, whose seal as a Professional Engineer licensed to practice in the state of New Mexico is affixed below.



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03-13-25
Date

All questions about the meaning of intent of these documents shall be submitted only to the Engineer of Record stated above, IN WRITING for interpretations.

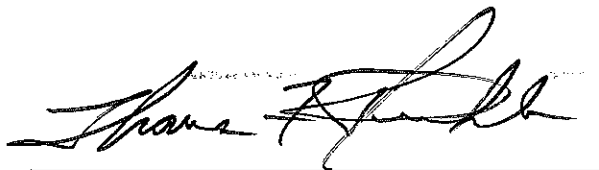


ENGINEER CERTIFICATION

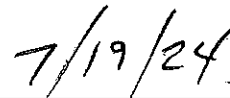
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Date

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INSTRUCTIONS TO BIDDERS

TABLE OF CONTENTS

	Page
ARTICLE 1 – Defined Terms	1
ARTICLE 2 – Copies of Bidding Documents	1
ARTICLE 3 – Qualifications of Bidders	1
ARTICLE 4 – Site and Other Areas; Existing Site Conditions; Examination of Site; Owner’s Safety Program; Other Work at the Site.....	2
ARTICLE 5 – Bidder’s Representations	4
ARTICLE 6 – Pre-Bid Conference	5
ARTICLE 7 – Interpretations and Addenda.....	5
ARTICLE 8 – Bid Security.....	5
ARTICLE 9 – Contract Times	5
ARTICLE 10 – Liquidated Damages.....	6
ARTICLE 11 – Substitute and “Or-Equal” Items.....	6
ARTICLE 12 – Subcontractors, Suppliers, and Others	6
ARTICLE 13 – Preparation of Bid	7
ARTICLE 14 – Basis of Bid	8
ARTICLE 15 – Submittal of Bid	8
ARTICLE 16 – Modification and Withdrawal of Bid.....	8
ARTICLE 17 – Opening of Bids	9
ARTICLE 18 – Bids to Remain Subject to Acceptance.....	9
ARTICLE 19 – Evaluation of Bids and Award of Contract	9
ARTICLE 20 – Bonds and Insurance	10
ARTICLE 21 – Signing of Agreement.....	10
ARTICLE 22 – Sales and Use Taxes	10
ARTICLE 23 –Retainage	10
ARTICLE 24 – Navajo Nation Disclaimers	11
ARTICLE 25 - NM Department of Workforce Solutions Registration	11
ARTICLE 26 – Subcontractors Fair Practices Act	12
ARTICLE 27 – Navajo Nation Labor Laws.....	12
ARTICLE 28 – Wage Rate Requirements	12

ARTICLE 1 – DEFINED TERMS

- 1.1 Terms used in these Instructions to Bidders have the meanings indicated in the Standard General Conditions and Navajo Nation Supplemental Conditions. Additional terms used in these Instructions to Bidders have the meanings indicated below:

A. *Issuing Office* – The office from which the Bidding Documents are to be issued.

ARTICLE 2 – COPIES OF BIDDING DOCUMENTS

- 2.1 Complete sets of the Bidding Documents may be obtained via the Engineer's website (www.soudermiller.com) in the number and format stated in the advertisement or invitation to bid.
- 2.2 Complete sets of Bidding Documents shall be used in preparing Bids; neither Owner nor Engineer assumes any responsibility for errors or misinterpretations resulting from the use of incomplete sets of Bidding Documents.
- 2.3 Bidding Documents in electronic media format are furnished to bidding contractors for the sole purpose of preparing bids, and not for construction. The selected construction Contractor shall not rely on files provided in electronic media format for construction, but rather hard copies of such data provided by the Engineer or Owner upon award of the Contract.
- 2.4 Owner and Engineer, in making copies of Bidding Documents available on the above terms, do so only for the purpose of obtaining Bids for the Work and do not authorize or confer a license for any other use.

ARTICLE 3 – QUALIFICATIONS OF BIDDERS

- 3.1 Prior to bidding on the Project, Bidder must carry all licenses required under New Mexico state law to complete the Work. Refer to Title 14 Housing and Construction of the New Mexico Administrative Code (NMAC), Chapter 6, Part 6, for a listing of classifications of licenses and certificates issued by the Construction Industries Division (CID) of the New Mexico Regulation and Licensing Department required by law to perform the Work. All Subcontractors must have the licenses required under New Mexico state law in place prior to beginning Work to be performed by them. Subcontractors do not need to be licensed in New Mexico at the time of bid opening. Bidder and all Subcontractors must be properly licensed according to the requirements of the Construction Industries Licensing Act, Chapter 60, Article 12 NMSA 1978 and ensure that such licenses shall remain in effect for the duration of the Work and warranty periods. All tiers of Subcontractors whose portion of the Work is valued at greater than \$60,000 must also be duly registered with the New Mexico Department of Workforce Solutions prior to submittal of Bid, per Article 22 below. All electrical work, whether performed by Bidder or Bidder's Subcontractor, shall be performed by a licensed electrician. It is the responsibility of the Bidder to consult with the New Mexico Construction Industries Division to determine what license classifications are required.
- 3.2 To demonstrate Bidder's qualifications to perform the Work, the Bidder shall complete and submit the Bidder's Qualifications Statement included in the Project Manual along with all supporting data together with the Bid, which will be used in the evaluation of the Bid prior to Award, as stipulated in Article 19 of these Instructions to Bidders. The Bidder may be considered non-responsive if the Bidder's Qualifications Statement is not submitted together with the Bid.

- 3.3 This Procurement is being conducted pursuant to all applicable Navajo Nation laws, including but not limited to the Navajo Nation Business Opportunity Act, 5 N.N.C. § 201, *et seq.*
- 3.4 A Bidder's failure to submit required qualification information within the times indicated may disqualify Bidder from receiving an award of the Contract.
- 3.5 No requirement in this Article 3 to submit information will prejudice the right of Owner to seek additional pertinent information regarding Bidder's qualifications.
- 3.6 Bidder is advised to carefully review those portions of the Bid Form requiring Bidder's representations and certifications.

ARTICLE 4 – SITE AND OTHER AREAS; EXISTING SITE CONDITIONS; EXAMINATION OF SITE; OWNER'S SAFETY PROGRAM; OTHER WORK AT THE SITE

4.1 *Site and Other Areas*

- A. The Site is identified in the Bidding Documents. By definition, the Site includes rights-of-way, easements, and other lands furnished by Owner for the use of the Contractor. Any additional lands required for temporary construction facilities, construction equipment, or storage of materials and equipment, and any access needed for such additional lands, are to be obtained and paid for by Contractor.
- B. Acquisition of right-of-way for this project is currently in process and the selected Contractor will be able to start field work only after right-of-way is obtained and Contractor is notified in writing by the Engineer.

4.2 *Existing Site Conditions*

- A. Subsurface and Physical Conditions; Hazardous Environmental Conditions
 - 1. The Technical Specifications identify:
 - a. those reports known to Owner of explorations and tests of subsurface conditions at or adjacent to the Site.
 - b. those drawings known to Owner of physical conditions relating to existing surface or subsurface structures at the Site (except Underground Facilities).
 - c. reports and drawings known to Owner relating to Hazardous Environmental Conditions that have been identified at or adjacent to the Site.
 - d. Technical Data contained in such reports and drawings.
 - 2. Owner will make copies of reports and drawings referenced above available to any Bidder on request. These reports and drawings are not part of the Contract Documents, but the Technical Data contained therein upon whose accuracy Bidder is entitled to rely, as provided in the General Conditions, has been identified and established in the Technical Specifications. Bidder is responsible for any interpretation or conclusion Bidder draws from any Technical Data or any other data, interpretations, opinions, or information contained in such reports or shown or indicated in such drawings.
 - 3. If the Technical Specifications, specifically Section 01 00 00, do not identify Technical Data, the default definition of Technical Data set forth in Article 1 of the General Conditions will apply.

- B. Underground Facilities: Information and data shown or indicated in the Bidding Documents with respect to existing Underground Facilities at or contiguous to the Site are set forth in the Contract Documents and are based upon information and data furnished to Owner and Engineer by owners of such Underground Facilities, including Owner, or others. Bidder shall, per the provisions in the following paragraph, undertake additional subsurface investigation work to develop a sound understanding of subsurface conditions prior to preparing the Bid.
- C. Adequacy of Data: Provisions concerning responsibilities for the adequacy of data furnished to prospective Bidders with respect to subsurface conditions, other physical conditions, and Underground Facilities, and possible changes in the Bidding Documents due to differing or unanticipated subsurface or physical conditions appear in Paragraphs 5.03, 5.04, and 5.05 of the General Conditions. Provisions concerning responsibilities for the adequacy of data furnished to prospective Bidders with respect to a Hazardous Environmental Condition at the Site, if any, and possible changes in the Contract Documents due to any Hazardous Environmental Condition uncovered or revealed at the Site which was not shown or indicated in the Drawings or Specifications or identified in the Contract Documents to be within the scope of the Work, appear in Paragraph 5.06 of the General Conditions.

4.3 Site Visit and Testing by Bidders

- A. Bidder shall conduct the required Site visit during normal working hours, and shall not disturb any ongoing operations at the Site.
- B. Bidder is not required to conduct any subsurface testing, or exhaustive investigations of Site conditions.
- C. On request, and to the extent Owner has control over the Site, and schedule permitting, the Owner will provide Bidder access to the Site to conduct such additional examinations, investigations, explorations, tests, and studies as Bidder deems necessary for preparing and submitting a successful Bid. Owner will not have any obligation to grant such access if doing so is not practical because of existing operations, security or safety concerns, or restraints on Owner's authority regarding the Site.
- D. Bidder shall comply with all applicable Laws and Regulations regarding excavation and location of utilities, obtain all permits, and comply with all terms and conditions established by Owner or by property owners or other entities controlling the Site with respect to schedule, access, existing operations, security, liability insurance, and applicable safety programs.
- E. Bidder shall fill all holes and clean up and restore the Site to its former condition upon completion of such explorations, investigations, tests, and studies.

4.4 Owner's Safety Program

- A. Site visits and work at the Site may be governed by an Owner safety program. As the General Conditions indicate, if an Owner safety program exists, it will be furnished to the Contractor.

4.5 Other Work at the Site

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

ARTICLE 5 – BIDDER’S REPRESENTATIONS

5.1 It is the responsibility of each Bidder before submitting a Bid to:

- A. examine and carefully study the Bidding Documents, and any data and reference items identified in the Bidding Documents;
- B. visit the Site, conduct a thorough, alert visual examination of the Site and adjacent areas, and become familiar with and satisfy itself as to the general, local, and Site conditions that may affect cost, progress, and performance of the Work;
- C. become familiar with and satisfy itself as to all Laws and Regulations that may affect cost, progress, and performance of the Work;
- D. carefully study all: (1) reports of explorations and tests of subsurface conditions at or adjacent to the Site and all drawings of physical conditions relating to existing surface or subsurface structures at the Site that have been identified in the Technical Specifications, especially with respect to Technical Data in such reports and drawings, and (2) reports and drawings relating to Hazardous Environmental Conditions, if any, at or adjacent to the Site that have been identified in the Technical Specifications, especially with respect to Technical Data in such reports and drawings;
- E. consider the information known to Bidder itself; information commonly known to contractors doing business in the locality of the Site; information and observations obtained from visits to the Site; the Bidding Documents; and the Site-related reports and drawings identified in the Bidding Documents, with respect to the effect of such information, observations, and documents on (1) the cost, progress, and performance of the Work; (2) the means, methods, techniques, sequences, and procedures of construction to be employed by Bidder; and (3) Bidder’s safety precautions and programs;
- F. agree, based on the information and observations referred to in the preceding paragraph, that at the time of submitting its Bid no further examinations, investigations, explorations, tests, studies, or data are necessary for the determination of its Bid for performance of the Work at the price bid and within the times required, and in accordance with the other terms and conditions of the Bidding Documents;
- G. become aware of the general nature of the work to be performed by Owner and others at the Site that relates to the Work as indicated in the Bidding Documents;
- H. promptly give Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that Bidder discovers in the Bidding Documents and confirm that the written resolution thereof by Engineer is acceptable to Bidder;
- I. determine that the Bidding Documents are generally sufficient to indicate and convey understanding of all terms and conditions for the performance and furnishing of the Work; and
- J. agree that the submission of a Bid will constitute an incontrovertible representation by Bidder that Bidder has complied with every requirement of this Article, that without exception the Bid and all prices in the Bid are premised upon performing and furnishing the Work required by the Bidding Documents.

ARTICLE 6 – PRE-BID CONFERENCE

- 6.1 A **Mandatory Pre-Bid conference** will be held at the time and location stated in the invitation or advertisement to bid. Representatives of Owner and Engineer will be present to discuss the Project. Bidders are required to attend and participate in the conference. Engineer will transmit to all prospective Bidders of record such Addenda as Engineer considers necessary in response to questions arising at the conference. Oral statements may not be relied upon and will not be binding or legally effective. **Any Bid presented by a Bidder who did not attend the Mandatory Pre-Bid Conference will not be considered.**

ARTICLE 7 – INTERPRETATIONS AND ADDENDA

- 7.1 All questions about the meaning or intent of the Bidding Documents are to be submitted to Engineer in writing. Interpretations or clarifications considered necessary by Engineer in response to such questions will be issued by Addenda delivered to all parties recorded as having received the Bidding Documents. Questions received less than seven days prior to the date for opening of Bids may not be answered. Only questions answered by Addenda will be binding. Oral and other interpretations or clarifications will be without legal effect.
- 7.2 Addenda may be issued to clarify, correct, supplement, or change the Bidding Documents.

ARTICLE 8 – BID SECURITY

- 8.1 A Bid must be accompanied by Bid security made payable to Owner in an amount of five percent (5%) of Bidder's maximum Bid price (determined by adding the base bid and all alternates) and in the form of a certified check, bank money order, or a Bid bond (on the form included in the Bidding Documents) issued by a surety meeting the requirements of Paragraphs 6.01 and 6.02 of the General Conditions.
- 8.2 The Bid security of the apparent Successful Bidder will be retained until Owner awards the contract to such Bidder, and such Bidder has executed the Contract Documents, furnished the required contract security, and met the other conditions of the Notice of Award, whereupon the Bid security will be released. If the Successful Bidder fails to execute and deliver the Contract Documents and furnish the required contract security within 15 days after the Notice of Award, Owner may consider Bidder to be in default, annul the Notice of Award, and the Bid security of that Bidder will be forfeited. Such forfeiture shall be Owner's exclusive remedy if Bidder defaults.
- 8.3 The Bid security of other Bidders that Owner believes to have a reasonable chance of receiving the award may be retained by Owner until the earlier of seven days after the Effective Date of the Contract or 61 days after the Bid opening, whereupon Bid security furnished by such Bidders will be released.
- 8.4 Bid security of other Bidders that Owner does not select for a Contract Award shall be released within seven days after the Owner's execution of a Contract.

ARTICLE 9 – CONTRACT TIMES

- 9.1 The number of days within which, or the dates by which, the Work is to be substantially completed and ready for final payment are set forth in the Agreement.

ARTICLE 10 – LIQUIDATED DAMAGES

- 10.1 Provisions for liquidated damages, if any, for failure to timely attain a Milestone, Substantial Completion, or completion of the Work in readiness for final payment, are set forth in the Agreement.

ARTICLE 11 – SUBSTITUTE AND “OR-EQUAL” ITEMS

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

ARTICLE 12 – SUBCONTRACTORS, SUPPLIERS, AND OTHERS

- 12.1 If a List of Proposed Subcontractors is identified as a required attachment to the Bid Proposal, the Bidder is required to identify all Subcontractors whose subcontracted work surpasses the Subcontractor listing threshold of five thousand dollars (\$5,000). Firms identified in the List of Proposed Subcontractors shall not be substituted except as permitted under 13-4-36 NMSA 1978 of the Subcontractors’ Fair Practices Act.
- 12.2 If the Bidder fails to specify a Subcontractor in excess of the listing threshold, the Bidder represents that the Bidder, as the prime Contractor, is fully qualified to perform that portion of the Work. For each such listed Subcontractor, the Bidder shall include the following information:
- A. the name of Subcontractor that will perform work or labor or render service on the project identified in the Contract Documents and the city or county of its principal place of business; and
 - B. the category of the work that will be done by each Subcontractor; only one Subcontractor may be listed for each category of work as defined by the Bidder.
- 12.3 Contractor shall not substitute any person as Subcontractor in place of those identified on the List or Proposed Subcontractors without approval from Owner. The same applies to equipment manufacturers identified on the Equipment Suppliers List, when such a list is included in the Project Manual.
- 12.4 A Bidder shall be prepared to retain specific Subcontractors, Suppliers, or other individuals or entities for the performance of the Work if required by the Bidding Documents (most commonly in the Specifications) to do so. If a prospective Bidder objects to retaining any such Subcontractor, Supplier, or other individual or entity, and the concern is not relieved by an Addendum, then the prospective Bidder should refrain from submitting a Bid.
- 12.5 Subsequent to the submittal of the Bid, Owner may not require the Successful Bidder or Contractor to retain any Subcontractor, Supplier, or other individual or entity against which Contractor has reasonable objection.

- 12.6 If a List of Proposed Subcontractors is not identified as a required attachment to the Bid, the apparent Successful Bidder, and any other Bidder so requested, shall within five days after Bid opening, submit to Owner a list of the Subcontractors or Suppliers proposed for Geophysical Logging and portions of the Work over \$5,000.

If requested by Owner, such list shall be accompanied by an experience statement with pertinent information regarding similar projects and other evidence of qualification for each such Subcontractor, Supplier, or other individual or entity. If Owner or Engineer, after due investigation, has reasonable objection to any proposed Subcontractor, Supplier, individual, or entity, Owner may, before the Notice of Award is given, request apparent Successful Bidder to submit an acceptable substitute, in which case apparent Successful Bidder shall submit a substitute, without an increase in Bid price.

- 12.7 If apparent Successful Bidder declines to make any such substitution, Owner may award the Contract to the next lowest Bidder that proposes to use acceptable Subcontractors, Suppliers, or other individuals or entities. Declining to make requested substitutions will not constitute grounds for forfeiture of the Bid security of any Bidder. Any Subcontractor, Supplier, individual, or entity so listed and against which Owner or Engineer makes no written objection prior to the giving of the Notice of Award will be deemed acceptable to Owner and Engineer subject to subsequent revocation of such acceptance as provided in Paragraph 7.06 of the General Conditions.

ARTICLE 13 – PREPARATION OF BID

- 13.1 The Bid Form is included with the Bidding Documents.

- A. All blanks on the Bid Form shall be completed in ink and the Bid Form signed in ink. Erasures or alterations shall be initialed in ink by the person signing the Bid Form. A Bid price shall be indicated for each section, Bid item, alternate, adjustment unit price item, and unit price item listed therein.
- B. If the Bid Form expressly indicates that submitting pricing on a specific alternate item is optional, and Bidder elects to not furnish pricing for such optional alternate item, then Bidder may enter the words “No Bid” or “Not Applicable.”

- 13.2 A Bid by a corporation shall be executed in the corporate name by a corporate officer (whose title must appear under the signature), accompanied by evidence of authority to sign. The corporate address and state of incorporation shall be shown.

- 13.3 A Bid by a limited liability company shall be executed in the name of the firm by a member or other authorized person and accompanied by evidence of authority to sign. The state of formation of the firm and the official address of the firm shall be shown.

- 13.4 A Bid by an individual shall show the Bidder’s name and official address.

- 13.5 A Bid by a joint venture shall be executed by an authorized representative of each joint venturer in the manner indicated on the Bid Form. The official address of the joint venture shall be shown.

- 13.6 All names shall be printed in ink below the signatures.

- 13.7 The Bid shall contain an acknowledgment of receipt of all Addenda, the numbers of which shall be filled in on the Bid Form.

- 13.8 Postal and e-mail addresses and telephone number for communications regarding the Bid shall be shown.

- 13.9 The Bid shall contain evidence of Bidder’s authority and qualification to do business in the state

where the Project is located, or Bidder shall covenant in writing to obtain such authority and qualification prior to award of the Contract and attach such covenant to the Bid. Bidder's state contractor license number, if any, shall also be shown on the Bid Form.

ARTICLE 14 – BASIS OF BID

14.1 Unit Price

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

ARTICLE 15 – SUBMITTAL OF BID

- 15.1 A Bid shall be received no later than the date and time prescribed and at the place indicated in the advertisement or invitation to bid and shall be enclosed in a plainly marked package. All submitted Bids must be sealed and the package/envelope must be clearly marked "Navajo Gallup Water Supply Project Beacon Bisti N9." All Bids to be considered by a Bidder certified as a Priority 1 or Priority 2 business entity under the Navajo Business Opportunity Act must be clearly marked as "Priority 1" or "Priority 2" on the outside of the envelope. Bids submitted by email or fax shall be disqualified. The Bid shall be accompanied by the Bid security and other required documents. If a Bid is sent by mail or other delivery system, the sealed envelope containing the Bid shall be enclosed in a separate package plainly marked on the outside as described above. A mailed Bid shall be addressed to Souder, Miller & Associates, Attention Tory Tadano, P.E., 5454 Venice Avenue NE, Suite D, Albuquerque, NM 87113.
- 15.2 Bids received after the date and time prescribed for the opening of bids, or not submitted at the correct location or in the designated manner, will not be accepted and will be returned to the Bidder unopened.

ARTICLE 16 – MODIFICATION AND WITHDRAWAL OF BID

- 16.1 A Bid may be withdrawn by an appropriate document duly executed in the same manner that a Bid must be executed and delivered to the place where Bids are to be submitted prior to the date and time for the opening of Bids. Upon receipt of such notice, the unopened Bid will be returned to the Bidder.
- 16.2 If a Bidder wishes to modify its Bid prior to Bid opening, Bidder must withdraw its initial Bid in the manner specified in Paragraph 16.01 and submit a new Bid prior to the date and time for the opening of Bids.
- 16.3 If within 24 hours after Bids are opened any Bidder files a duly signed written notice with Owner

and promptly thereafter demonstrates to the reasonable satisfaction of Owner that there was a material and substantial mistake in the preparation of its Bid, that Bidder may withdraw its Bid, and the Bid security will be returned. Thereafter, if the Work is rebid, that Bidder will be disqualified from further bidding on the Work.

ARTICLE 17 – OPENING OF BIDS

- 17.1 Bids will be opened at the time and place indicated in the advertisement or invitation to bid. All eligible Bids shall be opened in accordance with the bid opening procedures of the Navajo Business Opportunity Act (“NBOA”) at 5 N.N.C. §205 C, and a staff member of the Navajo Nation Business Regulatory Department shall be in attendance at the opening of Bids. An abstract of the amounts of the base Bids and major alternates, if any, will be made available to Bidders after the opening of Bids.

ARTICLE 18 – BIDS TO REMAIN SUBJECT TO ACCEPTANCE

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

ARTICLE 19 – EVALUATION OF BIDS AND AWARD OF CONTRACT

- 19.1 Owner reserves the right to reject any or all Bids, including without limitation, nonconforming, nonresponsive, unbalanced, or conditional Bids. Owner will reject the Bid of any Bidder that Owner finds, after reasonable inquiry and evaluation, to not be responsible. If Bidder purports to add terms or conditions to its Bid, takes exception to any provision of the Bidding Documents, or attempts to alter the contents of the Contract Documents for purposes of the Bid, then the Owner will reject the Bid as nonresponsive; provided that Owner also reserves the right to waive all minor irregularities not involving price, time, or changes in the Work.
- 19.2 If Owner awards the contract for the Work, such award shall be to the responsible Bidder submitting the lowest responsive Bid. However, the ultimate determination of eligibility for a Contract Award and ultimate selection of a Contractor for a Contract Award shall be in accordance with the Navajo Business Opportunity Act, and other applicable Navajo Nation laws.
- 19.3 Evaluation of Bids
- A. In evaluating Bids, Owner will consider whether or not the Bids comply with the prescribed requirements, and such alternates, unit prices, and other data, as may be requested in the Bid Form or prior to the Notice of Award.
 - B. If the Contract is to be awarded, Owner will award the Contract to the Bidder whose Bid is in the best interests of the Project. The Additive and/or Deductive Bid Items, as well as Alternate Bid Items are listed in order of priority on the Bid Form. Award will be made to the lowest responsible and responsive Bidder that offers the lowest aggregate amount for the Base Bid, plus or minus (in the order stated in the list of priorities on the Bid Form) those Additive or Deductive Bid Items, respectively, and Alternate Bid Items (if applicable) that fit within the funds determined available, and are in the Owner’s best interests. However, in the case of additive bid items, if adding another item from the bid schedule list of priorities would make the award exceed the available funds for all Bidders, the Owner reserves the right to skip that item and go to the next item from the list of Additive Bid Items. Ultimately, all Bids will be evaluated on the basis of the same Base Bid plus Additive or Deductive, and

Alternate Bid Items.

- C. After determination of the Successful Bidder based on this comparative process and on the responsiveness, responsibility, and other factors set forth in these Instructions, the award may be made to said Successful Bidder on its base Bid and any combination of its additive alternate Bids for which Owner determines funds will be available at the time of award.
- 19.4 In evaluating whether a Bidder is responsible, Owner will consider the qualifications of the Bidder and may consider the qualifications and experience of Subcontractors and Suppliers proposed for those portions of the Work for which the identity of Subcontractors and Suppliers must be submitted as provided in the Bidding Documents.
- 19.5 Owner may conduct such investigations as Owner deems necessary to establish the responsibility, qualifications, and financial ability of Bidders and any proposed Subcontractors or Suppliers.
- 19.6 Per requirements of the Navajo Business Opportunity Act (“NBOA”), a preference will be applied for Navajo-owned Priority 1 and Priority 2 contractors.

ARTICLE 20 – BONDS AND INSURANCE

- 20.1 Article 6 of the Standard General Conditions and Navajo Nation Supplemental Conditions, sets forth Owner’s requirements as to performance and payment bonds and insurance. When the Successful Bidder delivers the Agreement (executed by Successful Bidder) to Owner, it shall be accompanied by required bonds and insurance documentation.

ARTICLE 21 – SIGNING OF AGREEMENT

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

ARTICLE 22 – SALES AND USE TAXES

- 22.1 All work performed and services provided within the territorial jurisdiction of the Navajo Nation are subject to the 6% Navajo Nation Sales Tax.
- 22.2 Taxes shall not be included in the Bid, except where specifically requested on the Bid Form.
- 22.3 The Navajo Nation does not impose taxes on work performed by Subcontractors or on materials for re-sale, provided the General Contractor pays applicable taxes on pay requests to the Owner. The Navajo Nation Commission has forms available for the General Contractor to fill out and provide to vendors and Subcontractors for this purpose.

ARTICLE 23 – RETAINAGE

- 23.1 Provisions concerning retainage and/or Contractor’s rights to deposit securities in lieu of retainage are set forth in the Agreement and further detailed in the Standard General Conditions and Navajo Nation Supplemental Conditions.

ARTICLE 24 – NAVAJO NATION DISCLAIMERS

- 24.1 In accordance with Section XIII.B. of the Navajo Nation Procurement Regulations, at any time prior to a final Contract Award, the Navajo Nation may cancel this Bid for any of the reasons as follows:
- A. inadequate or ambiguous specifications were cited in the Project Manual;
 - B. specifications or descriptions for the Scope of Work have been revised;
 - C. the services are no longer required;
 - D. the Project Manual did not provide for consideration of all factors of cost to the Navajo Nation;
 - E. all Bids received indicate that the needs of the Navajo Nation can be satisfied by a less expensive service differing from that described in the Project Manual;
 - F. all Bids received exceed the Maximum Feasible Price (budget);
 - G. submitted Bids were not the result of open competition, were collusive, contained fraudulent statements or information, contained any material misrepresentation, or were submitted in bad faith; or
 - H. cancellation is in the best interest of the Navajo Nation.
- 24.2 A determination to cancel the Bid shall be published in the same manner as the initial Bid advertisement, and such cancellation shall be mailed or faxed to all Interested Parties who have received the Bid Package. Upon cancellation, all Bids shall be returned to a submitting Party upon written request by such Party.
- 24.3 Appropriations Required:
- A. No Contract Award shall be made to any Party if there are not sufficient appropriations or authorizations regarding the Project, and any awarded Contract may be terminated if such appropriations or authorizations are lacking. The determination whether sufficient appropriations or authorizations are present is at the sole discretion of the Navajo Nation.

ARTICLE 25 – NM DEPARTMENT OF WORKFORCE SOLUTIONS REGISTRATION

- 25.1 A Bidder that submits a Bid valued at more than sixty thousand dollars (\$60,000) must be registered with the Labor Relations Division, New Mexico Department of Workforce Solutions (NMDWS), Public Works Bureau, with an “Active” status, prior to submittal of Bid. The Bidder must enter his NMDWS registration number on the Bid Form and include a copy of the registration with the NMDWS as per Article 15 herein. The Bid presented by a Bidder who does not meet this requirement shall not be considered for award, pursuant to NMSA 1978, Section 13-4-13.1.
- 25.2 All tiers of Subcontractors shall be subject to this same requirement. The Bidder must also enter the Labor Relations Division, New Mexico Department of Workforce Solutions (NMDWS), Public Works Bureau registration number on the List of Proposed Subcontractors for each Subcontractor when the value of the subcontracted work will exceed sixty thousand dollars \$60,000, as stated above. Any Subcontractor who lacks current registration, with an “Active” status, with NMDWS as of the date of Bid will be rejected, and the General Contractor will be required to substitute another registered Subcontractor acceptable to the Owner without any increase in Bid price.

ARTICLE 26 – SUBCONTRACTORS FAIR PRACTICES ACT

- 26.1 The Subcontractors Fair Practices Act (SCFPA) requires that Payment and Performance Bonds be

prepared and presented by the prime Contractor and first-tier Subcontractors only. The Subcontractor's bonds are to be payable to the prime Contractor, not the Owner.

- 26.2 The Performance and Payment bond provided by an affected Subcontractor should follow current law in the SCFPA (§ 13-4-37 NMSA 1978) that is:
- A. Be issued by a corporate surety authorized to do business in New Mexico in accordance with the New Mexico Insurance Code;
 - B. Be a surety listed in the US Treasury Circular 570;
 - C. Name the prime Contractor as the obligee.
- 26.3 Pursuant to NMSA 1978, Section 13-1-148.1, a Subcontractor shall provide Performance and Payment Bonds if the Subcontractor's contract (to the Contractor) for work to be performed is one hundred twenty-five thousand dollars (\$125,000), or more. Failure of a Subcontractor to provide the required bonds shall not subject Owner to any increase in cost due to approved substitution of Subcontractor.
- 26.4 The Performance and Payment Bond required shall be provided to the general Contractor at the time the subcontract is executed. The Performance and Payment Bond is at the expense of the Subcontractor and should clearly state the amount and requirements of the bond. (§ 13-4-37 NMSA 1978)

ARTICLE 27 – NAVAJO NATION LABOR LAWS

- 27.1 The Navajo Business Opportunity Act (NBOA) and Navajo Preference in Employment Act (NPEA) apply to this project. These laws require that Contractors give preference to qualified Navajo subcontractors and employees. The Contractor shall be solely responsible to determine whether a particular subcontractor or candidate for employment is qualified or not.
- 27.2 Contractors should consult with the Navajo Business Regulatory Department by calling Mr. Ernest Pahe of the Navajo Nation Division of Economic Development at 928-871-7363 or by visiting www.navajobusiness.com to obtain a current listing of Navajo-owned sub-contractors. The local chapter houses can assist the Contractor to interview qualified local candidates for employment after the contract is awarded.

ARTICLE 28 – WAGE RATE REQUIREMENTS

- 28.1 The prevailing wage rates of the Navajo Nation Office of Labor Relations apply to this Project. The corresponding wage rate determination may be found in the appendices of these Contract Documents.

BID FORM

Navajo Gallup Water Supply Project Reaches 10.1, 10.2 & 10.3

TABLE OF CONTENTS

	Page
ARTICLE 1 – Bid Recipient	1
ARTICLE 2 – Bidder’s Acknowledgements.....	1
ARTICLE 3 – Bidder’s Representations	2
ARTICLE 4 – Bidder’s Certification.....	3
ARTICLE 5 – Basis of Bid	3
ARTICLE 6 – Time of Completion.....	20
ARTICLE 7 – Attachments to this Bid.....	20
ARTICLE 8 – Defined Terms	20
ARTICLE 9 – Bid Submittal	20

ARTICLE 1 – BID RECIPIENT

1.01 This Bid is submitted to:

Navajo Nation – Water Management Branch
C/O Souder, Miller & Associates
Attention: Tory Tadano, P.E.
5454 Venice Avenue. NE, Suite D
Albuquerque, New Mexico 87113

1.02 The undersigned Bidder proposes and agrees, if this Bid is accepted, to enter into an Agreement with Owner in the form included in the Bidding Documents to perform all Work as specified or indicated in the Bidding Documents for the prices and within the times indicated in this Bid and in accordance with the other terms and conditions of the Bidding Documents.

ARTICLE 2 – BIDDER’S ACKNOWLEDGEMENTS

2.01 Bidder accepts all of the terms and conditions of the Instructions to Bidders, including without limitation those dealing with the disposition of Bid security. This Bid will remain subject to acceptance for 60 days after the Bid opening, or for such longer period of time that Bidder may agree to in writing upon request of Owner.

