

**CITY OF VALDEZ  
ALASKA**

**CM/GC CONTRACT DOCUMENTS**

**Project: VCS District Offices Tenant Improvements – GC Services**

**Project Number: 24-310-3340**

**Contract Number: 2400**

**Cost Code: 310-3340-58000**

**Issued for Construction**

**Date: TBD**



City of Valdez  
Capital Facilities and Engineering  
300 Airport Road, Suite 201  
P.O. Box 307  
Valdez, Alaska 99686

Project Manager:  
Lindy Vititow

Construction Plan Set Completed By:  
Bettisworth North, Inc  
2550 Denali St. Suite 1300  
Anchorage, Alaska 99503

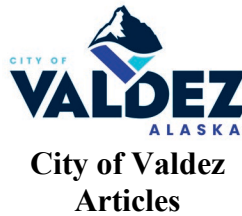


**City of Valdez  
CM/GC Contract Documents**

**Project: VCS District Offices Tenant Improvements – GC Services  
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Table of Contents

Articles_____	3
Scope of Work_____	28
Agreement Page_____	29
Corporate Acknowledgement_____	31
Non-Collusion Affidavit_____	32
Labor and Material Bond_____	33
Performance Bond_____	35
Contractor Certificate of Substantial Completion_____	37
Contract Release_____	38
Special Provisions_____	40
Modifications and Additions to the Standard Specifications_____	48
Minimum Prevailing Wage Rates_____	52
Drawings and Specifications “ <u>VCS District Office Tenant Improvements @HHES</u> ”_____	Attached



**Project: VCS District Offices Tenant Improvements – GC Services**  
**Project Number: 24-310-3340 / Contract Number: 2400**

## **ARTICLE 1 GENERAL**

### **1.1 RELATIONSHIP OF PARTIES**

Contractor accepts the Construction Manager relationship of trust and confidence established with the Owner by the Contract, and covenants with the Owner to furnish the Contractor's reasonable skill and judgment and to cooperate with the Architect and the Project Manager (defined in Section 3.2) in furthering the interests of the Owner. The Contractor shall furnish Pre-Construction and Construction Phase construction services, cost tracking and scheduling and other similar services and use the Contractor's best efforts to perform the Work in an expeditious and economical manner consistent with the interests of the Owner. The Owner shall endeavor to promote cooperation among the Architect, the Project Manager, the Contractor and other persons or entities employed by the Owner for the Project.

### **1.2 GENERAL**

For the Construction Phase (including any portion of the Construction Phase that proceeds concurrently with the Preconstruction Phase), the General Provisions of this Contract shall be the standard City of Valdez General Provisions, Division 10 ("General Provisions"), which are attached and incorporated herein by reference as (Exhibit B). These may be modified by the Special Provisions (Exhibit C).

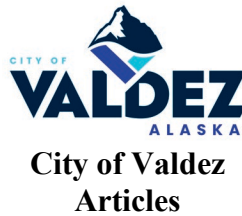
## **ARTICLE 2 CONTRACTOR'S RESPONSIBILITIES**

The Contractor shall perform the services and construct the Work as designed in the Contract Documents. The services specified in Sections 2.1 are to be provided in the Preconstruction Phase. The Work specified in Section 2.3 is to be provided in the Construction Phase. If the Owner and the Contractor agree, the Construction Phase may commence before the Preconstruction Phase is completed, in which case both Phases will proceed concurrently.

### **2.1 PRECONSTRUCTION PHASE**

#### **2.1.1 PRELIMINARY EVALUATION**

The Contractor shall provide a preliminary evaluation of the Owner's Work budget and schedule requirements, each in terms of the other.



**Project: VCS District Offices Tenant Improvements – GC Services**  
**Project Number: 24-310-3340 / Contract Number: 2400**

### **2.1.2 CONSULTATION**

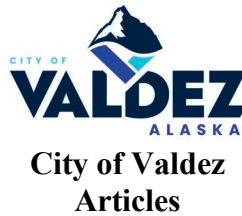
The Contractor, the Project Manager and the Architect shall jointly schedule and attend regular meetings with the Owner. The Contractor shall consult with the Owner and Architect regarding site use and improvements and the selection of materials, building systems and equipment. The Contractor shall provide recommendations on construction feasibility, actions designed to minimize adverse effects of labor or material shortages or harsh weather conditions, time requirements for procurement, installation and construction completion, and factors related to construction cost, including estimates of alternative designs or materials, preliminary budgets and possible economies.

### **2.1.3 PRELIMINARY WORK SCHEDULE**

When Work requirements described in Section 3.1 have been sufficiently identified, the Contractor shall prepare, and periodically update, a preliminary Work construction schedule for the Architect's review and the Owner's approval. The Contractor shall (a) obtain the Architect's approval of the portion of the preliminary Work construction schedule relating to performance of the Architect's services and (b) coordinate and integrate the preliminary Work construction schedule with the other Project services and activities. As design proceeds, the preliminary Work construction schedule shall be updated to indicate proposed activity sequences and durations, milestone dates for receipt and approval of pertinent information, submittal of a Guaranteed Maximum Price and Schedule of Values (defined in Section 2.2.4.6) proposal, preparation and processing of shop drawings and samples, delivery of materials or equipment requiring long-lead-time procurement, Owner's occupancy requirements showing portions of the Work having occupancy priority, and proposed date of Substantial Completion. If preliminary Work schedule updates indicate that previously approved schedules may not be met, the Contractor shall make appropriate recommendations to the Owner and Architect.

### **2.1.4 PHASED CONSTRUCTION**

The Contractor shall make recommendations to the Owner and Architect regarding the phased issuance of Construction Documents to facilitate phased construction of the Work, if such phased construction is appropriate for the Work, taking into consideration such factors as economies, time of performance, availability of labor and materials, harsh weather conditions, ability to finish required work as scheduled, and provisions for temporary facilities.



**Project: VCS District Offices Tenant Improvements – GC Services**  
**Project Number: 24-310-3340 / Contract Number: 2400**

#### **2.1.5 PRELIMINARY COST ESTIMATES**

During the preparation of the Construction Documents for the Work, the Contractor shall update and refine the construction cost estimate at appropriate intervals agreed to by the Project Manager, Architect and Contractor.

#### **2.1.6 SUBCONTRACTORS AND SUPPLIERS**

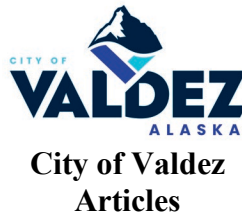
The Contractor shall seek to develop interest by subcontractors (each subcontractor a “Subcontractor”; a subcontractor of a Subcontractor also a “Subcontractor”) and suppliers (each supplier a “Supplier”; a supplier of a Supplier also a “Supplier”) for the Work, including those Subcontractors and Suppliers specified in Section 2.1.10, and shall furnish upon request to the Owner and Architect for their information a list of possible Subcontractors and Suppliers who are to furnish work, materials or equipment fabricated to a special design, from which bids or proposals will be requested for principal portions of the Work. The Owner will promptly reply in writing to the Contractor if the Owner has any objection to any such Subcontractor or Supplier. The receipt of such list shall not require the Owner to investigate the qualifications of proposed Subcontractors or Suppliers; nor shall it waive the right of the Owner later to object to or reject any proposed Subcontractor or Supplier and/or to require competitive bidding or proposals for Subcontractor or Supplier selection by the Contractor.

#### **2.1.7 LONG-LEAD-TIME ITEMS**

The Contractor shall recommend to the Owner and Architect a schedule for procurement of long-lead-time items which will constitute part of the Work as required to meet the Work schedule. If such long-lead-time items are procured by the Owner, they shall be procured on terms and conditions acceptable to both the Owner and the Contractor. Upon the Owner’s acceptance of the Contractor’s Guaranteed Maximum Price and Schedule of Values proposal, all contracts for such items shall be assigned by the Owner to the Contractor and assumed by the Contractor, and the Contractor shall accept responsibility for such items as if procured by the Contractor. The Contractor shall expedite the delivery of long-lead-time items.

#### **2.1.8 EXTENT OF RESPONSIBILITY**

The Contractor does not warrant or guarantee estimates and schedules except as may be included as a condition to or in the Guaranteed Maximum Price, the Schedule of Values, any Change Orders, any amendment to this Contract, or any Subcontract, Supply Contract or Work authorized pursuant to Section 2.3.1.1(b). The recommendations and advice of the Contractor concerning design alternatives, construction feasibility, costing and scheduling, and other required construction management services shall be subject to



**Project: VCS District Offices Tenant Improvements – GC Services**  
**Project Number: 24-310-3340 / Contract Number: 2400**

the review and approval of the Owner, the Architect, and the Owner's other professional consultants. It is not the Contractor's responsibility to ascertain that the Contract Documents (including the Construction Documents) are in accordance with applicable laws, statutes, ordinances, building codes, rules and regulations. However, if the Contractor claims that portions of them are at variance therewith, the Contractor shall promptly notify the Architect and the Owner in writing, specifying the particulars of such variances. Because the Contractor is participating in the design phase of the Work, it shall be deemed to have waived all future claims against the Owner that the Work is not constructible, in whole or in part, based upon the Contract Documents (including the Construction Documents). However, the Contractor shall not be deemed to have waived any future claim that any specific part of the Contract Documents (including the Construction Documents) contains an error which has caused the Contractor to suffer increased Costs of Work, losses, damages or delays.

**2.1.9 EQUAL EMPLOYMENT OPPORTUNITY, AFFIRMATIVE ACTION & MINIMUM WAGES**

The Contractor shall comply with (a) all applicable laws, regulations and special requirements of the Contract Documents regarding equal employment opportunity and affirmative action programs, (b) any minimum wage requirements of Federal and/or State law, and (c) any special requirements that may be required by any of the Owner's funding sources for the Work. Owner shall advise Contractor of all such special requirements by the Owner's funding sources. Alaska prevailing wage requirements are in Article 6.15 of the General Provisions.

**2.1.10 REQUIRED PERSONNEL**

Contractor shall assign and provide a list of specific personnel to be primarily in charge of and responsible for Contractor's Construction Phase services. Contractor shall not re-assign or substitute for such equivalent personnel without the Owner's prior written consent, which shall not be unreasonably withheld.

**2.2 GUARANTEED MAXIMUM PRICE PROPOSAL AND CONTRACT TIME**

**2.2.1 "GMP" COST PROPOSAL**

When the Construction Documents are sufficiently complete in the opinion of both the Owner and Contractor, within 30 days thereafter the Contractor shall propose an updated Guaranteed Maximum Price, which shall be the sum of the estimated Cost of the Work (including Contractor's Contingency defined in Section 2.2.3.2) (including the Owner's Contingency defined in Section 2.2.3.1) and the Contractor's Fixed Fee (defined in Section 4.1.1) for construction of the Work in accordance with the Contract Documents (including the Construction Documents).



## City of Valdez Articles

**Project: VCS District Offices Tenant Improvements – GC Services**  
**Project Number: 24-310-3340 / Contract Number: 2400**

### **2.2.2 CHANGES TO THE “GMP” COST PROPOSAL**

If the Construction Documents are not finished and approved by the Owner at the time the Guaranteed Maximum Price and Schedule of Values proposal is made, the Contractor shall base the Guaranteed Maximum Price on the then existing Construction Documents by the Architect that includes such things as changes in scope or substantial changes in systems, kinds and quality of materials, finishes, or equipment shall entitle the Contractor and/or the Owner to a Change Order that adjusts the Guaranteed Maximum Price based upon such change as set forth in the General Provisions. Otherwise, neither the Contractor nor the Owner shall be entitled to any Change Order or other adjustment to the Guaranteed Maximum Price or Schedule of Values as a result of any such change.

