

OAK LODGE WATER SERVICES DISTRICT

BOARD OF DIRECTORS

REGULAR MEETING



October 19, 2021

“Enhancing Our Community’s Water Environment”



REMOTE MEETING

Board Attendance by Zoom Video/Telephone

Public Attendance by Telephone Only

October 19, 2021 at 6:00 p.m.

1. Call to Order and Meeting Facilitation Protocols
2. Call for Public Comment
Members of the public are welcome to testify for a maximum of three minutes on agenda items.
3. Monthly Update: Oak Lodge Governance Project
4. Presentation on the Future of Water Supply for the North Clackamas County Water Commission
5. Consent Agenda
 - a. August Financial Report
 - b. Approval of September 21, 2021 Regular Board Meeting Minutes
 - c. Approval of VeloDyne Liquid Emulsion Polymer Pumps
 - d. Approval of Field Operations Construction Services On-Call Agreements
 - i. Canby Excavating
 - ii. Emery & Sons Construction Group, LLC
 - iii. GT Excavating
 - iv. Trench Line Excavation, Inc
6. Business from the Board
7. Department Reports
 - a. Finance
 - b. Technical Services
 - c. Field Operations
 - d. Plant Operations
8. Call for Public Comment
Members of the public are welcome to testify for a maximum of three minutes on agenda items.
9. Adjourn Regular Meeting



AGENDA ITEM

Title	Call for Public Comment
Item No.	2
Date	October 19, 2021

Summary

The Board of Directors welcomes comment from members of the public.

Written comments may not be read out loud or addressed during the meeting, but all public comments will be entered into the record.

The Board of Directors may elect to limit the total time available for public comment or for any single speaker depending on meeting length.

Submission information

Form: [Public Comment](#) ^[1]
Submitted by Visitor (not verified)
Mon, 10/04/2021 - 3:35pm
73.180.60.103

Identifying Information

First Name

Robert

Last Name

McRae

Group or Organization Affiliation**Address**

17633 SE Roethe PI

Phone Number

5038941690

Public Comment

What is the condition of pipeline along beach and what are you planning to do since this problem has been going for an Year? How are you planning to fix this issue? Isn't this big problem to the River if sewer leaks into the River? Thank you

Source URL: <https://www.oaklodgewaterservices.org/node/5791/submission/22217>

Links

[1] <https://www.oaklodgewaterservices.org/bc/webform/public-comment>



AGENDA ITEM

Title	Monthly Update: Oak Lodge Governance Project
Item No.	3
Date	October 19, 2021

Summary

The Board of Directors has extended an invitation to the Oak Lodge Governance Project (OLGP) for a monthly update to assure the availability of current and accurate information to the District's customers.

Tonight, Jane Civiletti and Valerie Chapman will present a short synopsis of the OLGP "Big Report" related to District operations.

You can find the full report on the OLGP website: <https://oaklodgegovernanceproject.org>

Attachments

1. PowerPoint Presentation

Metro Planning & Development Grant

New Area Planning Grant

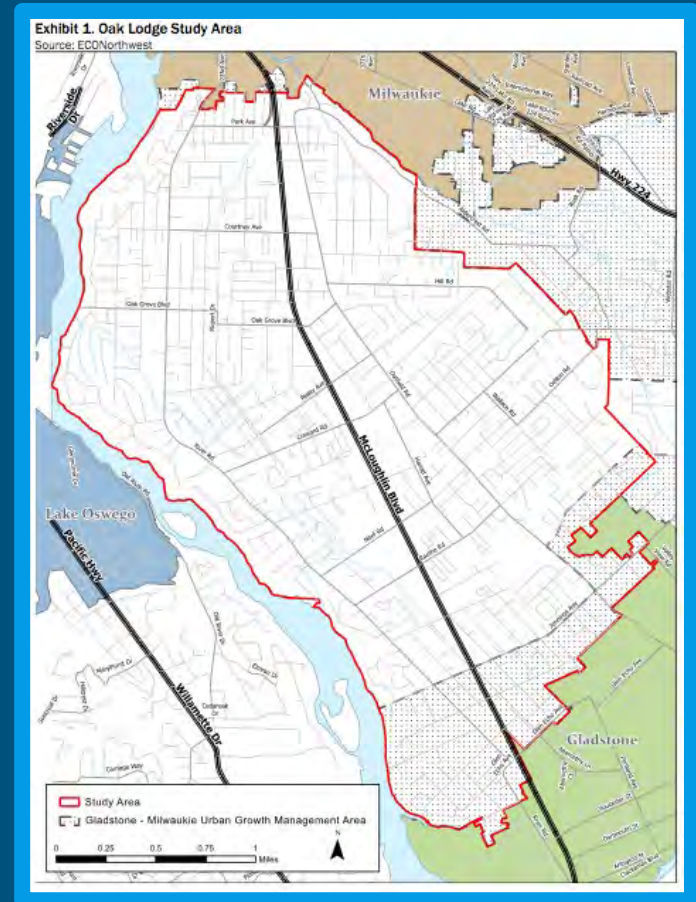
- Grant awarded in September 2020
 - \$100,000 to fund consultant study
 - Answer initial questions of governance options and fiscal consequences
-

THREE GOVERNANCE OPTIONS

1. Remaining unincorporated
2. Annexing into the City of Milwaukie
3. Incorporating into a new city

STUDY BOUNDARY

- **North:** City of Milwaukie
- **South:** City of Gladstone
- **West:** Willamette River
- **East:**
 - City of Milwaukie
 - Milwaukie Urban Growth Management Area (UGMA)
 - Unincorporated Clackamas County
 - Gladstone UGMA
 - City of Gladstone



SERVICE PROVIDERS

Modeled consistently in the study:

- Oak Lodge Water Services District
- North Clackamas Park and Recreation District
- Clackamas Fire District

Modeled differently amongst the scenarios:

- Police
- Stormwater Management
- Transportation
- Community Development
- Government Administration

STORMWATER

Stormwater Management & Watershed Protection

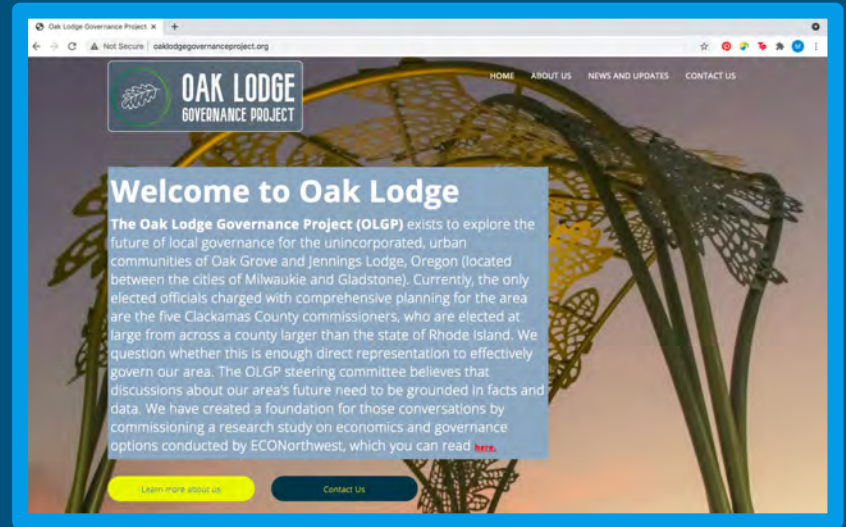
Exhibit 9. Estimated annual revenues and expenditures for stormwater management and watershed protection, Oak Lodge study area (2021 \$)

	Option 1. Unincorporated	Option 2. Annexed	Option 3. Incorporated
Revenues	\$1,500,000	\$8,300,000	\$8,300,000
Expenditures	\$1,000,000	\$8,300,000	\$8,300,000

“The adopted budget for the County does not identify specific revenues or expenditures allocated for the purpose of stormwater management.”

OUTREACH & ENGAGEMENT

- Share OLGP with friends and neighbors
- Connect OLGP with your community group
- Engage with OLGP on Facebook, Twitter and Instagram





AGENDA ITEM

Title	Presentation on the Future of Water Supply for the North Clackamas County Water Commission
Item No.	4
Date	October 19, 2021

Summary

“Created in 1999, the North Clackamas County Water Commission (NCCWC) is owned by the City of Gladstone, Oak Lodge Services Water District, and Sunrise Water Authority (Cities of Happy Valley and Damascus). The NCCWC is an independent body organized under Oregon Revised Statute 190. The Board of Commissioners for the NCCWC is composed of commissioners from each member agency appointed to represent the interests of their respective agencies. [...] The NCCWC water treatment plant provides drinking water to over 80,000 citizens for its member organization in Clackamas County.”¹

Tonight, Wade Hathhorn, NCCWC General Manager, will overview the future of NCCWC’s water supply. Below are two weblinks for further information.

CRWP: <https://www.clackamasproviders.org/>

Plant Tours: <https://www.clackamasproviders.org/treatment-plant-tours/>

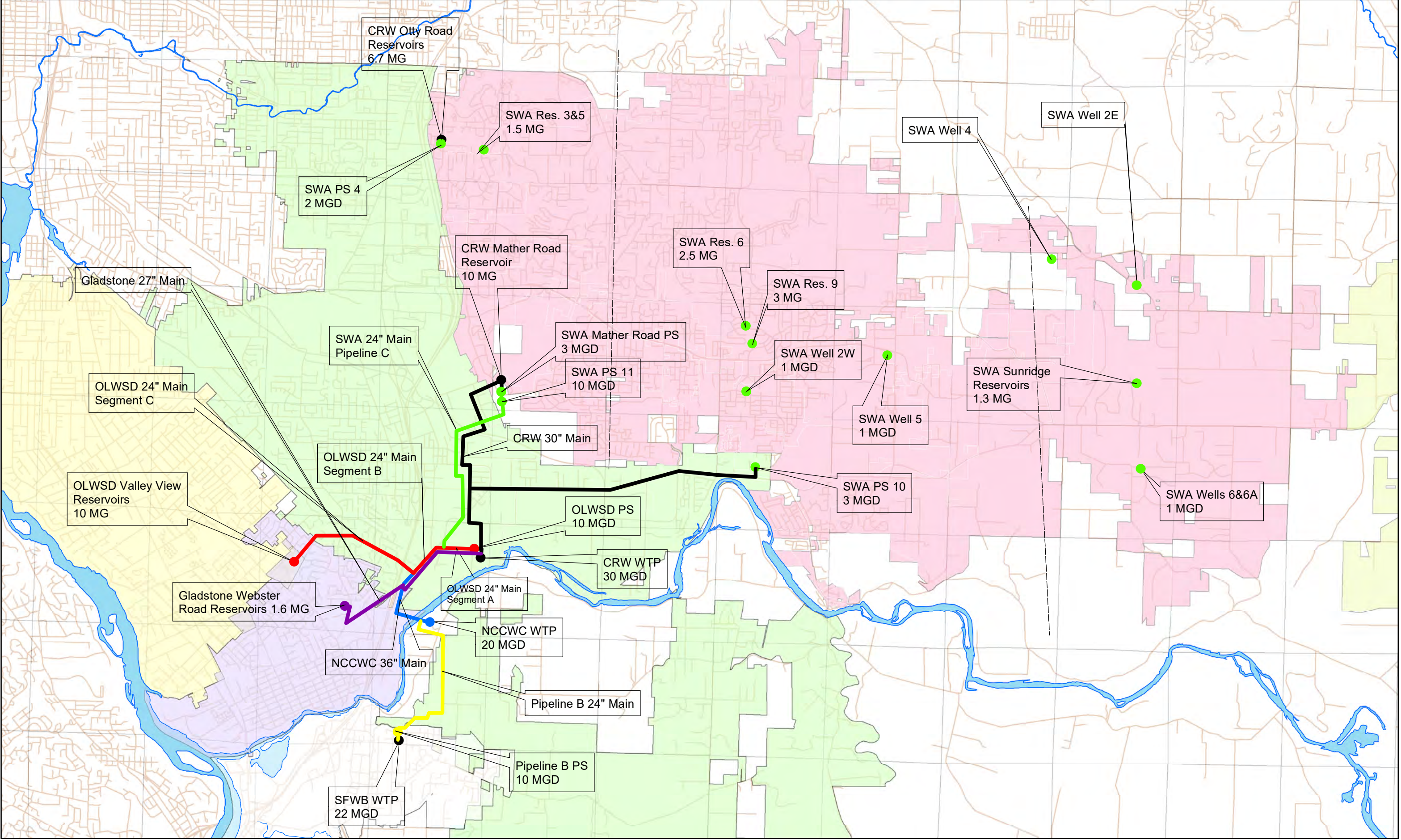
Attachments

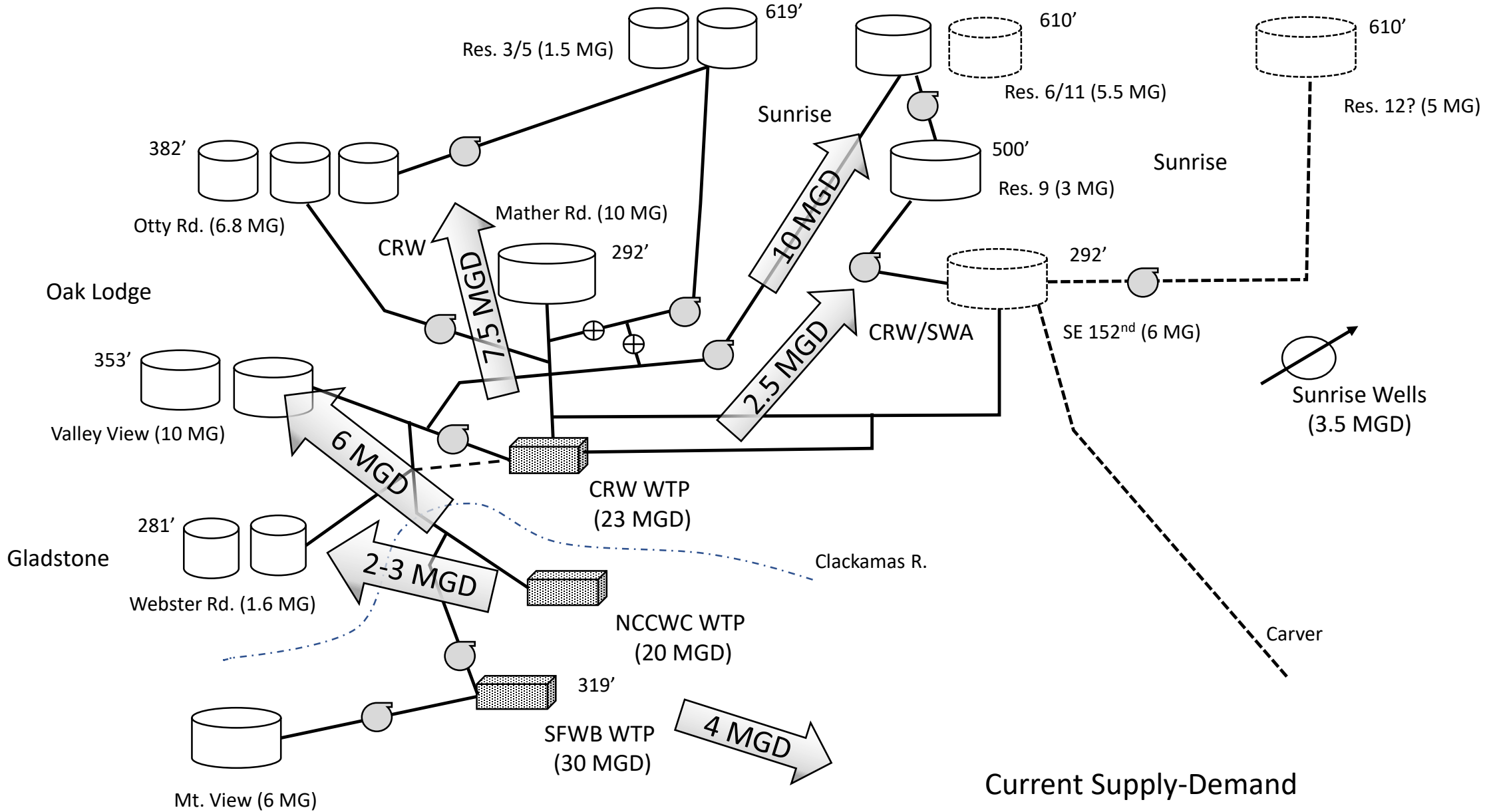
1. NCCWC System Map (2017)
2. Current Supply-Demand Diagram
3. Future Supply-Demand Diagram

¹ This information was provided by the Clackamas River Water Providers website: <https://www.clackamasproviders.org/north-clackamas-county-water-commission/>

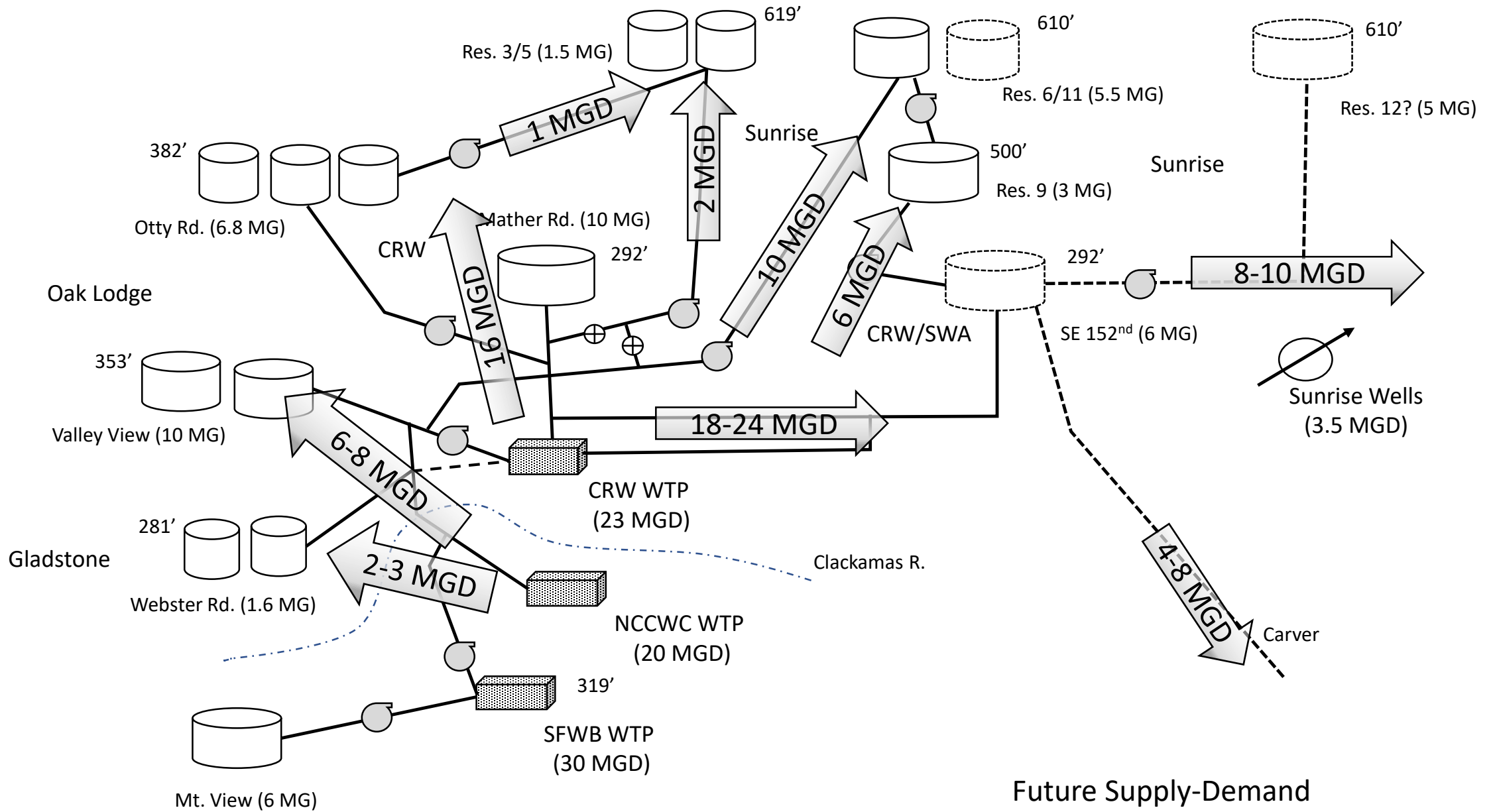
NCCWC-Related Water Systems

N





Current Supply-Demand





CONSENT AGENDA

To Board of Directors
From Sarah Jo Chaplen, General Manager
Title Consent Agenda
Item No. 5
Date October 19, 2021

Summary

The Board of Directors has a standing item on the regular monthly meeting agenda called "Consent Agenda." This subset of the regular agenda provides for the Board to relegate routine business functions not requiring discussion to a consent agenda where all included items can be acted upon by a single act.

The Consent Agenda includes:

- a. August Financial Report
- b. Approval of September 19, 2021 Regular Board Meeting Minutes
- c. Approval VeloDyne Liquid Emulsion Polymer Pumps
- d. Approval of Field Operations Construction Services On-Call Agreements
 - i. Canby Excavating
 - ii. Emery & Sons Construction Group, LLC
 - iii. GT Excavating
 - iv. Trench Line Excavation, Inc

Options for Consideration

1. Approve the Consent Agenda as listed on the meeting agenda.
2. Request one or more items listed on the Consent Agenda be pulled from the Consent Agenda for discussion.

Recommendation

Staff requests that the Board approve the items listed under the Consent Agenda.

Suggested Board Motion

"I move to approve the Consent Agenda."

Approved By _____

Date _____



MONTHLY FINANCIAL REPORT

To	Board of Directors
From	Gail Stevens, Finance Director
Title	July 2021 Financial Reports
Item No.	5a
Date	September 14, 2021, for September 21, 2021 Meeting

Reports

- July 2021 Monthly Overview (Including Cash and Investment Balances)
- July 2021 Budget to Actual Report
- July 2021 Budget Account Roll Up Report

**Oak Lodge Water Services
Monthly Overview
August 2021**

This report summarizes the revenues and expenditures for August 2021. Also incorporated in this report are account balances, including all cash and investment activity as well as checks and withdrawals.

**Cash and Investments
Oak Lodge Water Services District**

Account Balances As of:		
August 31, 2021	Interest Rate	Balance
Account		
Wells Fargo Bank Checking-3552	0.25%	\$ 688,370
LGIP	0.55%	\$ 13,192,851
Total		\$ 13,881,221

The District's checks, electronic withdrawals, and bank drafts total \$825 thousand for August 2021.

Below is a table identifying the District's three principal sources of service charges in each fund with a comparison between annual budget estimates and year-to-date service charge fees.

<u>GL Account</u>	<u>Service Charge</u>	<u>Budget Estimate</u>	<u>Period Amount</u>	<u>Year-to-Date Amount</u>	<u>Percentage of Budget</u>
10-00-4211	Water sales	4,120,000	474,784	845,002	20.51%
20-00-4212	Wastewater charges	8,459,000	780,716	1,432,319	16.93%
30-00-4213	Watershed protection	1,566,000	134,636	263,433	16.82%
	Subtotal	\$ 14,145,000	\$ 1,390,136	\$ 2,540,753	17.96%

The percentage of budget is calculated by dividing the ending balance by the budget.

With respect to revenues, the percentage of budget is affected by seasonal variations. The expectation is that the District would recognize a greater percentage of revenue in the first half of the fiscal year than in the second half.

With respect to expenditures, at the end of August expenditures are overall 10.1% of budget. When excluding Contingencies, expenditures are 13.5% of budget, with 16.7% of the fiscal year completed.

Review of expenditure lines that are above 21.7% of budget:

1. **5270 Workers Compensation** is at 38.1% of budget. Once yearly expense.
2. **6120 Accounting & Audit Services** is at 24.8% of budget. The audit is annually completed in the first half of the budget year.
3. **6180 Dues & Subscriptions** is at 51.6% of budget. Annual Regional Water Providers Consortium fee paid once annually. This specific annual fee is 42.6% of this budget line.
4. **6320 Building & Grounds** is at 23.0% of budget. This is due to unplanned A/C compressor replacement and temperature controller replacement at the plant.
5. **6525 Chemicals** is at 36.8% of budget. Partially due to a 9.6% price increase on Clarifloc and early ordering of polymer due to supply chain delays.
6. **6560 Uniforms** is at 27.1% of budget. Annual purchase of inclement weather gear received in July contributing to the continued overage.
7. **6710 Purchased Water** is at 41.1% of the budget. July 2021 average daily water purchases were 700 thousand gallons more per day than in July 2020. August 2021 and 2020 purchases were comparable.

Low Income Rate Relief Program Overview

The District allows eligible customers to obtain a discounted rate on a portion of their bill. The District budgets resources to fund the revenue losses due to the program at the rate of 0.50% of budgeted service charge revenue. The budgeted amount serves as a cap to the program’s cost which can only be exceeded with approval from the District’s Board of Directors.

Below is a table identifying the number of accounts in the program and an estimated monthly discount and year-to-date value based on a single-family residential account with a standard 5/8” Water Meter and 6 CCF of water consumption per month.

Total Number of Accounts	Discount	Cap per Policy	Estimated Monthly Discount	Estimated Year-to-Date Discount	Estimated Percentage of Budget
109	Low Income Rate Relief	\$ 70,725	\$ 4,529	\$ 9,140	12.92%

General Ledger
Budget to Actual



User: Gail
Printed: 10/12/2021 5:54:27 PM
Period 02 - 02
Fiscal Year 2022

Account Number	Description	Budget	Period Amt	End Bal	Encumbered	% of Budget
05	Administrative Services					
	NonDivisional					
	<i>Beginning Fund Balance</i>					
05-00-3500	Fund balance	978,000.00	0.00	1,267,988.78	0.00	129.65
	<i>Beginning Fund Balance</i>	<i>978,000.00</i>	<i>0.00</i>	<i>1,267,988.78</i>	<i>0.00</i>	<i>129.65</i>
	NonDivisional	978,000.00	0.00	1,267,988.78	0.00	129.65
	Fund Balance	978,000.00	0.00	1,267,988.78	0.00	129.65
	NonDivisional Revenue					
05-00-4230	Contracted Services Revenue	57,400.00	0.00	0.00	0.00	0.00
05-00-4610	Investment revenue	3,000.00	476.75	552.40	0.00	18.41
05-00-4630	Miscellaneous revenues Revenue	1,000.00	1,475.00	2,950.00	0.00	295.00
	<i>Revenue</i>	<i>61,400.00</i>	<i>1,951.75</i>	<i>3,502.40</i>	<i>0.00</i>	<i>5.70</i>
	NonDivisional	61,400.00	1,951.75	3,502.40	0.00	5.70
	Transfers & Contingencies					
	<i>Revenue</i>					
05-29-4910	Transfer in from Fund 10	1,500,000.00	125,000.00	250,000.00	0.00	16.67
05-29-4920	Transfer in from Fund 20	1,899,000.00	158,250.00	316,500.00	0.00	16.67
05-29-4930	Transfer in from Fund 30	1,008,000.00	84,000.00	168,000.00	0.00	16.67
	<i>Revenue</i>	<i>4,407,000.00</i>	<i>367,250.00</i>	<i>734,500.00</i>	<i>0.00</i>	<i>16.67</i>
	Transfers & Contingencies	4,407,000.00	367,250.00	734,500.00	0.00	16.67
	Revenue	4,468,400.00	369,201.75	738,002.40	0.00	16.52
	AdminFinance					
	<i>Personnel Services</i>					
05-01-5110	Regular employees	657,000.00	39,243.01	78,340.10	0.00	11.92
05-01-5130	Overtime	5,000.00	319.77	826.36	0.00	16.53
05-01-5210	Healthdental insurance	127,000.00	7,731.22	11,495.91	0.00	9.05
05-01-5230	Social security	51,000.00	2,951.46	5,658.21	0.00	11.09
05-01-5240	Retirement	128,000.00	7,413.21	13,949.77	0.00	10.90
05-01-5250	TrimetWBF	6,000.00	310.22	593.96	0.00	9.90
05-01-5260	Unemployment	5,000.00	0.00	0.00	0.00	0.00
05-01-5270	Workers compensation	1,000.00	0.00	337.73	0.00	33.77
05-01-5290	Other employee benefits	2,000.00	30.50	61.00	0.00	3.05
	<i>Personnel Services</i>	<i>982,000.00</i>	<i>57,999.39</i>	<i>111,263.04</i>	<i>0.00</i>	<i>11.33</i>
	<i>Materials & Services</i>					
05-01-6110	Legal services	375,000.00	19,042.75	29,685.25	0.00	7.92
05-01-6120	Accounting and audit services	50,000.00	11,235.00	12,390.00	0.00	24.78
05-01-6155	Contracted Services	188,000.00	30,077.26	42,424.07	13,297.50	22.57
05-01-6180	Dues and subscriptions	42,000.00	1,355.00	21,668.00	0.00	51.59
05-01-6220	Electricity	14,000.00	1,292.25	2,477.56	0.00	17.70
05-01-6240	Natural gas	4,000.00	82.44	165.54	0.00	4.14
05-01-6290	Other utilities	10,000.00	345.93	624.16	0.00	6.24

Account Number	Description	Budget	Period Amt	End Bal	Encumbered	% of Budget
05-01-6310	Janitorial services	15,000.00	1,224.24	2,448.48	0.00	16.32
05-01-6320	Buildings and grounds maint	20,000.00	703.54	6,724.98	0.00	33.62
05-01-6410	Mileage	1,000.00	0.00	0.00	0.00	0.00
05-01-6420	Staff training	12,000.00	507.00	557.00	0.00	4.64
05-01-6510	Office supplies	32,000.00	2,249.56	5,911.83	56.40	18.47
05-01-6730	Communications	2,000.00	395.00	1,174.50	0.00	58.73
05-01-6740	Advertising	1,000.00	0.00	0.00	0.00	0.00
05-01-6760	Equipment rental	5,000.00	599.43	599.43	0.00	11.99
05-01-6770	Bank charges	140,000.00	11,586.51	26,661.73	0.00	19.04
05-01-6780	Taxes, Fees, Permits	3,000.00	0.00	0.00	0.00	0.00
05-01-6785	ECAP Payments	76,000.00	6,407.33	9,998.68	0.00	13.16
05-01-6900	Miscellaneous expense	1,000.00	0.00	0.00	0.00	0.00
	<i>Materials & Services</i>	<i>991,000.00</i>	<i>87,103.24</i>	<i>163,511.21</i>	<i>13,353.90</i>	<i>16.50</i>
	AdminFinance	1,973,000.00	145,102.63	274,774.25	13,353.90	13.93
	Human Resources					
	<i>Personnel Services</i>					
05-02-5110	Regular employees	188,000.00	13,418.40	26,556.32	0.00	14.13
05-02-5130	Overtime	5,000.00	402.88	805.36	0.00	16.11
05-02-5210	Healthdental insurance	27,000.00	1,827.52	2,674.00	0.00	9.90
05-02-5230	Social security	15,000.00	1,036.41	2,055.61	0.00	13.70
05-02-5240	Retirement	34,000.00	2,655.06	5,256.17	0.00	15.46
05-02-5250	TrimetWBF	2,000.00	109.45	216.67	0.00	10.83
05-02-5270	Workers compensation	1,000.00	0.00	103.31	0.00	10.33
05-02-5290	Other employee benefits	1,000.00	0.00	0.00	0.00	0.00
	<i>Personnel Services</i>	<i>273,000.00</i>	<i>19,449.72</i>	<i>37,667.44</i>	<i>0.00</i>	<i>13.80</i>
	<i>Materials & Services</i>					
05-02-6155	Contracted Services	16,000.00	0.00	0.00	0.00	0.00
05-02-6230	Telephone	57,000.00	4,428.59	10,110.74	0.00	17.74
05-02-6410	Mileage	1,000.00	0.00	0.00	0.00	0.00
05-02-6420	Staff training	12,000.00	508.00	508.00	0.00	4.23
05-02-6440	Board Expense	7,000.00	363.97	553.97	0.00	7.91
05-02-6510	Office supplies	1,000.00	0.00	0.00	0.00	0.00
05-02-6540	Safety Supplies	1,000.00	689.46	689.46	0.00	68.95
05-02-6560	Uniforms	36,000.00	9,570.53	13,294.93	0.00	36.93
05-02-6610	Board Compensation	2,500.00	0.00	8.35	0.00	0.33
05-02-6720	Insurance-General	270,000.00	0.00	0.00	0.00	0.00
05-02-6730	Communications	4,000.00	57.92	126.39	0.00	3.16
05-02-6740	Advertising	5,500.00	104.33	250.02	0.00	4.55
05-02-6900	Miscellaneous expense	1,000.00	0.00	0.00	0.00	0.00
	<i>Materials & Services</i>	<i>414,000.00</i>	<i>15,722.80</i>	<i>25,541.86</i>	<i>0.00</i>	<i>6.17</i>
	Human Resources	687,000.00	35,172.52	63,209.30	0.00	9.20
	Technical Services					
	<i>Personnel Services</i>					
05-03-5110	Regular employees	622,000.00	47,577.40	91,207.46	0.00	14.66
05-03-5130	Overtime	5,000.00	174.13	279.28	0.00	5.59
05-03-5210	Healthdental Insurance	93,000.00	6,838.56	9,661.99	0.00	10.39
05-03-5230	Social security	49,000.00	3,602.38	6,921.35	0.00	14.13
05-03-5240	Retirement	119,000.00	9,777.48	18,626.26	0.00	15.65
05-03-5250	TrimetWBF	5,000.00	378.58	727.03	0.00	14.54
05-03-5270	Workers compensation	1,000.00	0.00	319.74	0.00	31.97
05-03-5290	Other employee benefits	2,000.00	0.00	0.00	0.00	0.00
	<i>Personnel Services</i>	<i>896,000.00</i>	<i>68,348.53</i>	<i>127,743.11</i>	<i>0.00</i>	<i>14.26</i>
	<i>Materials & Services</i>					
05-03-6155	Contracted Services	165,500.00	3,022.35	3,187.56	38,070.58	1.93
05-03-6180	Dues and subscriptions	0.00	0.00	0.00	0.00	0.00
05-03-6350	Computer maintenance	318,000.00	10,601.04	62,163.48	64,468.00	19.55
05-03-6410	Mileage	3,000.00	0.00	0.00	0.00	0.00
05-03-6420	Staff training	15,000.00	800.00	850.00	0.00	5.67
05-03-6430	Certifications	500.00	0.00	0.00	0.00	0.00
05-03-6510	Office supplies	0.00	133.49	956.03	0.00	0.00

Account Number	Description	Budget	Period Amt	End Bal	Encumbered	% of Budget
05-03-6530	Small tools and equipment	6,000.00	0.00	2,328.00	0.00	38.80
05-03-6540	Safety supplies	2,500.00	580.85	687.00	0.00	27.48
05-03-6730	Communications	119,000.00	300.14	1,037.94	0.00	0.87
05-03-6900	Miscellaneous expense	1,000.00	0.00	0.00	0.00	0.00
	<i>Materials & Services</i>	<i>630,500.00</i>	<i>15,437.87</i>	<i>71,210.01</i>	<i>102,538.58</i>	<i>11.29</i>
	Technical Services	1,526,500.00	83,786.40	198,953.12	102,538.58	13.03
	Vehicle Services					
	<i>Materials & Services</i>					
05-04-6330	Vehicleequipment maintenance	50,000.00	5,557.32	5,878.87	0.00	11.76
05-04-6520	Fuels and Oils	71,000.00	3,000.15	5,499.38	0.00	7.75
	<i>Materials & Services</i>	<i>121,000.00</i>	<i>8,557.47</i>	<i>11,378.25</i>	<i>0.00</i>	<i>9.40</i>
	<i>Capital Outlay</i>					
05-04-7540	Vehicles	35,000.00	0.00	0.00	0.00	0.00
	<i>Capital Outlay</i>	<i>35,000.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>
	Vehicle Services	156,000.00	8,557.47	11,378.25	0.00	7.29
	Special Payments					
	<i>Special Payments</i>					
05-25-6990	Special Payments - PERS	550,000.00	0.00	0.00	0.00	0.00
	<i>Special Payments</i>	<i>550,000.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>
	Special Payments	550,000.00	0.00	0.00	0.00	0.00
	Transfers & Contingencies					
	<i>Transfers & Contingencies</i>					
05-29-9000	Contingency	545,900.00	0.00	0.00	0.00	0.00
	<i>Transfers & Contingencies</i>	<i>545,900.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>
	Transfers & Contingencies	545,900.00	0.00	0.00	0.00	0.00
05	Expense Administrative Services	5,438,400.00 8,000.00	272,619.02 96,582.73	548,314.92 1,457,676.26	115,892.48 -115,892.48	10.08 18,220.95
10	Drinking Water NonDivisional					
	<i>Beginning Fund Balance</i>					
10-00-3500	Fund balance	1,086,000.00	0.00	1,265,752.14	0.00	116.55
	<i>Beginning Fund Balance</i>	<i>1,086,000.00</i>	<i>0.00</i>	<i>1,265,752.14</i>	<i>0.00</i>	<i>116.55</i>
	NonDivisional	1,086,000.00	0.00	1,265,752.14	0.00	116.55
	<i>Fund Balance</i>					
	NonDivisional	1,086,000.00	0.00	1,265,752.14	0.00	116.55
	<i>Revenue</i>					
10-00-4210	Water Sales - CRW	30,000.00	9,319.41	9,319.41	0.00	31.06
10-00-4211	Water sales	4,120,000.00	474,783.88	845,001.75	0.00	20.51
10-00-4215	Penalties and late charges	10,000.00	2,367.65	2,816.96	0.00	28.17
10-00-4220	System development charges	0.00	10,608.00	96,625.00	0.00	0.00
10-00-4240	Service installations	10,000.00	774.00	9,971.00	0.00	99.71
10-00-4280	Rents & leases	200,000.00	0.00	7,801.84	0.00	3.90
10-00-4290	Other charges for services	10,000.00	560.00	5,875.00	0.00	58.75

Account Number	Description	Budget	Period Amt	End Bal	Encumbered	% of Budget
10-00-4610	Investment revenue	7,000.00	290.62	604.40	0.00	8.63
10-00-4630	Miscellaneous revenues	25,000.00	6,292.10	9,751.30	0.00	39.01
	<i>Revenue</i>	<i>4,412,000.00</i>	<i>504,995.66</i>	<i>987,766.66</i>	<i>0.00</i>	<i>22.39</i>
	NonDivisional	4,412,000.00	504,995.66	987,766.66	0.00	22.39
	Revenue	4,412,000.00	504,995.66	987,766.66	0.00	22.39
	Drinking Water					
	<i>Personnel Services</i>					
10-20-5110	Regular employees	677,000.00	50,422.85	97,650.68	0.00	14.42
10-20-5130	Overtime	29,000.00	1,880.59	3,101.99	0.00	10.70
10-20-5210	Healthdental insurance	134,000.00	8,815.20	13,007.17	0.00	9.71
10-20-5230	Social Security	53,000.00	3,932.72	7,600.28	0.00	14.34
10-20-5240	Retirement	127,000.00	10,636.46	20,524.13	0.00	16.16
10-20-5250	TrimetWBF	6,000.00	414.44	801.49	0.00	13.36
10-20-5270	Workers compensation	19,000.00	0.00	6,851.46	0.00	36.06
10-20-5290	Other employee benefits	5,000.00	0.00	5,000.00	0.00	0.00
	<i>Personnel Services</i>	<i>1,050,000.00</i>	<i>76,102.26</i>	<i>149,537.20</i>	<i>0.00</i>	<i>14.24</i>
	<i>Materials & Services</i>					
10-20-6155	Contracted Services	66,000.00	8,940.20	8,940.20	51,059.80	13.55
10-20-6220	Electricity	32,000.00	3,598.40	7,564.00	0.00	23.64
10-20-6240	Natural gas	3,000.00	198.65	401.27	0.00	13.38
10-20-6290	Other utilities	3,000.00	283.60	567.20	0.00	18.91
10-20-6320	Buildings & grounds	10,000.00	0.00	0.00	30,400.00	0.00
10-20-6340	Distribution system maint	250,000.00	12,324.48	33,279.68	56,023.41	13.31
10-20-6420	Staff training	15,000.00	15.73	15.73	0.00	0.10
10-20-6430	Certifications	2,000.00	0.00	0.00	0.00	0.00
10-20-6530	Small tools & equipment	9,000.00	261.49	1,533.31	2,350.00	17.04
10-20-6540	Safety supplies	10,000.00	1,345.74	2,157.93	0.00	21.58
10-20-6550	Operational Supplies	7,000.00	1,110.76	1,141.74	0.00	16.31
10-20-6560	Uniforms	0.00	-1,617.41	-1,241.47	0.00	0.00
10-20-6710	Purchased water	1,117,000.00	305,619.65	459,437.65	0.00	41.13
10-20-6715	Water quality program	12,000.00	1,848.00	1,848.00	5,500.00	15.40
10-20-6760	Equipment Rental	3,000.00	0.00	735.16	0.00	24.51
10-20-6780	Taxes, Fees, Permits	12,000.00	4,500.00	4,500.00	0.00	37.50
10-20-6900	Miscellaneous expense	1,000.00	135.17	227.30	0.00	22.73
	<i>Materials & Services</i>	<i>1,552,000.00</i>	<i>338,564.46</i>	<i>521,107.70</i>	<i>145,333.21</i>	<i>33.58</i>
	Drinking Water	2,602,000.00	414,666.72	670,644.90	145,333.21	25.77
	Debt Service					
	<i>Materials & Services</i>					
10-24-6815	Zions Bank loan-principal	183,000.00	0.00	0.00	0.00	0.00
10-24-6825	Zions Bank loan-interest	26,000.00	0.00	12,992.70	0.00	49.97
	<i>Materials & Services</i>	<i>209,000.00</i>	<i>0.00</i>	<i>12,992.70</i>	<i>0.00</i>	<i>6.22</i>
	Debt Service	209,000.00	0.00	12,992.70	0.00	6.22
	Transfers & Contingencies					
	<i>Transfers & Contingencies</i>					
10-29-8105	Transfers out to Fund 05	1,500,000.00	125,000.00	250,000.00	0.00	16.67
10-29-8171	Transfers out to Fund 71	500,000.00	41,667.00	83,334.00	0.00	16.67
10-29-9000	Contingency	687,000.00	0.00	0.00	0.00	0.00
	<i>Transfers & Contingencies</i>	<i>2,687,000.00</i>	<i>166,667.00</i>	<i>333,334.00</i>	<i>0.00</i>	<i>12.41</i>
	Transfers & Contingencies	2,687,000.00	166,667.00	333,334.00	0.00	12.41
	Expense	5,498,000.00	581,333.72	1,016,971.60	145,333.21	18.50
10	Drinking Water	0.00	-76,338.06	1,236,547.20	-145,333.21	0.00

Account Number	Description	Budget	Period Amt	End Bal	Encumbered	% of Budget
20	Wastewater Reclam.					
	NonDivisional					
	<i>Beginning Fund Balance</i>					
20-00-3500	Fund balance	834,900.00	0.00	962,486.52	0.00	115.28
	<i>Beginning Fund Balance</i>	<i>834,900.00</i>	<i>0.00</i>	<i>962,486.52</i>	<i>0.00</i>	<i>115.28</i>
	NonDivisional	834,900.00	0.00	962,486.52	0.00	115.28
	Fund Balance	834,900.00	0.00	962,486.52	0.00	115.28
	NonDivisional					
	<i>Revenue</i>					
20-00-4212	Wastewater charges	8,459,000.00	780,716.20	1,432,318.68	0.00	16.93
20-00-4215	Penalties & late charges	10,000.00	909.42	760.86	0.00	7.61
20-00-4220	System development charges	125,000.00	5,165.00	30,990.00	0.00	24.79
20-00-4290	Other charges for services	20,000.00	200.00	2,620.00	0.00	13.10
20-00-4610	Investment revenue	2,000.00	13.14	27.28	0.00	1.36
20-00-4630	Miscellaneous revenues	8,000.00	0.00	0.00	0.00	0.00
	<i>Revenue</i>	<i>8,624,000.00</i>	<i>787,003.76</i>	<i>1,466,716.82</i>	<i>0.00</i>	<i>17.01</i>
	NonDivisional	8,624,000.00	787,003.76	1,466,716.82	0.00	17.01
	Revenue	8,624,000.00	787,003.76	1,466,716.82	0.00	17.01
	Wastewater-Plant					
	<i>Personnel Services</i>					
20-21-5110	Regular employees	704,000.00	44,666.05	107,441.06	0.00	15.26
20-21-5130	Overtime	40,000.00	1,714.40	4,324.36	0.00	10.81
20-21-5210	Healthdental insurance	185,000.00	14,085.11	20,825.28	0.00	11.26
20-21-5230	Social security	55,000.00	3,444.06	8,392.65	0.00	15.26
20-21-5240	Retirement	127,000.00	7,996.90	19,605.53	0.00	15.44
20-21-5250	TrimetWBF	6,000.00	363.29	881.76	0.00	14.70
20-21-5270	Workers compensation	18,000.00	0.00	7,108.06	0.00	39.49
20-21-5290	Other employee benefits	5,000.00	0.00	0.00	0.00	0.00
	<i>Personnel Services</i>	<i>1,140,000.00</i>	<i>72,269.81</i>	<i>168,578.70</i>	<i>0.00</i>	<i>14.79</i>
	<i>Materials & Services</i>					
20-21-6155	Contracted Services	163,000.00	28,500.76	41,718.28	54,199.55	25.59
20-21-6220	Electricity	276,000.00	23,680.55	49,852.51	0.00	18.06
20-21-6240	Natural gas	2,000.00	22.72	46.53	0.00	2.33
20-21-6250	Solid waste disposal	82,000.00	3,672.77	3,845.75	23,692.82	4.69
20-21-6290	Other utilities	2,000.00	38.38	76.76	0.00	3.84
20-21-6310	Janitorial services	10,000.00	824.25	1,648.50	0.00	16.49
20-21-6320	Buildings & grounds	58,000.00	3,461.14	13,735.02	0.00	23.68
20-21-6342	WRF system maintenance	270,000.00	6,526.89	8,872.18	1,421.91	3.29
20-21-6410	Mileage	1,000.00	0.00	0.00	0.00	0.00
20-21-6420	Staff training	9,000.00	0.00	0.00	0.00	0.00
20-21-6430	Certifications	2,000.00	0.00	0.00	0.00	0.00
20-21-6525	Chemicals	30,000.00	5,125.96	11,046.42	20,822.03	36.82
20-21-6530	Small tools & equipment	10,000.00	0.00	18.27	0.00	0.18
20-21-6540	Safety supplies	20,000.00	660.84	1,346.85	0.00	6.73
20-21-6550	Operational supplies	14,000.00	555.68	1,113.45	0.00	7.95
20-21-6560	Uniforms	0.00	-3,696.31	-1,241.47	0.00	0.00
20-21-6590	Other supplies	10,000.00	354.41	993.46	0.00	9.93
20-21-6740	Advertising	1,000.00	125.00	125.00	0.00	12.50
20-21-6750	Other purchased services	0.00	0.00	0.00	0.00	0.00
20-21-6780	Taxes, Fees, Permits	72,900.00	1,051.51	9,729.77	0.00	13.35
20-21-6900	Miscellaneous expense	1,000.00	0.00	0.00	0.00	0.00
	<i>Materials & Services</i>	<i>1,033,900.00</i>	<i>70,904.55</i>	<i>142,927.28</i>	<i>100,136.31</i>	<i>13.82</i>
	Wastewater-Plant	2,173,900.00	143,174.36	311,505.98	100,136.31	14.33
	Wastewater-Collections					
	<i>Personnel Services</i>					

Account Number	Description	Budget	Period Amt	End Bal	Encumbered	% of Budget
20-22-5110	Regular employees	488,000.00	26,883.90	56,857.22	0.00	11.65
20-22-5130	Overtime	11,000.00	191.84	495.17	0.00	4.50
20-22-5210	Healthdental insurance	109,000.00	7,715.48	11,748.96	0.00	10.78
20-22-5230	Social security	38,000.00	2,065.72	4,377.69	0.00	11.52
20-22-5240	Retirement	63,000.00	5,201.23	11,165.75	0.00	17.72
20-22-5250	TrimetWBF	4,000.00	218.72	462.80	0.00	11.57
20-22-5270	Workers compensation	11,000.00	0.00	4,927.18	0.00	44.79
20-22-5290	Other employee benefits	5,000.00	0.00	0.00	0.00	0.00
	<i>Personnel Services</i>	<i>729,000.00</i>	<i>42,276.89</i>	<i>90,034.77</i>	<i>0.00</i>	<i>12.35</i>
	<i>Materials & Services</i>					
20-22-6320	Buildings & grounds	1,000.00	0.00	0.00	0.00	0.00
20-22-6342	Collection system maint.	50,000.00	1,330.03	4,702.13	4,409.86	9.40
20-22-6390	Other repairs & maintenance	5,000.00	0.00	0.00	0.00	0.00
20-22-6420	Staff training	8,000.00	-269.26	15.74	0.00	0.20
20-22-6430	Certifications	2,000.00	0.00	240.00	0.00	12.00
20-22-6530	Small tools & equipment	15,000.00	3,197.46	3,197.46	335.31	21.32
20-22-6540	Safety supplies	4,000.00	1,152.12	2,830.35	0.00	70.76
20-22-6550	Operational supplies	5,000.00	346.45	346.45	487.78	6.93
20-22-6560	Uniforms	0.00	-1,065.47	-1,065.47	0.00	0.00
20-22-6750	Other purchased services	0.00	0.00	0.00	0.00	0.00
20-22-6780	Taxes, Fees, Permits	14,500.00	729.60	1,459.20	0.00	10.06
20-22-6900	Miscellaneous expense	1,000.00	69.55	69.55	0.00	6.96
	<i>Materials & Services</i>	<i>105,500.00</i>	<i>5,490.48</i>	<i>11,795.41</i>	<i>5,232.95</i>	<i>11.18</i>
	Wastewater-Collections	834,500.00	47,767.37	101,830.18	5,232.95	12.20
	Transfers & Contingencies					
	<i>Transfers & Contingencies</i>					
20-29-8105	Transfers out to Fund 05	1,899,000.00	158,250.00	316,500.00	0.00	16.67
20-29-8150	Transfers out to Fund 50	3,412,000.00	587,000.00	587,000.00	0.00	17.20
20-29-8172	Transfers out to Fund 72	1,000,000.00	83,333.00	166,666.00	0.00	16.67
20-29-9000	Contingency	763,300.00	0.00	0.00	0.00	0.00
	<i>Transfers & Contingencies</i>	<i>7,074,300.00</i>	<i>828,583.00</i>	<i>1,070,166.00</i>	<i>0.00</i>	<i>15.13</i>
	Transfers & Contingencies	7,074,300.00	828,583.00	1,070,166.00	0.00	15.13
20	Expense	10,082,700.00	1,019,524.73	1,483,502.16	105,369.26	14.71
	Wastewater Reclam.	-623,800.00	-232,520.97	945,701.18	-105,369.26	-151.60
30	Watershed Protection NonDivisional					
	<i>Beginning Fund Balance</i>					
30-00-3500	Fund balance	659,000.00	0.00	678,927.28	0.00	103.02
	<i>Beginning Fund Balance</i>	<i>659,000.00</i>	<i>0.00</i>	<i>678,927.28</i>	<i>0.00</i>	<i>103.02</i>
	NonDivisional	659,000.00	0.00	678,927.28	0.00	103.02
	<i>Fund Balance</i>					
	NonDivisional	659,000.00	0.00	678,927.28	0.00	103.02
	<i>Revenue</i>					
30-00-4213	Watershed protection fees	1,566,000.00	134,636.01	263,432.56	0.00	16.82
30-00-4215	Penalties & late charges	1,000.00	290.63	267.66	0.00	26.77
30-00-4290	Other charges for services	25,000.00	2,920.00	4,950.00	0.00	19.80
30-00-4610	Investment revenue	2,000.00	194.19	403.86	0.00	20.19
30-00-4630	Miscellaneous revenues	1,000.00	0.00	0.00	0.00	0.00
	<i>Revenue</i>	<i>1,595,000.00</i>	<i>138,040.83</i>	<i>269,054.08</i>	<i>0.00</i>	<i>16.87</i>
	NonDivisional	1,595,000.00	138,040.83	269,054.08	0.00	16.87