ARTICLE 3 – BIDDER’S REPRESENTATIONS

3.01 In submitting this Bid, Bidder represents that:

- A. Bidder has examined and carefully studied the Bidding Documents, and any data and reference items identified in the Bidding Documents, and hereby acknowledges receipt of the following Addenda:

<u>Addendum No.</u>	<u>Addendum, Date</u>
_____	_____
_____	_____
_____	_____
_____	_____

- B. Bidder has visited the Site, conducted a thorough, alert visual examination of the Site and adjacent areas, and become familiar with and satisfied itself as to the general, local, and Site conditions that may affect cost, progress, and performance of the Work.
- C. Bidder is familiar with and has satisfied itself as to all Laws and Regulations that may affect cost, progress, and performance of the Work.
- D. Bidder has carefully studied all: (1) reports of explorations and tests of subsurface conditions at or adjacent to the Site and all drawings of physical conditions relating to existing surface or subsurface structures at the Site that have been identified in the Technical Specifications, especially with respect to Technical Data in such reports and drawings, and (2) reports and drawings relating to Hazardous Environmental Conditions, if any, at or adjacent to the Site that have been identified in the Supplementary Conditions, especially with respect to Technical Data in such reports and drawings.
- E. Bidder has considered the information known to Bidder itself; information commonly known to contractors doing business in the locality of the Site; information and observations obtained from visits to the Site; the Bidding Documents; and any Site-related reports and drawings identified in the Bidding Documents, with respect to the effect of such information, observations, and documents on (1) the cost, progress, and performance of the Work; (2) the means, methods, techniques, sequences, and procedures of construction to be employed by Bidder; and (3) Bidder’s safety precautions and programs.
- F. Bidder agrees, based on the information and observations referred to in the preceding paragraph, that no further examinations, investigations, explorations, tests, studies, or data are necessary for the determination of this Bid for performance of the Work at the price bid and within the times required, and in accordance with the other terms and conditions of the Bidding Documents.
- G. Bidder is aware of the general nature of work to be performed by Owner and others at the Site that relates to the Work as indicated in the Bidding Documents.
- H. Bidder has given Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that Bidder has discovered in the Bidding Documents, and confirms that the written resolution thereof by Engineer is acceptable to Bidder.
- I. The Bidding Documents are generally sufficient to indicate and convey understanding of all terms and conditions for the performance and furnishing of the Work.

- J. The submission of this Bid constitutes an incontrovertible representation by Bidder that Bidder has complied with every requirement of this Article, and that without exception the Bid and all prices in the Bid are premised upon performing and furnishing the Work required by the Bidding Documents.

ARTICLE 4 – BIDDER’S CERTIFICATION

4.01 Bidder certifies that:

- A. This Bid is genuine and not made in the interest of or on behalf of any undisclosed individual or entity and is not submitted in conformity with any collusive agreement or rules of any group, association, organization, or corporation;
- B. Bidder has not directly or indirectly induced or solicited any other Bidder to submit a false or sham Bid;
- C. Bidder has not solicited or induced any individual or entity to refrain from bidding; and
- D. Bidder has not engaged in corrupt, fraudulent, collusive, or coercive practices in competing for the Contract. For the purposes of this Paragraph 4.01.D:
 - 1. “corrupt practice” means the offering, giving, receiving, or soliciting of anything of value likely to influence the action of a public official in the bidding process;
 - 2. “fraudulent practice” means an intentional misrepresentation of facts made (a) to influence the bidding process to the detriment of Owner, (b) to establish bid prices at artificial non-competitive levels, or (c) to deprive Owner of the benefits of free and open competition;
 - 3. “collusive practice” means a scheme or arrangement between two or more Bidders, with or without the knowledge of Owner, a purpose of which is to establish bid prices at artificial, non-competitive levels; and
 - 4. “coercive practice” means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the bidding process or affect the execution of the Contract.

ARTICLE 5 – BASIS OF BID

5.01 Bidder will complete the Work in accordance with the Contract Documents for the following price(s):

BID**BBN9 REACH 10.1**

ITEM NO.	ITEM DESCRIPTION	UNIT	EST. QTY.	UNIT PRICE	TOTAL PRICE
General and Miscellaneous					
1	Mobilization (75%) / demobilization (25%).	LS	1		
2	Testing allowance, (reimbursable lab fees only, incl. compaction, concrete, materials, water quality. Excludes bacteriological lab test fees).	Allow.	1	\$500,000.00	
3	Traffic control, per county and BIA requirements.	LS	1		
Erosion and Storm Water Controls					
4	Wire-caged riprap (item includes rock, wire cage, geotextile, and staking) or cable concrete. Final quantities, dimensions and locations TBD in field, CIP.	SY	89		
5	Wire-caged buried riprap at wash crossings (item includes rock, wire cage, geotextile, and staking) or cable concrete. Final quantities, dimensions and locations TBD in field, CIP.	SY	27		
6	Re-seeding of waterline ROW and TCE, CIP.	LF	56,915		
7	Re-seeding of Reach 10.1 Surge Tank site, CIP	LS	1		
8	Re-seeding of Pumping Plant 12 Forebay Tank site, CIP	LS	1		
9	SWPPP pursuant to NPDES stormwater program and consistent with USEPA's general construction permit. Includes preparation of document, implementation of all BMPs required by SWPPP, filing of all notices and inspections required by EPA, etc.	LS	1		
Pipelines					
10	16-inch PVC DR 18 C900 Pipeline, with appurtenances, CIP. Includes fusible or bell and spigot joint as indicated on plans and specifications.	LF	56,367		
11	Horizontal Directional Drilling, including 16-inch Fusible PVC DR 18 carrier pipe and all activities for construction, CIP.	LF	548		
12	16-inch PVC and DI drainline at PP12 Site, CIP.	LF	521		
13	8-inch PVC and DI drainline at PP12 Site, CIP.	LF	529		
14	4-inch PVC and DI drainline at Surge Tank Site, CIP.	LF	188		
15	Flushing (disinfection and bacteriological testing are not included in this contract), CIP.	LF	56,915		
16	Hydrostatic testing of main pipeline, CIP	LF	56,915		

17	Rock removal and processed / imported backfill material (excludes placement and compaction of backfill, embedment, or soil cement, which are incidental to pipe bid items), CIP.	VLF	45,532		
Water Valve Assemblies					
18	16-inch Butterfly valve with bypass assembly with slow-close actuator, CIP.	EA	1		
19	16-inch Butterfly valve without bypass assembly at PP12 Forebay Tank site, CIP.	EA	3		
20	12-inch Gate valve with reducer assembly on mainline, CIP.	EA	17		
21	8-inch Gate valve assembly at PP12 site, CIP	EA	5		
22	8-inch Gate valve assembly at surge tank site connection, CIP	EA	1		
23	4-inch flush valve assembly at PP12 including gate valve, including 4" PVC line and connection to 8" drainline, CIP.	EA	1		
24	4-inch flush valve assembly with above-grade discharge, CIP.	EA	9		
25	2-inch vacuum breaker with 1-inch air release valve assembly including 1-inch flood safe inflow preventor with enclosure on 16" mainline, CIP	EA	33		
26	Spare valves per technical specification 33 12 16, CIP.	LS	1		
Cathodic Protection					
27	Cathodic protection of flush valve assemblies, CIP.	EA	4		
28	Cathodic protection of 12" Gate valve with reducer assemblies, CIP.	EA	8		
29	Cathodic protection of 2-inch vacuum breaker with 1-inch air release valve assemblies, CIP.	EA	15		
30	Cathodic protection of 30-inch steel road casing, CIP	EA	1		
Road and Utility Crossings					
31	30-inch diameter 0.375-inch wall open cut cased road crossings, incl. steel casing and end seals, CIP. Excludes carrier pipe.	LF	170		
Surge Tank and Site Work					
32	Surge tank building, incl. walls, roof, doors, hardware, floor drains, and all other structural elements not separately listed, CIP	LS	1		
33	Surge tank building foundation and interior slab, with tie-ins and appurtenances, CIP	LS	1		
34	1,057 Gallon surge tank incl. all piping, fittings, and appurtenances not separately listed, CIP.	LS	1		

35	Surge tank site piping, incl. all pipe, flush lines, drains, appurtenances, and fittings within the site ROW not separately listed, CIP. Excludes gate valves, and 16-inch main line beyond the tee.	LS	1		
36	Site earthwork and grading for sub-foundations, pads and driveways, incl. all earthwork and imported fill material, and material removal within the ROW for the surge tank building not separately listed, per plans, specifications and geotechnical report, CIP. Excludes surfacing material and riprap.	LS	1		
37	Concrete driveways, walkways, HVAC pad, transformer pad, and all other site concrete work not separately listed, CIP	LS	1		
Control Valve Vault					
38	Premanufactured Control Valve and Master Isolation Valve Vault (8-inch butterfly valve assembly with slow-close actuator, 8-inch combination altitude and flow control valve with pressure relief valve, flow control orifice plate, 1/2" ARV valve, H style strainer, pressure relief valve, all structural elements, and wetted components), including earthwork, installation and testing, CIP.	LS	1		
Pumping Plant 12 Forebay Tank and Site Work					
39	Furnish and install 75,000 gallon welded steel water storage tank, including all labor, materials, coating, and tank appurtenances, CIP.	EA	2		
40	Tank foundation for 75,000 gallon welded steel tank including all labor, materials, excavation, backfill, CIP.	EA	2		
41	Filling, flushing and hydrostatic testing of the new 75,000 gallon tank, CIP.	EA	2		
42	Pumping Plant 12 Forebay Tank site piping, (incl. all new plumbing components within the site easement, drain lines not separately listed), CIP. Excludes isolation valves, air valves, and main line in/out of the Tank(s). Excludes electrical for pressure transducer.	LS	1		
43	Site earthwork and grading for sub-foundations, pads and driveways, incl. all earthwork and imported fill material, and material removal within the ROW for the surge tank building not separately listed, per plans, specifications and geotechnical report, CIP. Excludes surfacing material and riprap.	LS	1		
General Site Work					
44	Surge tank site access road surfacing with 6-inch NMDOT specification base course, CIP.	SY	417		
45	Surge tank site surfacing 2-inch gravel over 4-inch NMDOT specification base course, CIP.	SY	271		
46	Surge Tank Site Fencing (8 ft. with 3-strand barbed wire), incl. 20' double swinging gates and 3' personnel gate, CIP.	LF	220		

47	PP12 site access road including surfacing with 6-inch NMDOT specification base course, CIP.	SY	1,341		
48	PP12 Tank Site Fencing (8 ft. with 3-strand barbed wire), incl. 20' double swinging gates and 3' personnel gate, CIP.	LF	166		
49	PP12 Tank Site Temporary Fencing (8 ft.), CIP	LF	119		
Electrical					
50	Surge tank site and building electrical/ HVAC, CIP. Includes meter pole and socket. Excludes SCADA equipment listed separately and primary pole, primary conductor, transformer and meter provided by utility.	LS	1		
51	NTUA network connection SCADA equipment at the surge tank site including PLC, connection to fiber optic line, cabinet, and all other SCADA equipment not separately listed, CIP.	LS	1		
52	SCADA programming allowance, programming sub-contractor to be selected by Owner, CIP	Allow.	1	\$125,000.00	
Powerlines					
53	Powerline Service Allowance	Allow.	1	\$250,000.00	

TOTAL BBN9 REACH 10.1 BASE BID: \$ _____

TAX: \$ _____

BBN9 REACH 10.1 TOTAL WITH TAX: \$ _____

IN WORDS: _____

BID**BBN9 REACH 10.2**

ITEM NO.	ITEM DESCRIPTION	UNIT	EST. QTY.	UNIT PRICE	TOTAL PRICE
General and Miscellaneous					
1	Mobilization (75%) / demobilization (25%).	LS	1		
2	Testing allowance, (reimbursable lab fees only, incl. compaction, concrete, materials, water quality. Excludes bacteriological lab test fees).	Allow.	1	\$500,000.00	
3	Traffic control, per county and BIA requirements.	LS	1		
Erosion and Storm Water Controls					
4	Wire-caged riprap (item includes rock, wire cage, geotextile, and staking) or cable concrete at Pumping Plant 13 site. Final quantities, dimensions and locations TBD in field, CIP.	SY	49		
5	Uncaged riprap and rock check dams, final quantities, dimensions and locations TBD in field, CIP.	CY	84		
6	Re-seeding of waterline ROW and TCE, CIP.	LF	44,970		
7	Re-seeding of Pumping Plant 12 site, CIP.	LS	1		
8	Re-seeding of Pumping Plant 13 site, CIP.	LS	1		
9	SWPPP pursuant to NPDES stormwater program and consistent with USEPA's general construction permit. Includes preparation of document, implementation of all BMPs required by SWPPP, filing of all notices and inspections required by EPA, etc.	LS	1		
Pipelines					
10	16-inch PVC DR 14 C900 Pipeline, with appurtenances, CIP. Includes fusible or bell and spigot joint as indicated on plans and specifications.	LF	4,176		
11	16-inch PVC DR 18 C900 Pipeline, with appurtenances, CIP. Includes fusible or bell and spigot joint as indicated on plans and specifications.	LF	12,512		
12	16-inch PVC DR 21 C900 Pipeline, with appurtenances, CIP. Includes fusible or bell and spigot joint as indicated on plans and specifications.	LF	27,253		
13	Horizontal Directional Drilling at wash crossing, including 16-inch PVC DR 18 carrier pipe and all activities for construction, CIP.	LF	643		
14	Pumping Plant 12 site 4-inch drainlines with appurtenances, CIP.	LF	532		

ITEM NO.	ITEM DESCRIPTION	UNIT	EST. QTY.	UNIT PRICE	TOTAL PRICE
15	Pumping Plant 12 site 4-inch flush drainline with appurtenances, CIP.	LF	580		
16	Pumping Plant 13 site 8-inch drainline with appurtenances, CIP.	LF	621		
17	Pumping Plant 13 site 16-inch drainline with appurtenances, CIP.	LF	515		
18	Flushing (disinfection and bacteriological testing are not included in this contract), CIP.	LF	44,970		
19	Hydrostatic testing of main pipeline, CIP.	LF	44,970		
20	Rock removal and processed / imported backfill material (excludes placement and compaction of backfill, embedment, or soil cement, which are incidental to pipe bid items), CIP.	VLF	17,988		
Water Valve Assemblies					
21	24-inch Butterfly valve at PP13 Site, CIP.	EA	3		
22	16-inch Butterfly valve (site valves), CIP.	EA	5		
23	12-inch Mainline gate valve with reducer assembly, CIP.	EA	13		
24	8-inch Gate valve assembly at PP13 (site valve), CIP.	EA	2		
25	4-inch Gate valve assembly (site valves), CIP.	EA	2		
26	4-inch flush valve assembly at PP12 including gate valve, excluding 4" PVC flush line, CIP.	EA	1		
27	4-inch flush valve assembly with above-grade discharge, CIP.	EA	9		
28	2-inch vacuum breaker with 1-inch air release valve assembly including 1-inch flood safe inflow preventor with enclosure, CIP.	EA	34		
29	Turnout assembly to Reach 10.2.1, including mainline tee, PVC stub out, gate valve, end cap, etc., CIP.	LS	1		
30	Spare valves per technical specification 33 12 16, CIP.	LS	1		
Cathodic Protection					
31	Cathodic protection of flush valve assemblies, CIP.	EA	1		
32	Cathodic protection of 12" Gate valve assemblies, CIP.	EA	1		
33	Cathodic protection of 2-inch vacuum breaker with 1-inch air release valve assemblies, CIP.	EA	2		

ITEM NO.	ITEM DESCRIPTION	UNIT	EST. QTY.	UNIT PRICE	TOTAL PRICE
Road and Utility Crossings					
34	30-inch diameter 0.375-inch wall open cut cased road crossings, incl. steel casing and end seals, CIP. Excludes carrier pipe.	LF	170		
35	30-inch diameter 0.375-inch wall Bore and Jack cased road crossings, incl. steel casing and end seals, CIP. Excludes carrier pipe.	LF	160		
36	Waterline line crossing location and exposure of waterlines per utility company requirements, CIP.	EA	2		
37	Gas/petroleum line crossing location and exposure of gas lines per gas company requirements, CIP.	EA	5		
Pumping Plant 12 Pump and Surge Tank Site					
38	Prefabricated pump station with plumbing tie-ins and all appurtenances, CIP.	EA	1		
39	Pump station foundation and interior slab, with tie-ins and appurtenances, CIP.	EA	1		
40	Surge tank building, incl. doors, hardware, floor drains, and all other structural elements not separately listed, CIP.	EA	1		
41	Surge tank building foundation and interior slab, with tie-ins and appurtenances, CIP.	EA	1		
42	5,811 Gallon surge tank incl. all piping, fittings, and appurtenances not separately listed, CIP.	EA	1		
43	Concrete driveways, walkways, HVAC pad, transformer pad, and all other site concrete work not separately listed, CIP.	LS	1		
44	Site earthwork and grading for sub-foundations, pads and driveways, incl. all earthwork and imported fill material, and material removal within the ROW for the pump station and surge tank not separately listed, per plans, specifications and geotechnical report, CIP. Excludes surfacing material and riprap.	LS	1		
45	Pump/ surge tank site piping, incl. all pipe, flush lines, drains, appurtenances, and fittings within the pump site ROW not separately listed, CIP. Excludes flush valves, butterfly valves, gate valves, and main line.	LS	1		

ITEM NO.	ITEM DESCRIPTION	UNIT	EST. QTY.	UNIT PRICE	TOTAL PRICE
Pumping Plant 13 Forebay Tanks and Site Work					
46	Furnish and install 75,000 gallon welded steel water storage tank, including all labor, materials, coating, and tank appurtenances, CIP.	EA	2		
47	Tank foundation for 75,000 gallon welded steel tank including all labor, materials, excavation, backfill, CIP.	EA	2		
48	Filling, flushing and hydrostatic testing of the new 75,000 gallon tank, CIP.	EA	2		
49	Site earthwork and grading for sub-foundation, pads and driveways, CIP. Excludes surfacing material and riprap.	LS	1		
50	Pumping Plant 13 Forebay Tank site piping, (incl. all new plumbing components within the site, pressure transducer vault, drain lines and drain line ROWs not separately listed), CIP. Excludes isolation valves, air valves, and main line. Excludes electrical for pressure transducer.	LS	1		
General Site Work					
51	Pumping Plant 12 access driveway including surfacing with 6-inch compacted base course, CIP.	SY	403		
52	Pumping Plant 12 site including surfacing 2-inch gravel over 4-inch NMDOT specification base course, CIP.	SY	1,303		
53	Pumping Plant 12 Site fencing (8 ft. with 3-strand barbed wire), incl. 20' double swinging gates, 3' personnel gate and removal of existing fence and gates, CIP.	LF	475		
54	Pumping Plant 13 access road and access pad including surfacing with 6-inch compacted base course, CIP.	SY	1,431		
55	Pumping Plant 13 Forebay Tank Site fencing (8 ft. with 3-strand barbed wire), incl. 20' double swinging gates and 3' personnel gate, CIP.	LF	240		
Electrical					
56	PP12 Pump & surge tank site electrical (incl. power to pump station and surge tank buildings, primary conduit, and guard posts, grounding, control wiring between pump station and surge tank bldg, and all other electrical equipment not separately listed), CIP. Excludes primary pole, primary conductor, transformer and meter provided by utility.	EA	1		

ITEM NO.	ITEM DESCRIPTION	UNIT	EST. QTY.	UNIT PRICE	TOTAL PRICE
57	PP12 Surge tank building electrical (incl. power, main disconnect, breakers, lightning protection, grounding, alarm system, solenoid system, control wiring, pressure transducers, lighting, HVAC, TVSS, and all other electrical equipment not separately listed, CIP	EA	1		
58	PP12 Pump station building electrical, incl. power supply, exterior main disconnect, TVSS, alarm system, lightning protection, SCADA panel, SCADA connection and all other electrical equipment not separately listed or included in pump station bid item, CIP. Excludes electrical components included in pre-fab pump station bid item.	EA	1		
59	Pressure transducer electrical for the pressure transducer located in the PP12 Tanks control valve vault, and underground electrical to the PP12 pump station building, CIP.	EA	1		
60	Impressed current cathodic protection system for welded steel water storage tanks at the PP12 Site per Section 26 42 10, including installation, energizing, adjusting, testing, and service agreement, CIP.	EA	2		
61	NTUA network connection SCADA equipment at the PP12 site including PLC, connection to fiber optic line, cabinet, and all other SCADA equipment not separately listed, CIP.	LS	1		
62	SCADA programming allowance, programming sub-contractor to be selected by Owner, CIP	Allow	1	125,000.00	
Powerlines					
63	Powerline Service Allowance	Allow	1	\$250,000.00	

BBN9 REACH 10.1 TOTAL BASE BID: \$ _____

BBN9 REACH 10.1 BASE BID TAX: \$ _____

BBN9 REACH 10.1 TOTAL BASE BID WITH TAX: \$ _____

IN WORDS: _____

BID ALTERNATE 1 - OPEN CUT INSTALLATION AT MULTIPLE UTILITY CROSSING AT APPROXIMATE STA. 219+00					
ITEM NO.	ITEM DESCRIPTION	UNIT	EST. QTY.	UNIT PRICE	TOTAL PRICE
65A	16-inch PVC DR 21 C900 Pipeline, with appurtenances, CIP. Includes fusible or bell and spigot joint as indicated on plans and specifications.	LF	387		
66A	Gas/petroleum line crossing, incl. 30-inch DR18 PVC casing, with petroleum-resistant gaskets and end seals, CIP. Covers all co-located petroleum lines. Excludes carrier pipe.	LF	140		

BBN9 REACH 10.2 TOTAL BID ALTERNATE 1: \$ _____

BID ALTERNATIVE 1 TAX: \$ _____

BBN9 REACH 10.2 TOTAL BID ALTERNATE 1 WITH TAX: \$ _____

REACH 10.2 TOTAL BASE BID + BID ALTERNATE 1 WITH TAX: \$ _____

IN WORDS: _____

BID ALTERNATE 2 - HDD INSTALLATION AT MULTIPLE UTILITY CROSSING AT APPROXIMATE STA. 219+00					
ITEM NO.	ITEM DESCRIPTION	UNIT	EST. QTY.	UNIT PRICE	TOTAL PRICE
65B	Horizontal Directional Drilling at gas line crossing, including 16-inch PVC DR 18 carrier pipe and all activities for construction, CIP.	LF	387		

BBN9 REACH 10.2 TOTAL BID ALTERNATE 2: \$ _____

BID ALTERNATIVE 2 TAX: \$ _____

BBN9 REACH 10.2 TOTAL BID ALTERNATE 2 WITH TAX: \$ _____

REACH 10.2 TOTAL BASE BID + BID ALTERNATE 2 WITH TAX: \$ _____

IN WORDS: _____

BID**BBN9 REACH 10.3**

ITEM NO.	ITEM DESCRIPTION	UNIT	EST. QTY.	UNIT PRICE	TOTAL PRICE
General and Miscellaneous					
1	Mobilization (75%) / demobilization (25%).	LS	1		
2	Testing allowance, (reimbursable lab fees only, incl. compaction, concrete, materials, water quality. Excludes bacteriological lab test fees).	Allow.	1	\$500,000.00	
3	Traffic control, CIP.	LS	1		
Erosion and Storm Water Controls					
4	Wire-caged riprap (item includes rock, wire cage, geotextile, and staking) or cable concrete. Final quantities, dimensions and locations TBD in field, CIP.	SY	56		
5	Uncaged riprap and rock check dams, final quantities, dimensions and locations TBD in field, CIP	CY	21		
6	Wire-caged buried riprap at wash crossings (item includes rock, wire cage, geotextile, and staking) or cable concrete. Final quantities, dimensions and locations TBD in field, CIP.	SY	81		
7	Re-seeding of waterline ROW and TCE, CIP.	LF	39,047		
8	Re-seeding of Pumping Plant 13 site, CIP	LS	1		
9	Re-seeding of Nahodishgish Regulation and Distribution Tank site, CIP	LS	1		
10	SWPPP pursuant to NPDES stormwater program and consistent with USEPA's general construction permit. Includes preparation of document, implementation of all BMPs required by SWPPP, filing of all notices and inspections required by EPA, etc.	LS	1		
Pipelines					
11	16-inch PVC DR 14 C900 Pipeline, with appurtenances, CIP. Includes fusible or bell and spigot joint as indicated on plans and specifications.	LF	8,225		
12	16-inch PVC DR 18 C900 Pipeline, with appurtenances, CIP. Includes fusible or bell and spigot joint as indicated on plans and specifications.	LF	4,611		
13	16-inch PVC DR 21 C900 Pipeline, with appurtenances, CIP. Includes fusible or bell and spigot joint as indicated on plans and specifications.	LF	25,356		
14	Horizontal Directional Drilling at wash crossing, including 16-inch PVC DR 18 carrier pipe and all activities for construction, CIP.	LF	855		

15	12-inch PVC DR 18 C900 Pipeline for Reach 10.3.1 Connector pipeline, with appurtenances, CIP. Includes fusible or bell and spigot joint as indicated on plans and specifications.	LF	420		
16	6-inch PVC DR 18 C900 Pipeline at Nahodishgish CWS tank site, with appurtenances, CIP. Includes fusible or bell and spigot joint as indicated on plans and specifications.	LF	125		
17	16-inch PVC DR 21 drainline at Nahodishgish Regulating Tank Site, CIP.	LF	304		
18	6-inch PVC DR 18 drainline at Nahodishgish Regulating Tank Site, CIP.	LF	304		
19	4-inch PVC DR 18 drainline at Pumping Plant 13 Site, CIP.	LF	306		
20	4-inch PVC DR 14 flush valve drainline at Pumping Plant 13 Site, CIP.	LF	436		
21	4-inch PVC DR 18 drainline at Nahodishgish Chlorinator Site, CIP.	LF	503		
22	2-inch PVC SDR 21 flush lines at Nahodishgish Chlorinator Site, CIP.	LF	523		
23	Flushing (disinfection and bacteriological testing are not included in this contract), CIP.	LF	39,592		
24	Hydrostatic testing of main pipeline, Reach 10.3.1 connector line, and Nahodishgish CWS connection CIP	LF	39,592		
25	Rock removal and processed / imported backfill material (excludes placement and compaction of backfill, embedment, or soil cement, which are incidental to pipe bid items), CIP.	VLF	15,837		
Water Valve Assemblies					
26	24-inch Butterfly valve (site valves), CIP.	EA	5		
27	16-inch Butterfly valve (site valves), CIP.	EA	5		
28	12-inch Mainline gate valve with reducer assembly, CIP.	EA	12		
29	12-inch Gate valve assembly without reducer assembly, CIP	EA	1		
30	6-inch Gate valve assembly, CIP	EA	7		
31	4-inch flush valve assembly at PP13 including gate valve, excluding 4" PVC flush line, CIP.	EA	1		
32	4-inch flush valve assembly with above-grade discharge, CIP.	EA	8		
33	2-inch vacuum breaker with 1-inch air release valve assembly including 1-inch flood safe inflow preventor with enclosure on 16" mainline, CIP	EA	33		
34	2-inch vacuum breaker with 1-inch air release valve assembly including 1-inch flood safe inflow preventor with enclosure on 12" Reach 10.3.1 connector line, CIP	EA	1		

35	Spare valves per technical specification 33 12 16, CIP.	LS	1		
Cathodic Protection					
36	Cathodic protection of flush valve assemblies, CIP.	EA	1		
37	Cathodic protection of 12" Gate valve assemblies, CIP.	EA	3		
38	Cathodic protection of 2-inch vacuum breaker with 1-inch air release valve assemblies, CIP.	EA	8		
39	Cathodic protection of 30-inch steel road casing, CIP	EA	3		
40	Cathodic protection of 24-inch steel road casing, CIP	EA	1		
Road and Utility Crossings					
41	30-inch diameter STD wall open cut cased road crossings, incl. steel casing and end seals, CIP. Excludes carrier pipe.	LF	400		
42	8-inch diameter 0.25-inch wall open cut cased road crossings, incl. steel casing and end seals, CIP. Excludes carrier pipe.	LF	40		
43	24-inch diameter STD wall open cut cased road crossings, incl. steel casing and end seals, CIP. Excludes carrier pipe.	LF	30		
44	30-inch diameter DR18 PVC cased gasline crossings, CIP. Excludes carrier pipe.	LF	20		
45	Waterline line crossing location and exposure of waterlines per utility company requirements, CIP.	EA	6		
46	Gas/petroleum line crossing location and exposure of gas lines per gas company requirements, CIP.	EA	1		
Pumping Plant 13 Pump and Surge Tank Site					
47	Prefabricated pump station with plumbing tie-ins and all appurtenances, CIP	EA	1		
48	Pump station foundation and interior slab, with tie-ins and appurtenances, CIP	EA	1		
49	Surge tank building, incl. doors, hardware, floor drains, and all other structural elements not separately listed, CIP	EA	1		
50	Surge tank building foundation and interior slab, with tie-ins and appurtenances, CIP	EA	1		
51	3,170 Gallon surge tank incl. all piping, fittings, and appurtenances not separately listed, CIP	EA	1		
52	Concrete driveways, walkways, HVAC pad, transformer pad, and all other site concrete work not separately listed, CIP	EA	1		

53	Site earthwork and grading for sub-foundations, pads and driveways, incl. all earthwork and imported fill material, and material removal within the ROW for the pump station and surge tank not separately listed, per plans, specifications and geotechnical report, CIP. Excludes surfacing material and riprap.	EA	1		
54	Pump/ surge tank site piping, incl. all pipe, flush lines, drains, appurtenances, and fittings within the pump site ROW not separately listed, CIP. Excludes flush valves, butterfly valves, gate valves, and main line.	EA	1		
Nahodishgish Regulating Tanks and Site Work					
55	Furnish and install 75,000 gallon welded steel water storage tank, including all labor, materials, coating, and tank appurtenances, CIP.	EA	2		
56	Tank foundation for 75,000 gallon welded steel tank including all labor, materials, excavation, backfill, CIP.	EA	2		
57	Filling, flushing and hydrostatic testing of the new 75,000 gallon tank, CIP.	EA	2		
58	Site earthwork and grading for sub-foundation, pads and driveways, CIP. Excludes surfacing material and riprap.	LS	1		
59	Nahodishgish Regulating Tank site piping, (incl. all new plumbing components within the site, pressure transducer vault, drain lines and drain line ROWs not separately listed), CIP. Excludes isolation valves, air valves, and main line. Excludes electrical for pressure transducer.	LS	1		
Nahodishgish Distribution Tank and Site Work					
60	Nahodishgish Distribution Tank chlorinator site piping, (incl. all new plumbing components within the site, drain lines and drain line ROWs not separately listed), CIP. Excludes gate valves, air valves, and main line).	LS	1		
61	Chlorinator building, (incl. all structural elements), CIP.	LS	1		
62	Chlorinator building plumbing, CIP.	LS	1		
63	Concrete walkways and all other site concrete work not separately listed, CIP	LS	1		
64	Chlorinator building foundation, CIP.	LS	1		
65	Gas chlorination equipment, CIP.	LS	1		
66	Tie-in to existing Nahodishgish CWS, CIP	LS	1		
67	Inspect, repair, prepare surface, and repaint interior and exterior of existing tank, CIP.	LS	1		
68	Rehabilitation of Existing NTUA Nahodishgish Tank, CIP.	LS	1		

General Site Work					
69	Pumping Plant 13 Site including surfacing with 2-inch gravel over 4-inch NMDOT specification base course, CIP	CY	259		
70	Pumping Plant 13 access driveways and access pad including surfacing with 6-inch compacted base course, CIP.	CY	86		
71	Nahodishgish Site surfacing with 2-inch gravel over 4-inch NMDOT specification base course, CIP	CY	126		
72	Nahodishgish Existing tank site surfacing with 2-inch gravel, CIP.	CY	59		
73	Nahodishgish Regulating Tanks site access road surfacing with 6-inch NMDOT specification base course, CIP.	CY	153		
74	Pumping Plant 13 Site fencing (8 ft. chain-link fence with 3-strand barbed wire), incl. two sets of 20' double swinging gates, 3' personnel gate, and removal of existing fence and gates, CIP.	LF	312		
75	Nahodishgish Regulating tanks site fencing (8ft. Chain-link fence with 3-strand barbed wire), incl. one set of 20' double swinging gates and 3' personnel gate, CIP.	LF	360		
76	Nahodishgish Existing Distribution tank site fencing (8ft. Chain-link fence with 3-strand barbed wire), incl. one set of 20' double swinging gates, 3' personnel gate, and removal of existing fence and gates, CIP.	LF	400		
Electrical					
77	PP13 Pump & surge tank site electrical (incl. power to pump station and surge tank buildings, primary conduit, and guard posts, grounding, control wiring between pump station and surge tank bldg, and all other electrical equipment not separately listed), CIP. Excludes primary pole, primary conductor, transformer and meter provided by utility.	EA	1		
78	Surge tank building electrical (incl. power, main disconnect, breakers, lightning protection, grounding, alarm system, solenoid system, control wiring, pressure transducers, lighting, HVAC, TVSS, and all other electrical equipment not separately listed, CIP	EA	1		
79	Pump station building electrical, incl. power supply, exterior main disconnect, TVSS, alarm system, lightning protection, SCADA panel, SCADA connection and all other electrical equipment not separately listed or included in pump station bid item, CIP. Excludes electrical components included in pre-fab pump station bid item.	EA	1		
80	Nahodishgish tank site electrical (incl. power to chlorinator building, primary conduit, and guard posts, grounding, control wiring, and all other electrical equipment not separately listed), CIP. Excludes primary pole, primary conductor, transformer and meter provided by utility.	EA	1		

81	Chlorination building electrical/ HVAC, CIP.	LS	1		
82	Pressure transducer electrical at the PP13 site, CIP.	LS	1		
83	Pressure transducer electrical at Nahodishgish Regulating Tank site, CIP.	LS	1		
84	Pressure transducer electrical inside existing Nahodishgish Distribution Tank site, including plumbing to facilitate pressure transducer installation, CIP.	LS	1		
85	Impressed current cathodic protection system for welded steel water storage tanks at the PP13 Site per Section 26 42 10, including installation, energizing, adjusting, and testing, and service agreement, CIP.	EA	2		
86	Impressed current cathodic protection system for welded steel water storage tanks at the Nahodishgish Regulating Tank Site per Section 26 42 10, including installation, energizing, adjusting, and testing, and service agreement, CIP.	EA	2		
87	NTUA network connection SCADA equipment at the PP13 site including PLC, connection to fiber optic line, cabinet, and all other SCADA equipment not separately listed, CIP.	LS	1		
88	Bureau of Reclamation NGWSP network connection SCADA equipment at the PP13 site including PLC, connection to fiber optic line, cabinet, and all other SCADA equipment not separately listed, CIP.	LS	1		
89	NTUA network connection SCADA equipment for Nahodishgish Tank site, including radios, RTU/PLCs, antennas, antenna masts, and all other SCADA equipment not separately listed, CIP	LS	1		
90	SCADA programming allowance, programming sub-contractor to be selected by Owner, CIP	Allow	1	\$250,000.00	
Powerlines					
91	Powerline Service Allowance to Nahodishgish Tank Site and PP13 Site	Allow	1	\$250,000.00	

BBN9 REACH 10.3 TOTAL BASE BID: \$ _____

BBN9 REACH 10.3 TAX: \$ _____

BBN9 REACH 10.3 TOTAL WITH TAX: \$ _____

IN WORDS: _____

Bidder acknowledges that (1) each Bid Unit Price includes an amount considered by Bidder to be adequate to cover Contractor's overhead and profit for each separately identified item, and (2) estimated quantities are not guaranteed, and are solely for the purpose of comparison of Bids, and final payment for all unit price Bid items will be based on actual quantities, determined as provided in the Contract Documents.

