



BOARD MEETING – MONDAY, NOVEMBER 14TH, 2016

AGENDA

6:00 PM

Harrigan Centennial Hall

Regular Meeting

6:00 PM

<u>Item</u>	<u>Action</u>
A. Call to Order	Acknowledge
B. Roll Call	Acknowledge
C. Review of Minutes	Motion to Approve
AUGUST 16TH, 2016	
SEPTEMBER 1ST, 2016	
OCTOBER 17TH, 2016	
D. Correspondence & Other Information	Acknowledge/Questions
E. Changes/Additions/Deletions to Agenda	Change/Add/Delete
F. Reports	
G. Persons To Be Heard	
H. Unfinished Business	
1. GPIP Multi-Purpose Dock Contract Award	Discussion/Recommendation
I. New Business	
J. Adjournment	

The Mission

It is the mission of the Gary Paxton Industrial Park Board and management, by direction of the Sitka Assembly, to strategically develop the park in a fiscally responsible manner that maximizes its economic benefit to the community through creation of meaningful jobs in conformance with established community plans and policies.

Monday, October 31, 2016

MEMORANDUM

TO: GPIP Board of Directors
FROM: Garry White, Director
SUBJECT: Gary Paxton Industrial Park (GPIP) Management Report

1. GPIP Port Planning/Feasibility Study

The CBS commissioned a planning/feasibility study with Northern Economics (NE) to determine potential market demand for a large vessel moorage facility, a vessel haul out facility, and potential uses and location of a deep water dock. The CBS worked with NE over the fall and winter of 2013/2014, taking input from the community and helping to provide potential market demand opportunities. Funding for the planning/feasibility study came from a \$487k Federal appropriation for the GPIP waterfront development

Northern Economics provided a preliminary screening-level feasibility assessment and planning study to the CBS in March 2014, which can be view on the www.sawmillcove.com website.

The GPIP port planning/feasibility study has been closed at this time. Planning for the next steps is on hold currently. **(08/26/2014)**

The CBS still has \$333,320 available for port planning. **(04/12/2016)**

The Alaska Department of Transportation has sent the CBS notification that the funds for planning have terminated. The CBS is in the process of investigating this claim. **(07/11/2016)**

2. Construction of a bulkhead at GPIP.

Funding for the construction of a bulkhead at the GPIP was approved via statewide transportation GO bond in the November 2012 election. A RFQ (request for qualifications) was developed, released, and advertised for engineering services for the bulkhead project. The CBS received two responsive proposals to the RFQ for engineering services. The CBS Assembly approved and awarded a professional service agreement to Moffatt and Nichol (M&N) for engineering services at their 04/22/2014 meeting. M&N presented conceptual plans and asked for community input on dock design and use during a GPIP Board meeting on 04/28/2014. M&N provided to CBS staff Basis of Design and Alternative Analysis Design documentation over the summer. The CBS and GPIP staff placed the project on a temporary hold until a clearer direction

of the future use of the industrial site in relation to the various proposals submitted has been further vetted by the board and Assembly. **(01/05/2015)**

The GPIIP Board at its April 2015 meeting directed staff to investigate the feasibility of purchasing and bringing a floating pontoon dock to the GPIIP. Staff is currently working on the project. **(05/12/2015)**

The CBS has hired R&M Engineering – Ketchikan to investigate the conditional assessment and feasibility of acquiring an existing floating pontoon to be used for the GPIIP dock. **(09/22/2015)**

The GPIIP Board at its December 2015 meeting directed CBS staff to develop and release a design build request for proposal to purchase, refurbish, and install a floating dock at the Gary Paxton Industrial Park. **(01/11/2016)**

The CBS is in the process of hiring an outside engineering firm to act as the CBS's agent in releasing a RFP for the dock project. Staff hopes to have the RFP released within a month. **(04/12/2016)**

The CBS has hired Windward Project Solutions Inc. to act as the CBS's agent in preparing and releasing the design building RFP for the dock project. Windward plans to release the RFP on 6/15/2016. **(05/10/2016)**

The CBS released a design build RFP for the multipurpose dock project on June 22nd. The CBS had received much interest in the project. Proposals are due August 18, 2016. **(07/11/2016)**

The CBS received 4 proposals for the GPIIP dock on August 18th, 2016. All four proposals exceeded the available funds for the project. The GPIIP Board met on September 1st, 2016 to evaluate the proposals and determined that it would not request additional funds from the Assembly.