### **2.2.3 THE GUARANTEED MAXIMUM PRICE**

The Guaranteed Maximum Price proposal shall include all costs which are properly reimbursable as a Cost of the Work and include a separate “Owner’s Contingency” fund: 1) an Owner’s Contingency fund, which may also be identified as a Scope & Unforeseen Conditions Contingency; The value of this fund shall be set by the Owner as part of the Guaranteed Maximum Price cost and be included within the reconciliation process. A request to utilize these funds shall be made in the form of a Contingency Authorization Request to be reviewed by the Owner’s Representative.

With prior Owner approval, “Owner’s Contingency” may be used to account for errors and omissions in the Construction Documents, or for unknown conditions. Unused amounts in the Owner’s Contingency will be returned to the Owner at the Completion of the Work.

#### **2.2.3.1 OWNER’S CONTINGENCY**

**Owner’s Contingency:** To the extent that the Drawings and Specifications are anticipated to require further development and complete the design, the Construction Manager shall provide in the Guaranteed Maximum Price for such further development consistent with the Contract Documents and reasonably inferable therefrom. Such further development does not include such things as material changes in scope, systems, kinds and quality of materials, finishes or equipment, all of which, if required shall be funded, at the Owner’s sole discretion, through the Owner’s Contingency. A request to access the Owner’s Contingency will not be warranted if the Work in question was reasonably inferable from or contemplated by, or a prudent contractor should have realized that the



## City of Valdez Articles

### **Project: VCS District Offices Tenant Improvements – GC Services Project Number: 24-310-3340 / Contract Number: 2400**

Work was necessary and appropriate under the Contract Documents referenced in the Guaranteed Maximum Price proposal.

#### **2.2.3.2 CONTINGENCY AUTHORIZATION REQUEST**

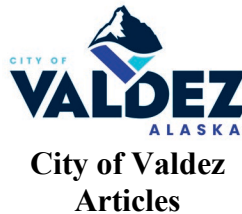
**Contingency Authorization Request:** The Construction Manager must give the Owner notice and supporting cost backup when applying to use the Owner's Contingency. The Construction Manager shall use the Owner's Contingency only with the Owner's prior written consent which shall be granted at the Owner's sole discretion. Use of the Contingency shall be tracked in the Schedule of Values submitted with the Application for Payment. Any balance remaining in the Owner's Contingency shall be returned to the Owner at the end of the Project.

#### **2.2.4 BASIS OF GUARANTEED MAXIMUM PRICE**

The Contractor shall include with the Guaranteed Maximum Price proposal a written statement of its basis, which shall include:

1. A list of all of the Contract Documents (including the Drawings and Specifications), which are the basis for, and included within, the Guaranteed Maximum Price proposal.
2. A list of all allowances assumed by the Contractor in its Guaranteed Maximum Price proposal and a statement of their basis.
3. A list of the clarifications and assumptions made by the Contractor in the preparation of the Guaranteed Maximum Price proposal to supplement the information contained in such Construction Documents and other Contract Documents.
4. The proposed Guaranteed Maximum Price.
5. A time schedule for performing the Work covered by the Guaranteed Maximum Price, which includes (a) the Date of Substantial Completion for such Work upon which the proposed Guaranteed Maximum Price is based and (b) the required permitting issuance dates (if any) upon which the date of Substantial Completion is based.
6. A schedule of values ("Schedule of Values") for all of the Work covered by the Guaranteed Maximum Price. The Schedule of Values shall allocate the Guaranteed Maximum Price among the various portions of the Work by CSI





**Project: VCS District Offices Tenant Improvements – GC Services**  
**Project Number: 24-310-3340 / Contract Number: 2400**

7. Specifications, showing the Contractor's Fee and Owner's Contingency as separate items.

#### **2.2.5 "GMP" SUBMITTAL**

The Contractor shall submit to the Owner and Architect the Guaranteed Maximum Price and Schedule of Values proposal, including the written statement of its basis. In the event that the Owner or Architect discovers any inconsistencies or inaccuracies in the information presented, they shall promptly notify the Contractor, who shall make appropriate adjustments to the Guaranteed Maximum Price proposal, its basis, or both.

#### **2.2.6 "GMP" SUBMITTAL REVIEW TIMEFRAME**

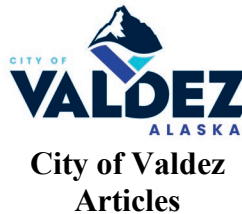
The Owner shall have 30 days to review and accept the Guaranteed Maximum Price and Schedule of Values proposal in writing. Unless the Owner timely accepts the proposal by notifying the Contractor, the Guaranteed Maximum Price and Schedule of Values proposal shall not be effective without written acceptance by the Contractor.

#### **2.2.7 PRIOR TO "GMP" ACCEPTANCE**

Prior to the Owner's acceptance of the Contractor's Guaranteed Maximum Price and Schedule of Values proposal and issuance of a Notice to Proceed with the Work, the Contractor shall not incur any cost to be reimbursed as part of the Cost of the Work, except as the Owner may specifically authorize in writing. However, the Owner shall have the right to issue (a) a Notice to Proceed to the Contractor for specific early portions of the Work prior to agreement on the Guaranteed Maximum Price if the price and other terms for such specific portions of the Work are agreed upon in writing by the Contractor and the Owner or (b) absent such agreement, a Construction Change Directive(s) for such specific portions of the Work may be issued by the Owner.

#### **2.2.8 "GMP" ACCEPTANCE**

Upon acceptance by the Owner of the Guaranteed Maximum Price and Schedule of Values proposal, the Guaranteed Maximum Price and Schedule of Values shall be set forth in the Contract Documents that is executed by the Owner and Contractor. This Contract including the General Provisions, the Construction Documents, and documents specified by the Contract pursuant to Section 2, shall thereafter constitute the "Contract Documents." The Guaranteed Maximum Price and Schedule of Values shall be subject to additions and deductions by changes in the Work as provided in the Contract Documents, and the Date of Substantial Completion shall be subject to adjustment as provided in the Contract Documents.



**Project: VCS District Offices Tenant Improvements – GC Services**  
**Project Number: 24-310-3340 / Contract Number: 2400**

## **2.2.9 REVISION OF CONSTRUCTION DOCUMENTS**

The Owner shall authorize and cause the Architect to revise the Construction Documents to the extent necessary to reflect the agreed-upon assumptions and clarifications contained in any amendment to this Contract referred to in Section 2.2.8. Such revised Construction Documents shall include any revised Work or Substantial Completion schedule agreed to by the Owner, Architect and Contractor. The Contractor shall promptly notify the Architect and Owner if such revised Construction Documents are inconsistent with or contrary to the agreed-upon assumptions and clarifications.

## **2.2.10 APPLICABLE SALES AND USE TAXES**

The Guaranteed Maximum Price shall include in the Cost of the Work only those applicable sales and use taxes which are enacted at the time the Guaranteed Maximum Price established. Any applicable sales, use or similar taxes that are first enacted after the Guaranteed Maximum Price is agreed to entitle Contractor to a Change Order equitably adjusting the Guaranteed Maximum Price. However, no income tax or increase therein applicable to the Contractor shall entitle it to any such Change Order.

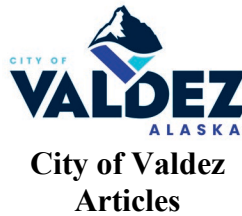
## **2.3 CONSTRUCTION PHASE**

### **2.3.1 GENERAL**

The Construction Phase shall commence on the earlier of: (a) the Owner's acceptance of the Contractor's Guaranteed Maximum Price and Schedule of Values proposal and issuance of a Notice to Proceed, or (b) the Owner's first authorization to the Contractor to: (i) award a Subcontract or Supply Contract or (ii) undertake construction Work with the Contractor's own forces: provided, however, that in the case of the authorizations referred to in Section 2.2.7 the Construction Phase shall apply only to such Subcontract, Supply Contract or Work, (ii) the Construction Phase for the remaining part of the Work shall not begin until the Guaranteed Maximum Price and Schedule of Values are agreed to by the Contractor and the Owner in writing, and (iii) the price of all such Subcontract, Supply Contract and Work shall be included in the Guaranteed Maximum Price and Schedule of Values if and when they are agreed to by the Contractor and the Owner in writing.

### **2.3.2 ADMINISTRATION**

Those portions of the Work that the Contractor does not customarily perform with the Contractor's own personnel shall be performed by Subcontractors under subcontracts ("Subcontracts") or by Suppliers under supply contracts ("Supply Contracts") with the Contractor. The Contractor shall obtain bids or proposals from Subcontractors (as required by the Owner), and Suppliers of materials or equipment fabricated to a special



**Project: VCS District Offices Tenant Improvements – GC Services**  
**Project Number: 24-310-3340 / Contract Number: 2400**

design for the Work, from the list previously approved by the Owner and, after analyzing such bids or proposals, shall deliver such bids or proposals to the Owner. The Owner will then determine, with the advice of the Contractor, which bids or proposals will be accepted. The Owner may designate specific persons or entities from which the Contractor shall obtain bids or proposals. The Owner reserves the right to require the Contractor to obtain competitive bids or proposals for any Subcontract or Supply Contract which has a cost to the Contractor of \$10,000 or more. If a non-competitive or competitive proposal method for such a Subcontract or Supply Contract would result in significant cost savings to Owner, Contractor shall propose such method to Owner for its consideration and decision. If the Guaranteed Maximum Price has been established, the Owner may not prohibit the Contractor from obtaining bids or proposals from other qualified Subcontractor or Supplier bidders or proposers. The Contractor shall not be required to contract with any Subcontractor or Supplier to which the Contractor has reasonable objection; and the Contractor shall not contract with any Subcontractor or Supplier to which the Owner has reasonable objection.

If the Guaranteed Maximum Price has been established and a specific bidder or proposer among those whose bids or proposals are delivered by the Contractor to the Owner (a) is recommended to the Owner by the Contractor, (b) is qualified to perform that portion of the Work, and (c) has submitted a bid or proposal which conforms to the requirements of the Contract Documents without reservations or exceptions, but the Owner requires that another bid or proposal be accepted, then the Contractor may require that a change in the Work be issued to equitably adjust the Contract Time and the Guaranteed Maximum Price and Schedule of Values or other change in the Contract Documents based thereon.

Subcontracts with Subcontractors and Supply Contracts with Suppliers furnishing materials or equipment fabricated to a special design shall conform to the payment provisions of Sections 6.

The Contractor shall schedule and conduct periodic meetings at which the Owner, Project Manager, Contractor and appropriate Subcontractors and Suppliers to discuss the status of the Work. The Project Manager shall prepare and promptly distribute accurate meeting minutes.

Promptly after the Owner's acceptance of the Guaranteed Maximum Price and Schedule of Values proposal, the Contractor shall prepare a Construction Schedule in accordance with Article 5.22 of the General Provisions.

The Contractor shall provide monthly written reports to the Owner and Project Manager on the progress of the Work. The Contractor shall maintain an accurate and complete daily log containing a record of weather, Subcontractors working on the site, number of workers working on the Work site, Work accomplished, problems encountered and other



## City of Valdez Articles

### **Project: VCS District Offices Tenant Improvements – GC Services Project Number: 24-310-3340 / Contract Number: 2400**

similar relevant data as the Owner may reasonably require. The log shall be available to the Owner for its inspection and copying.

The Contractor shall develop a system of control for the Cost of Work acceptable to the Owner, including regular monitoring of actual Costs of Work for activities in progress and estimates for uncompleted tasks and proposed changes. The Contractor shall identify variances between actual and estimated Costs of Work and report the variances to the Owner on at least a monthly basis. At the request of the Owner, the Contractor shall provide copies of job records or reports on a scheduled or as-requested basis. The cost of preparing these copies will be an eligible Cost of the Work.