Account Number	Description	Budget	Period Amt	End Bal	Encumbered	% of Budget
	Revenue	1,595,000.00	138,040.83	269,054.08	0.00	16.87
	Watershed Protection					
	<i>Personnel Services</i>					
30-23-5110	Regular employees	92,000.00	6,821.45	14,261.60	0.00	15.50
30-23-5130	Overtime	1,000.00	0.00	0.00	0.00	0.00
30-23-5210	Healthdental insurance	30,000.00	2,627.01	4,004.00	0.00	13.35
30-23-5230	Social Security	8,000.00	502.01	1,056.28	0.00	13.20
30-23-5240	Retirement	17,000.00	1,310.40	2,739.65	0.00	16.12
30-23-5250	TrimetWBF	1,000.00	53.22	111.60	0.00	11.16
30-23-5270	Workers compensation	3,000.00	0.00	928.89	0.00	30.96
30-23-5290	Other employee benefits	1,000.00	0.00	0.00	0.00	0.00
	<i>Personnel Services</i>	<i>153,000.00</i>	<i>11,314.09</i>	<i>23,102.02</i>	<i>0.00</i>	<i>15.10</i>
	<i>Materials & Services</i>					
30-23-6155	Contracted Services	134,000.00	0.00	1,000.80	21,161.10	0.75
30-23-6340	System maintenance	150,000.00	0.00	261.00	0.00	0.17
30-23-6420	Staff training	3,000.00	0.00	0.00	0.00	0.00
30-23-6530	Small tools & equipment	6,000.00	67.57	112.14	0.00	1.87
30-23-6540	Safety supplies	1,000.00	0.00	0.00	0.00	0.00
30-23-6780	Taxes, Fees, Permits	4,100.00	0.00	0.00	0.00	0.00
30-23-6900	Miscellaneous expense	1,000.00	0.00	0.00	0.00	0.00
	<i>Materials & Services</i>	<i>299,100.00</i>	<i>67.57</i>	<i>1,373.94</i>	<i>21,161.10</i>	<i>0.46</i>
	Watershed Protection	452,100.00	11,381.66	24,475.96	21,161.10	5.41
	Debt Service					
	<i>Materials & Services</i>					
30-24-6814	Principal Payment-KS Statebank	57,000.00	0.00	0.00	0.00	0.00
30-24-6824	Interest Paid-KS Statebank	7,000.00	0.00	0.00	0.00	0.00
	<i>Materials & Services</i>	<i>64,000.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>
	Debt Service	64,000.00	0.00	0.00	0.00	0.00
	Transfers & Contingencies					
	<i>Transfers & Contingencies</i>					
30-29-8105	Transfers out to Fund 05	1,008,000.00	84,000.00	168,000.00	0.00	16.67
30-29-8173	Transfers out to Fund 73	480,000.00	40,000.00	80,000.00	0.00	16.67
30-29-9000	Contingency	249,900.00	0.00	0.00	0.00	0.00
	<i>Transfers & Contingencies</i>	<i>1,737,900.00</i>	<i>124,000.00</i>	<i>248,000.00</i>	<i>0.00</i>	<i>14.27</i>
	Transfers & Contingencies	1,737,900.00	124,000.00	248,000.00	0.00	14.27
30	Expense Watershed Protection	2,254,000.00 0.00	135,381.66 2,659.17	272,475.96 675,505.40	21,161.10 -21,161.10	12.09 0.00
40	WW GO Debt Service NonDivisional					
	<i>Beginning Fund Balance</i>					
40-00-3500	Fund balance	623,800.00	0.00	623,763.59	0.00	99.99
	<i>Beginning Fund Balance</i>	<i>623,800.00</i>	<i>0.00</i>	<i>623,763.59</i>	<i>0.00</i>	<i>99.99</i>
	NonDivisional	623,800.00	0.00	623,763.59	0.00	99.99
	Fund Balance NonDivisional	623,800.00	0.00	623,763.59	0.00	99.99
	<i>Revenue</i>					
40-00-4610	Investment revenue	0.00	291.52	606.28	0.00	0.00
	<i>Revenue</i>	<i>0.00</i>	<i>291.52</i>	<i>606.28</i>	<i>0.00</i>	<i>0.00</i>

Account Number	Description	Budget	Period Amt	End Bal	Encumbered	% of Budget
	NonDivisional	0.00	291.52	606.28	0.00	0.00
	Revenue	0.00	291.52	606.28	0.00	0.00
	Transfers & Contingencies					
	<i>Transfers & Contingencies</i>					
40-29-8120	Transfers out to Fund 20	623,800.00	0.00	0.00	0.00	0.00
	<i>Transfers & Contingencies</i>	<i>623,800.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>
	Transfers & Contingencies	623,800.00	0.00	0.00	0.00	0.00
40	Expense	623,800.00	0.00	0.00	0.00	0.00
	WW GO Debt Service	0.00	291.52	624,369.87	0.00	0.00
50	WW Revenue Bond Debt Service					
	<i>Beginning Fund Balance</i>					
50-00-3500	Fund balance	587,000.00	0.00	585,851.69	0.00	99.80
	<i>Beginning Fund Balance</i>	<i>587,000.00</i>	<i>0.00</i>	<i>585,851.69</i>	<i>0.00</i>	<i>99.80</i>
	NonDivisional	587,000.00	0.00	585,851.69	0.00	99.80
	Fund Balance	587,000.00	0.00	585,851.69	0.00	99.80
	NonDivisional					
	<i>Revenue</i>					
50-00-4610	Investment revenue	6,000.00	45.44	381.01	0.00	6.35
	<i>Revenue</i>	<i>6,000.00</i>	<i>45.44</i>	<i>381.01</i>	<i>0.00</i>	<i>6.35</i>
	NonDivisional	6,000.00	45.44	381.01	0.00	6.35
	Transfers & Contingencies					
	<i>Revenue</i>					
50-29-4920	Transfer in from Fund 20	3,412,000.00	587,000.00	587,000.00	0.00	17.20
	<i>Revenue</i>	<i>3,412,000.00</i>	<i>587,000.00</i>	<i>587,000.00</i>	<i>0.00</i>	<i>17.20</i>
	Transfers & Contingencies	3,412,000.00	587,000.00	587,000.00	0.00	17.20
	Debt Service					
	<i>Materials & Services</i>					
50-24-6810	2010 SRF Loan	928,171.00	0.00	461,854.00	0.00	49.76
	Principal					
50-24-6811	2010 IFA Loan Principal	307,409.00	0.00	0.00	0.00	0.00
50-24-6813	JPM Bank Loan	1,385,000.00	0.00	0.00	0.00	0.00
	Principal					
50-24-6820	2010 SRF Loan Interest	305,740.00	0.00	125,144.00	0.00	40.93
50-24-6822	2010 IFA Loan Interest	144,809.00	0.00	0.00	0.00	0.00
50-24-6823	JPM Bank Loan Interest	340,676.00	0.00	0.00	0.00	0.00
	<i>Materials & Services</i>	<i>3,411,805.00</i>	<i>0.00</i>	<i>586,998.00</i>	<i>0.00</i>	<i>17.20</i>
	Debt Service	3,411,805.00	0.00	586,998.00	0.00	17.20
50	Expense	3,411,805.00	0.00	586,998.00	0.00	17.20
	WW Revenue Bond Debt Service	593,195.00	587,045.44	586,234.70	0.00	98.83
71	Drinking Water Capital					
	NonDivisional					
	<i>Beginning Fund Balance</i>					

Account Number	Description	Budget	Period Amt	End Bal	Encumbered	% of Budget
71-00-3500	Fund balance	4,135,000.00	0.00	4,537,966.26	0.00	109.75
	<i>Beginning Fund Balance</i>	<i>4,135,000.00</i>	<i>0.00</i>	<i>4,537,966.26</i>	<i>0.00</i>	<i>109.75</i>
	NonDivisional	4,135,000.00	0.00	4,537,966.26	0.00	109.75
	Fund Balance	4,135,000.00	0.00	4,537,966.26	0.00	109.75
	NonDivisional					
	<i>Revenue</i>					
71-00-4610	Investment revenue	40,000.00	2,075.89	4,317.29	0.00	10.79
	<i>Revenue</i>	<i>40,000.00</i>	<i>2,075.89</i>	<i>4,317.29</i>	<i>0.00</i>	<i>10.79</i>
	NonDivisional	40,000.00	2,075.89	4,317.29	0.00	10.79
	Transfers & Contingencies					
	<i>Revenue</i>					
71-29-4910	Transfer in from Fund 10	500,000.00	41,667.00	83,334.00	0.00	16.67
	<i>Revenue</i>	<i>500,000.00</i>	<i>41,667.00</i>	<i>83,334.00</i>	<i>0.00</i>	<i>16.67</i>
	Transfers & Contingencies	500,000.00	41,667.00	83,334.00	0.00	16.67
	Revenue					
	540,000.00	43,742.89	87,651.29	0.00	16.23	
	Drinking Water					
	<i>Capital Outlay</i>					
71-20-7200	Infrastructure	1,555,000.00	0.00	0.00	0.00	0.00
71-20-7300	Buildings & improvements	0.00	2,840.00	23,156.00	0.00	0.00
71-20-7530	Software	25,000.00	0.00	0.00	0.00	0.00
71-20-7540	Vehicles	35,000.00	1,405.00	1,405.00	35,896.29	4.01
71-20-7600	Capital Improvement Projects	370,000.00	2,463.28	2,463.28	205,954.58	0.67
	<i>Capital Outlay</i>	<i>1,985,000.00</i>	<i>6,708.28</i>	<i>27,024.28</i>	<i>241,850.87</i>	<i>1.36</i>
	Drinking Water	1,985,000.00	6,708.28	27,024.28	241,850.87	1.36
	Transfers & Contingencies					
	<i>Transfers & Contingencies</i>					
71-29-9000	Contingency	2,890,000.00	0.00	0.00	0.00	0.00
	<i>Transfers & Contingencies</i>	<i>2,890,000.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>
	Transfers & Contingencies	2,890,000.00	0.00	0.00	0.00	0.00
71	Expense	4,875,000.00	6,708.28	27,024.28	241,850.87	0.55
	Drinking Water	-200,000.00	37,034.61	4,598,593.27	-241,850.87	-2,299.30
	Capital					
72	Wastewater Reclamation Capital					
	NonDivisional					
	<i>Beginning Fund Balance</i>					
72-00-3500	Fund balance	4,535,000.00	0.00	5,038,195.06	0.00	111.10
	<i>Beginning Fund Balance</i>	<i>4,535,000.00</i>	<i>0.00</i>	<i>5,038,195.06</i>	<i>0.00</i>	<i>111.10</i>
	NonDivisional	4,535,000.00	0.00	5,038,195.06	0.00	111.10
	Fund Balance	4,535,000.00	0.00	5,038,195.06	0.00	111.10
	NonDivisional					
	<i>Revenue</i>					
72-00-4610	Investment revenue	50,000.00	2,337.28	4,860.88	0.00	9.72
	<i>Revenue</i>	<i>50,000.00</i>	<i>2,337.28</i>	<i>4,860.88</i>	<i>0.00</i>	<i>9.72</i>

Account Number	Description	Budget	Period Amt	End Bal	Encumbered	% of Budget
	NonDivisional	50,000.00	2,337.28	4,860.88	0.00	9.72
	Transfers & Contingencies					
	<i>Revenue</i>					
72-29-4920	Transfer in from Fund 20	1,000,000.00	83,333.00	166,666.00	0.00	16.67
	<i>Revenue</i>	<i>1,000,000.00</i>	<i>83,333.00</i>	<i>166,666.00</i>	<i>0.00</i>	<i>16.67</i>
	Transfers & Contingencies	1,000,000.00	83,333.00	166,666.00	0.00	16.67
	<i>Revenue</i>	1,050,000.00	85,670.28	171,526.88	0.00	16.34
	Wastewater-Plant					
	<i>Capital Outlay</i>					
72-21-7520	Equipment	177,000.00	0.00	0.00	0.00	0.00
72-21-7600	Capital Improvement Projects	660,000.00	33,109.72	69,696.34	330,129.04	10.56
	<i>Capital Outlay</i>	<i>837,000.00</i>	<i>33,109.72</i>	<i>69,696.34</i>	<i>330,129.04</i>	<i>8.33</i>
	Wastewater-Plant	837,000.00	33,109.72	69,696.34	330,129.04	8.33
	Wastewater-Collections					
	<i>Capital Outlay</i>					
72-22-7600	Capital Improvement Projects	1,624,000.00	22,143.14	24,473.14	0.00	1.51
	<i>Capital Outlay</i>	<i>1,624,000.00</i>	<i>22,143.14</i>	<i>24,473.14</i>	<i>0.00</i>	<i>1.51</i>
	Wastewater-Collections	1,624,000.00	22,143.14	24,473.14	0.00	1.51
	Transfers & Contingencies					
	<i>Transfers & Contingencies</i>					
72-29-9000	Contingency	3,124,000.00	0.00	0.00	0.00	0.00
	<i>Transfers & Contingencies</i>	<i>3,124,000.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>
	Transfers & Contingencies	3,124,000.00	0.00	0.00	0.00	0.00
72	Expense	5,585,000.00	55,252.86	94,169.48	330,129.04	1.69
	Wastewater Reclamation Capital	0.00	30,417.42	5,115,552.46	-330,129.04	0.00
73	Watershed Protection Capital					
	NonDivisional					
	<i>Beginning Fund Balance</i>					
73-00-3500	Fund balance	1,687,000.00	0.00	1,683,263.62	0.00	99.78
	<i>Beginning Fund Balance</i>	<i>1,687,000.00</i>	<i>0.00</i>	<i>1,683,263.62</i>	<i>0.00</i>	<i>99.78</i>
	NonDivisional	1,687,000.00	0.00	1,683,263.62	0.00	99.78
	Fund Balance	1,687,000.00	0.00	1,683,263.62	0.00	99.78
	NonDivisional					
	<i>Revenue</i>					
73-00-4610	Investment revenue	15,000.00	708.78	1,474.07	0.00	9.83
	<i>Revenue</i>	<i>15,000.00</i>	<i>708.78</i>	<i>1,474.07</i>	<i>0.00</i>	<i>9.83</i>
	NonDivisional	15,000.00	708.78	1,474.07	0.00	9.83
	Transfers & Contingencies					
	<i>Revenue</i>					
73-29-4930	Transfer in from Fund 30	480,000.00	40,000.00	80,000.00	0.00	16.67
	<i>Revenue</i>	<i>480,000.00</i>	<i>40,000.00</i>	<i>80,000.00</i>	<i>0.00</i>	<i>16.67</i>

<u>Account Number</u>	<u>Description</u>	<u>Budget</u>	<u>Period Amt</u>	<u>End Bal</u>	<u>Encumbered</u>	<u>% of Budget</u>
	Transfers & Contingencies	480,000.00	40,000.00	80,000.00	0.00	16.67
	Revenue	495,000.00	40,708.78	81,474.07	0.00	16.46
	Watershed Protection					
	<i>Capital Outlay</i>					
73-23-7600	Capital Improvement Projects	300,000.00	0.00	0.00	0.00	0.00
	<i>Capital Outlay</i>	<i>300,000.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>
	Watershed Protection	300,000.00	0.00	0.00	0.00	0.00
	Transfers & Contingencies					
	<i>Transfers & Contingencies</i>					
73-29-9000	Contingency	1,882,000.00	0.00	0.00	0.00	0.00
	<i>Transfers & Contingencies</i>	<i>1,882,000.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>
	Transfers & Contingencies	1,882,000.00	0.00	0.00	0.00	0.00
	Expense	2,182,000.00	0.00	0.00	0.00	0.00
73	Watershed Protection Capital	0.00	40,708.78	1,764,737.69	0.00	0.00
Revenue Total		24,602,400.00	2,556,700.91	4,390,179.49	0.00	0.1784
Expense Total		39,950,705.00	2,070,820.27	4,029,456.40	959,735.96	0.1009

General Ledger
Account Roll up



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Period 02 - 02
Fiscal Year 2022

Sort Level	Description	Budget	Period Amt	End Bal	% ExpendCollect
Revenue	Revenue				
4210	Water Sales - CRW	30,000.00	9,319.41	9,319.41	31.06
4211	Water sales	4,120,000.00	474,783.88	845,001.75	20.51
4212	Wastewater Charges	8,459,000.00	780,716.20	1,432,318.68	16.93
4213	Watershed protection fees	1,566,000.00	134,636.01	263,432.56	16.82
4215	Penalties & late charges	21,000.00	3,567.70	3,845.48	18.31
4220	System development charges	125,000.00	15,773.00	127,615.00	102.09
4221	System Development-Reimburse	100,000.00	0.00	0.00	0.00
4225	System Development-Improvement	100,000.00	0.00	0.00	0.00
4230	Contract services	57,400.00	0.00	0.00	0.00
4240	Service installations	10,000.00	774.00	9,971.00	99.71
4280	Rents & leases	200,000.00	0.00	7,801.84	3.90
4290	Other charges for services	55,000.00	3,680.00	13,445.00	24.45
4610	Investment revenue	125,000.00	6,433.61	13,227.47	10.58
4630	Miscellaneous revenues	35,000.00	7,767.10	12,701.30	36.29
4910	Transfer in from Fund 10	2,000,000.00	166,667.00	333,334.00	16.67
4920	Transfer in from Fund 20	6,311,000.00	828,583.00	1,070,166.00	16.96
4930	Transfer in from Fund 30	1,488,000.00	124,000.00	248,000.00	16.67
4940	Transfers in from Fund 40	623,800.00	0.00	0.00	0.00
		25,426,200.00	2,556,700.91	4,390,179.49	17.27
Revenue	Revenue				
Expense	Expense				
5110	Regular employees	3,428,000.00	229,033.06	472,314.44	13.78
5130	Overtime	96,000.00	4,683.61	9,832.52	10.24
5210	Employee Ins	705,000.00	49,640.10	73,417.31	10.41
5230	Social Security	269,000.00	17,534.76	36,062.07	13.41
5240	Retirement	615,000.00	44,990.74	91,867.26	14.94
5250	Trimet	30,000.00	1,847.92	3,795.31	12.65
5260	Unemployment	5,000.00	0.00	0.00	0.00
5270	Workers compensation	54,000.00	0.00	20,576.37	38.10
5290	Other employee benefits	21,000.00	30.50	61.00	0.29
6110	Legal services	375,000.00	19,042.75	29,685.25	7.92
6120	Accounting & audit services	50,000.00	11,235.00	12,390.00	24.78
6155	Contracted Services	732,500.00	70,540.57	97,270.91	13.28
6175	Records Management	8,000.00	364.50	729.00	9.11
6180	Dues & subscriptions	42,000.00	1,355.00	21,668.00	51.59
6220	Electricity	322,000.00	28,571.20	59,894.07	18.60
6230	Telephone	57,000.00	4,428.59	10,110.74	17.74
6240	Natural gas	9,000.00	303.81	613.34	6.81
6250	Solid waste disposal	82,000.00	3,672.77	3,845.75	4.69
6290	Other utilities	15,000.00	667.91	1,268.12	8.45
6310	Janitorial services	25,000.00	2,048.49	4,096.98	16.39
6320	Buildings & grounds	89,000.00	4,164.68	20,460.00	22.99
6330	Vehicle & equipment maint.	50,000.00	5,557.32	5,878.87	11.76
6340	Distribution system maint	400,000.00	12,324.48	33,540.68	8.39
6342	Collection system maint.	320,000.00	7,856.92	13,574.31	4.24
6350	Computer maintenance	318,000.00	10,601.04	62,163.48	19.55
6390	Other repairs & maintenance	5,000.00	0.00	0.00	0.00
6410	Mileage	6,000.00	0.00	0.00	0.00
6420	Staff training	74,000.00	1,561.47	1,946.47	2.63
6430	Certifications	6,500.00	0.00	240.00	3.69

Sort Level	Description	Budget	Period Amt	End Bal	% ExpendCollect
6440	Board travel & training	7,000.00	363.97	553.97	7.91
6510	Office supplies	33,000.00	2,383.05	6,867.86	20.81
6520	Fuel & oils	71,000.00	3,000.15	5,499.38	7.75
6525	Chemicals	30,000.00	5,125.96	11,046.42	36.82
6530	Small tools & equipment	46,000.00	3,526.52	7,189.18	15.63
6540	Safety supplies	38,500.00	4,429.01	7,711.59	20.03
6550	Operational Supplies	26,000.00	2,012.89	2,601.64	10.01
6560	Uniforms	36,000.00	3,191.34	9,746.52	27.07
6590	Other supplies	10,000.00	354.41	993.46	9.93
6610	Board compensation	2,500.00	0.00	8.35	0.33
6710	Purchased water	1,117,000.00	305,619.65	459,437.65	41.13
6715	Water quality program	12,000.00	1,848.00	1,848.00	15.40
6720	Insurance	270,000.00	0.00	0.00	0.00
6730	Communications	125,000.00	753.06	2,338.83	1.87
6740	Advertising	7,500.00	229.33	375.02	5.00
6750	Other purchased services	0.00	0.00	0.00	0.00
6760	Equipment Rental	8,000.00	599.43	1,334.59	16.68
6770	Bank charges	140,000.00	11,586.51	26,661.73	19.04
6780	Taxes & fees	106,500.00	6,281.11	15,688.97	14.73
6785	ECAP Payments	76,000.00	6,407.33	9,998.68	13.16
6810	2010 SRF Loan Principal	928,171.00	0.00	461,854.00	49.76
6811	2010 IFA Loan Principal	307,409.00	0.00	0.00	0.00
6813	JPM Bank Loan Principal	1,385,000.00	0.00	0.00	0.00
6814	Principal Payment-KS Statebank	57,000.00	0.00	0.00	0.00
6815	Zions Bank loan-principal	183,000.00	0.00	0.00	0.00
6820	2010 SRF Loan Interest	305,740.00	0.00	125,144.00	40.93
6822	2010 IFA Loan Interest	144,809.00	0.00	0.00	0.00
6823	JPM Bank Loan Interest	340,676.00	0.00	0.00	0.00
6824	Interest Paid-KS Statebank	7,000.00	0.00	0.00	0.00
6825	Zions Bank loan-interest	26,000.00	0.00	12,992.70	49.97
6900	Miscellaneous expense	7,000.00	204.72	296.85	4.24
6990	Special Payments	550,000.00	0.00	0.00	0.00
7200	Infrastructure	1,555,000.00	0.00	0.00	0.00
7300	Buildings & improvements	0.00	2,840.00	23,156.00	0.00
7520	Equipment	177,000.00	0.00	0.00	0.00
7530	Software	25,000.00	0.00	0.00	0.00
7540	Vehicles	70,000.00	1,405.00	1,405.00	2.01
7600	Capital Improvement Projects	2,954,000.00	57,716.14	96,632.76	3.27
8105	Transfers out to Fund 05	4,407,000.00	367,250.00	734,500.00	16.67
8120	Transfers out - Fund 20	623,800.00	0.00	0.00	0.00
8150	Transfers out - Fund 50	3,412,000.00	587,000.00	587,000.00	17.20
8171	Transfers out - Fund 71	500,000.00	41,667.00	83,334.00	16.67
8172	Transfers out - Fund 72	1,000,000.00	83,333.00	166,666.00	16.67
8173	Transfers out - Fund 73	480,000.00	40,000.00	80,000.00	16.67
9000	Contingency	10,142,100.00	0.00	0.00	0.00
Expense	Expense	39,958,705.00	2,071,184.77	4,030,185.40	10.09
Revenue Total		25,426,200.00	2,556,700.91	4,390,179.49	0.1727
Expense Total		39,958,705.00	2,071,184.77	4,030,185.40	0.1009
Grand Total		-14,532,505.00	485,516.14	359,994.09	-0.0248



AGENDA ITEM

To	Board of Directors
From	Laural Casey, District Recorder
Title	Approval of Meeting Minutes
Item No.	5b
Date	October 19, 2021

Summary of Minutes for Approval

The Board of Directors reviews and approves the minutes of the Body's prior public meetings.

Attachments

1. September 21, 2021 Regular Board Meeting Minutes



BOARD OF DIRECTORS
[REMOTE] REGULAR MEETING MINUTES – 6:00 P.M.
SEPTEMBER 21, 2021

Board of Directors – Members Present via Zoom:

Paul Gornick	President
Ginny Van Loo	Secretary/Vice President
Mark Knudson	Treasurer
Susan Keil	Director
Kevin Williams	Director

Oak Lodge Water Services Staff – Present via Zoom:

Sarah Jo Chaplen	General Manager
Jason Rice	District Engineer
Aleah Binkowski-Burk	Human Resources/Payroll Manager
Gail Stevens	Finance Director
David Hawkins	Interim Plant Operations Superintendent
Jeff Page	Utility Operations Director
Brad Lyon	Field Operations Supervisor
Laural Casey	District Recorder
Haakon Ogbeide	Water Services Engineer
Alexa Morris	Outreach and Communications Specialist

Consultants & Organizational Representatives – Present via Zoom:

Tommy Brooks	Cable Huston
Laura Westmeyer	Cable Huston
Jane Civiletti	Oak Lodge Governance Project Steering Committee
Keith Simovic	Moss Adams
Laurel Stevens	Moss Adams
Pat McCormick	AM:PM PR

1. Call to Order & Meeting Facilitation Protocols

President Gornick called the meeting to order at 6:00 p.m.

General Manager Chaplen welcomed everyone and asked District Recorder Casey to facilitate a roll call. District Recorder Casey facilitated the roll call of Board members, staff, and consultants.

General Manager Chaplen also introduced guests attending in an official capacity:

- Sherry French, President of the Clackamas River Water Board of Commissioners.
- Chris Hawes, Chair of the Sunrise Water Authority.

General Manager Chaplen overviewed the general protocols of a virtual meeting due to the COVID-19 pandemic.

2. Call for Public Comment

President Gornick asked District Recorder Casey if any written comments had been submitted. District Recorder Casey stated there were none.

President Gornick asked District Recorder Casey if there were any members of the public in attendance. District Recorder Casey stated there were two.

Clarissa Macintyre read a letter submitted to District staff member, Development Review Specialist Markus Mead. District Engineer Rice overviewed the District's position in the situation progressing between neighbors on a party sewer lateral. The Board asked clarifying questions. General Manager Chaplen stated that District Engineer Rice and Finance Director Stevens would work with Ms. Macintyre to find a potential solution.

3. Monthly Update: Oak Lodge Governance Project

Oak Lodge Governance Project (OLGP) Steering Committee member, Jane Civiletti, thanked Board members for attending OLGP's recent information session. Ms. Civiletti reported that the complete governance report would be available on the OLGP website October 1, 2021. OLGP Representatives will return to the Board for a short presentation during the October 2021 meeting.

4. Presentation of the FY 2021-21 Financial Audit by Moss Adams

Keith Simovic and Laurel Stevens initiated the prior fiscal year's financial audit to open lines of communication with the Board. The auditors described the audit process, significant audit areas, consideration of fraud, and audit timing.

The Board asked clarifying questions and thanked the auditors for their presentation.

5. Consent Agenda

Items on the Consent Agenda include:

- The July Financial Report,
- The August 17, 2021 regular meeting minutes,
- A revised Cybersecurity Policy, and
- An engineering design contract for the Secondary Clarifiers 1 & 2 Project.

The Board made comments and asked questions related to the items on the Consent Agenda.

Secretary/Vice President Van Loo moved to approve the Consent Agenda. Treasurer Knudson seconded. President Gornick asked District Recorder Casey to conduct a roll call vote to approve the Consent

Agenda. Voting Aye: President Gornick; Secretary/Vice President Van Loo; Treasurer Knudson; Directors Keil and Williams.

MOTION CARRIED

6. Consideration of Watershed Protection Capital Projects

District Engineer Rice overviewed the background information provided in the written report, including a summary of next steps on the recommended capital project. The Board asked clarifying questions regarding project location, current and future infrastructure ownership, and County cooperation.

Treasurer Knudson moved to direct Staff to gather a quote from one of the District's On-Call Engineering firms to develop a partnership to fix the flooding and water quality issues surrounding Boardman Avenue and SE Arista Drive. Director Keil seconded. President Gornick asked District Recorder Casey to conduct a roll call vote to approve the Consent Agenda. Voting Aye: President Gornick; Secretary/Vice President Van Loo; Treasurer Knudson; Directors Keil and Williams.

MOTION CARRIED

7. Business from the Board

The Board asked questions related to the written reports.

8. Departments Reports

The Board provided comments and asked questions related to expenditures, plant operations, non-revenue water, leak detection, and delinquent accounts.

9. Call for Public Comment

President Gornick asked District Recorder Casey if there were any members of the public still in attendance. District Recorder Casey confirmed there was one.

Thelma Haggemiller referenced a draft article to be published in the Clackamas Review that she had sent privately via email to the Board of Directors. Ms. Haggemiller requested feedback on the article that is not yet available to the public. She also requested that the District increase communication with customers regarding the Board's effort to become an Authority, including an informational insert mailed with the printed utility bills. Ms. Hagenmiller expressed support of the District becoming an Authority. The Board asked clarifying questions and thanked Ms. Haggemiller for her comments.

10. Recess to Executive Session

President Gornick recessed to Executive Session at 8:03 p.m. under ORS 192.660(2)(f) to consider information or records that are exempt by law from public inspection, and ORS 192.660(2)(i) to review and evaluate the employment-related performance of the chief executive officer of any public body, a

public officer, employee or staff member who does not request an open hearing.

The Board of Directors received legal memoranda from the District's legal counsel and engaged in discussion regarding the presented materials.

11. Adjourn Executive Session

President Gornick adjourned the Executive Session at 9:34 p.m.

President Gornick asked District Recorder Casey if there were any members of the public waiting for the adjournment of the Executive Session. There were none.

12. Adjourn Meeting

President Gornick adjourned the meeting at 9:35 p.m.

Respectfully submitted,

Paul Gornick
President, Board of Directors

Date: _____

Ginny Van Loo
Secretary/Vice President, Board of Directors

Date: _____



STAFF REPORT

To Board of Directors
From David Hawkins, Interim Plant Superintendent
Title Approval of Purchase of Velodyne Liquid Emulsion Polymer Pumps
Item No. 5c
Date October 19, 2021

Summary

Staff requests approval of a purchase for two liquid emulsion polymer pumps.

Background

District Staff have been experimenting with different polymer types and systems, with the goal of making biosolids drier to decrease hauling weight and frequency. As part of this effort, in 2021, the District began a pilot study using a highly technical polymer pump system. The pilot program thus far has been successful. Using this system has not only reduced biosolids water content by about 15% so far, the process takes less staff hours and is a safer process than the current dry polymer system. The polymer system the District is currently using is 21 years old and no longer capable of being rehabilitated. Consequently, the District will need to purchase new pump systems regardless of polymer system is used.

Staff requested three informal quotes from suppliers of different pump systems, and received the following quotes in response:

- A. \$89,500 (Doane and Hartwig Water Systems, Inc.)
- B. \$83,730 (Wm. H. Reilly & Co.)
- C. \$75,000 (VeloDyne Systems)

The lowest quote came in from VeloDyne Systems, which is a manufacturer of this type of product. The product meets the District's specifications and staff recommend accepting the VeloDyne quote for this purchase.

Past Board Actions

May 2021 Board adopted FY 2021-22 Budget which allocated funds in Water Reclamation Capital Fund - Fund 72 for polymer equipment upgrades.

Budget

This capital equipment purchase is included within Water Reclamation Capital Fund. At the time of budget preparation last year, the anticipated cost per pump was \$15,000, so this purchase was budgeted at \$50,000. Due to supply and demand in today's market, the replacement cost of replacing the existing pump system has almost doubled. By moving to the new polymer system, the replacement cost is \$75,000. This increase will be included in the 1st Quarter FY 2021-22 Budget Adjustment.

Concurrence

Staff has worked with the District's legal counsel in this procurement process and consulted the Finance Director regarding Budgetary considerations.

Recommendation

Staff requests approval of the VeloDyne quote for the purchase of two VeloBlend Liquid Polymer Activation Systems.

Alternatives to Recommendation

The Board may take no action and direct staff to seek more quotes for these goods.

Suggested Board Motion

"I move to authorize the General Manager to accept the VeloDyne quote and approve the purchase of two Liquid Polymer Activation Systems from VeloDyne Systems in the amount of \$75,000."

Attachments

1. VeloDyne Quote dated 9/21/2021, Proposal No. LP21-3400
2. Wm. H Reilly Quote dated 9/15/2021
3. Doane and Hartwig Water Systems Quote dated 9/20/2021, Proposal No. LP21-3401-01



Proposal

Date of Proposal: 9/21/2021

Proposal #: LP21-3400

Revision: 0

Proposal For: David Hawkins

Project: Oak Lodge, OR

Equipment: VeloBlend Liquid Polymer Activation System

Specification Section: N/A

Bid Opening: N/A

Engineer: N/A

VeloDyne Contact Information:

Sales Manager: Luke Plache

Phone: (303) 530-3298 (237)

Direct: (720) 253-1798

lpache@velodynesystems.com



PROPOSED SCOPE OF SUPPLY

Bid Type: VeloDyne is a named supplier in the specifications.

VeloDyne is pleased to offer the following proposal for the liquid polymer blending equipment, including options and accessories as indicated below.

QTY.	DESCRIPTION
2	<u>VeloBlend Model VM-3P-600-D-0-A-1 Liquid Polymer Blending System</u> Polymer Flow Range: 0.15 to 3 GPH Dilution Water Flow: 60 to 600 GPH <u>Each unit shall include the following unless otherwise indicated:</u>
1	Polymer Mixing Chamber: A. Series: VeloBlend VM B. Type: Staged Hydro-Mechanical C. Mixer Motor: ½ HP, 90 VDC, 1750 RPM, wash-down duty D. Mixer Shaft Seal: Mechanical with seal flushing assembly E. VeloCheck™ Neat Polymer Check Valve with Quick Release Pin F. Construction: 1. Body: Stainless steel 2. Impeller: Stainless steel 3. Mechanical Seal: Ceramic, Carbon, Stainless steel, Viton 4. Cover: Clear polycarbonate with stainless steel reinforced flange & discharge G. Pressure Rating: 100 psi H. Pressure Relief Valve: Brass
1	Neat Polymer Metering Pump Assembly: A. PVC FNPT union style polymer inlet B. Type: Progressive Cavity type C. Motor: ½ HP, 1750 RPM, 90 VDC, Wash-down duty motor with gear reducer D. Loss of polymer flow sensor E. Metering pump calibration assembly with isolation valves: 250 ml F. Plumbing: SCH. 80 PVC
1	Dilution Water Inlet Assembly shall be provided, including the following: A. Stainless steel FNPT water inlet connection B. Dilution water ON/OFF solenoid valve C. Control Valve: Manual rate control valve D. Primary dilution water flow meter type: Rotameter E. Low differential pressure alarm switch F. 0-160 psi inlet water pressure gauge (stainless steel, liquid filled) G. Plumbing – SCH. 80 PVC
1	Solution Discharge Assembly: A. Stainless steel FNPT solution discharge connection B. 0-160 psi solution discharge pressure gauge (stainless steel, liquid filled) C. Plumbing – SCH. 80 PVC

- 1 Control Panel:
 - A. Enclosure: NEMA 4X FRP
 - B. Power:
 - 1. Required: 120 VAC, 60 Hz., 1 Ph
 - 2. Disconnect: 10' power cord with 120 VAC plug
 - C. Motor controllers:
 - 1. Mixing Chamber
 - 2. Neat polymer metering pump
 - D. Miscellaneous:
 - 1. Control circuit protection
 - 2. Control relays
 - 3. Power supplies
 - 4. Grounding blocks
 - 5. Numbers terminal blocks
 - 6. Wire labels, shrink-tube type
 - E. Operator Interface – Discrete Selector Switch
 - 1. System ON / OFF(reset) / REMOTE
 - 2. Ten-Turn Potentiometer – Metering Pump Control
 - 3. One-Turn Potentiometer – Mixer Speed Control
 - F. Status / Alarm Indicators:
 - 1. System Running Indication
 - 2. Main Power ON Indication
 - 3. LED Display Metering Pump Rate
 - 4. Low Water Differential Pressure Alarm
 - 5. Low Polymer Flow Alarm
 - G. Inputs (signals by others):
 - 1. Remote Start / Stop (discrete dry contact)
 - 2. Pacing Signal Based on Process Flow (4-20mA)
 - H. Outputs:
 - 1. System Running (discrete dry contact)
 - 2. System Remote Mode (discrete dry contact)
 - 3. Common Alarm (discrete dry contact)

- 1 System Skid:
 - A. Frame: 304 stainless steel, open frame design for access to all components
 - B. Fasteners: 304 SS
 - C. Designed for bolt-down

- 1 Accessories (quantities shown are total for project – provided loose for field installation):
 - A. (2) 54" x 54" Polymer Tote Scale w/Digital Display Console

- 1 Engineering & Documentation:
 - A. Submittals for approval (electronic version in PDF, if requested)
 - 1. Detailed scope of supply
 - 2. Mechanical drawings (solids models in shaded isometric and wire orthogonal views)
 - 3. Mechanical component data sheets annotated for specific models, features, etc.
 - 4. Pump performance curves
 - 5. Electrical schematics with interconnecting layout
 - 6. Process & Instrumentation Drawings
 - 7. Process description
 - 8. Electrical component data sheets annotated for specific models, features, etc.
 - B. O&M Manuals for approval (electronic version in PDF, if requested)

- 1 Start-Up / Field Services:
 - A. Factory Start-Up & Field Services:
 - 1. Number of Trips: One (1)
 - 2. Number of Days (total on site): Two (2)

Note: a minimum of four (4) weeks' notice required for domestic orders prior to factory services being scheduled

Commercial Clarifications:

1. This proposal shall become part of the final purchase order documents.
2. This proposal is based on equipment delivery within one year from the date of this proposal.
3. Unless otherwise indicated above, the following are not included in this proposal: Taxes. Tariffs. Duties. Bonds.

Technical Clarifications:

1. Any equipment or appurtenances not specifically listed in the scope of supply shall be provided by others.
2. VeloDyne has proposed its standard equipment as detailed above, modified only to the extent to meet the intent of the project requirements.
3. Where there are contradictions between project specifications and drawings or omissions, VeloDyne is providing our best interpretation of the intent of the design as detailed in our scope of supply.
4. Unless otherwise indicated above, standard submittals and O&M manuals are included herein.
5. Unless otherwise indicated above, the following are not included in this proposal: Installation. Chemicals. Interconnecting wiring, conduit, piping, and valves. Anchor bolts. Field Painting.

Commercial Terms Summary (see complete terms & conditions attached):

1. Price Valid For 90 Days
2. Payment Terms: Net 30
3. Freight: FOB factory, full freight allowed
4. *Submittals: 1-2 weeks after acceptance of order
5. *Shipment: 4-6 weeks after acceptance of order and customer's written approval and release for production

** Note: lead times are estimates based on the current engineering and production work load at the time of bid. Actual lead times may vary based on the workloads at the time of order and release for production – consult factory at time for order and release for production to confirm lead times.*

Total Price, Including Field Services & Freight: \$75,000

VELODYNE STANDARD TERMS & CONDITIONS OF SALE

All orders placed with Velocity Dynamics, LLC. d/b/a VeloDyne (the "Company" or "Seller"), if accepted, shall be accepted subject to VeloDyne Standard Terms and Conditions of Sale ("Terms and Conditions") as set forth below and incorporated by reference into the Purchase Contract:

1. **CONTRACT; OFFER AND ACCEPTANCE.** These Terms and Conditions, together with the product descriptions, prices and other terms appearing on the face hereof or in a separate document submitted to you, (collectively, "our Quotation"), as such may result in a final Purchase Contract between us (all such documents collectively referred to as the "Contract"), shall constitute the only terms and conditions of our offer. If our Quotation is submitted in response to an offer made by you, whether your offer is in the form of a request for proposal or otherwise, our Quotation is expressly conditioned on your acceptance of these Terms and Conditions, which are incorporated into any offer, acceptance, response, acknowledgment, invoice, amendment and/or any other document issued by you or the Company in connection with your Order (the "Contract" or "Contract Documents"), and any reference thereto shall include these Terms and Conditions. No waiver, alteration, or modification of these Terms and Conditions shall be valid unless expressly agreed to in writing by the Company. In any event, we object to all additional or conflicting terms and conditions that may appear in your order or other form of acceptance you may submit to us in response to our Quotation. The Company shall supply to Purchaser the equipment and parts (the "Products") in accordance with the design, manufacturing and performance specifications set forth in the Company's Quote and incorporated in the Purchase Contract (including these Terms and Conditions). No representation, promise or warranty of any kind has been made by us except as set forth in the Contract, which conclusively supersedes all prior writings, representations and negotiations with respect thereto. The Company has no obligation to furnish other equipment, materials or services that may be shown in any plans and/or specifications except for those goods actually ordered by you for a project to which the goods ordered herein pertain.

2. **PRICES.** Unless otherwise noted in the Contract, prices are net Ex-Works our facility and firm for 30 days. **Prices do not include:** freight; permitting, licensing and/or export fees; labor charges; storage fees; or taxes. If you require the Company's assistance for installation or set-up, we will invoice you at standard rates (please contact us for current pricing). Regarding taxes as set forth below, you will either (i) pay to the appropriate authority all applicable taxes and other government charges upon the production, sale, shipment or use of the goods and provide us with proof of payment; or (ii) provide us with a tax exemption certificate from the appropriate taxing authorities. You agree to provide us with written proof of payment of taxes (or exemption therefrom) within ninety (90) calendar days of your receipt of the goods. Time is of the essence.

3. **CREDIT AND PAYMENT.** Unless otherwise stated in the Contract, payment terms are net 30 days from the date of our invoice(s). Any payment outstanding beyond sixty (60) calendar days from the date of any Company invoice shall be subject to a late payment charge on the overdue balance in the amount of 1.5% per month calculated on the outstanding payment amount (or such lesser amount as is the maximum rate of interest allowed by law). Purchaser shall be responsible for all reasonable costs (including attorney's fees) incurred by the Company while collecting any delinquent balance. For international shipments, payment terms are cash only (unless otherwise approved in writing by us). The Company may decline to deliver except for cash, or stop goods in transit, should we develop any reasonable doubt as to Purchaser's financial responsibility. Pro-rata payments shall become due with partial shipments. If Purchaser is responsible for any delay in shipment: (a) the Company may treat the date of completion of goods as the date of shipment for purposes of invoice and payment, (b) completed goods shall be held at Purchaser's cost and risk; and (c) Purchaser shall be responsible for reasonable storage and insurance expenses, with storage fees accruing at a rate of two percent (2%) of the Purchase Price per month or \$500 per

month, whichever is greater, beginning on the first day of the first calendar month following the date the equipment was scheduled to ship. If retainages are accepted by the Company, the retainage shall be based on an agreed upon percentage of the total invoice amount. Unless otherwise agreed in writing, (a) retainage will not be held for more than 180 calendar days from the date of shipment and (b) no retainage will be imposed for approval of shop drawings, O&M manuals or any other documentation.

4. **DELIVERY AND ACCEPTANCE OF PRODUCTS; TRANSFER OF TITLE.**

(A) **Products to be Used in the United States.** Seller will deliver Products manufactured and to be used by Purchaser in the United States Ex-Works at our facility ("Shipping Point") Incoterms 2010, or in such other manner as may be mutually agreed to by us and set forth in separate Shipping Terms under the Contract. On all shipments marked "Ex-Works (or EXW) Shipping Point," the Company shall make the Products available to Purchaser at the Company's facility, which shall constitute delivery, and Purchaser shall bear all costs and risks of moving the Products from our facility to Purchaser's destination. Any claim for loss or damages in transit must be entered with the freight carrier and prosecuted by you.

(B) **Products to be Used Outside of the United States.** Seller will deliver all Products to be used by Purchaser outside of the United States "FAS (Free Alongside Ship) Named Port of Shipment" ("Shipping Point") Incoterms 2010, which means the Company will deliver the Products to the designated port, origin point or designated freight forwarder, with Purchaser bearing all costs and risk of loss or damage from the origin point to Purchaser's destination point outside of the United States. Purchaser shall be responsible for payment of all sales and use taxes, or to recover such taxes through appropriate procedures and documentation under applicable law.

(C) **Shipping.** Goods will be boxed or crated as Seller may deem proper for protection against normal handling, and extra charge will be made for preservation, waterproofing or similar added protection of goods. Routing and manner of shipment will be at Seller's discretion, and may be insured at Purchaser's expense, value to be stated at order price.

(D) **Delivery, Shipment & Installation Dates.** Delivery, shipment and installation dates are estimates only, not guarantees, and unless otherwise specified, are calculated from the date of Seller's receipt of complete technical data and approved drawings as such may be necessary to fulfill the Contract. In estimating such dates, no allowance has been made, nor shall we be liable directly or indirectly, for delays of third-party vendors, carriers or delays from labor difficulties, shortages, strikes or stoppages of any sort, fires, accidents, failure or delay in obtaining materials or manufacturing facilities, acts of government affecting us directly or indirectly, bad weather, or any cause beyond our control or causes designated as Acts of God or forced by any court of law, and the estimated delivery date shall be extended accordingly without penalty to the Company. We will not be liable for any damages or penalties whatsoever, whether direct, indirect, special or consequential, liquidated or otherwise, resulting from our failure to perform or delay in performing. Overtime and other expenses incurred to hasten delivery at Purchaser's request shall be added to the quoted prices and charged to and paid for by Purchaser. Shipment of goods ready for delivery can be deferred beyond the date for delivery on with Seller's written consent.

(E) **Delivery Terms.** Seller's obligation to deliver the goods shall be fulfilled when we have delivered the same in good condition to a carrier at the designated Shipping Point. Unless otherwise specified in the Contract, Purchaser shall be charged with and pay for the costs of all transportation, freight, insurance, loading, packaging and handling charges, taxes, duties, fees, storage, and all other charges applicable

Project: Oak Lodge, OR
Proposal #: LP21-3400-0

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Date: 9/21/2021

to the goods. Purchaser shall not be responsible for any taxes based on Seller's income.

(F) **Title / Security.** Title to the goods shall be retained by Seller as a vendor's lien until such goods are paid for in full by the Purchaser, even though risk of loss shall be borne by Purchaser as set forth in paragraphs 4(A) and (B) respectively. Purchaser hereby grants to Seller, and Seller hereby reserves, a purchase money security interest in and to the goods sold to Purchaser, together with all proceeds thereof, to secure Purchaser's payment and performance. Purchaser agrees upon Seller's request to do all acts and execute all documents reasonably necessary to assist Purchaser's perfection and maintenance of any such security title and right of possession including, but not limited to, executing and filing documents with the appropriate governmental agency.

(G) **Cancellation and Returned Equipment.** Orders may be canceled or amended only with our written consent, and must be returned within 30 days of Seller's written authorization at Purchaser's cost. If Purchaser returns the goods in the manner required under the previous sentence, and if the returned goods are (i) in substantially the same condition that existed on the date the Seller delivered the Products to you, undamaged; and (ii) not more than 12 months after the original Invoice date; the returned goods will, subject to the applicable handling charge, be accepted by the Seller for return. Used or discontinued goods or parts or equipment specially manufactured will not be accepted for credit unless specifically agreed to by the Seller in our sole discretion. Purchaser's sole remedy for returns will be a credit for the purchase price less any handling charges. Returned goods are subject to a minimum of 20% restocking and handling charge. Returns found to be free of material and workmanship defects will be held for 30 days and if Purchaser does not provide the Seller with repair or return instructions, then we will scrap or resell the goods. Purchaser will be charged for placing returned goods in saleable condition, any sales expenses then incurred by us, plus a restocking charge and any out-going and in-coming transportation costs which the Company pays.

(H) **Acceptance by Purchaser.** Purchaser shall conduct any incoming inspection tests on delivered Products within 10 days of delivery, and if delivery is made in multiple shipments, then Purchaser shall conduct incoming inspections of Products within 10 days of receipt of each delivery. In the event of a shortage, damage or discrepancy in any shipment, Purchaser shall promptly give notice to Seller in writing (at such address designated by Seller for such purpose) but in no event later than 30 days of the subject delivery, detailing the exact nature of the shortage, damage or discrepancy and provide such supporting documentation as Seller shall deem necessary and appropriate (i.e., photos, insurance reports, etc.). If such evidence indicates, in Seller's reasonable judgment, that such shortage, damage or discrepancy existed at the time of delivery of the goods to the carrier, Seller will promptly deliver additional or substitute goods to Purchaser; provided, however, that Seller may, in its sole and absolute discretion, require Purchaser to return all damaged goods to the Company prior to delivery of substitute goods. If Purchaser shall fail to timely give Seller such written notice, the goods shall be deemed to conform to the requirements of the Contract, and Purchaser shall be deemed to have accepted the goods and shall pay for the goods in accordance therewith.

(I) **Purchaser's Specifications.** Purchaser shall be solely responsible for ensuring that all specifications, drawings, information, advice, recommendations or requests provided to the Company by Purchaser or any of its agents are accurate and suitable for Purchaser's purposes. The Company's examination or consideration of any such specifications, drawings, information, advice, recommendations or requests shall not result in any liability on the part of the Company.

5. **TERMINATION.** The Company shall have the right to cancel for default hereunder all or any part of Purchaser's Order. This right of cancellation is in addition to and not in lieu of any other remedies that the Company may have in law or equity.