As a result, at the GPIIP Board's recommendation, the CBS re-engaged all four Proposer's in a competitive, Best & Final Offer process with restructured project priorities. On September 27th, three Final Offers were received. Those Offers include a total of six design options all of which accommodate freight and fishing industries and allow for future development that would enable use by larger vessels. Furthermore, all three Proposals each contain a solution within the available funds amount.

The GPIIP Board met on October 17th to evaluate the 3 proposals and selected Turnagain Marine Construction as the best apparent value proposer. The GPIIP Board recommended that staff proceed with finalizing the scope of work and contract terms with Turnagain for board review and Assembly approval.

The GPIIP Board will meet on November 14th to review the contract and the Assembly will meet on November 22nd to approve the contract. **(10/31/2016)**

3. Marine Services Industries at the GPIIP.

The CBS Assembly approved the Marine Services RFP at their 03/24/09 meeting. The RFP was mailed to target clients worldwide. The RFP was advertised on www.sitka.net, www.sawmillcove.net, and CBS website. Additionally, the RFP was advertised in Sitka Sentinel, Juneau Empire, Pacific Fishing Magazine, Fishermen's News, and the Daily Shipping news.

The CBS received one response to the RFP from Puglia Engineering Inc. of Bellingham, WA. The proposal was concept in general. Puglia is currently working on more in-depth information.

The Director met with Puglia Engineer and toured the Fairhaven Shipyard in late December 2009. Puglia is currently investigating a feasibility study. **(01/11/2010)**

Puglia has determined that as it stands now, its original concept will not be feasible. **(04/26/2011)**

The GPIIP Board has heard from the community at multiple meetings, strategic planning sessions, and joint Ports and Harbors Commission meetings that there is a need for a haul out for larger vessels in the community. **(12/16/2011)**

The GPIIP Director is researching the marine industry in SE Alaska and looking for opportunities for marine service industries that would fit well with the GPIIP assets. Research is also being done to identify funding sources for marine service industries infrastructure. **(03/23/15)**

See item #1 port planning

4. Bulk Water

The CBS Administrator and GPIIP Director traveled to Washington DC to meet with the Alaska and California delegations regarding the potential to export Sitka's water to CA. **(06/29/2015)**

The GPIIP Director flew to Seattle to meet with representative of Aquaomnis, an Icelandic Bulk Water Company. The purpose of the visit of was to learn about each bulk water source and potential export projects. **(08/31/2015)**

The GPIIP Director has received multiple requests from companies interested in acquiring water for bulk export from Green Lake. **(11/02/2015)**

The GPIIP Board of Directors recommended that a RFP be released to solicit proposals for entities to export Sitka's bulk water assets. Four separate entities attended the 04/07/2016 GPIIP Board meeting expressing interest in obtaining a contract to ship Sitka's water. **(04/12/2016)**

The CBS received 4 proposals in response to the Bulk Water RFP released in April. The GPIIP Board will meet May 16th to make its recommendations to the Assembly. **(05/10/2016)**

The GPIIP recommended and the CBS Assembly approved that the CBS enter into 3 separate contracts with ABWI (2 contracts) and Arctic Blue Water Inc. for roughly 8.8 billion gallons of water annually. The CBS will receive \$1.1 million dollars in non-refundable payments that can be used as water contracts from the water exporters. **(07/11/2016)**

ABWI and Arctic Blue Waters missed the contractual deadline to submit non-refundable payments to initiate the bulk water agreements. As such all contracts are null and void. The CBS is continuing to market its water assets and is willing to receive proposals from any entity willing to export Sitka's water. The GPIIP has suggested that it will only be willing to recommend new contracts with entities that demonstrate the ability to ship water immediately or provide payments to the CBS up front. **(08/5/2016)**

5. Bottled Water

The Director has met with multiple potential investors into the venture of bottling water in Sitka. The existing bottling plant owners and operators have been included in the discussions. **(10/24/2013)**

The CBS Assembly approved setting tote/container water rates at \$0.01/gallon for water exported in containers larger than 5 gallons at their 3/11/2014 meeting. **(03/17/2014)**

Multiple groups have visited and contacted the Director regarding obtaining property to construct another bottling plant. **(11/02/2015)**.