ARTICLE 6 – TIME OF COMPLETION

- 6.01 Bidder agrees that the Work will be substantially complete and will be completed and ready for final payment in accordance with Paragraph 15.06 of the General Conditions on or before the dates or within the number of calendar days indicated in the Agreement.
- 6.02 Bidder accepts the provisions of the Agreement as to liquidated damages.

ARTICLE 7 – ATTACHMENTS TO THIS BID

- 7.01 The following documents are submitted with and made a condition of this Bid:
- A. Required Bid security;
 - B. Bidder's Qualifications Statement with Supporting Data;
 - C. List of Proposed Subcontractors;
 - D. List of Proposed Equipment Manufacturers;
 - E. Navajo Nation Certification Regarding Debarment and Suspension;
 - F. Affidavit of Responsibility for Subcontractors;
 - G. Affidavit of Non-Collusion;
 - H. Affidavit of Non-Debarment and Non-Suspension;
 - I. New Mexico Contractor's License No.: _____; and
 - J. Documentation of eligibility for certification as Priority 1 or 2 business entity under the Navajo Business Opportunity Act (if applicable);

ARTICLE 8 – DEFINED TERMS

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

ARTICLE 9 – BID SUBMITTAL

Bidder acknowledges that the document known as EJCDC® C-700, Standard General Conditions for the Construction Contract, published by the Engineers Joint Contract Documents Committee® has been substantially modified by the Owner and such modified document has been given the label of "C-700 NN" and forms part of the present Agreement.

Yes _____

No _____

Bidder hereby attests that Bidder is in good standing with the State of New Mexico and the Navajo Nation, and will provide such certification if selected for Contract award following the bidding process and prior to execution of the Contract.

Yes _____

No _____

BIDDER: *[Indicate correct name of bidding entity]*

By:

[Signature] _____

[Printed name] _____

(If Bidder is a corporation, a limited liability company, a partnership, or a joint venture, attach evidence of authority to sign.)

Attest:

[Signature] _____

[Printed name] _____

Title: _____

Submittal Date: _____

Address for giving notices:

Telephone Number: _____

Fax Number: _____

Contact Name and e-mail address: _____

Is Bidder eligible for Indian Preference as defined in the Instructions to Bidders?

Yes _____

No _____

If yes, attach documentation of Indian Preference eligibility.

BID BOND

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

BIDDER (*Name and Address*):

SURETY (*Name, and Address of Principal Place of Business*):

OWNER (*Name and Address*):

BID

Bid Due Date:

Description (*Project Name— Include Location*):

BOND

Bond Number:

Date:

Penal sum

\$

(Words)

(Figures)

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

BIDDER

SURETY

(Seal)

(Seal)

Bidder's Name and Corporate Seal

Surety's Name and Corporate Seal

By:

Signature

By:

Signature (Attach Power of Attorney)

Print Name

Print Name

Title

Title

Attest:

Signature

Attest:

Signature

Title

Title

Note: Addresses are to be used for giving any required notice.

Provide execution by any additional parties, such as joint venturers, if necessary.

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

LIST OF PROPOSED SUBCONTRACTORS

The following listing must be completed and signed by the Bidder and submitted with the Bid Proposal. Bids submitted without this completed and signed listing or with more than one listed for each item may be considered non-responsive. The subcontractor listing threshold shall be as indicated in the Instructions to Bidders. If none of the work will be subcontracted, Bidder shall write "NONE", sign the sheet, and include with Bid to avoid being found non-responsive.

The General Contractor will determine categories of work that will be performed by the General Contractor, Subcontractors, and Tiers of Subcontractors. The following will be employed to perform the designated categories of work under this Contract.

Prior to award of the contract to the lowest qualified Bidder, the Contractor may be required to supply additional information regarding the Subcontractors listed below, as called for in the Instructions to Bidders, Bidder's Qualifications Statement, and in the technical specifications.

Contractor shall not substitute any person as Subcontractor in place of those identified on this form without prior approval from Owner.

* Category of Work	Firm Name and Business Address, Phone # and License Number of Subcontractors	** Range

List of Proposed Subcontractors - Continued

* Category of Work	Firm Name and Business Address, Phone # and License Number of Subcontractors	** Range

Use additional sheets if necessary.

Attest: _____

Authorized Officer
Date

Name and Title

Name of Firm

* Place title of subcontractor specialty.

** Subcontractor's contract range: In the column marked "Range", enter the letter corresponding to the subcontract amount.

A = Equal to or greater than \$25,000 but less than \$100,000

B = Equal to or greater than \$100,000 but less than \$250,000

C = Equal to or greater than \$250,000

LIST OF PROPOSED EQUIPMENT MANUFACTURERS

The following listing of material and/or equipment manufacturers must be completed and signed by the Contractor and submitted with the Bid Proposal. Bids submitted without this completed and signed listing or with more than one manufacturer listed for the same equipment may be considered non-responsive.

MATERIAL/EQUIPMENT	MANUFACTURER
Fusible PVC Pipe and Sweeps	
Butterfly Valves	
Gate Valves	
Air and Vacuum Breaker Assembly Valves	
Control Valves	
Cathodic Protection	
Magnetic Flow Meter	
SCADA Equipment	
Gas Chlorination Equipment	
Pre-cast Concrete Buildings	
Storage Tanks	
Hydropneumatic Surge Tank	
Pump Station	

Bidder's Name: _____

By (Signature): _____

Print or Type Name and Title: _____

BIDDER'S QUALIFICATIONS STATEMENT

Important Note:

Completion of this statement is required of all Bidders and must be submitted together with the Bid, as stipulated in the Instructions to Bidders.

Project Title: **NGWSP BBN9 Reaches 10.1, 10.2 & 10.3**

Submitted By: _____
(Print or Type Name of Bidder)

Address: _____

The undersigned certifies the truth and correctness of all statements and of all answers to questions made hereinafter. Use additional sheets for any responses, as necessary.

1. How many years has your organization been in business as a utilities contractor? _____

2. How many years has your organization been in business as a water well driller? _____

3. How many years has your organization been in business under its present name? _____

4. If a corporation, answer the following:

a. Date of Incorporation: _____

b. State of Incorporation: _____

c. President's Name: _____

d. Vice President's Name: _____

c. Secretary or Clerk's Name: _____

d. Treasurer's Name: _____

5. If individual or partnership, answer the following:

a. Date of Organization: _____

b. Name and Address of all Partners:

(State if general or limited partnership)

6. If other than corporation or partnership, describe organization and name principals. _____

7. Do you plan to subcontract any part of this Project. _____ if so, briefly describe below and identify subcontractors on the List of Proposed Subcontractors form included in these Contract Documents, that meet the listing threshold. _____

8. Has any construction contract to which you have been a party been terminated by the owner; have you ever terminated work on a project prior to its completion for any reason; has any surety which issued a performance bond on your behalf ever completed the work in its own name or financed such completion on your behalf; has any surety expended any monies in connection with the contract for which they furnished a bond on your behalf; have you been late in completing a project during the last five years resulting in the assessment of liquidated damages? If the answer to any portion of this question is "yes", please furnish details of all such occurrences including name of owner, architect or engineer, and surety, and name and date of project. _____

-
9. Has any officer or partner of your organization ever been an officer or partner of another organization that had any construction contract terminated by the owner; terminated work on a project prior to its completion for any reason; had any surety which issued a performance bond complete the work in its own name or financed such completion; or had any surety expend any monies in connection with a contract for which they furnished a bond? If the answer to any portion of this question is "yes", please furnish details of all such occurrences, including name of owner, architect or engineer, and surety, and name and date of project. .

10. List name of project, owner, architect or engineer, contract amount, percent complete and scheduled completion of the major construction projects your organization has in progress on this date. Include name, address and telephone number of a reference for each project listed. _

13. List the states and categories of construction in which your organization is legally qualified to do business. Include all license classifications your organization possesses in the State of New Mexico, as stipulated in the New Mexico Administrative Code (NMAC), Title 14, Chapter 6, Part 6. _____

14. List name, address, and telephone number of an individual who represents each of the following and who may be contacted for a financial reference.
- a. A surety: _____

- b. A bank: _____

- c. A major material supplier: _____

15. The Owner may require the low Bidder to submit a financial statement, prepared on an accrual basis in a form that clearly indicates Bidder's assets, liabilities and net worth, prior to issuance of the Notice of Award.

Dated this _____ day of _____ 20_____

Bidder: _____
(Print or Type Name of Bidder)

By: _____

Title: _____

(Seal, if Corporation)

NOTICE OF AWARD

Date of Issuance:

Owner: Navajo Nation

Owner's Contract No.:

Engineer: Souder, Miller & Associates

Project: Navajo Gallup Water Supply Project
Reaches 10.1, 10.2 & 10.3

Contract Name: Navajo Gallup Water Supply
Project Reaches 10.1, 10.2 &
10.3

Bidder:

Bidder's Address:

TO BIDDER:

You are notified that Owner has accepted your Bid dated [_____] for the above Contract, and that you are the Successful Bidder and are awarded a Contract for: The NGWSP BBN9 Reaches 10.1, 10.2 & 10.3 Project.

The Contract Price of the awarded Contract is: \$_____ (including 6% Navajo Nation Tax)

The unexecuted counterparts of the agreement, contract documents, construction drawings, and technical specifications have been made available to Bidder electronically.

You must comply with the following conditions precedent within 10 days of the date of receipt of this Notice of Award:

1. Deliver to Owner five (5) counterparts of the Agreement, fully executed by Bidder.
2. Deliver with the executed Agreement(s) the Contract security [e.g., performance and payment bonds], insurance documentation as specified in the General and Supplementary Conditions, Navajo Nation Certification Regarding Debarment and Suspension, Affidavit of Non-Collusion, Affidavit of Non-Debarment and Non-Suspension, Affidavit of Responsibility for Subcontractors, and IRS Form W-9 (most recent version).

Failure to comply with these conditions within the time specified will entitle Owner to consider you in default, annul this Notice of Award, and declare your Bid security forfeited.

Owner:

Authorized Signature

By: Jason John

Title: Director, Navajo Department of Water Resources

Copy: Engineer

**AGREEMENT
BETWEEN OWNER AND CONTRACTOR FOR
CONSTRUCTION CONTRACT (STIPULATED PRICE)**

Prepared by



Issued and Published Jointly by



AGREEMENT
BETWEEN OWNER AND CONTRACTOR
FOR CONSTRUCTION CONTRACT (STIPULATED PRICE)

Contract No. _____

Business Unit No. _____

THIS AGREEMENT is by and between the Navajo Nation through its Department of Water Resources (“Owner”) and Navajo Engineering and Construction Authority (“Contractor”) (collectively “the parties”). The Owner and Contractor agree as follows regarding the **Navajo Gallup Water Supply Project (NGWSP) Beacon Bisti N9 (BBN9) Reaches 10.1, 10.2 and 10.3 Project**:

ARTICLE 1 – WORK

- 1.01 Contractor shall complete all Work as specified on the Bid Form and elsewhere in the Contract Documents.

ARTICLE 2 – THE PROJECT

- 2.01 The Reach 10.1 Project, of which the Work under the Contract Documents is a part, is generally described as follows: construction of approximately 10.8 miles of 16-inch PVC pipe to convey water from the Navajo Gallup Water Supply Project (NGWSP) Beacon Bisti N9 (BBN9) Reach 10.1 Turnout Facility from the NGWSP San Juan Lateral (SJL) Reach 9 to the BBN9 Pumping Plant 12 (PP12). Reach 10.1 will also include the construction of a hydropneumatic surge tank building, control valve vault, and two (2) new 75,000-gallon water storage tanks.
- 2.02 The Reach 10.2 Project, of which the Work under the Contract Documents is a part, is generally described as follows: construction of approximately 8.54 miles of 16-inch PVC pipe to convey water from the NGWSP BBN9 PP12 to the BBN9 Pumping Plant 13 (PP13). Reach 10.2 will also include the construction of a hydropneumatic surge tank building, pump station building, and two (2) new 75,000-gallon water storage tanks. Reach 10.2 includes the turnout for Reach 10.2.1 which is the BBN9 connection to the Standing Rock NTUA water system.
- 2.03 The Reach 10.3 Project, of which the Work under the Contract Documents is a part, is generally described as follows: construction of approximately 7.4 miles of 16-inch PVC pipe to convey water from the NGWSP BBN9 PP13 to the Nahodishgish Tank Site. Reach 10.3 will also include the construction of a pump station, hydropneumatic surge tank building, two (2) new 75,000-gallon water storage tanks, chlorination building, connection to the Nahodishgish Navajo Tribal Utility Authority (NTUA) Community Water System (CWS) and connection pipeline to the NGWSP BBN9 Reach 10.3.1 pipeline.
- 2.04 The Reach 10.1 Project location is generally described as follows: The project is located within the Tohatchi Chapter and Coyote Canyon Chapter, Navajo Nation, McKinley County, New Mexico.

- 2.05 The Reach 10.2 Project location is generally described as follows: The project is located within the Standing Rock (Tse'ii'ahi) Chapter, Navajo Nation, McKinley County, New Mexico.
- 2.06 The Reach 10.3 Project location is generally described as follows: The project is located within the Tse'ii'ahi Chapter and Nahodishgish Chapter Communities, Navajo Nation, McKinley County, New Mexico.

ARTICLE 3 – ENGINEER

- 3.01 The Project has been designed by Souder, Miller & Associates.
- 3.02 The Owner has retained Souder, Miller & Associates (“Engineer”) to act as Owner’s representative, assume all duties and responsibilities, and have the rights and authority assigned to Engineer in the Contract Documents in connection with the completion of the Work in accordance with the Contract Documents.

ARTICLE 4 – CONTRACTOR ENTITIES AND PERSONS

The following named single business entity, or two or more business entities has/have submitted a single bid for consideration for a contract award for the project, and shall execute this contract:

A.

Name of Business Entity Address of Business Entity

Individual with Business Entity Individual’s Title

Individual’s/Business Entity’s Role in Project

This individual has signature authority to legally bind the business entity: yes / no

B.

Name of Business Entity Address of Business Entity

Individual with Business Entity Individual’s Title

Individual’s/Business Entity’s Role in Project

This individual has signature authority to legally bind the business entity: yes / no

C.

Name of Business Entity Address of Business Entity

Individual with Business Entity Individual’s Title

Individual’s/Business Entity’s Role in Project

This individual has signature authority to legally bind the business entity: yes / no

ARTICLE 5 – CONTRACT TIMES

5.01 *Commencement of the Work*

- A. The Contractor shall not commence performance of any work or the provision of any services under this Contract until (A) Owner issues a formal “Notice to Proceed” for the Project; (B) All insurance and bonding required by this Contract are in full force and effect; and (C) Owner has received copies of all insurance policies and bonds.

5.02 *Time of the Essence*

- A. All time limits for Milestones, if any, Substantial Completion, and completion and readiness for final payment as stated in the Contract Documents are of the essence of the Contract.

5.03 *Contract Times*

- A. The Work will be substantially completed within 600 calendar days after the date when the Contract Times commence to run as provided in Paragraph 4.01 of EJCDC C-700 NN and ready for final payment in accordance with Paragraph 15.06 of EJCDC C-700 NN within 450 calendar days after the date when the Contract Times commence to run.

5.04 *Liquidated Damages*

- A. Contractor and Owner recognize that time is of the essence as stated in Paragraph 5.02 above and that Owner will suffer financial and other losses if the Work is not completed and Milestones not achieved within the times specified in Paragraph 5.03 above, plus any extensions thereof allowed in accordance with the Contract. The parties also recognize the delays, expense, and difficulties involved in proving a legal or arbitration proceeding and the actual loss suffered by Owner if the Work is not completed on time. Accordingly, instead of requiring any such proof, Owner and Contractor agree that as liquidated damages for delay (but not as a penalty):
 1. Substantial Completion: Contractor shall pay Owner \$1,000.00 for each day that expires after the time (as duly adjusted pursuant to the Contract) specified in Paragraph 5.03.A above for Substantial Completion until the Work is substantially complete.
 2. Completion of Remaining Work: After Substantial Completion, if Contractor shall neglect, refuse, or fail to complete the remaining Work within the Contract Times (as duly adjusted pursuant to the Contract) for completion and readiness for final payment, Contractor shall pay Owner \$1,000.00 for each day that expires after such time until the Work is completed and ready for final payment.
 3. Liquidated damages for failing to timely attain Substantial Completion and final completion are not additive and will not be imposed concurrently.

ARTICLE 6 – CONTRACT PRICE

- 6.01 Owner shall pay Contractor for completion of the Work in accordance with the Contract Documents the amounts that follow, subject to the availability of funds, as described below: *For all Work in accordance with* the prices stated in the Contractor’s Bid, attached hereto as an exhibit., with an estimated total of all unit price work equivalent to _____, plus 6% Navajo Nation Sales Tax equivalent to _____, resulting in a Total Net Contract Value of _____.

6.02 Availability of Funds

- A. Appropriations required: Pursuant to 2 N.N.C. § 223(A), the obligation of the Navajo Nation to pay Contractor the entire Contract Amount, or any portion thereof as invoiced, or any amounts under any and all Change Orders, amendments, or modifications to this Contract, shall be contingent upon the availability of funds, from whatever source, at the time payment to the Contractor is due. Any available funds must be appropriated or allocated specifically for the Project which is the subject of this Contract.
- B. Subsequent fiscal periods: Pursuant to 12 N.N.C. § 350(D), if funds adequate to support continuation of performance under this Contract are not appropriated or otherwise become unavailable during any fiscal period(s) subsequent to that period in which this Contract is entered into, then this Contract may be cancelled at the sole discretion of the Navajo Nation, but no sooner than fourteen (14) business days following the Navajo Nation's notification to Contractor of cancellation.
- C. Payment upon cancellation: In the event of such cancellation, Contractor shall be reimbursed only for the reasonable value of any non-recurring costs incurred on account of work performed or services provided under this Contract up to the date of notification of cancellation, whether or not invoice(s), billing(s), or payment application(s) have been received by the Navajo Nation for such work or services prior to the date of cancellation, except for costs amortized in the price of such work or services.

ARTICLE 7 – PAYMENT PROCEDURES

7.01 *Submittal and Processing of Payments*

- A. Contractor shall submit the EJCDC C-620 "Application for Payment" form in accordance with Article 15 of the EJCDC C-700 NN. Applications for Payment will be processed by Engineer as provided in the EJCDC C-700 NN.
- B. Contract Number: This Contractor shall be assigned a Contract Number by the Navajo Nation Division of Finance, which number shall be shown on the front page of this Contract. Reference to the Contract Number shall be indicated on all invoices submitted to the Navajo Nation for payment, and reference to the Project and Business Unit Number for each payment shall be on all invoices submitted by the Contractor to the Navajo Nation.
- C. A total of forty-five (45) days is required to process any payment related to the Work. Therefore any provision in EJCDC C-700 NN which references a ten (10) day and/or thirty (30) day allowable period for Owner to effect payment shall hereby be changed to a forty-five (45) day payment terms.

7.02 *Progress Payments; Retainage*

- A. Owner shall make progress payments on account of the Contract Price on the basis of Contractor's Applications for Payment on or about the 25th day of each month during performance of the Work as provided in Paragraph 7.02A.1 below, provided that such Applications for Payment have been submitted in a timely manner and otherwise meet the requirements of the Contract. All such payments will be measured by the Schedule of Values established as provided in the EJCDC C-700 NN (and in the case of Unit Price Work based on the number of units completed) or as provided elsewhere in the Contract.
 - 1. Prior to Substantial Completion, progress payments will be made in an amount equal to the percentage indicated below but, in each case, less the aggregate of payments

previously made and less such amounts as Owner may withhold, including but not limited to liquidated damages, in accordance with the Contract.

a. Navajo Nation Funded Construction

- 1) 90 percent of Work completed (with the balance being retainage). If the Work has been 50 percent completed as determined by Engineer, and if the character and progress of the Work have been satisfactory to Owner and Engineer, then as long as the character and progress of the Work remain satisfactory to Owner and Engineer, there will be no additional retainage; and
- 2) 90 percent of cost of materials and equipment not incorporated in the Work (with the balance being retainage).
- 3) Retainage of 10 percent will only be held on portions of the Work financed by the Navajo Nation funds. The Contractor agrees that the Navajo Nation shall withhold ten percent of the payment due under each invoice submitted to the Navajo Nation, as a Retainage amount. Such Retainage shall be held by the Navajo Nation until Contractor has satisfied its obligations pursuant to this Contract, at which time the Retainage shall be paid. For purposes of a Retainage release, the Owner's Representative shall make a written determination that the Contractor has fully and satisfactorily completed all duties under this Contract.

b. Federal Funded Construction

- 1) 95 percent of Work completed (with the balance being retainage); and
- 2) 95 percent of cost of materials and equipment not incorporated in the Work (with the balance being retainage).
- 3) Retainage of 5 percent will only be held on portions of the Work financed with Federal funds. Withholding and release of said Retainage will occur as described in Paragraph 7.02.A.1.a.3 above.

c. State Funded Construction

- 1) 100 percent of Work completed; and
- 2) 100 percent of cost of materials and equipment not incorporated in the Work.
- 3) No retainage will be held on portions of the Work paid for with State funds.

- B. Upon Substantial Completion, Owner shall pay an amount sufficient to increase total payments to Contractor to 100 percent of the Work completed, less such amounts set off by Owner pursuant to Paragraph 15.01.E of the EJCDC C-700 NN, and less 100 percent of Engineer's estimate of the value of Work to be completed or corrected as shown on the punch list of items to be completed or corrected prior to final payment.

7.03 Final Payment

- A. Upon final completion and acceptance of the Work in accordance with Paragraph 15.06 of the EJCDC C-700 NN, Owner shall pay the remainder of the Contract Price as recommended by Engineer as provided in said Paragraph 15.06.

ARTICLE 8 – INTEREST

8.01 All amounts not paid when due shall bear no interest.

ARTICLE 9 – CONTRACTOR’S REPRESENTATIONS

9.01 In order to induce Owner to enter into this Contract, Contractor makes the following representations:

- A. Contractor has examined and carefully studied the Contract Documents, and any data and reference items identified in the Contract Documents.
- B. Contractor has visited the Site, conducted a thorough, alert visual examination of the Site and adjacent areas, and become familiar with and is satisfied as to the general, local, and Site conditions that may affect cost, progress, and performance of the Work.
- C. Contractor is familiar with and is satisfied as to all Laws and Regulations that may affect cost, progress, and performance of the Work.
- D. Contractor has carefully studied all: (1) reports of explorations and tests of subsurface conditions at or adjacent to the Site and all drawings of physical conditions relating to existing surface or subsurface structures at the Site that have been identified in the Technical Specifications, especially with respect to Technical Data in such reports and drawings, and (2) reports and drawings relating to Hazardous Environmental Conditions, if any, at or adjacent to the Site that have been identified in the Contract Documents, especially with respect to Technical Data in such reports and drawings.
- E. Contractor has considered the information known to Contractor itself; information commonly known to contractors doing business in the locality of the Site; information and observations obtained from visits to the Site; the Contract Documents; and the Site-related reports and drawings identified in the Contract Documents, with respect to the effect of such information, observations, and documents on (1) the cost, progress, and performance of the Work; (2) the means, methods, techniques, sequences, and procedures of construction to be employed by Contractor; and (3) Contractor’s safety precautions and programs.
- F. Based on the information and observations referred to in the preceding paragraph, Contractor agrees that no further examinations, investigations, explorations, tests, studies, or data are necessary for the performance of the Work at the Contract Price, within the Contract Times, and in accordance with the other terms and conditions of the Contract.
- G. Contractor is aware of the general nature of work to be performed by Owner and others at the Site that relates to the Work as indicated in the Contract Documents.
- H. Contractor has given Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that Contractor has discovered in the Contract Documents, and the written resolution thereof by Engineer is acceptable to Contractor.
- I. The Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.
- J. Contractor’s entry into this Contract constitutes an incontrovertible representation by Contractor that without exception all prices in the Contract are premised upon performing and furnishing the Work required by the Contract Documents.

ARTICLE 10 – CONTRACT DOCUMENTS

10.01 Contents

- A. The Contract Documents consist of the following:
 - 1. This Agreement (pages 1 to 9, inclusive).
 - 2. Performance bond (pages 1 to 3, inclusive).
 - 3. Payment bond (pages 1 to 3, inclusive).
 - 4. Contractor's Bid Form [EJCDC C-410] (pages 1 to 21, inclusive), plus required attachments to the Bid as stipulated in Article 7 of the Bid Form.
 - 5. Standard General Conditions and Navajo Nation Supplemental Conditions of the Construction Contract [EJCDC C-700 NN].
 - 6. Appendices as listed in the Index to Appendices of the Project Manual.
 - 7. Technical Specifications as listed in the table of contents of the Project Manual.
 - 8. Construction Drawings (not attached but incorporated by reference) as listed in the Index to Design Drawings of the Project Manual.
 - 9. The following which may be delivered or issued on or after the Effective Date of the Contract and are not attached hereto:
 - a. Notice to Proceed.
 - b. Work Change Directives.
 - c. Change Orders.
 - d. Field Orders.
 - 10. Addenda (numbers ____ to ____, inclusive)
- B. The Contract Documents may only be amended, modified, or supplemented as provided in the EJCDC C-700 NN.

ARTICLE 11 – MISCELLANEOUS

11.01 Terms

Terms used in EJCDC C-520 will have the meanings stated in EJCDC C-700 NN.

11.02 Severability

- A. Any provision or part of the Contract Documents held to be void or unenforceable under any Law or Regulation shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon Owner and Contractor, who agree that the Contract Documents shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

11.03 Other Provisions

Owner and all interested parties acknowledge that the document known as EJCDC® C-700, Standard General Conditions for the Construction Contract, published by the Engineers Joint Contract Documents Committee® has been substantially modified by the Owner and such modified document has been given the label of "C-700 NN" and forms part of the present Contract.

IN WITNESS WHEREOF, Owner and Contractor have signed this Contract.

This Contract will be effective on _____ (which is the Effective Date of the Contract).

OWNER:

CONTRACTOR:

By: Buu Nygren

By: _____

Title: President, the Navajo Nation

Title: _____

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

Address for giving notices:

Navajo Nation Department of Water Resources

P.O. Drawer 678

Fort Defiance, Arizona 86504

Address for giving notices:

License No.: _____
(where applicable)

Pursuant to 1 N.N.C. §554(J)(2) and (K)(2), Navajo Nation Department of Justice approval is required for all agreements that include a limited waiver of sovereign immunity to compel or enforce arbitration under the Navajo Nation Arbitration Act, as amended, 7 N.N.C. §1101 et seq.

Navajo Nation Department of Justice

NOTICE TO PROCEED

Owner:	Navajo Nation	Owner's Contract No.:
Contractor:	Navajo Engineering & Construction Authority	Contractor's Project No.:
Engineer:	Souder, Miller & Associates	
Project:	Navajo Gallup Water Supply Project Reaches 10.1, 10.2 & 10.3	Contract Name: Navajo Gallup Water Supply Project Reaches 10.1, 10.2 & 10.3
		Effective Date of Contract:

TO CONTRACTOR:

Owner hereby notifies Contractor that the Contract Times under the above Contract will commence to run on _____. *[see Paragraph 4.01 of the General Conditions]*

On that date, Contractor shall start performing its obligations under the Contract Documents. No Work shall be done at the Site prior to such date. In accordance with the Agreement, [the date of Substantial Completion is _____], and the date of readiness for final payment is _____.

Before starting any Work at the Site, Contractor must comply with the following:

[Note any access limitations, security procedures, or other restrictions]

N/A

Owner:

By: _____
Authorized Signature
Jason John
Title: **Director, Department of Water Resources, The Navajo Nation**
Date Issued: _____

Copy: Engineer

PERFORMANCE BOND

CONTRACTOR *(name and address):*

SURETY *(name and address of principal place of business):*

OWNER *(name and address):*

CONSTRUCTION CONTRACT

Effective Date of the Agreement:

Amount:

Description *(name and location):*

BOND

Bond Number:

Date *(not earlier than the Effective Date of the Agreement of the Construction Contract):*

Amount:

Modifications to this Bond Form: ☐ None ☐ See Paragraph 16

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

CONTRACTOR AS PRINCIPAL

SURETY

Contractor's Name and Corporate Seal

Surety's Name and Corporate Seal

By: _____
Signature

By: _____
Signature *(attach power of attorney)*

Print Name

Print Name

Title

Title

Attest: _____
Signature

Attest: _____
Signature

Title

Title

Notes: (1) Provide supplemental execution by any additional parties, such as joint venturers. (2) Any singular reference to Contractor, Surety, Owner, or other party shall be considered plural where applicable.

1. The Contractor and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors, and assigns to the Owner for the performance of the Construction Contract, which is incorporated herein by reference.

2. If the Contractor performs the Construction Contract, the Surety and the Contractor shall have no obligation under this Bond, except when applicable to participate in a conference as provided in Paragraph 3.

3. If there is no Owner Default under the Construction Contract, the Surety's obligation under this Bond shall arise after:

3.1 The Owner first provides notice to the Contractor and the Surety that the Owner is considering declaring a Contractor Default. Such notice shall indicate whether the Owner is requesting a conference among the Owner, Contractor, and Surety to discuss the Contractor's performance. If the Owner does not request a conference, the Surety may, within five (5) business days after receipt of the Owner's notice, request such a conference. If the Surety timely requests a conference, the Owner shall attend. Unless the Owner agrees otherwise, any conference requested under this Paragraph 3.1 shall be held within ten (10) business days of the Surety's receipt of the Owner's notice. If the Owner, the Contractor, and the Surety agree, the Contractor shall be allowed a reasonable time to perform the Construction Contract, but such an agreement shall not waive the Owner's right, if any, subsequently to declare a Contractor Default;

3.2 The Owner declares a Contractor Default, terminates the Construction Contract and notifies the Surety; and

3.3 The Owner has agreed to pay the Balance of the Contract Price in accordance with the terms of the Construction Contract to the Surety or to a contractor selected to perform the Construction Contract.

4. Failure on the part of the Owner to comply with the notice requirement in Paragraph 3.1 shall not constitute a failure to comply with a condition precedent to the Surety's obligations, or release the Surety from its obligations, except to the extent the Surety demonstrates actual prejudice.

5. When the Owner has satisfied the conditions of Paragraph 3, the Surety shall promptly and at the Surety's expense take one of the following actions:

5.1 Arrange for the Contractor, with the consent of the Owner, to perform and complete the Construction Contract;

5.2 Undertake to perform and complete the Construction Contract itself, through its agents or independent contractors;

5.3 Obtain bids or negotiated proposals from qualified contractors acceptable to the Owner for a contract for performance and completion of the Construction Contract, arrange for a contract to be prepared for execution by the Owner and a contractor selected with the Owners concurrence,

to be secured with performance and payment bonds executed by a qualified surety equivalent to the bonds issued on the Construction Contract, and pay to the Owner the amount of damages as described in Paragraph 7 in excess of the Balance of the Contract Price incurred by the Owner as a result of the Contractor Default; or

5.4 Waive its right to perform and complete, arrange for completion, or obtain a new contractor, and with reasonable promptness under the circumstances:

5.4.1 After investigation, determine the amount for which it may be liable to the Owner and, as soon as practicable after the amount is determined, make payment to the Owner; or

5.4.2 Deny liability in whole or in part and notify the Owner, citing the reasons for denial.

6. If the Surety does not proceed as provided in Paragraph 5 with reasonable promptness, the Surety shall be deemed to be in default on this Bond seven days after receipt of an additional written notice from the Owner to the Surety demanding that the Surety perform its obligations under this Bond, and the Owner shall be entitled to enforce any remedy available to the Owner. If the Surety proceeds as provided in Paragraph 5.4, and the Owner refuses the payment or the Surety has denied liability, in whole or in part, without further notice the Owner shall be entitled to enforce any remedy available to the Owner.

7. If the Surety elects to act under Paragraph 5.1, 5.2, or 5.3, then the responsibilities of the Surety to the Owner shall not be greater than those of the Contractor under the Construction Contract, and the responsibilities of the Owner to the Surety shall not be greater than those of the Owner under the Construction Contract. Subject to the commitment by the Owner to pay the Balance of the Contract Price, the Surety is obligated, without duplication for:

7.1 the responsibilities of the Contractor for correction of defective work and completion of the Construction Contract;

7.2 additional legal, design professional, and delay costs resulting from the Contractor's Default, and resulting from the actions or failure to act of the Surety under Paragraph 5; and

7.3 liquidated damages, or if no liquidated damages are specified in the Construction Contract, actual damages caused by delayed performance or non-performance of the Contractor.

8. If the Surety elects to act under Paragraph 5.1, 5.3, or 5.4, the Surety's liability is limited to the amount of this Bond.

9. The Surety shall not be liable to the Owner or others for obligations of the Contractor that are unrelated to the Construction Contract, and the Balance of the Contract Price shall not be reduced or set off on account of any such unrelated obligations. No right of action shall accrue on this Bond to any person or entity other than the Owner or its heirs, executors, administrators, successors, and assigns.

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

11. Any proceeding, legal or equitable, under this Bond may be instituted in any court of competent jurisdiction in the location in which the work or part of the work is located and shall be instituted within two years after a declaration of Contractor Default or within two years after the Contractor ceased working or within two years after the Surety refuses or fails to perform its obligations under this Bond, whichever occurs first. If the provisions of this paragraph are void or prohibited by law, the minimum periods of limitations available to sureties as a defense in the jurisdiction of the suit shall be applicable.

12. Notice to the Surety, the Owner, or the Contractor shall be mailed or delivered to the address shown on the page on which their signature appears.

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

14. Definitions

14.1 Balance of the Contract Price: The total amount payable by the Owner to the Contractor under the Construction Contract after all proper adjustments have been made including allowance for the Contractor for any amounts received or to be received by the Owner in settlement of insurance or other claims

for damages to which the Contractor is entitled, reduced by all valid and proper payments made to or on behalf of the Contractor under the Construction Contract.

14.2 Construction Contract: The agreement between the Owner and Contractor identified on the cover page, including all Contract Documents and changes made to the agreement and the Contract Documents.