6. **TAXES & IMPORT- EXPORT CHARGES.**

(A) **Purchaser's Responsibility for Taxes, Reports and Withholding.** Seller shall be responsible for reporting and paying all state and federal income taxes associated with sales of equipment and products to Purchaser under this Contract. However, Purchaser shall be responsible for all liabilities or claims for taxes that any taxing authority having jurisdiction over this Contract may assess or levy relating to the Products or this Contract. Purchaser shall comply with all applicable tax requirements, file all registrations (including all Transaction and Sales Tax registrations) and reports, and take all actions necessary to make its tax payments (or secure exemptions from or reductions in payments of same). Within 90 days from the date of any payment by Purchaser under Seller's Invoice, Purchaser shall provide Seller with tax receipts (or other proof of payment or written evidence of tax exemption) for all taxes to be paid by Purchaser under this Contract.

(B) **Import and Export Charges.** Purchaser shall be solely responsible for all import and export charges, licenses, permits and any other lawfully payable charge related to the import or export of Products under this Contract.

(C) **Export Controls & Related Regulations.** Purchaser represents and warrants that it is not designated on, or associated with, any party designated on any of the U.S. government restricted parties lists, including without limitation, the U.S. Commerce Department Bureau of Industry and Security ("BIS") Denied Persons List; Entity List or Unverified List; the U.S. Treasury Department Office of Foreign Assets Control ("OFAC") Specially Designated Nationals and Blocked Persons List; or the U.S. State Department Directorate of Defense Trade Controls ("DDTC") Debarred Parties List. Purchaser shall comply with all applicable U.S. economic sanctions and export control laws and regulations, including without limitation, the regulations administered by the OFAC, the Export Administration Regulations administered by BIS, and the International Traffic in Arms Regulations administered by DDTC. Seller may terminate this Contract and discontinue any ongoing supply to or business with Purchaser immediately, without notice and without liability, upon Seller becoming aware that Purchaser is named on any restricted party list.

7. **WARRANTY: LIMITED REMEDIES.**

(A) **Seller Warranties.** Seller shall provide the standard warranties provided in the form Warranty Agreement (a copy of which is attached and incorporated by reference into our Contract).

(B) **Assignment.** Seller assigns to Purchaser all warranties given by manufacturers and vendors of Seller as such relate to the Products (equipment or components). These warranties are not exclusive.

(C) **Limitation on Damages.** Other than as set forth in Paragraph 9 (Purchaser Indemnification) and any breaches of Paragraph 11 below (Confidentiality), each party's cumulative liability for damages to the other party for any cause whatsoever, and regardless of the form of action, whether in contract or in tort, including but not limited to, negligence, shall be limited to the total Contract price of the goods sold hereunder, plus or minus, as applicable, the amounts of all unpaid accounts payable and receivable between the parties. In no event shall Seller's liability exceed the limits of the Company's insurance coverage.

8. **SOLE REMEDY.** The sole and exclusive remedy for breach of any non-warranty obligation of the Company and the sole remedy for the Company's liability of any kind (including negligence) with respect to the goods and services provided to Purchaser shall be to use all commercially reasonable efforts to promptly cure such breach. Purchaser must prosecute any claim for a cause of action arising hereunder with one year from the date on which the facts that gave rise to the cause of action first occurred subject to the terms set forth in Section 14 (Governing Law and Resolution of Disputes).

9. **INDEMNIFICATION.** Purchaser shall hold harmless, indemnify and defend the Company (at the Company's request) for any and all damages, liabilities, costs and expenses (including the costs of any dispute resolution, including but not limited to, attorneys' fees and any other costs and expenses), fines, or losses in connection with any threatened or actual claims, actions, demands, investigations, suits, including but not limited to, claims or suits by third parties, arising out

of any of the following: (a) Purchaser's negligent or willful acts, or those of its employees and/or agents, (b) such goods being repaired or altered by persons other than Seller (unless expressly authorized in writing by the Seller), (c) any claim of patent infringement arising out of the manufacture by Seller of goods created in accordance with a design or specifications furnished to Seller by Purchaser, (d) in the event that Purchaser modifies, or combines with any non-Seller goods, any of the goods purchased from Seller, and such modification or combination results in the actual or alleged infringement of any intellectual property rights of any third party, (e) from goods produced by Seller according to Purchaser's specifications, (f) any violations of export control laws by Purchaser, (g) any violations of state or federal tax laws by Purchaser, or (h) Purchaser's breach of any provisions of these Terms and Conditions.

10. SELLER'S INTELLECTUAL PROPERTY INDEMNIFICATION.

Seller will defend, indemnify and hold harmless Purchaser from and against any and all loss, damage, cost or expense arising as a result of any claim that the goods sold hereunder infringe any third party U.S. patent, copyright, trademark, trade secret or intellectual property right. Otherwise, Seller will not be liable for any claim of infringement. If you notify us promptly of any such claim of infringement and, if we so request, authorize us to defend or settle any suit or controversy involving such claim, we will indemnify you against the reasonable expenses of any such suit and will satisfy any judgment or settlement in which we acquiesce, but only to an amount not exceeding the price paid for the allegedly infringing goods. If an injunction is issued against the further use of allegedly infringing goods, the Company shall have the option of procuring for you the right to use the goods, or replacing them with non-infringing goods, or modifying them so that they become non-infringing or of removing them and refunding the purchase price. The foregoing states the Company's entire and exclusive liability with respect to a claim of infringement, and we will not be liable for any damages whatsoever suffered by reason of any infringement claimed, except as provided herein.

11. CONFIDENTIALITY. "Confidential Information" means any of the Company's business information, specifications and all related writings, drawings, designs, software applications and similar works or any other information disclosed by the Company that are disclosed as "Confidential" or proprietary. All Confidential Information shall be the exclusive property of the Company and we retain all right, title and interest in and to the same. Purchaser agrees to use Confidential Information for the exclusive purpose of performance under the Contract and not to disclose or provide any Confidential Information to any third party and to take all necessary measures to prevent any such disclosure by its employees, agents, contractors or consultants. Upon request of the Company or completion of the Contract, Purchaser shall return all Confidential Information to the Company and provide certification of such return.

12. TOOLING; SPECIAL JIGS, FIXTURES & PATTERNS. Charges made for tools, jigs, fixtures, patterns and equipment made or acquired by the Company in connection with your Order and utilized in manufacturing will be considered the exclusive property of the Company, without credit to Purchaser.

13. INSPECTION, RECORDS, AUDITS & PROPRIETARY DATA.

Inspection of goods in our facility by Purchaser and/or its representative will be permitted, provided that (a) Purchaser gives reasonable written notice of its desire to inspect the goods, and (b) the inspection does not unduly interfere with the Company's production

work flow. Neither Purchaser nor any of Purchaser's representatives shall have any right to examine or audit the Company's cost accounts, books or records of any kind, or be entitled to, or have control over, any engineering or production prints, drawings or technical data which the Company, in our sole discretion, may consider in whole or in part to be proprietary to our business.

14. GOVERNING LAW & DISPUTE RESOLUTION.

(A) **Governing Law.** The Contract and these Terms and Conditions are governed by and interpreted under the laws of the State of Colorado, without regard to its choice of law rules unless the matters in dispute come within the scope of Article 2 of the Uniform Commercial Code (UCC-Sales) prepared under the joint sponsorship of The American Law Institute and the National Conference of Commissioners on Uniform State Laws, in which event the dispute shall be governed by and interpreted under the referenced Code in effect on the date of this Contract.

(B) **Dispute Resolution.** Except for any action where the sole relief sought is an injunction, any controversy or claim arising out of or relating to the Contract and these Terms and Conditions, or the making, performance or interpretation hereof, and the dispute cannot be settled by direct negotiations, either Party may initiate mediation. If the parties fail to settle the dispute within 30 days of notice of mediation, either party may initiate binding arbitration under this paragraph. The place of arbitration shall be in the Boulder-Denver Metro-Area of Colorado, and shall be conducted by one arbitrator in accordance with the Commercial Arbitration Rules of the American Arbitration Association. Judgment upon any binding arbitration award may be entered in any court having jurisdiction thereof.

15. GENERAL PROVISIONS.

(A) **Prior Agreements.** This Contract comprises the complete and exclusive agreement between the parties regarding the subject matter of this Contract, and supersedes all oral and written communications, negotiations, representations or agreements made or entered into before the Effective Date.

(B) **Amendments.** No amendment to this Contract is effective unless made in writing and signed by authorized representatives of Purchaser and Seller. Specifications, drawings, price lists and documents of a technical nature prepared by Seller and submitted to Purchaser to describe the equipment and parts being purchased hereunder automatically become part of this Contract.

(C) **Survival.** All provisions set forth herein regarding warranty, confidential information, indemnification, liability and limits thereon, and any other provisions that survive on their terms including all provisions relating to tax, import / export, inspection, dispute resolution and governing laws, and all causes of action which arose prior to completion or termination of this Contract shall survive indefinitely until, by their respective terms, they are no longer operative.

(D) **Conflicts.** If a conflict exists between these Terms and Conditions and any other writings connected with this Contract, these Terms and Conditions shall prevail with respect to such conflict. In the event that any provisions of these Terms and Conditions is held to be illegal, invalid or unenforceable under the present or future law, rule or regulation, such provision shall be deemed stricken from these Terms and Conditions, but such illegality, invalidity or unenforceability shall not invalidate any of the other provisions of these Terms and Conditions.



Wm. H. Reilly & Co.

September 15, 2021

Oak Lodge Sanitary District

RE: Liquid Polymer Activation System

Wm. H. Reilly & Co. would like to submit the following proposal for (2) Model VM-3P-600-D-0-A-1 Liquid Polymer Blending System.

Major System Components

Each unit shall include the following unless otherwise indicated

Quantity

Item

- 1 Polymer Mixing Chamber:**
 - Type: Staged Hydro-Mechanical
 - Mixer Motor: ½ HP, 90 VDC, 1750 RPM, wash-down duty
 - Mixer Shaft Seal: Mechanical with seal flushing assembly
 - Neat Polymer Check Valve with Quick Release Pin
 - Pressure Rating: 100 psi
 - Polymer Flow Range: 0.15 to 3 GPH
 - Dilution Water Flow 60 to 600 GPH
 - Construction:**
 - Body: Stainless steel
 - Impeller: Stainless steel
 - Mechanical Seal: Ceramic, Carbon, Stainless steel, Viton
 - Cover: Clear polycarbonate with stainless steel reinforced flange & discharge
 - Pressure Relief Valve: Brass
- 1 Neat Polymer Metering Pump Assembly:**
 - PVC FNPT union style polymer inlet
 - Type: Progressive Cavity type
 - Motor: ½ HP, 1750 RPM, 90 VDC, Wash-down duty motor with gear reducer
 - Loss of polymer flow sensor
 - Metering pump calibration assembly with isolation valves: 250 ml
 - Plumbing: SCH. 80 PVC
- 1 Dilution Water Inlet Assembly:**
 - Stainless steel FNPT water inlet connection
 - Dilution water ON/OFF solenoid valve
 - Control Valve: Manual rate control valve
 - Primary dilution water flow meter type: Rotameter
 - Low differential pressure alarm switch
 - 0-160 psi inlet water pressure gauge (stainless steel, liquid filled)
 - Plumbing – SCH. 80 PVC
- 1 Solution Discharge Assembly:**
 - Stainless steel FNPT solution discharge connection
 - 0-160 psi solution discharge pressure gauge (stainless steel, liquid filled)
 - Plumbing – SCH. 80 PVC

1 Control Panel:

Enclosure: NEMA 4X FRP

Power:

Required: 120 VAC, 60 Hz., 1 Ph

Disconnect: 10' power cord with 120 VAC plug

Motor controllers:

Mixing Chamber

Neat polymer metering pump

Miscellaneous:

Control circuit protection

Control relays

Power supplies

Grounding blocks

Numbers terminal blocks

Wire labels, shrink-tube type

Operator Interface – Discrete Selector Switch

System ON / OFF (reset) / REMOTE

Ten-Turn Potentiometer – Metering Pump Control

One-Turn Potentiometer – Mixer Speed Control

Status / Alarm Indicators:

System Running Indication

Main Power ON Indication

LED Display Metering Pump Rate

Low Water Differential Pressure Alarm

Low Polymer Flow Alarm

Inputs (signals by others):

Remote Start / Stop (discrete dry contact)

Pacing Signal Based on Process Flow (4-20mA)

Outputs:

System Running (discrete dry contact)

System Remote Mode (discrete dry contact)

Common Alarm (discrete dry contact)

1 System Skid:

Frame: 304 stainless steel, open frame design for access to all components

Fasteners: 304 SS

Designed for bolt-down

Accessories:

(2) 54" x 54" Polymer Tote Scale w/Digital Display Console

1 Engineering & Documentation:

Submittals for approval 1-2 weeks after acceptance of order

Detailed scope of supply Mechanical drawings

Mechanical component data sheets annotated for specific models, features, etc.

Electrical component data sheets annotated for specific models, features, etc.

O&M Manuals for approval

1 Start-Up / Field Services:

Factory Start-Up & Field Services:

Number of Trips: One (1) Number of Days (total on site): Two (2)

Terms Summary

Price Valid For 90 Days

Payment Terms: Net 30

Freight: FOB factory, full freight allowed

Shipment: 4-6 weeks after acceptance of order

Total Price, Including Field Services & Freight: \$83,730



Firm Proposal

Date of Proposal: 9/20/2021

Proposal #: LP21-3401

Proposal For: David Hawkins

Project: Oak Lodge Water Services

Equipment: VeloBlend Liquid Polymer Activation System

Specification Section: N/A

Bid Opening: N/A

Engineer: N/A

Represented By:

Doane and Hartwig Water Systems, Inc.

Brian Doane

949-481-4560

brian@dandhwatersystems.com

4121 Via de La Plata, Oceanside, CA 92056

VeloDyne Contact Information:

Sales Manager: Luke Plache
Phone: (303) 530-3298 (237)
Direct: (720) 253-1798
lpache@velodynesystems.com

Application Engineer: Sean Spence
Phone: (303) 530-3298 (235)
sspence@velodynesystems.com



PROPOSED SCOPE OF SUPPLY

VeloDyne is pleased to offer the following proposal for the liquid polymer blending equipment, including options and accessories as indicated below.

QTY.	DESCRIPTION
2	<u>VeloBlend Model VM-3P-600-D-0-A-1 Liquid Polymer Blending System</u> Polymer Flow Range: 0.15 to 3 GPH Dilution Water Flow: 60 to 600 GPH <u>Each unit shall include the following unless otherwise indicated:</u>
1	Polymer Mixing Chamber: <ul style="list-style-type: none">A. Series: VeloBlend VMB. Type: Staged Hydro-MechanicalC. Mixer Motor: ½ HP, 90 VDC, 1750 RPM, wash-down dutyD. Mixer Shaft Seal: Mechanical with seal flushing assemblyE. VeloCheck™ Neat Polymer Check Valve with Quick Release PinF. Construction:<ul style="list-style-type: none">1. Body: Stainless steel2. Impeller: Stainless steel3. Mechanical Seal: Ceramic, Carbon, Stainless steel, Viton4. Cover: Clear polycarbonate with stainless steel reinforced flange & dischargeG. Pressure Rating: 100 psiH. Pressure Relief Valve: Brass
1	Neat Polymer Metering Pump Assembly: <ul style="list-style-type: none">A. PVC FNPT union style polymer inletB. Type: Progressive Cavity typeC. Motor: ½ HP, 1750 RPM, 90 VDC, Wash-down duty motor with gear reducerD. Loss of polymer flow sensorE. Metering pump calibration assembly with isolation valves: 250 mlF. Plumbing: SCH. 80 PVC
1	Dilution Water Inlet Assembly shall be provided, including the following: <ul style="list-style-type: none">A. Stainless steel FNPT water inlet connectionB. Dilution water ON/OFF solenoid valveC. Control Valve: Manual rate control valveD. Primary dilution water flow meter type: RotameterE. Low differential pressure alarm switchF. 0-160 psi inlet water pressure gauge (stainless steel, liquid filled)G. Plumbing – SCH. 80 PVC
1	Solution Discharge Assembly: <ul style="list-style-type: none">A. Stainless steel FNPT solution discharge connectionB. 0-160 psi solution discharge pressure gauge (stainless steel, liquid filled)C. Plumbing – SCH. 80 PVC

- 1 Control Panel:
 - A. Enclosure: NEMA 4X FRP
 - B. Power:
 - 1. Required: 120 VAC, 60 Hz., 1 Ph
 - 2. Disconnect: 10' power cord with 120 VAC plug
 - C. Motor controllers:
 - 1. Mixing Chamber
 - 2. Neat polymer metering pump
 - D. Miscellaneous:
 - 1. Control circuit protection
 - 2. Control relays
 - 3. Power supplies
 - 4. Grounding blocks
 - 5. Numbers terminal blocks
 - 6. Wire labels, shrink-tube type
 - E. Operator Interface – Discrete Selector Switch
 - 1. System ON / OFF(reset) / REMOTE
 - 2. Ten-Turn Potentiometer – Metering Pump Control
 - 3. One-Turn Potentiometer – Mixer Speed Control
 - F. Status / Alarm Indicators:
 - 1. System Running Indication
 - 2. Main Power ON Indication
 - 3. LED Display Metering Pump Rate
 - 4. Low Water Differential Pressure Alarm
 - 5. Low Polymer Flow Alarm
 - G. Inputs (signals by others):
 - 1. Remote Start / Stop (discrete dry contact)
 - 2. Pacing Signal Based on Process Flow (4-20mA)
 - H. Outputs:
 - 1. System Running (discrete dry contact)
 - 2. System Remote Mode (discrete dry contact)
 - 3. Common Alarm (discrete dry contact)

- 1 System Skid:
 - A. Frame: 304 stainless steel, open frame design for access to all components
 - B. Fasteners: 304 SS
 - C. Designed for bolt-down

- 1 Accessories (quantities shown are total for project – provided loose for field installation):
 - A. (2) 54" x 54" Polymer Tote Scale w/Digital Display Console

- 1 Engineering & Documentation:
 - A. Submittals for approval (electronic version in PDF, if requested)
 - 1. Detailed scope of supply
 - 2. Mechanical drawings (solids models in shaded isometric and wire orthogonal views)
 - 3. Mechanical component data sheets annotated for specific models, features, etc.
 - 4. Pump performance curves
 - 5. Electrical schematics with interconnecting layout
 - 6. Process & Instrumentation Drawings
 - 7. Process description
 - 8. Electrical component data sheets annotated for specific models, features, etc.
 - B. O&M Manuals for approval (electronic version in PDF, if requested)

- 1 Start-Up / Field Services:
 - A. Factory Start-Up & Field Services:
 1. Number of Trips: One (1)
 2. Number of Days (total on site): Two (2)

Note: a minimum of four (4) weeks' notice required for domestic orders prior to factory services being scheduled

Commercial Clarifications:

1. This proposal shall become part of the final purchase order documents.
2. This proposal is based on equipment delivery within one year from the date of this proposal.
3. Unless otherwise indicated above, the following are not included in this proposal: Taxes. Tariffs. Duties. Bonds.

Technical Clarifications:

1. Any equipment or appurtenances not specifically listed in the scope of supply shall be provided by others.
2. VeloDyne has proposed its standard equipment as detailed above, modified only to the extent to meet the intent of the project requirements.
3. Where there are contradictions between project specifications and drawings or omissions, VeloDyne is providing our best interpretation of the intent of the design as detailed in our scope of supply.
4. Unless otherwise indicated above, standard submittals and O&M manuals are included herein.
5. Unless otherwise indicated above, the following are not included in this proposal: Installation. Chemicals. Interconnecting wiring, conduit, piping, and valves. Anchor bolts. Field Painting.

Commercial Terms Summary (see complete terms & conditions attached):

1. Price Valid For 90 Days
2. Payment Terms: Net 30
3. Freight: FOB factory, full freight allowed
4. *Submittals: 1-2 weeks after acceptance of order
5. *Shipment: 4-6 weeks after acceptance of order and customer's written approval and release for production

** Note: lead times are estimates based on the current engineering and production work load at the time of bid. Actual lead times may vary based on the workloads at the time of order and release for production – consult factory at time for order and release for production to confirm lead times.*

Total Firm Price, Including Field Services & Freight: \$89,500.00

VELODYNE STANDARD TERMS & CONDITIONS OF SALE

All orders placed with Velocity Dynamics, LLC. d/b/a VeloDyne (the "Company" or "Seller"), if accepted, shall be accepted subject to VeloDyne Standard Terms and Conditions of Sale ("Terms and Conditions") as set forth below and incorporated by reference into the Purchase Contract:

1. **CONTRACT; OFFER AND ACCEPTANCE.** These Terms and Conditions, together with the product descriptions, prices and other terms appearing on the face hereof or in a separate document submitted to you, (collectively, "our Quotation"), as such may result in a final Purchase Contract between us (all such documents collectively referred to as the "Contract"), shall constitute the only terms and conditions of our offer. If our Quotation is submitted in response to an offer made by you, whether your offer is in the form of a request for proposal or otherwise, our Quotation is expressly conditioned on your acceptance of these Terms and Conditions, which are incorporated into any offer, acceptance, response, acknowledgment, invoice, amendment and/or any other document issued by you or the Company in connection with your Order (the "Contract" or "Contract Documents"), and any reference thereto shall include these Terms and Conditions. No waiver, alteration, or modification of these Terms and Conditions shall be valid unless expressly agreed to in writing by the Company. In any event, we object to all additional or conflicting terms and conditions that may appear in your order or other form of acceptance you may submit to us in response to our Quotation. The Company shall supply to Purchaser the equipment and parts (the "Products") in accordance with the design, manufacturing and performance specifications set forth in the Company's Quote and incorporated in the Purchase Contract (including these Terms and Conditions). No representation, promise or warranty of any kind has been made by us except as set forth in the Contract, which conclusively supersedes all prior writings, representations and negotiations with respect thereto. The Company has no obligation to furnish other equipment, materials or services that may be shown in any plans and/or specifications except for those goods actually ordered by you for a project to which the goods ordered herein pertain.

2. **PRICES.** Unless otherwise noted in the Contract, prices are net Ex- Works our facility and firm for 30 days. **Prices do not include:** freight; permitting, licensing and/or export fees; labor charges; storage fees; or taxes. If you require the Company's assistance for installation or set-up, we will invoice you at standard rates (please contact us for current pricing). Regarding taxes as set forth below, you will either (i) pay to the appropriate authority all applicable taxes and other government charges upon the production, sale, shipment or use of the goods and provide us with proof of payment; or (ii) provide us with a tax exemption certificate from the appropriate taxing authorities. You agree to provide us with written proof of payment of taxes (or exemption therefrom) within ninety (90) calendar days of your receipt of the goods. Time is of the essence.

3. **CREDIT AND PAYMENT.** Unless otherwise stated in the Contract, payment terms are net 30 days from the date of our invoice(s). Any payment outstanding beyond sixty (60) calendar days from the date of any Company invoice shall be subject to a late payment charge on the overdue balance in the amount of 1.5% per month calculated on the outstanding payment amount (or such lesser amount as is the maximum rate of interest allowed by law). Purchaser shall be responsible for all reasonable costs (including attorney's fees) incurred by the Company while collecting any delinquent balance. For international shipments, payment terms are cash only (unless otherwise approved in writing by us). The Company may decline to deliver except for cash, or stop goods in transit, should we develop any reasonable doubt as to Purchaser's financial responsibility. Pro-rata payments shall become due with partial shipments. If Purchaser is responsible for any delay in shipment: (a) the Company may treat the date of completion of goods as the date of shipment for purposes of invoice and payment, (b) completed goods shall be held at Purchaser's cost and risk; and (c) Purchaser shall be responsible for reasonable storage and insurance expenses, with storage fees accruing at a rate of two percent (2%) of the Purchase Price per month or \$500 per

month, whichever is greater, beginning on the first day of the first calendar month following the date the equipment was scheduled to ship. If retainages are accepted by the Company, the retainage shall be based on an agreed upon percentage of the total invoice amount. Unless otherwise agreed in writing, (a) retainage will not be held for more than 180 calendar days from the date of shipment and (b) no retainage will be imposed for approval of shop drawings, O&M manuals or any other documentation.

4. **DELIVERY AND ACCEPTANCE OF PRODUCTS; TRANSFER OF TITLE.**

(A) **Products to be Used in the United States.** Seller will deliver Products manufactured and to be used by Purchaser in the United States Ex-Works at our facility ("Shipping Point") Incoterms 2010, or in such other manner as may be mutually agreed to by us and set forth in separate Shipping Terms under the Contract. On all shipments marked "Ex-Works (or EXW) Shipping Point," the Company shall make the Products available to Purchaser at the Company's facility, which shall constitute delivery, and Purchaser shall bear all costs and risks of moving the Products from our facility to Purchaser's destination. Any claim for loss or damages in transit must be entered with the freight carrier and prosecuted by you.

(B) **Products to be Used Outside of the United States.** Seller will deliver all Products to be used by Purchaser outside of the United States "FAS (Free Alongside Ship) Named Port of Shipment" ("Shipping Point") Incoterms 2010, which means the Company will deliver the Products to the designated port, origin point or designated freight forwarder, with Purchaser bearing all costs and risk of loss or damage from the origin point to Purchaser's destination point outside of the United States. Purchaser shall be responsible for payment of all sales and use taxes, or to recover such taxes through appropriate procedures and documentation under applicable law.

(C) **Shipping.** Goods will be boxed or crated as Seller may deem proper for protection against normal handling, and extra charge will be made for preservation, waterproofing or similar added protection of goods. Routing and manner of shipment will be at Seller's discretion, and may be insured at Purchaser's expense, value to be stated at order price.

(D) **Delivery, Shipment & Installation Dates.** Delivery, shipment and installation dates are estimates only, not guarantees, and unless otherwise specified, are calculated from the date of Seller's receipt of complete technical data and approved drawings as such may be necessary to fulfill the Contract. In estimating such dates, no allowance has been made, nor shall we be liable directly or indirectly, for delays of third-party vendors, carriers or delays from labor difficulties, shortages, strikes or stoppages of any sort, fires, accidents, failure or delay in obtaining materials or manufacturing facilities, acts of government affecting us directly or indirectly, bad weather, or any cause beyond our control or causes designated as Acts of God or forced by any court of law, and the estimated delivery date shall be extended accordingly without penalty to the Company. We will not be liable for any damages or penalties whatsoever, whether direct, indirect, special or consequential, liquidated or otherwise, resulting from our failure to perform or delay in performing. Overtime and other expenses incurred to hasten delivery at Purchaser's request shall be added to the quoted prices and charged to and paid for by Purchaser. Shipment of goods ready for delivery can be deferred beyond the date for delivery on with Seller's written consent.

(E) **Delivery Terms.** Seller's obligation to deliver the goods shall be fulfilled when we have delivered the same in good condition to a carrier at the designated Shipping Point. Unless otherwise specified in the Contract, Purchaser shall be charged with and pay for the costs of all transportation, freight, insurance, loading, packaging and handling charges, taxes, duties, fees, storage, and all other charges applicable

to the goods. Purchaser shall not be responsible for any taxes based on Seller's income.

(F) **Title / Security.** Title to the goods shall be retained by Seller as a vendor's lien until such goods are paid for in full by the Purchaser, even though risk of loss shall be borne by Purchaser as set forth in paragraphs 4(A) and (B) respectively. Purchaser hereby grants to Seller, and Seller hereby reserves, a purchase money security interest in and to the goods sold to Purchaser, together with all proceeds thereof, to secure Purchaser's payment and performance. Purchaser agrees upon Seller's request to do all acts and execute all documents reasonably necessary to assist Purchaser's perfection and maintenance of any such security title and right of possession including, but not limited to, executing and filing documents with the appropriate governmental agency.

(G) **Cancellation and Returned Equipment.** Orders may be canceled or amended only with our written consent, and must be returned within 30 days of Seller's written authorization at Purchaser's cost. If Purchaser returns the goods in the manner required under the previous sentence, and if the returned goods are (i) in substantially the same condition that existed on the date the Seller delivered the Products to you, undamaged; and (ii) not more than 12 months after the original invoice date; the returned goods will, subject to the applicable handling charge, be accepted by the Seller for return. Used or discontinued goods or parts or equipment specially manufactured will not be accepted for credit unless specifically agreed to by the Seller in our sole discretion. Purchaser's sole remedy for returns will be credit for the purchase price less any handling charges. Returned goods are subject to a minimum of 20% restocking and handling charge. Returns found to be free of material and workmanship defects will be held for 30 days and if Purchaser does not provide the Seller with repair or return instructions, then we will scrap or resell the goods. Purchaser will be charged for placing returned goods in saleable condition, any sales expenses then incurred by us, plus a restocking charge and any out-going and incoming transportation costs which the Company pays.

(H) **Acceptance by Purchaser.** Purchaser shall conduct any incoming inspection tests on delivered Products within 10 days of delivery, and if delivery is made in multiple shipments, then Purchaser shall conduct incoming inspections of Products within 10 days of receipt of each delivery. In the event of a shortage, damage or discrepancy in any shipment, Purchaser shall promptly give notice to Seller in writing (at such address designated by Seller for such purpose) but in no event later than 30 days of the subject delivery, detailing the exact nature of the shortage, damage or discrepancy and provide such supporting documentation as Seller shall deem necessary and appropriate (i.e., photos, insurance reports, etc.). If such evidence indicates, in Seller's reasonable judgment, that such shortage, damage or discrepancy existed at the time of delivery of the goods to the carrier, Seller will promptly deliver additional or substitute goods to Purchaser; provided, however, that Seller may, in its sole and absolute discretion, require Purchaser to return all damaged goods to the Company prior to delivery of substitute goods. If Purchaser shall fail to timely give Seller such written notice, the goods shall be deemed to conform to the requirements of the Contract, and Purchaser shall be deemed to have accepted the goods and shall pay for the goods in accordance therewith.

(I) **Purchaser's Specifications.** Purchaser shall be solely responsible for ensuring that all specifications, drawings, information, advice, recommendations or requests provided to the Company by Purchaser or any of its agents are accurate and suitable for Purchaser's purposes. The Company's examination or consideration of any such specifications, drawings, information, advice, recommendations or requests shall not result in any liability on the part of the Company.

5. **TERMINATION.** The Company shall have the right to cancel for default hereunder all or any part of Purchaser's Order. This right of cancellation is in addition to and not in lieu of any other remedies that the Company may have in law or equity.

6. **TAXES & IMPORT- EXPORT CHARGES.**

(A) **Purchaser's Responsibility for Taxes, Reports and Withholding.** Seller shall be responsible for reporting and paying all state and federal income taxes associated with sales of equipment and products to Purchaser under this Contract. However, Purchaser shall be responsible for all liabilities or claims for taxes that any taxing authority having jurisdiction over this Contract may assess or levy relating to the Products or this Contract. Purchaser shall comply with all applicable tax requirements, file all registrations (including all Transaction and Sales Tax registrations) and reports, and take all actions necessary to make its tax payments (or secure exemptions from or reductions in payments of same). Within 90 days from the date of any payment by Purchaser under Seller's Invoice, Purchaser shall provide Seller with tax receipts (or other proof of payment or written evidence of tax exemption) for all taxes to be paid by Purchaser under this Contract.

(B) **Import and Export Charges.** Purchaser shall be solely responsible for all import and export charges, licenses, permits and any other lawfully payable charge related to the import or export of Products under this Contract.

(C) **Export Controls & Related Regulations.** Purchaser represents and warrants that it is not designated on, or associated with, any party designated on any of the U.S. government restricted parties lists, including without limitation, the U.S. Commerce Department Bureau of Industry and Security ("BIS") Denied Persons List; Entity List or Unverified List; the U.S. Treasury Department Office of Foreign Assets Control ("OFAC") Specially Designated Nationals and Blocked Persons List; or the U.S. State Department Directorate of Defense Trade Controls ("DDTC") Debarred Parties List. Purchaser shall comply with all applicable U.S. economic sanctions and export control laws and regulations, including without limitation, the regulations administered by the OFAC, the Export Administration Regulations administered by BIS, and the International Traffic in Arms Regulations administered by DDTC. Seller may terminate this Contract and discontinue any ongoing supply to or business with Purchaser immediately, without notice and without liability, upon Seller becoming aware that Purchaser is named on any restricted party list.

7. **WARRANTY; LIMITED REMEDIES.**

(A) **Seller Warranties.** Seller shall provide the standard warranties provided in the form Warranty Agreement (a copy of which is attached and incorporated by reference into our Contract).

(B) **Assignment.** Seller assigns to Purchaser all warranties given by manufacturers and vendors of Seller as such relate to the Products (equipment or components). These warranties are not exclusive.

(C) **Limitation on Damages.** Other than as set forth in Paragraph 9 (Purchaser Indemnification) and any breaches of Paragraph 11 below (Confidentiality), each party's cumulative liability for damages to the other party for any cause whatsoever, and regardless of the form of action, whether in contract or in tort, including but not limited to, negligence, shall be limited to the total Contract price of the goods sold hereunder, plus or minus, as applicable, the amounts of all unpaid accounts payable and receivable between the parties. In no event shall Seller's liability exceed the limits of the Company's insurance coverage.

8. **SOLE REMEDY.** The sole and exclusive remedy for breach of any non-warranty obligation of the Company and the sole remedy for the Company's liability of any kind (including negligence) with respect to the goods and services provided to Purchaser shall be to use all commercially reasonable efforts to promptly cure such breach. Purchaser must prosecute any claim for a cause of action arising hereunder with one year from the date on which the facts that gave rise to the cause of action first occurred subject to the terms set forth in Section 14 (Governing Law and Resolution of Disputes).

9. **INDEMNIFICATION.** Purchaser shall hold harmless, indemnify and defend the Company (at the Company's request) for any and all damages, liabilities, costs and expenses (including the costs of any dispute resolution, including but not limited to, attorneys' fees and any other costs and expenses), fines, or losses in connection with any threatened or actual claims, actions, demands, investigations, suits, including but not limited to, claims or suits by third parties, arising out

of any of the following: (a) Purchaser's negligent or willful acts, or those of its employees and/or agents, (b) such goods being repaired or altered by persons other than Seller (unless expressly authorized in writing by the Seller), (c) any claim of patent infringement arising out of the manufacture by Seller of goods created in accordance with a design or specifications furnished to Seller by Purchaser, (d) in the event that Purchaser modifies, or combines with any non-Seller goods, any of the goods purchased from Seller, and such modification or combination results in the actual or alleged infringement of any intellectual property rights of any third party, (e) from goods produced by Seller according to Purchaser's specifications, (f) any violations of export control laws by Purchaser, (g) any violations of state or federal tax laws by Purchaser, or (h) Purchaser's breach of any provisions of these Terms and Conditions.

10. **SELLER'S INTELLECTUAL PROPERTY INDEMNIFICATION.** Seller will defend, indemnify and hold harmless Purchaser from and against any and all loss, damage, cost or expense arising as a result of any claim that the goods sold hereunder infringe any third party U.S. patent, copyright, trademark, trade secret or intellectual property right. Otherwise, Seller will not be liable for any claim of infringement. If you notify us promptly of any such claim of infringement and, if we so request, authorize us to defend or settle any suit or controversy involving such claim, we will indemnify you against the reasonable expenses of any such suit and will satisfy any judgment or settlement in which we acquiesce, but only to an amount not exceeding the price paid for the allegedly infringing goods. If an injunction is issued against the further use of allegedly infringing goods, the Company shall have the option of procuring for you the right to use the goods, or replacing them with non-infringing goods, or modifying them so that they become non-infringing or of removing them and refunding the purchase price. The foregoing states the Company's entire and exclusive liability with respect to a claim of infringement, and we will not be liable for any damages whatsoever suffered by reason of any infringement claimed, except as provided herein.

11. **CONFIDENTIALITY.** "Confidential Information" means any of the Company's business information, specifications and all related writings, drawings, designs, software applications and similar works or any other information disclosed by the Company that are disclosed as "Confidential" or proprietary. All Confidential Information shall be the exclusive property of the Company and we retain all right, title and interest in and to the same. Purchaser agrees to use Confidential Information for the exclusive purpose of performance under the Contract and not to disclose or provide any Confidential Information to any third party and to take all necessary measures to prevent any such disclosure by its employees, agents, contractors or consultants. Upon request of the Company or completion of the Contract, Purchaser shall return all Confidential Information to the Company and provide certification of such return.

12. **TOOLING; SPECIAL JIGS, FIXTURES & PATTERNS.** Charges made for tools, jigs, fixtures, patterns and equipment made or acquired by the Company in connection with your Order and utilized in manufacturing will be considered the exclusive property of the Company, without credit to Purchaser.

13. **INSPECTION, RECORDS, AUDITS & PROPRIETARY DATA.** Inspection of goods in our facility by Purchaser and/or its representative will be permitted, provided that (a) Purchaser gives reasonable written notice of its desire to inspect the goods, and (b) the inspection does not unduly interfere with the Company's production

work flow. Neither Purchaser nor any of Purchaser's representatives shall have any right to examine or audit the Company's cost accounts, books or records of any kind, or be entitled to, or have control over, any engineering or production prints, drawings or technical data which the Company, in our sole discretion, may consider in whole or in part to be proprietary to our business.

14. GOVERNING LAW & DISPUTE RESOLUTION.

(A) **Governing Law.** The Contract and these Terms and Conditions are governed by and interpreted under the laws of the State of Colorado, without regard to its choice of law rules unless the matters in dispute come within the scope of Article 2 of the Uniform Commercial Code (UCC-Sales) prepared under the joint sponsorship of The American Law Institute and the National Conference of Commissioners on Uniform State Laws, in which event the dispute shall be governed by and interpreted under the referenced Code in effect on the date of this Contract.

(B) **Dispute Resolution.** Except for any action where the sole relief sought is an injunction, any controversy or claim arising out of or relating to the Contract and these Terms and Conditions, or the making, performance or interpretation hereof, and the dispute cannot be settled by direct negotiations, either Party may initiate mediation. If the parties fail to settle the dispute within 30 days of notice of mediation, either party may initiate binding arbitration under this paragraph. The place of arbitration shall be in the Boulder-Denver Metro-Area of Colorado, and shall be conducted by one arbitrator in accordance with the Commercial Arbitration Rules of the American Arbitration Association. Judgment upon any binding arbitration award may be entered in any court having jurisdiction thereof.

15. GENERAL PROVISIONS.

(A) **Prior Agreements.** This Contract comprises the complete and exclusive agreement between the parties regarding the subject matter of this Contract, and supersedes all oral and written communications, negotiations, representations or agreements made or entered into before the Effective Date.

(B) **Amendments.** No amendment to this Contract is effective unless made in writing and signed by authorized representatives of Purchaser and Seller. Specifications, drawings, price lists and documents of a technical nature prepared by Seller and submitted to Purchaser to describe the equipment and parts being purchased hereunder automatically become part of this Contract.

(C) **Survival.** All provisions set forth herein regarding warranty, confidential information, indemnification, liability and limits thereon, and any other provisions that survive on their terms including all provisions relating to tax, import / export, inspection, dispute resolution and governing laws, and all causes of action which arose prior to completion or termination of this Contract shall survive indefinitely until, by their respective terms, they are no longer operative.

(D) **Conflicts.** If a conflict exists between these Terms and Conditions and any other writings connected with this Contract, these Terms and Conditions shall prevail with respect to such conflict. In the event that any provisions of these Terms and Conditions is held to be illegal, invalid or unenforceable under the present or future law, rule or regulation, such provision shall be deemed stricken from these Terms and Conditions, but such illegality, invalidity or unenforceability shall not invalidate any of the other provisions of these Terms and Conditions.



STAFF REPORT

To Board of Directors
From Jeff Page, Utility Operations Director
Brad Lyon, Water Field Supervisor
Title Approval of Field Operations Construction Services On-Call Agreements
Item No. 5d
Date October 7, 2021, for October 19, 2021 Board Meeting

Summary

Staff seeks Board approval to enter into a cooperative procurement for four separate contracts for on-call construction services with: Canby Excavating, Inc., Emery & Sons Construction Group, LLC, GT Excavating, and Trench Line Excavation, Inc.

Background

Securing on-call contractors to assist staff with construction projects is one part of the District's ongoing efforts to increase operations systems resiliency and emergency response. Watermain breaks, failed sewer mains and laterals, and plant deficiencies all have the potential to overwhelm current staffing capabilities. Having multiple construction services contracts in place will increase the likelihood that assistance will be available when it is needed and bring value to our ratepayers. It is anticipated that the use of on-call contractors will only be necessary for emergency situations.

Clackamas River Water has existing on-call contracts for construction services with four firms: Canby Excavating, Inc., Emery & Sons Construction Group, LLC, GT Excavating, and Trench Line Excavation, Inc. Those contracts allow for other agencies to participate as a permissive cooperative procurement. Sunrise Water Authority is one participating agency. A cooperative procurement is an alternative procurement method that allows a local contracting agency to participate in an existing contract with another local contracting agency that was competitively procured through that administering agency, so long as certain state requirements are met. Cooperative procurements are typically used when there is an existing cooperative contract for a similar product or service that would meet another contracting agency's needs. The benefits to using a cooperative procurement method include cost savings through anticipated volume price discounts, and reduced staff time on the contracting process and negotiations. This type of procurement is authorized under ORS 279A.215 and under the District's local procurement rules under Section X(E) *Cooperative Procurement Contracts*.

District staff believe that using this cooperative procurement method to contract with the firms will provide the District with a reliable and cost-effective source of on-call construction services.

Concurrence

Staff has consulted with the District's legal counsel regarding the proposed procurement method and the proposed contracts. Legal counsel has confirmed the availability of the cooperative procurement method for this procurement and has approved the form of the cooperative procurement agreement as attached to this Staff Report.

Budget

If any on-call services are requested, payment would be made through distribution system maintenance funds of which there is \$250,000 budgeted for the 2021/22 fiscal year.

Recommendation

Staff recommends approval of the proposed contracts with Canby Excavating, Inc., Emery & Sons Construction Group, LLC, GT Excavating, and Trench Line Excavation, Inc. for on-call construction services.

Alternatives to Recommendation

Do not approve the cooperative procurement agreement. Direct staff to procure on-call construction services for current and ongoing needs using a competitive procurement process.

Suggested Board Motion

"I move to approve each of the proposed cooperative procurement agreements for on-call construction services with Canby Excavating, Inc.; Emery & Sons Construction Group, LLC; GT Excavating; and Trench Line Excavation, Inc., and authorize the General Manager to execute the contracts."

Attachments

1. Cooperative Procurement Contract with Canby Excavating, Inc. for on-call construction services.
2. Cooperative Procurement Contract with Emery & Sons Construction Group, LLC for on-call construction services.
3. Cooperative Procurement Contract with GT Excavating for on-call construction services.
4. Cooperative Procurement Contract with Trench Line Excavation, Inc. for on-call construction services.



**COOPERATIVE PROCUREMENT AGREEMENT
WITH CANBY EXCAVATING, INC.
FOR
ON-CALL CONSTRUCTION SERVICES**

This Cooperative Procurement Agreement for On-Call Construction Services (the “Agreement”) is between **OAK LODGE WATER SERVICES DISTRICT** (the “District”) and **CANBY EXCAVATING, INC.** (“Contractor”). The District and Contractor are herein referred to individually as a “Party” and collectively as the “Parties.”

RECITALS

- A. The District is a consolidated water and sanitary special district organized under ORS Chapters 264 and 450 with the authority to enter into contracts for construction services.
- B. The District Board of Directors, as the Local Contract Review Board for the District, has duly adopted local contracting and purchasing rules pursuant to ORS 279A.065 (“OLWS Procurement Rules”) that govern all contracts and purchases for the District.
- C. ORS 279A.215 and the OLWS Procurement Rules authorize the District to enter into cooperative procurement contracts pursuant to the state public contracting laws and regulations governing cooperative procurements.
- D. The District is currently in need of one or more qualified contractors to provide on-call construction services.
- E. Canby Excavating, Inc. has an existing contract for the services needed by the District, which contract was competitively solicited and procured as a cooperative procurement with Clackamas River Water as the administering agency (the “Original Contract”).
- F. The Original Contract was solicited and procured in a manner that satisfies the requirements of the state public contracting code, and the District is eligible to participate in the cooperative procurement as a purchasing contracting agency.
- G. The District Board of Directors is satisfied with the terms, conditions, and prices of the Original Contract; finds that entering into a cooperative procurement for the services needed is advantageous to the District; and wishes to participate in the contract for on-call construction services as a cooperative procurement.
- H. Canby Excavating, Inc. has the skills, knowledge, and resources to perform the services needed and desires to provide such services to the District in accordance with the terms of the Original Contract and this Agreement.

Now, therefore, the Parties agree as follows:

AGREEMENT

1. Contract Documents

The contract documents of this Agreement consist of the following, and any conflicts or ambiguities within such documents shall be resolved in the following order of priority:

- A. This Cooperative Procurement Agreement, together with Article A: *Scope of Work*, hereto attached and incorporated herein by this reference.
- B. Appendix A: The terms and conditions of the Contract for Construction Services between Canby Excavating, Inc., and Clackamas River Water, CRW Contract No. 00070-05-2021, effective May 1, 2021 (the "Original Contract"), together with all attachments, including the EJCDC C-700 *Standard General Conditions of the Construction Contract* and as modified by this Agreement.

These documents together form the complete and integrated contract between the Parties (the "Agreement").

2. Effective Date and Duration

This Agreement is effective upon execution by both Parties (the "Effective Date"). Unless earlier terminated, this Agreement shall expire on May 1, 2023. Any expiration of this Agreement, however, shall not extinguish or prejudice the District's right to enforce this Agreement with respect to any: (a) breach of a Contractor warranty; or (b) default or defect in Contractor's performance that has not been cured.

3. Payment Terms

- A. The Parties agree to the payment terms in the Original Contract. Any work completed under this Agreement shall be on an as-needed basis and compensated under authorized Time and Materials reimbursement, subject to scope, rates, and charges mutually approved by the Parties prior to any execution.
- B. The reimbursement terms in Exhibit A of the Original Contract shall remain in effect for a period of one year following the execution of this Agreement. The reimbursement terms shall be renegotiated on an annual basis. The terms are to include, at a minimum, all terms specified Article 4 of the Original Contract.
- C. Invoices shall be submitted to: Oak Lodge Water Services District, Attn: Jeff Page, 14496 SE River Road, Oak Grove, OR 97267, or via e-mail to jeffp@olwsd.org.
- D. Contractor shall invoice the District by the 15th of each month following the month in which services are provided. If Contractor fails to present invoices in proper form within thirty (30) calendar days after the end of the month in which the services were rendered, Contractor waives any rights to present such invoice thereafter and to receive payment therefor.
- E. The District shall make payment to Contractor within sixty (60) calendar days after the date of receipt of the invoice, following the District's review and approval of invoices submitted by Contractor.

- F. Invoices shall describe all work performed with particularity, by whom it was performed, and shall itemize and explain all expenses for which reimbursement is claimed. Invoices shall also include the total amount billed to date by Contractor prior to the current invoice.

4. Scope of Work

- A. Contractor shall perform the services set forth in the Scope of Work in the attached **Article A**, upon request by the District (the “Work”).
- B. Contractor agrees that the Work shall be performed by qualified personnel who at the time of the performance of the Work are licensed or otherwise qualified by the State of Oregon to perform the Work and performing to the standard of care with the degree of skill and diligence normally employed by professionals performing the same or similar services at the time the Work is performed.
- C. Contractor shall redo and rectify any Work that is found by either Contractor or the District to not meet this standard of care, without additional compensation to Contractor and with all costs and expenses for remedying the substandard Work to be borne by Contractor.

5. Insurance

- A. Contractor and its subcontractors, at their own expense, shall procure and maintain insurance acceptable to the District in full force and effect throughout the term of this Agreement and covering the Work under this Agreement in at least the limits and coverages identified in the Original Contract. Such insurance shall cover risks arising directly or indirectly out of Contractor's activities or the Work hereunder, including the operations of its subcontractors and insuring against claims for injuries or damages to persons or property. The insurance shall include provisions that such insurance is primary insurance with respect to the interests of the District and that any other insurance maintained by the District is excess and not contributory insurance with the insurance required under this Agreement. There shall be no cancellation, material change, reduction of limits, or intent not to renew the insurance coverage(s) without thirty (30) days’ written notice from Contractor or its insurer(s) to the District.
- B. The procuring of such required insurance shall not be construed to limit Contractor’s liability under this Agreement. Notwithstanding said insurance, Contractor shall be obligated for the total amount of any damage, injury, or loss to the extent caused by negligence or wrongful acts in the performance of services under this Agreement.
- C. As evidence of the insurance coverage required by this Agreement, Contractor shall furnish a Certificate of Insurance to the District. Such policies or certificates must be delivered and deemed acceptable to the District prior to commencement of the Work.
- D. The Parties agree that Contractor’s coverage shall be primary to the extent permitted by law. The Parties further agree that other insurance maintained by the District is excess and not contributory insurance with the insurance required in this section.

6. No Third-Party Beneficiaries

The District and Contractor are the only parties to this Agreement and are the only parties entitled to enforce its terms. Nothing in this Agreement gives or provides any benefit or right, whether directly, indirectly, or otherwise, to third persons.

7. Severability

If any term or provision of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the Parties shall be construed and enforced as if the Agreement did not contain the particular term or provision held invalid.

8. Disputes of Cost

In the event either Party brings an action to enforce the terms of this Agreement or to seek damages for its breach, or any action arising out of any dispute concerning the terms and conditions herein, the prevailing party shall be entitled to an award of its reasonable attorney fees, costs, and expenses incurred therein, including such costs and fees as may be required on appeal.

9. Notices

Except as otherwise expressly provided in this Agreement, any communications between the Parties hereto or notices to be provided hereunder shall be given in writing by personal delivery, e-mail, or mailing the same, postage prepaid to the following addresses.

If to the District:

14496 SE River Road, Oak Grove, OR 97267, or via e-mail to jeffp@olwsd.org.

If to the Contractor:

P.O. Box 848, Canby, OR 97013 or via e-mail to benb@canbyex.com.

Either Party may at any time revise their notice address by providing notice to the other Party. Any communication or notice so addressed and mailed shall be deemed to be given five (5) days after mailing. Any communication or notice by personal delivery shall be deemed to be given when actually delivered.