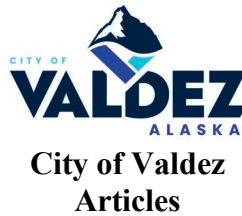
## **2.4 PROFESSIONAL SERVICES**

The Contractor shall not be required to provide professional services which constitute the practice of architecture or engineering unless such services are specifically required by the Contract Documents for a portion of the Work or unless the Contractor needs to provide such services in order to carry out the Contractor's responsibilities for construction means, methods, techniques, sequences and procedures. The Contractor shall not be required to provide professional services in violation of applicable law. If professional design services or certifications by a design professional related to systems, materials or equipment are specifically required of the Contractor by the Contract Documents, the Architect will specify all performance and design criteria that such services must satisfy. The Contractor shall cause such services or certifications to be provided by a properly licensed design 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 the Owner. The Owner shall be entitled to rely upon the adequacy, accuracy and completeness of the services, certifications or approvals performed by such design professionals, provided the Architect specified to the Contractor all performance and design criteria that such services must satisfy. The Architect will review, approve or take other appropriate action on submittals only for the limited purpose of checking for conformance with information given and the design concept expressed in the Contract Documents. The Contractor shall not be responsible for the adequacy of the performance or design criteria required by the Contract Documents.

## **2.5 HAZARDOUS MATERIALS**

### **2.5.1 PRECAUTIONS**

If reasonable precautions will be inadequate to prevent foreseeable bodily injury or death to persons resulting from a hazardous or toxic material or substance, including, but not limited to, asbestos or polychlorinated biphenyl (PCB), encountered at the Work site by



**Project: VCS District Offices Tenant Improvements – GC Services  
Project Number: 24-310-3340 / Contract Number: 2400**

the Contractor, the Contractor shall, upon recognizing the condition, immediately stop Work in the affected area and report the condition to the Project Manager in writing.

### **2.5.2 TESTING**

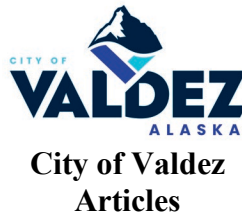
The Owner shall obtain the services of a licensed laboratory to verify the presence or absence of the hazardous or toxic material or substance reported by the Contractor and, in the event any such hazardous or toxic material or substance is found to be present in dangerous amounts, to verify that it has been rendered harmless. Unless otherwise required by the Contract Documents, the Project Manager shall furnish in writing to the Contractor the names and qualifications of persons or entities who are to perform tests verifying the presence or absence of such hazardous or toxic material or substance or who are to perform the task of removal or safe containment of such hazardous or toxic material or substance. The Contractor will promptly reply to the Project Manager in writing stating whether or not either has reasonable objection to the persons proposed by the Project Manager. If the Contractor has an objection to a person proposed by the Project Manager, the Project Manager shall propose another to whom the Contractor has no reasonable objection. When the hazardous or toxic material or substance has been rendered harmless, Work in the affected area shall resume upon written agreement of the Owner and Contractor. The Contract Time shall be extended appropriately and the Contract Sum shall be increased in the amount of the Contractor's reasonable additional costs of shut-down, delay and start-up.

## **2.6 REQUIRED PERSONNEL**

For the Construction Phase services the Contractor shall provide a list of names to the Owner of all of the Contractor's personnel, their titles and the roles they will hold during the Construction Phase. Contractor shall not reassign or substitute such personnel without the Owner's consent, which shall not be unreasonably withheld.

## **2.7 FINANCIAL ARRANGEMENTS**

In addition to the Performance and Payment Bond requirements in Article 3.5 of the General Provisions, the Contractor shall, at the written request of the Owner, prior to commencement of the Construction Phase and thereafter whenever required by the Owner, furnish to the Owner reasonable evidence that adequate financial arrangements have been made to fulfill the Contractor's obligations under the Contract. Furnishing of adequate evidence shall be a condition precedent to the Contractor's right to commence and continue the Work. After such evidence has been furnished, the Contractor shall not materially vary such financial arrangements without prior notice to Owner.



**Project: VCS District Offices Tenant Improvements – GC Services**  
**Project Number: 24-310-3340 / Contract Number: 2400**

## **ARTICLE 3 OWNER’S RESPONSIBILITIES**

### **3.1 INFORMATION OF SERVICES**

For the Preconstruction Phase, the Owner shall provide information in a timely manner regarding its requirements for the Work which sets forth the Owner’s objectives, constraints, criteria, space requirements and relationships, flexibility and expandability requirements, special equipment and systems, and site requirements.

The Owner shall establish and update an overall budget for the Work, based on consultation with the Contractor, which shall include contingencies for changes in the Work and other costs which are the responsibility of the Owner.

#### **3.1.2 STRUCTURAL AND ENVIRONMENTAL TESTS, SURVEYS & REPORTS**

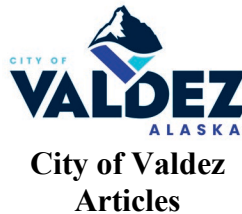
In the Preconstruction Phase, Owner shall furnish to the Contractor with reasonable promptness, at the Owner’s expense, the following, except to the extent that the Contractor knows or should know of any inaccuracy, the Contractor shall be entitled to rely upon the accuracy of any such information, reports, surveys, drawings and tests, but shall exercise customary precautions in doing so:

Reports, surveys, drawings and tests concerning the physical conditions of the site which are required by law.

Surveys describing physical characteristics, legal limitations and utility locations for the site of the Project, and a written legal description of the site. The surveys and legal information shall include, as applicable, grades and lines of streets, alleys, pavements and adjoining property and structures; adjacent drainage; rights-of-way, restrictions, easements, encroachments, zoning, deed restrictions, boundaries and contours of the site; locations, dimensions and necessary data pertaining to existing buildings, other improvements and trees; and information concerning available utility services and lines, both public and private, above and below grade, including inverts and depths. All information on the survey shall be referenced to a Project benchmark.

To the extent reasonably required and when requested by the Contractor, the services of a professional geotechnical engineer for test borings, test pits, determinations of soil bearing values, percolation tests, evaluations of hazardous materials, ground corrosion and resistivity tests, including necessary operations for anticipating subsoil conditions, with reports and appropriate professional recommendations.





**Project: VCS District Offices Tenant Improvements – GC Services**  
**Project Number: 24-310-3340 / Contract Number: 2400**

Structural, mechanical, chemical, air and water pollution tests, tests for hazardous materials, and other laboratory and environmental tests, inspections and reports which are required by law.

The services of other consultants when such services are reasonably required for the Work are requested by the Contractor and are customarily provided by other owners in similar circumstances.

### **3.2 OWNER'S PROJECT MANAGER**

The Owner shall designate in writing a representative ("Project Manager") who shall have express authority to bind the Owner with respect to all matters requiring the Owner's approval or authorization. Such Project Manager shall have the authority to make day to day decisions on behalf of the Owner related to the administration of the Work and will coordinate Owner approvals concerning estimates and schedules, construction budgets, and changes in the Work as required. The Project Manager shall render decisions promptly and furnish information expeditiously, so as to avoid unreasonable delay in the Work of the Contractor. The Project Manager for all such matters is Lindy Vititow.

### **3.3 ARCHITECT**

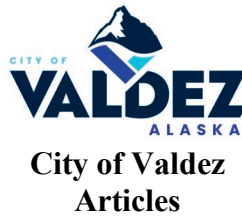
The Owner shall retain an architect and/or other qualified professionals to provide Design Services, including normal architectural, civil, landscape, structural, mechanical, electrical engineering and cost estimating services (in addition to those cost estimating services required of the Contractor) for the Work. The Owner has retained ECI to provide the Basic Design Services for the Work. Such services shall be provided in accordance with time schedules agreed to by the Owner and Contractor.

### **3.4 LEGAL REQUIREMENTS**

The Owner shall determine and advise the Contractor of any special legal requirements relating specifically to the Work which are known to the Owner and differ from those generally applicable to construction of the Work in Alaska.

## **ARTICLE 4 COMPENSATION**

For the Contractor's performance of the Work as described in Section 2.3, the Owner shall pay the Contractor in current funds the Contract Sum consisting of the Cost of the Work as defined in Article 5 and the Contractor's Fee determined as follows:



**Project: VCS District Offices Tenant Improvements – GC Services**  
**Project Number: 24-310-3340 / Contract Number: 2400**

#### **4.1 COMPENSATION**

For the Contractor's performance of the Work as described in Section 2.3, the Owner shall pay the Contractor in current funds the Contract Sum consisting of the Cost of the Work as defined in Article 5 and the Contractor's Fee determined as follows:

**4.1.1. CM/GC Contractor "GMP" Fee: \$ 2,357,316.31 (Two Million Three Hundred Fifty-Seven Thousand Three Hundred and Sixteen dollars and Thirty-One cents)**

- Cost of Construction (Includes Alts. 1-5) - \$ 2,091,168.91
- Contractor Fee Lump Sum - \$ 197,487.70
- Owner Contingency 3% - \$ 68,659.70

**Grand Total of GMP = \$ 2,357,316.31 (Two Million Three Hundred Fifty-Seven Thousand Three Hundred and Sixteen dollars and Thirty-One cents)**

#### **4.2 GUARANTEED MAXIMUM PRICE**

The sum of the maximum Cost of the Work agreed to in writing by the Contractor and the Owner and the Contractor's Fixed Fees based thereon are guaranteed by the Contractor not to exceed the amount provided in the amendment to this Contract referred to in Section 2.2.8, subject to additions and deductions by changes in the Work by Change Order or Construction Change Directive as provided in the Contract Documents. Such maximum sum as adjusted by approved changes in the Work is referred to in this Contract and the other Contract Documents as the Guaranteed Maximum Price. Costs which would cause the Guaranteed Maximum Price to be exceeded shall be paid by the Contractor without reimbursement by the Owner.

#### **4.3 CHANGES IN THE WORK**

**4.3.1 ADJUSTMENTS TO "GMP"**

Adjustments to the Guaranteed Maximum Price on account of changes in the Work subsequent to the execution of the amendment to this Contract referred to in Section 2.2.8 may be determined by any of the methods listed in Article 5.20 of the General Provisions.

In no event shall the aggregate profit and general, administrative and overhead charges of (a) Contractor exceed 3% of any Change Order or Construction Change Directive allowable direct costs, (b) any Subcontractor exceed 12% of any Change Order or Construction Change Directive allowable direct costs, or (c) any Supplier exceed 8% of any Change Order or Construction Change Directive allowable direct costs. In no event shall the total of all such profit, general, administrative and overhead percentages exceed 23%, regardless of whether there are multiple tiers of Subcontractors and/or Suppliers.





## City of Valdez Articles

**Project: VCS District Offices Tenant Improvements – GC Services**  
**Project Number: 24-310-3340 / Contract Number: 2400**

### **4.3.2 UNUSED FUNDS OF “GMP”**

Any unused funds from the final associated “GMP” costs for each package shall be returned to the Owner. All savings from the Subcontractor Bid Package buy-out and value engineering will be returned to the project GMP to be aggregated in the contingency.

## **ARTICLE 5 COST OF WORK PHASE TO BE REIMBURSED**

The term “Cost of the Work” shall mean costs reasonably, necessarily and ordinarily incurred by the Contractor in the proper performance of the Work. Such costs shall be at rates not higher than those customarily paid at the place of the Project, except with prior consent of the Owner (which may in its discretion be withheld). The Cost of the Work shall include only the items set forth in this Article 5.

### **5.1 LABOR COSTS**

Wages of construction workers directly employed by the Contractor to perform the construction of the Work at the site or, with the Owner’s agreement, at off-site workshops.

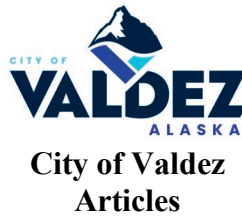
Wages or salaries (but not performance bonuses or the equivalent) of the Contractor’s supervisory and administrative personnel when, and to the extent, stationed at the site.