14.3 Contractor Default: Failure of the Contractor, which has not been remedied or waived, to perform or otherwise to comply with a material term of the Construction Contract.

14.4 Owner Default: Failure of the Owner, which has not been remedied or waived, to pay the Contractor as required under the Construction Contract or to perform and complete or comply with the other material terms of the Construction Contract.

14.5 Contract Documents: All the documents that comprise the agreement between the Owner and Contractor.

15. If this Bond is issued for an agreement between a contractor and subcontractor, the term Contractor in this Bond shall be deemed to be Subcontractor and the term Owner shall be deemed to be Contractor.

16. Modifications to this Bond are as follows:

PAYMENT BOND

CONTRACTOR *(name and address)*:

SURETY *(name and address of principal place of business)*:

OWNER *(name and address)*:

CONSTRUCTION CONTRACT

Effective Date of the Agreement:

Amount:

Description *(name and location)*:

BOND

Bond Number:

Date *(not earlier than the Effective Date of the Agreement of the Construction Contract)*:

Amount:

Modifications to this Bond Form: ☐ None ☐ See Paragraph 18

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)

Contractor's Name and Corporate Seal

By: _____

Signature

Print Name

Title

Attest: _____

Signature

Title

(seal)

Surety's Name and Corporate Seal

By: _____

Signature *(attach power of attorney)*

Print Name

Title

Attest: _____

Signature

Title

Notes: (1) Provide supplemental execution by any additional parties, such as joint venturers. (2) Any singular reference to Contractor, Surety, Owner, or other party shall be considered plural where applicable.

1. The Contractor and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors, and assigns to the Owner to pay for labor, materials, and equipment furnished for use in the performance of the Construction Contract, which is incorporated herein by reference, subject to the following terms.
2. If the Contractor promptly makes payment of all sums due to Claimants, and defends, indemnifies, and holds harmless the Owner from claims, demands, liens, or suits by any person or entity seeking payment for labor, materials, or equipment furnished for use in the performance of the Construction Contract, then the Surety and the Contractor shall have no obligation under this Bond.
3. If there is no Owner Default under the Construction Contract, the Surety's obligation to the Owner under this Bond shall arise after the Owner has promptly notified the Contractor and the Surety (at the address described in Paragraph 13) of claims, demands, liens, or suits against the Owner or the Owner's property by any person or entity seeking payment for labor, materials, or equipment furnished for use in the performance of the Construction Contract, and tendered defense of such claims, demands, liens, or suits to the Contractor and the Surety.
4. When the Owner has satisfied the conditions in Paragraph 3, the Surety shall promptly and at the Surety's expense defend, indemnify, and hold harmless the Owner against a duly tendered claim, demand, lien, or suit.
5. The Surety's obligations to a Claimant under this Bond shall arise after the following:
 - 5.1 Claimants who do not have a direct contract with the Contractor,
 - 5.1.1 have furnished a written notice of non-payment to the Contractor, stating with substantial accuracy the amount claimed and the name of the party to whom the materials were, or equipment was, furnished or supplied or for whom the labor was done or performed, within ninety (90) days after having last performed labor or last furnished materials or equipment included in the Claim; and
 - 5.1.2 have sent a Claim to the Surety (at the address described in Paragraph 13).
 - 5.2 Claimants who are employed by or have a direct contract with the Contractor have sent a Claim to the Surety (at the address described in Paragraph 13).
6. If a notice of non-payment required by Paragraph 5.1.1 is given by the Owner to the Contractor, that is sufficient to satisfy a Claimant's obligation to furnish a written notice of non-payment under Paragraph 5.1.1.
7. When a Claimant has satisfied the conditions of Paragraph 5.1 or 5.2, whichever is applicable, the Surety shall promptly and at the Surety's expense take the following actions:
 - 7.1 Send an answer to the Claimant, with a copy to the Owner, within sixty (60) days after receipt of the Claim, stating the amounts that are undisputed and the basis for challenging any amounts that are disputed; and
 - 7.2 Pay or arrange for payment of any undisputed amounts.
 - 7.3 The Surety's failure to discharge its obligations under Paragraph 7.1 or 7.2 shall not be deemed to constitute a waiver of defenses the Surety or Contractor may have or acquire as to a Claim, except as to undisputed amounts for which the Surety and Claimant have reached agreement. If, however, the Surety fails to discharge its obligations under Paragraph 7.1 or 7.2, the Surety shall indemnify the Claimant for the reasonable attorney's fees the Claimant incurs thereafter to recover any sums found to be due and owing to the Claimant.
8. The Surety's total obligation shall not exceed the amount of this Bond, plus the amount of reasonable attorney's fees provided under Paragraph 7.3, and the amount of this Bond shall be credited for any payments made in good faith by the Surety.
9. Amounts owed by the Owner to the Contractor under the Construction Contract shall be used for the performance of the Construction Contract and to satisfy claims, if any, under any construction performance bond. By the Contractor furnishing and the Owner accepting this Bond, they agree that all funds earned by the Contractor in the performance of the Construction Contract are dedicated to satisfy obligations of the Contractor and Surety under this Bond, subject to the Owner's priority to use the funds for the completion of the work.
10. The Surety shall not be liable to the Owner, Claimants, or others for obligations of the Contractor that are unrelated to the Construction Contract. The Owner shall not be liable for the payment of any costs or expenses of any Claimant under this Bond, and shall have under this Bond no obligation to make payments to or give notice on behalf of Claimants, or otherwise have any obligations to Claimants under this Bond.
11. The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders, and other obligations.

12. No suit or action shall be commenced by a Claimant under this Bond other than in a court of competent jurisdiction in the state in which the project that is the subject of the Construction Contract is located or after the expiration of one year from the date (1) on which the Claimant sent a Claim to the Surety pursuant to Paragraph 5.1.2 or 5.2, 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 Construction 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.
13. Notice and Claims to the Surety, the Owner, or the Contractor shall be mailed or delivered to the address shown on the page on which their signature appears. Actual receipt of notice or Claims, however accomplished, shall be sufficient compliance as of the date received.
14. When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. When so furnished, the intent is that this Bond shall be construed as a statutory bond and not as a common law bond.
15. Upon requests by any person or entity appearing to be a potential beneficiary of this Bond, the Contractor and Owner shall promptly furnish a copy of this Bond or shall permit a copy to be made.

16. Definitions

16.1 **Claim:** A written statement by the Claimant including at a minimum:

1. The name of the Claimant;
2. The name of the person for whom the labor was done, or materials or equipment furnished;
3. A copy of the agreement or purchase order pursuant to which labor, materials, or equipment was furnished for use in the performance of the Construction Contract;
4. A brief description of the labor, materials, or equipment furnished;
5. The date on which the Claimant last performed labor or last furnished materials or equipment for use in the performance of the Construction Contract;
6. The total amount earned by the Claimant for labor, materials, or equipment furnished as of the date of the Claim;
7. The total amount of previous payments received by the Claimant; and

8. The total amount due and unpaid to the Claimant for labor, materials, or equipment furnished as of the date of the Claim.

16.2 **Claimant:** An individual or entity having a direct contract with the Contractor or with a subcontractor of the Contractor to furnish labor, materials, or equipment for use in the performance of the Construction Contract. The term Claimant also includes any individual or entity that has rightfully asserted a claim under an applicable mechanic's lien or similar statute against the real property upon which the Project is located. The intent of this Bond shall be to include without limitation in the terms of "labor, materials, or equipment" that part of the water, gas, power, light, heat, oil, gasoline, telephone service, or rental equipment used in the Construction Contract, architectural and engineering services required for performance of the work of the Contractor and the 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.

16.3 **Construction Contract:** The agreement between the Owner and Contractor identified on the cover page, including all Contract Documents and all changes made to the agreement and the Contract Documents.

16.4 **Owner Default:** Failure of the Owner, which has not been remedied or waived, to pay the Contractor as required under the Construction Contract or to perform and complete or comply with the other material terms of the Construction Contract.

16.5 **Contract Documents:** All the documents that comprise the agreement between the Owner and Contractor.

17. If this Bond is issued for an agreement between a contractor and subcontractor, the term Contractor in this Bond shall be deemed to be Subcontractor and the term Owner shall be deemed to be Contractor.

18. Modifications to this Bond are as follows:

CERTIFICATE OF INSURANCE

Certificate of Insurance to be inserted here. All coverage to be in accordance with and per the limits established in the Standard General Conditions (C-700 NN).

Contractor's Application for Payment No. _____

To (Owner): Navajo Nation		Application Period:	Application Date:
Project: Navajo Gallup Water Supply Reaches 10.1, 10.2 & 10.3		From (Contractor):	Via (Engineer):
Owner's Contract No.:		Contract: Navajo Gallup Water Supply Reaches 10.1, 10.2 & 10.3	
		Contractor's Project No.:	

Application For Payment Change and Field Order Summary

Approved Change and Field Orders		
Number	Additions (w/ tax)	Deductions (w/ tax)
TOTALS (w/ tax)		
NET CHANGE BY		
CHANGE ORDERS		

1. ORIGINAL CONTRACT PRICE (w/ tax)	\$	_____
2. Net change by Change Orders (w/ tax)	\$	_____
3. Current Contract Price (Line 1 ± 2) (w/ tax).....	\$	_____
4. TOTAL COMPLETED AND STORED TO DATE (w/ tax) (Column F total on Progress Estimates).....	\$	_____
5. RETAINAGE (w/ tax):		
a. 5% X Total Completed and Stored (line 4)	\$	_____
b. ____% X _____	\$	_____
c. Total Retainage (Line 5.a + Line 5.b).....	\$	_____
6. AMOUNT ELIGIBLE TO DATE (Line 4 - Line 5.c) (w/ tax).....	\$	_____
7. LESS PREVIOUS PAYMENTS (Line 6 from prior App) (w/ tax).....	\$	_____
8. AMOUNT DUE THIS APPLICATION (w/ tax).....	\$	_____
9. NN SALES TAX @ 6%	\$	_____
10. TOTAL AMOUNT DUE (w/o tax)	\$	_____
11. BALANCE TO FINISH, PLUS RETAINAGE (w/ tax) (Column G total on Progress Estimates + Line 5.c above).....	\$	_____

Contractor's Certification The undersigned Contractor certifies, to the best of its knowledge, the following: (1) All previous progress payments received from Owner on account of Work done under the Contract have been applied on account to discharge Contractor's legitimate obligations incurred in connection with the Work covered by prior Applications for Payment; (2) Title to all Work, materials and equipment incorporated in said Work, or otherwise listed in or covered by this Application for Payment, will pass to Owner at time of payment free and clear of all Liens, security interests, and encumbrances (except such as are covered by a bond acceptable to Owner indemnifying Owner against any such Liens, security interest, or encumbrances); and (3) All the Work covered by this Application for Payment is in accordance with the Contract Documents and is not defective.	
Contractor Signature	
By:	Date:

Payment of:	\$	_____
		Line 8 - includes amount to be paid Contractor (line 10) plus amount to be paid NN Tax Commission (line 9)
is recommended by:	_____	_____
	(Engineer)	(Date)
Payment of:	\$	_____
		Line 8 - includes amount to be paid Contractor (line 10) plus amount to be paid NN Tax Commission (line 9)
is approved by:	_____	_____
	(Owner)	(Date)
Approved by:	_____	_____
	Funding or Financing Entity (if applicable)	(Date)

Progress Estimate - Unit Price Work

Contractor's Application

[illegible]

Stored Material Summary

Contractor's Application

[illegible]

CERTIFICATE OF SUBSTANTIAL COMPLETION

Owner: Navajo Nation	Owner's Contract No.:
Contractor:	Contractor's Project No.:
Engineer: Souder, Miller & Associates	
Project: Navajo Gallup Water Supply Project Reaches 10.1, 10.2 & 10.3	Contract Name: Navajo Gallup Water Supply Project Reaches 10.1, 10.2 & 10.3

This [preliminary] [final] Certificate of Substantial Completion applies to:

☐ All Work ☐ The following specified portions of the Work:

Date of Substantial Completion

The Work to which this Certificate applies has been inspected by authorized representatives of Owner, Contractor, and Engineer, and found to be substantially complete. The Date of Substantial Completion of the Work or portion thereof designated above is hereby established, subject to the provisions of the Contract pertaining to Substantial Completion. The date of Substantial Completion in the final Certificate of Substantial Completion marks the commencement of the contractual correction period.

A punch list of items to be completed or corrected is attached to this Certificate. This list may not be all-inclusive, and the failure to include any items on such list does not alter the responsibility of the Contractor to complete all Work in accordance with the Contract. Applicable warranties required by the Contract will commence as of the date of the Affidavit of Punch List Completion issued by the Navajo Tribal Utility Authority.

The responsibilities between Owner and Contractor for security, operation, safety, maintenance, heat, utilities, insurance, and warranties upon Owner's use or occupancy of the Work shall be as provided in the Contract, except as amended as follows: *[Note: Amendments of contractual responsibilities recorded in this Certificate should be the product of mutual agreement of Owner and Contractor; see Paragraph 15.03.D of the General Conditions.]*

Amendments to Owner's responsibilities: ☐ None
☐ As follows:

Amendments to Contractor's responsibilities: ☐ None
☐ As follows:

The following documents are attached to and made a part of this Certificate: *[punch list; others]*

This Certificate does not constitute an acceptance of Work not in accordance with the Contract Documents, nor is it a release of Contractor's obligation to complete the Work in accordance with the Contract.

EXECUTED BY ENGINEER:	RECEIVED:	RECEIVED:
By: _____ (Authorized signature)	By: _____ Owner (Authorized Signature)	By: _____ Contractor (Authorized Signature)
Title: _____	Title: _____	Title: _____
Date: _____	Date: _____	Date: _____

STANDARD GENERAL CONDITIONS AND NAVAJO NATION SUPPLEMENTAL CONDITIONS OF THE CONSTRUCTION CONTRACT

Prepared by



Issued and Published Jointly by



**STANDARD GENERAL CONDITIONS AND NAVAJO NATION
SUPPLEMENTAL CONDITIONS
OF THE CONSTRUCTION CONTRACT**

TABLE OF CONTENTS

	Page
ARTICLE 1 – Definitions and Terminology.....	5
1.01 Defined Terms.....	5
1.02 Terminology	9
ARTICLE 2 – Preliminary Matters	10
2.01 Licensing and Registration Requirements.....	10
2.02 Debts Owed; Right to Offset	11
2.03 Delivery of Bonds and Evidence of Insurance	11
2.04 Copies of Documents	11
2.05 Before Starting Construction	11
2.06 Preconstruction Conference; Designation of Authorized Representatives	11
2.07 Initial Acceptance of Schedules	12
2.08 Electronic Transmittals.....	12
ARTICLE 3 – Documents: Intent, Requirements, Reuse.....	12
3.01 Intent.....	12
3.02 Reference Standards	13
3.03 Reporting and Resolving Discrepancies	13
3.04 Requirements of the Contract Documents	14
3.05 Reuse of Documents	14
ARTICLE 4 – Commencement and Progress of the Work	15
4.01 Commencement of Contract Times; Notice to Proceed; Starting the Work	15
4.02 Reference Points	15
4.03 Progress Schedule	15
4.04 Delays in Contractor’s Progress	15
ARTICLE 5 – Availability of Lands; Subsurface and Physical Conditions; Hazardous Environmental Conditions	16
5.01 Availability of Lands	16
5.02 Use of Site and Other Areas.....	16
5.03 Subsurface and Physical Conditions.....	17
5.04 Differing Subsurface or Physical Conditions	18

5.05	Underground Facilities	19
5.06	Hazardous Environmental Conditions at Site.....	21
ARTICLE 6 – Bonds and Insurance		23
6.01	Performance, Payment, and Other Bonds	23
6.02	Insurance	23
ARTICLE 7 – Contractor’s Responsibilities		27
7.01	Supervision and Superintendence	27
7.02	Labor	27
7.03	Goods, Supplies, Services, Materials, and Equipment	27
7.04	“Or Equals”	28
7.05	Substitutes	28
7.06	Concerning Subcontractors, Suppliers, and Others	29
7.07	Patent Fees and Royalties	31
7.08	Permits	31
7.09	Taxes	31
7.10	Compliance with Navajo Nation Laws and Regulations.....	32
7.11	Record Documents	32
7.12	Safety and Protection.....	32
7.13	Safety Representative	34
7.14	Hazard Communication Programs	34
7.15	Emergencies	34
7.16	Shop Drawings, Samples, and Other Submittals.....	34
7.17	Contractor’s General Warranty and Guarantee.....	36
7.18	Indemnification	38
7.19	Delegation of Professional Design Services	38
ARTICLE 8 – Other Work at the Site		39
8.01	Other Work	39
8.02	Coordination	39
8.03	Legal Relationships.....	40
ARTICLE 9 – Owner’s Rights and Responsibilities		41
9.01	Right to Assurance	41
9.02	Communications to Contractor.....	41
9.03	Replacement of Engineer	41
9.04	Furnish Data	41

9.05	Pay When Due	41
9.06	Lands and Easements; Reports, Tests, and Drawings	41
9.07	Change Orders.....	41
9.08	Inspections, Tests, and Approvals	41
9.09	Limitations on Owner’s Responsibilities	41
9.10	Undisclosed Hazardous Environmental Condition.....	42
9.11	Safety Programs	42
ARTICLE 10 – Engineer’s Status During Construction		42
10.01	Owner’s Representative.....	42
10.02	Visits to Site.....	42
10.03	Project Representative.....	43
10.04	Rejecting Defective Work.....	43
10.05	Shop Drawings, Change Orders and Payments	43
10.06	Determinations for Unit Price Work	43
10.07	Decisions on Requirements of Contract Documents and Acceptability of Work	43
10.08	Limitations on Engineer’s Authority and Responsibilities.....	43
10.09	Compliance with Safety Program.....	44
ARTICLE 11 – Amending the Contract Documents; Changes in the Work.....		44
11.01	Amending and Supplementing Contract Documents	44
11.02	Unilateral Changes in the Work by Owner.....	45
11.03	Unauthorized Changes in the Work	45
11.04	Change of Contract Price	45
11.05	Change of Contract Times	46
11.06	Change Proposals	46
11.07	Execution of Change Orders.....	47
11.08	Notification to Surety	47
ARTICLE 12 – Jurisdiction, Sovereign Immunity, Claims; Dispute Resolution		47
12.01	Navajo Nation Jurisdiction	47
12.02	Sovereign Immunity	48
12.03	Claims; Dispute Resolution	48
12.04	Navajo Nation Department of Justice Approval	49
ARTICLE 13 – Cost of the Work; Allowances; Unit Price Work		49
13.01	Cost of the Work	49
13.02	Unit Price Work	50

ARTICLE 14 – Tests and Inspections; Correction, Removal or Acceptance of Defective Work	51
14.01 Access to Work.....	51
14.02 Tests, Inspections, and Approvals	51
14.03 Defective Work.....	52
14.04 Acceptance of Defective Work.....	52
14.05 Uncovering Work	53
14.06 Owner May Stop the Work	53
14.07 Owner May Correct Defective Work.....	53
ARTICLE 15 – Payments to Contractor; Set-Offs; Completion; Correction Period	54
15.01 Progress Payments	54
15.02 Contractor’s Warranty of Title	57
15.03 Substantial Completion	57
15.04 Partial Use or Occupancy	58
15.05 Final Inspection	58
15.06 Final Payment.....	59
15.07 Correction Period	60
ARTICLE 16 – Suspension of Work and Termination	61
16.01 Owner May Suspend Work	61
16.02 Owner May Terminate for Cause.....	61
16.03 Owner May Terminate For Convenience	62
16.04 Contractor May Stop Work or Terminate	62
16.05 Additional Rights of Navajo Nation to Suspend or Terminate	63
ARTICLE 17 – Miscellaneous	64
17.01 Miscellaneous Provisions	64
17.02 No Waiver	67
17.03 Headings.....	67

ARTICLE 1 – DEFINITIONS AND TERMINOLOGY

1.01 *Defined Terms*

- A. Wherever used in the Bidding Requirements or Contract Documents, a term printed with initial capital letters, including the term's singular and plural forms, will have the meaning indicated in the definitions below. In addition to terms specifically defined, terms with initial capital letters in the Contract Documents include references to identified articles and paragraphs, and the titles of other documents or forms.
1. *Addenda*—Written or graphic instruments issued prior to the opening of Bids which clarify, correct, or change the Bidding Requirements or the proposed Contract Documents.
 2. *Agreement*—Shall have the same meaning as Contract.
 3. *Application for Payment*—The document acceptable to Engineer which is to be used by Contractor during the course of the Work, to request progress or final payments and which is to be accompanied by such supporting documentation as is required by the Contract Documents or by the Owner.
 4. *Bid*—The offer of a Bidder submitted on the prescribed form setting forth the Bidder's firm proposed price for the Work to be performed.
 5. *Bidder*—An individual or business entity that submits a Bid to Owner.
 6. *Bidding Documents*—The Bidding Requirements, the proposed Contract Documents, and all Addenda.
 7. *Bidding Requirements*—The advertisement or invitation to bid, Instructions to Bidders, Bid Bond or other Bid security, if any, the Bid Form, and the Bid with any attachments.
 8. *Change Order*—A document which is signed by Contractor and Owner and authorizes an addition, deletion, or revision in the Work or an adjustment in the Contract Price or the Contract Times, or other revision to the Contract, issued on or after the Effective Date of the Contract.
 9. *Change Proposal*—A written request by Contractor, duly submitted in compliance with the procedural requirements set forth herein, seeking an adjustment in Contract Price or Contract Times, or both; contesting an initial decision by Engineer concerning the requirements of the Contract Documents or the acceptability of Work under the Contract Documents; challenging a set-off against payments due; or seeking other relief with respect to the terms of the Contract.
 10. *Constituent of Concern*—Asbestos, petroleum, radioactive materials, polychlorinated biphenyls (PCBs), hazardous waste, and any substance, product, waste, or other material of any nature whatsoever that is or becomes listed, regulated, or addressed pursuant to (a) the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §§9601 et seq. ("CERCLA"); (b) the Hazardous Materials Transportation Act, 49 U.S.C. §§5501 et seq.; (c) the Resource Conservation and Recovery Act, 42 U.S.C. §§6901 et seq. ("RCRA"); (d) the Toxic Substances Control Act, 15 U.S.C. §§2601 et seq.; (e) the Clean Water Act, 33 U.S.C. §§1251 et seq.; (f) the Clean Air Act, 42 U.S.C. §§7401 et seq.; or (g) any other federal, state, or Navajo Nation statute, law, rule, regulation, ordinance, resolution, code, order, policy, or decree regulating, relating to, or imposing liability or standards of conduct concerning, any hazardous, toxic, or dangerous waste, substance, or material.

11. *Contract*—The entire and integrated written contract between the Owner and Contractor concerning the Work.
12. *Contract Documents*—All documents listed in EJCDC Document C-520 “Agreement Between Owner and Contractor for Construction Contract (Stipulated Price)” Article 10.
13. *Contract Price*—The money that Owner has agreed to pay Contractor for satisfactory completion of the Work in accordance with the Contract Documents, including all Change Orders, if any.
14. *Contract Times*—The number of days or the dates by which Contractor shall: (a) achieve Milestones, if any; (b) achieve Substantial Completion; and (c) complete the Work.
15. *Contractor*—The individual or business entity that has entered into the Contract with the Owner for performance of the Work.
16. *Contractor’s Claim* - A written document issued by the Contractor, duly submitted to the Owner and Engineer in compliance with the procedural requirements set forth herein, submitted for purposes of: (1) contesting the Engineer’s decision regarding a Change Proposal; or (2) seeking resolution of a contractual issue that the Engineer has declined to address; or (3) seeking other relief with respect to the terms of the Contract. A demand for money or services by a third party is not a Contractor’s Claim.
17. *Cost of the Work*—See Paragraph 13.01 for definition.
18. *Drawings*— The part of the Contract Documents that have been prepared and stamped by the Engineer, graphically showing the scope, extent, and character of the Work to be performed by Contractor.
19. *Effective Date of the Contract*—The date indicated in the Contract on which the Contract becomes effective.
20. *Engineer*—The individual or entity named as such in the Contract.
21. *Field Order*— A written order issued to the Contractor by the Engineer which requires the Contractor to perform changes in the Work for the Project, but does not change the Contract Price or the Contract Times, and therefore does not require a Change Order.
22. *Hazardous Environmental Condition*—The presence at the Site of Constituents of Concern in such quantities or circumstances that may present a danger to persons or property exposed thereto. The presence at the Site of materials that are necessary for the execution of the Work, or that are to be incorporated in the Work, and that are controlled and contained pursuant to industry practices, Laws and Regulations, and the requirements of the Contract, does not establish a Hazardous Environmental Condition.
23. *Laws and Regulations; Laws or Regulations*—Any and all applicable laws, statutes, rules, regulations, ordinances, codes, and orders of any and all governmental bodies, agencies, authorities, and courts having jurisdiction over the Project.
24. *Liens*—Charges, security interests, or encumbrances upon Contract-related funds, real property, or personal property.

25. *Milestone*—A principal event in the performance of the Work that the Contract requires Contractor to achieve by an intermediate completion date or by a time prior to Substantial Completion of all the Work.
26. *Notice of Award*— A written notice issued by the Owner to a selected Bidder, notifying the Bidder that its Bid has been accepted by the Owner. A Notice of Award does not constitute a promise of Contract Award by the Owner, and the Contractor is not guaranteed a Contract Award until a Contract is duly executed by the Navajo Nation.
27. *Notice to Proceed*— A written notice by Owner to the Contractor fixing the date on which the Contract Times will commence to run and on which Contractor shall commence its performance of the Work.
28. *Owner*—The Navajo Nation.
29. *Owner's Claim* - A written document issued by the Owner, duly submitted to the Contractor and Engineer in compliance with the procedural requirements set forth herein, submitted for purposes of: (1) contesting an initial decision by the Engineer concerning the requirements of the Contract Documents or the acceptability of the Contractor's Work under the Contract Documents; or (2) contesting the Engineer's decision regarding a Change Proposal; or (3) seeking resolution of a contractual issue that the Engineer has declined to address; or (4) seeking other relief with respect to the terms of the Contract.
30. *Progress Schedule*—A time schedule, prepared and maintained by the Contractor, describing the sequence and duration of the activities comprising the Contractor's plan to complete the Work within the Contract Times, including descriptions and dates of Milestones.
31. *Project*—The total undertaking to be accomplished for Owner by engineers, contractors, and others, which includes activities such as planning, study, design, construction, testing, commissioning, mobilization and start-up, among others, and which is the subject of the Contract Documents and the Work under this Contract.
32. *Project Manual*—The Package containing all information, terms, and conditions governing the Invitation to Bid, including, but not limited to, Instructions to Bidders, Bid Bond Form, Bid Form, and the Contract Documents.
33. *Resident Project Representative*—The authorized representative of Engineer assigned to assist Engineer at the Site. As used herein, the term Resident Project Representative or "RPR" includes any assistants or field staff of Resident Project Representative.
34. *Samples*—Physical examples of materials, equipment, or workmanship that are representative of some portion of the Work and that establish the standards by which such portion of the Work will be judged.
35. *Schedule of Submittals*—A schedule, prepared and maintained by Contractor, of required submittals and the time requirements for Engineer's review of the submittals and the performance of related construction activities.
36. *Schedule of Values*—A breakdown or detailed listing of specific fees, prepared and maintained by Contractor, allocating portions of the Contract Price to various portions of the Work and used as the basis for reviewing Contractor's Applications for Payment.
37. *Shop Drawings*—All drawings, diagrams, illustrations, schedules, and other data or information that are specifically prepared or assembled by or for Contractor and

submitted by Contractor to illustrate some portion of the Work. Shop Drawings, whether approved or not, are not Drawings and are not Contract Documents.

38. *Site*—The land upon which the Work is to be performed, and the Project is to be located, including rights-of-way and easements, if any, necessary appurtenant lands. The Site includes any appurtenant premises that the Owner permits the Contractor to use or occupy for a temporary period of time, only as necessary for performance of the Work and completion of the Project.
39. *Specifications*—The part of the Contract that consists of written requirements for goods, materials, equipment, systems, supplies, standards, and workmanship as applied to the Work, and certain administrative requirements and procedural matters applicable to the Work.
40. *Subcontractor*—An individual or entity having a direct contract with Contractor or with any other Subcontractor for the performance of a part of the Work.
41. *Substantial Completion*—The time at which the Work (or a specified part thereof as determined by the Engineer and approved by the Owner) has progressed to the point where, in the opinion of the Owner, the Work (or a specified part thereof) is sufficiently complete, in accordance with the Contract Documents, so that the Work (or a specified part thereof) can be utilized for the purposes for which it is intended. The terms “substantially complete” and “substantially completed” as applied to all or part of the Work refer to Substantial Completion thereof.
42. *Selected Contractor*—The Bidder whose Bid the Owner accepts, and to which the Owner makes an award of contract.
43. *Supplier*—A manufacturer, fabricator, supplier, distributor, materialman, or vendor having a direct contract with Contractor or with any Subcontractor to furnish goods, supplies, materials or equipment to be incorporated in the Work.
44. *Technical Data*—Those items expressly identified as Technical Data in the Project Manual, with respect to either (a) subsurface conditions at the Site, or physical conditions relating to existing surface or subsurface structures at the Site (except Underground Facilities) or (b) Hazardous Environmental Conditions at the Site. If no such express identifications of Technical Data have been made with respect to conditions at the Site, then the data contained in boring logs, recorded measurements of subsurface water levels, laboratory test results, and other factual, objective information regarding conditions at the Site that are set forth in any geotechnical or environmental report prepared for the Project and made available to Contractor are hereby defined as Technical Data with respect to conditions at the Site under Paragraphs 5.03, 5.04, and 5.06.
45. *Underground Facilities*—All underground pipelines, conduits, ducts, cables, wires, manholes, vaults, tanks, tunnels, or other such facilities or attachments, and any encasements containing such facilities, including but not limited to those that convey electricity, gases, steam, liquid petroleum products, telephone or other communications, fiber optic transmissions, cable television, water, wastewater, storm water, other liquids or chemicals, or traffic or other control systems.
46. *Unit Price Work*— Specific incremental portions of the Work for the Project that are assigned a specific price by the Contractor and that the Contractor requests the Owner to pay in separate increments.

47. *Work*—The entire construction of the Project, or the various separately identifiable parts thereof, that are required to be provided under the Contract Documents, and documentation necessary to complete construction of the Project; furnishing, installing, and incorporating all goods, supplies, materials and equipment into such construction; and may include related services such as testing, start-up, mobilization and commissioning, as necessary for complete and satisfactory performance of the Work.
48. *Work Change Directive*—A written directive to Contractor issued by the Engineer on or after the Effective Date of the Contract, authorized by the Owner, ordering an addition, deletion, or revision in the Work, which will be incorporated in a subsequently issued Change Order.

1.02 Terminology

- A. The words and terms discussed in the following paragraphs are not defined but, when used in the Project Manual or Contract Documents, have the indicated meaning.
- B. *Intent of Certain Terms or Adjectives:*
 1. The Contract Documents include the terms “as allowed,” “as approved,” “as ordered,” “as directed” or terms of like effect or import to authorize an exercise of professional judgment by Engineer. In addition, the adjectives “reasonable,” “suitable,” “acceptable,” “proper,” “satisfactory” or similar adjectives, are used herein to describe an action or determination of Engineer as to the Work. It is intended that such exercise of professional judgment, action, or determination will be solely to evaluate, in general, the Work for compliance with the information in the Contract Documents and with the design concept of the Project as a functioning whole as shown or indicated in the Contract Documents (unless there is a specific statement indicating otherwise). The use of any such term or adjective is not intended to and shall not be effective to assign to Engineer any duty or authority to supervise or direct the performance of the Work, or any duty or authority to undertake responsibility contrary to the provisions of Article 10 or any other provision of the Contract Documents, except as specifically provided in the Contract between the Owner and the Engineer.
- C. *Day:*
 1. The word “day” means a calendar day of 24 hours measured from midnight to the next midnight.
- D. *Defective:*
 1. The word “defective,” when modifying the word “Work,” refers to Work that is determined, in the judgment of the Engineer, to be unsatisfactory, faulty, or deficient in that it:
 - a. does not conform to the Contract Documents; or
 - b. does not meet the requirements of any applicable inspection, reference standard, test, or approval referred to in the Contract Documents; or
 - c. has been damaged prior to Engineer’s recommendation of final payment (unless responsibility for the protection thereof has been assumed by Owner at Substantial Completion in accordance with Paragraph 15.03 or 15.04).

E. *Furnish, Install, Perform, Provide:*

1. The word “furnish,” when used in connection with goods, supplies, services, materials, or equipment, shall mean to supply and deliver said goods, supplies, services, materials, or equipment to the Site ready for use or installation and in usable or operable condition.
 2. The word “install,” when used in connection with goods, supplies, services, materials, or equipment, shall mean to put into use or place in final position said goods, supplies, services, materials, or equipment complete and ready for intended use.
 3. The words “perform” or “provide,” when used in connection with goods, supplies, services, materials, or equipment, shall mean to furnish and install said goods, supplies, services, materials, or equipment complete and ready for intended use.
 4. If the Contract Documents establish an obligation of Contractor with respect to specific goods, supplies, services, materials, or equipment, but do not expressly use any of the four words “furnish,” “install,” “perform,” or “provide,” then the Contractor shall furnish and install said goods, supplies, services, materials, or equipment complete and ready for intended use.
- F. Unless stated otherwise in the Contract Documents, words or phrases that have a well-known technical or construction industry or trade meaning are used in the Contract Documents in accordance with such recognized meaning.

ARTICLE 2 – PRELIMINARY MATTERS

2.01 *Licensing and Registration Requirements*

- A. *State license required:* As an express condition of the award of this Contract, at least one of the Contractor’s individual owners, co-owners, principals, partners, managers, team members, officers, employees, or subcontractors, as identified in EJCDC C-520 “Agreement Between Owner and Contractor” (herein “EJCDC C-520”) Article 4, shall provide a current and valid license from an appropriate state licensing board or agency for the type of work to be performed and services to be provided by the Contractor, which license is customarily maintained in the Contractor’s industry (a valid license held by an individual with an ancillary firm shall be acceptable, so long as the provisions of Article 6 herein are satisfied). Each entity or individual listed in EJCDC C-520 Article 4 shall indicate its business name, business address, and state license number. Said license must be issued by the state which is the geographical location of the primary location of the Work. For the entire duration of performance under this Contract, said license must be maintained as active and current and must remain directly associated with a signatory party to this Contract, and failure of such shall be deemed a material breach for which the Navajo Nation may terminate this Contract.
- B. *Business registration required:* Each entity or individual identified in EJCDC C-520 Article 4 shall be registered to do business with an appropriate state agency, as either a domestic or foreign business entity within such state, and each shall indicate its business name, business address, and state business registration number in EJCDC C-520 Article 4. Said registration must be issued by the state which is the primary location of the Work. For the entire duration of performance under this Contract, said registration must be maintained as active and current and must remain directly associated with a signatory party to this Contract, and failure of such shall be deemed a material breach for which the Navajo Nation may terminate this Contract. Each must also comply with the registered agent and

business registration requirements of the Navajo Nation Business Registration Department and be duly approved to engage in business activity within the Navajo (see 5 N.N.C. § 3166, § 3170, § 3171).