10. Merger Clause

THIS AGREEMENT CONSTITUTES THE ENTIRE AGREEMENT BETWEEN THE PARTIES. NO WAIVER, CONSENT, MODIFICATION OR CHANGE OF TERMS OF THIS AGREEMENT SHALL BIND EITHER PARTY UNLESS IN WRITING AND SIGNED BY BOTH PARTIES. SUCH WAIVER, CONSENT, MODIFICATION OR CHANGE, IF MADE, SHALL BE EFFECTIVE ONLY IN THE SPECIFIC INSTANCE AND FOR THE SPECIFIC PURPOSE GIVEN. THERE ARE NO UNDERSTANDINGS,

AGREEMENTS, OR REPRESENTATIONS, ORAL OR WRITTEN, NOT SPECIFIED HEREIN REGARDING THIS AGREEMENT. BY ITS SIGNATURE, CONTRACTOR ACKNOWLEDGES IT HAS READ AND UNDERSTANDS THIS AGREEMENT AND AGREES TO BE BOUND BY ITS TERMS AND CONDITIONS.

IT IS AGREED:

Canby Excavating, Inc.	Oak Lodge Water Services District
By: _____	By: _____
Signature: _____	Signature: _____
Title: _____	Title: _____
Date: _____	Date: _____

ARTICLE A

Scope of Work

Contractor agrees to provide the services described in Article 2 of the Original Contract (Contractor Responsibilities).

APPENDIX A

Original Contract between Canby Excavating and CRW

CONTRACT FOR CONSTRUCTION SERVICES

CRW Contract #

00070-05-2021

THIS CONTRACT is effective this 1 day of May 2021, by and between Clackamas River Water, a domestic water supply district organized under ORS Chapter 264, hereinafter referred to as "CRW," and **Canby Excavating, Inc.** an Oregon Corporation, hereinafter referred to as the "Contractor."

RECITALS

WITNESSETH, CRW desires to engage Contractor to provide construction services for the Work set forth in Article 2 of this Contract, hereinafter "Work"; and

Contractor is competent and capable to perform said services and holds all applicable licenses from the State of Oregon;

NOW, THEREFORE, CRW and Contractor, for the consideration hereinafter set forth, agree as follows:

ARTICLE 1. EFFECTIVE DATE AND TERM

This Contract shall be effective May 1, 2021 to April 30, 2023

ARTICLE 2. CONTRACTOR RESPONSIBILITIES

The Contractor's responsibilities shall include the items listed under this Article and shall define the scope of work for this Contract (herein referred to as "Work").

A. General

1. Contractor shall provide construction services in support of repair and maintenance activities at various locations throughout the Clackamas River Water service area.
2. Contractor shall provide similar support to CRW staff in the event of an emergency, particularly related to main breaks, pump station failures, or other sudden loss of facilities during after-hours, weekends or holidays.
3. Contractor shall provide the necessary equipment for earthwork in typical trench conditions, shoring and dewatering of such trenches, pavement saw-cutting and restoration, compaction, and repair of pipeline breaks and related infrastructure.
4. All Contractor's equipment must be in good operating condition and operated by qualified personnel, subject to all related license and certification requirements outlined under federal and state law.

5. Contractor may on occasion be asked to assist CRW with Constructability Reviews of related design plans and drawings for scheduled repair and maintenance projects.
6. The work to be completed under this contract will be defined under an “on-call” basis. The Contractor shall be required to supply all labor, materials, supplies, tools, equipment and transportation needed to complete the work, as agreed by both parties.
7. In such instances where particular quantities are not specified, the parties agree those quantities shall be those reasonably necessary to complete the work.
8. All work shall be completed in a good and workmanlike manner. The Contractor agrees to warrant the workmanship and materials for a period of one-year from the date of CRW’s acceptance.
9. Contractor must maintain a drug and alcohol-free workplace and be solely responsible for the actions of its employees on or off CRW projects or work sites.
10. Contractor must have a positive public image and maintain good customer relations with the general public at all times.
11. In the performance of work for CRW, Contractor will comply with the Standard General Conditions of the Construction Contract and the Supplementary Conditions attached hereto, which shall control over any contrary provisions in this Contract.

B. Maintenance and Repair Projects

1. Contractor is to serve on an on-call basis, subject to mutual scheduling of services within a one-week period. Once the execution for a given project has begun, the work will proceed to completion in a continuous and timely manner, unless so directed by CRW staff.
2. Contractor shall provide all oversight of its field crew and coordinate on-going construction activities with the CRW Project Manager or authorized field representative.
3. CRW may elect to purchase its own required materials prior to or during construction and will do so without creating unnecessary delay to the Contractor or the execution of work. Otherwise, Contractor will provide all necessary materials, subject to prior approval by the CRW Project Manager or authorized representative.

C. Emergency Services

1. Contractor will be able to respond to a request for assistance at any hour in the event of a water system emergency, most often associated with a main break or pump station failure.
2. Contractor will establish an after-hours (or emergency) contact and be able to respond to such requests within a 4 hour period, provided the conditions warrant an immediate response (e.g. situation will cause secondary disruption of traffic or interruption of other critical infrastructure; or there is a direct threat of or actual property damage occurring or a threat to public safety).

ARTICLE 3. DISTRICT'S RESPONSIBILITIES

CRW shall assist Contractor by placing at Contractor's disposal all reasonably available information pertinent to completing the Work, including any other relevant data and shall promptly respond to questions and issues as they arise. Where possible, CRW shall assist Contractor in obtaining information from sources outside CRW.

ARTICLE 4. COMPENSATION

A. General

Any work completed under this Contract is to be conducted on an as-needed basis and compensated under authorized Time and Materials reimbursement, subject to scope, rates and charges mutually approved by the parties prior to any execution.

Those reimbursement terms shall be negotiated as part of this Contract and attached as Exhibit A and shall remain in effect for a period of one year following the execution of this Contract. These terms are renegotiable on an annual basis for a renewal period not to extend beyond three consecutive years. These terms are to include (at a minimum):

1. Agreed on labor rates, overhead charges, and profit on burdened labor. All after-hours and weekend labor will be billed at 1.5 times the agreed rates and 2.0 times for service during holidays.
2. Mobilization charges.
3. Mark-up on subcontractors, materials, equipment rental or other pass through items.
4. Any other charges will be reimbursed at cost and require prior authorization from CRW's Project Manager or authorized representative.
5. In the event of an emergency, a premium not to exceed an additional 10% mark-up on burdened labor may be added (in addition to the profit on

burdened labor defined in item 1 above). No additional premiums shall be allowed for any other charges during an emergency event.

6. In no particular instance (excluding a defined emergency event) shall the work authorized under this Contract exceed \$75,000 in total value, including all related labor, materials, supplies, equipment, overhead, profit, mark-ups and other associated costs and fees.

B. Method of Payment for Services and Expenses

Contractor's invoices shall be submitted within 30 days of the completion of any work.

All Contractor invoices shall be paid by CRW within 60 days of their receipt.

ARTICLE 5. GENERAL CONDITIONS

A. Force Majeure

Neither CRW nor Contractor shall be responsible for or liable for damages resulting from delays due to causes beyond their reasonable control, including, but not limited to, Acts of God, acts or omissions of governmental authorities, strikes, lockouts, acts of the public enemy, wars, blockades or civil disturbances.

In the event of such a delay, the completion date for each party's obligations shall be extended for a period equal to the length of the delay. Each party shall notify the other immediately upon discovering any event that the notifying party believes will result in such a delay.

B. Termination or Suspension of Work

CRW may terminate this Contract upon seven (7) days written notice in the event of substantial failure by Contractor to perform in accordance with the terms hereof. In any event, either party may terminate this Contract with thirty (30) days written notice to the other party. If any portion of the Work covered by this Contract shall be suspended, abated, abandoned or terminated, CRW shall pay Contractor for the services rendered for each suspended, abated, abandoned or terminated Work. Such payment shall be based on the quote outlined in Exhibit B or where the Contract cannot be applied, payment shall be based on a reasonable estimate as mutually agreed, but in no case, shall anticipated profit be paid for Work not performed.

C. Indemnification

Contractor agrees to indemnify and hold harmless CRW, its officers, commissioners, and employees from and against all claims and actions, and all expenses incidental to the investigation and defense thereof, arising out of or based upon damages or injuries to persons and property caused by the negligent acts, errors, or omissions of the Contractor, its subcontractors, or anyone over which it has a right to control.

D. Insurance

Contractor agrees to maintain comprehensive commercial general liability insurance in the amount of not less than One Million Dollars (\$1,000,000) per occurrence and not less than Two Million Dollars (\$2,000,000) in the aggregate.

Contractor agrees to maintain comprehensive general automobile liability insurance in the amount of not less than One Million Dollars (\$1,000,000) per occurrence and not less than Two Million Dollars (\$2,000,000) in the aggregate.

E. Additional Insureds

CRW, its officers, agents, and employees shall be named as additional insureds on all insurance policies, which shall remain in effect for the term of this Contract. Prior to execution of this Contract, Contractor shall provide CRW with Certificates of Insurance. All insurance shall have a 30-day cancellation notice.

F. Workers' Compensation Coverage Requirements

Contractor is an independent contractor for purposes of the Oregon Workers' Compensation Law (ORS Chapter 656) and is solely liable for any workers' compensation coverage under this Contract. Prior to commencement of labor, Contractor shall provide CRW with proof of coverage.

G. Performance and Payment Bond

If CRW determines that a performance and payment bond is necessary for any portion of work conducted under this Contract, the Contractor will procure such bonding, as required, and the premium (bond) cost will be paid by CRW.

H. Prevailing Wage

In such cases where Prevailing Wage laws apply, Contractor shall pay the appropriate rates for labor and include those charges as part of progress payments, subject to certified payroll and required reporting documentation.

I. Other Taxes and Charges

Contractor shall be solely responsible for payment of any federal or state taxes required as a result of this Contract. This Contract is not intended to entitle Contractor to any benefits generally granted to owners and employees.

J. Subcontracts

Any subcontracts and outside associates or consultants, required by Contractor in connection with performance of the Work shall be limited to such individuals or firms, as were specifically approved by CRW in writing during performance of this Contract. Any substitution in subcontractors, associates, or consultants will be subject to the prior written approval of CRW.

K. Record Keeping

Contractor shall maintain books and accounts of payroll costs, travel, subsistence, field, contracted services of others and reimbursable expenses pertaining to the Work in accordance with generally accepted professional practices and appropriate accounting procedures. Said books and account shall be available to CRW, or its authorized representative, at all reasonable times for inspection, audit, or copying at the office of Contractor. Records shall be maintained and available for three (3) years from the date of Contract expiration.

L. Public Contracting Law

Pursuant to the requirements of ORS 279B.220 through 279B.235, the Contractor shall:

1. Make payments promptly, as due, to all persons supplying Contractor with labor or materials for the prosecution of the Work performed for in this Contract.
2. Pay all contributions or amounts due in the Industrial Accident Fund incurred in the performance of this Contract.
3. Pay to the Department of Revenue all sums withheld from employees pursuant to ORS 316.167.
4. Not permit any lien or claim to be filed or prosecuted against the state or a county, school district, municipality, municipal corporation or subdivision thereof, on account of any labor or material furnished.
5. Promptly, as due, make payment to any person, co-partnership, association or corporation furnishing medical, surgical and hospital care services or other needed care and attention, incident to sickness or injury, to the employees of the contractor, of all sums that the contractor agrees to pay for the services and all moneys and sums that

the contractor collected or deducted from the wages of employees under any law, contract or agreement for the purpose of providing or paying for the services.

6. Comply with ORS 656.017 or demonstrate that it is exempt under ORS 656.126, as applicable.
7. Not permit or require employees to work for more than 10 hours in any one day, or 40 hours in any one week, except in cases of necessity, emergency or when the public policy absolutely requires it, and in such cases, the employee shall be paid at least time and a half pay:
 - (A) For all overtime in excess of eight hours in any one day or 40 hours in any one week when the work week is five consecutive days, Monday through Friday; or
 - (B) For all overtime in excess of 10 hours in any one day or 40 hours in any one week when the work week is four consecutive days, Monday through Friday; and
 - (C) For all work performed on Saturday and on any legal holiday specified in ORS 279B.020.
 - (D) An employer must give notice in writing to employees either at the time of hire or before commencement of work on the contract, or by posting a notice in a location frequented by employees, of the number of hours per day and days per week that the employees may be required to work.
8. Contractor shall comply with all federal, state and local laws and ordinances applicable to work under this contract.

M. Equal Employment Opportunity

Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, marital status, age, mental or physical handicap, or national origin.

N. Ownership of Documents

Where applicable, all Contractor data prepared by Contractor pursuant to this Contract shall become the property of CRW at the completion of the Work, including full payment therefore, unless otherwise agreed. Contractor may release to CRW all Contractor data, which is all or part of the Work product prior to completion of the Work for the purpose of CRW's review and potential use.

ARTICLE 6. MISCELLANEOUS CONDITIONS

CRW and Contractor agree that this Contract is subject to the following conditions which together with the provisions hereof and the appendices hereto represent the entire Contract between CRW and Contractor; and they may only be altered, amended, or repealed by a duly executed written instrument.

A. Contractor and CRW Representatives

CRW's representatives and Project Managers shall be Adam B., Joe Eskew or their designee. Project Managers shall be empowered to act for CRW in accordance with the provisions of this Contract, where such acts are not contrary to laws or ordinances. Contractor's Representative shall be Ben Burgi Telephone: ⁽⁵⁰³⁾ 209-7629. Contractor's Representative shall report to and receive instruction/ authority from CRW's Project Manager.

B. Assignment

This Contract is binding on the heirs, successors, and assigns of the parties hereto. CRW or Contractor may not assign this Contract without prior written consent of the other.

C. Jurisdiction and Disputes

This Contract shall be administered and interpreted under the laws of the State of Oregon. Litigation arising from this Contract shall be administered according to the arbitration rules of the Circuit Court of the State of Oregon for Clackamas County. CRW and Contractor agree that if suit or action is instituted to enforce any of the terms of this Contract otherwise arising out of the performance of obligations under this Contract, the prevailing party shall be entitled to such reasonable attorneys' fees, costs and disbursements as may be awarded by the arbitrator.

D. Waiver

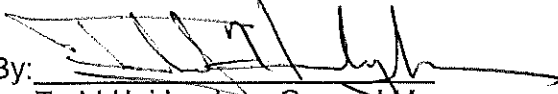
No waiver of any provision of this Contract shall be deemed, or shall constitute a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.

E. Entire Agreement

This Contract represents the entire understanding of CRW and Contractor as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered herein. This Contract may not be modified or altered except in writing signed by both parties.

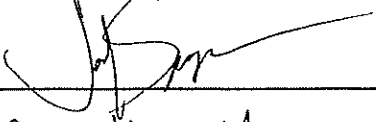
IN WITNESS WHEREOF, the parties hereto have caused this Contract to be executed in duplicate by their respective authorized officers or representatives as of the day and year first above written.

Clackamas River Water

By: 
Todd Heidgerken, General Manager

Date: 5-3-2021

Canby Excavating, Inc.

By: 
Title: Operations Manager

Date: 4/29/2021



P.O. Box 848 · Canby, OR 97013
 Phone: (503) 266-2792 · Fax: (503) 266-2791
 e-mail: rickc@canbyex.com **CCB #77471**

Billing Summary
 Project:
 Job Number:
 date

Invoice # :

Sold To:
Contact:
Address:

Phone:
 Email:

Work Done:

Date	Qty.	Unit	Description	Unit Price	Amount
		HR	Labor	85.00	\$0.00
		HR	Overtime Labor - added cost	42.50	\$0.00
4hr min		HR	Backhoe	57.00	\$0.00
4hr min		HR	Mini Hoe less than 10,000 lbs	57.00	\$0.00
4hr min		HR	Mini Hoe 75, 85	80.00	\$0.00
4hr min		HR	Hitachi Zaxis 120 w/ hoe pac	113.00	\$0.00
4hr min		HR	Hitachi Zaxis 120 wo/ hoe pac	102.00	\$0.00
4hr min		HR	John Deere 200 LC	125.00	\$0.00
4hr min		HR	ZX 135	113.00	\$0.00
4hr min		HR	Hitachi EX 220 Excavator	159.00	\$0.00
4hr min		HR	Kamatsu PC210	165.00	\$0.00
4hr min		HR	JD 892 ELC	203.00	\$0.00
4hr min		HR	450 Excavator	249.00	\$0.00
4hr min		HR	750 Dozer	179.00	\$0.00
4hr min		HR	650J Dozer	102.00	\$0.00
4hr min		HR	TD 8 Dozer	79.00	\$0.00
4hr min		HR	Loader Volvo, JD624, Skidsteer	85.00	\$0.00
4hr min		HR	Loader JD544, Cat 950	68.00	\$0.00
4hr min		HR	670 JD Grader	125.00	\$0.00
4hr min		HR	670 JD Grader with Laser	150.00	\$0.00
4hr min		HR	JD 872D	267.00	\$0.00
4hr min		HR	Rollers	80.00	\$0.00
4hr min		HR	Vac Truck	255.00	\$0.00
4hr min		HR	Vac Trailer	113.00	\$0.00
4hr min		HR	Articulating Truck	300.00	\$0.00
4hr min		HR	Off Road Truck	150.00	\$0.00
4hr min		HR	Water Truck	82.00	\$0.00
4hr min		HR	JD Farm Tractor	128.00	\$0.00
4hr min		HR	Laymor Sweeper	49.50	\$0.00

4hr min		HR	Plate Compactors	34.00	\$0.00
4hr min		HR	Gator	8.00	\$0.00
		HR	30G Hydraulic Breaker	247.00	\$0.00
		HR	TNB 230 Hammer	281.00	\$0.00
		DAY	Grundowinch Tugger/Bore	200.00	\$0.00
		HR	TV Camera	210.00	\$0.00
		HR	Pipe Crew Truck (4 Door)	28.74	\$0.00
		HR	Pipe Crew Truck (2 Door)	18.70	\$0.00
		HR	Superintendent Truck (2 door)	15.36	\$0.00
		DAY	Trench Boxes (1 ea)	150.00	\$0.00
		DAY	Hydraulic Shoring (per rail)	50.00	\$0.00
		HR	Steel Sheets (1ea)	35.00	\$0.00
		HR	Man Can Shoring (1ea)	6.25	\$0.00
		DAY	Gravel Skiff	100.00	\$0.00
		HR	Traffic Control Devices	5.76	\$0.00
		DAY	Type II Barricades (1 ea)	5.76	\$0.00
		DAY	Type III Barricades (1 ea)	15.60	\$0.00
		WK	3" Trash Pump w/ suction and discharge	270.00	\$0.00
		HR	Generator / Large & Diesel	7.00	\$0.00
		DAY	Pipe Laser	65.00	\$0.00
		DAY	Becon Laser	30.00	\$0.00
		DAY	Transit	10.00	\$0.00
		DAY	Pipe Laser Remote	10.00	\$0.00
		LS	MATERIAL	0.00	\$0.00
		TN	ROCK	0.00	\$0.00
		HR	C98 Truck & Pup	159.50	\$0.00
		HR	Solo Truck	115.50	\$0.00
		HR	Trucking Mobilization	159.50	\$0.00
			OR CAT TAX	0.5%	\$0.00
			Total		\$0.00

This document has important legal consequences; consultation with an attorney is encouraged with respect to its use or modification. This document should be adapted to the particular circumstances of the contemplated Project and the controlling Laws and Regulations.

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Prepared by

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EJCDC C-700 Standard General Conditions of the Construction Contract

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ARTICLE 1 – DEFINITIONS AND TERMINOLOGY

1.01 *Defined Terms*

- A. Wherever used in the Bidding Requirements or Contract Documents and printed with initial capital letters, the terms listed below will have the meanings indicated which are applicable to both the singular and plural thereof. In addition to terms specifically defined, terms with initial capital letters in the Contract Documents include references to identified articles and paragraphs, and the titles of other documents or forms.
1. *Addenda*—Written or graphic instruments issued prior to the opening of Bids which clarify, correct, or change the Bidding Requirements or the proposed Contract Documents.
 2. *Agreement*—The written instrument which is evidence of the agreement between Owner and Contractor covering the Work.
 3. *Application for Payment*—The form acceptable to Engineer which is to be used by Contractor during the course of the Work in requesting progress or final payments and which is to be accompanied by such supporting documentation as is required by the Contract Documents.
 4. *Asbestos*—Any material that contains more than one percent asbestos and is friable or is releasing asbestos fibers into the air above current action levels established by the United States Occupational Safety and Health Administration.
 5. *Bid*—The offer or proposal of a Bidder submitted on the prescribed form setting forth the prices for the Work to be performed.
 6. *Bidder*—The individual or entity who submits a Bid directly to Owner.
 7. *Bidding Documents*—The Bidding Requirements and the proposed Contract Documents (including all Addenda).
 8. *Bidding Requirements*—The advertisement or invitation to bid, Instructions to Bidders, Bid security of acceptable form, if any, and the Bid Form with any supplements.
 9. *Change Order*—A document recommended by Engineer 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, issued on or after the Effective Date of the Agreement.
 10. *Claim*—A demand or assertion by Owner or Contractor seeking an adjustment of Contract Price or Contract Times, or both, or other relief with respect to the terms of the Contract. A demand for money or services by a third party is not a Claim.
 11. *Contract*—The entire and integrated written agreement between the Owner and Contractor concerning the Work. The Contract supersedes prior negotiations, representations, or agreements, whether written or oral.

12. *Contract Documents*—Those items so designated in the Agreement. Only printed or hard copies of the items listed in the Agreement are Contract Documents. Approved Shop Drawings, other Contractor submittals, and the reports and drawings of subsurface and physical conditions are not Contract Documents.
13. *Contract Price*—The moneys payable by Owner to Contractor for completion of the Work in accordance with the Contract Documents as stated in the Agreement (subject to the provisions of Paragraph 11.03 in the case of Unit Price Work).
14. *Contract Times*—The number of days or the dates stated in the Agreement to: (i) achieve Milestones, if any; (ii) achieve Substantial Completion; and (iii) complete the Work so that it is ready for final payment as evidenced by Engineer’s written recommendation of final payment.
15. *Contractor*—The individual or entity with whom Owner has entered into the Agreement.
16. *Cost of the Work*—See Paragraph 11.01 for definition.
17. *Drawings*—That part of the Contract Documents prepared or approved by Engineer which graphically shows the scope, extent, and character of the Work to be performed by Contractor. Shop Drawings and other Contractor submittals are not Drawings as so defined.
18. *Effective Date of the Agreement*—The date indicated in the Agreement on which it becomes effective, but if no such date is indicated, it means the date on which the Agreement is signed and delivered by the last of the two parties to sign and deliver.
19. *Engineer*—The individual or entity named as such in the Agreement.
20. *Field Order*—A written order issued by Engineer which requires minor changes in the Work but which does not involve a change in the Contract Price or the Contract Times.
21. *General Requirements*—Sections of Division 1 of the Specifications.
22. *Hazardous Environmental Condition*—The presence at the Site of Asbestos, PCBs, Petroleum, Hazardous Waste, or Radioactive Material in such quantities or circumstances that may present a substantial danger to persons or property exposed thereto.
23. *Hazardous Waste*—The term Hazardous Waste shall have the meaning provided in Section 1004 of the Solid Waste Disposal Act (42 USC Section 6903) as amended from time to time.
24. *Laws and Regulations; Laws or Regulations*—Any and all applicable laws, rules, regulations, ordinances, codes, and orders of any and all governmental bodies, agencies, authorities, and courts having jurisdiction.
25. *Liens*—Charges, security interests, or encumbrances upon Project funds, real property, or personal property.

26. *Milestone*—A principal event specified in the Contract Documents relating to an intermediate completion date or time prior to Substantial Completion of all the Work.
27. *Notice of Award*—The written notice by Owner to the Successful Bidder stating that upon timely compliance by the Successful Bidder with the conditions precedent listed therein, Owner will sign and deliver the Agreement.
28. *Notice to Proceed*—A written notice given by Owner to Contractor fixing the date on which the Contract Times will commence to run and on which Contractor shall start to perform the Work under the Contract Documents.
29. *Owner*—The individual or entity with whom Contractor has entered into the Agreement and for whom the Work is to be performed.
30. *PCBs*—Polychlorinated biphenyls.
31. *Petroleum*—Petroleum, including crude oil or any fraction thereof which is liquid at standard conditions of temperature and pressure (60 degrees Fahrenheit and 14.7 pounds per square inch absolute), such as oil, petroleum, fuel oil, oil sludge, oil refuse, gasoline, kerosene, and oil mixed with other non-Hazardous Waste and crude oils.
32. *Progress Schedule*—A schedule, prepared and maintained by Contractor, describing the sequence and duration of the activities comprising the Contractor's plan to accomplish the Work within the Contract Times.
33. *Project*—The total construction of which the Work to be performed under the Contract Documents may be the whole, or a part.
34. *Project Manual*—The bound documentary information prepared for bidding and constructing the Work. A listing of the contents of the Project Manual, which may be bound in one or more volumes, is contained in the table(s) of contents.
35. *Radioactive Material*—Source, special nuclear, or byproduct material as defined by the Atomic Energy Act of 1954 (42 USC Section 2011 et seq.) as amended from time to time.
36. *Resident Project Representative*—The authorized representative of Engineer who may be assigned to the Site or any part thereof.
37. *Samples*—Physical examples of materials, equipment, or workmanship that are representative of some portion of the Work and which establish the standards by which such portion of the Work will be judged.
38. *Schedule of Submittals*—A schedule, prepared and maintained by Contractor, of required submittals and the time requirements to support scheduled performance of related construction activities.

39. *Schedule of Values*—A schedule, prepared and maintained by Contractor, allocating portions of the Contract Price to various portions of the Work and used as the basis for reviewing Contractor’s Applications for Payment.
40. *Shop Drawings*—All drawings, diagrams, illustrations, schedules, and other data or information which are specifically prepared or assembled by or for Contractor and submitted by Contractor to illustrate some portion of the Work.
41. *Site*—Lands or areas indicated in the Contract Documents as being furnished by Owner upon which the Work is to be performed, including rights-of-way and easements for access thereto, and such other lands furnished by Owner which are designated for the use of Contractor.
42. *Specifications*—That part of the Contract Documents consisting of written requirements for materials, equipment, systems, standards and workmanship as applied to the Work, and certain administrative requirements and procedural matters applicable thereto.
43. *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 at the Site.
44. *Substantial Completion*—The time at which the Work (or a specified part thereof) has progressed to the point where, in the opinion of Engineer, the Work (or a specified part thereof) is sufficiently complete, in accordance with the Contract Documents, so that the Work (or a specified part thereof) can be utilized for the purposes for which it is intended. The terms “substantially complete” and “substantially completed” as applied to all or part of the Work refer to Substantial Completion thereof.
45. *Successful Bidder*—The Bidder submitting a responsive Bid to whom Owner makes an award.
46. *Supplementary Conditions*—That part of the Contract Documents which amends or supplements these General Conditions.
47. *Supplier*—A manufacturer, fabricator, supplier, distributor, materialman, or vendor having a direct contract with Contractor or with any Subcontractor to furnish materials or equipment to be incorporated in the Work by Contractor or Subcontractor.
48. *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 those that convey electricity, gases, steam, liquid petroleum products, telephone or other communications, cable television, water, wastewater, storm water, other liquids or chemicals, or traffic or other control systems.
49. *Unit Price Work*—Work to be paid for on the basis of unit prices.
50. *Work*—The entire construction or the various separately identifiable parts thereof required to be provided under the Contract Documents. Work includes and is the result of performing or providing all labor, services, and documentation necessary to produce such construction, and

furnishing, installing, and incorporating all materials and equipment into such construction, all as required by the Contract Documents.

51. *Work Change Directive*—A written statement to Contractor issued on or after the Effective Date of the Agreement and signed by Owner and recommended by Engineer ordering an addition, deletion, or revision in the Work, or responding to differing or unforeseen subsurface or physical conditions under which the Work is to be performed or to emergencies. A Work Change Directive will not change the Contract Price or the Contract Times but is evidence that the parties expect that the change ordered or documented by a Work Change Directive will be incorporated in a subsequently issued Change Order following negotiations by the parties as to its effect, if any, on the Contract Price or Contract Times.

1.02 *Terminology*

A. The words and terms discussed in Paragraph 1.02.B through F are not defined but, when used in the Bidding Requirements 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 adjectives of like effect or import are used to describe an action or determination of Engineer as to the Work. It is intended that such exercise of professional judgment, action, or determination will be solely to evaluate, in general, the Work for compliance with the information in the Contract Documents and with the design concept of the Project as a functioning whole as shown or indicated in the Contract Documents (unless there is a specific statement indicating otherwise). The use of any such term or adjective is not intended to and shall not be effective to assign to Engineer any duty or authority to supervise or direct the performance of the Work, or any duty or authority to undertake responsibility contrary to the provisions of Paragraph 9.09 or any other provision of the Contract Documents.

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 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 14.04 or 14.05).

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

1. The word "furnish," when used in connection with services, materials, or equipment, shall mean to supply and deliver said services, materials, or equipment to the Site (or some other specified location) ready for use or installation and in usable or operable condition.
 2. The word "install," when used in connection with services, materials, or equipment, shall mean to put into use or place in final position said services, materials, or equipment complete and ready for intended use.
 3. The words "perform" or "provide," when used in connection with services, materials, or equipment, shall mean to furnish and install said services, materials, or equipment complete and ready for intended use.
 4. When "furnish," "install," "perform," or "provide" is not used in connection with services, materials, or equipment in a context clearly requiring an obligation of Contractor, "provide" is implied.
- 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 Delivery of Bonds and Evidence of Insurance

- A. When Contractor delivers the executed counterparts of the Agreement to Owner, Contractor shall also deliver to Owner such bonds as Contractor may be required to furnish.
- B. *Evidence of Insurance:* Before any Work at the Site is started, Contractor and Owner shall each deliver to the other, with copies to each additional insured identified in the Supplementary Conditions, certificates of insurance (and other evidence of insurance which either of them or any additional insured may reasonably request) which Contractor and Owner respectively are required to purchase and maintain in accordance with Article 5.

2.02 Copies of Documents

- A. Owner shall furnish to Contractor up to ten printed or hard copies of the Drawings and Project Manual. Additional copies will be furnished upon request at the cost of reproduction.

2.03 *Commencement of Contract Times; Notice to Proceed*

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

2.04 *Starting the Work*

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

2.05 *Before Starting Construction*

- A. *Preliminary Schedules:* Within 10 days after the Effective Date of the Agreement (unless otherwise specified in the General Requirements), 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 Documents;
 - 2. a preliminary Schedule of Submittals; and
 - 3. a preliminary Schedule of Values for all of the Work which includes quantities and prices of items which when added together equal the Contract Price and subdivides the Work into component parts in sufficient detail to serve as the basis for progress payments during performance of the Work. Such prices will include an appropriate amount of overhead and profit applicable to each item of Work.

2.06 *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 the schedules referred to in Paragraph 2.05.A, procedures for handling Shop Drawings and other submittals, processing Applications for Payment, and maintaining required records.
- B. At this conference Owner and Contractor each shall designate, in writing, a specific individual to act as its authorized representative with respect to the services and responsibilities under the Contract. Such individuals shall have the authority to transmit instructions, 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 acceptable schedules are submitted to Engineer.

1. The Progress Schedule will be acceptable to Engineer if it provides an orderly progression of the Work to completion within the Contract Times. Such acceptance will not impose on Engineer responsibility for the Progress Schedule, for sequencing, scheduling, or progress of the Work, nor interfere with or relieve Contractor from Contractor's full responsibility therefor.
2. Contractor's Schedule of Submittals will be acceptable to Engineer if it provides a workable arrangement for reviewing and processing the required submittals.
3. Contractor's Schedule of Values will be acceptable to Engineer as to form and substance if it provides a reasonable allocation of the Contract Price to component parts of the Work.

ARTICLE 3 – CONTRACT DOCUMENTS: INTENT, AMENDING, 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. Any labor, documentation, services, materials, or equipment that reasonably may be inferred from the Contract Documents or from prevailing custom or trade usage as being required to produce the indicated result will be provided whether or not specifically called for, at no additional cost to Owner.
- C. Clarifications and interpretations of the Contract Documents shall be issued by Engineer as provided in Article 9.

3.02 *Reference Standards*

- A. Standards, Specifications, Codes, Laws, and Regulations
 1. Reference to standards, specifications, manuals, 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, code, or Laws or Regulations in effect at the time of opening of Bids (or on the Effective Date of the Agreement 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, 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 Contract Documents. 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 Contract Documents.

3.03 *Reporting and Resolving Discrepancies*

A. *Reporting Discrepancies:*

1. *Contractor's Review of Contract Documents Before Starting Work:* Before undertaking each part of the Work, Contractor shall carefully study and compare the Contract Documents and check and verify pertinent figures therein and all applicable field measurements. Contractor shall promptly report in writing to Engineer any conflict, error, ambiguity, or discrepancy which Contractor discovers, or has actual knowledge of, and shall obtain a written interpretation or clarification from Engineer before proceeding with any Work affected thereby.
2. *Contractor's Review of Contract Documents During Performance of Work:* If, 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) any standard, specification, manual, or code, or (c) 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 6.16.A) until an amendment or supplement to the Contract Documents has been issued by one of the methods indicated in Paragraph 3.04.
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 Contract Documents shall take precedence in resolving any conflict, error, ambiguity, or discrepancy between the provisions of the Contract Documents and:
 - a. the provisions of any standard, specification, manual, or code, or the instruction of any Supplier (whether or not specifically incorporated by reference in the Contract Documents);
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 *Amending and Supplementing Contract Documents*

- A. The Contract Documents may be amended to provide for additions, deletions, and revisions in the Work or to modify the terms and conditions thereof by either a Change Order or a Work Change Directive.

- B. The requirements of the Contract Documents may be supplemented, and minor variations and deviations in the Work may be authorized, by one or more of the following ways:
 - 1. A Field Order;
 - 2. Engineer's approval of a Shop Drawing or Sample (subject to the provisions of Paragraph 6.17.D.3); or
 - 3. Engineer's written interpretation or clarification.

3.05 *Reuse of Documents*

- A. Contractor and any Subcontractor or Supplier shall not:
 - 1. have or acquire any title to or ownership rights in any of the Drawings, Specifications, or other documents (or copies of any thereof) prepared by or bearing the seal of Engineer or its consultants, including electronic media editions; or
 - 2. reuse any such Drawings, Specifications, other documents, or copies thereof on extensions of the Project or any other project without written consent of Owner and Engineer and specific written verification or adaptation by Engineer.
- 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 record purposes.

3.06 *Electronic Data*

- A. Unless otherwise stated in the Supplementary Conditions, the data furnished by Owner or Engineer to Contractor, or by Contractor to Owner or Engineer, that may be relied upon are limited to the printed copies (also known as hard copies). Files in electronic media format of text, data, graphics, or other types are furnished only for the convenience of the receiving party. Any conclusion or information obtained or derived from such electronic files will be at the user's sole risk. If there is a discrepancy between the electronic files and the hard copies, the hard copies govern.
- B. Because data stored in electronic media format can deteriorate or be modified inadvertently or otherwise without authorization of the data's creator, the party receiving electronic files agrees that it will perform acceptance tests or procedures within 60 days, after which the receiving party shall be deemed to have accepted the data thus transferred. Any errors detected within the 60-day acceptance period will be corrected by the transferring party.
- C. When transferring documents in electronic media format, the transferring party makes no representations as to long term compatibility, usability, or readability of documents resulting from the use of software application packages, operating systems, or computer hardware differing from those used by the data's creator.

**ARTICLE 4 – AVAILABILITY OF LANDS; SUBSURFACE AND PHYSICAL CONDITIONS;
HAZARDOUS ENVIRONMENTAL CONDITIONS; REFERENCE POINTS**

4.01 *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. Owner will obtain in a timely manner and pay for easements for permanent structures or permanent changes in existing facilities. If Contractor and Owner are unable to agree on entitlement to or on the amount or extent, if any, of any adjustment in the Contract Price or Contract Times, or both, as a result of any delay in Owner’s furnishing the Site or a part thereof, Contractor may make a Claim therefor as provided in Paragraph 10.05.
- 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 the Work is to be performed and Owner’s interest therein as necessary for giving notice of or filing a mechanic’s or construction lien against such lands in accordance with applicable Laws and Regulations.
- C. Contractor shall provide for all additional lands and access thereto that may be required for temporary construction facilities or storage of materials and equipment.

4.02 *Subsurface and Physical Conditions*

- A. *Reports and Drawings:* The Supplementary Conditions identify:
 - 1. those reports known to Owner of explorations and tests of subsurface conditions at or contiguous to the Site; and
 - 2. those drawings known to Owner of physical conditions relating to existing surface or subsurface structures at the Site (except Underground Facilities).
- B. *Limited Reliance by Contractor on Technical Data Authorized:* Contractor may rely upon the accuracy of the “technical data” contained in such reports and drawings, but such reports and drawings are not Contract Documents. Such “technical data” is identified in the Supplementary Conditions. Except for such reliance on such “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.

4.03 *Differing Subsurface or Physical Conditions*

A. *Notice:* If Contractor believes that any subsurface or physical condition that is uncovered or revealed 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 4.02 is materially inaccurate; or
2. is of such a nature as to require a change in the Contract Documents; 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 6.16.A), notify Owner and Engineer in writing about such condition. Contractor shall not further disturb such condition or perform any Work in connection therewith (except as aforesaid) until receipt of written order to do so.

B. *Engineer’s Review:* After receipt of written notice as required by Paragraph 4.03.A, Engineer will promptly review the pertinent condition, determine the necessity of Owner’s obtaining additional exploration or tests with respect thereto, and advise Owner in writing (with a copy to Contractor) of Engineer’s findings and conclusions.

C. *Possible Price and Times Adjustments:*

1. The Contract Price or the Contract Times, or both, will be equitably adjusted to the extent that the existence of such differing subsurface or physical condition 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 meet any one or more of the categories described in Paragraph 4.03.A; and
 - b. with respect to Work that is paid for on a unit price basis, any adjustment in Contract Price will be subject to the provisions of Paragraphs 9.07 and 11.03.

2. Contractor shall not be entitled to any adjustment in the Contract Price or Contract Times if:
 - a. Contractor knew of the existence of such conditions at the time Contractor made a final commitment to Owner with respect to Contract Price and Contract Times by the submission of a Bid or becoming bound under a negotiated contract; or
 - b. the existence of such condition could reasonably have been discovered or revealed as a result of any examination, investigation, exploration, test, or study of the Site and contiguous areas required by the Bidding Requirements or Contract Documents to be conducted by or for Contractor prior to Contractor's making such final commitment; or
 - c. Contractor failed to give the written notice as required by Paragraph 4.03.A.
3. If Owner and Contractor are unable to agree on entitlement to or on the amount or extent, if any, of any adjustment in the Contract Price or Contract Times, or both, a Claim may be made therefor as provided in Paragraph 10.05. However, neither Owner or Engineer, or any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors shall be liable to Contractor for any claims, costs, losses, or 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) sustained by Contractor on or in connection with any other project or anticipated project.

4.04 *Underground Facilities*

- A. *Shown or Indicated:* The information and data shown or indicated in the Contract Documents with respect to existing Underground Facilities at or contiguous 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 Supplementary Conditions:
1. Owner and Engineer shall not be responsible for 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 such information and data;
 - b. locating all Underground Facilities shown or indicated in the Contract Documents;
 - c. coordination of the Work with the owners of such Underground Facilities, including Owner, during construction; and
 - d. the safety and protection of all such Underground Facilities and repairing any damage thereto resulting from the Work.

B. *Not Shown or Indicated:*

1. If an Underground Facility is uncovered or revealed at or contiguous to the Site which was not shown or indicated, or not shown or indicated with reasonable accuracy in the Contract Documents, 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 6.16.A), identify the owner of such Underground Facility and give written notice to that owner and to Owner and Engineer. Engineer will promptly review the Underground Facility and determine the extent, if any, to which a change is required in the Contract Documents to reflect and document the consequences of the existence or location of the Underground Facility. During such time, Contractor shall be responsible for the safety and protection of such Underground Facility.
2. If Engineer concludes that a change in the Contract Documents is required, a Work Change Directive or a Change Order will be issued to reflect and document such consequences. An equitable adjustment shall be made in the Contract Price or Contract Times, or both, to the extent that they are attributable to the existence or location of any Underground Facility that was not shown or indicated or not shown or indicated with reasonable accuracy in the Contract Documents and that Contractor did not know of and could not reasonably have been expected to be aware of or to have anticipated. If Owner and Contractor are unable to agree on entitlement to or on the amount or extent, if any, of any such adjustment in Contract Price or Contract Times, Owner or Contractor may make a Claim therefor as provided in Paragraph 10.05.

4.05 *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.

4.06 *Hazardous Environmental Condition at Site*

- A. *Reports and Drawings:* The Supplementary Conditions identify those reports and drawings known to Owner relating to Hazardous Environmental Conditions that have been identified at the Site.
- B. *Limited Reliance by Contractor on Technical Data Authorized:* Contractor may rely upon the accuracy of the "technical data" contained in such reports and drawings, but such reports and drawings are not Contract Documents. Such "technical data" is identified in the Supplementary Conditions. Except for such reliance on such "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 any Hazardous Environmental Condition uncovered or revealed at the Site which was not shown or indicated in Drawings or Specifications or identified in the Contract Documents to be within the scope of the Work. Contractor shall be responsible for a Hazardous Environmental Condition created with any materials brought to the Site by Contractor, Subcontractors, Suppliers, or anyone else for whom Contractor is responsible.
- D. If Contractor encounters a Hazardous Environmental Condition or if Contractor or anyone for whom Contractor is responsible creates a Hazardous Environmental Condition, Contractor shall immediately: (i) secure or otherwise isolate such condition; (ii) stop all Work in connection with such condition and in any area affected thereby (except in an emergency as required by Paragraph 6.16.A); and (iii) notify Owner and Engineer (and promptly thereafter confirm such notice in writing). Owner shall promptly consult with Engineer concerning the necessity for Owner to retain a qualified expert to evaluate such condition or take corrective action, if any. Promptly after consulting with Engineer, Owner shall take such actions as are necessary to permit Owner to timely obtain required permits and provide Contractor the written notice required by Paragraph 4.06.E.
- E. Contractor shall not be required to resume Work in connection with such condition or in any affected area until after Owner has obtained any required permits related thereto and delivered written notice to Contractor: (i) specifying that such condition and any affected area is or has been rendered safe for the resumption of Work; or (ii) specifying any special conditions under which such Work may be resumed safely. 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, either party may make a Claim therefor as provided in Paragraph 10.05.
- F. 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. If Owner and Contractor cannot agree as to entitlement to or on the amount or extent, if any, of an adjustment in Contract Price or Contract Times as a result of deleting such portion of the Work, then either party may make a Claim therefor as provided in Paragraph 10.05. Owner may have such deleted portion of the Work performed by Owner's own forces or others in accordance with Article 7.

- G. To the fullest extent permitted by Laws and Regulations, Owner shall indemnify and hold harmless Contractor, Subcontractors, and Engineer, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to a Hazardous Environmental Condition, provided that such Hazardous Environmental Condition: (i) was not shown or indicated in the Drawings or Specifications or identified in the Contract Documents to be included within the scope of the Work, and (ii) was not created by Contractor or by anyone for whom Contractor is responsible. Nothing in this Paragraph 4.06.G shall obligate Owner to indemnify any individual or entity from and against the consequences of that individual's or entity's own negligence.
- H. To the fullest extent permitted by Laws and Regulations, Contractor shall indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to a Hazardous Environmental Condition created by Contractor or by anyone for whom Contractor is responsible. Nothing in this Paragraph 4.06.H shall obligate Contractor to indemnify any individual or entity from and against the consequences of that individual's or entity's own negligence.
- I. The provisions of Paragraphs 4.02, 4.03, and 4.04 do not apply to a Hazardous Environmental Condition uncovered or revealed at the Site.

ARTICLE 5 – BONDS AND INSURANCE

5.01 *Performance, Payment, and Other Bonds*

- A. Contractor shall furnish performance and payment bonds, each in an amount at least equal to the Contract Price as security for the faithful performance and payment of all of Contractor's obligations under the Contract Documents. These bonds shall remain in effect until one year after the date when final payment becomes due or until completion of the correction period specified in Paragraph 13.07, whichever is later, except as provided otherwise by Laws or Regulations or by the Contract Documents. Contractor shall also furnish such other bonds as are required by the Contract Documents.
- B. All bonds shall be in the form prescribed by the Contract Documents except as provided otherwise by Laws or Regulations, and shall be executed by such sureties as are named in the list of "Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies" as published in Circular 570 (amended) by the Financial Management Service, Surety Bond Branch, U.S. Department of the Treasury. All bonds signed by an agent or attorney-in-fact must be accompanied by a certified copy of that individual's authority to bind the surety. The evidence of authority shall show that it is effective on the date the agent or attorney-in-fact signed each bond.

- C. If the surety on any bond furnished by Contractor is declared bankrupt or becomes insolvent or its right to do business is terminated in any state where any part of the Project is located or it ceases to meet the requirements of Paragraph 5.01.B, 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 requirements of Paragraphs 5.01.B and 5.02.

5.02 *Licensed Sureties and Insurers*

- A. All bonds and insurance required by the Contract Documents to be purchased and maintained by Owner or Contractor shall be obtained from surety or insurance companies that are duly licensed or authorized in the jurisdiction in which the Project is located to issue bonds or insurance policies for the limits and coverages so required. Such surety and insurance companies shall also meet such additional requirements and qualifications as may be provided in the Supplementary Conditions.

5.03 *Certificates of Insurance*

- A. Contractor shall deliver to Owner, with copies to each additional insured and loss payee identified in the Supplementary Conditions, certificates of insurance (and other evidence of insurance requested by Owner or any other additional insured) which Contractor is required to purchase and maintain.
- B. Owner shall deliver to Contractor, with copies to each additional insured and loss payee identified in the Supplementary Conditions, certificates of insurance (and other evidence of insurance requested by Contractor or any other additional insured) which Owner is required to purchase and maintain.
- C. Failure of Owner to demand such certificates or other evidence of Contractor's full compliance with these insurance requirements or failure of Owner to identify a deficiency in compliance from the evidence provided shall not be construed as a waiver of Contractor's obligation to maintain such insurance.
- D. Owner does not represent that insurance coverage and limits established in this Contract necessarily will be adequate to protect Contractor.
- E. The insurance and insurance limits required herein shall not be deemed as a limitation on Contractor's liability under the indemnities granted to Owner in the Contract Documents.

5.04 *Contractor's Insurance*

- A. Contractor shall purchase and maintain such insurance as is appropriate for the Work being performed and as will provide protection from claims set forth below which may arise out of or result from Contractor's performance of the Work and Contractor's other obligations under the Contract Documents, whether it is to be performed by Contractor, any Subcontractor or Supplier, or by anyone directly or indirectly employed by any of them to perform any of the Work, or by anyone for whose acts any of them may be liable:
 - 1. claims under workers' compensation, disability benefits, and other similar employee benefit acts;

2. claims for damages because of bodily injury, occupational sickness or disease, or death of Contractor's employees;
3. claims for damages because of bodily injury, sickness or disease, or death of any person other than Contractor's employees;
4. claims for damages insured by reasonably available personal injury liability coverage which are sustained:
 - a. by any person as a result of an offense directly or indirectly related to the employment of such person by Contractor, or
 - b. by any other person for any other reason;
5. claims for damages, other than to the Work itself, because of injury to or destruction of tangible property wherever located, including loss of use resulting therefrom; and
6. claims for damages because of bodily injury or death of any person or property damage arising out of the ownership, maintenance or use of any motor vehicle.

B. The policies of insurance required by this Paragraph 5.04 shall:

1. with respect to insurance required by Paragraphs 5.04.A.3 through 5.04.A.6 inclusive, be written on an occurrence basis, include as additional insureds (subject to any customary exclusion regarding professional liability) Owner and Engineer, and any other individuals or entities identified in the Supplementary Conditions, all of whom shall be listed as additional insureds, and include coverage for the respective officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of all such additional insureds, and the insurance afforded to these additional insureds shall provide primary coverage for all claims covered thereby;
2. include at least the specific coverages and be written for not less than the limits of liability provided in the Supplementary Conditions or required by Laws or Regulations, whichever is greater;
3. include contractual liability insurance covering Contractor's indemnity obligations under Paragraphs 6.11 and 6.20;
4. contain a provision or endorsement that the coverage afforded will not be canceled, materially changed or renewal refused until at least 30 days prior written notice has been given to Owner and Contractor and to each other additional insured identified in the Supplementary Conditions to whom a certificate of insurance has been issued (and the certificates of insurance furnished by the Contractor pursuant to Paragraph 5.03 will so provide);
5. remain in effect at least until final payment and at all times thereafter when Contractor may be correcting, removing, or replacing defective Work in accordance with Paragraph 13.07; and

6. include completed operations coverage:
 - a. Such insurance shall remain in effect for two years after final payment.
 - b. Contractor shall furnish Owner and each other additional insured identified in the Supplementary Conditions, to whom a certificate of insurance has been issued, evidence satisfactory to Owner and any such additional insured of continuation of such insurance at final payment and one year thereafter.

5.05 *Owner's Liability Insurance*

- A. In addition to the insurance required to be provided by Contractor under Paragraph 5.04, Owner, at Owner's option, may purchase and maintain at Owner's expense Owner's own liability insurance as will protect Owner against claims which may arise from operations under the Contract Documents.

5.06 *Property Insurance*

- A. Unless otherwise provided in the Supplementary Conditions, Owner shall purchase and maintain property insurance upon the Work at the Site in the amount of the full replacement cost thereof (subject to such deductible amounts as may be provided in the Supplementary Conditions or required by Laws and Regulations). This insurance shall:
 1. include the interests of Owner, Contractor, Subcontractors, and Engineer, and any other individuals or entities identified in the Supplementary Conditions, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, each of whom is deemed to have an insurable interest and shall be listed as a loss payee;
 2. be written on a Builder's Risk "all-risk" policy form that shall at least include insurance for physical loss or damage to the Work, temporary buildings, falsework, and materials and equipment in transit, and shall insure against at least the following perils or causes of loss: fire, lightning, extended coverage, theft, vandalism and malicious mischief, earthquake, collapse, debris removal, demolition occasioned by enforcement of Laws and Regulations, water damage (other than that caused by flood), and such other perils or causes of loss as may be specifically required by the Supplementary Conditions.
 3. include expenses incurred in the repair or replacement of any insured property (including but not limited to fees and charges of engineers and architects);
 4. cover materials and equipment stored at the Site or at another location that was agreed to in writing by Owner prior to being incorporated in the Work, provided that such materials and equipment have been included in an Application for Payment recommended by Engineer;
 5. allow for partial utilization of the Work by Owner;
 6. include testing and startup; and

7. be maintained in effect until final payment is made unless otherwise agreed to in writing by Owner, Contractor, and Engineer with 30 days written notice to each other loss payee to whom a certificate of insurance has been issued.
- B. Owner shall purchase and maintain such equipment breakdown insurance or additional property insurance as may be required by the Supplementary Conditions or Laws and Regulations which will include the interests of Owner, Contractor, Subcontractors, and Engineer, and any other individuals or entities identified in the Supplementary Conditions, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them, each of whom is deemed to have an insurable interest and shall be listed as a loss payee.
 - C. All the policies of insurance (and the certificates or other evidence thereof) required to be purchased and maintained in accordance with this Paragraph 5.06 will contain a provision or endorsement that the coverage afforded will not be canceled or materially changed or renewal refused until at least 30 days prior written notice has been given to Owner and Contractor and to each other loss payee to whom a certificate of insurance has been issued and will contain waiver provisions in accordance with Paragraph 5.07.
 - D. Owner shall not be responsible for purchasing and maintaining any property insurance specified in this Paragraph 5.06 to protect the interests of Contractor, Subcontractors, or others in the Work to the extent of any deductible amounts that are identified in the Supplementary Conditions. The risk of loss within such identified deductible amount will be borne by Contractor, Subcontractors, or others suffering any such loss, and if any of them wishes property insurance coverage within the limits of such amounts, each may purchase and maintain it at the purchaser's own expense.
 - E. If Contractor requests in writing that other special insurance be included in the property insurance policies provided under this Paragraph 5.06, Owner shall, if possible, include such insurance, and the cost thereof will be charged to Contractor by appropriate Change Order. Prior to commencement of the Work at the Site, Owner shall in writing advise Contractor whether or not such other insurance has been procured by Owner.