Wages and salaries (but not performance bonuses or the equivalent) of the Contractor’s supervisory or administrative personnel engaged at factories, workshops or on the road in expediting the production or transportation of materials or equipment required for the Work, but only for that portion of their time required for the Work.

Costs paid or incurred by the Contractor for sales, use and similar taxes, insurance, contributions, assessments and benefits required by law or collective bargaining agreements, and, for personnel not covered by such agreements, customary benefits such as sick leave, medical and health benefits, holidays, vacations and pensions, provided that such costs are based on wages and salaries included in the, Cost of the Work, current Davis-Bacon wage rates shall be applied for the Work under this contract. Reference Alaska Department of Labor and Workforce Development Wage Rates information.

### **5.2 SUBCONTRACT AND SUPPLIER COSTS**

Payments made by the Contractor to Subcontractors and Suppliers in accordance with the requirements of the applicable Subcontracts and Supply Contracts and the Contract Documents.



**Project: VCS District Offices Tenant Improvements – GC Services**  
**Project Number: 24-310-3340 / Contract Number: 2400**

**5.3 COSTS OF MATERIALS AND EQUIPMENT INCORPORATED IN THE COMPLETED CONSTRUCTION**

Costs, including transportation, of materials and equipment incorporated or to be incorporated in the completed construction.

Costs of materials in excess of those actually installed but required to provide reasonable allowance for waste and for spoilage. Unused, excess materials, if any, shall be turned over to the Owner at the completion of the Work.

**5.4 COSTS OF OTHER MATERIALS AND EQUIPMENT, TEMPORARY FACILITIES AND RELATED ITEMS**

Costs, including transportation, installation, maintenance, dismantling and removal of materials, supplies, temporary facilities, machinery, equipment, and hand tools not customarily owned by the construction workers, which are provided by the Contractor at the site and fully consumed in the performance of the Work; and cost less salvage value on such items if not fully consumed, whether sold to others or retained by the Contractor. Cost for items previously used by the Contractor shall mean fair market value.

Rental charges for temporary facilities, machinery, equipment, and hand tools not customarily owned by the construction workers, which are provided by the Contractor at the site, whether rented from the Contractor or others, and costs of transportation, installation, minor repairs and replacements, dismantling and removal thereof. Rates and quantities of equipment rented shall be subject to the Owner's prior approval.

Costs of removal of debris from the site.

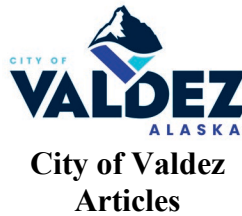
Reproduction costs, facsimile transmissions and long-distance telephone calls, postage and express delivery charges, telephone at the site and reasonable petty cash expenses of the site office.

That portion of the reasonable travel and subsistence expenses of the Contractor's personnel incurred while traveling in discharge of duties connected with the Work.

**5.5 MISCELLANEOUS COSTS**

That portion directly attributable to this Contract of premiums for insurance and bonds specifically required by the General Provisions. (If charges for self- insurance are to be included, specify the basis of reimbursement.)

Sales, use or similar taxes imposed by a governmental authority which are related to the Work and for which the Contractor is liable.



**Project: VCS District Offices Tenant Improvements – GC Services**  
**Project Number: 24-310-3340 / Contract Number: 2400**

Royalties and license fees paid for the use of a particular design, process or product required by the Contract Documents; the cost of defending suits or claims for infringement of patent or other intellectual property rights arising from such requirement by the Contract Documents; payments made in accordance with legal judgments against the Contractor resulting from such suits or claims and payments of settlements made with the Owner's express prior written consent; provided, however, that such costs of legal defenses, judgment and settlements shall not be included in the calculation of the Contractor's Fee or the Guaranteed Maximum Price and provided that such royalties, fees and costs are not excluded by other provisions of the Contract Documents.

Data processing costs related to the Work.

Deposits lost for causes other than the fault of Contractor or its Subcontractors or their failure to fulfill a specific responsibility to the Owner set forth in this Contract.

Legal, mediation and arbitration costs, other than those arising from disputes between the Owner and Contractor, to the extent they are not caused by the Contractor's fault and are reasonably incurred by the Contractor in the performance of the Work, provided the Owner gives its prior written permission, which permission shall not be unreasonably withheld.

Expenses incurred in accordance with Contractor's standard personnel policy for relocation and temporary living allowances of personnel required for the Work, in case it is necessary to relocate such personnel from distant locations.

## **5.6 OTHER COSTS**

Other costs incurred in the performance of the Work if and to the extent approved in advance in writing by the Owner.

**Completion Cost** —The Contractor will establish a Contract Completion line item in the Schedule of Values with an amount equal to 0.5% of the Cost of the Work. Once the Owner issues a notice of Substantial Completion as outlined in the General Provisions, the Contractor may request payment of the completion cost line item, less 1.5 times the Cost of the Work remaining to be completed, but not before then.



**City of Valdez  
Articles**

**Project: VCS District Offices Tenant Improvements – GC Services  
Project Number: 24-310-3340 / Contract Number: 2400**

**5.7 EMERGENCIES AND REPAIRS TO DAMAGED OR NONCONFORMING WORK**

The Cost of the Work shall also include costs described in Section 5.1 which are incurred by the Contractor:

To the extent not caused by the fault of the Contractor, its Subcontractors, Suppliers, or any person for which any of them is legally responsible, in taking action to prevent threatened damage, injury or loss in case of an emergency affecting the safety of persons and property.

In repairing or correcting damaged or nonconforming Work executed by the Contractor or any of its Subcontractors or replacing non-conforming materials provided by any of its Suppliers, provided that such damaged or nonconforming Work or materials was not caused by the failure of the Contractor or any of its Subcontractors or Suppliers to fulfill a specific responsibility set forth in this Contract, any Subcontract or any Supply Contract or the fault of the Contractor or any of its Subcontractors or Suppliers, and only to the extent that the cost of repair, correction or replacement is not recoverable by the Contractor from insurance.

The costs described in Sections 5.1 through 5.7 shall be included in the Cost of the Work notwithstanding any provision of the General Provisions which may require the Contractor to pay such costs, unless such costs are excluded.

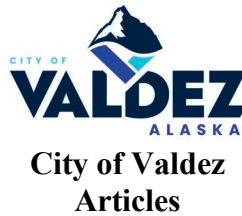
**5.8 ACCOUNTING RECORDS**

The Contractor shall keep accurate, full and detailed accounts and utilize such accounting and control systems as may be necessary for proper financial management under this Contract and are acceptable to the Owner and its funding sources. The Owner and the Owner's accountants and attorneys shall be afforded full access during normal business hours for inspection and copying all of the Contractor's records, books, correspondence, instructions, drawings, receipts, Subcontracts, Supply Contracts, purchase orders, vouchers, memoranda and other data relating to the Work, and the Contractor shall preserve these for a period of five years after final payment, or for such longer period as may be required by funding sources or State law.

**ARTICLE 6 CONSTRUCTION PHASE**

**6.1 PROGRESS PAYMENTS**

Based upon Applications for Payment submitted to the Architect, itemized based upon the CSI Specification Divisions listed in the Schedule of Values, and Certificates for Payment issued by the Architect and the Project Manager the Owner shall make progress payments to the Contractor as provided below and elsewhere in the Contract Documents.



**City of Valdez  
Articles**

**Project: VCS District Offices Tenant Improvements – GC Services  
Project Number: 24-310-3340 / Contract Number: 2400**

**6.1.2 PAYMENT PERIOD**

The period covered by each Application for Payment shall be one calendar month ending on the last day of the month.

**6.1.3 PAYMENT SUBMISSION TERMS**

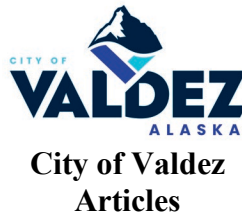
Provided an Application for Payment for the preceding month is received by the Project Manager by the 10th day of the next succeeding month, the Architect shall issue a Certificate of Payment based upon the percentage of completion of the Work through the period covered by such Application for Payment that is computed in accordance with the requirements of Section 6.1.6 and agreed upon by the Contractor and the Project Manager or, failing such agreement, the percentage of completion determined by the Project Manager. The Owner shall make payment to the Contractor of the amount specified in such Certificate of Payment not later than 30 days after the Project Manager's receipt of such Application for Payment. If and to the extent that an Application for Payment is received by the Project Manager after the 10th day of the next succeeding month, such Certificate of Payment and payment deadlines shall be correspondingly extended.

**6.1.4 PAYMENT FORMAT**

Upon Owner's request, the Contractor shall make available an accounting in an electronic format, together with all supporting payrolls, petty cash accounts, invoices, and any other backup for the Application of Payment required by Owner.

**6.1.5 PAYMENT SUPPORTING DOCUMENTATION**

Each Application for Payment shall (a) be based upon and allocate the Cost of the Work for which payment is sought therein among the various Work items (on both a per Application and cumulative basis) shown on the Schedule of Values; and (b) be prepared in such form and supported by such data to substantiate its accuracy and completeness as the Project Manager may require. The Schedule of Values shall be used as a basis for the Project Manager's review of the Contractor's Applications for Payment.



**Project: VCS District Offices Tenant Improvements – GC Services**  
**Project Number: 24-310-3340 / Contract Number: 2400**

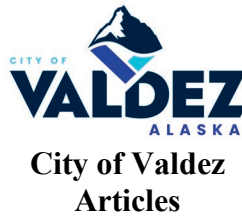
#### **6.1.6 PAYMENT PERCENTAGE COMPLETION**

Each Application for Payment shall show the percentage completion for each portion of the Work shown in the Schedule of Values, as well as all of the Work, as of the end of the period covered by the Application. The percentage completion for each such purpose shall be the lesser of

- (a) the percentage of the subject Work which has actually been completed, or
- (b) the percentage obtained by dividing
- (c) the allowable Cost of Work which has actually been incurred by the Contractor on account of the subject Work for which the Contractor has made payment, by the share of the Guaranteed Maximum Price allocable to completed Work as determined by multiplying the percentage completion of each portion of the Work shown in the Schedule of Values by the share of the Guaranteed Maximum Price allocated to that portion of the Work in the Schedule of Values.

#### **6.1.7 PAYMENT COMPUTATION**

1. Take that portion of the Guaranteed Maximum Price properly allocable to completed Work as determined by multiplying the percentage completion of each portion of the Work shown in the Schedule of Values by the share of the Guaranteed Maximum Price allocated to that portion of the Work in the Schedule of Values. In determining the share of the Guaranteed Maximum Price properly allocable to completed Work, the Contractor shall have the right to allocate Contractor's Contingency among the other Work items shown in the Schedule of Values in its discretion. Pending final determination of cost to the Owner of changes in the Work, amounts not in dispute may be included, even though the Guaranteed Maximum Price has not yet been adjusted by Change Order.
2. Add that portion of the Guaranteed Maximum Price properly allocable to materials and equipment delivered and suitably stored at the site for subsequent incorporation into the Work or, if approved in advance by the Owner, suitably Stored off the site at a location agreed upon in writing, provided that good, marketable and unencumbered title to such materials and equipment passes to the Owner before or upon payment of such portion of the Guaranteed Maximum Price.
3. Add the Contractor's Fee attributable to the Cost of the Work for which payment is sought in such Application for Payment. The Contractor's Fee shall be computed on a pro rata amount based upon the Cost of the Work for the period covered by the



**Project: VCS District Offices Tenant Improvements – GC Services**  
**Project Number: 24-310-3340 / Contract Number: 2400**

Application of Payment of the CM/GC Contractor fixed fee stated in Section 4.1.1.a. Subtract the aggregate of previous payments made by the Owner. Subtract amounts, if any, for which the Architect has withheld or nullified a payment.