2.02 *Debts Owed; Right to Offset*

- A. By execution of this Contract, the Contractor expressly represents to the Owner that the Contractor in its present form or any other identifiable capacity as an individual, business, corporation, partnership, or other entity, has no outstanding money judgment against it in favor of the Owner as defined in 12 N.N.C. § 1503(A), and further represents that there exists no delinquent accounts receivable debt which is due and owing to the Owner as defined in 12 N.N.C. § 1503(A), from the Contractor or other such related individual or entity. The Contractor expressly agrees that, pursuant to 12 N.N.C. § 1507, if the Contractor or other entity owes such debt to the Owner, the Owner may, upon thirty (30) calendar days prior notice to the Contractor, offset its financial claim against any amount owed to the Contractor for work performed or services provided under this Contract.

2.03 *Delivery of Bonds and Evidence of Insurance*

When Contractor delivers the executed counterparts of the Contract to Owner, Contractor shall also deliver to Owner bonds and evidence of insurance as required by Article 6 below.

2.04 *Copies of Documents*

- A. Owner shall furnish to Contractor one executed copy of the Contract. Additional printed copies will be furnished upon request at the cost of reproduction.
- B. Owner shall maintain and safeguard at least one original printed record version of all Contract Documents, including Drawings and Specifications signed and sealed by Engineer and other design professionals. Owner shall make such original printed record version of the Contract Documents available to Contractor for review. Owner may delegate the responsibilities under this provision to Engineer.

2.05 *Before Starting Construction*

- A. *Preliminary Schedules:* Within 10 days after the Effective Date of the Contract (or as otherwise specifically required by the Contract Documents), Contractor shall submit to Engineer for timely review:
1. a preliminary Progress Schedule indicating the times (numbers of days or dates) for starting and completing the various stages of the Work, including any Milestones specified in the Contract;
 2. a preliminary Schedule of Submittals; and
 3. a preliminary Schedule of Values for all of the Work which includes Unit Price Work and which divides the Work into component parts in sufficient detail to serve as the basis for progress payments during performance of the Work.

2.06 *Preconstruction Conference; Designation of Authorized Representatives*

- A. Before any Work at the Site is started, a conference attended by Owner, Contractor, Engineer, and others as appropriate will be held to establish a working understanding among the parties as to the Work and to discuss (1) the schedules referred to in Paragraph 2.05.A, (2) procedures for handling Shop Drawings, Samples, and other submittals, (3) processing Applications for Payment, (4) electronic or digital transmittals, and (5) maintaining required records.

- B. In the Contract, Owner and Contractor each shall designate, in writing, a specific individual to act as its authorized representative with respect to the services and responsibilities under the Contract. Such individuals shall have the authority to transmit and receive information, render decisions relative to the Contract, and otherwise act on behalf of each respective party.

2.07 *Initial Acceptance of Schedules*

- A. At least 10 days before submission of the first Application for Payment a conference, attended by Contractor, Engineer, and others as appropriate, will be held to review for acceptability to Engineer as provided below, the schedules submitted in accordance with Paragraph 2.05.A. Contractor shall have an additional 10 days to make corrections and adjustments and to complete and resubmit the schedules. No progress payment shall be made to Contractor until the Engineer approves all submitted schedules.
 - 1. The Progress Schedule will be acceptable to Engineer if it provides an orderly progression of the Work to completion within the Contract Times. Such acceptance will not impose on Engineer responsibility for the Progress Schedule, for sequencing, scheduling, or progress of the Work, nor interfere with or relieve Contractor from Contractor's full responsibility therefor.
 - 2. Contractor's Schedule of Submittals will be acceptable to Engineer if it provides a workable arrangement for reviewing and processing the required submittals.
 - 3. Contractor's Schedule of Values will be acceptable to Engineer as to form and substance if it provides a reasonable allocation of the Contract Price to the component parts of the Work.

2.08 *Electronic Transmittals*

- A. Except as otherwise stated elsewhere in the Contract, the Owner, Engineer, and Contractor may transmit, and shall accept, Project-related correspondence, text, data, documents, drawings, information, and graphics, including but not limited to Shop Drawings and other submittals, in electronic media or digital format, either directly, or through access to a secure Project website.
- B. If the Contract does not establish protocols for electronic or digital transmittals, then Owner, Engineer, and Contractor shall jointly develop such protocols.
- C. When transmitting items in electronic media or digital format, the transmitting party makes no representations as to long term compatibility, usability, or readability of the items resulting from the recipient's use of software application packages, operating systems, or computer hardware differing from those used in the drafting or transmittal of the items, or from those established in applicable transmittal protocols.

ARTICLE 3 – DOCUMENTS: INTENT, REQUIREMENTS, REUSE

3.01 *Intent*

- A. The Contract Documents are complementary; what is required by one is as binding as if required by all.
- B. It is the intent of the Contract Documents to describe a functionally complete project (or part thereof) to be constructed in accordance with the Contract Documents.
- C. Unless otherwise stated in the Contract Documents, if there is a discrepancy between the electronic or digital versions of the Contract Documents (including any printed copies

derived from such electronic or digital versions) and the printed record version, the printed record version shall govern.

- D. Engineer will issue clarifications and interpretations of the Contract Documents as provided herein.

3.02 *Reference Standards*

A. Standards Specifications, Codes, Laws and Regulations

1. Reference in the Contract Documents to standard specifications, manuals, reference standards, or codes of any technical society, organization, or association, or to Laws or Regulations, whether such reference be specific or by implication, shall mean the standard specification, manual, reference standard, code, or Laws or Regulations in effect at the time of opening of Bids (or on the Effective Date of the Contract if there were no Bids), except as may be otherwise specifically stated in the Contract Documents.
2. No provision of any such standard specification, manual, reference standard, or code, or any instruction of a Supplier, shall be effective to change the duties or responsibilities of Owner, Contractor, or Engineer, or any of their subcontractors, consultants, agents, or employees, from those set forth in the part of the Contract Documents prepared by or for Engineer. No such provision or instruction shall be effective to assign to Owner, Engineer, or any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors, any duty or authority to supervise or direct the performance of the Work or any duty or authority to undertake responsibility inconsistent with the provisions of the part of the Contract Documents prepared by or for Engineer.

3.03 *Reporting and Resolving Discrepancies*

A. *Reporting Discrepancies:*

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

3. Contractor shall not be liable to Owner or Engineer for failure to report any conflict, error, ambiguity, or discrepancy in the Contract Documents unless Contractor had actual knowledge thereof.

B. *Resolving Discrepancies:*

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

3.04 *Requirements of the Contract Documents*

- A. During the performance of the Work and until final payment, Contractor and Owner shall submit to the Engineer all matters in question concerning the requirements of the Contract Documents (sometimes referred to as requests for information or interpretation—RFIs), or relating to the acceptability of the Work under the Contract Documents, as soon as possible after such matters arise. Engineer will be the initial interpreter of the requirements of the Contract Documents, and shall determine the acceptability of the Work thereunder.
- B. Engineer will, with reasonable promptness, render a written clarification, interpretation, or decision on the issue submitted, or initiate an amendment or supplement to the Contract Documents via a Change Order. Engineer's written clarification, interpretation, or decision will be final and binding on Contractor and the Owner, unless the Contractor appeals by submitting a Change Proposal or unless the Owner appeals by filing an Owner's Claim.
- C. If a submitted matter in question concerns terms and conditions of the Contract Documents that do not involve (1) the performance or acceptability of the Work under the Contract Documents, (2) the design (as set forth in the Drawings, Specifications, or otherwise), or (3) other engineering or technical matters, then Engineer will promptly give written notice to Owner and Contractor that Engineer is unable to provide a decision or interpretation. If Owner and Contractor are unable to agree on resolution of such a matter in question, either party may pursue resolution as provided in Article 12.

3.05 *Reuse of Documents*

- A. Contractor and its Subcontractors, Suppliers, Laborers, or Employees shall not:
 1. have or acquire any title to or ownership rights in any of the Contract Documents prepared by or bearing the seal of Engineer or its consultants, including electronic media editions, and shall not reuse any of the Contract Documents without written consent of Owner and Engineer and without specific written verification of adaptation by Engineer; or
 2. violate any copyrights pertaining to such Contract Documents.
- B. The prohibitions of this Paragraph 3.05 will survive final payment, or termination of the Contract. Nothing herein shall preclude Contractor from retaining copies of the Contract Documents for recordkeeping purposes.

ARTICLE 4 – COMMENCEMENT AND PROGRESS OF THE WORK

4.01 *Commencement of Contract Times; Notice to Proceed; Starting the Work*

- A. The Contract Times will commence to run on the date identified by the Owner in the Notice to Proceed.
- B. Notwithstanding the Notice to Proceed, Contractor shall not commence any work under this Contract until the effective date of all insurance required by this Contract.

4.02 *Reference Points*

- A. Owner shall provide engineering surveys to establish reference points for construction which in Engineer's judgment are necessary to enable Contractor to proceed with the Work. Contractor shall be responsible for laying out the Work, shall protect and preserve the established reference points and property monuments, and shall make no changes or relocations without the prior written approval of Owner. Contractor shall report to Engineer whenever any reference point or property monument is lost or destroyed or requires relocation because of necessary changes in grades or locations, and shall be responsible for the accurate replacement or relocation of such reference points or property monuments by professionally qualified personnel.

4.03 *Progress Schedule*

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

4.04 *Delays in Contractor's Progress*

- A. If Owner, Engineer, or anyone for whom Owner is responsible, delays, disrupts, or interferes with the performance or progress of the Work, then Contractor shall be entitled to an equitable adjustment in the Contract Times or Contract Price, if such adjustment is necessary to Contractor's ability to complete the Work within the Contract Times.
- B. Contractor shall not be entitled to an adjustment in Contract Price or Contract Times for delay, disruption, or interference caused by or within the control of Contractor. Delay, disruption, and interference attributable to and within the control of any of the Contractor's Subcontractors, Suppliers, Laborers, or Employees shall be deemed to be within the control of Contractor.
- C. If Contractor's performance or progress is delayed, disrupted, or interfered with by unanticipated causes not the fault of and beyond the control of Owner, Contractor, and those for which they are responsible, then Contractor shall be entitled to an equitable adjustment in Contract Times, if such adjustment is necessary to Contractor's ability to

complete the Work within the Contract Times. Adjustment of the Contract Times shall be Contractor's sole and exclusive remedy for the delays, disruption, and interference described in this paragraph. Causes of delay, disruption, or interference that may give rise to an adjustment in Contract Times under this paragraph include but are not limited to the following:

1. severe and unavoidable natural catastrophes such as fires, floods, epidemics, and earthquakes;
 2. abnormal weather conditions;
 3. impeded access to the Project site not caused by either party;
 4. acts or failure to act of utility providers; and
 5. acts of war or terrorism.
- D. Delays, disruption, and interference to the performance or progress of the Work resulting from the existence of a differing subsurface or physical condition, an Underground Facility that was not shown or indicated by the Contract Documents, or not shown or indicated with reasonable accuracy, and those resulting from Hazardous Environmental Conditions, are governed by Article 5.
- E. Paragraph 8.03 governs delays, disruption, and interference to the performance or progress of the Work resulting from the performance of certain other work at or adjacent to the Site.
- F. Contractor shall not be entitled to an adjustment in Contract Price or Contract Times for any delay, disruption, or interference if such delay is concurrent with a delay, disruption, or interference caused by or within the control of Contractor.
- G. Contractor must submit any Change Proposal seeking an adjustment in Contract Price or Contract Times under this paragraph within 30 days of the commencement of the delaying, disrupting, or interfering event.

ARTICLE 5 – AVAILABILITY OF LANDS; SUBSURFACE AND PHYSICAL CONDITIONS; HAZARDOUS ENVIRONMENTAL CONDITIONS

5.01 *Availability of Lands*

- A. Owner shall furnish the Site. Owner shall notify Contractor of any encumbrances or restrictions not of general application but specifically related to use of the Site with which Contractor must comply in performing the Work.
- B. Upon reasonable written request, Owner shall furnish Contractor with a current statement of record legal title and legal description of the lands upon which permanent improvements are to be made and Owner's interest therein.
- C. Contractor shall provide for all additional lands and access thereto that may be required for temporary construction facilities or storage of materials and equipment.

5.02 *Use of Site and Other Areas*

- A. *Limitation on Use of Site and Other Areas:*
 1. Contractor shall confine construction equipment, temporary construction facilities, the storage of goods, supplies, materials and equipment, and the operations of workers to the Project Site, adjacent areas that Contractor has arranged to use through construction easements or otherwise, and other adjacent areas permitted by Laws and

Regulations, and shall not unreasonably encumber the Site and such other adjacent areas with construction equipment or other goods, supplies, materials or equipment. Contractor shall assume full responsibility for (a) damage to the Site; (b) damage to any such other adjacent areas used for Contractor's operations; (c) damage to any other adjacent land or areas; and (d) for injuries and losses sustained by the owners or occupants of any such land or areas; provided that such damage or injuries result from the performance of the Work or from other actions or conduct of the Contractor or those for which Contractor is responsible.

2. Contractor shall limit its use and occupation of all lands and access roads and areas to what is minimally necessary to perform the Work, so as to keep new land disturbances to a minimum.
 3. If a damage or injury claim is made by the owner or occupant of any such land or area because of the performance of the Work, or because of other actions or conduct of the Contractor or those for which Contractor is responsible, Contractor shall (a) take immediate corrective or remedial action as required by Paragraph 7.12, or otherwise; (b) promptly attempt to settle the claim as to all parties through negotiations with such owner or occupant, or otherwise resolve the claim by arbitration or other dispute resolution proceeding, or at law; and (c) to the fullest extent permitted by Laws and Regulations, indemnify and hold harmless Owner and those identified in Paragraph 7.18.A against all costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to any claim or action, legal or equitable, brought by any such owner or occupant against Owner and those identified in Paragraph 7.18.A to the extent caused directly or indirectly, in whole or in part by, or based upon, Contractor's performance of the Work, or because of other actions or conduct of the Contractor or those for which Contractor is responsible.
- B. *Removal of Debris During Performance of the Work:* During the progress of the Work the Contractor shall keep the Site and other adjacent areas free from accumulations of waste materials, rubbish, and other debris. Removal and disposal of such waste materials, rubbish, and other debris shall conform to applicable Laws and Regulations.
- C. *Cleaning:* Prior to Substantial Completion of the Work Contractor shall clean the Site and the Work and make it ready for utilization by Owner. At the completion of the Work, Contractor shall remove from the Site and adjacent areas all tools, appliances, construction equipment and machinery, and surplus goods, supplies, and materials and shall restore to original condition all property not designated for alteration by the Contract Documents.
- D. *Loading of Structures:* Contractor shall not load nor permit any part of any existing structure to be loaded in any manner that will endanger the structure, nor shall Contractor subject any part of the Work or adjacent structures or land to stresses or pressures that will endanger them.

5.03 *Subsurface and Physical Conditions*

- A. *Reports and Drawings:* The Project Manual identifies:
1. those reports known to Owner of explorations and tests of subsurface conditions at or adjacent to the Site;
 2. those drawings known to Owner of physical conditions relating to existing surface or subsurface structures at the Site (except Underground Facilities); and

3. Technical Data contained in such reports and drawings.
- B. *Reliance by Contractor on Technical Data Authorized:* Contractor may rely upon the accuracy of the Technical Data expressly identified in the Project Manual with respect to such reports and drawings, but such reports and drawings are not Contract Documents. If no such express identification has been made, then Contractor may rely upon the accuracy of the Technical Data (as defined in Article 1) contained in any geotechnical or environmental report prepared for the Project and made available to Contractor. Except for such reliance on Technical Data, Contractor may not rely upon or make any claim against Owner or Engineer, or any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors, with respect to:
1. the completeness of such reports and drawings for Contractor's purposes, including, but not limited to, any aspects of the means, methods, techniques, sequences, and procedures of construction to be employed by Contractor, and safety precautions and programs incident thereto; or
 2. other data, interpretations, opinions, and information contained in such reports or shown or indicated in such drawings; or
 3. any Contractor interpretation of, or conclusion drawn, from any Technical Data or any such other data, interpretations, opinions, or information.

5.04 *Differing Subsurface or Physical Conditions*

- A. *Notice by Contractor:* If Contractor believes that any subsurface or physical condition that is uncovered or revealed at the Site either:
1. is of such a nature as to establish that any Technical Data on which Contractor is entitled to rely as provided in Paragraph 5.03 is materially inaccurate; or
 2. is of such a nature as to require a change in the Drawings or Specifications; or
 3. differs materially from that shown or indicated in the Contract Documents; or
 4. is of an unusual nature, and differs materially from conditions ordinarily encountered and generally recognized as inherent in work of the character provided for in the Contract Documents;
- then Contractor shall, promptly after becoming aware thereof and before further disturbing the subsurface or physical conditions or performing any Work in connection therewith (except in an emergency as required by Paragraph 7.15), notify Owner and Engineer in writing about such condition. Contractor shall not further disturb such condition or perform any Work in connection therewith (except with respect to an emergency) until receipt of a written statement permitting Contractor to do so.
- B. *Engineer's Review:* After receipt of written notice as required by the preceding paragraph, Engineer will promptly review the subsurface or physical condition in question; determine the necessity of Owner's obtaining additional exploration or tests with respect to the condition; conclude whether the condition falls within any one or more of the differing site condition categories in Paragraph 5.04.A above; obtain any pertinent cost or schedule information from Contractor; prepare recommendations to Owner regarding the Contractor's resumption of Work in connection with the subsurface or physical condition in question and the need for any change in the Drawings or Specifications; and advise Owner in writing of Engineer's findings, conclusions, and recommendations.

- C. *Owner's Statement to Contractor Regarding Site Condition:* After receipt of Engineer's written findings, conclusions, and recommendations, Owner shall issue a written statement to Contractor (with a copy to Engineer) regarding the subsurface or physical condition in question, addressing the resumption of Work in connection with such condition, indicating whether any change in the Drawings or Specifications will be made, and adopting or rejecting Engineer's written findings, conclusions, and recommendations, in whole or in part.
- D. *Possible Price and Times Adjustments:*
1. Contractor shall be entitled to an equitable adjustment in Contract Price or Contract Times, or both, to the extent that the existence of a differing subsurface or physical condition, or any related delay, disruption, or interference, causes an increase or decrease in Contractor's cost of, or time required for, performance of the Work; subject, however, to the following:
 - a. such condition must fall within any one or more of the categories described in Paragraph 5.04.A;
 - b. with respect to any Unit Price Work, any adjustment in Contract Price will be subject to the provisions of Paragraph 13.02; and,
 - c. Contractor's entitlement to an adjustment of the Contract Times is conditioned on such adjustment being essential to Contractor's ability to complete the Work within the Contract Times.
 2. Contractor shall not be entitled to any adjustment in the Contract Price or Contract Times with respect to a subsurface or physical condition if:
 - a. Contractor knew of the existence of such condition at the time Contractor submitted its Bid or executed this Contract; or
 - b. the existence of such condition reasonably could have been discovered or revealed as a result of any examination, investigation, exploration, test, or study of the Site and contiguous areas expressly required by the Project Manual or Contract Documents to be conducted by or for Contractor prior to Contractor submitting its Bid or executing this Contract; or
 - c. Contractor failed to give the written notice as required by Paragraph 5.04.A.
 3. If Owner and Contractor agree regarding Contractor's entitlement to and the amount or extent of any adjustment in the Contract Price or Contract Times, or both, then any such adjustment shall be set forth in a Change Order.
 4. Contractor may submit a Change Proposal regarding its entitlement to or the amount or extent of any adjustment in the Contract Price or Contract Times, or both, no later than 30 days after Owner's issuance of the Owner's written statement to Contractor regarding the subsurface or physical condition in question.

5.05 *Underground Facilities*

- A. *Contractor's Responsibilities:* The information and data shown or indicated in the Contract Documents with respect to existing Underground Facilities at or adjacent to the Site is based on information and data furnished to Owner or Engineer by the owners of such Underground Facilities, including Owner, or by others. Unless it is otherwise expressly provided in the Project Manual:

1. Owner and Engineer do not warrant or guarantee the accuracy or completeness of any such information or data provided by others; and
 2. the cost of all of the following will be included in the Contract Price, and Contractor shall have full responsibility for:
 - a. reviewing and checking all information and data regarding existing Underground Facilities at the Site;
 - b. locating all Underground Facilities shown or indicated in the Contract Documents as being at the Site;
 - c. coordination of the Work with the owners (including Owner) of such Underground Facilities, during construction; and
 - d. the safety and protection of all existing Underground Facilities at the Site, and repairing any damage thereto resulting from the Work.
- B. *Notice by Contractor:* If Contractor believes that an Underground Facility that is uncovered or revealed at the Site was not shown or indicated in the Contract Documents, or was not shown or indicated with reasonable accuracy, then Contractor shall, promptly after becoming aware thereof and before further disturbing conditions affected thereby or performing any Work in connection therewith (except in an emergency as required by Paragraph 7.15), identify the owner of such Underground Facility and give written notice to that owner and to Owner and Engineer.
- C. *Engineer's Review:* Engineer will promptly review the Underground Facility and conclude whether such Underground Facility was not shown or indicated in the Contract Documents, or was not shown or indicated with reasonable accuracy; obtain any pertinent cost or schedule information from Contractor; prepare recommendations to Owner regarding the Contractor's resumption of Work in connection with the Underground Facility in question; determine the extent, if any, to which a change is required in the Drawings or Specifications to reflect and document the consequences of the existence or location of the Underground Facility; and advise Owner in writing of Engineer's findings, conclusions, and recommendations. During such time, Contractor shall be responsible for the safety and protection of such Underground Facility.
- D. *Owner's Statement to Contractor Regarding Underground Facility:* After receipt of Engineer's written findings, conclusions, and recommendations, Owner shall issue a written statement to Contractor (with a copy to Engineer) regarding the Underground Facility in question, addressing the resumption of Work in connection with such Underground Facility, indicating whether any change in the Drawings or Specifications will be made, and adopting or rejecting Engineer's written findings, conclusions, and recommendations in whole or in part.
- E. *Possible Price and Times Adjustments:*
1. Contractor shall be entitled to an equitable adjustment in the Contract Price or Contract Times, or both, to the extent that any existing Underground Facility at the Site that was not shown or indicated in the Contract Documents, or was not shown or indicated with reasonable accuracy, or any related delay, disruption, or interference, causes an increase or decrease in Contractor's cost of, or time required for, performance of the Work; subject, however, to the following:

- a. Contractor did not know of and could not reasonably have been expected to be aware of or to have anticipated the existence or actual location of the Underground Facility in question;
 - b. With respect to any Unit Price, any adjustment in Contract Price will be subject to the provisions of Paragraph 13.02;
 - c. Contractor's entitlement to an adjustment of the Contract Times is conditioned on such adjustment being essential to Contractor's ability to complete the Work within the Contract Times; and
 - d. Contractor gave the notice required in Paragraph 5.05.B.
2. If Owner and Contractor agree regarding Contractor's entitlement to and the amount or extent of any adjustment in the Contract Price or Contract Times, or both, then any such adjustment shall be set forth in a Change Order.
 3. Contractor may submit a Change Proposal regarding its entitlement to or the amount or extent of any adjustment in the Contract Price or Contract Times, or both, no later than 30 days after Owner's issuance of the Owner's written statement to Contractor regarding the Underground Facility in question.

5.06 *Hazardous Environmental Conditions at Site*

- A. *Reports and Drawings:* The Project Manual shall identify:
 1. those reports and drawings known to Owner relating to Hazardous Environmental Conditions that have been identified at or adjacent to the Site; and
 2. Technical Data contained in such reports and drawings.
- B. *Reliance by Contractor on Technical Data Authorized:* Contractor may rely upon the accuracy of the Technical Data expressly identified in the Project Manual with respect to such reports and drawings, but such reports and drawings are not Contract Documents. If no such express identification has been made, then Contractor may rely on the accuracy of the Technical Data (as defined in Article 1) contained in any geotechnical or environmental report prepared for the Project and made available to Contractor. Except for such reliance on Technical Data, Contractor may not rely upon or make any claim against Owner or Engineer, or any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors with respect to:
 1. the completeness of such reports and drawings for Contractor's purposes, including, but not limited to, any aspects of the means, methods, techniques, sequences and procedures of construction to be employed by Contractor and safety precautions and programs incident thereto; or
 2. other data, interpretations, opinions and information contained in such reports or shown or indicated in such drawings; or
 3. any Contractor interpretation of or conclusion drawn from any Technical Data or any such other data, interpretations, opinions or information.
- C. Contractor shall not be responsible for removing or remediating any Hazardous Environmental Condition encountered, uncovered, or revealed at the Site unless such removal or remediation is expressly identified in the Contract Documents to be within the Scope of Work for the Project.

- D. Contractor shall be responsible for controlling, containing, and duly removing all Constituents of Concern brought to the Site by Contractor, Subcontractors, Suppliers, or anyone else for whom Contractor is responsible, and for any associated costs; and for the costs of removing and remediating any Hazardous Environmental Condition created by the presence of any such Constituents of Concern.
- E. If Contractor encounters, uncovers, or reveals a Hazardous Environmental Condition whose removal or remediation is not expressly identified in the Contract Documents as being within the Scope of Work for the Project, or if Contractor or anyone for whom Contractor is responsible creates a Hazardous Environmental Condition, then Contractor shall immediately: (1) secure or otherwise isolate such condition; (2) stop all Work in connection with such condition and in any area affected thereby (except in an emergency as required by Paragraph 7.15); and (3) notify Owner and Engineer (and promptly thereafter confirm such notice in writing). Owner shall promptly consult with Engineer concerning the necessity for Owner to retain a qualified expert to evaluate such condition or take corrective action, if any. Promptly after consulting with Engineer, Owner may take such actions as are necessary to permit Owner to timely obtain required permits and provide Contractor the written notice required by Paragraph 5.06.F. If Contractor or anyone for whom Contractor is responsible created the Hazardous Environmental Condition in question, then Owner may remove and remediate the Hazardous Environmental Condition, and impose a set-off against payments to account for the associated costs.
- F. Contractor shall not resume Work in connection with such Hazardous Environmental Condition or in any affected area until after Owner has obtained any required permits related thereto, and delivered written notice to Contractor either (1) specifying that such condition and any affected area is or has been rendered safe for the resumption of Work, or (2) specifying any special conditions under which such Work may be resumed safely.
- G. If Owner and Contractor cannot agree as to entitlement to or on the amount or extent, if any, of any adjustment in Contract Price or Contract Times, or both, as a result of such Work stoppage or such special conditions under which Work is agreed to be resumed by Contractor, then within 30 days of Owner's written notice regarding the resumption of Work, Contractor may submit a Change Proposal, or Owner may impose a set-off.
- H. If after receipt of such written notice Contractor does not agree to resume such Work based on a reasonable belief it is unsafe, or does not agree to resume such Work under such special conditions, then Owner may order the portion of the Work that is in the area affected by such condition to be deleted from the Work, following the contractual change procedures in Article 11. Owner may have such deleted portion of the Work performed by Owner's own forces or others in accordance with Article 8.
- I. Contractor shall indemnify and hold harmless Owner and those identified in Paragraph 7.18.A against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to the failure to control, contain, or remove a Constituent of Concern brought to the Site by Contractor or by anyone for whom Contractor is responsible, or to a Hazardous Environmental Condition created by Contractor or by anyone for whom Contractor is responsible. Nothing in this Paragraph 5.06.I shall obligate Contractor to indemnify any individual or entity from and against the consequences of that individual's or entity's own negligence.

- J. The provisions of Paragraphs 5.03, 5.04, and 5.05 do not apply to the presence of Constituents of Concern or to a Hazardous Environmental Condition uncovered or revealed at the Site.

ARTICLE 6 – BONDS AND INSURANCE

6.01 *Performance, Payment, and Other Bonds*

- A. Contractor shall furnish a performance bond and a payment bond as provided herein.
1. Performance Bond: The Contractor shall provide to Owner a Performance Bond underwritten and executed by a surety company that guarantees the Contractor's complete and satisfactory performance under the Contract. The Performance Bond shall be equal to one hundred percent (100%) of the Original Contract Amount.
 2. Payment Bond: The Contractor shall provide to the Owner a Payment Bond underwritten and executed by a surety company that will protect all persons, subcontractors, or other entities supplying labor and material to the Contractor or its subcontractors for the performance under this Contract. The Payment Bond shall be in an amount equal to one-hundred percent (100%) of the Original Contract Amount. The Payment Bond must be provided in addition to the Performance Bond required in Paragraph 2.03.A herein.
- B. Bond documentation required: The Owner's Representative must receive written documentation of all required bonds prior to the issuance of a Notice to Proceed for the Project, and the Contractor shall not commence any work to be performed or services to be provided under this Contract unless and until such documentation has been submitted to the Owner. If the Contractor is able to furnish such documentation prior to the Owner's execution of this Contract, such documentation shall be made an attachment to the Contract. The Contractor expressly acknowledges that the Owner may terminate this Contract for breach if, subsequent to the final execution of the Contract, any statement or documentation regarding bonding is determined to be false, any bond has expired or been suspended or revoked, or the Contractor has failed to submit in a timely manner any requested documentation pertaining to bonding and that the Owner is unable to issue a Notice to Proceed in a timely manner.
- C. If the surety on a bond furnished by Contractor is declared bankrupt or becomes insolvent, or its right to do business is terminated, or the surety ceases to meet the requirements above, then Contractor shall promptly notify Owner and Engineer and shall, within 20 days after the event giving rise to such notification, provide another bond and surety, both of which shall comply with the bond and surety requirements above.
- D. If Contractor has failed to obtain a required bond, Owner may exclude the Contractor from the Site and exercise Owner's termination rights under Article 16.
- E. Upon request, Owner shall provide a copy of the payment bond to any Subcontractor, Supplier, or other person or entity claiming to have furnished labor or materials used in the performance of the Work.

6.02 *Insurance*

- A. Contractor shall obtain and maintain insurance as provided herein.
1. Builder's Risk Insurance: Contractor shall obtain, on behalf of the Owner, a "builder's risk" insurance policy for all aspects of the Project; such insurance coverage shall be in amount adequate to cover any potential loss, relating to the Project or any portion

thereof, that may occur prior to the effective date and time of the Owner's property insurance coverage for the Project. The Contract Price may be increased to accommodate the cost of builder's risk insurance if such cost was not included.

2. **Liability Insurance:** The Contractor shall, at its sole expense, procure and maintain adequate and sufficient insurance for all of Contractor's potential liabilities, in accordance with this Paragraph 6.02, relating to any claims by any party for any injury to persons or damage to property arising out of or connected with any work performed or services provided under this Contract by the Contractor; such insurance shall remain in effect for the duration of performance under this Contract up to and including the date and time of issuance of a Certificate of Occupancy for the Project or the until effective date and time of the Contractor's warranty for the Project, whichever occurs last.
3. **Minimum Insurance Coverages:** Contractor shall obtain and maintain minimum coverages shown as follows:
 - a. **Commercial General Liability – ISO CG 0001 Form or equivalent.** Coverages shall include:
 - *Premises and Operations*
 - *Personal/Advertising Injury*
 - *Products/Completed Operations*
 - *Liability assumed under an Insured Contract (including defense costs assumed under contract)*
 - *Broad Form Property Damage*
 - *Independent Contractors/Consultants*
 - b. **Automobile Liability** including all:
 - *Contractor-Owned Vehicles*
 - *Non-owned Vehicles*
 - *Rented/Hired Vehicles*
 - *Personal Injury Protection (where applicable)*
 - c. **Worker's Compensation:**
 - *Statutory Benefits (Coverage A)*
 - *Employers Liability (Coverage B)*
4. **Limits required:** Contractor shall carry the limits of liability shown below ("state Law" means limits shall be in accordance with laws and regulations of the state wherein this Contract shall be primarily performed):

COMMERCIAL GENERAL LIABILITY

GENERAL AGGREGATE	\$	2,000,000
PRODUCTS/COMPLETED OPERATIONS AGGREGATE	\$	2,000,000
OCCURRENCE BASIS/ PER EACH OCCURRENCE LIMIT	\$	1,000,000
PERSONAL/ADVERTISING INJURY	\$	1,000,000

FIRE DAMAGE (ANY ONE FIRE)	\$	50,000
MEDICAL PAYMENTS (ANY ONE PERSON)	\$	5,000
AUTOMOBILE LIABILITY		
BODILY INJURY/PROPERTY DAMAGE (EACH ACCIDENT)	\$	1,000,000
PERSONAL INJURY PROTECTION (IF APPLICABLE)	BY STATE LAW	
WORKERS' COMPENSATION		
COVERAGE A (WORKERS' COMPENSATION)	BY STATE LAW	
COVERAGE B (EMPLOYERS LIABILITY)	\$	500,000
AGGREGATE MINIMUM	\$	2,000,000

5. Claims-made basis: In the event Contractor's liability insurance required by this Contract is written on a claims-made basis, the Contractor shall warrant that any retroactive date under the policy shall precede the effective date of this Contract, and either continuous coverage will be maintained by or an extended discovery period will be exercised for a period of two (2) calendar years beginning as of the date performance is completed.
6. Primary coverage basis: For payment of any claims, Contractor's insurance coverage shall be on a primary, non-contributory basis with other coverages and/or self-insurance carried by the Owner or other sources.
7. Required language: The Contractor's General Liability and Umbrella Liability policy shall be endorsed to include the following language: "THE NAVAJO NATION, ITS ELECTED OFFICIALS, EMPLOYEES, AGENTS, AND VOLUNTEERS ARE NAMED AS AN ADDITIONAL INSURED WITH RESPECT TO LIABILITY ARISING OUT OF THE ACTIVITIES PERFORMED BY THE INSURED [THE CONTRACTOR] PURSUANT TO A CONTRACT WITH THE NAVAJO NATION." (ISO Forms CG 2010 and CG 20 37 "Additional Insured-Owners, Lessees or Contractors-Completed Operations" 2004 Editions or equivalent).
8. Waiver of subrogation: All Contractor's policies shall contain a waiver of subrogation in favor of the Owner, its divisions, departments, offices, agencies, boards, commissions, committees, enterprises and its employees, officers, officials, and agents for losses arising from work performed or services provided by the Contractor pursuant to a Contract with the Owner.
9. Separation of Insureds: Contractor's policy shall include a "Separation of Insureds" clause (Cross Liability).
10. Insurer rating: The Contractor's insurance policy shall be issued by a licensed or approved insurer with an "A.M. Best" rating of not less than A- VII. The Owner in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.
11. Certificates of insurance: The Contractor shall provide to the Owner certificates of insurance as required by this Contract. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. Each insurance policy required by this Contract must be in effect upon, or prior to, commencement of performance under this Contract and shall remain in effect until such time as all of its obligations under this Contract or any subsequent modifications have been fully and satisfactorily completed. Insurance certificates shall be sent to the

Navajo Nation Department of Risk Management, P.O. Box 1690, Window Rock, Arizona, 26515. The Contract Number and a description of the work performed or services provided thereunder shall be indicated on such certificates.