The CBS is continuing to market its water assets for both bottling and bulk operations. **(08/05/2016)**

6. GPIIP Property Sales

The CBS commissioned a professional third-party appraisal on lots at the industrial site in September 2014.

The GPIIP Board received multiple official proposals for property purchase during its fall and winter 2014/2015 meetings.

The GPIIP Board and CBS Assembly approved and sold lots 11, 12a, 13, and 17 at the GPIIP. Lot 11 (former GPIIP wastewater treatment plant building) was sold to Silver Bay Seafoods (SBS) at appraised value. SBS intends to use the building to process fish by-product. Lots 12a and 13 were also sold to SBS at appraised value for use in expansion of fish processing, value added, and cold storage. Sale of Lot 17 to Monarch Tanner at appraised value to construct a tannery building was approved by the Assembly in January, 2015. **(03/02/15)**

Additionally, the GPIIP Board has agreed to sell Lot 23 and the former Administration Building to SBS for appraised value. The 1950's administration building was remodel in 2001 with grant funds from the US EDA. The US EDA grant covenant concerning the sale of the building are being investigated to move the sale forward to the Assembly for their approval.

The GPIIP board is still deliberating on various proposals for use of waterfront lots and upland property in relation to the marine services industry. **(03/23/2015)**

The GPIIP Board recommended approval for a lease to purchase agreement between the CBS and Alaska Pacific & Packing (APP) for Lot 8, a 20,000 SF tidelands lease, and guaranteed utility and access easement to the waterfront. APP intends to construct a building on Lot 8 for engineering offices, fabrication shop, and industrial freezing. Once APP meets certain performance benchmarks it can purchase the property at appraised value. **(03/31/2015)**

The GPIIP Board continues to receive proposal to purchase property at the GPIIP. The Board had directed the Director to establish an area at the park for a marshalling or storage yard to support the new multiple purposed dock that is proposed. The GPIIP additionally has asked for Director to continue to investigate private investment of a marine service center on lot 4 & 15. **(06/29/2015)**

The CBS Assembly has granted authority for approximately 25 acres adjacent to Lot 1, Block 2 to be marketed for development. The Director is working with two separate potential water bottling operators to develop proposals for board review.

A RFP for development ideas for lots 16b, 19, and 20 has been developed has advertised on the www.sawmillcove.com website. Additionally, the CBS will be advertising the RFP in local and regional media. **(09/22/2015)**

The CBS did not receive any proposals for the development of lots 16b, 19, and 20 during the RFP process which ended 3/31/2016. **(04/05/2016)**

Monarch Tannery has withdrawn its request to purchase lot 17 at the GPIIP to build a larger tannery operation. **(04/12/2016)**

7. GPIIP Property Marketing

Detailed profiles of GPIIP properties have been developed and approved by the Board. The profiles have been placed on the GPIIP website at www.sawmillcove.com and will be used for other marketing opportunities.

The Director continues to receive request for park usage post Blue Lake project. **(02/20/2014)**

The Board at their May 14th meeting, heard proposals during “persons to be heard” for a majority of the remaining space at the GPIIP. The Board is awaiting formal proposals to determine use of the park in the future. **(06/24/2014)**

Marketing materials have been updated on the www.sawmillcove.com website and hard copy to reflect recent sale of property. **(03/02/2015)**

8. Blue Lake Dam Expansion Project

The Blue Lake Dam Expansion Project has been completed. Evacuated rock from the project is still being stored on park property. Rock needs to be removed from the

property for economic development to continue on the site. The CBS is still working on a solution. **(05/12/2015)**

The CBS Electrical Department intends to release a request for proposals of entities interested in purchasing rock stored at GPIIP. **(06/29/2015)**

The CBS Electrical Department has recently investigated several plans to remove rock from the property. **(09/22/2015)**

Rock is actively leaving the park via contracts between the CBS Electric Department and various entities. **(07/11/2016)**

9. Wharfage Rates

The GPIIP Board set general wharfage rates for use of the waterfront property at the park. Rock, Sand, and Gravel was set at \$1.00 per US ton; all other freight items will be on a case-by-case basis. **(10/2/2012)**