5.07 *Waiver of Rights*

- A. Owner and Contractor intend that all policies purchased in accordance with Paragraph 5.06 will protect Owner, Contractor, Subcontractors, and Engineer, and all other individuals or entities identified in the Supplementary Conditions as loss payees (and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them) in such policies and will provide primary coverage for all losses and damages caused by the perils or causes of loss covered thereby. All such policies shall contain provisions to the effect that in the event of payment of any loss or damage the insurers will have no rights of recovery against any of the insureds or loss payees thereunder. Owner and Contractor waive all rights against each other and their respective officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them for all losses and damages caused by, arising out of or resulting from any of the perils or causes of loss covered by such policies and any other property insurance applicable to the Work; and, in addition, waive all such rights against Subcontractors and Engineer, and all other individuals or entities identified in the Supplementary Conditions as loss payees (and the

officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them) under such policies for losses and damages so caused. None of the above waivers shall extend to the rights that any party making such waiver may have to the proceeds of insurance held by Owner as trustee or otherwise payable under any policy so issued.

- B. Owner waives all rights against Contractor, Subcontractors, and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them for:
1. loss due to business interruption, loss of use, or other consequential loss extending beyond direct physical loss or damage to Owner's property or the Work caused by, arising out of, or resulting from fire or other perils whether or not insured by Owner; and
 2. loss or damage to the completed Project or part thereof caused by, arising out of, or resulting from fire or other insured peril or cause of loss covered by any property insurance maintained on the completed Project or part thereof by Owner during partial utilization pursuant to Paragraph 14.05, after Substantial Completion pursuant to Paragraph 14.04, or after final payment pursuant to Paragraph 14.07.
- C. Any insurance policy maintained by Owner covering any loss, damage or consequential loss referred to in Paragraph 5.07.B shall contain provisions to the effect that in the event of payment of any such loss, damage, or consequential loss, the insurers will have no rights of recovery against Contractor, Subcontractors, or Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them.

5.08 *Receipt and Application of Insurance Proceeds*

- A. Any insured loss under the policies of insurance required by Paragraph 5.06 will be adjusted with Owner and made payable to Owner as fiduciary for the loss payees, as their interests may appear, subject to the requirements of any applicable mortgage clause and of Paragraph 5.08.B. Owner shall deposit in a separate account any money so received and shall distribute it in accordance with such agreement as the parties in interest may reach. If no other special agreement is reached, the damaged Work shall be repaired or replaced, the moneys so received applied on account thereof, and the Work and the cost thereof covered by an appropriate Change Order.
- B. Owner as fiduciary shall have power to adjust and settle any loss with the insurers unless one of the parties in interest shall object in writing within 15 days after the occurrence of loss to Owner's exercise of this power. If such objection be made, Owner as fiduciary shall make settlement with the insurers in accordance with such agreement as the parties in interest may reach. If no such agreement among the parties in interest is reached, Owner as fiduciary shall adjust and settle the loss with the insurers and, if required in writing by any party in interest, Owner as fiduciary shall give bond for the proper performance of such duties.

5.09 *Acceptance of Bonds and Insurance; Option to Replace*

- A. If either Owner or Contractor has any objection to the coverage afforded by or other provisions of the bonds or insurance required to be purchased and maintained by the other party in accordance with Article 5 on the basis of non-conformance with the Contract Documents, the objecting party

shall so notify the other party in writing within 10 days after receipt of the certificates (or other evidence requested) required by Paragraph 2.01.B. Owner and Contractor shall each provide to the other such additional information in respect of insurance provided as the other may reasonably request. If either party does not purchase or maintain all of the bonds and insurance required of such party by the Contract Documents, such party shall notify the other party in writing of such failure to purchase prior to the start of the Work, or of such failure to maintain prior to any change in the required coverage. Without prejudice to any other right or remedy, the other party may elect to obtain equivalent bonds or insurance to protect such other party's interests at the expense of the party who was required to provide such coverage, and a Change Order shall be issued to adjust the Contract Price accordingly.

5.10 *Partial Utilization, Acknowledgment of Property Insurer*

- A. If Owner finds it necessary to occupy or use a portion or portions of the Work prior to Substantial Completion of all the Work as provided in Paragraph 14.05, no such use or occupancy shall commence before the insurers providing the property insurance pursuant to Paragraph 5.06 have acknowledged notice thereof and in writing effected any changes in coverage necessitated thereby. The insurers providing the property insurance shall consent by endorsement on the policy or policies, but the property insurance shall not be canceled or permitted to lapse on account of any such partial use or occupancy.

ARTICLE 6 – CONTRACTOR'S RESPONSIBILITIES

6.01 *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. Contractor shall not be responsible for the negligence of Owner or Engineer in the design or specification of a specific means, method, technique, sequence, or procedure of construction which is shown or indicated in and expressly required by the Contract Documents.
- 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.

6.02 *Labor; Working Hours*

- A. Contractor shall provide competent, suitably qualified personnel to survey and lay out the Work and perform construction as required by the Contract Documents. Contractor shall at all times maintain good discipline and order at the Site.
- B. Except as otherwise required for the safety or protection of persons or the Work or property at the Site or adjacent thereto, and except as otherwise stated in the Contract Documents, all Work at the Site shall be performed during regular working hours. Contractor will not permit the performance of

Work on a Saturday, Sunday, or any legal holiday without Owner's written consent (which will not be unreasonably withheld) given after prior written notice to Engineer.

6.03 *Services, Materials, and Equipment*

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

6.04 *Progress Schedule*

- A. Contractor shall adhere to the Progress Schedule established in accordance with Paragraph 2.07 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 2.07) proposed adjustments in the Progress Schedule that will not result in changing the Contract Times. Such adjustments will comply with any provisions of the General Requirements applicable thereto.
 - 2. Proposed adjustments in the Progress Schedule that will change the Contract Times shall be submitted in accordance with the requirements of Article 12. Adjustments in Contract Times may only be made by a Change Order.

6.05 *Substitutes and "Or-Equals"*

- A. Whenever an item of 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, the specification or description is intended to establish the type, function, appearance, and quality required. Unless the specification or description contains or is followed by words reading that no like, equivalent, or "or-equal" item or no substitution is permitted, other items of material or equipment or material or equipment of other Suppliers may be submitted to Engineer for review under the circumstances described below.
 - 1. *"Or-Equal" Items:* If in Engineer's sole discretion an item of material or equipment proposed by Contractor is functionally equal to that named and sufficiently similar so that no change in

related Work will be required, it may be considered by Engineer as an “or-equal” item, in which case review and approval of the proposed item may, in Engineer’s sole discretion, be accomplished without compliance with some or all of the requirements for approval of proposed substitute items. For the purposes of this Paragraph 6.05.A.1, a proposed item of material or equipment will be considered functionally equal to an item so named if:

- a. in the exercise of reasonable judgment Engineer determines that:
 - 1) it is at least equal in materials of construction, quality, durability, appearance, strength, and design characteristics;
 - 2) it will reliably perform at least equally well the function and achieve the results imposed by the design concept of the completed Project as a functioning whole; and
 - 3) it has a proven record of performance and availability of responsive service.
- b. Contractor certifies that, if approved and incorporated into the Work:
 - 1) there will be no increase in cost to the Owner or increase in Contract Times; and
 - 2) it will conform substantially to the detailed requirements of the item named in the Contract Documents.

2. *Substitute Items:*

- a. If in Engineer’s sole discretion an item of material or equipment proposed by Contractor does not qualify as an “or-equal” item under Paragraph 6.05.A.1, it will be considered a proposed substitute item.
- b. Contractor shall submit sufficient information as provided below to allow Engineer to determine if the item of material or equipment proposed is essentially equivalent to that named and an acceptable substitute therefor. Requests for review of proposed substitute items of material or equipment will not be accepted by Engineer from anyone other than Contractor.
- c. The requirements for review by Engineer will be as set forth in Paragraph 6.05.A.2.d, as supplemented by the General Requirements, and as Engineer may decide is appropriate under the circumstances.
- d. 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:
 - 1) shall certify that the proposed substitute item will:
 - a) perform adequately the functions and achieve the results called for by the general design,

b) be similar in substance to that specified, and

c) be suited to the same use as that specified;

2) will state:

a) the extent, if any, to which the use of the proposed substitute item will prejudice Contractor's achievement of Substantial Completion on time,

b) 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

c) whether incorporation or use of the proposed substitute item in connection with the Work is subject to payment of any license fee or royalty;

3) will identify:

a) all variations of the proposed substitute item from that specified, and

b) available engineering, sales, maintenance, repair, and replacement services; and

4) shall contain an itemized estimate of all costs or credits that will result directly or indirectly from use of such substitute item, including costs of redesign and claims of other contractors affected by any resulting change.

B. *Substitute Construction Methods or Procedures:* If a specific means, method, technique, sequence, or procedure of construction is expressly required by the Contract Documents, Contractor may furnish or utilize a substitute means, method, technique, sequence, or procedure of construction approved by Engineer. Contractor shall submit sufficient information to allow Engineer, in Engineer's sole discretion, to determine that the substitute proposed is equivalent to that expressly called for by the Contract Documents. The requirements for review by Engineer will be similar to those provided in Paragraph 6.05.A.2.

C. *Engineer's Evaluation:* Engineer will be allowed a reasonable time within which to evaluate each proposal or submittal made pursuant to Paragraphs 6.05.A and 6.05.B. Engineer may require Contractor to furnish additional data about the proposed substitute item. Engineer will be the sole judge of acceptability. No "or equal" or substitute will be ordered, installed or utilized until Engineer's review is complete, which will be evidenced by a Change Order in the case of a substitute and an approved Shop Drawing for an "or equal." Engineer will advise Contractor in writing of any negative determination.

D. *Special Guarantee:* Owner may require Contractor to furnish at Contractor's expense a special performance guarantee or other surety with respect to any substitute.

- E. *Engineer's Cost Reimbursement:* Engineer will record Engineer's costs in evaluating a substitute proposed or submitted by Contractor pursuant to Paragraphs 6.05.A.2 and 6.05.B. 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.
- F. *Contractor's Expense:* Contractor shall provide all data in support of any proposed substitute or "or-equal" at Contractor's expense.

6.06 *Concerning Subcontractors, Suppliers, and Others*

- A. Contractor shall not employ any Subcontractor, Supplier, or other individual or entity (including those acceptable to Owner as indicated in Paragraph 6.06.B), whether initially or as a replacement, against whom Owner may have reasonable objection. Contractor shall not be required to employ any Subcontractor, Supplier, or other individual or entity to furnish or perform any of the Work against whom Contractor has reasonable objection.
- B. If the Supplementary Conditions require the identity of certain Subcontractors, Suppliers, or other individuals or entities to be submitted to Owner in advance for acceptance by Owner by a specified date prior to the Effective Date of the Agreement, and if Contractor has submitted a list thereof in accordance with the Supplementary Conditions, Owner's acceptance (either in writing or by failing to make written objection thereto by the date indicated for acceptance or objection in the Bidding Documents or the Contract Documents) of any such Subcontractor, Supplier, or other individual or entity so identified may be revoked on the basis of reasonable objection after due investigation. Contractor shall submit an acceptable replacement for the rejected Subcontractor, Supplier, or other individual or entity, and the Contract Price will be adjusted by the difference in the cost occasioned by such replacement, and an appropriate Change Order will be issued. 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 any right of Owner or Engineer to reject defective Work.
- C. Contractor shall be fully responsible to Owner and Engineer 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. 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 moneys due any such Subcontractor, Supplier, or other individual or entity except as may otherwise be required by Laws and Regulations.

- D. Contractor shall be solely responsible for scheduling and coordinating the Work of Subcontractors, Suppliers, and other individuals or entities performing or furnishing any of the Work under a direct or indirect contract with Contractor.
- E. Contractor shall require all Subcontractors, Suppliers, and such other individuals or entities performing or furnishing any of the Work to communicate with Engineer through Contractor.
- F. 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.
- G. All Work performed for Contractor by a Subcontractor or Supplier will be pursuant to an appropriate agreement between Contractor and the Subcontractor or Supplier which specifically binds the Subcontractor or Supplier to the applicable terms and conditions of the Contract Documents for the benefit of Owner and Engineer. Whenever any such agreement is with a Subcontractor or Supplier who is listed as a loss payee on the property insurance provided in Paragraph 5.06, the agreement between the Contractor and the Subcontractor or Supplier will contain provisions whereby the Subcontractor or Supplier waives all rights against Owner, Contractor, Engineer, and all other individuals or entities identified in the Supplementary Conditions to be listed as insureds or loss payees (and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them) for all losses and damages caused by, arising out of, relating to, or resulting from any of the perils or causes of loss covered by such policies and any other property insurance applicable to the Work. If the insurers on any such policies require separate waiver forms to be signed by any Subcontractor or Supplier, Contractor will obtain the same.

6.07 *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, 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. To the fullest extent permitted by Laws and Regulations, Owner shall indemnify and hold harmless Contractor, and its officers, directors, members, partners, employees, agents, consultants, and subcontractors from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals, and all court or arbitration or other dispute resolution costs) arising out of or relating to any infringement of patent rights or copyrights incident to the use in the performance of the Work or resulting from the incorporation in the Work of any invention, design, process, product, or device specified in the Contract Documents, but not identified as being subject to payment of any license fee or royalty to others required by patent rights or copyrights.

- C. To the fullest extent permitted by Laws and Regulations, Contractor shall indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to any infringement of patent rights or copyrights incident to the use in the performance of the Work or resulting from the incorporation in the Work of any invention, design, process, product, or device not specified in the Contract Documents.

6.08 *Permits*

- A. Unless otherwise provided in the Supplementary Conditions, 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 opening of Bids, or, if there are no Bids, on the Effective Date of the Agreement. Owner shall pay all charges of utility owners for connections for providing permanent service to the Work.

6.09 *Laws and Regulations*

- A. Contractor shall give all notices required by and shall comply with all Laws and Regulations applicable to the performance of the Work. Except where otherwise expressly required by applicable Laws and Regulations, neither Owner nor Engineer shall be responsible for monitoring Contractor's compliance with any Laws or Regulations.
- B. If Contractor performs any Work knowing or having reason to know that it is contrary to Laws or Regulations, Contractor shall bear 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. However, it shall not be Contractor's responsibility to make certain that the Specifications and Drawings are in accordance with Laws and Regulations, but this shall not relieve Contractor of Contractor's obligations under Paragraph 3.03.
- C. Changes in Laws or Regulations not known at the time of opening of Bids (or, on the Effective Date of the Agreement if there were no Bids) having an effect on the cost or time of performance of the Work shall be the subject of an adjustment in Contract Price or Contract Times. If Owner and Contractor are unable to agree on entitlement to or on the amount or extent, if any, of any such adjustment, a Claim may be made therefor as provided in Paragraph 10.05.

6.10 *Taxes*

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

6.11 *Use of Site and Other Areas*

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

1. Contractor shall confine construction equipment, the storage of materials and equipment, and the operations of workers to the Site and other areas permitted by Laws and Regulations, and shall not unreasonably encumber the Site and other areas with construction equipment or other materials or equipment. Contractor shall assume full responsibility for any damage to any such land or area, or to the owner or occupant thereof, or of any adjacent land or areas resulting from the performance of the Work.
2. Should any claim be made by any such owner or occupant because of the performance of the Work, Contractor shall promptly settle with such other party by negotiation or otherwise resolve the claim by arbitration or other dispute resolution proceeding or at law.
3. To the fullest extent permitted by Laws and Regulations, Contractor shall indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to any claim or action, legal or equitable, brought by any such owner or occupant against Owner, Engineer, or any other party indemnified hereunder to the extent caused by or based upon Contractor's performance of the Work.

B. *Removal of Debris During Performance of the Work:* During the progress of the Work Contractor shall keep the Site and other 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 all tools, appliances, construction equipment and machinery, and surplus materials and shall restore to original condition all property not designated for alteration by the Contract Documents.

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

6.12 *Record Documents*

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

6.13 *Safety and Protection*

- A. Contractor shall be solely responsible for initiating, maintaining and supervising all safety precautions and programs in connection with the Work. Such responsibility does not relieve Subcontractors of their responsibility for the safety of persons or property in the performance of their work, nor for compliance with applicable safety Laws and Regulations. Contractor shall take all necessary precautions for the safety of, and shall provide the necessary protection to prevent damage, injury or loss to:
1. all persons on the Site or who may be affected by the Work;
 2. all the Work and materials and equipment to be incorporated therein, whether in storage on or off the Site; and
 3. other property at the Site or adjacent thereto, including trees, shrubs, lawns, walks, pavements, roadways, structures, utilities, and Underground Facilities not designated for removal, relocation, or replacement in the course of construction.
- 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 owners of adjacent property and of Underground Facilities and other utility owners when prosecution of the Work may affect them, and shall cooperate with them in the protection, removal, relocation, and replacement of their property.
- C. Contractor shall comply with the applicable requirements of Owner's safety programs, if any. The Supplementary Conditions identify any Owner's safety programs that are applicable to the Work.
- 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 6.13.A.2 or 6.13.A.3 caused, directly or indirectly, in whole or in part, by Contractor, any Subcontractor, Supplier, or any other individual or entity directly or indirectly employed by any of them to perform any of the Work, or anyone for whose acts any of them may be liable, shall be remedied by Contractor (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 for protection of the Work 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 14.07.B that the Work is acceptable (except as otherwise expressly provided in connection with Substantial Completion).

6.14 *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.

6.15 *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.

6.16 *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 threatened 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, a Work Change Directive or Change Order will be issued.

6.17 *Shop Drawings and Samples*

- A. Contractor shall submit Shop Drawings and Samples to Engineer for review and approval in accordance with the accepted Schedule of Submittals (as required by Paragraph 2.07). Each submittal will be identified as Engineer may require.

1. *Shop Drawings:*

- a. Submit number of copies specified in the General Requirements.
- 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, materials, and equipment Contractor proposes to provide and to enable Engineer to review the information for the limited purposes required by Paragraph 6.17.D.

2. *Samples:*

- a. Submit number of Samples specified in the Specifications.
- b. 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 6.17.D.

B. 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. *Submittal Procedures:*

1. Before submitting each Shop Drawing or Sample, Contractor shall have:
 - a. reviewed and coordinated each 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 materials 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 and approval of that 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 both a written communication separate from the Shop Drawings or Sample submittal; and, in addition, by a specific notation made on each Shop Drawing or Sample submitted to Engineer for review and approval of each such variation.

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 (except where a particular means, method, technique, sequence, or procedure of construction is specifically and expressly called for by the Contract Documents) or to safety precautions or programs incident thereto. The review and approval of a separate item as such will not indicate approval of the assembly in which the item functions.

3. Engineer's review and approval 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 6.17.C.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's review and approval shall not relieve Contractor from responsibility for complying with the requirements of Paragraph 6.17.C.1.

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.

6.18 *Continuing the Work*

- A. Contractor shall carry on the Work and adhere to the Progress Schedule during all disputes or disagreements with Owner. No Work shall be delayed or postponed pending resolution of any disputes or disagreements, except as permitted by Paragraph 15.04 or as Owner and Contractor may otherwise agree in writing.

6.19 *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 representation of Contractor's warranty and guarantee.
- 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;
 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 or the issuance of a notice of acceptability by Engineer;
6. any inspection, test, or approval by others; or
7. any correction of defective Work by Owner.

6.20 *Indemnification*

- A. To the fullest extent permitted by Laws and Regulations, Contractor shall indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to the 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 Engineer or any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors by any employee (or the survivor or personal representative of such employee) of Contractor, any Subcontractor, any Supplier, or any individual or entity directly or indirectly employed by any of them to perform any of the Work, or anyone for whose acts any of them may be liable, the indemnification obligation under Paragraph 6.20.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 6.20.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.

6.21 *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 law.

- B. If professional design services or certifications by a design professional related to systems, 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, Shop Drawings 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 6.21, 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 6.17.D.1.
- E. Contractor shall not be responsible for the adequacy of the performance or design criteria required by the Contract Documents.

ARTICLE 7 – OTHER WORK AT THE SITE

7.01 Related Work at Site

- A. Owner may perform other work related to the Project at the Site with Owner's employees, or through other direct contracts therefor, or have other work performed by utility owners. If such other work is not noted in the Contract Documents, then:
 - 1. written notice thereof will be given to Contractor prior to starting any such other work; and
 - 2. if Owner and Contractor are unable to agree on entitlement to or on the amount or extent, if any, of any adjustment in the Contract Price or Contract Times that should be allowed as a result of such other work, a Claim may be made therefor as provided in Paragraph 10.05.
- B. Contractor shall afford each other contractor who is a party to such a direct contract, each utility owner, and Owner, if Owner is performing other work with Owner's employees, proper and safe access to the Site, provide a reasonable opportunity for the introduction and storage of materials and equipment and the execution of such other work, and properly coordinate the Work with theirs. 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. The duties and responsibilities of Contractor under this Paragraph are for the benefit of such utility owners and other contractors to the extent that there are comparable provisions for the benefit of Contractor in said direct contracts between Owner and such utility owners and other contractors.

- C. If the proper execution or results of any part of Contractor's Work depends upon work performed by others under this Article 7, 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.

7.02 *Coordination*

- A. If Owner intends to contract with others for the performance of other work on the Project at the Site, the following will be set forth in Supplementary Conditions:
 - 1. the individual or entity who will have authority and responsibility for coordination of the activities among the various contractors will be identified;
 - 2. the specific matters to be covered by such authority and responsibility will be itemized; and
 - 3. the extent of such authority and responsibilities will be provided.
- B. Unless otherwise provided in the Supplementary Conditions, Owner shall have sole authority and responsibility for such coordination.

7.03 *Legal Relationships*

- A. Paragraphs 7.01.A and 7.02 are not applicable for utilities not under the control of Owner.
- B. Each other direct contract of Owner under Paragraph 7.01.A shall provide that the other contractor is liable to Owner and Contractor for the reasonable direct delay and disruption costs incurred by Contractor as a result of the other contractor's wrongful actions or inactions.
- C. Contractor shall be liable to Owner and any other contractor under direct contract to Owner for the reasonable direct delay and disruption costs incurred by such other contractor as a result of Contractor's wrongful action or inactions.

ARTICLE 8 – OWNER'S RESPONSIBILITIES

8.01 *Communications to Contractor*

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

8.02 *Replacement of Engineer*

- A. In case of termination of the employment of Engineer, Owner shall appoint an engineer to whom Contractor makes no reasonable objection, whose status under the Contract Documents shall be that of the former Engineer.

8.03 *Furnish Data*

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

8.04 *Pay When Due*

- A. Owner shall make payments to Contractor when they are due as provided in Paragraphs 14.02.C and 14.07.C.

8.05 *Lands and Easements; Reports and Tests*

- A. Owner's duties with respect to providing lands and easements and providing engineering surveys to establish reference points are set forth in Paragraphs 4.01 and 4.05. Paragraph 4.02 refers to Owner's identifying and making available to Contractor copies of reports of explorations and tests of subsurface conditions and drawings of physical conditions relating to existing surface or subsurface structures at the Site.

8.06 *Insurance*

- A. Owner's responsibilities, if any, with respect to purchasing and maintaining liability and property insurance are set forth in Article 5.

8.07 *Change Orders*

- A. Owner is obligated to execute Change Orders as indicated in Paragraph 10.03.

8.08 *Inspections, Tests, and Approvals*

- A. Owner's responsibility with respect to certain inspections, tests, and approvals is set forth in Paragraph 13.03.B.

8.09 *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.

8.10 *Undisclosed Hazardous Environmental Condition*

- A. Owner's responsibility in respect to an undisclosed Hazardous Environmental Condition is set forth in Paragraph 4.06.

8.11 *Evidence of Financial Arrangements*

- A. Upon request of Contractor, Owner shall furnish Contractor reasonable evidence that financial arrangements have been made to satisfy Owner's obligations under the Contract Documents.

8.12 *Compliance with Safety Program*

- 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 pursuant to Paragraph 6.13.D.

ARTICLE 9 – ENGINEER'S STATUS DURING CONSTRUCTION

9.01 *Owner's Representative*

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

9.02 *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 9.09. 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.

9.03 *Project Representative*

- A. If Owner and Engineer agree, Engineer will furnish a Resident Project Representative to assist Engineer in providing more extensive observation of the Work. The authority and responsibilities of any such Resident Project Representative and assistants will be as provided in the Supplementary Conditions, and limitations on the responsibilities thereof will be as provided in Paragraph 9.09. 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 Supplementary Conditions.

9.04 *Authorized Variations in Work*

- A. Engineer may authorize minor variations in the Work from the requirements of the Contract Documents which 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. These may be accomplished by a Field Order and will be binding on Owner and also on Contractor, who shall perform the Work involved promptly. If Owner or Contractor believes that a Field Order justifies an adjustment in the Contract Price or Contract Times, or both, and the parties are unable to agree on entitlement to or on the amount or extent, if any, of any such adjustment, a Claim may be made therefor as provided in Paragraph 10.05.

9.05 *Rejecting Defective Work*

- A. Engineer will have authority to reject Work which Engineer believes to be defective, or that Engineer believes will not produce a completed Project that conforms to the Contract Documents or that will prejudice the integrity of the design concept of the completed Project as a functioning whole as indicated by the Contract Documents. Engineer will also have authority to require special inspection or testing of the Work as provided in Paragraph 13.04, whether or not the Work is fabricated, installed, or completed.

9.06 *Shop Drawings, Change Orders and Payments*

- A. In connection with Engineer's authority, and limitations thereof, as to Shop Drawings and Samples, see Paragraph 6.17.
- B. In connection with 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, see Paragraph 6.21.
- C. In connection with Engineer's authority as to Change Orders, see Articles 10, 11, and 12.
- D. In connection with Engineer's authority as to Applications for Payment, see Article 14.

9.07 *Determinations for Unit Price Work*

- A. 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 Paragraph 10.05.

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

- A. Engineer will be the initial interpreter of the requirements of the Contract Documents and judge of the acceptability of the Work thereunder. All matters in question and other matters between Owner and Contractor arising prior to the date final payment is due relating to the acceptability of the Work, and the interpretation of the requirements of the Contract Documents pertaining to the performance of the Work, will be referred initially to Engineer in writing within 30 days of the event giving rise to the question.
- B. Engineer will, with reasonable promptness, render a written decision on the issue referred. If Owner or Contractor believes that any such decision entitles them to an adjustment in the Contract Price or Contract Times or both, a Claim may be made under Paragraph 10.05. The date of Engineer's decision shall be the date of the event giving rise to the issues referenced for the purposes of Paragraph 10.05.B.
- C. Engineer's written decision on the issue referred will be final and binding on Owner and Contractor, subject to the provisions of Paragraph 10.05.
- D. When functioning as interpreter and judge under this Paragraph 9.08, Engineer will not show partiality to Owner or Contractor and will not be liable in connection with any interpretation or decision rendered in good faith in such capacity.

9.09 *Limitations on Engineer's Authority and Responsibilities*

- A. Neither Engineer's authority or responsibility under this Article 9 or under any other provision of the Contract Documents 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 14.07.A will only be to determine generally that their content complies with the requirements of, and in the case of certificates of inspections, tests, and approvals that the results certified indicate compliance with, the Contract Documents.

- E. The limitations upon authority and responsibility set forth in this Paragraph 9.09 shall also apply to the Resident Project Representative, if any, and assistants, if any.

9.10 *Compliance with Safety Program*

- A. While at the Site, Engineer's employees and representatives shall comply with the specific applicable requirements of Contractor's safety programs of which Engineer has been informed pursuant to Paragraph 6.13.D.

ARTICLE 10 – CHANGES IN THE WORK; CLAIMS

10.01 *Authorized Changes in the Work*

- A. Without invalidating the Contract and without notice to any surety, Owner may, at any time or from time to time, order additions, deletions, or revisions in the Work by a Change Order, or a Work Change Directive. Upon receipt of any such document, Contractor shall promptly proceed with the Work involved which will be performed under the applicable conditions of the Contract Documents (except as otherwise specifically provided).
- B. If Owner and Contractor are unable to agree on entitlement to, or on the amount or extent, if any, of an adjustment in the Contract Price or Contract Times, or both, that should be allowed as a result of a Work Change Directive, a Claim may be made therefor as provided in Paragraph 10.05.

10.02 *Unauthorized Changes in the Work*

- A. Contractor shall not be entitled to an increase in the Contract Price or an extension of the Contract Times with respect to any work performed that is not required by the Contract Documents as amended, modified, or supplemented as provided in Paragraph 3.04, except in the case of an emergency as provided in Paragraph 6.16 or in the case of uncovering Work as provided in Paragraph 13.04.D.

10.03 *Execution of Change Orders*

- A. Owner and Contractor shall execute appropriate Change Orders recommended by Engineer covering:
 - 1. changes in the Work which are: (i) ordered by Owner pursuant to Paragraph 10.01.A, (ii) required because of acceptance of defective Work under Paragraph 13.08.A or Owner's correction of defective Work under Paragraph 13.09, or (iii) agreed to by the parties;

2. 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; and
3. changes in the Contract Price or Contract Times which embody the substance of any written decision rendered by Engineer pursuant to Paragraph 10.05; provided that, in lieu of executing any such Change Order, an appeal may be taken from any such decision in accordance with the provisions of the Contract Documents and applicable Laws and Regulations, but during any such appeal, Contractor shall carry on the Work and adhere to the Progress Schedule as provided in Paragraph 6.18.A.

10.04 *Notification to Surety*

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

10.05 *Claims*

- A. *Engineer's Decision Required:* All Claims, except those waived pursuant to Paragraph 14.09, shall be referred to the Engineer for decision. A decision by Engineer shall be required as a condition precedent to any exercise by Owner or Contractor of any rights or remedies either may otherwise have under the Contract Documents or by Laws and Regulations in respect of such Claims.
- B. *Notice:* Written notice stating the general nature of each Claim shall be delivered by the claimant to Engineer and the other party to the Contract promptly (but in no event later than 30 days) after the start of the event giving rise thereto. The responsibility to substantiate a Claim shall rest with the party making the Claim. Notice of the amount or extent of the Claim, with supporting data shall be delivered to the Engineer and the other party to the Contract within 60 days after the start of such event (unless Engineer allows additional time for claimant to submit additional or more accurate data in support of such Claim). A Claim for an adjustment in Contract Price shall be prepared in accordance with the provisions of Paragraph 12.01.B. A Claim for an adjustment in Contract Times shall be prepared in accordance with the provisions of Paragraph 12.02.B. Each Claim shall be accompanied by claimant's written statement that the adjustment claimed is the entire adjustment to which the claimant believes it is entitled as a result of said event. The opposing party shall submit any response to Engineer and the claimant within 30 days after receipt of the claimant's last submittal (unless Engineer allows additional time).
- C. *Engineer's Action:* Engineer will review each Claim and, within 30 days after receipt of the last submittal of the claimant or the last submittal of the opposing party, if any, take one of the following actions in writing:
 1. deny the Claim in whole or in part;
 2. approve the Claim; or

3. notify the parties that the Engineer is unable to resolve the Claim if, in the Engineer's sole discretion, it would be inappropriate for the Engineer to do so. For purposes of further resolution of the Claim, such notice shall be deemed a denial.
- D. In the event that Engineer does not take action on a Claim within said 30 days, the Claim shall be deemed denied.
- E. Engineer's written action under Paragraph 10.05.C or denial pursuant to Paragraphs 10.05.C.3 or 10.05.D will be final and binding upon Owner and Contractor, unless Owner or Contractor invoke the dispute resolution procedure set forth in Article 16 within 30 days of such action or denial.
- F. No Claim for an adjustment in Contract Price or Contract Times will be valid if not submitted in accordance with this Paragraph 10.05.

ARTICLE 11 – COST OF THE WORK; ALLOWANCES; UNIT PRICE WORK

11.01 Cost of the Work

- A. *Costs Included:* The term Cost of the Work means the sum of all costs, except those excluded in Paragraph 11.01.B, necessarily incurred and paid by Contractor in the proper performance of the Work. When the value of any Work covered by a Change Order or when a Claim for an adjustment in Contract Price is determined on the basis of Cost of the Work, the costs to be reimbursed to Contractor will be only those additional or incremental costs required because of the change in the Work or because of the event giving rise to the Claim. Except as otherwise may be agreed to in writing by Owner, such costs shall be in amounts no higher than those prevailing in the locality of the Project, shall not include any of the costs itemized in Paragraph 11.01.B, and shall include only the following items:
 1. Payroll costs for employees in the direct employ of Contractor in the performance of the Work under schedules of job classifications agreed upon by Owner and Contractor. Such employees shall include, without limitation, superintendents, foremen, and other personnel employed full time on the Work. Payroll costs for employees not employed full time on the Work shall be apportioned on the basis of their time spent on the Work. Payroll costs shall include, but not be limited to, salaries and wages plus the cost of fringe benefits, which shall include social security contributions, unemployment, excise, and payroll taxes, workers' compensation, health and retirement benefits, bonuses, sick leave, vacation and holiday pay applicable thereto. The expenses of performing Work outside of regular working hours, on Saturday, Sunday, or legal holidays, shall be included in the above to the extent authorized by Owner.
 2. Cost of all materials and equipment furnished and incorporated in the Work, including costs of transportation and storage thereof, and Suppliers' field services required in connection therewith. All cash discounts shall accrue to Contractor unless Owner deposits funds with Contractor with which to make payments, in which case the cash discounts shall accrue to Owner. All trade discounts, rebates and refunds and returns from sale of surplus materials and equipment shall accrue to Owner, and Contractor shall make provisions so that they may be obtained.

3. Payments made by Contractor to Subcontractors for Work performed by Subcontractors. If required by Owner, Contractor shall obtain competitive bids from subcontractors acceptable to Owner and Contractor and shall deliver such bids to Owner, who will then determine, with the advice of Engineer, which bids, if any, will be acceptable. If any subcontract provides that the Subcontractor is to be paid on the basis of Cost of the Work plus a fee, the Subcontractor's Cost of the Work and fee shall be determined in the same manner as Contractor's Cost of the Work and fee as provided in this Paragraph 11.01.
4. Costs of special consultants (including but not limited to engineers, architects, testing laboratories, surveyors, attorneys, and accountants) employed for services specifically related to the Work.
5. Supplemental costs including the following:
 - a. The proportion of necessary transportation, travel, and subsistence expenses of Contractor's employees incurred in discharge of duties connected with the Work.
 - b. Cost, including transportation and maintenance, of all materials, supplies, equipment, machinery, appliances, office, and temporary facilities at the Site, and hand tools not owned by the workers, which are consumed in the performance of the Work, and cost, less market value, of such items used but not consumed which remain the property of Contractor.
 - c. Rentals of all construction equipment and machinery, and the parts thereof whether rented from Contractor or others in accordance with rental agreements approved by Owner with the advice of Engineer, and the costs of transportation, loading, unloading, assembly, dismantling, and removal thereof. All such costs shall be in accordance with the terms of said rental agreements. The rental of any such equipment, machinery, or parts shall cease when the use thereof is no longer necessary for the Work.
 - d. Sales, consumer, use, and other similar taxes related to the Work, and for which Contractor is liable, as imposed by Laws and Regulations.
 - e. Deposits lost for causes other than negligence of Contractor, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable, and royalty payments and fees for permits and licenses.
 - f. Losses and damages (and related expenses) caused by damage to the Work, not compensated by insurance or otherwise, sustained by Contractor in connection with the performance of the Work (except losses and damages within the deductible amounts of property insurance established in accordance with Paragraph 5.06.D), provided such losses and damages have resulted from causes other than the negligence of Contractor, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable. Such losses shall include settlements made with the written consent and approval of Owner. No such losses, damages, and expenses shall be included in the Cost of the Work for the purpose of determining Contractor's fee.
 - g. The cost of utilities, fuel, and sanitary facilities at the Site.

- h. Minor expenses such as telegrams, long distance telephone calls, telephone service at the Site, express and courier services, and similar petty cash items in connection with the Work.
- i. The costs of premiums for all bonds and insurance Contractor is required by the Contract Documents to purchase and maintain.

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 and not specifically included in the agreed upon schedule of job classifications referred to in Paragraph 11.01.A.1 or specifically covered by Paragraph 11.01.A.4, all of which 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 Paragraphs 11.01.A.

C. *Contractor's Fee:* When all the Work is performed on the basis of cost-plus, Contractor's fee shall be determined as set forth in the Agreement. When the value of any Work covered by a Change Order or when a Claim for an 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 12.01.C.

D. *Documentation:* Whenever the Cost of the Work for any purpose is to be determined pursuant to Paragraphs 11.01.A and 11.01.B, Contractor will establish and maintain records thereof in accordance with generally accepted accounting practices and submit in a form acceptable to Engineer an itemized cost breakdown together with supporting data.

11.02 Allowances

A. It is understood that Contractor has included in the Contract Price all allowances so named in the Contract Documents and shall cause the Work so covered to be performed for such sums and by such persons or entities as may be acceptable to Owner and Engineer.

B. *Cash Allowances:*

1. Contractor agrees that:
 - a. the cash allowances include the cost to Contractor (less any applicable trade discounts) of materials and equipment required by the allowances to be delivered at the Site, and all applicable taxes; and
 - b. Contractor's costs for unloading and handling on the Site, labor, installation, overhead, profit, and other expenses contemplated for the cash allowances have been included in the Contract Price and not in the allowances, and no demand for additional payment on account of any of the foregoing will be valid.

C. *Contingency Allowance:*

1. Contractor agrees that a contingency allowance, if any, is for the sole use of Owner to cover unanticipated costs.
- D. Prior to final payment, an appropriate Change Order will be issued as recommended by Engineer to reflect actual amounts due Contractor on account of Work covered by allowances, and the Contract Price shall be correspondingly adjusted.

11.03 *Unit Price Work*

- A. Where the Contract Documents provide that all or part of the Work is to be Unit Price Work, initially the Contract Price will be deemed to include for all Unit Price Work an amount equal to the sum of the unit price for each separately identified item of Unit Price Work times the estimated quantity of each item as indicated in the Agreement.
- B. The estimated quantities of items of Unit Price Work are not guaranteed and are solely for the purpose of comparison of Bids and determining an initial Contract Price. Determinations of the actual quantities and classifications of Unit Price Work performed by Contractor will be made by Engineer subject to the provisions of Paragraph 9.07.
- 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. Owner or Contractor may make a Claim for an adjustment in the Contract Price in accordance with Paragraph 10.05 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 Agreement; and
 2. there is no corresponding adjustment with respect to any other item of Work; and
 3. Contractor believes that Contractor 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 12 – CHANGE OF CONTRACT PRICE; CHANGE OF CONTRACT TIMES

12.01 *Change of Contract Price*

- A. The Contract Price may only be changed by a Change Order. Any Claim for an adjustment in the Contract Price shall be based on written notice submitted by the party making the Claim to the Engineer and the other party to the Contract in accordance with the provisions of Paragraph 10.05.
- B. The value of any Work covered by a Change Order or of any Claim for 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, by application of such unit prices to the quantities of the items involved (subject to the provisions of Paragraph 11.03); or
 2. where the Work involved is not covered by unit prices contained in the Contract Documents, by a mutually agreed lump sum (which may include an allowance for overhead and profit not necessarily in accordance with Paragraph 12.01.C.2); or
 3. where the Work involved is not covered by unit prices contained in the Contract Documents and agreement to a lump sum is not reached under Paragraph 12.01.B.2, on the basis of the Cost of the Work (determined as provided in Paragraph 11.01) plus a Contractor's fee for overhead and profit (determined as provided in Paragraph 12.01.C).
- C. *Contractor's Fee:* The Contractor's fee for overhead and profit shall be determined as follows:
 1. a mutually acceptable fixed fee; or
 2. if a fixed fee is not agreed upon, then a fee based on the following percentages of the various portions of the Cost of the Work:
 - a. for costs incurred under Paragraphs 11.01.A.1 and 11.01.A.2, the Contractor's fee shall be 15 percent;
 - b. for costs incurred under Paragraph 11.01.A.3, the Contractor's fee shall be five percent;
 - c. where one or more tiers of subcontracts are on the basis of Cost of the Work plus a fee and no fixed fee is agreed upon, the intent of Paragraphs 12.01.C.2.a and 12.01.C.2.b is that the Subcontractor who actually performs the Work, at whatever tier, will be paid a fee of 15 percent of the costs incurred by such Subcontractor under Paragraphs 11.01.A.1 and 11.01.A.2 and that any higher tier Subcontractor and Contractor will each be paid a fee of five percent of the amount paid to the next lower tier Subcontractor;
 - d. no fee shall be payable on the basis of costs itemized under Paragraphs 11.01.A.4, 11.01.A.5, and 11.01.B;

- e. the amount of credit to be allowed by Contractor to Owner for any change which results in a net decrease in cost will be the amount of the actual net decrease in cost plus a deduction in Contractor's fee by an amount equal to five percent of such net decrease; and
- f. when both additions and credits are involved in any one change, the adjustment in Contractor's fee shall be computed on the basis of the net change in accordance with Paragraphs 12.01.C.2.a through 12.01.C.2.e, inclusive.

12.02 *Change of Contract Times*

- A. The Contract Times may only be changed by a Change Order. Any Claim for an adjustment in the Contract Times shall be based on written notice submitted by the party making the Claim to the Engineer and the other party to the Contract in accordance with the provisions of Paragraph 10.05.
- B. Any adjustment of the Contract Times covered by a Change Order or any Claim for an adjustment in the Contract Times will be determined in accordance with the provisions of this Article 12.

12.03 *Delays*

- A. Where Contractor is prevented from completing any part of the Work within the Contract Times due to delay beyond the control of Contractor, the Contract Times will be extended in an amount equal to the time lost due to such delay if a Claim is made therefor as provided in Paragraph 12.02.A. Delays beyond the control of Contractor shall include, but not be limited to, acts or neglect by Owner, acts or neglect of utility owners or other contractors performing other work as contemplated by Article 7, fires, floods, epidemics, abnormal weather conditions, or acts of God.
- B. If Owner, Engineer, or other contractors or utility owners performing other work for Owner as contemplated by Article 7, 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 Price or the Contract Times, or both. 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.
- C. If Contractor is delayed in the performance or progress of the Work by fire, flood, epidemic, abnormal weather conditions, acts of God, acts or failures to act of utility owners not under the control of Owner, or other causes not the fault of and beyond control of Owner and Contractor, then Contractor shall be entitled to an equitable adjustment in Contract Times, if such adjustment is essential to Contractor's ability to complete the Work within the Contract Times. Such an adjustment shall be Contractor's sole and exclusive remedy for the delays described in this Paragraph 12.03.C.
- D. Owner, Engineer, and their officers, directors, members, partners, employees, agents, consultants, or subcontractors shall not be liable to Contractor for any claims, costs, losses, or 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) sustained by Contractor on or in connection with any other project or anticipated project.

- E. Contractor shall not be entitled to an adjustment in Contract Price or Contract Times for delays within the control of Contractor. Delays attributable to and within the control of a Subcontractor or Supplier shall be deemed to be delays within the control of Contractor.

ARTICLE 13 – TESTS AND INSPECTIONS; CORRECTION, REMOVAL OR ACCEPTANCE OF DEFECTIVE WORK

13.01 Notice of Defects

- A. Prompt notice of all defective Work of which Owner or Engineer has actual knowledge will be given to Contractor. Defective Work may be rejected, corrected, or accepted as provided in this Article 13.

13.02 Access to Work

- A. Owner, Engineer, their consultants and other representatives and personnel of Owner, independent testing laboratories, and governmental agencies with jurisdictional interests 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.

13.03 Tests and Inspections

- A. Contractor shall give Engineer timely notice of readiness of the Work for all required inspections, tests, or approvals and shall cooperate with inspection and testing personnel to facilitate required inspections or tests.
- B. Owner shall employ and pay for the services of an independent testing laboratory to perform all inspections, tests, or approvals required by the Contract Documents except:
 - 1. for inspections, tests, or approvals covered by Paragraphs 13.03.C and 13.03.D below;
 - 2. that costs incurred in connection with tests or inspections conducted pursuant to Paragraph 13.04.B shall be paid as provided in Paragraph 13.04.C; and
 - 3. as otherwise specifically provided in the Contract Documents.
- 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 and obtaining and shall pay all costs in connection with any inspections, tests, or approvals required for Owner's and Engineer's acceptance of materials or equipment to be incorporated in the Work; or acceptance of materials, mix designs, or equipment submitted for approval prior to Contractor's purchase thereof for incorporation in the Work. Such

inspections, tests, or approvals shall be performed by organizations acceptable to Owner and Engineer.

- E. 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.
- F. Uncovering Work as provided in Paragraph 13.03.E shall be at Contractor's expense unless Contractor has given Engineer timely notice of Contractor's intention to cover the same and Engineer has not acted with reasonable promptness in response to such notice.

13.04 *Uncovering Work*

- A. If any Work is covered contrary to the written request of Engineer, it must, if requested by Engineer, be uncovered for Engineer's observation and replaced at Contractor's expense.
- B. If Engineer considers it necessary or advisable that covered Work be observed by Engineer or inspected or tested by others, 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, furnishing all necessary labor, material, and equipment.
- C. If it is found that the uncovered Work is defective, 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 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 Owner shall be entitled to an appropriate decrease in the Contract Price. If the parties are unable to agree as to the amount thereof, Owner may make a Claim therefor as provided in Paragraph 10.05.
- D. 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, Contractor may make a Claim therefor as provided in Paragraph 10.05.

13.05 *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, 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.

13.06 *Correction or Removal of Defective Work*

- A. Promptly after receipt of written notice, Contractor shall correct all defective Work, whether or not fabricated, installed, or completed, or, if the Work has been rejected by Engineer, remove it from the Project and replace it with Work that is not defective. 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 removal (including but not limited to all costs of repair or replacement of work of others).
- B. When correcting defective Work under the terms of this Paragraph 13.06 or Paragraph 13.07, Contractor shall take no action that would void or otherwise impair Owner's special warranty and guarantee, if any, on said Work.

13.07 *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 land or areas made available for Contractor's use by Owner or permitted by Laws and Regulations as contemplated in Paragraph 6.11.A is found to be defective, Contractor shall promptly, without cost to Owner and in accordance with Owner's written instructions:
 - 1. repair such defective land or areas; or
 - 2. correct such defective Work; or
 - 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 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. 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) will be paid by Contractor.
- 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 13.07, 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 13.07 are in addition to any other obligation or warranty. The provisions of this Paragraph 13.07 shall not be construed as a substitute for, or a waiver of, the provisions of any applicable statute of limitation or repose.

13.08 *Acceptance of Defective Work*

- A. If, instead of requiring correction or removal and replacement of defective Work, Owner (and, prior to Engineer's recommendation of final payment, Engineer) prefers to accept it, Owner may do so. 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) 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 pursuant to this sentence. If any such acceptance occurs prior to Engineer's recommendation of final payment, a Change Order will be issued incorporating the necessary revisions in the Contract Documents with respect to the Work, and Owner shall be entitled to an appropriate decrease in the Contract Price, reflecting the diminished value of Work so accepted. If the parties are unable to agree as to the amount thereof, Owner may make a Claim therefor as provided in Paragraph 10.05. If the acceptance occurs after such recommendation, an appropriate amount will be paid by Contractor to Owner.

13.09 *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 in accordance with Paragraph 13.06.A, 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, 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 13.09, 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, take possession of Contractor's tools, appliances, construction equipment and machinery at the Site, 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 (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) incurred or sustained by Owner in exercising the rights and remedies under this Paragraph 13.09 will be charged against Contractor, and a Change Order will be issued incorporating the necessary revisions in the Contract Documents with respect to the Work; and Owner shall be entitled

to an appropriate decrease in the Contract Price. If the parties are unable to agree as to the amount of the adjustment, Owner may make a Claim therefor as provided in Paragraph 10.05. 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 13.09.

ARTICLE 14 – PAYMENTS TO CONTRACTOR AND COMPLETION

14.01 Schedule of Values

- A. The Schedule of Values established as provided in Paragraph 2.07.A 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.

14.02 Progress Payments

A. Applications for Payments:

1. At least 20 days before the date established in the Agreement for each progress payment (but not more often than once a month), Contractor shall submit to Engineer for review an Application for Payment filled out and signed by Contractor covering the Work completed as of the date of the Application and accompanied by such supporting documentation as is required by the Contract Documents. 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 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 Agreement.

B. Review of Applications:

1. Engineer will, within 10 days after receipt of each Application for Payment, 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 9.07, 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 Documents; 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 moneys 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 14.02.B.2. Engineer may also refuse to recommend any such payment or, because of subsequently discovered evidence or the results of subsequent inspections or tests, revise or revoke any such payment recommendation previously made, to such extent as may be necessary in Engineer's opinion to protect Owner from loss because:
 - a. the Work is defective, or completed Work has been damaged, requiring correction or replacement;
 - b. the Contract Price has been reduced by Change Orders;
 - c. Owner has been required to correct defective Work or complete Work in accordance with Paragraph 13.09; or
 - d. Engineer has actual knowledge of the occurrence of any of the events enumerated in Paragraph 15.02.A.

C. Payment Becomes Due:

1. Ten days after presentation of the Application for Payment to Owner with Engineer's recommendation, the amount recommended will (subject to the provisions of Paragraph 14.02.D) become due, and when due will be paid by Owner to Contractor.

D. Reduction in Payment:

1. Owner may refuse to make payment of the full amount recommended by Engineer because:
 - a. claims have been made against Owner on account of Contractor's performance or furnishing of the Work;
 - b. 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;
 - c. there are other items entitling Owner to a set-off against the amount recommended; or
 - d. Owner has actual knowledge of the occurrence of any of the events enumerated in Paragraphs 14.02.B.5.a through 14.02.B.5.c or Paragraph 15.02.A.
2. If Owner refuses to make payment of the full amount recommended by Engineer, Owner will give Contractor immediate written notice (with a copy to Engineer) stating the reasons for such action 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, when Contractor remedies the reasons for such action.