12. Subcontractors: Contractor's subcontractors shall be included as insureds under Contractor's policy, or Contractor shall provide separate certificates and endorsements for each of its subcontractors holding separate policies, which policies shall meet the minimum policy amounts shown herein.
13. Notification of change required: The insurance policy required herein shall provide the required coverage and shall not be suspended, voided, canceled, or reduced in coverage or in limits except after thirty (30) calendar days prior written notice has been given to the Owner. Such notice shall be sent directly to the address shown in 6.02.A.11 and shall be sent by certified mail, return receipt requested.
14. Approval of modifications: Any modifications of the insurance requirements set forth herein shall be approved by the Navajo Nation Risk Management Program, whose decision shall be final. Such modification shall not require a formal Contract modification, but may be approved by administrative action of the Risk Management Program. Contractor may request, for itself or its subcontractors, that the insurance requirements shown herein be modified, provided that such request include a justification for the modification with supporting documentation and be delivered in writing to the Risk Management Program prior to contract execution or modification. Any modifications approved shall be on a case-by-case basis and shall not affect the insurance requirements of other subcontractors for whom modifications have not been approved. ALL MODIFICATIONS SHALL BE APPROVED BY THE NAVAJO NATION RISK MANAGEMENT PROGRAM PRIOR TO COMMENCEMENT OF ANY PERFORMANCE UNDER THIS CONTRACT.
15. Owner's disclaimers: The insurance requirements and coverages set forth herein are minimum requirements only and in no way limit the indemnity covenants contained in this Contract. The Owner in no way warrants that the minimum limits herein are sufficient to protect Contractor or its subcontractors from any liabilities arising from any work performed or services provided under this Contract, and Contractor and its subcontractors are free to purchase additional insurance. By requiring such minimum insurance, the Owner shall not be deemed to have assessed any risks that may be applicable to Contractor under the Contract. Contractor shall assess all risks and may maintain higher limits and/or broader coverages. Contractor is not relieved of any liability or other obligations assumed or pursuant to this Contract due to failure to obtain or maintain insurance in sufficient amounts, duration, or types.
16. No sovereign immunity waiver: The Parties acknowledge and agree that the Owner is relying on, and does not waive or intend to waive by any provision of this Contract, the monetary limitations and other rights, immunities, and protections provided under 1 N.N.C. §§551 et. seq., as from time to time amended, or otherwise available to the Owner or its elected officials, employees, agents, and volunteers.
17. Mutual cooperation: The Owner and Contractor shall cooperate in good faith in the collection of any insurance proceeds which may be payable in the event of any loss, including the execution and delivery of any proof of loss or other actions required to effect recovery.

18. Contractor's Insurance: The Contractor, and each entity of a team, shall maintain insurance as required herein, for the specific type of work to be performed and services to be provided by such entity or individual.
 19. Insurance Documentation Required: The Owner's Representative must receive written documentation of all required insurance prior to issuance of a Notice to Proceed for the Project, and Contractor shall not commence any work or services under this Contract unless and until such documentation has been submitted to the Owner.
- B. If Contractor has failed to obtain and maintain required insurance, Owner may exclude the Contractor from the Site, impose an appropriate set-off against payment, and exercise Owner's termination rights under Article 16.

ARTICLE 7 – CONTRACTOR'S RESPONSIBILITIES

7.01 *Supervision and Superintendence*

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

7.02 *Labor*

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

7.03 *Goods, Supplies, Services, Materials, and Equipment*

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

7.04 "Or Equals"

- A. Whenever an item of goods, supplies, material or equipment is specified or described in the Contract Documents by using the name of a proprietary item or the name of a particular Supplier or Manufacturer, such specification or description is intended to establish the type, function, appearance, and quality required, however, the Owner may, at its discretion, authorize the use of other items of goods, supplies, material or equipment.
- B. *Contractor's Expense*: Contractor shall provide all data in support of any proposed "or equal" item at Contractor's expense.

7.05 Substitutes

- A. Unless the specification or description of an item of material or equipment required to be furnished under the Contract Documents contains or is followed by words reading that no substitution is permitted, Contractor may request that Engineer authorize the use of other items of material or equipment under the circumstances described below. To the extent possible such requests shall be made before commencement of related construction at the Site.
 - 1. Contractor shall submit sufficient information as provided below to allow Engineer to determine if the item of material or equipment proposed is functionally equivalent to that named and an acceptable substitute therefor. Engineer will not accept requests for review of proposed substitute items of material or equipment from anyone other than Contractor.
 - 2. The requirements for review by Engineer will be as set forth in Paragraph 7.05.B, as supplemented by the Specifications, and as Engineer may decide is appropriate under the circumstances.
 - 3. Contractor shall make written application to Engineer for review of a proposed substitute item of material or equipment that Contractor seeks to furnish or use. The application:
 - a. shall certify that the proposed substitute item will:
 - 1) perform adequately the functions and achieve the results called for by the general design,
 - 2) be similar in substance to that specified, and
 - 3) be suited to the same use as that specified.
 - b. will state:
 - 1) the extent, if any, to which the use of the proposed substitute item will necessitate a change in Contract Times,
 - 2) whether use of the proposed substitute item in the Work will require a change in any of the Contract Documents (or in the provisions of any other direct contract with Owner for other work on the Project) to adapt the design to the proposed substitute item, and
 - 3) whether incorporation or use of the proposed substitute item in connection with the Work is subject to payment of any license fee or royalty.
 - c. will identify:
 - 1) all variations of the proposed substitute item from that specified, and

- 2) available engineering, sales, maintenance, repair, and replacement services.
- d. shall contain an itemized estimate of all costs or credits that will result directly or indirectly from use of such substitute item, including but not limited to changes in Contract Price, shared savings, costs of redesign, and claims of other contractors affected by any resulting change.
- B. *Engineer's Evaluation and Determination:* Engineer will be allowed a reasonable time to evaluate each substitute request, and to obtain comments and direction from Owner. Engineer may require Contractor to furnish additional data about the proposed substitute item. Engineer will be the sole judge of acceptability. No substitute will be ordered, furnished, installed, or utilized until Engineer's review is complete and Engineer determines that the proposed item is an acceptable substitute. Engineer's determination will be evidenced by a Field Order or a proposed Change Order accounting for the substitution itself and all related impacts, including changes in Contract Price or Contract Times. Engineer will advise Contractor in writing of any negative determination.
- C. *Special Guarantee:* Owner may require Contractor to furnish at Contractor's expense a special performance guarantee or other surety with respect to any substitute.
- D. *Reimbursement of Engineer's Cost:* Engineer will record Engineer's costs in evaluating a substitute proposed or submitted by Contractor. Whether or not Engineer approves a substitute so proposed or submitted by Contractor, Contractor shall reimburse Owner for the reasonable charges of Engineer for evaluating each such proposed substitute. Contractor shall also reimburse Owner for the reasonable charges of Engineer for making changes in the Contract Documents (or in the provisions of any other direct contract with Owner) resulting from the acceptance of each proposed substitute.
- E. *Contractor's Expense:* Contractor shall provide all data in support of any proposed substitute at Contractor's expense.
- F. *Effect of Engineer's Determination:* If Engineer approves the substitution request, Contractor shall execute the proposed Change Order and proceed with the substitution. The Engineer's denial of a substitution request shall be final and binding, and may not be reversed through an appeal under any provision of the Contract Documents. Contractor may challenge the scope of reimbursement costs imposed under Paragraph 7.05.D, by timely submittal of a Change Proposal.

7.06 *Concerning Subcontractors, Suppliers, and Others*

- A. Contractor may retain Subcontractors and Suppliers for the performance of parts of the Work. Such Subcontractors and Suppliers must be acceptable to Owner.
- B. Owner may not require Contractor to retain any Subcontractor, Supplier, or other individual or entity to furnish or perform any of the Work against which Contractor has reasonable objection.
- C. Prior to the Owner's execution of this Contract, at the time of Bid (if applicable), Contractor shall submit to Owner the identity of all proposed Subcontractors or Suppliers.
- D. Owner may require the replacement of any Subcontractor, Supplier, or other individual or entity retained by Contractor to perform any part of the Work. Owner also may require Contractor to retain specific replacements; provided, however, that Owner may not require a replacement to which Contractor has a reasonable objection. If Contractor has submitted the identity of certain Subcontractors, Suppliers, or other individuals or entities for acceptance by Owner, and Owner has accepted it (either in writing or by failing to make

written objection thereto), then Owner may subsequently revoke the acceptance of any such Subcontractor, Supplier, or other individual or entity so identified solely on the basis of substantive, reasonable objection after due investigation. Contractor shall submit an acceptable replacement for the rejected Subcontractor, Supplier, or other individual or entity.

- E. If Owner requires the replacement of any Subcontractor, Supplier, or other individual or entity retained by Contractor to perform any part of the Work, then Contractor may submit a Change Proposal for an adjustment of the Contract Price or Contract Times, within 30 days of Owner's requirement of replacement.
- F. No acceptance by Owner of any such Subcontractor, Supplier, or other individual or entity, whether initially or as a replacement, shall constitute a waiver of the Owner's right to the completion of the Work in accordance with the Contract Documents.
- G. On a monthly basis Contractor shall submit to Engineer a complete list of all Subcontractors and Suppliers having a direct contract with Contractor, and of all other Subcontractors and Suppliers known to Contractor at the time of submittal.
- H. Contractor shall be fully responsible to Owner for all acts and omissions of the Subcontractors, Suppliers, and other individuals or entities performing or furnishing any of the Work just as Contractor is responsible for Contractor's own acts and omissions.
- I. Contractor shall be solely responsible for scheduling and coordinating the work of Subcontractors, Suppliers, and all other individuals or entities performing or furnishing any of the Work.
- J. Contractor shall restrict all Subcontractors, Suppliers, and such other individuals or entities performing or furnishing any of the Work from communicating with Engineer or Owner, except through Contractor or in case of an emergency, or as otherwise expressly allowed herein.
- K. The divisions and sections of the Specifications and the identifications of any Drawings shall not control Contractor in dividing the Work among Subcontractors or Suppliers or delineating the Work to be performed by any specific trade, except that any specialized Work shall be performed by Subcontractors or Suppliers who are specifically licensed and qualified to perform such specialized Work.
- L. All Work performed for Contractor by a Subcontractor or Supplier shall be pursuant to an appropriate contractual agreement that specifically binds the Subcontractor or Supplier to the applicable terms and conditions of the Contract Documents for the benefit of Owner and Engineer.
- M. Owner may furnish to any Subcontractor or Supplier, to the extent practicable, information about amounts paid to Contractor on account of Work performed for Contractor by the particular Subcontractor or Supplier.
- N. Nothing in the Contract Documents:
 - 1. shall create for the benefit of any such Subcontractor, Supplier, or other individual or entity any contractual relationship between Owner or Engineer and any such Subcontractor, Supplier, or other individual or entity; nor
 - 2. shall create any obligation on the part of Owner or Engineer to pay or to see to the payment of any money due any such Subcontractor, Supplier, or other individual or entity.

7.07 *Patent Fees and Royalties*

- A. Contractor shall pay all license fees and royalties and assume all costs incident to the use in the performance of the Work or the incorporation in the Work of any invention, design, process, product, or device which is the subject of patent rights or copyrights held by others. If a particular invention, design, process, product, or device is specified in the Contract Documents for use in the performance of the Work and if, to the actual knowledge of Owner or Engineer at the time of execution of this Contract by the Owner, its use is subject to patent rights or copyrights calling for the payment of any license fee or royalty to others, the existence of such rights shall be disclosed by Owner in the Contract Documents.
- B. Contractor shall indemnify and hold harmless Owner and those identified in Paragraph 7.18.A against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to any infringement of patent rights or copyrights incident to the use in the performance of the Work or resulting from the incorporation in the Work of any invention, design, process, product, or device not specified in the Contract Documents.

7.08 *Permits*

- A. Unless otherwise provided in the Contract Documents, Contractor shall obtain and pay for all construction permits and licenses. Owner shall assist Contractor, when necessary, in obtaining such permits and licenses. Contractor shall pay all governmental charges and inspection fees necessary for the prosecution of the Work which are applicable at the time of the Contractor's execution of this Contract. Owner shall pay all charges of utility owners for connections for providing permanent service to the Work.

7.09 *Taxes*

- A. Contractor acknowledges and agrees that all work performed and services provided within the territorial jurisdiction of the Navajo Nation is subject to the six percent (6%) Navajo Sales Tax (24 N.N.C. §601 et seq.).
- B. *Identification of taxable activity:* The Contractor shall separately indicate, on each invoice or payment application submitted to the Owner, any and all of its work performed or services provided within the Navajo Nation pursuant to this Contract, and shall itemize the Navajo Sales Tax.
- C. *Withholding:* The Owner shall withhold from each payment six percent (6%) of each invoice amount for work performed and services provided within the Navajo Nation under this Contract, and shall transfer such six percent (6%) amount to the Office of the Navajo Tax Commission (ONTC) on behalf of the Contractor. The Contractor shall indicate on its quarterly tax return filed with the ONTC that the Navajo Sales Tax has been withheld and paid. It is the Contractor's sole responsibility to make certain that all withholding applies only to that work performed and services provided under this contract, or portion thereof, that is subject to the Navajo Sales Tax.
- D. *Filing and other payments:* The Contractor acknowledges that the Owner's withholding of tax in no way removes Contractor's responsibility for timely filing of tax returns and payment of interest, penalties, or any other amounts relating to Contractor's tax obligations under the Navajo Nation's or any other jurisdiction.

7.10 *Compliance with Navajo Nation Laws and Regulations*

- A. *Financial responsibility:* At all times for the effective duration of this Contract, the Contractor shall be in compliance with all provisions of the Navajo Business and Procurement Act, at 12 N.N.C. §1501 et seq.
- B. *Navajo Preference in hiring:* In the hiring of any employees (under an employer-employee relationship) who will perform primarily at the Project site, the Contractor shall comply with all provisions of the Navajo Preference in Employment Act, at 15 N.N.C. §601 et seq.
- C. *Navajo Preference in subcontracting:* Contractor expressly acknowledges and agrees that it is deemed a "Prime Contractor" under 5 N.N.C. §202 K, and as such must comply with all applicable provisions of the Navajo Business Opportunity Act, at 5 N.N.C. §201 et seq., and with all rules and regulations promulgated thereto. In accordance with 5 N.N.C. §205 F, the NNBRD shall have the authority to require the Contractor to comply with current minimum percentages for procurement and subcontract awards to Navajo-owned and controlled entities, firms and organizations, based upon availability and upon the qualifications of such entities to provide specific products and services necessary or appropriate for the Project.
- D. *Other laws:* The Contractor shall comply with all other Navajo Nation laws and regulations and of the United States, now in force and effect or as hereafter may come into force and effect that pertain to the work to be performed or services to be provided under this Contract.
- E. *Funding grants:* The Contractor shall comply with any and all applicable laws, regulations, policies, or guidance governing the procurement, administration, contract performance, payment procedures, reporting, or other matters relating to the Project or to Contractor's performance under this Contract.
- F. *Non-compliance constitutes breach:* The terms and provisions of said laws and regulations are fully incorporated herein by reference, and any violation thereof shall constitute a breach of this Contract and provide just cause for the Owner's unilateral termination of this Contract.
- G. If Contractor performs any Work or takes any other action knowing or having reason to know that it is contrary to Laws or Regulations, Contractor shall bear all resulting costs and losses, and shall indemnify and hold harmless Owner and those identified in Paragraph 7.18.A against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such Work or other action.

7.11 *Record Documents*

- A. Contractor shall maintain in a safe place at the Site one printed record copy of all Contract Documents. Contractor shall keep such record documents in good order and annotate them to show changes made during construction. These record documents, together with all approved Samples, will be made readily available to Engineer and Owner for reference. Upon completion of the Work, Contractor shall deliver these record documents to Engineer or to the Owner if directed by the Owner.

7.12 *Safety and Protection*

- A. Contractor is wholly responsible for safety at the Site. Contractor shall be solely responsible for initiating, maintaining, and supervising all safety precautions and programs in

connection with the Work. Such responsibility does not relieve Subcontractors of their responsibility for the safety of persons or property in the performance of their work, nor for compliance with applicable safety Laws and Regulations. Contractor shall take all necessary precautions for the safety of, and shall provide the necessary protection to prevent damage, injury, or loss to:

1. all persons on the Site or who may be affected by the Work;
 2. all the Work and materials and equipment to be incorporated therein, whether in storage on or off the Site;
 3. other property at the Site or adjacent thereto, including trees, shrubs, lawns, walks, pavements, roadways, structures, other work in progress, utilities, and Underground Facilities not designated for removal, relocation, or replacement in the course of construction; and
 4. any discovered historical, archeological, or cultural remains or property.
- B. Contractor shall comply with all applicable Laws and Regulations relating to the safety of persons or property, or to the protection of persons or property from damage, injury, or loss; and shall erect and maintain all necessary safeguards for such safety and protection. Contractor shall notify Owner; the owners of adjacent property, Underground Facilities, and other utilities; and other contractors and utility owners performing work at or adjacent to the Site, when prosecution of the Work may potentially affect them, and shall cooperate with them in the protection, removal, relocation, and replacement of their property or work in progress.
- C. Contractor shall comply with the applicable requirements of Owner's safety programs or procedures as contained in the Project Manual.
- D. Contractor shall inform Owner and Engineer of the specific requirements of Contractor's safety program with which Owner's and Engineer's employees and representatives must comply while at the Site.
- E. All damage, injury, or loss to any property referred to in Paragraph 7.12.A.2 through 7.12.A.4 caused, directly or indirectly, in whole or in part, by Contractor, any Subcontractor, Supplier, or any other individual or entity directly or indirectly employed by any of them to perform any of the Work, or anyone for whose acts any of them may be liable, shall be remedied by Contractor at its expense (except damage or loss attributable to the fault of Drawings or Specifications or to the acts or omissions of Owner or Engineer or anyone employed by any of them, or anyone for whose acts any of them may be liable, and not attributable, directly or indirectly, in whole or in part, to the fault or negligence of Contractor or any Subcontractor, Supplier, or other individual or entity directly or indirectly employed by any of them).
- F. Contractor's duties and responsibilities for safety and protection shall continue until such time as all the Work is completed and Engineer has issued a notice to Owner and Contractor in accordance with Paragraph 15.06.B that the Work is acceptable (except as otherwise expressly provided in connection with Substantial Completion).
- G. Contractor's duties and responsibilities for safety and protection shall resume whenever Contractor or any Subcontractor or Supplier returns to the Site to fulfill warranty or correction obligations, or to conduct other tasks arising from the Contract Documents.

7.13 *Safety Representative*

- A. Contractor shall designate a qualified and experienced safety representative at the Site whose duties and responsibilities shall be the prevention of accidents and the maintaining and supervising of safety precautions and programs.

7.14 *Hazard Communication Programs*

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

7.15 *Emergencies*

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

7.16 *Shop Drawings, Samples, and Other Submittals*

A. *Shop Drawing and Sample Submittal Requirements:*

1. Before submitting a Shop Drawing or Sample, Contractor shall have:
 - a. reviewed and coordinated the Shop Drawing or Sample with other Shop Drawings and Samples and with the requirements of the Work and the Contract Documents;
 - b. determined and verified all field measurements, quantities, dimensions, specified performance and design criteria, installation requirements, materials, catalog numbers, and similar information with respect thereto;
 - c. determined and verified the suitability of all goods, supplies, materials and equipment offered with respect to the indicated application, fabrication, shipping, handling, storage, assembly, and installation pertaining to the performance of the Work; and
 - d. determined and verified all information relative to Contractor's responsibilities for means, methods, techniques, sequences, and procedures of construction, and safety precautions and programs incident thereto.
2. Each submittal shall bear a stamp or specific written certification that Contractor has satisfied Contractor's obligations under the Contract Documents with respect to Contractor's review of that submittal, and that Contractor approves the submittal.
3. With each submittal, Contractor shall give Engineer specific written notice of any variations that the Shop Drawing or Sample may have from the requirements of the Contract Documents. This notice shall be set forth in a written communication separate from the Shop Drawings or Sample submittal; and, in addition, in the case of Shop Drawings by a specific notation made on each Shop Drawing submitted to Engineer for review and approval of each such variation.

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

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

E. *Resubmittal Procedures:*

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

7.17 *Contractor's General Warranty and Guarantee*

- A. Contractor warrants and guarantees to Owner that all Work will be in accordance with the Contract Documents and will not be defective. Engineer and its officers, directors, members, partners, employees, agents, consultants, and subcontractors shall be entitled to rely on Contractor's warranty and guarantee. Contractor warrants to the Owner that all labor, materials, equipment and furnishings used in, or incorporated into, the Project will be of good quality, new, that the Work will be free from defects in design, materials and workmanship, and that all Work will conform with the requirements of the Contract. If required by the Owner's Representative, the Contractor shall furnish satisfactory evidence of compliance with this warranty. The type, quality and quantum of such evidence, and whether such evidence is satisfactory, shall be within the sole discretion of the Owner's Representative. Any portion of the Work not conforming to these requirements, including substitutions not properly approved and authorized by the Owner, and including non-conformance relating to any materials, equipment, furnishings, labor, installation, or workmanship, may be considered defective.

- B. Contractor's warranty and guarantee hereunder excludes defects or damage caused by:
1. abuse, modification, or improper maintenance or operation by persons other than Contractor, Subcontractors, Suppliers, or any other individual or entity for whom Contractor is responsible; or
 2. normal wear and tear under normal usage.
- C. Contractor's obligation to perform and complete the Work in accordance with the Contract Documents shall be absolute. None of the following will constitute an acceptance of Work that is not in accordance with the Contract Documents or a release of Contractor's obligation to perform the Work in accordance with the Contract Documents:
1. observations by Engineer or Owner;
 2. recommendation by Engineer or payment by Owner of any progress or final payment;
 3. the issuance of a certificate of Substantial Completion by Engineer or any payment related thereto by Owner;
 4. use or occupancy of the Work or any part thereof by Owner;
 5. any review and approval of a Shop Drawing or Sample submittal;
 6. the issuance of a notice of acceptability by Engineer;
 7. any inspection, test, or approval by others; or
 8. any correction of defective Work by Owner or others under the control of Owner.
- D. If the Contract requires the Contractor to accept the assignment of a contract entered into by Owner, then the specific warranties, guarantees, and correction obligations contained in the assigned contract shall govern with respect to Contractor's performance obligations to Owner for the Work described in the assigned contract.
- E. *Repair or replacement:* Contractor agrees to repair, replace, or re-perform, or pay the Owner the reasonable cost of such repair, replacement, or re-performance, any portion of the Work that the Owner deems in its sole discretion to be defective, so long as the Owner submits to the Contractor a written notice of any defect within 1 calendar year following the issuance of a Certificate of Substantial Completion for the Project or as otherwise required in the Technical Specifications, whichever is later. The choice among repair, replacement, re-performance, or payment shall be the Contractor's. Any steps taken by the Contractor to correct defects shall not act to extend the term of this warranty. All costs for work or services, including third party fees or costs, for all repairs, replacement, or re-performance by the Contractor shall be at no charge to the Owner and shall be performed within 60 calendar days of the Contractor's receipt of notification of the defect, which period may be extended for delays outside the Contractor's control.
- F. *Maintenance:* Failure of the Owner to perform reasonable regular maintenance and proper care of the finished Project shall NOT void this warranty as it covers defects that are inherent in the goods or services provided as part of the Project.
- G. *Access to the Project:* Owner must provide access to the Contractor during its normal business hours, Monday through Friday, 8 a.m. to 5 p.m., to inspect the defect reported and, if necessary, to take corrective action.
- H. *No liens:* Contractor guarantees that, as of the conclusion of this Contract, all work will be free of liens, claims and security interests of any third parties.

7.18 *Indemnification*

- A. Contractor shall indemnify and hold harmless Owner and its officers, directors, members, partners, agencies, boards, commissions, committees, enterprises, employees, agents, consultants, subcontractors and Engineer from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to the performance of the Work, provided that any such claim, cost, loss, or damage is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property (other than the Work itself), including the loss of use resulting therefrom but only to the extent caused by any negligent act or omission of Contractor, any Subcontractor, any Supplier, or any individual or entity directly or indirectly employed by any of them to perform any of the Work or anyone for whose acts any of them may be liable.
- B. In any and all claims against Owner or those identified in Paragraph 7.18.A by any employee (or the survivor or personal representative of such employee) of Contractor, any Subcontractor, any Supplier, or any individual or entity directly or indirectly employed by any of them to perform any of the Work, or anyone for whose acts any of them may be liable, the indemnification obligation under Paragraph 7.18.A shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for Contractor or any such Subcontractor, Supplier, or other individual or entity under workers' compensation acts, disability benefit acts, or other employee benefit acts.
- C. The indemnification obligations of Contractor under Paragraph 7.18.A shall not extend to the liability of Engineer and Engineer's officers, directors, members, partners, employees, agents, consultants and subcontractors arising out of:
 - 1. the preparation or approval of, or the failure to prepare or approve maps, Drawings, opinions, reports, surveys, Change Orders, designs, or Specifications; or
 - 2. giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage.

7.19 *Delegation of Professional Design Services*

- A. Contractor will not be required to provide professional design services unless such services are specifically required by the Contract Documents for a portion of the Work or unless such services are required to carry out Contractor's responsibilities for construction means, methods, techniques, sequences and procedures. Contractor shall not be required to provide professional services in violation of applicable Laws and Regulations.
- B. If professional design services or certifications by a design professional related to systems, goods, supplies, materials, or equipment are specifically required of Contractor by the Contract Documents, Owner and Engineer will specify all performance and design criteria that such services must satisfy. Contractor shall cause such services or certifications to be provided by a properly licensed professional, whose signature and seal shall appear on all drawings, calculations, specifications, certifications, and other submittals prepared by such professional. Shop Drawings and other submittals related to the Work designed or certified by such professional, if prepared by others, shall bear such professional's written approval when submitted to Engineer.
- C. Owner and Engineer shall be entitled to rely upon the adequacy, accuracy, and completeness of the services, certifications, or approvals performed by such design

professionals, provided Owner and Engineer have specified to Contractor all performance and design criteria that such services must satisfy.

- D. Pursuant to this paragraph, Engineer's review and approval of design calculations and design drawings will be only for the limited purpose of checking for conformance with performance and design criteria given and the design concept expressed in the Contract Documents. Engineer's review and approval of Shop Drawings and other submittals (except design calculations and design drawings) will be only for the purpose stated in Paragraph 7.16.D.1.
- E. Contractor shall not be responsible for the adequacy of the performance or design criteria specified by Owner or Engineer.

ARTICLE 8 – OTHER WORK AT THE SITE

8.01 *Other Work*

- A. In addition to and apart from the Work under the Contract Documents, the Owner may perform other work at or adjacent to the Site. Such other work may be performed by Owner's employees, or through contracts between the Owner and third parties. Owner may also arrange to have third-party utility owners perform work on their utilities and facilities at or adjacent to the Site.
- B. If Owner performs other work at or adjacent to the Site with Owner's employees, or through contracts for such other work, then Owner shall give Contractor written notice thereof prior to starting any such other work. If Owner has advance information regarding the start of any utility work at or adjacent to the Site, Owner shall provide such information to Contractor.
- C. Contractor shall afford each other contractor that performs such other work, each utility owner performing other work, and Owner, if Owner is performing other work with Owner's employees, proper and safe access to the Site, and provide a reasonable opportunity for the introduction and storage of materials and equipment and the execution of such other work. Contractor shall do all cutting, fitting, and patching of the Work that may be required to properly connect or otherwise make its several parts come together and properly integrate with such other work. Contractor shall not endanger any work of others by cutting, excavating, or otherwise altering such work; provided, however, that Contractor may cut or alter others' work with the written consent of Engineer and the others whose work will be affected.
- D. If the proper execution or results of any part of Contractor's Work depends upon work performed by others under this Article 8, Contractor shall inspect such other work and promptly report to Engineer in writing any delays, defects, or deficiencies in such other work that render it unavailable or unsuitable for the proper execution and results of Contractor's Work. Contractor's failure to so report will constitute an acceptance of such other work as fit and proper for integration with Contractor's Work except for latent defects and deficiencies in such other work.

8.02 *Coordination*

- A. If Owner intends to contract with others for the performance of other work at or adjacent to the Site, to perform other work at or adjacent to the Site with Owner's employees, or to arrange to have utility owners perform work at or adjacent to the Site, the following will be set forth in the Project Manual or provided to Contractor prior to the start of any such other work:

1. the identity of the individual or entity that will have authority and responsibility for coordination of the activities among the various contractors;
 2. an itemization of the specific matters to be covered by such authority and responsibility; and
 3. the extent of such authority and responsibilities.
- B. Unless otherwise provided in the Project Manual, Owner shall have sole authority and responsibility for such coordination.

8.03 *Legal Relationships*

- A. If, in the course of performing other work at or adjacent to the Site for Owner, the Owner's employees, any other contractor working for Owner, or any utility owner causes damage to the Work or to the property of Contractor or its Subcontractors, or delays, disrupts, interferes with, or increases the scope or cost of the performance of the Work, through actions or inaction, then Contractor shall be entitled to an equitable adjustment in the Contract Price or the Contract Times, or both. Contractor must submit any Change Proposal seeking an equitable adjustment in the Contract Price or the Contract Times under this paragraph within 30 days of the damaging, delaying, disrupting, or interfering event. The entitlement to, and extent of, any such equitable adjustment shall take into account information (if any) regarding such other work that was provided to Contractor in the Contract Documents prior to the Owner's execution of this Contract. When applicable, any such equitable adjustment in Contract Price shall be conditioned on Contractor assigning to Owner all Contractor's rights against such other contractor or utility owner with respect to the damage, delay, disruption, or interference that is the subject of the adjustment and such adjustment must be necessary for Contractor's ability to complete the Work within the Contract Times.
- B. Contractor shall take reasonable and customary measures to avoid damaging, delaying, disrupting, or interfering with the work of Owner, any other contractor, or any utility owner performing other work at or adjacent to the Site. If Contractor fails to take such measures and as a result damages, delays, disrupts, or interferes with the work of any such other contractor or utility owner, then Owner may impose a set-off against payments due to Contractor, and assign to such other contractor or utility owner the Owner's contractual rights against Contractor with respect to the breach of the obligations set forth in this paragraph.
- C. When Owner is performing other work at or adjacent to the Site with Owner's employees, Contractor shall be liable to Owner for damage to such other work, and for the reasonable direct delay, disruption, and interference costs incurred by Owner as a result of Contractor's failure to take reasonable and customary measures with respect to Owner's other work. In response to such damage, delay, disruption, or interference, Owner may impose a set-off against payments due to Contractor.
- D. If Contractor damages, delays, disrupts, or interferes with the work of any other contractor, or any utility owner performing other work at or adjacent to the Site, through Contractor's failure to take reasonable and customary measures to avoid such impacts, or if any claim arising out of Contractor's actions, inactions, or negligence in performance of the Work at or adjacent to the Site is made by any such other contractor or utility owner against Contractor, Owner, or Engineer, then Contractor shall (1) promptly attempt to settle the claim as to all parties through negotiations with such other contractor or utility owner, or

otherwise resolve the claim by arbitration or other dispute resolution proceeding or at law, and (2) indemnify and hold harmless Owner and those identified in Paragraph 7.18.A.

ARTICLE 9 – OWNER’S RIGHTS AND RESPONSIBILITIES

9.01 *Right to Assurance*

- A. If at any time prior to completion of performance under this Contract, the Owner has reason to believe that Contractor does not intend or is unable to fully perform under this Contract, the Owner may demand in writing that Contractor submit written assurance of its intent to complete performance. Failure to provide assurance within fourteen (14) business days of issuance of such demand shall constitute a material breach.

9.02 *Communications to Contractor*

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

9.03 *Replacement of Engineer*

- A. Owner may at its discretion appoint an engineer to replace Engineer. The replacement engineer’s status under the Contract Documents shall be that of the former Engineer.

9.04 *Furnish Data*

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

9.05 *Pay When Due*

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

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

- A. Owner’s duties with respect to providing lands and easements are set forth in Paragraph 5.01.
- B. Owner’s duties with respect to providing engineering surveys to establish reference points are set forth in Paragraph 4.02.
- C. Article 5 refers to Owner’s identifying and making available to Contractor copies of reports of explorations and tests of conditions at the Site, and drawings of physical conditions relating to existing surface or subsurface structures at the Site.

9.07 *Change Orders*

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

9.08 *Inspections, Tests, and Approvals*

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

9.09 *Limitations on Owner’s Responsibilities*

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

9.10 *Undisclosed Hazardous Environmental Condition*

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

9.11 *Safety Programs*

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

ARTICLE 10 – ENGINEER'S STATUS DURING CONSTRUCTION

10.01 *Owner's Representative*

- A. Engineer will be Owner's representative during the construction period. The duties and responsibilities and the limitations of authority of Engineer as Owner's representative during construction are set forth in this Contract.
- B. No payment shall be authorized or remitted to the Contractor unless and until the Owner's Representative, or his/her successor or designee, approves in writing in advance the work performed or services provided under this Contract, and has given prior written approval of invoice(s), billing(s), or payment application(s) submitted to the Owner. All invoices must be supported by adequate verification, documentation, and itemization of all required Project deliverables received by the Owner.
- C. Any cooperative or joint supervision, or joint approval authority involving person(s) other than the Owner's Representative, whether Owner's staff or other person(s), shall be conducted through a duly approved and executed cooperative agreement that sets forth the extent of decision-making, supervision, and approval authority of the Owner's Representative and such other person(s).