A full tariff schedule is being developed for the park. **(07/09/2013)**

A draft tariff schedule was developed by SEDA Staff and presented to the GPIIP Board for its review during its December 2015 meeting. The board provided direction to hold off on finalizing the schedule until the dock project can be further determined. **(01/11/2016)**

10. Hazard Risk Mitigation

Due to the August 18, 2015 landslide that occurred at the GPIIP, the CBS is assessing its risk to allow occupancy of municipal owned property. The CBS Attorney is developing waiver language for current and future lessees of the property for day use only. The Attorney is additionally investigating the potential to lease properties to entities that wish to lease the property for overnight housing. **(04/12/2016)**

The CBS has hired a consultant to complete hazard risk assessment of the property surrounding the GPIIP properties. A written assessment is expected this summer. **(07/11/2016)**

CBS Administration has determined that the liability risk of allowing the Administration Building to be occupied is too great due to landslide risk and have terminated all leases in the building effective 9/30/2016. **(08/05/2016)**

11. Baranof Island Brewing Company as withdrawn its request to lease Lot 4 at the GPIIP. **(07/11/2016)**

12. The GPIIP Board recommended that Lot 4 be lease to Alaska Pacific & Packing for a 1-year term at its 7/13/2016 meeting. **(08/05/2016)**

13. The GPIIP Board recommended that a portion of Lot 6 be leased to Sitka Bike & Hike at its 10/17/2016 meeting **(10/31/2016)**

14. The GPIP Board recommended that a portion of Lot 15 be leased to CBC Construction at its 10/17/2016 meeting. **(10/17/2016)**



Project Transaction Report

G/L Date Range 07/01/16 - 09/30/16

Exclude Sub Ledger Detail

Sorted By Project - G/L Account - Date

G/L Date	Journal	Journal Type	Sub Ledger	Description	Source/Reference	Revenue	Debit Amount	Credit Amount	Actual Balance	Net Change
90748.0032	- SCIP - Dock, Engineering							Life-to-Date	\$12,322.16	
	100-530-032-800	5110.001		Regular Salaries/Wages			4,169.25	.00	16,491.41	
	100-530-032-800	5120.002		SBS			256.75	.00	16,748.16	
	100-530-032-800	5120.003		Medicare			60.69	.00	16,808.85	
	100-530-032-800	5120.004		PERS			921.39	.00	17,730.24	
	100-530-032-800	5120.005		Health Insurance			884.03	.00	18,614.27	
	100-530-032-800	5120.006		Life Insurance			.44	.00	18,614.71	
	100-530-032-800	5120.007		Workmen's Compensation			199.40	.00	18,814.11	
	780-600-630	5212.000		Contracted/Purchased Serv			84.96	.00	18,899.07	
90748.0032 Total							\$6,576.91	\$0.00	\$18,899.07	
90748.2106	- SCIP - Dock, Construction							Life-to-Date	\$270,603.39	
	780 1050.060			Accts Rec.- State			.00	25,650.85	244,952.54	
	780-600-630	5212.000		Contracted/Purchased Serv			14,985.90	.00	259,938.44	
90748.2106 Total							\$14,985.90	\$25,650.85	\$259,938.44	
Grand Totals							\$21,562.81	\$25,650.85		