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 14.02.C.1 and subject to interest as provided in the Agreement.

14.03 *Contractor's Warranty of Title*

- A. Contractor warrants and guarantees that title to all Work, materials, and equipment covered by any Application for Payment, whether incorporated in the Project or not, will pass to Owner no later than the time of payment free and clear of all Liens.

14.04 *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 (except for items specifically listed by Contractor as incomplete) and request that Engineer issue a certificate of Substantial Completion.
- 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 tentative certificate of Substantial Completion which shall fix the date of Substantial Completion. There shall be attached to the certificate a tentative list of items to be completed or corrected before final payment. Owner shall have seven days after receipt of the tentative certificate during which to make written objection to Engineer as to any provisions of the certificate or attached list. If, after considering such objections, Engineer concludes that the Work is not substantially complete, Engineer will, within 14 days after submission of the tentative certificate to Owner, notify Contractor in writing, stating the reasons therefor. If, after consideration of Owner's objections, Engineer considers the Work substantially complete, Engineer will, within said 14 days, execute and deliver to Owner and Contractor a definitive certificate of Substantial Completion (with a revised tentative list of items to be completed or corrected) reflecting such changes from the tentative certificate as Engineer believes justified after consideration of any objections from Owner.
- D. At the time of delivery of the tentative certificate of Substantial Completion, Engineer will deliver to Owner and Contractor a written recommendation as to division of responsibilities pending final payment between Owner and Contractor with respect to security, operation, safety, and protection of the Work, maintenance, heat, utilities, insurance, and warranties and guarantees. Unless Owner and Contractor agree otherwise in writing and so inform Engineer in writing prior to Engineer's issuing the definitive certificate of Substantial Completion, Engineer's aforesaid recommendation will be binding on Owner and Contractor until final payment.

- E. 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 tentative list.

14.05 *Partial Utilization*

- 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. Owner at any time may request Contractor in writing to permit Owner to use or occupy any such part of the Work which Owner believes to be ready for its intended use and 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 14.04.A through D for that part of the Work.
 - 2. Contractor at any time may notify Owner and Engineer in writing that Contractor considers any such part of the Work ready for its intended use and 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 14.04 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 5.10 regarding property insurance.

14.06 *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 is incomplete or defective. Contractor shall immediately take such measures as are necessary to complete such Work or remedy such deficiencies.

14.07 *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, marked-up record documents (as provided in Paragraph 6.12), and other documents, Contractor may make application for final payment following the procedure for progress payments.
2. The final Application for Payment shall be accompanied (except as previously delivered) by:
 - a. all documentation called for in the Contract Documents, including but not limited to the evidence of insurance required by Paragraph 5.04.B.6;
 - b. consent of the surety, if any, to final payment;
 - c. a list of all Claims against Owner that Contractor believes are unsettled; and
 - d. complete and legally effective releases or waivers (satisfactory to Owner) of all Lien rights arising out of or Liens filed in connection with the Work.
3. In lieu of the releases or waivers of Liens specified in Paragraph 14.07.A.2 and as approved by Owner, Contractor may furnish receipts or releases in full and an affidavit of Contractor that: (i) the releases and receipts include all labor, services, material, and equipment for which a Lien could be filed; and (ii) 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.

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 Documents have been fulfilled, Engineer will, within ten days after receipt of the final Application for Payment, indicate in writing Engineer's recommendation of payment and present the Application for Payment to Owner for payment. 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 14.09. 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. *Payment Becomes Due:*

1. Thirty days after the presentation to Owner of the Application for Payment and accompanying documentation, the amount recommended by Engineer, less any sum Owner is entitled to set off against Engineer's recommendation, including but not limited to liquidated damages, will become due and will be paid by Owner to Contractor.

14.08 *Final Completion Delayed*

- A. If, through no fault of Contractor, final completion of the Work is significantly delayed, and if Engineer so confirms, Owner shall, upon receipt of Contractor's final Application for Payment (for Work fully completed and accepted) and recommendation of Engineer, and without terminating the Contract, make payment of the balance due for that portion of the Work fully completed and accepted. If the remaining balance to be held by Owner for Work not fully completed or corrected is less than the retainage stipulated in the Agreement, and if bonds have been furnished as required in Paragraph 5.01, the written consent of the surety to the payment of the balance due for that portion of the Work fully completed and accepted shall be submitted by Contractor to Engineer with the Application for such payment. Such payment shall be made under the terms and conditions governing final payment, except that it shall not constitute a waiver of Claims.

14.09 *Waiver of Claims*

- A. The making and acceptance of final payment will constitute:
 1. a waiver of all Claims by Owner against Contractor, except Claims arising from unsettled Liens, from defective Work appearing after final inspection pursuant to Paragraph 14.06, from failure to comply with the Contract Documents or the terms of any special guarantees specified therein, or from Contractor's continuing obligations under the Contract Documents; and
 2. a waiver of all Claims by Contractor against Owner other than those previously made in accordance with the requirements herein and expressly acknowledged by Owner in writing as still unsettled.

ARTICLE 15 – SUSPENSION OF WORK AND TERMINATION

15.01 *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 notice in writing to Contractor and Engineer which will fix the date on which Work will be resumed. Contractor shall resume the Work on the date so fixed. Contractor shall be granted an adjustment in the Contract Price or an extension of the Contract Times, or both, directly attributable to any such suspension if Contractor makes a Claim therefor as provided in Paragraph 10.05.

15.02 *Owner May Terminate for Cause*

- A. The occurrence of any one or more of the following events will 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 established under Paragraph 2.07 as adjusted from time to time pursuant to Paragraph 6.04);
 2. Contractor's disregard of Laws or Regulations of any public body having jurisdiction;
 3. Contractor's repeated disregard of the authority of Engineer; or
 4. Contractor's violation in any substantial way of any provisions of the Contract Documents.
- B. If one or more of the events identified in Paragraph 15.02.A occur, Owner may, after giving Contractor (and surety) seven days written notice of its intent to terminate the services of Contractor:
1. exclude Contractor from the Site, and take possession of the Work and of all Contractor's tools, appliances, construction equipment, and machinery at the Site, and use the same to the full extent they could be used by Contractor (without liability to Contractor for trespass or conversion);
 2. 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
 3. complete the Work as Owner may deem expedient.
- C. If Owner proceeds as provided in Paragraph 15.02.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 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) sustained by Owner arising out of or relating to completing the Work, such excess will be paid to Contractor. If such claims, costs, losses, and damages exceed 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.
- D. Notwithstanding Paragraphs 15.02.B and 15.02.C, Contractor's services will not be terminated if Contractor begins within seven days of receipt of notice of intent to terminate to correct its failure to perform and proceeds diligently to cure such failure within no more than 30 days of receipt of said notice.
- E. 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. Any retention or payment of moneys due Contractor by Owner will not release Contractor from liability.
- F. If and to the extent that Contractor has provided a performance bond under the provisions of Paragraph 5.01.A, the termination procedures of that bond shall supersede the provisions of Paragraphs 15.02.B and 15.02.C.

15.03 *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;
 3. 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) incurred in settlement of terminated contracts with Subcontractors, Suppliers, and others; and
 4. reasonable expenses directly attributable to termination.
- B. Contractor shall not be paid on account of loss of anticipated profits or revenue or other economic loss arising out of or resulting from such termination.

15.04 *Contractor May Stop Work or Terminate*

- A. If, through no act or fault of Contractor, (i) the Work is suspended for more than 90 consecutive days by Owner or under an order of court or other public authority, or (ii) Engineer fails to act on any Application for Payment within 30 days after it is submitted, or (iii) 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 15.03.
- 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 15.04 are not intended to preclude Contractor from making a Claim under Paragraph 10.05 for an adjustment in Contract Price or Contract Times or otherwise for expenses or damage directly attributable to Contractor's stopping the Work as permitted by this Paragraph.

ARTICLE 16 – DISPUTE RESOLUTION

16.01 *Methods and Procedures*

- A. Either Owner or Contractor may request mediation of any Claim submitted to Engineer for a decision under Paragraph 10.05 before such decision becomes final and binding. The mediation will be governed by the Construction Industry Mediation Rules of the American Arbitration Association in effect as of the Effective Date of the Agreement. The request for mediation shall be submitted in writing to the American Arbitration Association and the other party to the Contract. Timely submission of the request shall stay the effect of Paragraph 10.05.E.
- B. Owner and Contractor shall participate in the mediation process in good faith. The process shall be concluded within 60 days of filing of the request. The date of termination of the mediation shall be determined by application of the mediation rules referenced above.
- C. If the Claim is not resolved by mediation, Engineer’s action under Paragraph 10.05.C or a denial pursuant to Paragraphs 10.05.C.3 or 10.05.D shall become final and binding 30 days after termination of the mediation unless, within that time period, Owner or Contractor:
 1. elects in writing to invoke any dispute resolution process provided for in the Supplementary Conditions; or
 2. agrees with the other party to submit the Claim to another dispute resolution process; or
 3. gives written notice to the other party of the intent to submit the Claim to a court of competent jurisdiction.

ARTICLE 17 – MISCELLANEOUS

17.01 *Giving Notice*

- A. Whenever any provision of the Contract Documents requires the giving of written notice, it will be deemed to have been validly given if:
 1. delivered in person to the individual or to a member of the firm or to an officer of the corporation for whom it is intended; or
 2. delivered at or sent by registered or certified mail, postage prepaid, to the last business address known to the giver of the notice.

17.02 *Computation of Times*

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

17.03 *Cumulative Remedies*

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

17.04 *Survival of Obligations*

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

17.05 *Controlling Law*

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

17.06 *Headings*

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

SUPPLEMENTARY CONDITIONS

These Supplementary Conditions amend or supplement the Standard General Conditions of the Engineers Joint Contract Documents Committee (EJCDC C-700) (Document 00700) 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. Applicable parts of the General Conditions are referenced by Article number, title, and section.

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

SC-1.01 **Defined Terms**

Modify the corresponding definitions in the General Conditions with the following:

12. *Contract Documents* – Shall mean all documents identified in Article 9 of the Agreement.

19. *Engineer* – A Registered Professional Engineer employed or contracted by Clackamas River Water.

29. *Owner* – Clackamas River Water, a domestic water supply district organized under ORS Chapter 264.

44. *Substantial Completion* –

Add the following paragraph(s):

Substantial Completion is further defined as:

- a. That degree of completion of the Project's operating facilities or systems sufficient to provide the OWNER the full time, uninterrupted, continuous beneficial operation of the Work; and
- b. All required functional, performance and acceptance or startup testing has been successfully demonstrated for all components and devices to the satisfaction of the ENGINEER in accordance with the requirements of the Specifications; and
- c. All required inspections have been completed and identified conditions corrected.

Specific items of Work that shall be completed prior to the declaration of Substantial Completion date include, but are not limited to, the following:

- Conformance with all training services requirements.
- Correction of all state, local, and other regulatory agencies *defective* Work lists.
- Submittals have been received and approved by the ENGINEER including, but not necessarily limited to, the following: record documents; approved shop drawings and samples; operation and maintenance manuals; equipment data forms; manufacturers' certificates of proper installation; and factory test reports.
- All special accessories have been provided that are required to place each item of equipment in full operation. These special accessory items include, but are not limited to, specified spare parts, adequate oil and grease or other lubrication, air filters, light bulbs, fuses, special tools, valve operators, and other expendable items required for startup and operation of the operating facilities or systems as a whole.
- All additional warranty or insurance coverage requirements have been provided.
- For major equipment systems, all overall system performance tests and commissioning have been successfully completed and the entire system placed in satisfactory operation.

45. *Successful Bidder* – The lowest responsible Bidder submitting a Bid to whom OWNER makes an award on the basis of OWNER's evaluation as hereinafter provided.

Add the following definitions:

52. *Drawings of Record* – Those drawings made or revised by the Contractor during progress of construction and approved by the owner or the Design Professional, illustrating how various elements of the work were actually installed.

53. *Final Completion* – The completion of all of the Work called for under the Contract including but not limited to, if applicable, satisfactory operation of all equipment, by means of acceptance tests, correction of all punch list items to the satisfaction of the Owner and the Design Professional, settlement of all claims, if any, payment and release of records of all construction and like liens, delivery of all guarantees, equipment operation and maintenance manuals, as-built drawings, building certificate required prior to occupancy, electrical certificates, mechanical certificates, plumbing certificates, all other required approvals and acceptances by city, county and state governments, or other authority having jurisdiction, and removal of all rubbish, tools, scaffolding and surplus materials and equipment from the job site.

54. *Or Approved Equal* – Indicates that the material or product to be supplied or installed must be equal to that specified and as approved by the Owner.

55. *Issuing Office* – The office from which the Bidding Documents are to be issued and where the bidding procedures are to be administered.
56. *Punch List* - List of incomplete items of work and of items of work which are not in conformance with the contract. The list will be prepared by the ENGINEER when the CONTRACTOR:
 - a. Notifies the ENGINEER in writing that the work has been completed in accordance with the contract;
 - b. Requests in writing that the OWNER accept the work.
57. *Submittals* - The information which is specified for submission to the ENGINEER in accordance with paragraph 6.17 of the General Conditions.
58. *Payment Bond* – The form of security approved by the OWNER and furnished by the CONTRACTOR and CONTRACTOR’S Surety guaranteeing payment for all labor, materials, services, and equipment furnished for use by the CONTRACTOR in performance of the Contract.
59. *Performance Bond* – The form of security approved by the OWNER and furnished by the CONTRACTOR and CONTRACTOR’S Surety guaranteeing the complete and faithful performance of all the obligations and conditions placed upon the CONTRACTOR by the Contract.
60. *Bid Bond* – The security to be furnished by the Bidder on the form furnished as a guarantee of good faith to enter into a contract for the Work contemplated if it be awarded to the Bidder.

SC-2.02.A. Copies of Documents

Delete the first sentence of paragraph 2.02.A and insert the following in lieu thereof:

OWNER shall furnish CONTRACTOR up to 5 copies of the Contract Documents.

SC-2.03. Commencement of Contract Times; Notice to Proceed

Add the following paragraph:

- B. Within thirty (30) days following opening of Bids, unless the Owner decides to cancel the award as allowed by law, the apparent low Bidder will be furnished with a Notice of Award accompanied by three (3) copies each of the Contract Documents in form for signatures.

SC-2.04 **Starting the Work**

Delete paragraph A and substitute the following:

- A. CONTRACTOR shall start to perform the Work within ten (10) calendar days after the date indicated upon the written Notice to Proceed issued by the ENGINEER. No Work shall be done at the Site prior to the date on which the Contract Times commence to run, all governmental permits, approvals or authorizations have been given, and all insurance certificates have been submitted to the Owner.

SC-2.05.A.1. **Before Starting Construction**

Delete this paragraph and replace with the following:

Three (3) copies of an initial schedule or schedules which shall show the dates at which the CONTRACTOR will start and complete the various parts of the contract. The scheduled completion date must be the same as the contractual completion date. Should the CONTRACTOR show a completion date earlier than the Contractual completion date, the resulting "float" shall belong to both the OWNER and the CONTRACTOR. The ENGINEER will review schedules and if required, CONTRACTOR shall resubmit revised schedules within two (2) working days after return of review copy. The Notice to Proceed will not be issued until an acceptable schedule is submitted.

Schedules shall be of the Gantt Chart Type prepared using a computer program such as Microsoft Project. Schedules shall show critical path with logical ties between tasks and as a minimum, the start date, finish date, and planned duration of each task.

SC-3.01.A. **Intent**

Add the following sentence and subparagraphs to paragraph 3.01.A:

The Contract Document higher in precedence shall control and supersede the Contract Documents lower in precedence in accordance with the following listing arranged from the highest to the lowest in precedence:

1. Addenda, if any; Supplemental Agreements; and Change Orders; the one dated later having precedence over another dated earlier.
2. Agreement.
3. Supplementary Conditions, if any.
4. General Conditions.
5. General Requirements.
6. Other Specifications, as provided.
7. Drawings.

8. Instructions to Bidders.
9. Bid Forms.
10. Invitation to Bid.

SC-3.04. Amending and Supplementing Contract Documents

Add the following as additional subsection “C”:

- C. Notwithstanding the foregoing authorizations for the ENGINEER, no approval of a Field Order, Shop Drawing, Sample or other interpretation or clarification by the ENGINEER shall be construed to grant approval of a cost increase or any Schedule extension. Such approvals are reserved for the Owner.

SC-5.02. Licensed Sureties and Insurers

Add the following paragraph immediately after Paragraph 5.02.A:

- B. Insurance Rating: CONTRACTOR shall maintain at all times during the life of this Contract policies of insurance from an insurance company that has a rating of or better than A- and a financial size category (FSC) equal to or better than VIII, both of which are rated or listed by A.M. Best & Company.

SC-5.03. Certificates of Insurance

Add the following paragraph immediately after Paragraph 5.03.E:

- F. Deliver all certificates of Insurance required by the Contract Documents to OWNER with executed Agreement.
- G. **All certificates of insurance submitted by the Contractor shall clearly state the Owner as “Additional Insured”. Certificates with Owner designated as “Certificate Holder” will be returned for correction.**

SC-5.04.B. Contractor’s Insurance

Add the following subparagraphs to paragraph 5.04.B:

7. contain a cross liability or severability of interest clause or endorsement. Insurance covering the specified additional insureds shall be primary insurance, and all other insurance carried by the additional insureds shall be excess insurance; and

8. with respect to workers' compensation and employer's liability, comprehensive automobile liability, commercial general liability, and umbrella liability insurance, CONTRACTOR shall require CONTRACTOR's insurance carriers to waive all rights of subrogation against OWNER, ENGINEER, ENGINEER's Consultants, and their respective officers, directors, partners, employees, and agents.

Add the following subsection:

C. Definition of Liability Insurance and Limits

1. Workers' Compensation and Employer's Liability Insurance: This insurance shall protect CONTRACTOR against all claims under applicable state workers' compensation laws, including coverage as necessary for the benefits provided under the United States Longshoremen's and Harbor Workers' Act and the Jones Act. CONTRACTOR shall also be protected against claims for injury, disease, or death of employees which, for any reason, may not fall within the provisions of a workers' compensation law. This policy shall include an "all states" or "other states" and waiver of subrogation endorsements. The liability limits, as required by state law shall be not less than:
 - a. Workers' Compensation: Statutory.
 - b. Employer's Liability: \$500,000 each occurrence
2. Comprehensive Automobile Liability Insurance: This insurance shall be occurrence type written in comprehensive form and shall protect CONTRACTOR, and OWNER, and ENGINEER as additional insureds, against all claims for injuries to members of the public and damage to property of others arising from the use of motor vehicles, either on or off the project site whether they are owned, non-owned, or hired. The liability limits for bodily injury and property damage shall be not less than:
 - a. Combined Single Limit
for each occurrence: \$2,000,000
3. Commercial General Liability Insurance: This insurance shall be occurrence type written in comprehensive form and shall protect CONTRACTOR, OWNER, and ENGINEER as additional insureds, against claims arising out of performance of the Work. The policy shall also include personal injury liability coverage, contractual liability coverage, completed operations and products

liability coverage, and coverage for blasting, explosion, collapse of buildings, and damage to underground property. The liability limits for bodily injury and property damage shall be not less than:

- a. Combined Single Limit
for each occurrence:\$1,000,000
 - b. General aggregate: \$2,000,000
4. Umbrella Liability Insurance: This insurance shall protect CONTRACTOR, OWNER, and ENGINEER as additional insureds, against claims in excess of the limits provided under workers' compensation and employer's liability, comprehensive automobile liability, and commercial general liability policies. The umbrella policy shall follow the form of the primary insurance, including the application of the primary limits. The liability limits for bodily injury and property damage shall be not less than:
- a. Combined Single Limit
for each occurrence:\$1,000,000
 - b. General aggregate: \$2,000,000

SC-5.05. *Owner's Liability Insurance*

Delete 5.05 in its entirety.

SC-5.06. *Property Insurance*

The OWNER does not intend to purchase All Risk Builder's Risk property insurance as outlined in Section 5.06 of the General Conditions. Therefore, delete Section 5.06, Subsection A, B and E of the General Conditions in their entirety and insert the following:

- A. "The Contractor is not required to purchase insurance coverage for work in progress, commonly known as 'builder's risk insurance'. CRW assumes responsibility for damage to the work in progress. However, such assumption of responsibility does not relieve the Contractor for loss or damage to the work in progress caused by the Contractor, its employees, subcontractors or others under its control or supervision."

SC-5.07.A. Waiver of Rights

Delete last sentence of GC-5.07.A. beginning “None of the above waivers shall extend...” in its entirety.

SC-5.09. Acceptance of Bonds and Insurance; Option to Replace

Add the following paragraph after Paragraph A:

- B. As stated in paragraph A above, if the Contractor does not purchase or maintain all of the insurance required by the Contract Documents, Contractor shall not only provide notice to the Owner prior to the start of the Work but *immediately* after any change in insurance or cancellation of insurance is implemented. The Owner reserves the right to not only deduct any costs in its purchasing of replacement insurance from any amounts due to the Contractor, but the Owner also reserves the right to terminate the contract due to Contractor’s change in insurance coverage if Owner determines it is in its best interests to do so.

SC-5.10. Partial Utilization, Acknowledgment of Property Insurer

Add the following three paragraphs immediately after Paragraph 5.10.A.

- B. All insurance required by the Contract Documents, or by laws or regulations shall remain in full force and effect on all phases of the Work, whether or not the Work is occupied or utilized by OWNER until all Work included in the agreement has been completed and final payment has been made.
- C. Nothing contained in the insurance requirements shall be construed as limiting the extent of CONTRACTOR’s responsibility for payment of damages resulting from his operations under the Contract. CONTRACTOR agrees that he alone shall be completely responsible for procuring and maintaining full insurance coverage as provided herein or as may be otherwise required by the Contract Documents. Any approval by OWNER or ENGINEER shall not operate to the contrary.
- D. The property insurance shall contain no partial occupancy restrictions for partial utilization of the project by the OWNER for the purpose intended.

SC-6.02. Labor; Working Hours

Add the following paragraph immediately after Paragraph 6.02.B:

- C. Access to the site will be restricted to the hours between 7:00 a.m. and 5:00 p.m. for normal working days.

- D. Certain work under this project may require night and/or weekend work to avoid service disruptions to customers. CONTRACTOR shall coordinate alternate shift scheduling, when required, with the OWNER (District) and other applicable parties under this project, and shall reflect consideration of such schedules in his bid.

SC-6.04.A.1 *Progress Schedule*

Delete this paragraph and replace with the following:

Once each month, prior to the processing of the monthly progress payment, the CONTRACTOR shall provide an updated schedule to the ENGINEER. Updates must accurately reflect as-built schedule.

In addition, a two-week rolling schedule shall be updated and provided to the ENGINEER at the beginning of each work week. The two-week rolling schedule shall include the CONTRACTOR's proposed daily activities and location(s) of work during the coming two-week period. No work shall commence at the beginning of each workweek until the updated two-week rolling schedule is submitted. During the contract period, the CONTRACTOR shall also coordinate his activities daily with the ENGINEER.

SC-6.06. *Concerning Subcontractors, Suppliers, and Others*

Add the following paragraphs after paragraph G:

- H. The Contractor shall include the following provisions in all its first-tier subcontracts and contracts with material suppliers:
1. A clause that requires the subcontractor to pay its subcontractors or material suppliers within 10 days after the contractor receives payment from the public agency for satisfactory work performed as required by Oregon's Prompt Payment statutes.
 2. A clause that requires the subcontractor to provide a first-tier subcontractor with a standard form that the first-tier subcontractor may use as an application for payment or another method the subcontractor may use for requesting payment and to use that form and regular administrative procedures for processing payments for the entire term of the subcontract unless authorized to change the form and administrative payment procedures under Oregon's Prompt Payment statutes.
 3. A clause that requires the payment of an interest penalty in the amount of 9% per annum if the subcontractor does not make payment to its subcontractors or material suppliers within 10 days as required by Oregon's Prompt Payment statutes.

- I. The Contractor shall include a clause in each of its subcontracts and contracts with material suppliers requiring the first-tier subcontractor to include the payment and interest penalty provisions stated above in Section 6.06(H) in each subcontract and require those subcontractors of any tier to include such clauses in each subcontract of any tier.

SC-6.09 Laws and Regulations

Add the following paragraph(s):

D. The CONTRACTOR shall pay at least the prevailing wage rates as required by the State of Oregon and shall so certify by submitting in duplicate with the first and last request for payment a completed Public Works Wage Certification Form. The OWNER may withhold or retain 25% of any amount earned if the CONTRACTOR does not file any certified payroll form as required.

E. CONTRACTOR shall promptly, as due, make payments to all persons supplying labor or materials for the prosecution of the work provided for herein, and shall also pay all contributions or amounts due the State Industrial Accident Fund on account of the performance of this Contract. The CONTRACTOR shall not permit any lien or claim to be filed or prosecuted against the OWNER on account of any labor or material furnished or contributions due said State Industrial Accident Funds.

1. In case CONTRACTOR shall fail, neglect, or refuse to make prompt payment of any claim for labor or services (including payments to the State Industrial Accident Fund), furnished by any person in connection with this Contract as said claim becomes due, whether said services and labor be performed for the CONTRACTOR or subcontractor, then the proper officer or officers representing the OWNER may pay such claim(s) and charge the amount thereof against funds which are or will become due to the CONTRACTOR, but the payment of any such claim in the manner herein authorized shall not relieve the CONTRACTOR or his surety from obligations which will result from such claims.

F. CONTRACTOR and all his subcontractors engaged on the project shall have the right to provide Workmen's Compensation coverage by either of the methods permitted under the Oregon Workers' Compensation Law. The CONTRACTOR shall pay all contributions or amounts due to the Industrial Accident Fund from CONTRACTOR or a subcontractor that are incurred in performance of the contract.

J. Any and all other of the Laws of Oregon which are applicable to work of the nature herein contemplated shall be observed in all respects.

K. The CONTRACTOR shall pay to the Department of Revenue all sums withheld from employees under ORS 316.167.

- L. The CONTRACTOR shall pay promptly any person furnishing medical, surgical and hospital care services or other needed care and attention, incident to sickness or injury, to the employees of the CONTRACTOR, of all sums that the CONTRACTOR agrees to pay for the services and all money and sums that the CONTRACTOR deducted from wages as required by ORS 279C.530.
- M. The CONTRACTOR shall, where allowed by the specifications, use goods produced or manufactured in the state of Oregon if price, fitness, availability and quality are otherwise equal. Notwithstanding this requirement, the CONTRACTOR shall not substitute goods unless the substitution has been approved in writing by the Project Engineer.
- N. The CONTRACTOR shall require every subcontractor, unless exempt, to file a public works bond relating to the subcontract work.
- O. The CONTRACTOR, where allowed by the specifications, shall use supplies or materials manufactured from recycled materials. Notwithstanding this requirement, the CONTRACTOR shall not substitute goods unless the substitution has been approved in writing by the Project Engineer.
- M. The CONTRACTOR shall comply with Section 202, Executive Order 11245 dated September 24, 1965, as it applies to this Contract. He shall not discriminate against any employee or applicant for employment because of race, color, creed or national origin.
- N. Other laws that may be applicable to the performance of this contract are identified on Attachment SC-1, attached to these Supplementary Conditions.

SC-6.11.A.1 Use of Site and Other Areas

Delete this paragraph and replace with the following:

Contractor shall confine construction equipment, the storage of materials and equipment and operations of workers to the work and staging areas as shown on the drawings and shall not unreasonably encumber the site and other areas with construction equipment or other materials or equipment. Contractor shall be responsible for keeping driveways and other main access points to the site open. Contractor shall assume full responsibility for any damage to any such land or area, or to the owner or occupant thereof, or of any adjacent land or areas resulting from the performance of the Work.

SC-6.12.A Record Documents

Add the following sentence at the end of the paragraph:

Owner may stop or suspend the Work without notice during any time period that Contractor is out of compliance with this paragraph.

SC-6.13 **Safety and Protection**

Add the following paragraph:

- P. Safety and accident reports shall be submitted in accordance with the Contractors reporting procedure or by the OR-OSHA reporting form. Unless otherwise provided herein, Contractor shall inform Owner of any accidents and OR-OSHA reportable accidents on the same day or as soon as reasonably possible. Other incidents or accidents will be reported in writing within three (3) calendar days of occurrence.

SC-6.17.C. Submittal Procedures

Refer to technical specification section 01300 for submittal procedures and governing specifications, as outlined in 01300.1.01.C, etc.

SC-6.19.A. Contractor's General Warranty and Guarantee

Delete the second line of this section and replace with the following:

...Contract Documents and will not otherwise be defective. Engineer and its officers, directors, members,...[continue with original text]

SC-6.0 Contractor's Additional Responsibilities

Add the following sections to Article 6:

6.22 *Connecting the Work*

- A. Contractor shall do all cutting, fitting, and patching that may be required to make the several parts of the Work come together properly and to fit his work to receive or be received by the work of other firms as shown upon or reasonably implied by the drawings and specifications.

- B. Contractor shall not endanger or cut or alter the Work of any other firm without the consent of Owner.

- C. Requirements for additional cutting, fitting, and patching resulting from Contractor's defective or ill-timed work shall not be a basis for additional cost to Owner.
- D. If any part of the Contract Work depends for proper execution or maximum durability upon the work of any other firm, Contractor or his subcontractor(s) shall inspect said work before commencing his own work and shall make known, for approval by Owner, any departures from the drawings and specifications. Failure of Contractor to observe these requirements shall bar him from claiming thereafter that defects in his own work are due to defects in the work of others, unless he submits clear and convincing evidence that a thorough inspection of said other work was made before his own work went forward and that tests which were reasonable and customary failed to disclose the defects which later appeared.
- E. Where it is necessary to connect to existing facilities, Contractor shall not interrupt Owner's operations to make such connections, but the Work shall be done on a scheduled time basis convenient to Owner. Any overtime necessary for such connections shall be at Contractor's expense. The Contractor shall maintain domestic water service to all customers served by the project. Temporary shutdowns of individual services of up to 6 hours in duration may be scheduled with at least 48 hours advanced notice to the District, or as approved by the District. The Contractor shall establish and maintain temporary water services as needed so that shutdowns shall not exceed 6 hours. Such temporary services shall be constructed of materials NSF approved for potable water service and shall be approved by the District. Existing fire hydrants shall remain in service until new fire hydrants have been placed in service.

6.23 *Ownership of Documents*

- A. All drawings, specifications, computations, sketches, test data, survey results, photographs, renderings, models and other material related to the Work prepared by Contractor, or furnished to Contractor by Owner or Design Professional, are the property of Owner. Contractor shall submit to Owner the original and a reproducible copy of all such materials upon Owner's request, otherwise upon completion of construction. Contractor shall not use any such materials or copies thereof on other work nor shall he divulge information from such materials without Owner's prior written approval.

6.24 *News Releases*

- A. Contractor shall not divulge information concerning this Project to anyone (including, without limitation, information in applications for permits, variances, etc.) without Owner's prior written consent. He shall obtain a similar agreement from firms and contractors, subcontractors, material suppliers, and others employed by him. Owner reserves the right to release all information as well as to time its release, form and content. This requirement shall survive the expiration of the Contract.

SC-8.04. Pay When Due

Delete subsection A in its entirety and replace with the following:

Unless the Owner is excused from making payment as provided by law or in the Contract Documents, Owner shall promptly make payments to Contractor when they are due as provided in Paragraphs 14.02.C and 14.07.C.

In the event the CONTRACTOR or one of its subcontractors fails to pay for labor or materials, the OWNER may file a complaint with the Oregon CCB, unless the CONTRACTOR demonstrates to the satisfaction of the OWNER there is a good faith dispute over the withheld payment.

SC-11.03. Unit Price Work

Delete subsection C in its entirety and replace with the following:

C. Each unit price will be deemed to include an amount sufficient to cover all costs, expenses, overhead and profit for each separately identified unit item.

SC-12.01.A. Change of Contract Price

Delete the first sentence of this subsection and replace with the following:

The Contract Price may only be changed by a Change Order or by issuance of a Written Change Directive.

SC-12.02.A. Change of Contract Times

Delete the first sentence of this subsection and replace with the following:

The Contract times may only be changed by a Change Order or a Written Change Directive.

SC-14.02.A. Progress Payments

In the first paragraph, delete the following:

“At least 20 days before the date established in the Agreement for each progress payment (but not more often than once a month)”

and insert

“On the last day of each calendar month” in lieu thereof.

SC-16. Dispute Resolution

Delete the entire text of Article 16, which appears after the article number and the caption and substitute the following:

- 16.01 Except as otherwise provided in the Contract Documents and by law, in the event of a dispute between OWNER and CONTRACTOR regarding any part of the Contract Documents or the performance of the Work, the parties will use the following procedure to resolve the dispute. Either party may notify the other that for purposes of time limits herein, the dispute resolution process has been instituted. The existence of any such dispute does not excuse continued performance under the Contract Documents.
- A. CONTRACTOR's and OWNER's project managers will first attempt to resolve the dispute through discussion and negotiation.
 - B. If the project managers are unable to resolve the dispute within 20 days, the matter will be referred to the next managerial level of the respective parties.
 - C. If the dispute is not resolved within 30 days of referral to management, the parties will attempt in good faith to resolve the dispute through mediation. Each party will bear its own costs of mediation and will share equally in common costs.
 - D. If the dispute has not been resolved through mediation within 60 days of commencement of the mediation, either party may initiate litigation of the dispute or exercise such rights and remedies as either may have under the Contract Documents or the law.
 - E. The parties may mutually agree to extend the time limits, or otherwise modify the procedure set forth above.
 - F. Notwithstanding the above procedure, either party may seek injunctive relief to prevent irreparable harm."

SUPPLEMENTARY ATTACHMENT SC-1 – AS NOTED IN SC-6.09.N ABOVE

COMPLIANCE WITH LAWS

In compliance with ORS 279C.525, the following is a list of federal, state, and local agencies, of which the Owner has knowledge, that have enacted ordinances or regulations relating to the prevention of environmental pollution and the preservation of natural resources, or other matters that may affect the performance of this Contract. It is the Contractor's responsibility to determine whether any of these agencies have adopted laws or regulations that affect the performance of the Work under the Contract Documents.

Federal Agencies

Agriculture, Department of

Forest Service

Soil Conservation Service

Defense Department of

Army Corps of Engineers

Energy, Department of

Bonneville Power Administration

Federal Energy Regulatory Commission

Environmental Protection Agency

Interior, Department of the

Heritage, Conservation, and Recreation Service

Bureau of Indian Affairs

Bureau of Land Management

Bureau of Reclamation

Office of Surface Mining Reclamation and Enforcement

Geological Survey

Minerals Management Service

Fish and Wildlife Service

National Park Service

Labor, Department of

Occupational Safety and Health Administration

Mine Safety and Health Administration

Nuclear Regulatory Commission

Transportation, Department of

Coast Guard

Federal Highway Administration

Federal Railroad Administration

Treasury, Department of

Bureau of Alcohol, Tobacco and Firearms

Water Resources Council

State of Oregon Agencies

Agriculture, Department of

Soil and Water Conservation Division

Energy, Department of

Environmental Quality, Department of

Fish and Wildlife, Department of

Forestry, Department of

Geology and Mineral Industries, Department of

Human Resources, Department of

Insurance and Finance, Department of
Oregon Occupational Safety and Health Division
Labor and Industries, Bureau of
Land Conservation and Development Department
Parks and Recreation, Department of
State Historic Preservation Officer
State Engineer
State Lands, Department of
Transportation, Department of
Water Resources Department

Local Governments and Agencies

Clackamas County
Fire Protection Districts
Irrigation Districts
Unified Sewerage Agency
Sanitary Districts
Water Districts
Metro

END OF SECTION



**COOPERATIVE PROCUREMENT AGREEMENT
WITH EMERY & SONS CONSTRUCTION GROUP, LLC.
FOR
ON-CALL CONSTRUCTION SERVICES**

This Cooperative Procurement Agreement for On-Call Construction Services (the “Agreement”) is between **OAK LODGE WATER SERVICES DISTRICT** (the “District”) and **EMERY & SONS CONSTRUCTION GROUP, LLC** (“Contractor”). The District and Contractor are herein referred to individually as a “Party” and collectively as the “Parties.”

RECITALS

- A. The District is a consolidated water and sanitary special district organized under ORS Chapters 264 and 450 with the authority to enter into contracts for construction services.
- B. The District Board of Directors, as the Local Contract Review Board for the District, has duly adopted local contracting and purchasing rules pursuant to ORS 279A.065 (“OLWS Procurement Rules”) that govern all contracts and purchases for the District.
- C. ORS 279A.215 and the OLWS Procurement Rules authorize the District to enter into cooperative procurement contracts pursuant to the state public contracting laws and regulations governing cooperative procurements.
- D. The District is currently in need of one or more qualified contractors to provide on-call construction services.
- E. Emery & Sons Construction Group, LLC has an existing contract for the services needed by the District, which contract was competitively solicited and procured as a cooperative procurement with Clackamas River Water as the administering agency (the “Original Contract”).
- F. The Original Contract was solicited and procured in a manner that satisfies the requirements of the state public contracting code, and the District is eligible to participate in the cooperative procurement as a purchasing contracting agency.
- G. The District Board of Directors is satisfied with the terms, conditions, and prices of the Original Contract; finds that entering into a cooperative procurement for the services needed is advantageous to the District; and wishes to participate in the contract for on-call construction services as a cooperative procurement.
- H. Emery & Sons Construction Group, LLC has the skills, knowledge, and resources to perform the services needed and desires to provide such services to the District in accordance with the terms of the Original Contract and this Agreement.

Now, therefore, the Parties agree as follows:

AGREEMENT

1. Contract Documents

The contract documents of this Agreement consist of the following, and any conflicts or ambiguities within such documents shall be resolved in the following order of priority:

- A. This Cooperative Procurement Agreement, together with Article A: *Scope of Work*, hereto attached and incorporated herein by this reference.
- B. Appendix A: The terms and conditions of the Contract for Construction Services between Emery & Sons Construction Group, LLC., and Clackamas River Water, CRW Contract No. 0374-05-2021, effective May 1, 2021 (the "Original Contract"), together with all attachments, including the EJCDC C-700 *Standard General Conditions of the Construction Contract* and as modified by this Agreement.

These documents together form the complete and integrated contract between the Parties (the "Agreement").

2. Effective Date and Duration

This Agreement is effective upon execution by both Parties (the "Effective Date"). Unless earlier terminated, this Agreement shall expire on May 1, 2023. Any expiration of this Agreement, however, shall not extinguish or prejudice the District's right to enforce this Agreement with respect to any: (a) breach of a Contractor warranty; or (b) default or defect in Contractor's performance that has not been cured.

3. Payment Terms

- A. The Parties agree to the payment terms in the Original Contract. Any work completed under this Agreement shall be on an as-needed basis and compensated under authorized Time and Materials reimbursement, subject to scope, rates, and charges mutually approved by the Parties prior to any execution.
- B. The reimbursement terms in Exhibit A of the Original Contract shall remain in effect for a period of one year following the execution of this Agreement. The reimbursement terms shall be renegotiated on an annual basis. The terms are to include, at a minimum, all terms specified Article 4 of the Original Contract.
- C. Invoices shall be submitted to: Oak Lodge Water Services District, Attn: Jeff Page, 14496 SE River Road, Oak Grove, OR 97267, or via e-mail to jeffp@olwsd.org.
- D. Contractor shall invoice the District by the 15th of each month following the month in which services are provided. If Contractor fails to present invoices in proper form within thirty (30) calendar days after the end of the month in which the services were rendered, Contractor waives any rights to present such invoice thereafter and to receive payment therefor.

- E. The District shall make payment to Contractor within sixty (60) calendar days after the date of receipt of the invoice, following the District's review and approval of invoices submitted by Contractor.
- F. Invoices shall describe all work performed with particularity, by whom it was performed, and shall itemize and explain all expenses for which reimbursement is claimed. Invoices shall also include the total amount billed to date by Contractor prior to the current invoice.

4. Scope of Work

- A. Contractor shall perform the services set forth in the Scope of Work in the attached **Article A**, upon request by the District (the "Work").
- B. Contractor agrees that the Work shall be performed by qualified personnel who at the time of the performance of the Work are licensed or otherwise qualified by the State of Oregon to perform the Work and performing to the standard of care with the degree of skill and diligence normally employed by professionals performing the same or similar services at the time the Work is performed.
- C. Contractor shall redo and rectify any Work that is found by either Contractor or the District to not meet this standard of care, without additional compensation to Contractor and with all costs and expenses for remedying the substandard Work to be borne by Contractor.

5. Insurance

- A. Contractor and its subcontractors, at their own expense, shall procure and maintain insurance acceptable to the District in full force and effect throughout the term of this Agreement and covering the Work under this Agreement in at least the limits and coverages identified in the Original Contract. Such insurance shall cover risks arising directly or indirectly out of Contractor's activities or the Work hereunder, including the operations of its subcontractors and insuring against claims for injuries or damages to persons or property. The insurance shall include provisions that such insurance is primary insurance with respect to the interests of the District and that any other insurance maintained by the District is excess and not contributory insurance with the insurance required under this Agreement. There shall be no cancellation, material change, reduction of limits, or intent not to renew the insurance coverage(s) without thirty (30) days' written notice from Contractor or its insurer(s) to the District.
- B. The procuring of such required insurance shall not be construed to limit Contractor's liability under this Agreement. Notwithstanding said insurance, Contractor shall be obligated for the total amount of any damage, injury, or loss to the extent caused by negligence or wrongful acts in the performance of services under this Agreement.
- C. As evidence of the insurance coverage required by this Agreement, Contractor shall furnish a Certificate of Insurance to the District. Such policies or certificates must be delivered and deemed acceptable to the District prior to commencement of the Work.

D. The Parties agree that Contractor's coverage shall be primary to the extent permitted by law. The Parties further agree that other insurance maintained by the District is excess and not contributory insurance with the insurance required in this section.

6. No Third-Party Beneficiaries

The District and Contractor are the only parties to this Agreement and are the only parties entitled to enforce its terms. Nothing in this Agreement gives or provides any benefit or right, whether directly, indirectly, or otherwise, to third persons.

7. Severability

If any term or provision of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the Parties shall be construed and enforced as if the Agreement did not contain the particular term or provision held invalid.

8. Disputes of Cost

In the event either Party brings an action to enforce the terms of this Agreement or to seek damages for its breach, or any action arising out of any dispute concerning the terms and conditions herein, the prevailing party shall be entitled to an award of its reasonable attorney fees, costs, and expenses incurred therein, including such costs and fees as may be required on appeal.

9. Notices

Except as otherwise expressly provided in this Agreement, any communications between the Parties hereto or notices to be provided hereunder shall be given in writing by personal delivery, e-mail, or mailing the same, postage prepaid to the following addresses.

If to the District:

14496 SE River Road, Oak Grove, OR 97267, or via e-mail to jeffp@olwsd.org.

If to the Contractor:

3841 Fairview Industrial Dr. SE Ste. 150, Salem OR 97302 or via e-mail to dan.johnston@emeryandsons.com.

Either Party may at any time revise their notice address by providing notice to the other Party. Any communication or notice so addressed and mailed shall be deemed to be given five (5) days after mailing. Any communication or notice by personal delivery shall be deemed to be given when actually delivered.

10. Merger Clause

THIS AGREEMENT CONSTITUTES THE ENTIRE AGREEMENT BETWEEN THE PARTIES. NO WAIVER, CONSENT, MODIFICATION OR CHANGE OF TERMS OF THIS AGREEMENT SHALL BIND EITHER PARTY UNLESS IN WRITING AND SIGNED BY BOTH PARTIES. SUCH WAIVER, CONSENT, MODIFICATION OR CHANGE, IF MADE, SHALL BE EFFECTIVE ONLY IN THE SPECIFIC INSTANCE AND FOR THE SPECIFIC PURPOSE GIVEN. THERE ARE NO UNDERSTANDINGS, AGREEMENTS, OR REPRESENTATIONS, ORAL OR WRITTEN, NOT SPECIFIED HEREIN REGARDING THIS AGREEMENT. BY ITS SIGNATURE, CONTRACTOR ACKNOWLEDGES IT HAS READ AND UNDERSTANDS THIS AGREEMENT AND AGREES TO BE BOUND BY ITS TERMS AND CONDITIONS.

IT IS AGREED:

Emery & Sons Construction Group, LLC	Oak Lodge Water Services District
By: _____	By: _____
Signature: _____	Signature: _____
Title: _____	Title: _____
Date: _____	Date: _____

ARTICLE A

Scope of Work

Contractor agrees to provide the services described in Article 2 of the Original Contract (Contractor Responsibilities).

APPENDIX A

Original Contract between Emery & Sons Construction Group and CRW



**COOPERATIVE PROCUREMENT AGREEMENT
WITH GT EXCAVATING.
FOR
ON-CALL CONSTRUCTION SERVICES**

This Cooperative Procurement Agreement for On-Call Construction Services (the “Agreement”) is between **OAK LODGE WATER SERVICES DISTRICT** (the “District”) and **GT EXCAVATING**. (“Contractor”). The District and Contractor are herein referred to individually as a “Party” and collectively as the “Parties.”

RECITALS

- A. The District is a consolidated water and sanitary special district organized under ORS Chapters 264 and 450 with the authority to enter into contracts for construction services.
- B. The District Board of Directors, as the Local Contract Review Board for the District, has duly adopted local contracting and purchasing rules pursuant to ORS 279A.065 (“OLWS Procurement Rules”) that govern all contracts and purchases for the District.
- C. ORS 279A.215 and the OLWS Procurement Rules authorize the District to enter into cooperative procurement contracts pursuant to the state public contracting laws and regulations governing cooperative procurements.
- D. The District is currently in need of one or more qualified contractors to provide on-call construction services.
- E. GT Excavating. has an existing contract for the services needed by the District, which contract was competitively solicited and procured as a cooperative procurement with Clackamas River Water as the administering agency (the “Original Contract”).
- F. The Original Contract was solicited and procured in a manner that satisfies the requirements of the state public contracting code, and the District is eligible to participate in the cooperative procurement as a purchasing contracting agency.
- G. The District Board of Directors is satisfied with the terms, conditions, and prices of the Original Contract; finds that entering into a cooperative procurement for the services needed is advantageous to the District; and wishes to participate in the contract for on-call construction services as a cooperative procurement.
- H. GT Excavating. has the skills, knowledge, and resources to perform the services needed and desires to provide such services to the District in accordance with the terms of the Original Contract and this Agreement.

Now, therefore, the Parties agree as follows:

AGREEMENT

1. Contract Documents

The contract documents of this Agreement consist of the following, and any conflicts or ambiguities within such documents shall be resolved in the following order of priority:

- A. This Cooperative Procurement Agreement, together with Article A: *Scope of Work*, hereto attached and incorporated herein by this reference.
- B. Appendix A: The terms and conditions of the Contract for Construction Services between GT Excavating., and Clackamas River Water, CRW Contract No. 03426-05-2021, effective May 1, 2021 (the "Original Contract"), together with all attachments, including the EJCDC C-700 *Standard General Conditions of the Construction Contract* and as modified by this Agreement.

These documents together form the complete and integrated contract between the Parties (the "Agreement").

2. Effective Date and Duration

This Agreement is effective upon execution by both Parties (the "Effective Date"). Unless earlier terminated, this Agreement shall expire on May 1, 2023. Any expiration of this Agreement, however, shall not extinguish or prejudice the District's right to enforce this Agreement with respect to any: (a) breach of a Contractor warranty; or (b) default or defect in Contractor's performance that has not been cured.

3. Payment Terms

- A. The Parties agree to the payment terms in the Original Contract. Any work completed under this Agreement shall be on an as-needed basis and compensated under authorized Time and Materials reimbursement, subject to scope, rates, and charges mutually approved by the Parties prior to any execution.
- B. The reimbursement terms in Exhibit A of the Original Contract shall remain in effect for a period of one year following the execution of this Agreement. The reimbursement terms shall be renegotiated on an annual basis. The terms are to include, at a minimum, all terms specified Article 4 of the Original Contract.
- C. Invoices shall be submitted to: Oak Lodge Water Services District, Attn: Jeff Page, 14496 SE River Road, Oak Grove, OR 97267, or via e-mail to jeffp@olwsd.org.
- D. Contractor shall invoice the District by the 15th of each month following the month in which services are provided. If Contractor fails to present invoices in proper form within thirty (30) calendar days after the end of the month in which the services were rendered, Contractor waives any rights to present such invoice thereafter and to receive payment therefor.
- E. The District shall make payment to Contractor within sixty (60) calendar days after the date of receipt of the invoice, following the District's review and approval of invoices submitted by Contractor.

- F. Invoices shall describe all work performed with particularity, by whom it was performed, and shall itemize and explain all expenses for which reimbursement is claimed. Invoices shall also include the total amount billed to date by Contractor prior to the current invoice.

4. Scope of Work

- A. Contractor shall perform the services set forth in the Scope of Work in the attached **Article A**, upon request by the District (the “Work”).
- B. Contractor agrees that the Work shall be performed by qualified personnel who at the time of the performance of the Work are licensed or otherwise qualified by the State of Oregon to perform the Work and performing to the standard of care with the degree of skill and diligence normally employed by professionals performing the same or similar services at the time the Work is performed.
- C. Contractor shall redo and rectify any Work that is found by either Contractor or the District to not meet this standard of care, without additional compensation to Contractor and with all costs and expenses for remedying the substandard Work to be borne by Contractor.

5. Insurance

- A. Contractor and its subcontractors, at their own expense, shall procure and maintain insurance acceptable to the District in full force and effect throughout the term of this Agreement and covering the Work under this Agreement in at least the limits and coverages identified in the Original Contract. Such insurance shall cover risks arising directly or indirectly out of Contractor's activities or the Work hereunder, including the operations of its subcontractors and insuring against claims for injuries or damages to persons or property. The insurance shall include provisions that such insurance is primary insurance with respect to the interests of the District and that any other insurance maintained by the District is excess and not contributory insurance with the insurance required under this Agreement. There shall be no cancellation, material change, reduction of limits, or intent not to renew the insurance coverage(s) without thirty (30) days’ written notice from Contractor or its insurer(s) to the District.
- B. The procuring of such required insurance shall not be construed to limit Contractor’s liability under this Agreement. Notwithstanding said insurance, Contractor shall be obligated for the total amount of any damage, injury, or loss to the extent caused by negligence or wrongful acts in the performance of services under this Agreement.
- C. As evidence of the insurance coverage required by this Agreement, Contractor shall furnish a Certificate of Insurance to the District. Such policies or certificates must be delivered and deemed acceptable to the District prior to commencement of the Work.
- D. The Parties agree that Contractor’s coverage shall be primary to the extent permitted by law. The Parties further agree that other insurance maintained by the District is excess and not contributory insurance with the insurance required in this section.