#### **6.1.8 PAYMENT RECONCILIATION**

Upon receipt of the backup materials referred to in Section 6.1.4, the Owner shall compare (a) the aggregate Cost of Work through the end of the period covered by the Application for Payment to which they apply with (b) the Guaranteed Maximum Price multiplied by the percentage of completion of all of the Work which is the lesser of the percentages of compensation for all of the Work computed pursuant to Sections 6.1.6(a) and (b). If the amount in Section 6.1.8(a) varies from the amount in Section 6.1.8(b) by plus or minus 5% or more, at the discretion of the Owner it may require the Contractor to provide a written reconciliation of such aggregate Cost of Work within 10 days. Such written reconciliation shall explain in detail why such variation exists. In the event of an aggregate Cost of Work under run, such reconciliation shall estimate the portion of the Guaranteed Maximum Price that the Contractor then believes will remain unspent by the Owner after the Final Payment to the Contractor to allow the Owner to plan for use in other Project priorities. In the case of an aggregate Cost of Work overrun, such reconciliation shall provide a detailed written plan for the Contractor to complete the Work for a total Cost of Work not to exceed the Guaranteed Maximum Price.

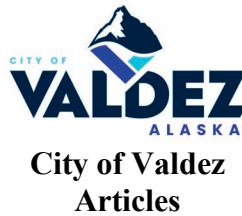
#### **6.1.9 ADVANCED PAYMENTS**

Except with the Owner's express prior written approval, which may be withheld at the Owner's discretion, the Contractor shall not make advance payments to Subcontractors or Suppliers for Work, materials or equipment which have not been delivered and stored at the site.

#### **6.1.10 AUDITS OF PAYMENTS**

In taking action on the Contractor's Applications for Payment, the Owner and the Architect shall be entitled to rely on the accuracy and completeness of the accounting, backup and other information furnished by the Contractor and shall not be deemed to represent that they have made a detailed examination, audit or arithmetic verification of such accounting, backup or other information, that they have made exhaustive or continuous on-site inspections, or that they have made examinations to ascertain how or for what purposes the Contractor has used amounts previously paid on account of the Contract. Such examinations, audits and verifications, if required by the Owner, will be performed by the Architect or Owner's accountants or attorneys acting in the sole interest of the Owner.





**Project: VCS District Offices Tenant Improvements – GC Services  
Project Number: 24-310-3340 / Contract Number: 2400**

#### **6.1.11 WITHHOLDING PAYMENTS**

The Owner may withhold a payment in whole or in part to the extent reasonably necessary to protect the Owner due to the Owner's determination that the Work has not progressed to the point indicated in the Application for Payment or that the quality of Work is not in accordance with the Construction Documents. The Owner may also withhold a payment or, because of subsequently discovered evidence, may nullify the whole or a part of an Application Payment previously issued to such extent as may be necessary to protect the Owner from loss for which the Contractor is responsible, including loss resulting from acts or omissions. The Owner may withhold up to 5% of each progress payment until the progress Work is substantially complete.

#### **6.2 FINAL PAYMENT**

Based upon Applications for Payment submitted to the Architect, itemized based upon the CSI Specification Divisions listed in the Schedule of Values, and Certificates for Payment issued by the Architect, the Owner shall make progress payments to the Contractor as provided below and elsewhere in the Contract Documents.

##### **6.2.1 FINAL PAYMENT TERMS**

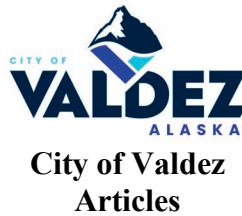
Final Payment shall be made by the Owner to the Contractor when (1) the Contract has been fully performed by the Contractor except for the Contractor's responsibility to correct nonconforming Work, as provided in the Standard General Provisions, or to satisfy other requirements, if any, which necessarily survive final payment; (2) a notarized Certificate of Compliance has been filed per Standard General Provisions Article 7.7, (3) a final Application for Payment and a final accounting for the Cost of the Work, together with such backup and other information as the Architect and Owner may require, have been submitted by the Contractor and reviewed by the Architect and Owner; and (4) a final Certificate for Payment has then been issued by the Architect and the Owner. Such final payment shall be made by the Owner not more than 30 days after the issuance of the final Certificate for Payment.

##### **6.2.2 FINAL PAYMENT CALCULATIONS**

The amount of the Final Payment shall be calculated as follows:

1. Take the sum of the Cost of the Work substantiated by the Contractor's final accounting and the Contractor's Fee, but not more than the Guaranteed Maximum Price after all required Change Orders, Construction Change Directives and other proper adjustments (if any) are taken into account.





**Project: VCS District Offices Tenant Improvements – GC Services**  
**Project Number: 24-310-3340 / Contract Number: 2400**

2. Subtract amounts, if any, for which the Architect withholds, in whole or in part, in a final Certificate for Payment as provided in the General Provisions or other provisions of the Contract Documents.

3. Subtract the aggregate of previous payments made by the Owner.

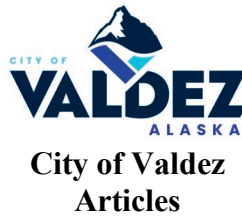
If the aggregate of previous payments made by the Owner exceeds the amount due the Contractor, the Contractor shall reimburse the difference to the Owner, with interest at the Contract Rate.

**6.2.3 FINAL ACCOUNTING**

The Owner will review and report in writing on the Contractor's final accounting within 30 days after delivery of the final accounting to the Architect by the Contractor. Based upon such Cost of the Work as the Owner reports to be substantiated by the Contractor's final accounting, together with such backup and other information as the Owner may require, and provided the other conditions of Section 6.2.1 have been met, the Architect will, within seven days after completion of its written report, either issue to the Owner a final Certificate for Payment with a copy to the Contractor or notify the Contractor and the Owner in writing of its reasons for withholding such Certificate as provided in the General Provisions. The time periods stated in this Section 6.2 supersede those stated in other contract documents.

**6.2.4 FINAL PAYMENT DISPUTES**

If the Architect reports the Cost of the Work as substantiated by the Contractor's final accounting to be less than claimed by the Contractor, the Contractor shall be entitled to proceed in accordance with Article 8 without a further decision of the Architect. Unless agreed to otherwise, a demand for mediation of the disputed amount shall be made by the Contractor within 60 days after the Contractor's receipt of a copy of the final Certificate for Payment. Failure to make such demand within this 60-day period shall result in the substantiated amount reported by the Architect becoming binding on the Contractor. Pending a final resolution of the disputed amount, the Owner shall pay the Contractor the amount certified in the final Certificate for Payment by the Architect.



**Project: VCS District Offices Tenant Improvements – GC Services**  
**Project Number: 24-310-3340 / Contract Number: 2400**

## **ARTICLE 7 INSURANCE AND BONDS**

### **7.1 INSURANCE REQUIRED OF THE CONTRACTOR**

The CM/GC Contractor shall provide at a minimum with the following types and amounts of insurance as in accordance with the requirements set forth in Article 6.9 of the General Provisions. The City of Valdez, and their respective related persons or entities (to be determined by the City of Valdez) shall be named as an additional insured on all insurance policies except professional liability contracts.

Each policy of insurance required by this section shall provide for no less than thirty (30) days advance notice to the City of Valdez prior to cancellation or material modification. Failure to provide evidence of adequate coverage is a material breach and grounds for termination of the contract.

The premium cost of the insurance required is a Cost of the Work if and to the extent that it is expressly endorsed to apply only to the Work. Absent any such endorsement, only such premium cost multiplied by the ratio that the Guaranteed Maximum Cost bears to the aggregate contract prices for Contractor's work for all clients during each premium period may be included within the Cost of the Work.

### **7.2 PERFORMANCE BONDS**

The CM/GC Contractor shall provide Performance and Payments Bonds in accordance with the requirements set forth in Article 3.5 of the General Provisions. City of Valdez forms for Performance Bond and Labor and Material Payment Bond are attached to this contract.

## **ARTICLE 8 MISCELLANEOUS PROVISIONS**

### **8.1 RESOLUTIONS FOR DISPUTES**

#### **8.1.1 RESOLUTIONS**

During both the Preconstruction and Construction Phases, Claims, disputes or other matters in question between the parties to this Contract shall be resolved as provided in the General Provisions.

### **8.2 OTHER PROVISIONS**

#### **8.2.1 TERMS**

Unless otherwise noted, the terms used in this Contract shall have the same meaning as those in the General Provisions. "Architect" is the same as "Engineer".



**City of Valdez  
Articles**

**Project: VCS District Offices Tenant Improvements – GC Services  
Project Number: 24-310-3340 / Contract Number: 2400**

**8.2.2 EXTENT OF CONTRACT**

The Contract Documents, which include this Contract and the other documents incorporated herein by reference, represent the entire and integrated agreement between the Owner and the Contractor and supersede all prior negotiations, representations, warranties, covenants, promises and agreements, either written or oral, with respect to the subject matter thereof. The Contract Documents may be amended only by written instrument signed by both the Owner and Contractor. If anything in any document incorporated into this Contract is inconsistent with this Contract, this Contract shall govern. No oral communications or course of dealing or performance between Contractor, Architect, Project Manager and/or Owner shall be taken into account to determine whether any amendment to the Contract Documents has occurred.

**8.2.3 ASSIGNMENT**

The provisions for Assignment of the Contract are included in Article 1 of the General Provisions.

**8.2.4 OWNERSHIP OF DOCUMENTS**

All project documents developed during delivery of this Contract shall become property of the Owner.

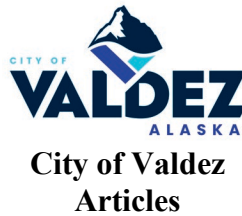
**ARTICLE 10 SUSPENSION OR TERMINATION**

**10.1 SUSPENSION**

The Owner may suspend this Contract at any time pursuant to Article 5.24 of the General Provisions.

**10.2 TERMINATION**

The Owner may suspend this Contract at any time pursuant to Article 5.24 of the General Provisions.



**Project: VCS District Offices Tenant Improvements – GC Services**  
**Project Number: 24-310-3340 / Contract Number: 2400**

**SCOPE OF WORK**

Contractor to provide all services per the Contract Documents, Construction Drawings, Specifications, and Alternates 1-5 which includes, but are not necessarily limited to, the following:

The Work includes but is not necessarily limited to: provisions for all supplies, tools, equipment, scaffolding, transportation, utilities, services, superintendence, labor, furnishing of all materials, items, and accessories needed for the total construction of the project in the strict conformance with the Contract Documents. The Contractor is to deliver to Owner a complete, operating facility suitable for occupancy, and use as a public school and administrative building.

All Civil, Landscape, Structural, Architectural, Mechanical, and Electrical work required to complete the District Offices Tenant Improvements project for the Valdez City Schools and the City of Valdez. The Work also requires the coordination/cooperation with other contractors/owner's agents.

See attached Construction Drawings titled, "Valdez District Office Tenant Improvements @ HHES" and Specifications Issued by Bettisworth North Architects for a more detailed scope of project work.



**City of Valdez  
Agreement Page 1 of 2**

**Project: VCS District Offices Tenant Improvements – GC Services  
Project Number: 24-310-3340 / Contract Number: 2400**

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This agreement is made on the \_\_\_\_ day of \_\_\_\_\_, 2025, by and between the City of Valdez, Alaska, hereinafter called the Owner, acting through its Mayor, and Orion Construction, Inc, doing business as a corporation located in Wasilla, Alaska, hereinafter called the Contractor.