10.02 *Visits to Site*

- A. Engineer will make visits to the Site at intervals appropriate to the various stages of construction as Engineer deems necessary in order to observe, as an experienced and qualified design professional, the progress that has been made and the quality of the various aspects of Contractor's executed Work. Based on information obtained during such visits and observations, Engineer, for the benefit of Owner, will determine, in general, if the Work is proceeding in accordance with the Contract Documents. Engineer will not be required to make exhaustive or continuous inspections on the Site to check the quality or quantity of the Work. Engineer's efforts will be directed toward providing for Owner a greater degree of confidence that the completed Work will conform generally to the Contract Documents. On the basis of such visits and observations, Engineer will keep Owner informed of the progress of the Work and will endeavor to guard Owner against defective Work.
- B. Engineer's visits and observations are subject to all the limitations on Engineer's authority and responsibility set forth in Paragraph 10.08. Particularly, but without limitation, during or as a result of Engineer's visits or observations of Contractor's Work, Engineer will not supervise, direct, control, or have authority over or be responsible for Contractor's means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or for any failure of Contractor to comply with Laws and Regulations applicable to the performance of the Work.

10.03 *Project Representative*

- A. The Engineer will furnish a Resident Project Representative to represent Engineer at the Site and assist Engineer in observing the progress and quality of the Work. The authority and responsibilities of the Resident Project Representative will be as provided in Paragraph 10.08 and further detailed in the Technical Specifications. If Owner designates another representative or agent to represent Owner at the Site who is not Engineer's consultant, agent, or employee, the responsibilities and authority and limitations thereon of such other individual or entity will be as provided in the Project Manual.

10.04 *Rejecting Defective Work*

- A. Engineer has the authority to reject Work in accordance with Article 14.

10.05 *Shop Drawings, Change Orders and Payments*

- A. Engineer's authority, and limitations thereof, as to Shop Drawings and Samples, are set forth in Paragraph 7.16.
- B. Engineer's authority, and limitations thereof, as to design calculations and design drawings submitted in response to a delegation of professional design services, if any, are set forth in Paragraph 7.19.
- C. Engineer's authority as to Change Orders is set forth in Article 11.
- D. Engineer's authority as to Applications for Payment is set forth in Article 15.

10.06 *Determinations for Unit Price Work*

- A. Engineer will determine the actual quantities and classifications of Unit Price Work performed by Contractor as set forth in Paragraph 13.02.

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

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

10.08 *Limitations on Engineer's Authority and Responsibilities*

- A. Neither Engineer's authority or responsibility under this Article 10 or under any other provision of the Contract, nor any decision made by Engineer in good faith either to exercise or not exercise such authority or responsibility or the undertaking, exercise, or performance of any authority or responsibility by Engineer, shall create, impose, or give rise to any duty in contract, tort, or otherwise owed by Engineer to Contractor, any Subcontractor, any Supplier, any other individual or entity, or to any surety for or employee or agent of any of them.
- B. Engineer will not supervise, direct, control, or have authority over or be responsible for Contractor's means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or for any failure of Contractor to comply with Laws and Regulations applicable to the performance of the Work. Engineer will not be responsible for Contractor's failure to perform the Work in accordance with the Contract Documents.

- C. Engineer will not be responsible for the acts or omissions of Contractor or of any Subcontractor, any Supplier, or of any other individual or entity performing any of the Work.
- D. Engineer's review of the final Application for Payment and accompanying documentation and all maintenance and operating instructions, schedules, guarantees, bonds, certificates of inspection, tests and approvals, and other documentation required to be delivered by Paragraph 15.06.A will only be to determine generally that their content complies with the requirements of, and in the case of certificates of inspections, tests, and approvals, and other documentation required to be delivered by Paragraph 15.06.A shall be to determine compliance with the Contract Documents.
- E. The limitations upon authority and responsibility set forth in this Paragraph 10.08 shall also apply to the Resident Project Representative, if any.

10.09 *Compliance with Safety Program*

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

ARTICLE 11 – AMENDING THE CONTRACT DOCUMENTS; CHANGES IN THE WORK

11.01 *Amending and Supplementing Contract Documents*

- A. The Contract Documents may be amended or supplemented by a Change Order, a Work Change Directive, or a Field Order.
 - 1. *Change Order*
 - a. If an amendment or supplement to the Contract Documents includes a change in the Contract Price or the Contract Times, such amendment or supplement must be set forth in a Change Order. A Change Order also may be used to establish amendments and supplements of the Contract Documents that do not affect the Contract Price or Contract Times.
 - b. Owner and Contractor may amend those terms and conditions of the Contract Documents that do not involve (1) the performance or acceptability of the Work, (2) the design (as set forth in the Drawings, Specifications, or otherwise), or (3) other engineering or technical matters, without the recommendation of the Engineer. Such an amendment shall be set forth in a Change Order.
 - c. 20% Limitation if Bid used. If the Original Contract Amount is based on a "Bid" submitted by the Contractor and accepted by the Navajo Nation, pursuant to 2 N.N.C. §223(F), such modifications shall not exceed, in the aggregate, twenty percent (20%) of the accepted Bid.
 - 2. *Work Change Directives:* A Work Change Directive will not change the Contract Price or the Contract Times but is evidence that the parties expect that the modification ordered or documented by a Work Change Directive will be incorporated in a subsequently issued Change Order, following negotiations by the parties as to the Work Change Directive's effect, if any, on the Contract Price and Contract Times; or, if negotiations are unsuccessful, by a determination under the terms of the Contract Documents governing adjustments, expressly including Paragraph 11.04 regarding

change of Contract Price. Contractor must submit any Change Proposal seeking an adjustment of the Contract Price or the Contract Times, or both, no later than 30 days after the completion of the Work set out in the Work Change Directive. Owner must submit an Owner's Claim seeking an adjustment of the Contract Price or the Contract Times, or both, no later than 60 days after issuance of the Work Change Directive.

3. *Field Orders*: Engineer may authorize minor changes in the Work if the changes do not involve an adjustment in the Contract Price or the Contract Times and are compatible with the design concept of the completed Project as a functioning whole as indicated by the Contract Documents. Such changes will be accomplished by a Field Order and will be binding on Owner and also on Contractor, which shall perform the Work involved promptly. If Contractor believes that a Field Order justifies an adjustment in the Contract Price or Contract Times, or both, then before proceeding with the Work at issue, Contractor shall submit a Change Proposal as provided herein.
- B. *Approval required for any modification, Change Order, or Contract Price over 10%*: Every modification, Change Order, or Contract Price that exceeds ten percent (10%) of the Original Contract Amount shall be approved in advance by the Owner's Representative, in accordance with 12 N.N.C. § 345.

11.02 *Unilateral Changes in the Work by Owner*

- A. Without invalidating the Contract and without notice to any surety, Owner may, at any time or from time to time, order additions, deletions, or revisions in the Work. The Owner shall give timely written notice as defined in the Contract, or if not therein defined, upon thirty (30) calendar days' prior written notice for such unilateral changes. Such changes shall be supported by Engineer's recommendation, to the extent the change involves the design (as set forth in the Drawings, Specifications, or otherwise), or other engineering or technical matters. Such changes may be accomplished by a Change Order, if Owner and Contractor have agreed as to the effect, if any, of the changes on Contract Times or Contract Price; or by a Work Change Directive. Upon receipt of any such document, Contractor shall promptly proceed with the Work involved; or, in the case of a deletion in the Work, promptly cease construction activities with respect to such deleted Work. Added or revised Work shall be performed under the applicable conditions of the Contract Documents. Nothing in this paragraph shall obligate Contractor to undertake work that Contractor reasonably concludes cannot be performed in a manner consistent with Contractor's safety obligations under the Contract Documents or Laws and Regulations.
- B. The Contractor agrees that payment for additional work/goods/services provided in accordance with such changes described in this paragraph shall be determined in the same manner as all costs for such work/goods/services included in the Contract Amount, unless the Contractor provides written justification for any cost increase and the Owner's Representative, in his/her sole discretion, approves such increase. Such additional payments must be approved via a Change Order.

11.03 *Unauthorized Changes in the Work*

- A. Contractor shall not be entitled to an increase in the Contract Price or an extension of the Contract Times with respect to any work performed that is not required by the Contract Documents, if such work is not approved prior to commencement in a Change Order in accordance with Article 11, except in the case of an emergency as provided in Paragraph 7.15 or in the case of uncovering Work as provided in Paragraph 14.05.

11.04 *Change of Contract Price*

- A. The Contract Price may only be changed by a duly approved Change Order in accordance with this Article 11.
- B. An adjustment in the Contract Price will be determined as follows:
 - 1. where the Work involved is covered by unit prices contained in the Contract Documents, then by application of such unit prices to the quantities of the items involved (subject to the provisions of Paragraph 13.02); or
 - 2. where the Work involved is not covered by unit prices contained in the Contract Documents, then by a mutually agreed lump sum; or
 - 3. where the Work involved is not covered by unit prices contained in the Contract Documents and the parties do not reach mutual agreement to a lump sum, then on the basis of the Cost of the Work (determined as provided in Paragraph 13.01).
- C. Contractor's Fee under a change in Contract Price shall be determined as follows:
 - 1. a mutually acceptable fixed fee or if a fixed fee is not agreed upon, then a fee based on the Unit Price Work.
 - 2. no fee shall be payable on the basis of costs itemized under Paragraph 13.01.B.4, 13.01.B.5, and 13.01.C.

11.05 *Change of Contract Times*

- A. The Contract Times may only be changed by a Change Order.
- B. An adjustment of the Contract Times shall be subject to the limitations set forth in Paragraph 4.04, concerning delays in Contractor's progress.

11.06 *Change Proposals*

- A. Contractor shall submit a Change Proposal to Engineer to (1) request an adjustment in the Contract Times or Contract Price; (2) appeal an initial decision by Engineer concerning the requirements of the Contract Documents or relating to the acceptability of the Work under the Contract Documents; (3) contest a set-off against payment due; or (4) seek other relief under the Contract. The Change Proposal shall specify any proposed change in Contract Times or Contract Price, or both, or other proposed relief, and explain the reason for the proposed change, with citations to any governing or applicable provisions of the Contract Documents.
 - 1. *Procedures:* Contractor shall submit each Change Proposal to Engineer promptly (but in no event later than 30 days) after the start of the event giving rise thereto, or after such initial decision. The Contractor shall submit supporting data, information, and materials regarding the proposed change, to the Engineer and Owner within 15 days after the submittal of the Change Proposal. Engineer shall advise Owner regarding the Change Proposal.
 - 2. *Engineer's Action:* Engineer will review each Change Proposal and, within 30 days after receipt of the Contractor's supporting data, either deny the Change Proposal in whole, approve it in whole, or deny it in part and approve it in part. Such actions shall be in writing, with a copy provided to Owner and Contractor. If Engineer does not take action on the Change Proposal within 30 days, then either Owner or Contractor may at any time thereafter submit a letter to the other party indicating that as a result of Engineer's inaction the Change Proposal is deemed denied, thereby commencing the time for appeal of the denial under Article 12.
 - 3. *Binding Decision:* Engineer's decision will be final and binding upon Owner and

Contractor, unless Owner or Contractor appeals the decision by filing an Owner's Claim or Contractor's Claim under Article 12.

4. *Owner's Approval:* For a Change Proposal to take effect, the Owner must give written approval of any Change Proposal in accordance with Article 11.
- B. *Resolution of Certain Change Proposals:* If the Change Proposal does not involve the design (as set forth in the Drawings, Specifications, or otherwise), the acceptability of the Work, or other engineering or technical matters, then Engineer will notify the parties that the Engineer is unable to resolve the Change Proposal. For purposes of further resolution of such a Change Proposal, such notice shall be deemed a denial, and Contractor may choose to seek resolution under the terms of Article 12.

11.07 *Execution of Change Orders*

- A. The Engineer may issue appropriate Change Orders covering:
 1. changes in the Contract Price or Contract Times which are agreed to by the parties, including any undisputed sum or amount of time for Work actually performed in accordance with a Work Change Directive;
 2. changes in Contract Price resulting from an Owner set-off, unless Contractor has duly contested such set-off;
 3. changes in the Scope of Work for the Project which are: (a) ordered by Owner pursuant to Paragraph 11.02, (b) required because of Owner's acceptance of defective Work under Paragraph 14.03 or Owner's correction of defective Work under Paragraph 14.07, or (c) agreed to by the parties, subject to the need for Engineer's recommendation if the change in the Work involves the design (as set forth in the Drawings, Specifications, or otherwise), or other engineering or technical matters; and
 4. changes in the Contract Price or Contract Times, or other changes, which embody the substance of any final and binding results under Paragraph 11.06, or Article 12.

11.08 *Notification to Surety*

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

ARTICLE 12 – JURISDICTION, SOVEREIGN IMMUNITY, CLAIMS; DISPUTE RESOLUTION

12.01 *Navajo Nation Jurisdiction*

- A. By voluntarily entering into and executing this Contract, the Contractor expressly consents to the full territorial, administrative, legislative, executive and judicial jurisdiction of the Navajo Nation, including but not limited to, the jurisdiction to regulate, adjudicate disputes, and to levy fines or enter judgments for injunctive relief and/or compensatory and punitive damages, in connection with all activities conducted by the Contractor within the Navajo Nation or which have a proximate (legal) effect on persons or property within the Navajo Nation. The Contractor hereby acknowledges and agrees that this Contract constitutes a voluntary consensual relationship between the Contractor and the government of the Navajo Nation.

12.02 *Sovereign Immunity*

- A. Nothing in this Contract shall be considered a waiver, express or implied, of the sovereign immunity of the Navajo Nation, except to the limited extent provided for in the Navajo Sovereign Immunity Act, as amended, at 1 N.N.C. §§551 et seq.

12.03 *Claims; Dispute Resolution*

- A. Any claim (including an Owner's Claim and Contractor's Claim), dispute, or other matter in question arising out of or relating to this Contract shall be resolved by the negotiation and arbitration proceedings set forth in this Article.
- B. *Negotiation:* The parties shall endeavor to resolve claims, disputes or other matters between them by informal good faith negotiation, which negotiation period shall not exceed thirty (30) calendar days, commencing as of the receipt by either party of the other party's written "Notice to Invoke Dispute Resolution Procedures."
- C. *Arbitration:* If the negotiation provided for in Paragraph 12.03.B herein does not result in resolution of the parties' dispute within thirty (30) calendar days of commencement of negotiation, then, unless the parties agree in writing to extend the time for negotiation, either party may invoke arbitration according to the procedures referenced in the Navajo Sovereign Immunity Act, as amended, at 1 N.N.C. §554(J) and §554(K), and in the Navajo Nation Arbitration Act, as amended, at 7 N.N.C. §§1101 et seq. Arbitration shall be conducted under the Commercial Arbitration Rules of the American Arbitration Association, except as such rules are modified by the following:
 - 1. unless otherwise agreed to in writing by the parties, all arbitration proceedings shall be held in Window Rock, Arizona; and
 - 2. the arbitration shall be conducted by a single arbitrator selected by the Owner, unless one of the parties' claims exceeds \$1,000,000.00, exclusive of interest, costs, and fees; in such case the arbitration shall be conducted by a panel consisting of three (3) arbitrators, one of which shall be chosen by each party, with the two arbitrators choosing the third; at least one arbitrator shall possess at least ten (10) years of experience in Indian Law; and
 - 3. a Notice of Intent to Invoke Arbitration shall be filed in strict compliance with the notice requirements of the Navajo Sovereign Immunity Act, at 1 N.N.C. §555; and
 - 4. whether as a result of an arbitration provided for herein or of any judicial action to enforce an arbitration award resulting from such arbitration, any award against the Owner shall be in strict conformance with the provisions of 1 N.N.C. §554(K) 1-6; and
 - 5. whether in the context of an arbitration provided for herein or any judicial action to enforce an arbitration award resulting from arbitration, Navajo Nation laws and regulations shall exclusively govern the interpretation of this Contract, the arbitration provisions herein, the arbitration procedures conducted pursuant thereto, and the application of all provisions of the Contract to the Contractor, and
 - 6. pursuant to 1 N.N.C. § 554(J)-(K) and 7 N.N.C. §1102, the appropriate Navajo Nation district court shall have exclusive jurisdiction to compel the Owner's participation in an arbitration, and shall have exclusive jurisdiction to enforce, modify, or vacate an

arbitration award resulting from such arbitration; neither party may recover from the other any attorney fees or costs.

- D. *Waiver of Suit:* The negotiation and arbitration provisions herein shall constitute the sole and exclusive procedural remedy to any dispute or controversy arising from this Contract. Commencement of negotiation or arbitration shall be a complete defense to any suit, claim, action or proceeding in any federal, state, or tribal judicial or administrative tribunal, with respect to any dispute or controversy arising out of this Contract.
- E. *Post-termination; Post-expiration:* Regarding any dispute arising from this Contract, the dispute resolution procedures set forth herein shall survive the termination or expiration of this Contract.
- F. *Challenges limited:* By entering into this Contract, the Contractor expressly covenants and agrees that it shall not contest or challenge the territorial, administrative, legislative, executive or judicial jurisdiction of the Navajo Nation on the basis that such jurisdiction is inconsistent with the status of the Navajo Nation as an Indian tribal Nation, or that the Navajo Nation government is not a government of general jurisdiction, or that the Navajo Nation government does not possess full police power (i.e., the power to legislate and regulate for the public's general health and welfare) over all lands, persons, activities, transactions, or occurrences within its territorial boundaries, or on any other basis not generally applicable in a similar challenge to the jurisdiction of a state government.
- G. *Partial Approval:* If the party receiving a claim approves the claim in part and denies it in part, such action shall be final and binding unless within 30 days of such action the other party invokes the procedure set forth in Article 12.

12.04 *Navajo Nation Department of Justice Approval*

- A. Pursuant to 1 N.N.C. §554(J)(2) and (K)(2), Navajo Nation Department of Justice approval is required for all agreements that include a limited waiver of sovereign immunity to compel or enforce arbitration under the Navajo Nation Arbitration Act, as amended, 7 N.N.C. §1101 *et seq.* The previous sentence and the Navajo Nation Department of Justice's signature are required on the signature page of C-520.

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

13.01 *Cost of the Work*

- A. The term Cost of the Work means the sum of all costs necessary for the proper performance of the Work at issue.
- B. *Costs Excluded:* The term Cost of the Work shall not include any of the following items:
 - 1. Payroll costs and other compensation of Contractor's officers, executives, principals (of partnerships and sole proprietorships), general managers, safety managers, engineers, architects, estimators, attorneys, auditors, accountants, purchasing and contracting agents, expeditors, timekeepers, clerks, and other personnel employed by Contractor, whether at the Site or in Contractor's principal or branch office for general administration of the Work. The payroll costs and other compensation excluded here are to be considered administrative costs covered by the Contractor's fee.
 - 2. Expenses of Contractor's principal and branch offices other than Contractor's office at the Site.

3. Any part of Contractor's capital expenses, including interest on Contractor's capital employed for the Work and charges against Contractor for delinquent payments.
 4. Costs due to the negligence of Contractor, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable, including but not limited to, the correction of defective Work, disposal of materials or equipment wrongly supplied, and making good any damage to property.
 5. Other overhead or general expense costs of any kind and the costs of any item not specifically and expressly included in Paragraph 13.01.B.
- C. *Contractor's Fee*: When the Work as a whole is performed on the basis of cost-plus, Contractor's fee shall be determined as set forth in the Contract. When the value of any Work covered by a Change Order, Change Proposal, Claim, set-off, or other adjustment in Contract Price is determined on the basis of Cost of the Work, Contractor's fee shall be determined as set forth in Paragraph 11.04.C.
 - D. *Contingency Allowance*: Contractor agrees that a contingency allowance, if any, is for the sole use of Owner to cover unanticipated costs.
 - E. Prior to final payment, an appropriate Change Order will be issued as recommended by Engineer to reflect actual amounts due Contractor on account of Work covered by allowances, and the Contract Price shall be correspondingly adjusted.

13.02 *Unit Price Work*

- A. Where the Contract Documents provide that all or part of the Work is to be Unit Price Work, initially the Contract Price will be deemed to include for all Unit Price Work an amount equal to the sum of the unit price for each separately identified item of Unit Price Work times the estimated quantity of each item as indicated in the Contract.
- B. The estimated quantities of items of Unit Price Work are not guaranteed and are solely for the purpose of comparison of Bids and determining an initial Contract Price. Payments to Contractor for Unit Price Work will be based on actual quantities.
- C. Each unit price will be deemed to include an amount considered by Contractor to be adequate to cover Contractor's overhead and profit for each separately identified item.
- D. Engineer will determine the actual quantities and classifications of Unit Price Work performed by Contractor. Engineer will review with Contractor the Engineer's preliminary determinations on such matters before rendering a written decision thereon (by recommendation of an Application for Payment or otherwise). Engineer's written decision thereon will be final and binding (except as modified by Engineer to reflect changed factual conditions or more accurate data) upon Owner and Contractor, subject to the provisions of the following subsection.
- E. Within 30 days of Engineer's written decision under the preceding paragraph, Contractor may submit a Change Proposal, or Owner may file a Claim, seeking an adjustment in the Contract Price if:
 1. the quantity of any item of Unit Price Work performed by Contractor differs materially and significantly from the estimated quantity of such item indicated in the Contract;
 2. there is no corresponding adjustment with respect to any other item of Work; and
 3. Contractor believes that it is entitled to an increase in Contract Price as a result of having incurred additional expense or Owner believes that Owner is entitled to a

decrease in Contract Price, and the parties are unable to agree as to the amount of any such increase or decrease.

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

14.01 Access to Work

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

14.02 Tests, Inspections, and Approvals

- A. Contractor shall give Engineer timely notice of readiness of the Work (or specific parts thereof) for all required inspections and tests, and shall cooperate with inspection and testing personnel to facilitate required inspections and tests.
- B. Owner shall retain and pay for the services of an independent inspector, testing laboratory, or other qualified individual or entity to perform all inspections and tests expressly required by the Contract Documents to be furnished and paid for by Owner, except that costs incurred in connection with tests or inspections of covered Work shall be governed by the provisions of Paragraph 14.05.
- C. If Laws or Regulations of any public body having jurisdiction require any Work (or part thereof) specifically to be inspected, tested, or approved by an employee or other representative of such public body, Contractor shall assume full responsibility for arranging and obtaining such inspections, tests, or approvals, pay all costs in connection therewith, and furnish Engineer the required certificates of inspection or approval.
- D. Contractor shall be responsible for arranging, obtaining, and paying for all inspections and tests required:
 - 1. by the Contract Documents, unless the Contract Documents expressly allocate responsibility for a specific inspection or test to Owner;
 - 2. to attain Owner's and Engineer's acceptance of materials or equipment to be incorporated in the Work;
 - 3. by manufacturers of equipment furnished under the Contract Documents;
 - 4. for testing, adjusting, and balancing of mechanical, electrical, and other equipment to be incorporated into the Work; and
 - 5. for acceptance of materials, mix designs, or equipment submitted for approval prior to Contractor's purchase thereof for incorporation in the Work.

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

- E. If the Contract Documents require the Work (or part thereof) to be approved by Owner, Engineer, or another designated individual or entity, then Contractor shall assume full responsibility for arranging and obtaining such approvals.

- F. If any Work (or the work of others) that is to be inspected, tested, or approved is covered by Contractor without written concurrence of Engineer, Contractor shall, if requested by Engineer, uncover such Work for observation. Such uncovering shall be at Contractor's expense unless Contractor had given Engineer timely notice of Contractor's intention to cover the same and Engineer had not acted with reasonable promptness in response to such notice.

14.03 *Defective Work*

- A. *Contractor's Obligation:* It is Contractor's obligation to assure that the Work is not defective.
- B. *Engineer's Authority:* Engineer has the authority to determine whether Work is defective, and to reject defective Work.
- C. *Notice of Defects:* Prompt notice of all defective Work of which Owner or Engineer has actual knowledge will be given to Contractor.
- D. *Correction, or Removal and Replacement:* Promptly after receipt of written notice of defective Work, Contractor shall correct all such defective Work, whether or not fabricated, installed, or completed, or, if Engineer has rejected the defective Work, remove it from the Project and replace it with Work that is not defective.
- E. *Preservation of Warranties:* When correcting defective Work, Contractor shall take no action that would void or otherwise impair Owner's special warranty and guarantee, if any, on said Work.
- F. *Costs and Damages:* In addition to its correction, removal, and replacement obligations with respect to defective Work, Contractor shall pay all claims, costs, losses, and damages arising out of or relating to defective Work, including but not limited to the cost of the inspection, testing, correction, removal, replacement, or reconstruction of such defective Work, fines levied against Owner by governmental authorities because the Work is defective, and the costs of repair or replacement of work of others resulting from defective Work. Prior to final payment, if Owner and Contractor are unable to agree as to the measure of such claims, costs, losses, and damages resulting from defective Work, then Owner may impose a reasonable set-off against payments due under Article 15.

14.04 *Acceptance of Defective Work*

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

14.05 *Uncovering Work*

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

14.06 *Owner May Stop the Work*

- A. If the Work is defective, or Contractor fails to supply sufficient skilled workers or suitable materials or equipment, or fails to perform the Work in such a way that the completed Work will conform to the Contract Documents, then Owner may order Contractor to stop the Work, or any portion thereof, until the cause for such order has been eliminated; however, this right of Owner to stop the Work shall not give rise to any duty on the part of Owner to exercise this right for the benefit of Contractor, any Subcontractor, any Supplier, any other individual or entity, or any surety for, or employee or agent of any of them.

14.07 *Owner May Correct Defective Work*

- A. If Contractor fails within a reasonable time after written notice from Engineer to correct defective Work, or to remove and replace rejected Work as required by Engineer, or if Contractor fails to perform the Work in accordance with the Contract Documents, or if Contractor fails to comply with any other provision of the Contract Documents, then Owner may, after seven days written notice to Contractor, correct or remedy any such deficiency.
- B. In exercising the rights and remedies under this Paragraph 14.07, Owner shall proceed expeditiously. In connection with such corrective or remedial action, Owner may exclude Contractor from all or part of the Site, take possession of all or part of the Work and suspend Contractor's services related thereto, and incorporate in the Work all materials and equipment stored at the Site or for which Owner has paid Contractor but which are stored elsewhere. Contractor shall allow Owner, Owner's representatives, agents and employees, Owner's other contractors, and Engineer and Engineer's consultants access to the Site to enable Owner to exercise the rights and remedies under this paragraph.

- C. All claims, costs, losses, and damages incurred or sustained by Owner in exercising the rights and remedies under this Paragraph 14.07 will be charged against Contractor as set-offs against payments due under Article 15. Such claims, costs, losses and damages will include but not be limited to all costs of repair, or replacement of work of others destroyed or damaged by correction, removal, or replacement of Contractor's defective Work.
- D. Contractor shall not be allowed an extension of the Contract Times because of any delay in the performance of the Work attributable to the exercise by Owner of Owner's rights and remedies under this Paragraph 14.07.

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

15.01 *Progress Payments*

- A. *Basis for Progress Payments:* The Schedule of Values established as provided in Article 2 will serve as the basis for progress payments and will be incorporated into a form of Application for Payment acceptable to Engineer. Progress payments on account of Unit Price Work will be based on the number of units completed during the pay period, as determined under the provisions of Paragraph 13.02. Progress payments for cost-based Work will be based on Cost of the Work completed by Contractor during the pay period.
- B. *Applications for Payments:*
 - 1. At least 20 days before the date established in the Contract for each progress payment (but not more often than once a month), Contractor shall submit to Engineer for review an Application for Payment filled out and signed by Contractor covering the Work completed as of the date of the Application and accompanied by such supporting documentation as is required by the Contract Documents. If payment is requested on the basis of materials and equipment not incorporated in the Work but delivered and suitably stored at the Site or at another location agreed to in writing, the Application for Payment shall also be accompanied by a bill of sale, invoice, or other documentation warranting that Owner has received the materials and equipment free and clear of all Liens, and evidence that the materials and equipment are covered by appropriate property insurance, a warehouse bond, or other arrangements to protect Owner's interest therein, all of which must be satisfactory to Owner.
 - 2. Beginning with the second Application for Payment, each Application shall include an affidavit of Contractor stating that all previous progress payments received on account of the Work have been applied on account to discharge Contractor's legitimate obligations associated with prior Applications for Payment.
 - 3. The amount of retainage with respect to progress payments will be as stipulated in the Contract.
- C. *Review of Applications:*
 - 1. Engineer will, within 10 days after receipt of each Application for Payment, including each resubmittal, either indicate in writing a recommendation of payment and present the Application to Owner, or return the Application to Contractor indicating in writing Engineer's reasons for refusing to recommend payment. In the latter case, Contractor may make the necessary corrections and resubmit the Application.
 - 2. Engineer's recommendation of any payment requested in an Application for Payment will constitute a representation by Engineer to Owner, based on Engineer's observations of the executed Work as an experienced and qualified design

professional, and on Engineer's review of the Application for Payment and the accompanying data and schedules, that to the best of Engineer's knowledge, information and belief:

- a. the Work has progressed to the point indicated;
 - b. the quality of the Work is generally in accordance with the Contract Documents (subject to an evaluation of the Work as a functioning whole prior to or upon Substantial Completion, the results of any subsequent tests called for in the Contract Documents, a final determination of quantities and classifications for Unit Price Work under Paragraph 13.02, and any other qualifications stated in the recommendation); and
 - c. the conditions precedent to Contractor's being entitled to such payment appear to have been fulfilled in so far as it is Engineer's responsibility to observe the Work.
3. By recommending any such payment Engineer will not thereby be deemed to have represented that:
- a. inspections made to check the quality or the quantity of the Work as it has been performed have been exhaustive, extended to every aspect of the Work in progress, or involved detailed inspections of the Work beyond the responsibilities specifically assigned to Engineer in the Contract; or
 - b. there may not be other matters or issues between the parties that might entitle Contractor to be paid additionally by Owner or entitle Owner to withhold payment to Contractor.
4. Neither Engineer's review of Contractor's Work for the purposes of recommending payments nor Engineer's recommendation of any payment, including final payment, will impose responsibility on Engineer:
- a. to supervise, direct, or control the Work, or
 - b. for the means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or
 - c. for Contractor's failure to comply with Laws and Regulations applicable to Contractor's performance of the Work, or
 - d. to make any examination to ascertain how or for what purposes Contractor has used the money paid on account of the Contract Price, or
 - e. to determine that title to any of the Work, materials, or equipment has passed to Owner free and clear of any Liens.
5. Engineer may refuse to recommend the whole or any part of any payment if, in Engineer's opinion, it would be incorrect to make the representations to Owner stated in Paragraph 15.01.C.2.
6. Engineer will recommend reductions in payment (set-offs) necessary in Engineer's opinion to protect Owner from loss because:
- a. the Work is defective, requiring correction or replacement;
 - b. the Contract Price has been reduced by Change Orders;

- c. Owner has been required to correct defective Work in accordance with Paragraph 14.07, or has accepted defective Work pursuant to Paragraph 14.04;
- d. Owner has been required to remove or remediate a Hazardous Environmental Condition for which Contractor is responsible; or
- e. Engineer has actual knowledge of the occurrence of any of the events that would constitute a default by Contractor and therefore justify termination for cause under the Contract Documents.

D. *Payment Becomes Due:*

- 1. Ten days after presentation of the Application for Payment to Owner with Engineer's recommendation, the amount recommended (subject to any Owner set-offs) will become due, and when due will be paid by Owner to Contractor.

E. *Reductions in Payment by Owner:*

- 1. In addition to any reductions in payment (set-offs) recommended by Engineer, Owner is entitled to impose a set-off against payment based on any of the following:
 - a. claims have been made against Owner on account of Contractor's conduct in the performance or furnishing of the Work, or Owner has incurred costs, losses, or damages on account of Contractor's conduct in the performance or furnishing of the Work, including but not limited to claims, costs, losses, or damages from workplace injuries, adjacent property damage, non-compliance with Laws and Regulations, and patent infringement;
 - b. Contractor has failed to take reasonable and customary measures to avoid damage, delay, disruption, and interference with other work at or adjacent to the Site;
 - c. Contractor has failed to provide and maintain required bonds or insurance;
 - d. Owner has been required to remove or remediate a Hazardous Environmental Condition for which Contractor is responsible;
 - e. Owner has incurred extra charges or engineering costs related to submittal reviews, evaluations of proposed substitutes, tests and inspections, or return visits to manufacturing or assembly facilities;
 - f. the Work is defective, requiring correction or replacement;
 - g. Owner has been required to correct defective Work in accordance with Paragraph 14.07, or has accepted defective Work pursuant to Paragraph 14.04;
 - h. the Contract Price has been reduced by Change Orders;
 - i. an event that would constitute a default by Contractor and therefore justify a termination for cause has occurred;
 - j. liquidated damages have accrued as a result of Contractor's failure to achieve Milestones, Substantial Completion, or final completion of the Work;
 - k. Liens have been filed in connection with the Work, except where Contractor has delivered a specific bond satisfactory to Owner to secure the satisfaction and discharge of such Liens;
 - l. there are other items entitling Owner to a set off against the amount recommended.

2. If Owner imposes any set-off against payment, whether based on its own knowledge or on the written recommendations of Engineer, Owner will give Contractor immediate written notice (with a copy to Engineer) stating the reasons for such action and the specific amount of the reduction, and promptly pay Contractor any amount remaining after deduction of the amount so withheld. Owner shall promptly pay Contractor the amount so withheld, or any adjustment thereto agreed to by Owner and Contractor, if Contractor remedies the reasons for such action. The reduction imposed shall be binding on Contractor unless it duly submits a Change Proposal contesting the reduction.
3. Upon a subsequent determination that Owner's refusal of payment was not justified, the amount wrongfully withheld shall be treated as an amount due as determined by Paragraph 15.01.C.1 and subject to interest as provided in the Contract.