6. No Third-Party Beneficiaries

The District and Contractor are the only parties to this Agreement and are the only parties entitled to enforce its terms. Nothing in this Agreement gives or provides any benefit or right, whether directly, indirectly, or otherwise, to third persons.

7. Severability

If any term or provision of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the Parties shall be construed and enforced as if the Agreement did not contain the particular term or provision held invalid.

8. Disputes of Cost

In the event either Party brings an action to enforce the terms of this Agreement or to seek damages for its breach, or any action arising out of any dispute concerning the terms and conditions herein, the prevailing party shall be entitled to an award of its reasonable attorney fees, costs, and expenses incurred therein, including such costs and fees as may be required on appeal.

9. Notices

Except as otherwise expressly provided in this Agreement, any communications between the Parties hereto or notices to be provided hereunder shall be given in writing by personal delivery, e-mail, or mailing the same, postage prepaid to the following addresses.

If to the District:

14496 SE River Road, Oak Grove, OR 97267, or via e-mail to jeffp@olwsd.org.

If to the Contractor:

10333 Wiseacre Ln. NE, Aurora, OR 97002 or via e-mail to grady@gtxcavating.com.

Either Party may at any time revise their notice address by providing notice to the other Party. Any communication or notice so addressed and mailed shall be deemed to be given five (5) days after mailing. Any communication or notice by personal delivery shall be deemed to be given when actually delivered.

10. Merger Clause

THIS AGREEMENT CONSTITUTES THE ENTIRE AGREEMENT BETWEEN THE PARTIES. NO WAIVER, CONSENT, MODIFICATION OR CHANGE OF TERMS OF THIS AGREEMENT SHALL BIND EITHER PARTY UNLESS IN WRITING AND SIGNED BY BOTH PARTIES. SUCH WAIVER, CONSENT, MODIFICATION OR

CHANGE, IF MADE, SHALL BE EFFECTIVE ONLY IN THE SPECIFIC INSTANCE AND FOR THE SPECIFIC PURPOSE GIVEN. THERE ARE NO UNDERSTANDINGS, AGREEMENTS, OR REPRESENTATIONS, ORAL OR WRITTEN, NOT SPECIFIED HEREIN REGARDING THIS AGREEMENT. BY ITS SIGNATURE, CONTRACTOR ACKNOWLEDGES IT HAS READ AND UNDERSTANDS THIS AGREEMENT AND AGREES TO BE BOUND BY ITS TERMS AND CONDITIONS.

IT IS AGREED:

GT Excavating	Oak Lodge Water Services District
By: _____	By: _____
Signature: _____	Signature: _____
Title: _____	Title: _____
Date: _____	Date: _____

ARTICLE A

Scope of Work

Contractor agrees to provide the services described in Article 2 of the Original Contract (Contractor Responsibilities).

APPENDIX A

Original Contract between GT Excavating and CRW



**COOPERATIVE PROCUREMENT AGREEMENT
WITH TRENCH LINE EXCAVATION, INC.
FOR
ON-CALL CONSTRUCTION SERVICES**

This Cooperative Procurement Agreement for On-Call Construction Services (the “Agreement”) is between **OAK LODGE WATER SERVICES DISTRICT** (the “District”) and **TRENCH LINE EXCAVATION, INC.** (“Contractor”). The District and Contractor are herein referred to individually as a “Party” and collectively as the “Parties.”

RECITALS

- A. The District is a consolidated water and sanitary special district organized under ORS Chapters 264 and 450 with the authority to enter into contracts for construction services.
- B. The District Board of Directors, as the Local Contract Review Board for the District, has duly adopted local contracting and purchasing rules pursuant to ORS 279A.065 (“OLWS Procurement Rules”) that govern all contracts and purchases for the District.
- C. ORS 279A.215 and the OLWS Procurement Rules authorize the District to enter into cooperative procurement contracts pursuant to the state public contracting laws and regulations governing cooperative procurements.
- D. The District is currently in need of one or more qualified contractors to provide on-call construction services.
- E. Trench Line Excavation, Inc. has an existing contract for the services needed by the District, which contract was competitively solicited and procured as a cooperative procurement with Clackamas River Water as the administering agency (the “Original Contract”).
- F. The Original Contract was solicited and procured in a manner that satisfies the requirements of the state public contracting code, and the District is eligible to participate in the cooperative procurement as a purchasing contracting agency.
- G. The District Board of Directors is satisfied with the terms, conditions, and prices of the Original Contract; finds that entering into a cooperative procurement for the services needed is advantageous to the District; and wishes to participate in the contract for on-call construction services as a cooperative procurement.
- H. Trench Line Excavation, Inc. has the skills, knowledge, and resources to perform the services needed and desires to provide such services to the District in accordance with the terms of the Original Contract and this Agreement.

Now, therefore, the Parties agree as follows:

AGREEMENT

1. Contract Documents

The contract documents of this Agreement consist of the following, and any conflicts or ambiguities within such documents shall be resolved in the following order of priority:

- A. This Cooperative Procurement Agreement, together with Article A: *Scope of Work*, hereto attached and incorporated herein by this reference.
- B. Appendix A: The terms and conditions of the Contract for Construction Services between Trench Line Excavation, Inc., and Clackamas River Water, CRW Contract No. 04058-05-2021, effective May 1, 2021 (the "Original Contract"), together with all attachments, including the EJCDC C-700 *Standard General Conditions of the Construction Contract* and as modified by this Agreement.

These documents together form the complete and integrated contract between the Parties (the "Agreement").

2. Effective Date and Duration

This Agreement is effective upon execution by both Parties (the "Effective Date"). Unless earlier terminated, this Agreement shall expire on May 1, 2023. Any expiration of this Agreement, however, shall not extinguish or prejudice the District's right to enforce this Agreement with respect to any: (a) breach of a Contractor warranty; or (b) default or defect in Contractor's performance that has not been cured.

3. Payment Terms

- A. The Parties agree to the payment terms in the Original Contract. Any work completed under this Agreement shall be on an as-needed basis and compensated under authorized Time and Materials reimbursement, subject to scope, rates, and charges mutually approved by the Parties prior to any execution.
- B. The reimbursement terms in Exhibit A of the Original Contract shall remain in effect for a period of one year following the execution of this Agreement. The reimbursement terms shall be renegotiated on an annual basis. The terms are to include, at a minimum, all terms specified Article 4 of the Original Contract.
- C. Invoices shall be submitted to: Oak Lodge Water Services District, Attn: Jeff Page, 14496 SE River Road, Oak Grove, OR 97267, or via e-mail to jeffp@olwsd.org.
- D. Contractor shall invoice the District by the 15th of each month following the month in which services are provided. If Contractor fails to present invoices in proper form within thirty (30) calendar days after the end of the month in which the services were rendered, Contractor waives any rights to present such invoice thereafter and to receive payment therefor.

- E. The District shall make payment to Contractor within sixty (60) calendar days after the date of receipt of the invoice, following the District's review and approval of invoices submitted by Contractor.
- F. Invoices shall describe all work performed with particularity, by whom it was performed, and shall itemize and explain all expenses for which reimbursement is claimed. Invoices shall also include the total amount billed to date by Contractor prior to the current invoice.

4. Scope of Work

- A. Contractor shall perform the services set forth in the Scope of Work in the attached **Article A**, upon request by the District (the "Work").
- B. Contractor agrees that the Work shall be performed by qualified personnel who at the time of the performance of the Work are licensed or otherwise qualified by the State of Oregon to perform the Work and performing to the standard of care with the degree of skill and diligence normally employed by professionals performing the same or similar services at the time the Work is performed.
- C. Contractor shall redo and rectify any Work that is found by either Contractor or the District to not meet this standard of care, without additional compensation to Contractor and with all costs and expenses for remedying the substandard Work to be borne by Contractor.

5. Insurance

- A. Contractor and its subcontractors, at their own expense, shall procure and maintain insurance acceptable to the District in full force and effect throughout the term of this Agreement and covering the Work under this Agreement in at least the limits and coverages identified in the Original Contract. Such insurance shall cover risks arising directly or indirectly out of Contractor's activities or the Work hereunder, including the operations of its subcontractors and insuring against claims for injuries or damages to persons or property. The insurance shall include provisions that such insurance is primary insurance with respect to the interests of the District and that any other insurance maintained by the District is excess and not contributory insurance with the insurance required under this Agreement. There shall be no cancellation, material change, reduction of limits, or intent not to renew the insurance coverage(s) without thirty (30) days' written notice from Contractor or its insurer(s) to the District.
- B. The procuring of such required insurance shall not be construed to limit Contractor's liability under this Agreement. Notwithstanding said insurance, Contractor shall be obligated for the total amount of any damage, injury, or loss to the extent caused by negligence or wrongful acts in the performance of services under this Agreement.
- C. As evidence of the insurance coverage required by this Agreement, Contractor shall furnish a Certificate of Insurance to the District. Such policies or certificates must be delivered and deemed acceptable to the District prior to commencement of the Work.

D. The Parties agree that Contractor's coverage shall be primary to the extent permitted by law. The Parties further agree that other insurance maintained by the District is excess and not contributory insurance with the insurance required in this section.

6. No Third-Party Beneficiaries

The District and Contractor are the only parties to this Agreement and are the only parties entitled to enforce its terms. Nothing in this Agreement gives or provides any benefit or right, whether directly, indirectly, or otherwise, to third persons.

7. Severability

If any term or provision of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the Parties shall be construed and enforced as if the Agreement did not contain the particular term or provision held invalid.

8. Disputes of Cost

In the event either Party brings an action to enforce the terms of this Agreement or to seek damages for its breach, or any action arising out of any dispute concerning the terms and conditions herein, the prevailing party shall be entitled to an award of its reasonable attorney fees, costs, and expenses incurred therein, including such costs and fees as may be required on appeal.

9. Notices

Except as otherwise expressly provided in this Agreement, any communications between the Parties hereto or notices to be provided hereunder shall be given in writing by personal delivery, e-mail, or mailing the same, postage prepaid to the following addresses.

If to the District:

14496 SE River Road, Oak Grove, OR 97267, or via e-mail to jeffp@olwsd.org.

If to the Contractor:

33871 SE Eastgate Cir, Corvallis, OR 97333 or via e-mail to wboquist@tlxdig.com.

Either Party may at any time revise their notice address by providing notice to the other Party. Any communication or notice so addressed and mailed shall be deemed to be given five (5) days after mailing. Any communication or notice by personal delivery shall be deemed to be given when actually delivered.

10. Merger Clause

THIS AGREEMENT CONSTITUTES THE ENTIRE AGREEMENT BETWEEN THE PARTIES. NO WAIVER, CONSENT, MODIFICATION OR CHANGE OF TERMS OF THIS AGREEMENT SHALL BIND EITHER PARTY UNLESS IN WRITING AND SIGNED BY BOTH PARTIES. SUCH WAIVER, CONSENT, MODIFICATION OR CHANGE, IF MADE, SHALL BE EFFECTIVE ONLY IN THE SPECIFIC INSTANCE AND FOR THE SPECIFIC PURPOSE GIVEN. THERE ARE NO UNDERSTANDINGS, AGREEMENTS, OR REPRESENTATIONS, ORAL OR WRITTEN, NOT SPECIFIED HEREIN REGARDING THIS AGREEMENT. BY ITS SIGNATURE, CONTRACTOR ACKNOWLEDGES IT HAS READ AND UNDERSTANDS THIS AGREEMENT AND AGREES TO BE BOUND BY ITS TERMS AND CONDITIONS.

IT IS AGREED:

Trench Line Excavation, Inc.	Oak Lodge Water Services District
By: _____	By: _____
Signature: _____	Signature: _____
Title: _____	Title: _____
Date: _____	Date: _____

ARTICLE A

Scope of Work

Contractor agrees to provide the services described in Article 2 of the Original Contract (Contractor Responsibilities).

APPENDIX A

Original Contract between Trench Line Excavation, Inc and CRW



AGENDA ITEM

Title Business from the Board
Item No. 6
Date October 19, 2021

Summary

The Board of Directors appoints District representatives from time to time to serve as liaisons or representatives of the District to committees or community groups.

Directors assigned specific roles as representatives of the District are placed on the agenda to report to the Board on the activities, issues, and policy matters related to their assignment.

Business from The Board Items Include:

- a. Individual Board Member Reports**
- b. Parking Lot**

Date Added	Item	Work Update
8/13/2019	OLWSD/Gladstone IGA	OLWSD and Gladstone have begun negotiations of the full draft IGA.

**Oak Lodge Water Services
2021 OLWS Board Member Liaison Assignments**

Board/Committee	Current Primary	Current Alternate	Meeting Schedule
Clackamas River Water	Kevin Williams	Paul Gornick	Monthly - Second Thursday, 6 p.m.
Sunrise Water Authority	Paul Gornick	Kevin Williams	Monthly - Fourth Wednesday, 6 p.m.
C-4	Paul Gornick	Susan Keil	Monthly - First Thursday, 6:45 p.m.
Regional Water Providers Consortium	Mark Knudson	Paul Gornick	Triannually - First Wednesday, 6:30 p.m.
Oak Grove Community Council	Mark Knudson	Susan Keil	Monthly - Fourth Wednesday, 7:00 p.m.
SDAO	All		Varies
AWWA	All		Varies
Jennings Lodge CPO	Kevin Williams	Paul Gornick	Monthly - Fourth Tuesdays, 7:00 p.m.
North Clackamas County Water Commission (NCCWC)	Paul Gornick/Kevin Williams	Mark Knudson	Quarterly - Fourth Thursday in Jan/March/June/Sept, 5:30 p.m.
Chamber of Commerce	Ginny Van Loo	Susan Keil	Monthly - Third Wednesdays, 11:45 a.m.-1:15 p.m.
New Concord Task Force	Ginny Van Loo		Quarterly
Healthy Watersheds	Kevin Williams		
OGLO Bike-Ped Bridge Advisory Group	OPEN	None needed	Task Force will dissolve after project decision
Water Research Foundation	Mark Knudson	None needed	

Meetings Attended During the Past Month

1. September 21, 2021 – OLWSD Board of Directors meeting
 2. September 22, 2021 – Oak Grove Community Council meeting (agenda attached)
 - a. Update on Watershed Health in North Clackamas County, Neil Schulman, NC Watershed Council
 - i. Ongoing development will place additional strains on watershed habitat
 - b. LUART - Whipple Subdivision (16305 SE Oatfield Rd) – Joseph Edge
 - i. Notable Concerns / recommendations:
 1. Extensive tree removal – recommend tree preservation plan
 2. Intersection sight distance concerns – recommend careful design
 3. Significant geotechnical concerns, including ancient landslide – recommend report be updated and explore subsurface hazards
 4. Potential wetlands – recommend wetland survey
 - ii. Vote approved to submit letter expressing concerns about development and provided recommendations noted above
 - c. Committee Reports
 - i. Oak Lodge Water Services – Mark Knudson
 1. Provided brief update on Authority formation & passage of resolutions expressing concurrence from Cities of Gladstone and Milwaukie
 2. More complete update scheduled for Dec 1 meeting of OGCC
 - ii. Oak Lodge Community Emergency Response Team (CERT) – Rich Nepon
 1. Provided support for COVID vax clinics; training limited due to pandemic
 2. Received a grant for radio repeater to be mounted on Rose Villa
 - iii. Concord School Site / Library Project – Mark Elliott
 1. Library: Updated Estimate \$14.5M ... budget of \$14.4M ... gap of \$0.1M
 2. Community Center: Updated estimate of \$32.3M ... budget of \$22M ... gap of \$10.3M; evaluating options to close the funding gap
 - iv. Economic Development Commission – Valorie Chapman
 1. High demand for employees ... for low wage jobs & lack of childcare
 - v. NCPRD District Advisory Committee – Anatta Blackmarr
 1. Ramping up public involvement and setting up subarea boards
 2. Promoting park concept for new urban high school
 - vi. Oak Lodge Governance Project – Tom Civiletti
 1. Study is nearly complete; results of study to be posted on OLGP website on Oct 1
 2. OGCC meeting on Oct 27 will include update from OLGP steering committee
 3. On Oct 9, there will be informational zoom webinar; register at:
<http://oaklodgegovernanceproject.org>
 - d. Next meeting: October 27, 2021
 - i. Oct 27 OGCC meeting will include presentation of results of OLGP study
3. October 6, 2021 – Regional Water Providers Consortium Board meeting (agenda attached)
 - a. Updates on emergency management and conservation program
 - b. Discussion on Consortium's strategic plan; revising priorities for next 18 months
 - c. Review of proposed FY2023 budget and work plan
4. October 9, 2021 – Oak Lodge Governance Project informational briefing
 - a. Report of findings of recently completed Phase 1 Governance Study

Oak Lodge Water Services – October 19, 2021

Business from the Board – Report by Mark Knudson

Page 2 of 2

Meetings Scheduled for the Next Month

1. October 19, 2021 – OLWSD Board of Directors meeting - Tentative - I will likely miss this meeting but may call in, depending on availability and personal schedule
2. October 27, 2021 – Oak Grove Community Council meeting



Oak Grove Community Council

Regular Council Business Meeting

September 22, 2021

Agenda

What: Regular Council Business Meeting

When: Wednesday, September 22, 2021 - 7:00 p.m. to 8:15 p.m.

Social time - After conclusion of business meeting

Where: Zoom - <https://us02web.zoom.us/j/89301304485>

Meeting ID: 893 0130 4485

Passcode: OakGroveCC

6:50 - 7:00 Connect to Zoom

7:00 Welcome, Introductions, and Officer reports

- August 25 Meeting minutes + membership update
- Treasurer's update

7:10 Program:

- Update on Watershed Health in North Clackamas County
 - *Neil Schulman, Executive Director, North Clackamas Watersheds Council*
- Land Use Application Review Team
 - Whipple Subdivision - Z0334-21-SL - 16305 SE OATFIELD RD
Public hearing: 9/29 9:30 AM

8:10 Committee updates

- Community Emergency Response Team - Rich Nepon
- Concord School - Mark Elliott
- Economic Development Commission - Valerie Chapman
- North Clackamas Parks & Recreation District Advisory Committee - Anatta Blackmarr
- Oak Lodge Governance Project - Tom Civiletti

8:20 Announcements

8:25 Schedule review:

- Future OGCC Meetings - 7 pm at Zoom: Oct 27, Dec 1
- Future OGCC Board Meetings - 6:45 pm at Zoom: Oct 4, Nov 1 (tentative)

8:30 Adjourn/Social time



Consortium Board Meeting Agenda

DATE: October 6, 2021
6:30 p.m. – 8:30 p.m.

HOW: This meeting will be held remotely via Zoom/videoconference

Agenda

Introductions (3 minutes)

Approval of Consortium Board Meeting Summary for June 2, 2021 (2 minutes)

Public Comment* (5 minutes)

City of Scappoose request as Non-Regional Member – Rebecca Geisen, Managing Director (5 minutes)

Director Report – Rebecca Geisen, Managing Director (5 minutes)

- Update on on-going projects.

Program Report – Bonny Cushman, Program Coordinator (10 minutes)

- Emergency Planning and Conservation Program ongoing projects.

Strategic Plan Check-in (75 minutes)

- Facilitated discussion on the Consortium Strategic Plan with Chris Wallace-Caldwell – Catalysis LLC. Revisit strategic priorities with lens of past 18 months.

FY 2022-23 Consortium Budget and Work Plan Concepts Discussion (15 minutes)

- Review FY 2022/23 budget and work plan concept recommendations from the EC and provide Consortium staff with further budget direction.

Next Meeting Date/Location:

February 2, 2022/TBD

*Agenda Item #3 is a public comment period for items not on the agenda. Additional public comment will be invited on agenda items as they are discussed.

Business from the Board

Paul Gornick's Meeting Reports - September 2021

September 22, 2021 - Sunrise Water Board Meeting (remote meeting)

- Board appointed Chris Hawes and Kevin Bailey as commissioners to the North Clackamas County Water Commission. Board appointed Chris Hawes and Gary Barth to positions on Clackamas River Water Supply Commission.
- Board heard leak appeal from resident who used 693 units in one month, generating a \$2549 monthly bill. SWA administratively reduced bill by 60% to \$1031, but resident appealed for further relief. Board denied relief, and suggested working with finance staff to work out a payment plan.
- General manager gave update on final design costs for new admin building and operations center - \$1.505 million, which is about 10% of total building cost.
- Staff has hired Raftelis Consulting for \$30,000 to search for new Finance Director.
- Board accepted Final Report on Use of Alternative Bidding Process for Reservoir 11 Project.

September 23, 2021 – North Clackamas Water Commission (remote meeting)

- Board adopted consent agenda, which included approval of checks and reappointment of Cable Huston as legal counsel.
- Board elected new officers: Chris Hawes as chair, Paul Gornick as Vice-chair
- Board voted to extend the CRW-NCCWC supply agreement on a month-to-month basis until no later than June 30, 2022 or whenever a new agreement is approved, whichever is earlier.

October 1-2, 2021 – C4 Retreat (remote meeting)

- Dwight Brashear of South Metro Area Transit (SMART) discussed a bus-on-shoulder pilot project (I-5 from Elligsen Rd to I-205) that will start in November 2021 and Kristina Babcock of Trimet discussed a proposed I-205 transit connection to serve areas between Tualatin and Clackamas Town Center.
- Trent Wilson of Clackamas County led a discussion of the Clackamas County Values on Proposed Transportation Funding Solutions for the Interstate Highway System in the metropolitan area.
- A discussion of the C4 Bylaws was deferred to a future meeting of C4.
- Karen Buerhig of Clackamas County did a recap of the Transit Development Plan for the County, which was discussed in detail at a prior C4 meeting.
- To read the meeting packet, go here: [381062f2-59ec-4daa-8690-43642ba6f979 \(clackamas.us\)](https://www.clackamas.us/381062f2-59ec-4daa-8690-43642ba6f979)

Director Kevin Williams

Meetings attended in- late September to October Board Meeting. Agendas attached for each of the meetings.

1. North Clackamas County Water Commission September 23rd, 2021

Notable actions:

Chairman and Vice-Chairman positions were filled by the new nominees. Chris Hawes from S.R.A. will be the Chair while our very own Paul Gornick will serve as Vice-Chair.

The Commission voted to extend our water supply agreement with C.R.W. when it expires in December of 2021. We are currently in negotiations to expand our daily allotment available from them.

2. Clackamas River Water Board work-session September 27th, 2001

Notable actions:

Kim Swan from C.W.R.P. presented the annual report.

During the Commissioner Communications sharing it came up that we were working towards reforming as an Authority. One of their Commissioners was interested and wanted further info from their G.M.

3. Jennings Lodge C.P.O. September 28th, 2021

Notable actions:

Mitra Anoushravani and Eleanore Hunter from O.L.G.P. did a presentation explaining the nexus of the efforts to discuss annexation or incorporation for the Oak Lodge area. It was a great presentation and they told everybody that these were very preliminary attempts to gather information to frame the discussions going forward.

Clackamas County is discussing some major changes to density zoning in un-incorporated areas of the county. Most of the impact would be along McLoughlin. Citizens were quick to point out that in-adequate urban services, other than water and sewer, were being provided to the area which is a requirement of the House Bill driving the issue. The County seems to not requiring off-street parking for anticipated residents.

The Library project on S.E. Concord has been put on hold temporarily. The construction and material costs were much higher than anticipated and adequate funding is not in place to proceed.

4. C.R.W. Board meeting October 14th, 2021

This meeting will occur after the deadline for Board reports so I will send Laural a copy of their agenda to add to this report.

ADMINISTRATIVE OFFICE
14496 SE River Road
Oak Grove, OR 97267
Tel. (503) 654-7765
Fax (503) 653-1973



TREATMENT PLANT
14275 S. Clackamas River Dr.
Oregon City, OR 97045
Tel. (503) 723-3505
Fax (503) 723-3508

Regular Meeting

North Clackamas County Water Commission
Board of Commissioners

Thursday, September 23, 2021

Virtual Meeting Online

<https://us02web.zoom.us/j/89360614655>

Call-In: (833) 548-0282

Meeting ID: 893 6061 4655

AGENDA

Convene Regular Board Meeting

1. Open Regular Meeting
2. Welcome Visitors – Public
3. Public Comment
4. Approval of Minutes
 1. Approval of Minutes June 24, 2021 Budget Hearing & Regular Meeting
5. Adoption of Consent Calendar
 1. Authorization of Checks June, July and August 2021
 2. Re-Appoint Legal Counsel of Record
6. Board Discussion
 1. Election of Officers for FY2021-22
 2. Update CRW-NCCWC Water Supply Agreement
7. Monthly Items
 1. Financial Reports
 2. Operations Report
 3. Manager's Report
 4. Business from the Board
8. Adjourn Regular Meeting

CLACKAMAS RIVER WATER
BOARD OF COMMISSIONERS
WORK SESSION

September 27, 2021 at 6:00pm

THIS MEETING WILL HAVE REMOTE ACCESS VIA ZOOM*

AGENDA

16770 SE 82nd Drive, Clackamas, OR 97015



Clackamas River Water

To protect the health of our customers, staff, and commissioners, CRW's Board of Commissioners and staff will attend this meeting through an online Zoom meeting. Anyone who wishes to attend the meeting may do so by internet at <https://us02web.zoom.us/j/86033699435> or by calling the following number [12532158782](tel:12532158782) and join meeting 86033699435 #. Passcode: 433965

Work Session @ 6:00pm

Call to Order, Roll Call

1. **Water Management and Conservation Plan Discussion-** *Tim Henkle & Adam Sussman with GSI Consultants*
2. **Clackamas River Water Providers (CRWP) Annual Report Presentation-** *Kim Swan, Water Resources Manager for CRWP*
3. **Billing and Collection Process Overview-** *Carol Bryck, Chief Financial Officer*
4. **Commissioner Communications-** *CRW Board of Commissioners*
5. **General Manager Update-** *Todd Heidgerken, General Manager*

Public Comment

Adjourn Work Session

Work Session Reminders:

- a. Work Session – audio only
- b. No decisions will be made by the CRW Board
- c. Staff may get direction or a sense of the board on key issues
- d. Members of the public are allowed to attend but not participate (*public comment provided at the end of the session*)

The meeting location is accessible to persons with disabilities. A request for accommodations for persons with disabilities should be made at least 48 hours before the meeting to Adora Campbell (503) 722-9226.



September 28, 2021

- 7:00 P.M. Call to order and self-introductions**
- 7:10 P.M. Treasurer's report**
- 7:11 P.M. Minutes of June 22 meeting**
- 7:15 P.M. Oak Lodge Governance Project**
 - Mitra Anoushiravani**
 - Eleanore Hunter**
- 7:55 P.M. County density zoning proposal**
- 8:10 P.M. Road and traffic concerns from Jennings Lodge neighbors**
 - Cynthia Quackenbush**
- 8:25 P.M. Park District and Library update**
 - Grover Bornefeld**
- 8:40 P.M. Announcements**
- 8:45 P.M. ADJOURN**



For more information, email jenningslodgcpo@gmail.com

To:

Clackamas County Traffic Safety Commission (via on line submittal process)

Joe Marek, Clackamas Transportation Safety Program Manager

At the September 28, 2021 Jennings Lodge Community Planning Organization, the membership voted to send the follow request to Clackamas County to address the community's safety concerns.

A new development of 72 houses named Jennings Lodge Estates was finished in 2021. Homeowners, guests and service providers have increased cars, pedestrian and bike traffic in the neighborhood. There are four areas of concern for the Jennings Lodge Community Planning Organization (CPO).

- 1) A new street, SE Morse Ct, was created as a part of the new development. The south end of Morse terminates at SE Jennings Ave. The request is to determine the need of traffic control devices.

- 2) The intersection of SE Jennings Ave and SE Wilmot Ave has no traffic control signs. With increased traffic, an assessment of traffic control device is requested.

- 3) To increase compliance at the 4-way stop at SE Jennings Ave and SE River Rd, consider a blinking light above the intersection to draw the driver's attention.

- 4) A possible dangerous situation exists at the intersection of SE Jennings Ave and SE Willamette Drive. We request that County Roads Department investigate the possibility of adding "Hidden Driveway,, signs at appropriate locations.



STAFF REPORT

To Board of Directors
From Gail Stevens, Finance Director
Title Finance Department Monthly Report
Item No. 7a
Date October 11, 2021, for October 19, 2021 Meeting

Summary

The Board has requested updates at the Regular Meetings of the Board on the status of the District's Operations.

Highlights of the Month

- Accounts Receivable balance shows continued improvement in several areas: a decrease of (1.45%); number of delinquent accounts decreased by 99; and an average delinquent balance decreased by \$10.
- Utility bill payments exceeded September 1 billed amounts by \$15,905.
- The ECAP assisted 16 residential and 0 commercial accounts in September.

Accounts Receivable Review

The Accounts Receivable (A/R) balances as of September 30 compared to August 31 decreased by (1.45%). These are the findings:

1. A/R Balance owed to OLWSD has decreased by \$25,261, after accounting for the delta between billing cycles.

A/R Balance	7/31/2021	8/31/2021	9/30/2021
Bi-Monthly Residential	\$ 1,059,071	\$ 1,235,494	\$ 1,031,447
Large Meters	502,628	505,412	508,889
Total	1,561,700	1,740,908	1,540,337
Variance	(164,498)	179,208	(200,571)
Variance due to Cycles	123,811	(212,725)	175,310
Change in A/R	\$ (40,686)	\$ (33,517)	\$ (25,261)
	(2.36%)	(2.15%)	(1.45%)

2. The total number of delinquent accounts decreased by 99 accounts as of September 30, compared to August 31, 2021. The average balance per account also decreased by (2.2%).

Delinquent Accounts	7/31/2021	8/31/2021	9/30/2021
Over 60 Days	\$ 331,872	\$ 297,892	\$ 248,066
Number of Accounts	721	667	568
Average Balance per Acct.	\$ 460	\$ 447	\$ 437
% Change in Ave. Balance	(11.1%)	(3.0%)	(2.2%)

3. The percentage of accounts that are current, accounts paid in full within 30 days, have decreased by 0.94% compared to prior month. The shift is within the 30–60-day grace period and delinquent.

Account %	7/31/2021	8/31/2021	9/30/2021
Current	83.48%	83.87%	82.93%
30-60 Day Grace	4.72%	4.66%	6.90%
Delinquent	7.82%	7.25%	6.16%
Credit Balance	3.98%	4.22%	4.00%

The District returned to hanging red tags for accounts in delinquent status, over 60 days past due. To focus on the accounts with the higher balances, accounts with delinquent balances over \$250 received a red tag in August and September. The red tag process allows 7 days for the customer to provide payment. If payment is not received, water is then shut off.

	Aug. 2021	Sep. 2021	Oct. 2021
Cycle	Cycle 2	Cycle 1	Cycle 2
# Red Tags	156	142	TBA
Minimum Delinquent Balance	\$ 250	\$ 250	
# Shut off Service Requests	10	9	

Billing Payment Rate

In September, the District received \$15,905 more in payments than was billed on September 1, 2021.

	June 2021	July 2021	August 2021	Sept 2021
Utility Billing Sales	\$ 1,080,106	\$ 1,297,941	\$ 1,174,130	\$ 1,386,855
Cash Receipts	1,125,351	1,301,479	1,231,343	1,402,760
% Collected	104.2%	100.3%	104.9%	101.1%

Emergency Customer Assistance Program (ECAP)

In FY 2019-20, the Board approved \$97,000 for Emergency COVID Assistance Program. Since June 2020, the District has provided assistance to residential and commercial accounts that have been financially impacted by COVID-19. This program has continued through FY 2020-21 and into FY 2021-22.

	<u>Monthly Assistance</u>	<u>Balance</u>
Beginning Balance		\$97,000
June 2020	2,644	94,356
July 2020	687	93,669
August 2020	813	92,856
September 2020	1,114	91,742
October 2020	-0-	91,742
November 2020	991	90,751
December 2020	598	90,153
January 2021	1,472	88,681
February 2021	3,304	85,377
March 2021	3,134	82,243
April 2021	2,260	79,983
May 2021	2,741	77,242
June 2021	5,397	71,845
July 2021	3,591	68,254
August 2021	6,407	61,847
September 2021	2,829	59,018
Total Assistance Provided to Date	37,982	

In September 2021, sixteen (16) residential accounts and no commercial account received assistance.

Attachments

1. Checks by Date Report for September 2021

Bank Reconciliation
 Checks by Date
 User: Gail
 Printed: 10/12/2021 - 1:39PM
 Cleared and Not Cleared Checks
 Print Void Checks

Check No.	Check Date	Name	Comment	Module	Void	Clear Date	Amount
ACH Disbursement Activity							
0	9/1/2021	Public Employees		AP			1,566.07
0	9/1/2021	Internal Revenue Service		AP		9/ 3/2021	1,608.03
0	9/1/2021	VALIC c/o JP Morgan Chase		AP			35.00
0	9/1/2021	Oregon Department Of Revenue		AP		9/ 7/2021	461.22
0	9/10/2021	Oregon Department Of Revenue		AP		9/14/2021	7,801.20
0	9/10/2021	TSYS		AP			9,746.07
0	9/10/2021	Nationwide Retirement Solutions		AP		9/14/2021	1,955.01
0	9/10/2021	State of Oregon		AP		9/15/2021	734.75
0	9/10/2021	Public Employees		AP			28,235.04
0	9/10/2021	VALIC c/o JP Morgan Chase		AP		9/14/2021	3,312.90
0	9/10/2021	Internal Revenue Service		AP		9/13/2021	28,154.03
0	9/10/2021	Payroll Direct Deposit		PR		9/10/2021	68,410.33
0	9/13/2021	Wells Fargo Bank		AP			1,865.74
0	9/20/2021	KS Statebank		AP			62,557.61
0	9/23/2021	Wells Fargo Remittance Center		AP			7,478.10
0	9/24/2021	Oregon Department Of Revenue		AP			8,124.31
0	9/24/2021	Public Employees		AP			28,903.60
0	9/24/2021	VALIC c/o JP Morgan Chase		AP			3,171.51
0	9/24/2021	State of Oregon		AP			734.75
0	9/24/2021	Nationwide Retirement Solutions		AP			1,955.01
0	9/24/2021	Internal Revenue Service		AP			28,895.45
0	9/24/2021	Payroll Direct Deposit		PR			71,300.31
ACH Disbursement Activity Subtotal							367,006.04
Voided ACH Activity							0.00
Adjusted ACH Disbursement Activity Subtotal							367,006.04

Paper Check Disbursement Activity							
Check No.	Check Date	Name	Comment	Module	Void	Clear Date	Amount
46081	9/1/2021	Employee Paycheck		PR		9/ 8/2021	4,100.19
46082	9/3/2021	Accountemps		AP		9/ 9/2021	1,815.60
46083	9/3/2021	Apex Labs		AP		9/ 8/2021	2,640.00
46084	9/3/2021	Cintas Corporation - 463		AP		9/ 9/2021	72.66
46085	9/3/2021	City Of Gladstone		AP		9/ 9/2021	38.38
46086	9/3/2021	Coastal Farm & Home Supply		AP		9/10/2021	511.92
46087	9/3/2021	Customer Refund		AP		9/ 7/2021	237.63
46088	9/3/2021	Horner Enterprises, Inc.		AP			11,553.14
46089	9/3/2021	J. Thayer Company		AP		9/ 9/2021	165.87
46090	9/3/2021	Maverick Welding Supplies Inc		AP		9/10/2021	31.01
46091	9/3/2021	Minuteman Press Gresham		AP		9/20/2021	112.14
46092	9/3/2021	Northwest Natural		AP		9/ 9/2021	66.75
46093	9/3/2021	Pacific Power Group		AP		9/ 9/2021	403.91
46094	9/3/2021	Pape Machinery		AP		9/ 7/2021	4,829.08
46095	9/3/2021	Portland General Electric		AP		9/ 8/2021	976.49
46096	9/3/2021	Reynolds Sewers Inc		AP		9/ 8/2021	13,200.00
46097	9/3/2021	Ryan Herco Flow Solutions		AP		9/13/2021	1,273.62
46098	9/3/2021	Seattle Ace Hardware		AP		9/14/2021	38.76
46099	9/3/2021	SMACKS Construction, Inc.		AP		9/20/2021	2,840.00
46100	9/3/2021	Tice Electric Company		AP		9/15/2021	1,064.00
46101	9/3/2021	Traffic Safety Supply Co Inc		AP		9/ 7/2021	761.25
46102	9/7/2021	Apex Labs		AP		9/13/2021	15,890.00
46103	9/7/2021	Cintas Corporation		AP		9/13/2021	228.88
46104	9/7/2021	Clackamas Landscape		AP		9/10/2021	784.00
46105	9/7/2021	Fackler Construction Company		AP		9/ 9/2021	18,525.00
46106	9/7/2021	H.D. Fowler Company		AP		9/ 9/2021	1,783.40
46107	9/7/2021	Moss Adams LLP		AP		9/10/2021	9,660.00
46108	9/7/2021	Net Assets Corporation		AP		9/ 9/2021	715.00
46109	9/7/2021	North Coast Electric Company		AP		9/10/2021	868.55
46110	9/7/2021	Northwest Natural		AP		9/14/2021	22.72
46111	9/7/2021	Portland General Electric		AP		9/10/2021	25,475.61
46112	9/7/2021	SDIS		AP		9/10/2021	38,021.37
46113	9/7/2021	Seattle Ace Hardware		AP		9/16/2021	66.13
46114	9/7/2021	Unifirst Corporation		AP		9/13/2021	106.15

Bank Reconciliation

Checks by Date

User: Gail

Printed: 10/12/2021 - 1:39PM

Cleared and Not Cleared Checks

Print Void Checks

Check No.	Check Date	Name	Comment	Module	Void	Clear Date	Amount
46115	9/9/2021	Accountemps		AP		9/14/2021	3,160.00
46116	9/9/2021	BMS Technologies		AP		9/16/2021	4,926.91
46117	9/9/2021	Cascadia Backflow		AP			3,170.00
46118	9/9/2021	Cintas Corporation - 463		AP			72.66
46119	9/9/2021	City Of Milwaukie		AP		9/14/2021	1,781.11
46120	9/9/2021	Grainger, Inc.		AP		9/14/2021	754.56
46121	9/9/2021	Lakeside Industries		AP		9/13/2021	1,056.66
46122	9/9/2021	Maverick Welding Supplies Inc		AP		9/15/2021	225.00
46123	9/9/2021	Metro Overhead Door, Inc.		AP		9/15/2021	20,609.00
46124	9/9/2021	Northwest Natural		AP		9/14/2021	15.69
46125	9/9/2021	Olson Bros. Service, Inc.		AP		9/15/2021	2,568.80
46126	9/9/2021	Pacific Truck Colors, Inc.		AP			1,530.00
46127	9/9/2021	Pitney Bowes Global Financial Services LLC		AP		9/20/2021	278.64
46128	9/9/2021	Portland Engineering Inc		AP			120.00
46129	9/9/2021	Portland General Electric		AP		9/16/2021	2,119.10
46130	9/9/2021	Quadient Leasing USA, Inc.		AP		9/20/2021	599.43
46131	9/9/2021	R & L Services Inc.		AP			1,095.87
46132	9/9/2021	Unifirst Corporation		AP			1,914.62
46133	9/9/2021	Waste Connections		AP		9/15/2021	67.70
46134	9/9/2021	Waste Management Of Oregon		AP		9/16/2021	524.98
46135	9/10/2021	Employee Paycheck		PR		9/15/2021	2,037.96
46136	9/17/2021	Accountemps		AP			1,264.00
46137	9/17/2021	Customer Refund		AP			66.06
46138	9/17/2021	Buels Impressions Printing		AP		9/20/2021	110.00
46139	9/17/2021	Cable Huston LLP		AP			5,671.00
46140	9/17/2021	Cavanaugh & Associates. PA		AP			675.00
46141	9/17/2021	Cintas Corporation		AP			99.00
46142	9/17/2021	City Of Milwaukie		AP			333.60
46143	9/17/2021	Comcast		AP			1,285.24
46144	9/17/2021	Consolidated Supply Co.		AP			618.00
46145	9/17/2021	Convergence Networks		AP			7,252.00
46146	9/17/2021	Customer Refund		AP			11.00
46147	9/17/2021	Customer Refund		AP			172.84
46148	9/17/2021	Customer Refund		AP			51.83
46149	9/17/2021	Customer Refund		AP			6.29
46150	9/17/2021	HD Supply Facilities Maintenance LTD		AP			666.35
46151	9/17/2021	HealthEquity		AP			30.50
46152	9/17/2021	Luna Studios LLC		AP			180.00
46153	9/17/2021	Merina & Company, LLP		AP			5,896.25
46154	9/17/2021	Metro		AP			480.00
46155	9/17/2021	Customer Refund		AP			162.24
46156	9/17/2021	NCCWC		AP		9/20/2021	305,619.65
46157	9/17/2021	Northstar Chemical, Inc.		AP		9/20/2021	562.50
46158	9/17/2021	Northwest Natural		AP			198.65
46159	9/17/2021	Customer Refund		AP			10.35
46160	9/17/2021	Employee Business Expense Reimbursement		AP			107.52
46161	9/17/2021	Relay Resources		AP			6,577.67
46162	9/17/2021	Customer Refund		AP			221.16
46163	9/17/2021	Seattle Ace Hardware		AP			211.24
46164	9/17/2021	Customer Refund		AP			123.41
46165	9/17/2021	Springbrook Holding Company LLC		AP			1,563.25
46166	9/17/2021	Tice Electric Company		AP			864.50
46167	9/17/2021	Verizon Wireless		AP			60.08
46168	9/17/2021	Customer Refund		AP			225.59
46169	9/17/2021	AFLAC		AP			844.81
46170	9/17/2021	AFSCME Council 75		AP			817.76
46171	9/24/2021	Employee Paycheck		PR			2,037.87
46172	9/24/2021	Accountemps		AP			4,845.38
46173	9/24/2021	Alexin Analytical Laboratories, Inc.		AP			2,413.00
46174	9/24/2021	AnswerNet		AP			982.92
46175	9/24/2021	BTL Northwest		AP			224.17
46176	9/24/2021	Byrne Software Technologies, Inc		AP			625.00
46177	9/24/2021	CDR Labor Law, LLC		AP			2,277.00
46178	9/24/2021	CenturyLink		AP			258.42
46179	9/24/2021	CenturyLink		AP			137.81

Bank Reconciliation
 Checks by Date
 User: Gail
 Printed: 10/12/2021 - 1:39PM
 Cleared and Not Cleared Checks
 Print Void Checks

Check No.	Check Date	Name	Comment	Module	Void	Clear Date	Amount
46180	9/24/2021	Cintas Corporation		AP			368.55
46181	9/24/2021	Cintas Corporation - 463		AP			72.66
46182	9/24/2021	Coastal Farm & Home Supply		AP			175.99
46183	9/24/2021	Cochran Inc.		AP			896.00
46184	9/24/2021	Consolidated Supply Co.		AP			4,296.49
46185	9/24/2021	Customer Refund		AP			32.23
46186	9/24/2021	Grainger, Inc.		AP			979.85
46187	9/24/2021	H.D. Fowler Company		AP			6,318.15
46188	9/24/2021	J. Thayer Company		AP			602.28
46189	9/24/2021	Kaiser Permanente		AP			17,756.71
46190	9/24/2021	League Of Oregon Cities		AP			80.00
46191	9/24/2021	Moss Adams LLP		AP			1,575.00
46192	9/24/2021	Mr Tree, Inc.		AP			5,400.00
46193	9/24/2021	NACWA		AP			750.00
46194	9/24/2021	Napa Auto Parts		AP			36.87
46195	9/24/2021	Northstar Chemical, Inc.		AP			625.65
46196	9/24/2021	One Call Concepts, Inc.		AP			679.14
46197	9/24/2021	Oregon State Administrative Services		AP			1,000.00
46198	9/24/2021	Owens Pump & Equipment		AP			6,348.73
46199	9/24/2021	Pamplin Media Group		AP			73.73
46200	9/24/2021	Polydyne, Inc.		AP			3,451.84
46201	9/24/2021	Security Signs, Inc		AP			3,515.00
46202	9/24/2021	Tice Electric Company		AP			133.00
46203	9/24/2021	Top Industrial Supply		AP			100.00
46204	9/24/2021	Unifirst Corporation		AP			1,527.12
46205	9/24/2021	Xerox Corporation		AP			42.70
Paper Check Disbursement Activity Subtotal							621,186.50
Voided Paper Check Disbursement Activity							0.00
Adjusted Paper Check Disbursement Activity Subtotal							621,186.50
Total Void Check Count:							0
Total Void Check Amount:							0.00
Total Valid Check Count:							147
Total Valid Check Amount:							988,192.54
Total Check Count:							147
Total Check Amount:							988,192.54



STAFF REPORT

To Board of Directors
From Jason Rice, District Engineer
Title Technical Services Monthly Report
Item No. 7b
Date October 6, 2021 for October 19, 2021 Board Meeting

Summary

The Board has requested updates at the Regular Meetings of the Board on the status of the District's operations.

Highlights

- Reconstruction of Sewage Lift Station 5 continues.
- Furthered design and construction on multiple capital projects.
- The District received a new Municipal Separate Storm Sewer System (MS4) Permit from the Department of Environmental Quality (DEQ). Staff will be providing a summary of the new permit and what it means to the District's Watershed Protection Program at the November Board Meeting.
- Staff continued tracking the development of the Water Reclamation Facility's NPDES Permit.

Education and Outreach

In August and September, the District asked customers to participate in the North Clackamas Water Providers "Fish on the Run, Irrigation Done!" annual summer watering campaign. This helps the Clackamas River by reducing or shutting-off outdoor watering by the beginning of September for the fall Coho and Chinook fish migration. 80 customers signed the pledge and received a yard sign. This information was included in the Customer Newsletter for July/August and September/October. Information was also shared on the website and social media.

Businesses can register for the Storm drain Cleaning Assistance Program (SCAP) until October 31, 2021. Storm drains require regular cleaning to remove pollutants and prevent flooding. Businesses are responsible for maintenance of storm drains on their property. The \$50 flat fee covers removal of debris from standard parking lot drains. It does not include jetting, repair, or oversized catch basins. Customers can register for SCAP at oaklodgewaterservices.org/SCAP or call (503) 353-4219. So far, 10 businesses have registered.

The District’s 2020-2021 MS4 Annual Report will be posted on the website by October 15, 2021 and available for public comment for between October 15 – October 28.

Communications

Imagine a Day Without Water was created by the US Water Alliance to encourage us to pause and reflect on why we value water. On October 21, 2021, consider what your day would look like if you could not turn on the tap and get clean drinking water, or if you flushed the toilet and the wastewater did not go anywhere? What would happen to restaurants, hospitals, firefighters, farms, breweries, or the hundreds of industries that depend on water? Information about *Imagine a Day Without Water* will be shared in the September/October Customer Newsletter, the website, and social media.

Stormwater Program

This fall kicked off with cooler weather and the start to the return of rainfall. As the leaves begin to come down, staff will be conducting maintenance on areas that typically receive extra vegetation, leaves, or exhibit other issues that require maintenance attention. These are referred to as the hot spots and annual maintenance projects. These areas get checked and cleared by staff multiple times throughout the fall leaf season.

The first rain provided just enough water into the local creeks to allow for July-September water quality monitoring.

The Board can support water quality through messaging to customers to clean up garden beds, implement once-a-year fall fertilizer, and collecting and composting leaves to keep them out of the storm system.

Concerning the MS4 Permit, OLWS staff have been completing the Annual Report for FY2020-2021. In addition, the new MS4 Permit has been issued, and at an upcoming Board meeting staff will present the changes required by the new permit.