The Contractor agrees to this Contract known as:

**Project: VCS District Offices Tenant Improvements – GC Services  
Project Number: 24-310-3340 / Contract Number: 2400**

Furthermore the Contractor agrees to accept as full and complete payment for all work to be done in this Contract for the Guaranteed Maximum Price inclusive of Contractor and Owner Contingencies and per unit prices as set forth in the Contract Documents for this project. The total amount of this Contract shall not exceed:

**Grand Total of GMP = \$ 2,357,316.31 (Two Million Three Hundred Fifty-Seven Thousand Three Hundred and Sixteen dollars and Thirty-One cents)**

The Contractor hereby agrees to commence work on this project within ten (10) working days after the date of the written Notice to Proceed and to complete all work in accordance with the contract documents by **January 31, 2026**. Said contract documents are listed in the Table of Contents herein. All documents listed therein are by this reference made a part hereof.

The Owner agrees to pay the Contractor for the performance of the Contract, subject to additions and deductions, as provided in the City of Valdez Standard Specifications Section 10 Standard General Provisions of this of this Contract, and to make payments on account thereof as provided in the City of Valdez Standard Specifications Section 10 Standard General Provisions and City of Valdez City Code.



**City of Valdez  
Agreement Page 2 of 2**

**Project: VCS District Offices Tenant Improvements – GC Services  
Project Number: 24-310-3340 / Contract Number: 2400**

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IN WITNESS WHEREOF, the parties to this presence have executed this Contract in two (2) counterparts, each of which shall be deemed as original, in the year and day first mentioned above.

**Orion Construction, Inc.**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Mailing Address

\_\_\_\_\_  
City, State, Zip Code

\_\_\_\_\_  
Federal I.D. or S.S.N.

\_\_\_\_\_  
Corporate Secretary

Attest: \_\_\_\_\_  
Corporate Secretary

**City of Valdez, Alaska, Authorized**

\_\_\_\_\_  
Dennis Fleming, Mayor

\_\_\_\_\_  
Date

**Attested:**

\_\_\_\_\_  
Sheri L. Pierce, MMC, City Clerk

\_\_\_\_\_  
Date

**Recommended:**

\_\_\_\_\_  
Nathan Duval, City Manager

\_\_\_\_\_  
Date

\_\_\_\_\_  
Scott Benda,  
Interim Capital Facilities Director

\_\_\_\_\_  
Date

**Approved as to Form:**

Brena, Bell & Walker, P.C.

\_\_\_\_\_  
Jon S. Wakeland

\_\_\_\_\_  
Date

**Project: VCS District Offices Tenant Improvements – GC Services**  
**Project Number: 24-310-3340 / Contract Number: 2400**

UNITED STATES OF AMERICA )  
 )SS.  
STATE OF ALASKA )

My Commission Expires: \_\_\_\_\_







**City of Valdez  
Labor and Material Payment Bond**

**Project: VCS District Offices Tenant Improvements – GC Services  
Project Number: 24-310-3340 / Contract Number: 2400**

Know all men by these presents that:

**Orion Construction, Inc  
3038 N. Caribou Street  
Wasilla, Alaska 99654**

as Principal, hereinafter called Principal, and,

(Here insert full name and address or legal title of Surety)

as Surety, hereinafter called Surety, are held and firmly bound unto

**City of Valdez  
P.O. Box 307  
Valdez, Alaska 99686**

as Obligee, hereinafter called Owner, for the use and benefit of claimants as herein below defined, in the amount of

Dollars (\$\_\_\_\_\_),  
(Here insert a sum equal to the contract amount)

for the payment whereof Principal and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

**WHEREAS,**

Principal has by written agreement dated \_\_\_\_\_, 2025, entered into a contract with Owner for

**Project: VCS District Offices Tenant Improvements – GC Services  
Project Number: 24-310-3340 / Contract Number: 2400**

in accordance with Drawings and Specifications prepared by

**Bettisworth North  
2550 Denali St. Suite 1300  
Anchorage, Alaska 99503**

which contract is be reference made a part hereof, and is hereinafter referred to as the Contract.



**City of Valdez**  
**Labor and Material Payment Bond**

**Project: VCS District Offices Tenant Improvements – GC Services**  
**Project Number: 24-310-3340 / Contract Number: 2400**

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION is such that, if Principal shall promptly make payment to all claimants as hereinafter defined, for all labor and material used or reasonably required for use in the performance of the Contract, then this obligation shall be void; otherwise it shall remain in full force and effect, subject, however, to the following conditions:

1. A claimant is defined as one having a direct contract with the Principal or with a Subcontractor of the Principal for labor, material, or both, used or reasonably required for use in the performance of the Contract, labor and material being construed to include that part of water, gas, power, light, heat, oil, gasoline, telephone service or rental of equipment directly applicable to the Contract.

2. The above named Principal and Surety hereby jointly and severally agree with the Owner that every claimant as herein defined, who has not been paid in full before the expirations of a period of ninety (90) days after the date on which the last of such claimant's work or labor was done or performed or materials were furnished by such claimant, may sue on this bond for the use of such claimant, prosecute the suit to final judgment for such sum or sums as may be justly due claimant, and have execution thereon. The Owner shall not be liable for the payment of any costs or expenses of any such suit.

3. No suit or action shall be commenced hereunder by any claimant:

a) Unless claimant, other than one having a direct contract with the Principal, shall have given written notice to any two of the following: the Principal, the Owner, or the Surety above named, within ninety (90) days after such claimant did or performed the last of the work or labor, or furnished the last of the materials for which said claim is made, stating with substantial accuracy the amount claimed and the name of the party to whom the materials are

furnished, or for whom the work or labor was done or performed. Such notice shall be served by mailing the same by registered mail or certified mail, postage prepaid, in an envelope addressed to the Principal, Owner or Surety, at any place where an office is regularly maintained for the transaction of business. Or served in any manner in which legal process may be served in the state in which aforesaid project is located, save that such service need not be made by a public officer.

b) After the expiration of one (1) year following the date on which Principal ceased Work on said Contract, it being understood, however, that if any limitation embodied in this bond is prohibited by any law controlling the construction hereof such limitation shall be deemed to be amended so as to be equal to the minimum period of limitation permitted by such law.

c) Other than in a state court of competent jurisdiction in and for the county of other political subdivision of the state in which the Project, or any part thereof is situated, or in the United States District Court for the district in which the Project, or any part thereof, is situated, and not elsewhere.

4. The amount of this bond shall be reduced by and to the extent of any payment of payments made in good faith hereunder, inclusive of the payment by Surety or mechanic's liens which may be filed of record against said improvement, whether or not claim for the amount of such lien be presented under and against the bond

Signed and Sealed this \_\_\_\_\_, day of \_\_\_\_\_, 2025.

\_\_\_\_\_  
 (Witness)

\_\_\_\_\_  
 (Principal)

\_\_\_\_\_  
 (Seal)

\_\_\_\_\_  
 (Title)

\_\_\_\_\_  
 (Witness)

\_\_\_\_\_  
 (Surety)

\_\_\_\_\_  
 (Seal)

\_\_\_\_\_  
 (Title)



**City of Valdez  
Performance Bond**

**Project: VCS District Offices Tenant Improvements – GC Services  
Project Number: 24-310-3340 / Contract Number: 2400**

**KNOW ALL MEN BY THESE PRESENTS:** that

**Orion Construction, Inc  
3038 N. Caribou Street  
Wasilla, Alaska 99654**

as Principal, hereinafter called Contractor, and ,

(Here insert full name and address or legal title Surety)

as Surety, hereinafter called Surety, are held and firmly bound unto

**City of Valdez  
P.O. Box 307  
Valdez, AK 99686**

as Oblige, hereinafter called Owner, in the amount of

Dollars (\$ )

for the payment whereof Contractor and Surety bind themselves, their heirs, executor, administrators, successors and assigns, jointly and severally, firmly by these presents.

**WHEREAS,**

Contractor has by written agreement dated \_\_\_\_\_2025, entered into a contract with Owner for

**Project: VCS District Offices Tenant Improvements – GC Services  
Project Number: 24-310-3340 / Contract Number: 2400**

in accordance with Drawings and Specifications prepared by

Bettisworth North  
2550 Denali St. Suite 1300  
Anchorage, Alaska 99503

which contract is by reference made a part hereof, and is hereinafter referred to as the Contract.



**City of Valdez  
Performance Bond**

**Project: VCS District Offices Tenant Improvements – GC Services  
Project Number: 24-310-3340 / Contract Number: 2400**

Now, therefore the condition of this obligation is such that, if Contractor shall promptly and faithfully perform said Contract, then this obligation shall be null and void; otherwise it shall remain in full force and effect.

The Surety hereby waives notice of any alteration or extension of time made by the Owner.

Whenever Contractor shall be, and declared by Owner to be in default under the Contract, the Owner having performed Owner's obligations thereunder, the Surety may promptly remedy the default, or shall promptly comply with one of the following:

1. Complete the Contract in accordance with its terms and conditions, or
2. Obtain a bid or bids for completing the Contract in accordance with its terms and conditions, and upon determination by Surety of the lowest responsible bidder, or, if the Owner elects, upon determination by the bidder, arrange for contract between such bidder and Owner, and make available as Work progresses (even though there should be a default or a succession of defaults under the contract or contracts of completion arranged under this paragraph) sufficient funds to pay the cost of completion less the balance of the contract price; but not exceeding, including other costs and damages for which the Surety may be liable hereunder, the amount set forth in the first paragraph hereof. The term "balance of the contract price," as used in this paragraph, shall mean the total amount payable by Owner to contractor under the Contract and any amendments thereto, less the amount properly paid by Owner to Contractor.

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

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

Signed and Sealed this \_\_\_\_ day of \_\_\_\_\_, 2025.

\_\_\_\_\_  
(Witness)

\_\_\_\_\_  
(Principal) (Seal)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Witness)

\_\_\_\_\_  
(Surety) (Seal)

\_\_\_\_\_  
(Title)



**City of Valdez**  
**Contractor Certificate of Substantial Completion**

**Project: VCS District Offices Tenant Improvements – GC Services**  
**Project Number: 24-310-3340 / Contract Number: 2400**

CONTRACTOR: \_\_\_\_\_

This is to certify that I, \_\_\_\_\_, am a duly authorized official of the said CONTRACTOR working in the capacity of \_\_\_\_\_, and in my official capacity representing said CONTRACTOR do hereby certify as follows:

1. The work of the subject Contract above has been performed, and materials used and installed in accordance with and in conformity to, the Contract Drawings, Contract Specifications, City of Valdez Standard Specifications and Details.
2. The Contract work is now substantially complete in all parts and requirements.
3. I understand that neither the determination by the Engineer--Architect that the work is substantially complete nor the acceptance thereof by the Owner shall operate as a bar to claim against the Contractor under the terms of the guarantee provisions of the Contract Documents.
4. The work to which this Certificate applies has been properly inspected and that work is hereby declared to be substantially complete in accordance with the Contract Documents.
5. The date of Substantial Completion is the date upon which all guarantees and warranties begin.
6. The Owner accepts the Project or specified area as described under "REMARKS," of the Project as substantially complete and will assume full possession of the Project or specified area of the Project at \_\_\_\_\_(time) on \_\_\_\_\_day, \_\_\_\_\_, 202\_\_.

ORION CONSTRUCTION, INC.

CITY OF VALDEZ  
 OWNER

\_\_\_\_\_  
 (Signature)

\_\_\_\_\_  
 Capital Facilities Director

\_\_\_\_\_  
 (Title)

\_\_\_\_\_  
 Date

\_\_\_\_\_  
 Date

REMARKS: \_\_\_\_\_



**City of Valdez**  
**Contract Release Page 1 of 2**

**Project: VCS District Offices Tenant Improvements – GC Services**  
**Project Number: 24-310-3340 / Contract Number: 2400**

The undersigned, \_\_\_\_\_  
for itself, its successors in interest, assigns trustees, administrators, subcontractors, suppliers, and laborers do hereby release and forever discharge the CITY OF VALDEZ, ALASKA a municipal corporation, from all actions, causes of actions, suits, controversies, claims, damages and demands of every kind and nature, mature or to mature in the future, for and by reason of any matter, thing or claim arising out of the following Contract:

**Project: VCS District Offices Tenant Improvements – GC Services**  
**Project Number: 24-310-3340 / Contract Number: 2400**

The undersigned also intends hereby to discharge the City of Valdez from all liability for any and all damages or injuries presently undiscovered or unanticipated. The undersigned's intention hereby is to waive any right it may subsequently have to set aside this release under the doctrine of Witt v. Watkins, 579 P.2d 1065 (Alaska 1978).