15.02 *Contractor's Warranty of Title*

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

15.03 *Substantial Completion*

- A. When Contractor considers the entire Work ready for its intended use Contractor shall notify Owner and Engineer in writing that the entire Work is substantially complete and request that Engineer issue a certificate of Substantial Completion. Contractor shall at the same time submit to Owner and Engineer an initial draft of punch list items to be completed or corrected before final payment.
- B. Promptly after Contractor's notification, Owner, Contractor, and Engineer shall make an inspection of the Work to determine the status of completion. If Engineer does not consider the Work substantially complete, Engineer will notify Contractor in writing giving the reasons therefor.
- C. If Engineer considers the Work substantially complete, Engineer will deliver to Owner a preliminary certificate of Substantial Completion which shall fix the date of Substantial Completion. Engineer shall attach to the certificate a punch list of items to be completed or corrected before final payment. Owner shall have seven days after receipt of the preliminary certificate during which to make written objection to Engineer as to any provisions of the certificate or attached punch list. If, after considering the objections to the provisions of the preliminary certificate, Engineer concludes that the Work is not substantially complete, Engineer will, within 14 days after submission of the preliminary certificate to Owner, notify Contractor in writing that the Work is not substantially complete, stating the reasons therefor. If Owner does not object to the provisions of the certificate, or if despite consideration of Owner's objections Engineer concludes that the Work is substantially complete, then Engineer will, within said 14 days, execute and deliver to Owner and Contractor a final certificate of Substantial Completion (with a revised punch list of items to be completed or corrected) reflecting such changes from the preliminary certificate as Engineer believes justified after consideration of any objections from Owner.
- D. At the time of receipt of the preliminary certificate of Substantial Completion, Owner and Contractor will confer regarding Owner's use or occupancy of the Work following Substantial Completion, review the builder's risk insurance policy with respect to the end of the builder's risk coverage, and confirm the transition to coverage of the Work under a

permanent property insurance policy held by Owner. Unless Owner and Contractor agree otherwise in writing, Owner shall bear responsibility for security, operation, protection of the Work, property insurance, maintenance, heat, and utilities upon Owner's use or occupancy of the Work.

- E. After Substantial Completion the Contractor shall promptly begin work on the punch list of items to be completed or corrected prior to final payment. In appropriate cases, Contractor may submit monthly Applications for Payment for completed punch list items, following the progress payment procedures set forth above.
- F. Owner shall have the right to exclude Contractor from the Site after the date of Substantial Completion subject to allowing Contractor reasonable access to remove its property and complete or correct items on the punch list.

15.04 *Partial Use or Occupancy*

- A. Prior to Substantial Completion of all the Work, Owner may use or occupy any substantially completed part of the Work which has specifically been identified in the Contract Documents, or which Owner, Engineer, and Contractor agree constitutes a separately functioning and usable part of the Work that can be used by Owner for its intended purpose without significant interference with Contractor's performance of the remainder of the Work, subject to the following conditions:
 - 1. At any time Owner may request in writing that Contractor permit Owner to use or occupy any such part of the Work that Owner believes to be substantially complete. If and when Contractor agrees that such part of the Work is substantially complete, Contractor, Owner, and Engineer will follow the procedures of Paragraph 15.03.A through E for that part of the Work.
 - 2. At any time Contractor may notify Owner and Engineer in writing that Contractor considers any such part of the Work substantially complete and request Engineer to issue a certificate of Substantial Completion for that part of the Work.
 - 3. Within a reasonable time after either such request, Owner, Contractor, and Engineer shall make an inspection of that part of the Work to determine its status of completion. If Engineer does not consider that part of the Work to be substantially complete, Engineer will notify Owner and Contractor in writing giving the reasons therefor. If Engineer considers that part of the Work to be substantially complete, the provisions of Paragraph 15.03 will apply with respect to certification of Substantial Completion of that part of the Work and the division of responsibility in respect thereof and access thereto.
 - 4. No use or occupancy or separate operation of part of the Work may occur prior to compliance with the requirements of Paragraph 6.02 regarding builder's risk or other property insurance.

15.05 *Final Inspection*

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

15.06 *Final Payment*

A. *Application for Payment:*

1. After Contractor has, in the opinion of Engineer, satisfactorily completed all corrections identified during the final inspection and has delivered, in accordance with the Contract Documents, all maintenance and operating instructions, schedules, guarantees, bonds, certificates or other evidence of insurance, certificates of inspection, annotated record documents (as provided in Paragraph 7.11), and other documents, Contractor may make application for final payment.
2. The final Application for Payment shall be accompanied (except as previously delivered) by:
 - a. all documentation called for in the Contract Documents;
 - b. consent of the surety, if any, to final payment;
 - c. satisfactory evidence that all title issues have been resolved such that title to all Work, materials, and equipment has passed to Owner free and clear of any Liens or other title defects, or will so pass upon final payment.
 - d. a list of all disputes that Contractor believes are unsettled; and
 - e. complete and legally effective releases or waivers (satisfactory to Owner) of all Lien rights arising out of the Work, and of Liens filed in connection with the Work.
3. In lieu of the releases or waivers of Liens specified in Paragraph 15.06.A.2 and as approved by Owner, Contractor may furnish receipts or releases in full and an affidavit of Contractor that: (a) the releases and receipts include all labor, services, material, and equipment for which a Lien could be filed; and (b) all payrolls, material and equipment bills, and other indebtedness connected with the Work for which Owner might in any way be responsible, or which might in any way result in liens or other burdens on Owner's property, have been paid or otherwise satisfied. If any Subcontractor or Supplier fails to furnish such a release or receipt in full, Contractor may furnish a bond or other collateral satisfactory to Owner to indemnify Owner against any Lien, or Owner at its option may issue joint checks payable to Contractor and specified Subcontractors and Suppliers.

B. *Engineer's Review of Application and Acceptance:*

1. If, on the basis of Engineer's observation of the Work during construction and final inspection, and Engineer's review of the final Application for Payment and accompanying documentation as required by the Contract Documents, Engineer is satisfied that the Work has been completed and Contractor's other obligations under the Contract have been fulfilled, Engineer will, within ten days after receipt of the final Application for Payment, indicate in writing Engineer's recommendation of final payment and present the Application for Payment to Owner for payment. Such recommendation shall account for any set-offs against payment that are necessary in Engineer's opinion to protect Owner from loss for the reasons stated above with respect to progress payments. At the same time Engineer will also give written notice to Owner and Contractor that the Work is acceptable, subject to the provisions of Paragraph 15.06.F. Otherwise, Engineer will return the Application for Payment to Contractor, indicating in writing the reasons for refusing to recommend final payment, in which case Contractor shall make the necessary corrections and resubmit the Application for Payment.

- C. *Completion of Work*: The Work is complete (subject to surviving obligations) when it is ready for final payment as established by the Engineer's written recommendation of final payment.
- D. *Payment Becomes Due*: Thirty days after the presentation to Owner of the final Application for Payment and accompanying documentation, the amount recommended by Engineer (less any further sum Owner is entitled to set off against Engineer's recommendation, including but not limited to set-offs for liquidated damages and set-offs allowed under the provisions above with respect to progress payments) will become due and shall be paid by Owner to Contractor.
- E. *Submittal of Invoices & Work Product*: Copies of all work product documents, reports, photographs, drawings, schematics, related correspondence, invoices, and other information or documents regarding the Project shall be provided to the Owner's Representative no later than thirty (30) calendar days following the expiration or termination of this Contract. Final invoice(s) shall be due no later than thirty (30) calendar days following the expiration or termination of this Contract.
- F. *Waiver of Claims*
 - 1. The making of final payment will not constitute a waiver by Owner of claims or rights against Contractor. Owner expressly reserves claims and rights arising from unsettled Liens, from defective Work appearing after final inspection pursuant to Paragraph 15.05, from Contractor's failure to comply with the Contract Documents or the terms of any special guarantees specified therein, from outstanding Claims by Owner, or from Contractor's continuing obligations under the Contract Documents.
 - 2. The acceptance of final payment by Contractor will constitute a waiver by Contractor of all claims and rights against Owner other than those pending matters that have been duly submitted or appealed under the provisions of Article 12.03.

15.07 *Correction Period*

- A. If within one year after the date of Substantial Completion (or such longer period of time as may be prescribed by the terms of any applicable special guarantee required by the Contract Documents, or by any specific provision of the Contract Documents), any Work is found to be defective, or if the repair of any damages to the Site, adjacent areas that Contractor has arranged to use through construction easements or otherwise, and other adjacent areas used by Contractor as permitted by Laws and Regulations, is found to be defective, then Contractor shall promptly, without cost to Owner and in accordance with Owner's written instructions:
 - 1. correct the defective repairs to the Site or such other adjacent areas;
 - 2. correct such defective Work;
 - 3. if the defective Work has been rejected by Owner, remove it from the Project and replace it with Work that is not defective, and
 - 4. satisfactorily correct or repair or remove and replace any damage to other Work, to the work of others, or to other land or areas resulting therefrom.
- B. If Contractor does not promptly comply with the terms of Owner's written instructions, or in an emergency where delay would cause serious risk of loss or damage, Owner may have the defective Work corrected or repaired or may have the rejected Work removed and replaced. Contractor shall pay all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals

and all court or arbitration or other dispute resolution costs) arising out of or relating to such correction or repair or such removal and replacement (including but not limited to all costs of repair or replacement of work of others).

- C. In special circumstances where a particular item of equipment is placed in continuous service before Substantial Completion of all the Work, the correction period for that item may start to run from an earlier date if so provided in the Specifications.
- D. Where defective Work (and damage to other Work resulting therefrom) has been corrected or removed and replaced under this paragraph, the correction period hereunder with respect to such Work will be extended for an additional period of one year after such correction or removal and replacement has been satisfactorily completed.
- E. Contractor's obligations under this paragraph are in addition to all other obligations and warranties. The provisions of this paragraph shall not be construed as a substitute for, or a waiver of, the provisions of any applicable statute of limitation or repose.

ARTICLE 16 – SUSPENSION OF WORK AND TERMINATION

16.01 *Owner May Suspend Work*

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

16.02 *Owner May Terminate for Cause*

- A. The occurrence of any one or more of the following events will constitute a default by Contractor and justify termination for cause:
 - 1. Contractor's persistent failure to perform the Work in accordance with the Contract Documents (including, but not limited to, failure to supply sufficient skilled workers or suitable materials or equipment or failure to adhere to the Progress Schedule);
 - 2. Failure of Contractor to perform or otherwise to comply with a material term of the Contract Documents;
 - 3. Contractor's disregard of Laws or Regulations of any public body having jurisdiction; or
 - 4. Contractor's repeated disregard of the authority of Owner or Engineer.
- B. If one or more of the events identified in Paragraph 16.02.A occurs, then after giving Contractor (and any surety) ten days written notice that Owner is considering a declaration that Contractor is in default and termination of the contract, Owner may proceed to:
 - 1. declare Contractor to be in default, and give Contractor (and any surety) notice that the Contract is terminated; and
 - 2. enforce the rights available to Owner under any applicable performance bond.
- C. Subject to the terms and operation of any applicable performance bond, if Owner has terminated the Contract for cause, Owner may exclude Contractor from the Site, take possession of the Work, incorporate in the Work all materials and equipment stored at the

Site or for which Owner has paid Contractor but which are stored elsewhere, and complete the Work as Owner may deem expedient.

- D. Owner may not proceed with termination of the Contract under Paragraph 16.02.B if Contractor within seven days of receipt of notice of intent to terminate begins to correct its failure to perform and proceeds diligently to cure such failure.
- E. If Owner proceeds as provided in Paragraph 16.02.B, Contractor shall not be entitled to receive any further payment until the Work is completed. If the unpaid balance of the Contract Price exceeds the cost to complete the Work, including all related claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals) sustained by Owner, such excess will be paid to Contractor. If the cost to complete the Work including such related claims, costs, losses, and damages exceeds such unpaid balance, Contractor shall pay the difference to Owner. Such claims, costs, losses, and damages incurred by Owner will be reviewed by Engineer as to their reasonableness and, when so approved by Engineer, incorporated in a Change Order. When exercising any rights or remedies under this paragraph, Owner shall not be required to obtain the lowest price for the Work performed.
- F. Where Contractor's services have been so terminated by Owner, the termination will not affect any rights or remedies of Owner against Contractor then existing or which may thereafter accrue, or any rights or remedies of Owner against Contractor or any surety under any payment bond or performance bond. Any retention or payment of money due Contractor by Owner will not release Contractor from liability.
- G. If and to the extent that Contractor has provided a performance bond under the provisions of Paragraph 6.01.A, the provisions of that bond shall govern over any inconsistent provisions of Paragraphs 16.02.B and 16.02.D.

16.03 *Owner May Terminate For Convenience*

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

16.04 *Contractor May Stop Work or Terminate*

- A. If, through no act or fault of Contractor, (1) the Work is suspended for more than 90 consecutive days by Owner or under an order of court or other public authority, or (2) Engineer fails to act on any Application for Payment within 30 days after it is submitted, or (3) Owner fails for 30 days to pay Contractor any sum finally determined to be due, then Contractor may, upon seven days written notice to Owner and Engineer, and provided

Owner or Engineer do not remedy such suspension or failure within that time, terminate the contract and recover from Owner payment on the same terms as provided in Paragraph 16.03.

- B. In lieu of terminating the Contract and without prejudice to any other right or remedy, if Engineer has failed to act on an Application for Payment within 30 days after it is submitted, or Owner has failed for 30 days to pay Contractor any sum finally determined to be due, Contractor may, seven days after written notice to Owner and Engineer, stop the Work until payment is made of all such amounts due Contractor, including interest thereon. The provisions of this paragraph are not intended to preclude Contractor from submitting a Change Proposal for an adjustment in Contract Price or Contract Times or otherwise for expenses or damage directly attributable to Contractor's stopping the Work as permitted by this paragraph.

16.05 *Additional Rights of Navajo Nation to Suspend or Terminate*

- A. Generally: The rights of the Parties to suspend or terminate this Contract shall be as provided for in this Section. In addition, upon prior written notice to the Contractor of not less than thirty (30) calendar days, the Navajo Nation may unilaterally order a temporary stoppage of work on the Contract. Additional payment to the Contractor for such change, if any, shall be in accordance with Article 11 herein.
- B. Non-compliance or violation of laws: In addition to the Navajo Nation's right of suspension and termination provided for in this Section, the Navajo Nation may terminate this Contract for breach if the Nation's Representative determines in writing that the Contractor or any of its subcontractors has violated any applicable law or regulation. For purposes of this Article, "violated" means an intentional or negligent failure to comply with any said law or regulation, or an intentional or negligent act that is inconsistent with any said law or regulation; "applicable law or regulation" means any Navajo Nation law or regulation, any federal law or regulation, or any state law or regulation that is applicable to this Contract, to its award or procurement, or to Contractor's performance under this Contract.
- C. Falsification, Lack of Documentation: The Navajo Nation may terminate this Contract for breach if:
 - 1. any statement or documentation regarding any licensing, business registration, insurance coverage, or debts owed, as described in Paragraphs 2.01, 2.02 and 6.0, herein is determined to be false; or
 - 2. Contractor has failed to submit in a timely manner any requested documentation pertaining to any licensing, business registration, insurance coverage, or debts owed, as described in Paragraphs 2.01, 2.02 and 6.0 herein, and the Nation's Representative determines that the Navajo Nation is unable to issue a Notice to Proceed, or to otherwise proceed with the Project, in a timely manner.
 - 3. Financial Responsibility, Solvency: The Navajo Nation may terminate this Contract for breach if:
 - a. any debt as described in Paragraph 2.02 is discovered or arises subsequent to the execution of this Contract; or the required licensing, business registration, or insurance coverage has expired or has been suspended or revoked at any time during the performance of this Contract; or
 - b. the Contractor becomes insolvent or its insolvency is imminent, or the Contractor files for bankruptcy under any chapter of federal law; or

- c. the provider of the Contractor's insurance is not solvent or its insolvency is imminent; or
 - d. the Nation receives notice that the Contractor has failed to pay its subcontractors, employees, suppliers or other ancillary firm(s) for any work on this Project.
- D. Debarment; Suspension: The Navajo Nation may terminate this Contract if the Nation or any of its political subdivisions, enterprises, or other related entities, or if any federal or state governmental entity, has for any reason debarred or suspended the Contractor or any of its subcontractors, or other entity owned or co-owned by any related individual. Such debarment or suspension shall be considered effective notwithstanding any appeal, and shall be effective unless and until conclusively resolved in favor of the Contractor or subcontractor.
- E. Payment upon termination: In the event of termination under this Paragraph 16.05, the Contractor shall be reimbursed only for the reasonable value of any non-recurring costs incurred on account of work performed or services provided under this Contract up to the date of notification of termination, whether or not invoice(s), billing(s), or payment application(s) have been received by the Navajo Nation for such work or services prior to the date of cancellation, except for costs amortized in the price of such work or services.

ARTICLE 17 – MISCELLANEOUS

17.01 *Miscellaneous Provisions*

- A. Requests for Information: When requested by the Owner, Contractor shall submit, within fourteen (14) calendar days of the Owner's notice to Contractor of such request, proper verification of invoices, pay applications, reports, documents or any other information related to the Project or any provision of this Contract, or related to the Contractor's duties under this Contract, including requested information related to any entity which may owe the Nation money as provided in 12 N.N.C. § 1503 A.
- B. Owner's Ownership of Work Product: All raw or manufactured materials, supplies, or equipment purchased specifically for the purpose of incorporation into or use with the Project or any portion thereof, shall be considered the property of the Owner as of the date of purchase. Notwithstanding, the Contractor assumes all risks and liabilities associated with the acquisition, transportation, delivery, storage, use, disposal, or destruction of such materials, supplies, or equipment, whether occurring at the Project site or at any other location; and such risks and liabilities are assumed by the Contractor up to the effective date and time of the Owner's property insurance coverage for the Project.
- C. Records; Audits
 - 1. Retention and audit period: Pursuant to 12 N.N.C. §352, Contractor shall maintain books, records, documents or other materials related to performance under this Contract for a period of six (6) calendar years from the date of issuance of final payment under this Contract. Upon issuance of a Notice of Audit to Contractor, the Owner may audit such documents and records any time during the effective period of this Contract, up to the five (5) calendar year period following final payment.
 - 2. Permission for release: Contractor agrees to have an authorized individual execute and have notarized a release authorizing the Owner to release the Contractor's ledgers, books, records, documents or other materials related to performance under this Contract, as such information may be required by a governmental agency under

an agreement with the Owner for purposes of an audit by such agency of such documents and records. Contractor agrees that said executed release shall constitute permission for disclosure of information pursuant to 2 N.N.C. §85 A.5.d. and 2 N.N.C. §86 C.

- D. Issuance of Notices; Mailings: Any notices or correspondence relating to this Contract sent by either party to the other shall be deemed to have been validly given if:
 - 1. Mailed to the appropriate address as shown on the signature page of EJCDC C-520, via certified U.S.P.O. mailing with return receipt requested, and shall be deemed issued or submitted to the receiving party as of the date of such certified mailing; or
 - 2. Delivered in person, by a commercial courier service or otherwise, to the appropriate individual as listed in the Contract Documents or their authorized representative.
- E. Private Contractor: The Contractor shall perform and conduct all activities under this Contract as a private independent contractor and shall not be considered an employee of the Owner or receive any benefits to which the Owner's employees are entitled.
- F. No Third Party Beneficiaries: Notwithstanding any provision of Navajo Nation law, codified or uncoded, or any Navajo Nation common or fundamental law, no provision of this Contract shall be construed as conferring any rights to, and may not be invoked by or for the benefit of, any other person or entity that is not one of the signatory Parties hereto.
- G. Assignment Restricted: The Contractor shall not in any manner whatsoever assign, convey, transfer, or sublet any rights to this Contract or any interest therein including any amendments or modifications thereto, any work product resulting from the work performed or services provided under this Contract including any amendments or modifications thereto, or any monetary claims against the Owner relating to this Contract or any amendments or modifications thereto, without the prior written consent of the Owner. Any attempted assignment without such prior consent shall be void; said consent may be granted, granted upon conditions, or withheld, at the Owner's sole discretion.
- H. Severability: If any provision of this Contract is determined by a court of competent jurisdiction, or by a ruling resulting from arbitration procedures provided for in Article 12, to be invalid, illegal or incapable of being enforced under any rule of law, all other conditions and provisions of this Contract shall nevertheless remain in full force and effect. If any such a ruling affects the rights of either party under this Contract in a materially adverse manner, the Parties may agree in writing to execute a Change Order in accordance with Article 11 herein.
- I. Partners, Successors, Subcontractors: All provisions, conditions and covenants contained herein shall extend to and be binding upon each of the Contractor's owners, partners, team members, successors, heirs, assigns, executors, administrators, employees, officials and agents, including all of the Contractor's subcontractors, and the Contractor expressly agrees that the term "Contractor" whenever used herein, or in any other Contract document, shall be deemed to include all such owners, partners, team members, successors, heirs, assigns, executors, administrators, employees, designees, consultants, officials, agents, and subcontractors.

- J. Right to Refuse Contract: The Owner reserves its right to refuse to execute this Contract if the Navajo Nation issues a written determination that any of the following has occurred prior to the Owner's execution of this Contract:
1. faulty procurement; a document, procedure, decision, action, or other event pertaining to the procurement of this Contract, or to any related pre-procurement activities, is in violation of any applicable Navajo Nation, federal, or state laws or regulations governing said procurement; or
 2. ancillary firm(s); an ancillary firm is ineligible for the award of this Contract or is unavailable to perform on the Project, for any reason; in such case, the Navajo Nation may, in its discretion, either (1) reject the selected Proposal containing the ancillary firm's qualifications and refuse to execute this Contract; or (2) decide not to reject the Proposal and consider only the license and relevant qualifications of the Contractor standing alone; or (3) decide not to reject the Proposal and permit another equally/more qualified firm to perform those Contract services that would have been performed by the ineligible or unavailable firm; or
 3. lack of funding availability; funding for the Scope of Work, as specifically described in the Project Manual or any addenda, has become wholly or partially unavailable; in which case the Project Manual for this Project shall be cancelled in accordance with Section XIII(B) of the Navajo Nation Procurement Rules and Regulations, and this Contract shall not be executed until completion of a new procurement process for this Project; or
 4. change to Scope of Work or other requirements; there has been a change to the Scope of Work or any other mandatory requirement, as specifically described in the Project Manual or any addenda; in which case additional procedures under Section XIII(A) of the Navajo Nation Procurement Rules and Regulations shall be required and this Contract shall not be executed until the completion of such procedures; or
 5. change to Budget/Maximum Feasible Price; there has been a revision (whether increase or decrease) of the Maximum Feasible Price that was originally established by the Navajo Nation prior to the initiation of the procurement process for this Contract; in which case additional procedures under Section XIII(A) of the Navajo Nation Procurement Rules and Regulations shall be required and this Contract shall not be executed until the completion of such procedures; or
 6. protest filed; a protest has been timely filed in accordance with 12 N.N.C. §360(A), unless a determination has been made to proceed with a Contract award pursuant to 12 N.N.C. §360(F); or
 7. other reasons cited in Regulations; any of the following pertains to this procurement:
 - a. inadequate or ambiguous specifications were cited in the Project Manual;
 - b. the services contemplated under this Contract are no longer required;
 - c. the Project Manual did not provide for consideration of all factors of cost to the Navajo Nation
 - d. all Bids received indicate that the needs of the Navajo Nation can be satisfied by a less expensive service differing from that described in the Project Manual;

- e. all Bids received exceed the Maximum Feasible Price after opportunity for negotiation pursuant to 12 N.N.C. §346(D);
- f. the selected Bidder was collusive, contained fraudulent statements or information, contained any material misrepresentation, or was submitted in bad faith;
- g. cancellation of the Bid process and refusal to enter into this Contract is in the best interest of the Navajo Nation.

17.02 *No Waiver*

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

17.03 *Headings*

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

SUPPLEMENTARY CONDITIONS

INTRODUCTION

These Supplementary Conditions amend or supplement the Standard General Conditions of the Construction Contract (No. C-710, 2002 Edition) and other provisions of the Contract Documents as indicated below. All provisions which are not so amended or supplemented remain in full force and effect.

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

SC-4.01.B. Revise Paragraph 4.01.B to read as follows:

- B Notwithstanding the Notice to Proceed, Contractor shall not commence any work under this Contract until the effective date of the bonding and insurance required by this Contract.

SC-4.04.B. Revise Paragraph 4.04.B to read as follows:

- B Contractor ~~shall~~ may not be entitled to an adjustment in Contract Price or Contract Times for delay, disruption, or interference caused by or within the control of Contractor. Delay, disruption, and interference attributable to and within the control of any of Contractor's Subcontractors, Suppliers, Laborers, or Employees shall be deemed to be within the control of Contractor.

SC-5.04.D. Revise Paragraph 5.04.D to read as follows:

- D Contractor ~~shall~~ may be entitled to an equitable adjustment in Contract Price or Contract Times, or both, to the extent that the existence of a differing subsurface or physical condition, or any related delay, disruption, or interference, causes an increase or decrease in Contractor's cost of, or time required for, performance of the Work; subject, however, to the following:

SC-6.02.A.5 Revise Paragraph 6.02.A.5 to read as follows:

- 5 Per occurrence basis. All policies must be written on a "per-occurrence" basis, unless otherwise approved in writing by the Navajo Nation Risk Management Program.

SC-7.18.A Revise Paragraph 6.02.A.5 to read as follows:

- A Contractor agrees to hold harmless and indemnify the Navajo Nation and its divisions, departments, offices, agencies, boards, commissions, committees, enterprises, employees, officers, officials, and agents against any and all losses, costs, damages, claims, expenses, or other liabilities whatsoever, including but not limited to any accident or injury to any persons or property, arising out of or connected with any work performed or services provided under this Contract, and any other related activities, by Contractor, except for accident or injury arising out of Contractor's performance of work or provision of services that is determined to be professionally and adequately performed with the due competence and professional skill generally exercised in Contractor's industry and in accordance with applicable industry standards

set forth in relevant laws and regulations of the Navajo Nation, the Federal Government, or the state of primary performance under the Contract.

SC-11.07.A Insert the following after Paragraph 11.07.A:

- B Any revisions, amendments, addendums, alterations, change orders, modifications, increase in payment, or changes whatsoever to any provision of this Contract shall be made only by a duly approved written agreement, deemed a Modification, that is duly executed by the Parties. Any and all modifications to this Contract must be duly approved by Owner.

SC-12.03.G Remove Paragraph 12.03.G in its entirety.

SC-15.01 Insert the following before Paragraph 15.01:

15.01 Payment

- A Consideration; Compensation: For the Project, Contractor shall be paid a sum not to exceed the Original Contract Amount. Contractor expressly agrees that the Original Contract Amount constitutes complete and adequate consideration for all work for the Project that is fully and satisfactorily performed by Contractor pursuant to this Contract, for all applicable taxes, permit fees, licensing or registration fees, for all bonding or surety costs, insurance or any other expenses necessary or convenient for Contractor to perform under this Contract, or to perform in compliance with applicable laws or regulations of the Navajo Nation or any other jurisdiction whose laws or regulations may be applicable to the Project.
- B Risk of additional expenses: Contractor assumes all risks associated with, and is solely responsible for, any and all applicable taxes, permit fees, licensing or registration fees, bonding or surety costs, insurance or any other expenses necessary or convenient for Contractor to satisfactorily complete its duties under this contract, or to perform in compliance with applicable laws or regulations of the Navajo Nation or any other jurisdiction, if such expenses exceed the Original Contract Amount. Expenses that exceed the Original Contract Amount may be paid at the sole discretion of Owner, via a Modification duly approved by the Parties in accordance with Article 11.
- C Subcontractor expenses: Contractor is solely responsible for any and all consideration, compensation, applicable taxes, permit fees, licensing or registration fees, bonding or surety costs, insurance or any other expenses whatsoever, related to Contractor's use of any subcontractors, agents, representatives, employees or consultants in the fulfillment of Contractor's obligation pursuant to this contract. If subcontractor expenses are not included in the Original Contract Amount, such expenses may be paid at the sole discretion of Owner, via a Modification duly approved by the Parties in accordance with Article 11.
- D Payment of pre-contract costs: Costs of the Contractor incurred before the finalization and execution of this Contract, and not included in the Original Contract Amount shown herein, may be paid at the sole discretion of Owner so long as such costs are deemed by Owner as reasonable, allowable, and are in accordance with the design, specifications, and scope of work for the Project, and the Parties enter into a Modification duly approved in accordance with Article 11.

Notwithstanding the provisions herein, Contractor expressly assumes any and all responsibility for payment of such costs if such costs are not paid under this Contract.

SC-17.01.B Insert the following after Paragraph 17.01.B:

All intangible and intellectual property or work product that is produced by Contractor or any of its subcontractors which work product is embodied in any tangible medium such as notes, plans, or drawings, including the overall form as well as the arrangement and composition of spaces and elements in the medium, and is produced for purposes of fulfilling any duties under this Contract, shall be and remain the property of Contractor at all times, whether or not such product is completed or certified. The property may be used by the Navajo Nation for the following purposes:

Limited disclosure. Said property shall not be distributed or disclosed to any party other than the Navajo Nation or its divisions, departments, offices, agencies, boards, commissions, committees, enterprises, employees, officers, officials, and agents, except: (1) upon prior written consent of Contractor; or (2) pursuant to a duly authorized and executed contract between the Navajo Nation and any other tribal, county, state or federal agency; or (3) pursuant to any applicable law requiring disclosure.

Right to reuse. Contractor acknowledges and agrees that the Navajo Nation may make and retain copies of the property for information and reference in connection with the use and occupancy of the Project by the Navajo Nation. However, such documents are not intended or represented to be suitable for reuse by the Navajo Nation or others on any other project. Any such reuse without written verification or adaptation by Contractor for the specific purpose intended, will be at the Navajo Nation's sole risk and without liability or legal exposure to Contractor, or to Contractor's independent professional associates or consultants. Any such verification or adaptation for any purpose other than a use for the Project, will entitle Contractor to further compensation at rates to be agreed upon by the Navajo Nation and Contractor.

WORK CHANGE DIRECTIVE NO. _____

Date of Issuance:	Effective Date:
Owner: Navajo Nation	Owner's Contract No.:
Contractor:	Contractor's Project No.:
Engineer: Souder, Miller & Associates	
Project: Navajo Gallup Water Supply Project Reaches 10.1, 10.2 & 10.3	Contract Name: Navajo Gallup Water Supply Project Reaches 10.1, 10.2 & 10.3

Contractor is directed to proceed promptly with the following change(s):

Description:

Attachments: *[List documents supporting change]*

Purpose for Work Change Directive:

Directive to proceed promptly with the Work described herein, prior to agreeing to changes on Contract Price and Contract Time, is issued due to: *[check one or both of the following]*

- ☐ Non-agreement on pricing of proposed change.
- ☐ Necessity to proceed for schedule or other Project reasons.

Estimated Change in Contract Price and Contract Times (non-binding, preliminary):

Contract Price \$ _____ [increase] [decrease].

Contract Time _____ days [increase] [decrease].

Basis of estimated change in Contract Price:

- ☐ Lump Sum ☐ Unit Price
- ☐ Cost of the Work ☐ Other

RECOMMENDED:		AUTHORIZED BY:		RECEIVED:	
By: _____	By: _____	By: _____		By: _____	
Engineer (Authorized Signature)	Owner (Authorized Signature)	Contractor (Authorized Signature)			
Title: _____	Title: _____	Title: _____			
Date: _____	Date: _____	Date: _____			

Approved by Funding Agency (if applicable)

By: _____ Date: _____

Title: _____

CHANGE ORDER NO. _____

Date of Issuance:

Effective Date:

Owner: **Navajo Nation**

Owner's Contract No.:

Contractor:

Contractor's Project No.:

Engineer: **Souder, Miller & Associates**

Project: **Navajo Gallup Water Supply Project Reaches
10.1, 10.2 & 10.3**

Contract Name: **Navajo Gallup Water Supply
Project Reaches 10.1, 10.2 &
10.3**

The Contract is modified as follows upon execution of this Change Order:

Description:

Attachments: *[List documents supporting change]*

CHANGE IN CONTRACT PRICE	CHANGE IN CONTRACT TIMES <i>[note changes in Milestones if applicable]</i>
Original Contract Price: \$ _____	Original Contract Times: Substantial Completion: _____ Ready for Final Payment: _____ days or dates
[Increase] [Decrease] from previously approved Change Orders No. ____ to No. ____: \$ _____	[Increase] [Decrease] from previously approved Change Orders No. ____ to No. ____: Substantial Completion: _____ Ready for Final Payment: _____ days
Contract Price prior to this Change Order: \$ _____	Contract Times prior to this Change Order: Substantial Completion: _____ Ready for Final Payment: _____ days or dates
[Increase] [Decrease] of this Change Order: \$ _____	[Increase] [Decrease] of this Change Order: Substantial Completion: _____ Ready for Final Payment: _____ days or dates
Contract Price incorporating this Change Order: \$ _____	Contract Times with all approved Change Orders: Substantial Completion: _____ Ready for Final Payment: _____ days or dates

RECOMMENDED:	ACCEPTED:	ACCEPTED:
By: _____ Engineer (if required)	By: _____ Owner (Authorized Signature)	By: _____ Contractor (Authorized Signature)
Title: _____	Title: _____	Title: _____
Date: _____	Date: _____	Date: _____

Approved by Funding Agency (if
applicable)

By: _____ Date: _____
Title: _____

FIELD ORDER NO. _____

Date of Issuance:

Effective Date:

Owner: **Navajo Nation**

Owner's Contract No.:

Contractor:

Contractor's Project No.:

Engineer: **Souder, Miller & Associates**

Project: **Navajo Gallup Water Supply Project
Reaches 10.1, 10.2 & 10.3**

Contract Name: **Navajo Gallup Water Supply Project
Reaches 10.1, 10.2 & 10.3**

Contractor is hereby directed to promptly execute this Field Order, issued in accordance with General Conditions Paragraph 11.01, without changes in Contract Price or Contract Times. If Contractor considers that a change in Contract Price or Contract Times is required, submit a Change Proposal before proceeding with this Work.

Reference: _____

Specification(s)

Drawing(s) / Detail(s)

Description:

Attachments:

ISSUED:

RECEIVED:

By: _____

Engineer
(Authorized Signature)

By: _____

Contractor
(Authorized Signature)

Title: _____

Title: _____

Date: _____

Date: _____

Copy to: Owner