Permit Activity – September 2021

FY2021-2022	<i>This Month</i>	<i>Last Month</i>	<i>Fiscal Year-to-Date</i>	<i>This Month Last Year</i>	<i>Last Year-to-Date</i>
Pre-applications Conferences	2	1	4	1	5
New Erosion Control Permits	1	2	8	4	22
New Development Permits	1	3	7	1	1
New Utility Permits	4	6	13	6	18
Wastewater Connections	1	1	7	7	15
Sanitary SDC Fees Received	\$5,165	\$25,825	\$36,155	\$36,155	\$181,032
Water SDC Fees Received	\$5,304	\$86,017	\$101,929	\$30,542	\$136,805
Plan Review Fees Received	\$400	\$5,303	\$7,783	\$4,155	\$25,398
Inspection Fees Received	\$620	\$4,463	\$6,633	\$7,058	\$22,838

Attachments

1. Development Tracker
2. Capital Project Tracker
3. Social Media Content Calendar




Project Status	Address	Type of Development	Notes	Last Updated
Warranty Period	4410 SE Pinehurst Ave.	Residential: 17-lot Subdivision	Oak Lodge warranty expires October 2021	10/4/21
Under Construction	13505 SE River Rd.	Residential: Rose Villa Phase 4 Medical Building and Replace Dwelling Units	Oak Lodge permits expire July 2021	10/4/21
Under Construction	15099 SE McLoughlin Blvd.	Tenant Improvement: Clackamas Credit Union	Current OLWSD Review	10/4/21
Under Construction	1901 SE Oak Grove Blvd.	Redevelopment: Replace a portion of existing New Urban School (eastern structure and gym)	Oak Lodge permits expire July 2021	10/4/21
Under Construction	4828 SE View Acres Rd.	Redevelopment: View Acres Elementary School	Oak Lodge permits expire July 2021	10/4/21
Under Construction	19315 SE River Rd.	Residential: 2-lot Partition	Current OLWSD Review	10/4/21
Under Construction	16303 SE River Rd.	Redevelopment: Riverside Elementary School	Oak Lodge permits expire July 2021	10/4/21
Under Construction	1901 SE Oak Grove Blvd.	Redevelopment: Replace a portion of existing New Urban School Annex (western structure)	Oak Lodge permits expire July 2021	10/4/21
Under Construction	5901 SE Hull Ave.	Redevelopment: Candy Lane Elementary School	Oak Lodge permits expire July 2021	10/4/21
Under Construction	18521 SE River Rd.	Redevelopment: Jennings Lodge School	Oak Lodge permits expire July 2021	10/4/21
Under Construction	15603 SE Ruby Dr.	Residential: 3-lot Partition	Current OLWSD review	10/4/21
Under Construction	6364 SE McNary Rd.	Residential: 15-lot Partition	Current OLWSD review: water utility only	10/4/21
Under Construction	3024 SE Westview Ave.	Residential: 2-lot Partition	Current OLWSD review	10/4/21
Under Construction	17325 SE McLoughlin Blvd.	Lot Line Adjustment or Partition to conform to existing conditions. No development.	Land Use comments sent to CCDTD. County land use expiration timeline.	10/4/21
Plan Review	14824 SE Kellogg Rd.	Residential: 2-lot Partition	Current OLWSD Review	10/4/21
Plan Review	SE Jennings Ave., SE Oatfield Rd. to SE McLoughlin Blvd.	Capital Improvement: CC DTD Jennings Ave Roadway expansion and regional stormwater treatment	Current OLWSD review	10/4/21
Plan Review	14928 SE Oatfield Rd.	Residential: 4-lot Partition	Current OLWSD review	10/4/21
Plan Review	2316 SE Courtney Ave.	Residential: 14 rowhomes or 14 apartments	Current OLWSD Review	10/4/21
Plan Review	3552 SE Westview Ave	Residential: Add One Dwelling Unit	Current OLWSD review	10/4/21
Plan Review	4322 SE Pinehurst Ave.	Residential: 7-lot subdivision	Current OLWSD Review	10/4/21
Plan Review	15303 SE Lee Ave.	Residential: 3-lot Partition	Current OLWSD review	10/4/21
Plan Review	SE Thiessen Ave. and SE Arista Dr.	Capital Improvement: CC DTD Paving Project	Current OLWSD review	10/4/21
Plan Review	15515 SE Wallace Rd.	Residential: 2-lot Partition	Current OLWSD review	10/4/21
Plan Review	18245 Portland Ave.	Residential: 4-lot Partition	Gladstone Review. Oak Lodge receives Wastewater Connection Fee.	10/4/21





Project Status	Address	Type of Development	Notes	Last Updated
Plan Review	21E11AB01100 (SE River Rd. @ SE Maple St)	Residential: 7-lot subdivision	Current OLWSD Review	10/4/21
Plan Review	16103 SE SOUTHVIEW Ave	Residential: 7-lot subdivision	Current OLWSD Review	10/4/21
Land Use Application	3870 SE Hillside Dr.	Residential: Modification of previously approved 13-lot subdivision	Land Use comments sent to CCDDTD. County land use expiration timeline.	10/4/21
Land Use Application	17325 SE McLoughlin Blvd.	Residential: 2-lot Partition	Land Use comments sent to CCDDTD. County land use expiration timeline.	10/4/21
Land Use Application	17821 SE Arista Dr.	Residential: 2-lot Partition	Pre-app comments sent to CCDDTD. County land use expiration timeline.	10/4/21
Land Use Application	3111 SE Chestnut St	Residential: Add One Duplex Dwelling Unit	Pre-app comments sent to CCDDTD. County land use expiration timeline.	10/4/21
Land Use Application	3411 SE Naef Rd.	Residential: Home Occupation	Land Use comments sent to CCDDTD. County land use expiration timeline.	10/4/21
Land Use Application	3421 SE Vineyard Rd.	Residential: Two tri-plexes and one duplex.	Pre-app comments sent to CCDDTD. County land use expiration timeline.	10/4/21
Land Use Application	2268 SE Mulberry Dr	Residential: Dock to Willamette River	Land Use comments sent to CCDDTD. County land use expiration timeline.	10/4/21
Land Use Application	13100 SE Laurie Ave.	Residential Home Occupation	Land Use comments sent to CCDDTD. County land use expiration timeline.	10/4/21
Land Use Application	16225 SE Sun Ave.	Residential: Home Occupation (renewal)	Land Use comments sent to CCDDTD. County land use expiration timeline.	10/4/21
Pre-Application	16305 SE Oatfield Rd.	Residential: 12-lot subdivision	Pre-app Comments sent to CCDDTD. County land use expiration timeline.	10/4/21
Pre-Application	3811 SE Concord Rd.	Redevelopment: Concord School	Pre-app comments sent to CCDDTD. County land use expiration timeline.	10/4/21
Pre-Application	14333 SE Wagner Ln.	Residential: 3-Lot Partition	Pre-app comments sent to CCDDTD. County land use expiration timeline.	10/4/21
Pre-Application	16585 SE McLoughlin Blvd.	Commercial: Auto Repair Design Review	Pre-app comments sent to CCDDTD. County land use expiration timeline.	10/4/21
Pre-Application	15915 SE Harold Ave.	Residential: 3-lot Partition	Pre-app comments sent to CCDDTD. County land use expiration timeline.	10/4/21
Pre-Application	16468 SE Warnock Ln.	Residential: 2-lot Partition	Pre-app comments sent to CCDDTD. County land use expiration timeline.	10/4/21
Pre-Application	5212 SE Thiessen Ave.	Residential: 3-lot Partition	Pre-app comments sent to CCDDTD. County land use expiration timeline.	10/4/21
Pre-Application	6609 SE Jennings Ave.	Residential: 3-lot Partition	Pre-app comments sent to CCDDTD. County land use expiration timeline.	10/4/21
Pre-Application	4022 SE Aldercrest Rd.	Residential: 2-lot Partition	Pre-app comments sent to CCDDTD. County land use expiration timeline.	10/4/21
Pre-Application	4309 SE Raymond St.	Residential: 3-lot Partition	Pre-app comments sent to CCDDTD. County land use expiration timeline.	10/4/21
Pre-Application	18013 SE Blanton St	Residential: 3-lot Partition	Pre-app Comments sent to CCDDTD. County land use expiration timeline.	10/4/21
Pre-Application	15152 SE Fairoaks Dr.	Residential: 2-lot Partition	Pre-app Comments sent to CCDDTD. County land use expiration timeline.	10/4/21
Pre-Application	12718 SE 28th Avenue	Residential: 2-lot Partition	Pre-app Comments sent to CCDDTD. County land use expiration timeline.	10/4/21






OAK LODGE




WATER SERVICES

Social Media Calendar | September 2021

<p>9.2</p>	<p>Get your FREE sign and let's make sure there is enough water for the fall fish runs by reducing or shutting off outdoor watering this month. Take the pledge: https://www.clackamasproviders.org/take-the-pledge/</p>	 <p>(VIDEO)</p>
<p>9.3</p>	<p>Labor Day weekend is almost here! If you're going camping, take your emergency water with you and replace it when you get home. You should change out your water every 6-12 months. Learn more about storing water for emergencies here: https://bit.ly/store-h2o</p>	
<p>9.3</p>	<p>Join Solve for a day of invasive species and weed removal on September 11th to keep our waterways clean from excess debris and damaging invasive species. This cleanup will greatly benefit the Willamette River as this creek flows directly into the river. Sign up: https://bit.ly/3tazPtK</p>	

<p>9.6</p>	<p>Pledge to do your part and receive a yard sign to let your neighbors know you're reducing your water usage to keep water in the Clackamas River. Take the pledge: https://www.clackamasproviders.org/take-the-pledge/</p>	
<p>9.7</p>	<p>September is National Preparedness Month, and we have a lot of tips and resources to help you prepare for emergencies. No matter your goals, experience, or needs, the best way to start is the same: with water. Learn why and how you should start with water here: https://bit.ly/getreadygetwater</p>	
<p>9.8</p>	<p>We will be smoke testing the wastewater system to detect leaks over the next 7 days. You may see smoke like this coming from a manhole.</p> <p>Smoke tests are performed by pumping a non-toxic, non-staining, odorless water vapor into the sewer lines to detect leaks in our pipes. If there is a crack or break anywhere in the pipeline, the vapor will rise to the surface and the crew can visually see the location where repairs are needed.</p> <p>If you have any questions about the smoke testing program, please contact Jason Rice at jason@olwsd.org or call (503) 353-4202.</p>	 <p>(VIDEO)</p>
<p>9.10</p>	<p>Start preparing for emergencies in five minutes or less by signing up for Public Alerts today! These emergency notifications are available for everyone in the Portland-Vancouver metro area, and you can choose to receive them via email, text, or voice message: http://bit.ly/public-alerts</p>	

<p>9.14</p>	<p>Storing an emergency supply of water in a small space can be difficult, so getting creative with storage is key! Get more tips and resources for storing emergency water here https://bit.ly/store-h2o and tell us about your creative storage spots in the comments!</p>	
<p>9.15</p>	<p>The Board of Directors will hold a regular meeting on Tuesday, September 21 at 6:00 p.m. View the full agenda and information to attend the meeting:</p>	
<p>9.20</p>	<p>Before there's an emergency, get ready! Start with water: https://bit.ly/getreadygetwater</p> <p>Antes de una emergencia, ¡prepárese! Comenzar con agua: https://bit.ly/comenzar-con-h2o</p>	<p>[GIF is English & Spanish]</p> 
<p>9.21</p>	<p>Water providers across our region have kept water safe and available through heatwaves, a chlorine shortage, COVID-19 pandemic, ice storms, and every other day of the year! How? They prepare for emergencies too. Find out how water providers keep your water flowing here: https://bit.ly/our-prep-work</p>	
<p>9.24</p>	<p>Building an emergency kit and storing 14 gallons of water per person can feel overwhelming (and can get pricey!) when you're trying to do everything at once. Instead, make preparedness part of your ongoing routine by building up your supplies over time: https://bit.ly/prep-calendar</p>	

<p>9.26</p>	<p>Join us for the first annual Source Water Protection Week: September 26 – October 2. While this is the first time recognizing this week, protecting our region's drinking water sources is of critical importance to water providers every single day of the year.</p> <p>Learn about the Clackamas River Watershed protection efforts: https://www.clackamasproviders.org/watershed-protection/</p>	
<p>9.27</p>	<p>This is one of the five wastewater pump stations that moves sewage from low lying areas to higher areas that can then gravity flow to the District's Water Reclamation Facility. These pump stations are critical to transporting sewage.</p> <p>This fall, as part of the District five-year Capital Improvement Plan (CIP), the wastewater pump station in the photo will be upgraded, which will reduce the amount of emergency repairs. CIP projects invest your hard earned dollars, improve the resilience of our natural resources, and protect public health.</p>	
<p>9.28</p>	<p>Preparing for emergencies isn't a one-size-fits all activity. Be sure to consider any special circumstances you may have like pets, pregnancy, or other access or functional needs. Get resources to help you prepare at publicalerts.org/get-ready</p>	

9.28	The Oak Lodge Water Services Board of Directors will be working through a public process with Clackamas County that may reorganize the District as a Joint Water & Sanitary Authority. As the process moves forward, the Board encourages public input from our customers and community partners. Learn more about the process here: https://bit.ly/39MQCu4	
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Social Media Analytics

		Facebook		Twitter		
		Followers	Page Reach	Followers	Total Impressions	Profile Visits
2021	September	128	93	45	1.1 K	838
	August	120	146	43	1.8K	1.2K
	July	119	78	40	1.5K	3.5K
	June	113	794	39	2.1K	1.6K
	May	100	82	32	2.5K	1.8K
	April	93	225	30	4.1K	2.1K
	March	89	385	21	4.9K	2.4K
	February	80	488	13	4.5K	1.9K
	January	67	457	started	2.1K	1.5K
2020	December	58	150	n/a	n/a	n/a
	November	n/a	n/a	n/a	n/a	n/a



STAFF REPORT

To Board of Directors
From Jeff Page, Utility Operations Director
Brad Lyon, Water Field Supervisor
Title Field Operations Monthly Report
Item No. 7c
Date October 6, 2021, for October 19, 2021 Meeting

Summary

The Board has requested updates at the Regular Meetings of the Board on the status of the District's Operations.

Highlights of the Month

- Collections Team Operations
- Water Team Operations
- Non-Revenue Water
- Clackamas River Flowrates

Collections Team Operations

The Collections Team spent the majority of September conducting smoke testing of the pilot area shown in last month's report. The test concluded with minimal findings of deficiencies. Only one cross-connection from private property and a couple of missing clean-out caps were discovered. Staff will convene over the rainy season and develop a plan for next summer. Testing areas with large amounts of impervious surfaces coupled with a high number of storm system catchments, such as McLoughlin Blvd, may yield some interesting revealments.

Staff also responded to an assortment of customer service inquiries and underground utility locates. In one instance, a complete blockage was discovered in the District portion of a customer's sewer lateral (Photo 1). An available contractor was promptly located to perform the repair and service was resumed. The blockage developed when part of the lateral failed and became clogged with debris (Photo 2). The contractor was able to cut away a piece of the old asbestos cement lateral and replace it with new PVC (Photo 3).

Water Team Operations

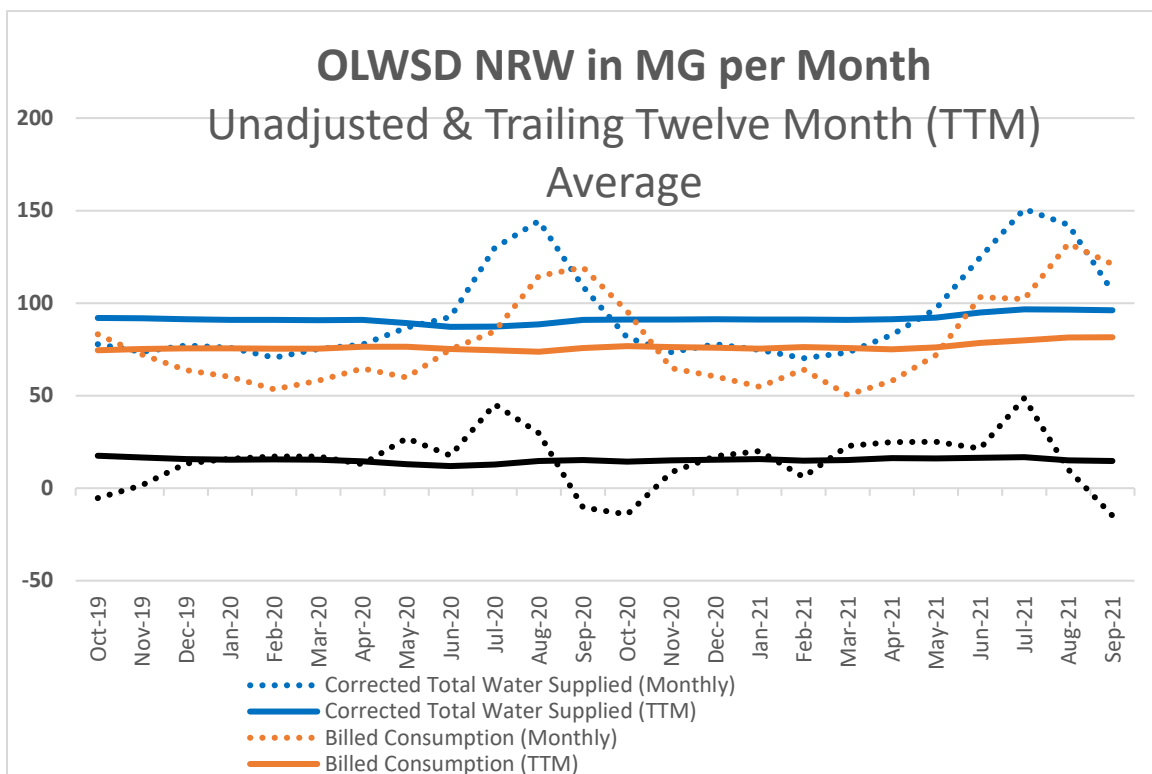
The Water Team regularly has the opportunity to see projects of others occurring within our service area as they can often conflict with District infrastructure. In response to a Clackamas County stormwater project on Spaulding Ave, two water services needed to be lowered to allow for new plastic corrugated piping. It is reported the existing piping was crafted from old water heaters (Photo 4).

Non-Revenue Water

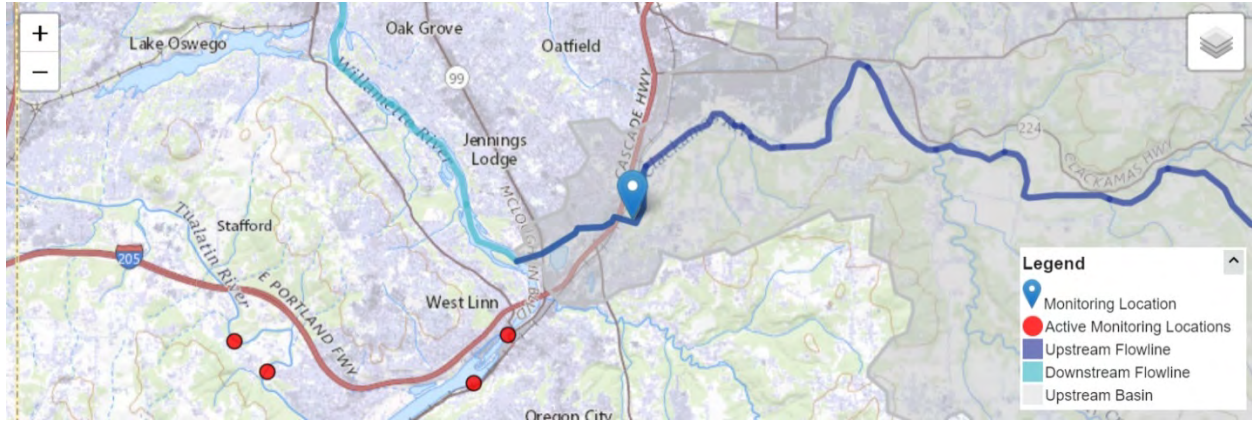
Our Water Team continued their quest for system leakage and was successful in finding and repairing a leaking service on Aldercrest Rd (Photo 5), and a leaking bell-joint on Oatfield Ave (Photo 6). The service leaked at a rate of about 3 gallons per minute, and the bell-joint was losing around 8 gallons per minute. Both leaks occurred over an unknown amount of time as the water loss was not detectable from the surface. Staff will continue their detection efforts as they can over the rainy season.

In the last week of September, two leaks decided to reveal themselves on the same day. The first leak (located on Hull Ave at Rose St) was a large longitudinal split on a 6-inch cast iron water main (Photo 7). Approximately 600,000 gallons were quickly lost. All hands were on deck for the mitigation and repair (Photo 8). However, soon after the leak repair started on Hull another leak was reported on Vineyard Rd (Photo 9) and the crew had to split up to address both simultaneously. Although this leak was smaller, it was still sizeable with a loss of 36,000 gallons. Kudos to the leak crews as they worked a full day and night to ensure service was restored to our customers as soon as they could.

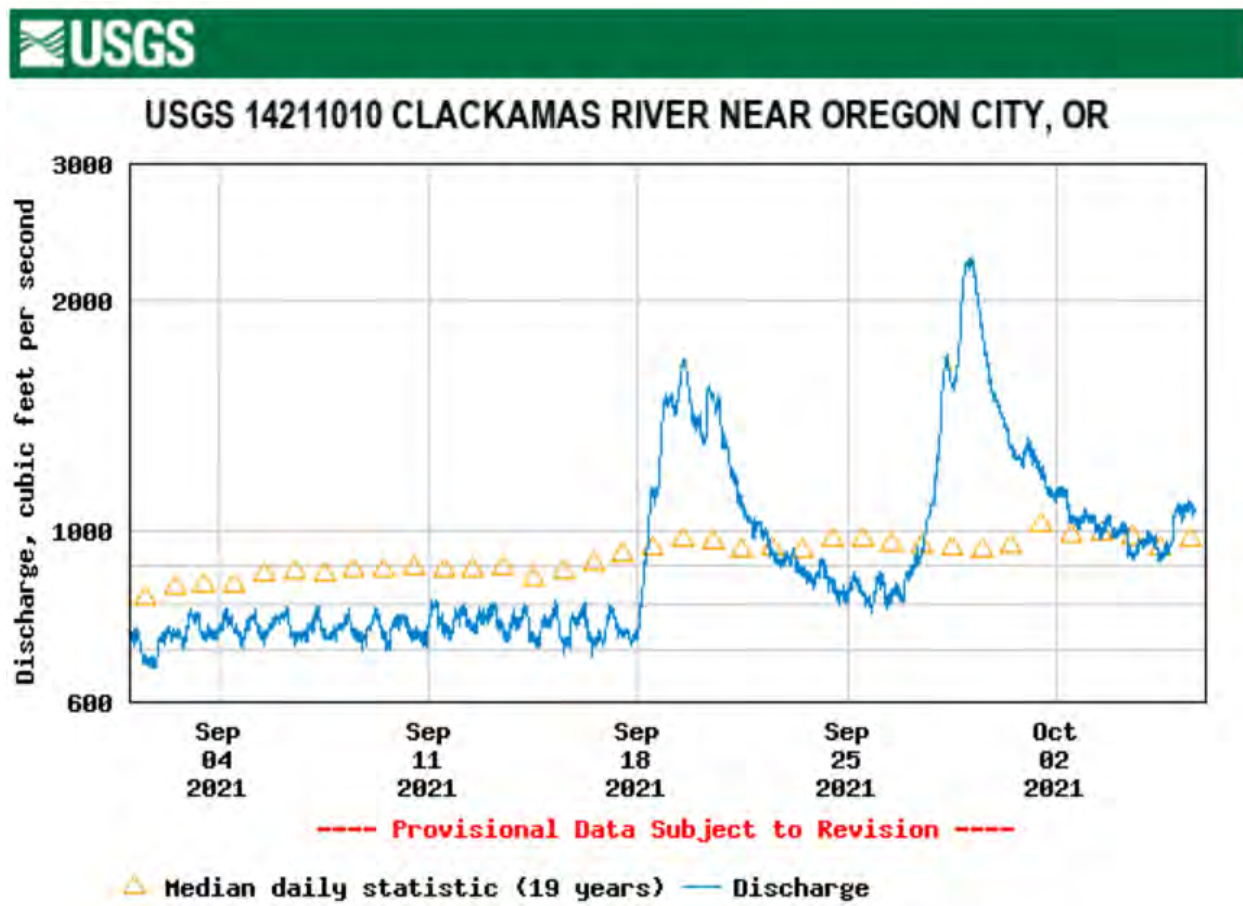
As of September 30, 2021, non-revenue water for the month was calculated at -14.858 million gallons (MG). This is due to a seasonal shift to lower demand and billing cycle timing. A total of 9,000 gallons was used for water quality flushing and 2,796,000 gallons were lost due to leaks found and repaired in the system which will likely reflect in the next report.



Clackamas River Flowrates



Location of Clackamas River flow-monitoring site.



Clackamas River daily discharge September 1, 2021 – October 6, 2021, compared with 19-year daily median.

Min (2016)	25th percen- tile	Median	Most Recent Instantaneous Value Oct 6	Mean	75th percen- tile	Max (2014)
679	850	973	1070	1070	1170	2260

Daily discharge and cubic feet per second statistics for October 6, 2021, based on 19 water years of record. (Source: USGS Water Data)

Attachments

1. Photo Pages of September 2021 Work
2. Water Purchased Report
3. Water Services Report
4. Collections Report

Field Operations Photo Pages of September 2021 Work



Photo 1: Sewer lateral camera view

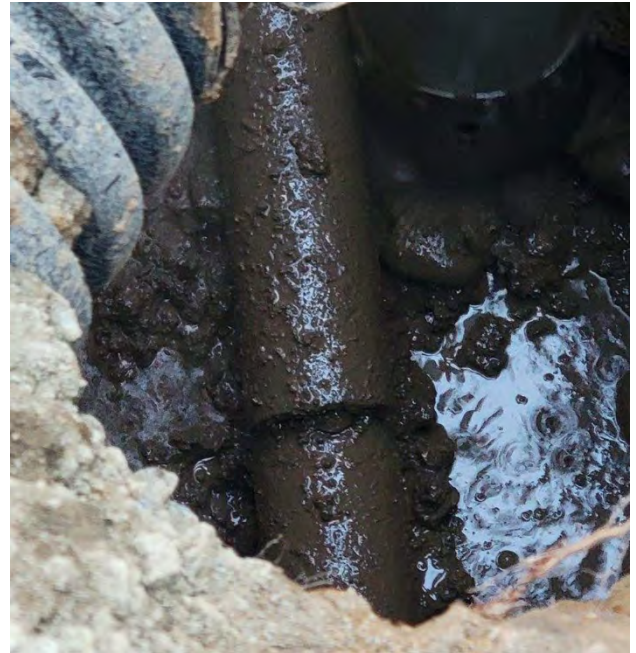


Photo 2: Failed lateral



Photo 3: Contractor repair



Photo 4: Old stormwater "pipe"



Photo 5: Service leak on Aldercrest



Photo 6: Bell-joint leak on Oatfield



Photo 7: Main leak on Hull



Photo 8: Water main repair

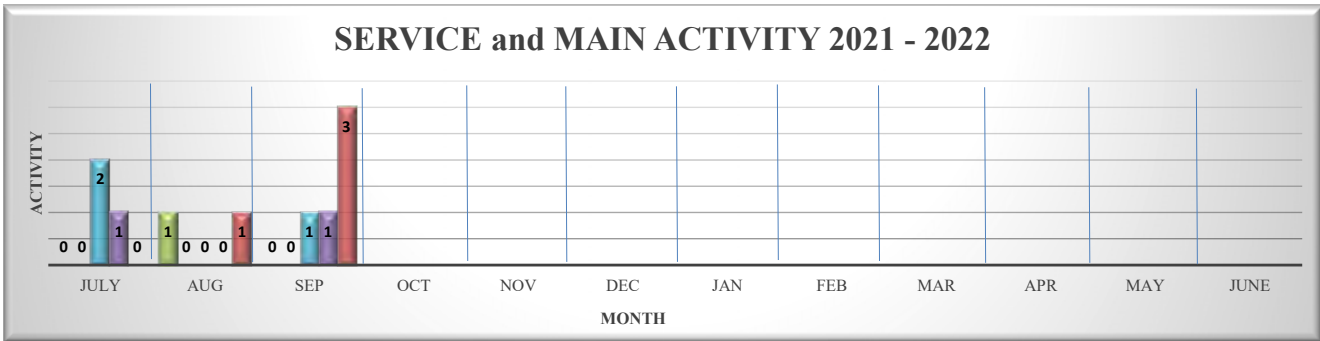
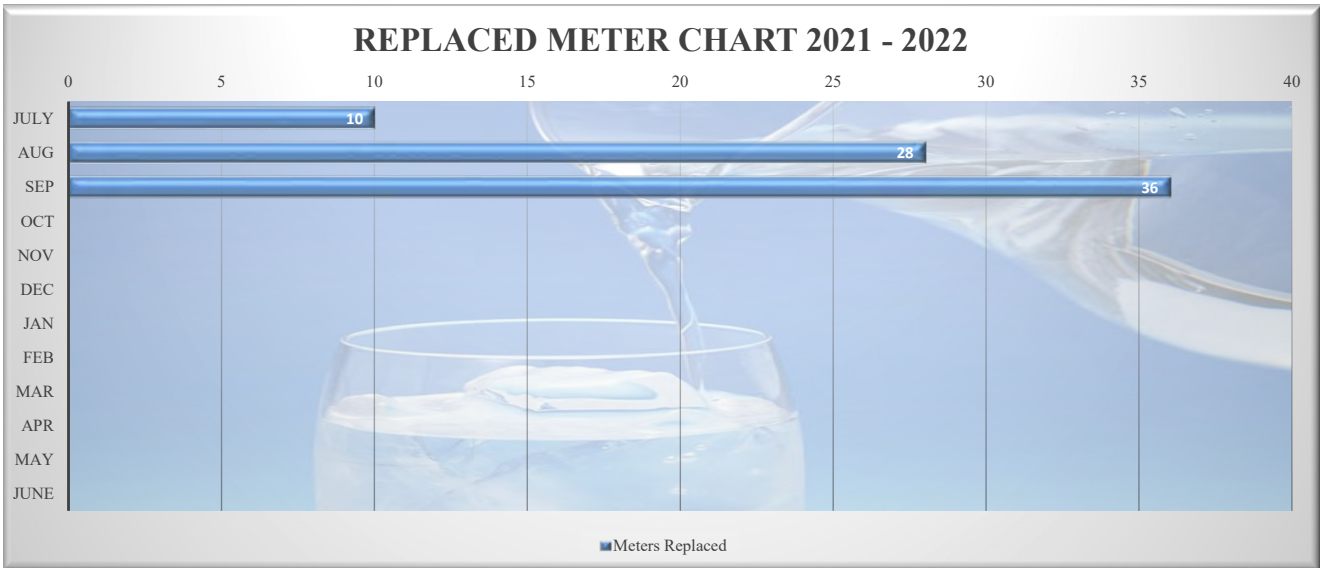


Photo 9: Water main repair on Vineyard

Water Purchased from NCCWC By Month and Year

Year	Fiscal 1st Half						Fiscal 2nd Half						Yearly Total	Percent of Average Total	Average Daily Demand
	July	August	September	October	November	December	January	February	March	April	May	June			
12/13	108,236,000	142,023,000	121,981,000	90,545,000	73,672,000	72,454,000	73,277,000	72,051,000	63,866,000	71,906,000	86,085,000	101,278,000	1,077,374,000	97.11%	2.95
13/14	132,837,000	144,354,000	103,403,000	75,217,000	72,624,000	73,180,000	72,052,000	74,566,000	63,886,000	72,171,000	77,889,000	97,978,000	1,060,157,000	95.55%	2.90
14/15	120,411,000	135,271,000	120,008,000	78,257,000	69,534,000	66,200,143	70,840,857	70,318,000	63,972,000	71,515,000	77,173,000	121,185,000	1,064,685,000	95.96%	2.92
15/16	151,728,000	139,696,000	105,238,000	92,781,000	83,966,000	85,368,000	93,522,000	82,637,000	76,044,000	86,443,000	90,989,000	114,745,667	1,203,157,667	108.44%	3.30
16/17	128,722,333	144,599,000	113,212,000	77,196,000	72,766,000	72,839,000	80,205,000	75,867,000	68,040,000	73,822,000	74,515,000	101,310,000	1,083,093,333	97.62%	2.97
17/18	136,262,000	154,085,000	122,113,000	79,860,000	75,718,000	73,584,000	74,389,000	73,219,000	66,754,000	74,713,000	87,263,000	115,543,000	1,133,503,000	102.16%	3.11
18/19	136,887,000	158,433,000	112,001,000	86,062,000	77,769,000	79,690,000	81,040,000	78,594,000	70,790,000	76,199,000	102,519,000	116,626,000	1,176,610,000	106.05%	3.22
19/20	120,368,000	132,181,000	105,200,000	75,825,000	76,089,000	74,759,000	75,848,000	75,918,000	70,192,000	79,173,000	80,872,000	93,438,000	1,059,863,000	95.53%	2.90
20/21	119,901,000	146,849,000	120,624,000	80,370,000	76,317,000	73,867,000	76,249,000	77,591,000	66,772,000	79,962,000	95,224,000	113,270,000	1,126,996,000	101.58%	3.09
21/22	150,066,000	148,100,000	116,597,000										414,763,000		4.51
	Average	Average	Average	Average	Average	Average	Average	Average	Average	Average	Average	Average	Average Total		
	130,541,833	144,165,667	113,753,333	81,790,333	75,383,889	74,660,127	77,491,429	75,640,111	67,812,889	76,211,556	85,836,556	108,374,852	1,109,493,222		

Oak Lodge Water Services Water Report



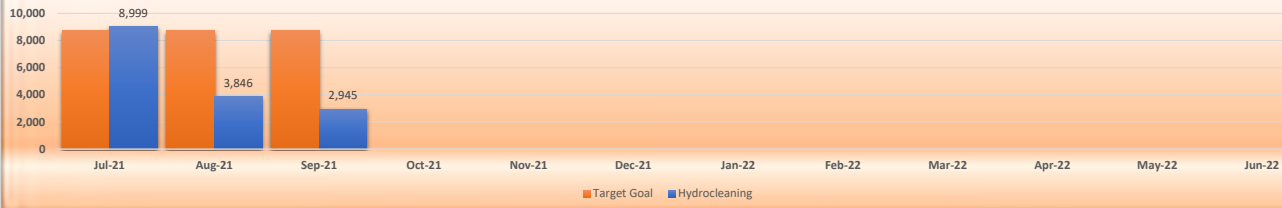
Fiscal Year 2021 - 2022	Month	Meters Replaced	New Services	Iron Services Renewed	Plastic Services Renewed	Service Leaks Repaired	Main Leaks Repaired
2021	July	10	0	0	2	1	0
2021	Aug	28	1	0	0	0	1
2021	Sep	36	0	0	1	1	3
2021	Oct						
2021	Nov						
2021	Dec						
2022	Jan						
2022	Feb						
2022	Mar						
2022	Apr						
2022	May						
2022	June						
Yearly Total		74	1	0	3	2	4

Oak Lodge Water Services Collections Report

TV Inspections



Hydrocleaning



FY 2017-2018

Month	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Current Month %	To Date Totals	Year 1 % Complete	5 Year %	Total Feet Remaining
TV Inspection	2,512	11,906	13,532	8,961	4,566	4,987	5,092	1,548	1,942	9,212	7,875	6,239		78,372	74.87%	14.97%	445,020
Hydrocleaning	6,967	8,539	13,085	10,206	4,472	2,328	4,723	513	4,906	8,953	8,638	5,367		78,697	75.18%	15.04%	444,695
Target Goal	8,723	8,723	8,723	8,723	8,723	8,723	8,723	8,723	8,723	8,723	8,723	8,723		104,678	100.00%	20.00%	418,714
Actual to Goal	-3,984	1,499	4,585	860	-4,204	-5,066	-3,816	-7,693	-5,299	359	-467	-2,920		-26,144			
Grease Line	3,625	5,105	3,276	3,625	10,227	3,859	3,625	4,757	3,625	3,276	11,061	4,225		60,286			

FY 2018-2019

Month	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Current Month %	To Date Totals	Year 2 % Complete	5 Year %	Total Feet Remaining
TV Inspection	4,308	10,281	10,488	3,388	5,886	13,480	3,283	8,993	4,635	1,657	4,923	15,854		87,176	83.28%	31.63%	357,844
Hydrocleaning	3,619	9,456	6,197	13,307	2,636	16,171	1,124	11,765	14,542	3,289	287	0		82,393	78.71%	30.78%	362,302
Target Goal	8,723	8,723	8,723	8,723	8,723	8,723	8,723	8,723	8,723	8,723	8,723	8,723		104,678	100.00%	40.00%	314,035
Actual to Goal	-4,760	1,145	-381	-376	-4,462	6,102	-6,520	1,656	865	-6,250	-6,118	-796		-19,894			
Grease Line	3,276	4,757	3,625	3,625	3,625	2,192	5,105	3,625	2,963	10,872	4,006	3,276		50,947			

FY 2019-2020

Month	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Current Month %	To Date Totals	Year 3 % Complete	5 Year %	Total Feet Remaining
TV Inspection	16,502	768	0	7,139	5,272	8,798	11,449	8,537	7,246	0	249	2,647		68,607	65.54%	44.74%	289,237
Hydrocleaning	21,557	0	0	7,709	9,405	9,493	11,164	0	9,414	0	0	0		68,742	65.67%	43.91%	293,560
Target Goal	8,723	8,723	8,723	8,723	8,723	8,723	8,723	8,723	8,723	8,723	8,723	8,723		104,678	100.00%	60.00%	209,357
Actual to Goal	10,306	-8,339	-8,723	-1,299	-1,385	422	2,583	-4,455	-393	-8,723	-8,599	-7,400		-36,004			
Grease Line	1,480	3,276	3,276	1,480	9,392	3,276	3,625	3,625	3,625	0	0	5,105		38,160			

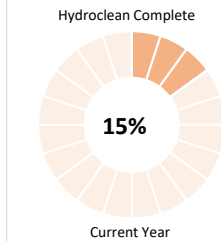
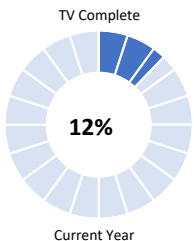
FY 2020-2021

Month	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Current Month %	To Date Totals	Year 4 % Complete	5 Year %	Total Feet Remaining
TV Inspection	8,953	11,292	2,624	3,632	0	0	8,280	22,402	11,251	0	8,528	7,683		84,645	81%	60.91%	204,592
Hydrocleaning	4,205	11,108	2,911	0	0	0	761	0	11,066	3,410	6,003	9,365		48,829	47%	53.24%	244,731
Target Goal	8,723	8,723	8,723	8,723	8,723	8,723	8,723	8,723	8,723	8,723	8,723	8,723		104,678	100%	80.00%	104,679
Actual to Goal	-2,144	2,477	-5,956	-6,907	-8,723	-8,723	-4,203	2,478	2,435	-7,018	-1,458	-199		-37,941			
Grease Line	2,169	9,084	2,963	4,757	2,192	3,616	10,863	2,891	3,267	3,054	2,824	3,680		51,360			

FY 2021-2022

Month	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Current Month %	To Date Totals	Year 5 % Complete	5 Year %	Total Feet Remaining	
TV Inspection	9,931	2,851	0											0%	12,782	12%	63.35%	191,810
Hydrocleaning	8,999	3,846	2,945											34%	15,790	15%	56.26%	228,941
Target Goal	8,723	8,723	8,723											100%	26,169	100%	100.00%	95,955
Actual to Goal	742	-5,375	-7,251												-11,883			
Grease Line	1,516	3,345	1,865												6,726			

	Year 1	Year 2	Year 3	Year 4	Year 5	Remaining
Total Feet	523,392	523,392	523,392	523,392	523,392	
Target Per Year	104,678	104,678	104,678	104,678	104,678	
Target Per Month	8,723	8,723	8,723	8,723	8,723	
Actual Per Year TV	78,372	87,176	68,607	84,645	12,782	191,810
Actual Per Year Hyd	78,697	82,393	68,742	48,829	15,790	228,941
Make up	-26,144	-19,894	-36,004	-37,941	-90,392	
Percent Completed	75%	81%	66%	64%	14%	60%





STAFF REPORT

To Board of Directors
From David Hawkins, Interim Plant Superintendent
Title Plant Operations Monthly Report
Item No. 7e
Date October 19, 2021

Summary

The Board has requested updates at the Regular Meetings of the Board on the status of the District's Operations.

Highlights of the Month

- Lab Evaluation Passed with Flying Colors.
- First Rain of The Season.
- Update on Operational Supply Chain Issues.
- Liquid Polymer Trials, Day 1-7.
- Lift Station 5 Pump-Around Installed.

Water Reclamation Facility Operations

Every month the laboratory at the Water Reclamation Facility records over 500 data points. Most of these data points are tests that are completed by OLWS staff. As such, every year the EPA and DEQ require OLWS to pass what is called a Quality Assurance, Quality Control evaluation. Basically, staff are sent samples to analyze and report on. The data that is reported is then sent back to a private, third-party lab who has also analyzed the same samples and compares the data. If the data that staff have provided fall outside of an acceptable range, one retest is allowed. If that test isn't passed, DEQ and/or EPA can strip the WRFs lab accreditation, and not accept the data it provides. This evaluation is conducted in August, and we typically receive the results by early September. I am happy to report that the lab passed with flying colors and all reported data is within the acceptable parameters.

September 18, 19, and 20th brought the area its first rain of the season, and it was a good one. The Portland Airport reported well over 2 inches of rain over this 3-day span. The first rain of the season is typically referred to as the "First Flush" because after months of dry weather and low flow through the sewer lines, there tends to be stagnation and settling of solids and grit. The Treatment Plant saw the flow increase by 15 to 25%, but the equipment handled it well due

to preparation from the operations and maintenance staff. No issues were recorded at the Plant or lift stations.

September saw a continuation of the supply chain issues that seem to be plaguing the economy right now: Staff was informed by the District's Sodium Hypochlorite distributor that prices were to increase 7% due to "escalating operational and logistical expenses." On the polymer front, Staff has compiled approximately 90 days' worth of dry polymer onsite, which is more than the District typically keeps on hand. This is in response to being informed in August by the polymer distributor that lead-times were up to 11 weeks for our specific dry polymer. After speaking with the distributor in the last week of September, lead times for our polymer have increased to 20 weeks.

Late September saw the delivery of our 250-gallon liquid polymer tote. On the 22nd, Mike Reilly of Wm. H. Reilly & Co. made an onsite visit to help get the system set up and provide some training on the system. Staff has begun a 30-day testing period, where they will evaluate the liquid polymer and compare it to results from the dry polymer we have been using. Initial results have been good, seeing our solids concentration go up from 12% to 14.5% in our dewatered biosolids. While that does not seem like a lot, that small improvement equates to hauling 15% less water.

Water Reclamation Facility Maintenance

Maintenance focused on lift stations in the month of September. Specifically, working with training field operations and assisting in the Lift Station 5 upgrades. The Lift Station 5 upgrade is just about to begin, and the first step will be pumping around the lift station, which started the last week of September. After we are comfortable that the pump around is working good, demolition on the station will begin. Maintenance also called in a scrap metal dumpster and started clearing out all the scrap that has accumulated over the past several years.

Attachments

1. Photo Pages of September 2021 work.
2. Rainfall vs Flow Data Correlation for March 2021-September 2021
3. Plant Performance BOD-SS Graph for March 2021-September 2021
4. Work Order Summary Graph 2021

Plant Operations Photo Page



Temporary polymer skid.



Temporary polymer skid side view.



Scrap pile before...



Scrap Pile all cleaned up!



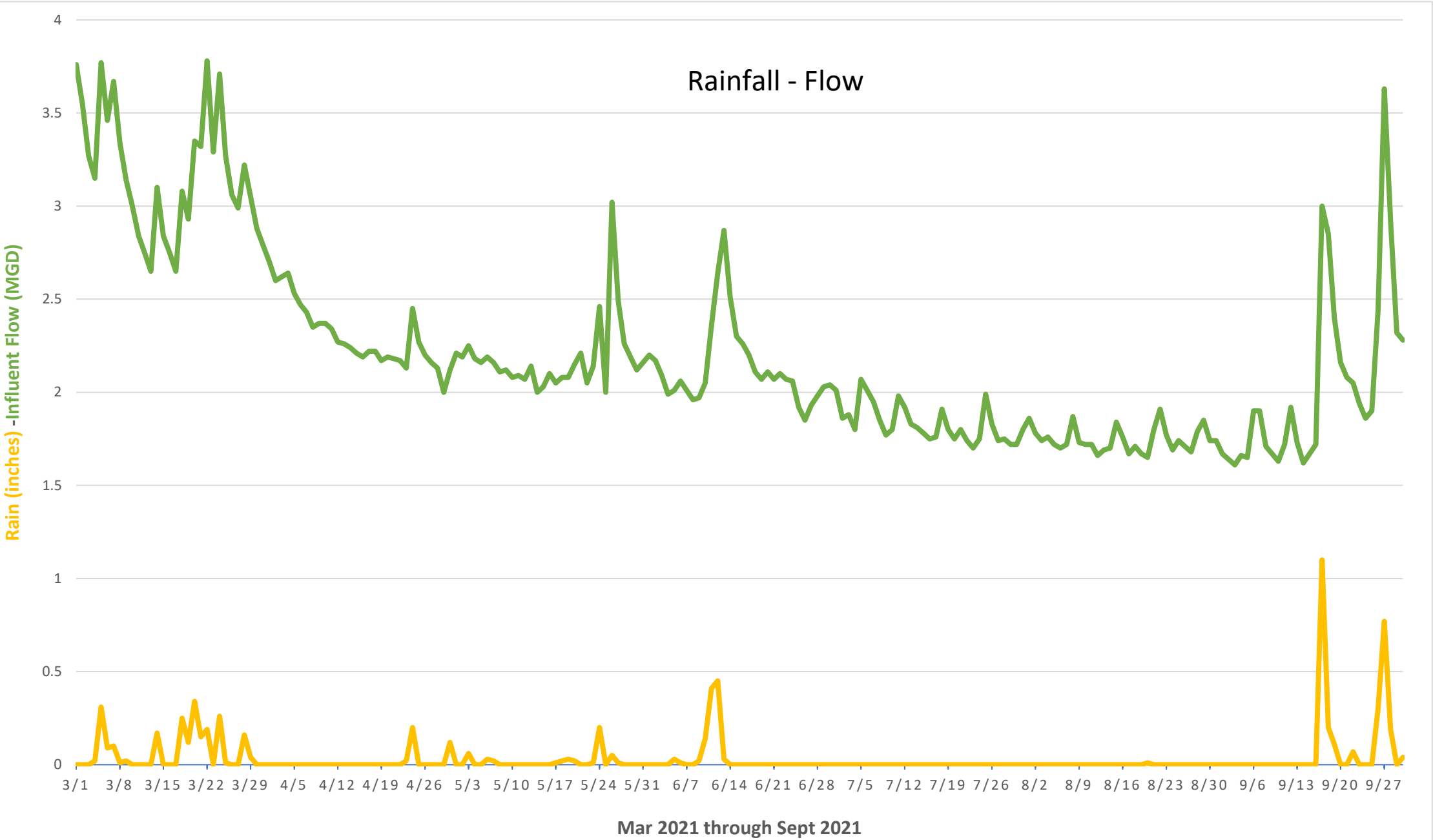
Crane lifting equipment into place PS#5.



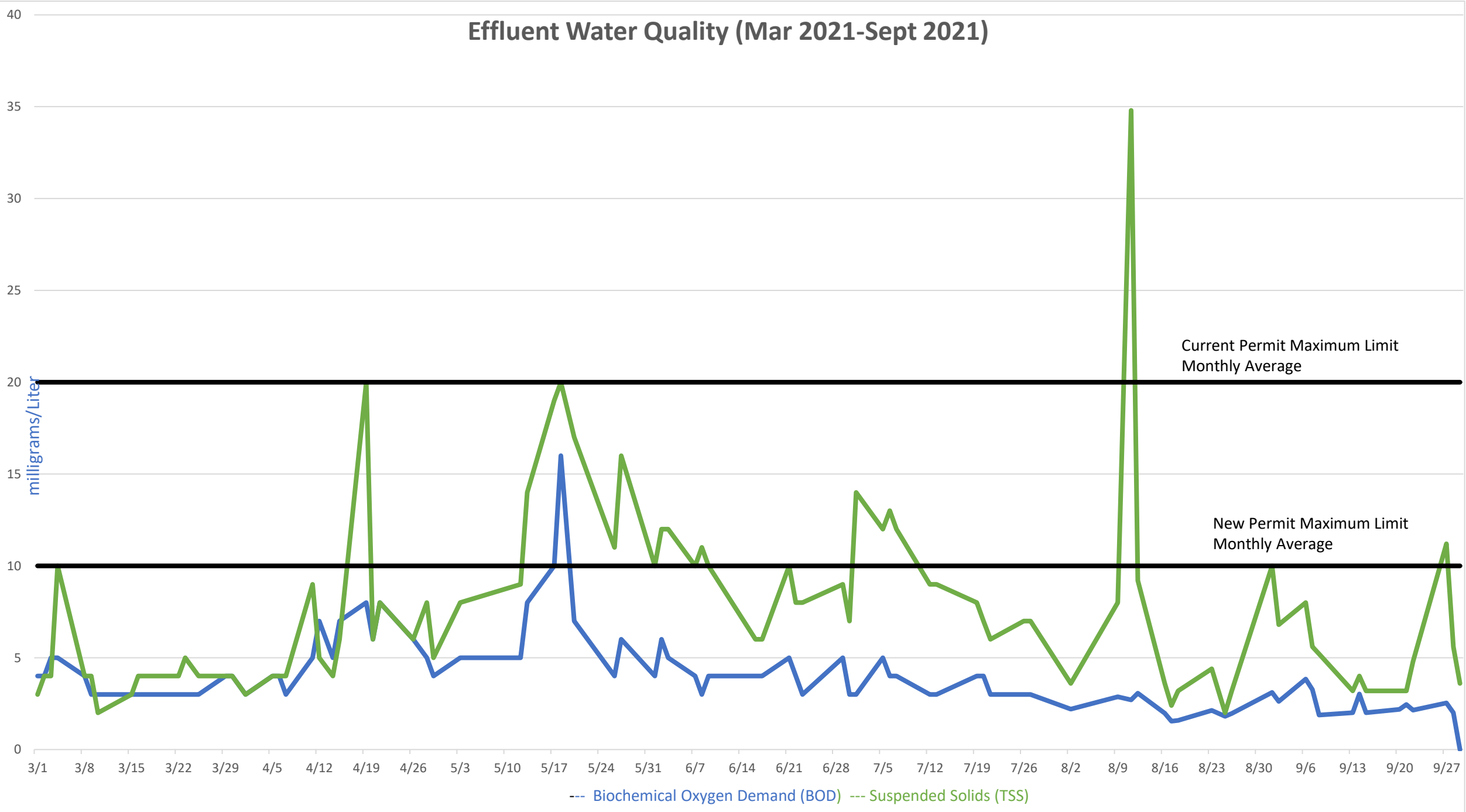
Temporary pump around installed.



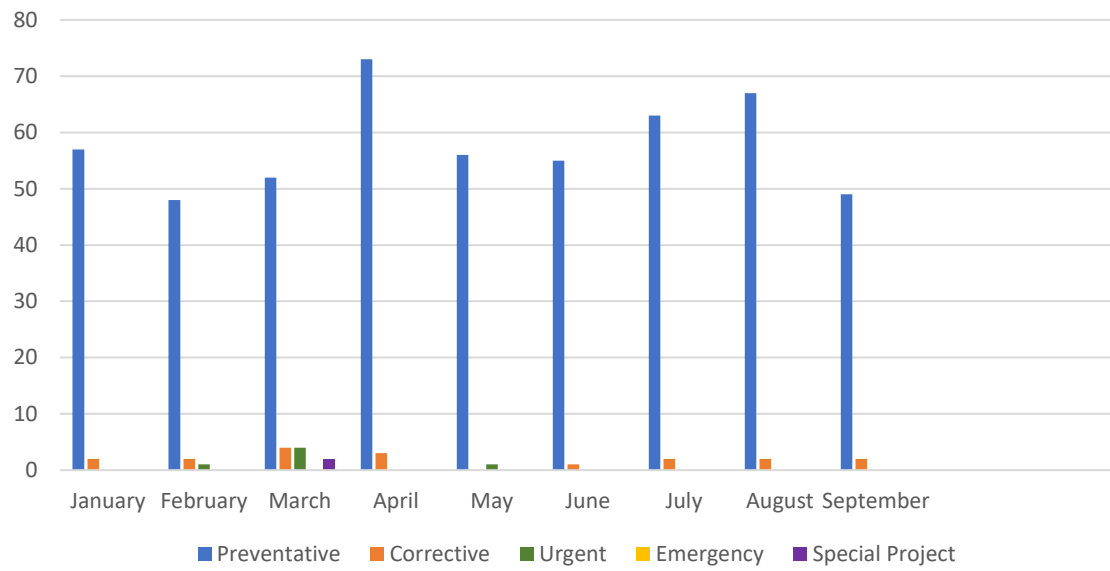
Volunteer tomatoes from January's flood.



Effluent Water Quality (Mar 2021-Sept 2021)



Treatment Plant Work Order Summary 2021





AGENDA ITEM

Title	Call for Public Comment
Item No.	8
Date	October 19, 2021

Summary

The Board of Directors welcomes comment from members of the public.

Written comments may not be read out loud or addressed during the meeting, but all public comments will be entered into the record.

The Board of Directors may elect to limit the total time available for public comment or for any single speaker depending on meeting length.