The undersigned further agrees to defend, indemnify and hold harmless the City of Valdez against any claims, liens, or causes of action arising under or by virtue of this Contract, including, but not limited to, any claim that the undersigned, any successor in interest, assignee, trustee, administrator, subcontractor, supplier or laborer of the undersigned or any other person might make or claim that he could possibly make against the City of Valdez.

The undersigned certifies that he has not assigned any amounts payable under this Contract to anyone.

The undersigned hereby acknowledges receipt of the amount of \$ \_\_\_\_\_  
as full of final payment in consideration for all services, materials and labors rendered in connection with this Contract.

The undersigned hereby declares that the terms of this RELEASE have been completely read and are fully understood, and said terms are voluntarily accepted for the purpose of making a full and final release of any and all claims, disputed or otherwise, arising under or by virtue of this Contract.

**Project: VCS District Offices Tenant Improvements – GC Services**  
**Project Number: 24-310-3340 / Contract Number: 2400**

---

COMPANY

---

SIGNATURE

---

TITLE

STATE OF ALASKA )  
 )ss.  
THIRD JUDICIAL DISTRICT )

THIS IS TO CERTIFY that on this \_\_\_\_\_ day of \_\_\_\_\_, 2026, before me, Notary Public in and for the State of Alaska, personally appeared \_\_\_\_\_ of \_\_\_\_\_, known to me to be its \_\_\_\_\_ and acknowledged to me that he has read this foregoing RELEASE and knew contents thereof to be true and correct to the best of his knowledge and belief, and that he signed the same freely and voluntarily for the uses and purposes therein mentioned, and that he was duly authorized to execute the foregoing document according to the Bylaws or by Resolutions of said corporation.

WITNESS my hand and notarial seal this                      day of                      , 2026.

---

Notary Public in and for Alaska

My Commission expires: \_\_\_\_\_



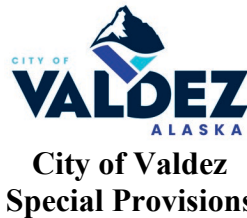
**City of Valdez  
Special Provisions**

**Project: VCS District Offices Tenant Improvements – GC Services  
Project Number: 24-310-3340 / Contract Number: 2400**

**Table of Contents**

<b>Section</b>	<b>Title</b>	<b>Page</b>
SP 01	General Statement .....	41
SP 02	Special Site Conditions .....	42
SP 03	Hazardous Waste Generation .....	43
SP 04	Coordination and Schedule .....	43
SP 05	Site Preservation, Restoration, Cleanup and Environmental Reporting .....	43
SP 06	Permits.....	44
SP 07	Payment.....	44
SP 08	References to City of Vadez Standard Specifications (CVSS) General Provisions .....	44
SP 09	Construction Specifications.....	45
SP 10	Resident Project Representative.....	45
SP 11	Contractor Daily Reports .....	45
SP 12	Definitions.....	45
SP 13	Owner .....	46
SP 14	Time of Completion .....	47
SP 15	Insurance .....	47
SP 16	Warranty.....	47
SP 17	Closeout.....	48





**Project: VCS District Offices Tenant Improvements – GC Services**  
**Project Number: 24-310-3340 / Contract Number: 2400**

**SP 01 General Statement**

The Special Provisions set forth conditions and requirements unique to this Project and are supplemental to, and supersede, the City of Valdez “Standard Specifications/ Standard General Provisions and Standard Details.”

**SP 02 Special Site Conditions**

Develop construction phasing plans for work VCS District Offices Tenant Improvements project. The phasing plans must allow access and accommodate the operations of Hermon Hutchens Elementary School, including appropriate safe access for the public, pedestrian traffic, students, employees, and emergency services vehicles at all times.

Condition of Existing Buildings: Maintain portions of existing buildings affected by the construction operations in a weather tight condition throughout construction period. Repair damage caused by construction operations. Where work of this contract affects the condition of existing interior spaces, such areas shall be patched and repaired to the level encountered before work activities began.

The Contractor will be responsible for the disposal of all refuse and debris generated by the project. The City has, on a limited ‘first come first served’ basis, dumpsters for use free of charge on City projects if available. Dump fees will be waived. The Contractor will be responsible for hauling demolished materials and construction waste out to the City Baler facility on South Sawmill Drive. The Baler is located approximately 5 miles out of town. Please contact the Baler ahead of time to make arrangements for the disposal of such materials. The Baler’s number is 907-835-2356. The project name and contract number will be required on all Baler disposal forms and when calling to reserve or empty dumpsters.

The Staging area location at Hermon Hutchens Elementary School for all work on site included within the GMP package will be determined by the Owner’s Project Manager, VCS Superintendent, and the Contractor prior to the start of work.



**City of Valdez  
Special Provisions**

**Project: VCS District Offices Tenant Improvements – GC Services  
Project Number: 24-310-3340 / Contract Number: 2400**

The Contractor will be responsible for moving equipment and other items necessary to complete the work.

The Contractor is responsible for setting up detours or barricades if their work is in a public area and will interfere with normal traffic flow.

Special attention to the safety of all students, school staff, and the public is required by the Contractor throughout the duration of project work to maintain clear unobstructed pathways at all times located within Hermon Hutchens Elementary School and School Property Site. Proper signage, fencing, and barricades must be maintained to ensure safe access to the school and parking lot.

The Contractor must at all times ensure all on-site construction personnel, sub-contractors, and its agents are in compliance with the following VCS School Board Policies throughout the duration of the project construction work:

**Per Valdez City Schools – School Board Policy – BP 3515.5 Restrictions on Sex Offenders on Campus**

**Contractors**

Any outside contractor with whom the district contracts, and whose employees or agents may have contact with students, is prohibited from sending any employee or agent who is a sex offender/ child kidnapper to any district property when students are present. The contractor shall certify in writing the contractor's knowledge and understanding of this policy.

**Legal References:**

**ALASKA STATUTES**

**12.63.010-.020 Registration of sex offenders and related requirements; Duration of sex offender or child kidnapper duty to register**

**12.63.100(5) Registration of sex offenders – Definitions**

**Site Limitations:**

All school facilities will remain open for business during construction. The Contractor will need to provide signage and detours to route patrons away from dangerous work areas and into safe entrances.



## **City of Valdez Special Provisions**

### **Project: VCS District Offices Tenant Improvements – GC Services Project Number: 24-310-3340 / Contract Number: 2400**

The work on this project takes place on and around public buildings and a playground. Workers will need to be professional and courteous while on the job site. Loud, obnoxious behavior and cursing within earshot of the public and staff will not be tolerated.

The School District property is a smoke free zone. Smoking is prohibited.

The Contractor must pay special attention to noise control during school operating hours by scheduling and phasing all loud construction work outside of the school's hours of operation. Any construction work taking place during school hours of operation must be kept to the required decibel allowance for construction noise and will be responsible for not causing disruptions to the school's daily activities.

The Contractor will need to provide port-a-potties for their workers. The restrooms inside the school are not available for use.

The Contractor will be responsible for the disposal of all refuse and debris generated by the project. The city has on a limited 'first come first served' basis, dumpsters for use free of charge on City projects if available.

#### **SP 03 Hazardous Waste Generation**

Every effort to minimize or eliminate the generations of hazardous waste shall be used by the Contractor in the performance of the work of this Contract. Unless there is no substitute, no hazardous material shall be used in the performance of the work of this Contract.

#### **SP 04 Coordination and Schedule**

The Contractor shall, within ten (10) working days of the date of the Notice to Proceed, submit to the Project Manager and Architect a schedule as required in Section 10.5, Control of Work, Article 5.3. The schedule shall be updated every week. An updated schedule shall be submitted with each of the Contractor's Periodic Payment Requests. Failure to provide an updated schedule will be cause to withhold partial payment.

#### **SP 05 Site Preservation, Restoration, Cleanup and Environmental Reporting**

The Contractor shall be solely responsible for damage to public or private property caused by construction operations. The Contractor shall take all precautions necessary to control dust. The Contractor shall notify the City of any claims of damage, and shall clean and restore any property so damaged at the sole expense of the Contractor. All spills or releases of any hazardous substance shall be reported to the appropriate governmental agency as well as notice to the City. Contractor shall be responsible for all associated cleanup costs and fines.



**City of Valdez  
Special Provisions**

**Project: VCS District Offices Tenant Improvements – GC Services  
Project Number: 24-310-3340 / Contract Number: 2400**

At all times during the work, keep the premises clean and orderly. Upon completion of the work, repair all damage caused by equipment and leave the Project free of rubbish and excess materials of any kind.

**SP 06 Permits**

The Contractor shall obtain all licenses and permits that are required to do the work, except the City will obtain the building permits from the State Fire Marshal. The City of Valdez building permit fees will be waived for city projects but the contractor must apply for the permits.

**SP 07 Payment**

Payments shall be in accordance with Section 10.07, Measurement and Payment of the CVSS. All invoices for payment must be submitted on a City of Valdez *Periodic Payment Request Form*. An electronic copy of this form (Excel Spreadsheet) will be made available for the Contractor's use.

Disbursement of money to a person, firm or corporation will be made only after all the various receivable accounts of the general government and any municipal utility or enterprise have been reviewed for outstanding balances owed, and the disbursement will be reduced by setting off the amount of any delinquent indebtedness due the city from such person, firm or corporation.

All contracts to which the city is a party which will or may involve the disbursement of city funds shall contain the following clause, or its substantial equivalent: "Disbursement of money by the City of Valdez hereunder shall subject to set-off pursuant to the provisions of the Valdez City Code." Such contracts include, but are not limited to, oral contracts, employment contracts, construction contracts, purchasing contracts and contracts of any municipal utility or enterprise, including customer's deposits.

**SP 08 References to City of Valdez Standard Specifications (CVSS)**

The City of Valdez Standard Specifications & Standard Details, Streets-Drainage-Utilities-Parks, dated April 2003, hereafter referred to as CVSS, are incorporated in and become a part of the Contract Documents for the work, The Standard Specifications are available for purchase from the Engineer's Office of the City of Valdez, P.O. Box 307, Valdez, Alaska 99686. All work under this Contract shall comply with the latest edition and addenda to all applicable codes, ordinances, and standards.

It shall be the responsibility of the Contractor to prepare his "GMP" Cost Proposal so all materials and/or different arrangements of connections or fittings shall harmoniously conform with the intent of the Contract Drawings, CVSS, and the Special Provisions.



**City of Valdez  
Special Provisions**

**Project: VCS District Offices Tenant Improvements – GC Services  
Project Number: 24-310-3340 / Contract Number: 2400**

**SP 09 Construction Specifications**

The Specifications for construction of the work of this Project are incorporated into the design and on the future drawings. These drawings are by reference to “Valdez District Office Tenant Improvements @ HHES” by Bettisworth North Architects.

**SP 10 Resident Project Representative**

The Owner shall designate a person authorized to act as Resident Project Representative, having the same authority and limitations described for the Engineer in Section 10.05, Article 5.1 of the CVSS. The Resident Project Representative will be responsible for daily coordination with the Contractor and for furnishing instruction to the Contractor’s field Superintendent during the performance of field Work. The Resident Project Representative may be assisted by inspectors, surveyors, or technical support staff.

**SP 11 Contractor Daily Reports**

By the end of each day’s work, the Contractor’s Superintendent shall complete a daily report describing the general conditions and activities at the site, including but not limited to: Weather; number of workers and description of activities for general contractor, subcontractor and specialty/sub-subcontractors; testing and inspections; instructions, extra work, or additional testing from Architect, Owner representatives; remarks about site visitors, preconstruction conferences, new work activities, special site meetings, exceptions to anticipated progress; site surveys, as-built entries. This report in digital format shall be furnished to the Resident Representative before noon on the following day accompanied by subcontractor’s daily reports and sufficient color photographs to document the relevant activities and progress that day

**SP 12 Definitions**

ALLOWANCES shall mean the establishment of cash allowances in the GMP for portions of the work that cannot be specified with sufficient particularity to estimate at the time of contracting. This includes primarily items that have not yet been designed, chosen, or other specific characteristics have not been determined. When the actual costs of allowance items are known, the differences from the specified allowances should be adjusted by means of a change order. If the net cost (including shipping and taxes) exceeds the allowance, the excess is to be charged to the owner by an additive change order or, when it is less, by a deductive change order.

CONTRACTOR CONTINGENCY shall mean an amount included in the construction budget to cover the cost of unforeseen factors related to construction. The contractor shall have full control of the contingency and shall be able to use it as needed. Contractor shall keep the owner informed of how much of the contingency has been used and for what purpose. Any remaining contingency will revert to the owner and will be adjusted by means of a deductive change order prior to final payment.



**City of Valdez  
Special Provisions**

**Project: VCS District Offices Tenant Improvements – GC Services  
Project Number: 24-310-3340 / Contract Number: 2400**

FIELD LABOR shall mean, in addition to items as defined in the general conditions, standard rates cover costs related to safety, quality control, small tools, and overhead applicable to the self-performance by the General Contractors crews.

**SP 13 Owner**

Owner will provide information so that the Contractor can confirm the funding for the project has been secured.

Owner will provide all permits and provide a refund to the Contractor all Fire Marshal Plan check fees. Owner will provide all Special Inspections and pay for all inspection and testing costs.

When unforeseen conditions or work outside the scope upon which the GMP has been established are discovered, the Contractor will notify the Owner and present a cost proposal to the Owner for review and approval.

**SP 14 Time of Completion**

All work shall be completed in accordance with the Contract Documents, no later than January 31, 2026, with a Substantial Completion deadline date of December 31, 2025.

Substantial Completion: Substantial Completion shall be defined as the stage in the progress of the work when the work is sufficiently complete in accordance with the Contract Documents so the Owner (City) can occupy or use the structure or that which is the subject of the contract, for its' intended use.

Liquidated damages will be assessed in the sum of two hundred dollars (\$ 200.00) for each calendar day after the final completion date of January 31, 2026, during which the Project remains incomplete.

**SP 15 Insurance**

At the date and approval by the Owner (City) that substantial completion has been met the Owner's General Liability Policy will replace the Contractor's Builder's Risk Insurance.

**SP 16 Warranty**

The Contractor will provide a minimum one year warranty from the date of substantial completion on all Contractor and Subcontractor supplied materials, labor and services provided.



**City of Valdez  
Special Provisions**

**Project: VCS District Offices Tenant Improvements – GC Services  
Project Number: 24-310-3340 / Contract Number: 2400**

**SP 17 Closeout**

The Contractor will provide a minimum one year warranty from the date of substantial completion on all Contractor and Subcontractor supplied materials, labor and services provided.

**Tax Clearances**

Upon completion of the project, the Contractor shall grant permission to the Alaska Department of Labor and Workforce Development to provide the Owner with clearance that all Payroll Taxes have been paid by the Contractor and all Subcontractors that have worked on the project.

In addition, the Contractor shall grant permission to the Alaska Department of Revenue to provide the Owner with clearance that all Corporate Taxes have been paid by the Contractor.

**Certified Payroll**

The Contractor shall provide the Owner with an approved Notice of Completion from the Alaska Department of Labor and Workforce Development upon completion of the project.

Per ADOLWD directive, a portion of the final payment shall be retained by the Owner until such time as an approved Notice of Completion is received. This standard shall also be applied to include the Payroll and Corporate tax clearances.

**Release of Liens**

Following final payment of the contract, the Contractor shall provide the Owner with a Release of Liens removing all claims the Owner.

**Consent of Surety**

Following final payment of the contract where Payment and Performance bonds have been issued, the Contractor shall in addition provide the Owner with a Consent of Surety.

**Maintenance, Operation, Ownership of the Completed Project**

The Contractor shall provide project documentation required to establish an effective facility management and preventative maintenance program that satisfies the requirements of AS 14.11.011(b)(4).



**City of Valdez**  
**Modifications and Additions to the Standard Specifications**

**Project: VCS District Offices Tenant Improvements – GC Services**  
**Project Number: 24-310-3340 / Contract Number: 2400**

**Table of Contents**

<b><u>Division</u></b>	<b><u>Title</u></b>	<b><u>Page No.</u></b>
<u>Division 10</u>	<u>Standard General Provisions</u>	
10.01	Modification: Definitions	49
10.05	Addition: Control of Work	49
10.06	Modification: Legal Relations and Responsibilities	49
10.07	Addition: Measurement and Payment	50
10.09	Addition: Mobilization and Demobilization	50
10.10	Addition: Document Management	51





**City of Valdez**  
**Modifications and Additions to the Standard Specifications**

**Project: VCS District Offices Tenant Improvements – GC Services**  
**Project Number: 24-310-3340 / Contract Number: 2400**

Division 10                      Standard General Provisions

**SECTION 10.01    DEFINITIONS**

*Add the following:*

ARCHITECT – The ARCHITECT shall be further defined as:

Bettisworth North, Inc  
2550 Denali St. Suite 1300  
Anchorage, Alaska 99503  
Tel. (907) 561-5780

**SECTION 10.05    CONTROL OF WORK**

**Article 5.5    Shop Drawings**

A. General

*Insert the following to this Section:*

Contractor is encouraged to submit shop drawings in PDF format in lieu of hard copies.

D. Review Period

*Insert the following to this Section:*

Architect may return submittals in PDF format in lieu of hardcopies.

**Article 5.6    Product Data**

*Add the following:*

Contractor is encouraged to provide submittals in PDF format in lieu of hard copies.

**SECTION 10.06    LEGAL RELATIONS AND RESPONSIBILITIES**

**Article 6.9    Insurance**

*Add the following:*

Include the following parties or entities as additional insured:

- A. City of Valdez, 212 Chenega Ave., Valdez, Alaska, 99686.
- B. Bettisworth North, Inc. 2550 Denali St. Suite 1300 Anchorage, Alaska 99503.



## City of Valdez

### Modifications and Additions to the Standard Specifications

**Project: VCS District Offices Tenant Improvements – GC Services**

**Project Number: 24-310-3340 / Contract Number: 2400**

## **SECTION 10.07 MEASUREMENT AND PAYMENT**

### **Article 7.5 Progress Payments**

*Add the following:*

Any request for payments for work accomplished within the calendar fiscal year (January 1<sup>st</sup> to December 31<sup>st</sup>) must be received by the city no later than January 31<sup>st</sup> of the following year. Failure to provide a request for payment by Jan. 31<sup>st</sup> for work accomplished the previous year will delay payment. Failure to provide a request for payment by January 31<sup>st</sup> for work accomplished the previous year will be subject to a penalty. Penalty may be assessed at a minimum of \$1000 and up to 5% of the invoice not to exceed \$10,000.

### **Article 7.7 Final Payments**

*Add the following:*

Any request for final payment for work accomplished within the calendar fiscal year (January 1<sup>st</sup> to December 31<sup>st</sup>) must be received by the city no later than January 31<sup>st</sup> of the following year. Failure to provide a request for final payment by January 31<sup>st</sup> for work accomplished the previous year will delay payment. Failure to provide a request for payment by January 31<sup>st</sup> for work accomplished the previous year will be subject to a penalty. Penalty may be assessed at a minimum of \$1000 and up to 5% of the invoice not to exceed \$10,000.

*Add the following New Section to this Division:*

## **SECTION 10.09 MOBILIZATION AND DEMOBILIZATION**

### **Article 9.1 Description**

Description:

- A. Move personnel, equipment, supplies, and incidentals to the project site
- B. Establish offices, buildings, and other facilities
- C. Perform other work and operations and pay costs incurred, before beginning construction
- D. Complete similar demobilization activities; and
- E. Furnish required submittals such as as-builts, certificates, payrolls, and others specified in the contract documents.

General Requirements:

- A. Ensure subcontractors comply with the Federal and State DOLWD requirements.
- B. Mobilization shall include the obtaining all Permits; moving onto the site of all



**City of Valdez**

**Modifications and Additions to the Standard Specifications**

**Project: VCS District Offices Tenant Improvements – GC Services**

**Project Number: 24-310-3340 / Contract Number: 2400**

- C. personnel and equipment; furnishing and installing temporary buildings and other construction facilities; all as required for the proper performance and completion of the Work.

**Article 9.2 Measurement**

- A. The Contractor's attention is directed to the condition that no payment for Mobilization, or any part thereof will be approved for payment under the contract until all Mobilization items listed above have been completed as specified.
- B. When 2% of the original contract amount from other bid items is earned, 50% of the amount bid for mobilization and demobilization, or 2% of the original contract amount, whichever is less will be paid.
- C. The remaining balance of the amount bid for Mobilization and Demobilization will be paid after all contract work is completed and approved and submittals required under the Contract are received and approved.

**Article 9.3 Basis of Payment**

Payment shall be made on the following basis:

ITEM	Unit
Mobilization and Demobilization	Lump Sum

*Add the following New Section to this Division:*

**SECTION 10.10 DOCUMENT MANAGEMENT**

Contractor shall maintain a submittal register of all required submittals and their submissions and approvals. Contractor shall periodically coordinate with Owner and Architect to ensure accuracy of submittals and other relevant contract documents. Final transmission from contractor to Owner shall include 3 Sets of Bound in Binder O&M manuals, Red-Lines for Final As-Builts Drawings and other required closeout documents.



**City of Valdez  
Minimum Prevailing Wage Rates**

**Project: VCS District Offices Tenant Improvements – GC Services  
Project Number: 24-310-3340 / Contract Number: 2400**

Minimum Prevailing Wage Rates and Title 36 Public Contracts Follows  
See attached Links:

<http://labor.state.ak.us/lss/pamp600.htm>  
<http://labor.alaska.gov/lss/forms/Pam400.pdf>

In accordance with the requirements of AS 36.05.070 and AS 36.05.080, the following provisions are included where applicable:

- (1) The Contractor or subcontractors of the Contractor shall pay all employees unconditionally and not less than once a week;
- (2) wages may not be less than those stated in the advertised specifications, regardless of the contractual relationship between the Contractor or subcontractors and laborers, mechanics, or field surveyors;
- (3) the scale of wages to be paid shall be posted by the Contractor in a prominent and easily accessible place at the site of the work;
- (4) Owner shall withhold so much of the accrued payments as is necessary to pay to laborers, mechanics, or field surveyors employed by the Contractor or subcontractors the difference between
  - (A) the rates of wages required by the contract to be paid laborers, mechanics, or field surveyors on the work; and
  - (B) the rates of wages in fact received by laborers, mechanics, or field surveyors.
- (5) If it is found that a laborer, mechanic, or field surveyor employed by the Contractor or subcontractor has been or is being paid a rate of wages less than the rate of wages required by the contract to be paid, the Owner may, by written notice to the Contractor, terminate the Contractor's right to proceed with the work or the part of the work for which there is a failure to pay the required wages and to prosecute the work to completion by contract or otherwise, and the Contractor and the Contractor's sureties are liable to Owner for excess costs for completing the work.