Project Transaction Report

G/L Date Range 01/01/01 - 09/30/16

Exclude Sub Ledger Detail

Sorted By Project - G/L Account - Date

G/L Date	Journal	Journal Type	Sub Ledger	Description	Source/Reference	Revenue	Debit Amount	Credit Amount	Actual Balance	Net Change
90748.0031	- SCIP - Dock, Public Works Admin							Life-to-Date	\$0.00	
	No G/L Account						.00	.02	(.02)	
	100-530-031	5110.001		- Regular Salaries/Wages			7.17	.00	7.15	
	100-530-031	5120.002		- SBS			.43	.00	7.58	
	100-530-031	5120.003		- Medicare			.16	.06	7.68	
	100-530-031	5120.004		- PERS			1.54	.00	9.22	
	100-530-031	5120.007		- Workmen's Compensation			.08	.03	9.27	
90748.0031 Total							\$9.38	\$0.11	\$9.27	
90748.0032	- SCIP - Dock, Engineering							Life-to-Date	\$0.00	
	100-530-032-800	5110.001		- Regular Salaries/Wages			11,819.03	.00	11,819.03	
	100-530-032-800	5120.002		- SBS			724.49	.00	12,543.52	
	100-530-032-800	5120.003		- Medicare			171.36	.00	12,714.88	
	100-530-032-800	5120.004		- PERS			2,600.09	.00	15,314.97	
	100-530-032-800	5120.005		- Health Insurance			3,003.84	.00	18,318.81	
	100-530-032-800	5120.006		- Life Insurance			1.54	.00	18,320.35	
	100-530-032-800	5120.007		- Workmen's Compensation			493.76	.00	18,814.11	
	780-600-630	5212.000		- Contracted/Purchased Serv			84.96	.00	18,899.07	
90748.0032 Total							\$18,899.07	\$0.00	\$18,899.07	
90748.0270	- SCIP - Dock, SCIP							Life-to-Date	\$0.00	
	270-600-630	5110.004		- Overtime			2,223.00	.00	2,223.00	
	270-600-630	5110.010		- Temp Wages			43,989.75	.00	46,212.75	
	270-600-630	5120.002		- SBS			2,833.04	.00	49,045.79	
	270-600-630	5120.003		- Medicare			683.39	13.24	49,715.94	
	270-600-630	5120.007		- Workmen's Compensation			1,395.69	52.96	51,058.67	
90748.0270 Total							\$51,124.87	\$66.20	\$51,058.67	
90748.2106	- SCIP - Dock, Construction							Life-to-Date	\$0.00	
	100	1020.001		- Checking Account- General			10,223.09	.00	10,223.09	
	780	1050.060		- Accts Rec.- State			828,511.38	828,511.38	10,223.09	
	780	1590.000		- Construction in Progress			249,134.12	249,134.12	10,223.09	
	780-300-310	3101.005		- Grant Revenue			412,096.78	850,854.53	(428,534.66)	
	780-600-630	5212.000		- Contracted/Purchased Serv			472,440.91	67,998.32	(24,092.07)	
	780-600-670	7150.000		- Capitalized Cont/Services			249,134.12	329,783.66	(104,741.61)	
	780-600-680	7200.000		- Interfund Transfers Out			364,680.05	.00	259,938.44	
90748.2106 Total							\$2,586,220.45	\$2,326,282.01	\$259,938.44	
Grand Totals							\$2,656,253.77	\$2,326,348.32		

**Gary Paxton Industrial Park Fund
 Financial Analysis
 As Of, And For the Three-Month Period Ending September, 2016**

KPI Dashboard

Indicator	Amount	Compared To Last Yr	Compared To Plan
Revenue	44,957	↑	↑
Earnings Before Interest	(88,976)	↑	↑
Earnings Before Interest and Depreciation	(10,080)	↑	↑
Net Income	(81,606)	↑	↑
Total Working Capital	918,902	↑	↑
Repair Reserve (1% of PPI)	116,632	↑	↑
Working Capital Appropriated For Projects & Unspent Bond Proceeds	23,312	↔	↔
Undesignated Working Capital	778,958	↑	↑
Days Cash on Hand, Total Working Capital	1,206.37	↑	↑
Days Cash on Hand, Undesignated Working Capital	1,022.64	↑	↑

The Gary Paxton Industrial Park Fund achieved operating results which are both ahead of plan and improved over last fiscal year.

City and Borough of Sitka
Gary Paxton Industrial Park
Income Statement
For The Twelve-Month Period From July 1, 2016 to June 30, 2017
(Unaudited)

	Jul-Sep 2016	Oct-Dec 2016	Jan-Mar 2017	Apr-Jun 2017	FY2017 YTD	FY2016 YTD	Variance To FY2016 YTD	FY2017 Plan (\$/L - 25%)	Variance To FY2017 Plan
Revenue:									
Leases	44,957	-	-	-	44,957	25,290	19,667	37,300	7,657
Other Operating Revenue	-	-	-	-	-	-	-	-	-
Total Revenue:	44,957	-	-	-	44,957	25,290	19,667	37,300	7,657
Cost of Sales:									
Operations	55,037	-	-	-	55,037	52,770	(2,267)	72,302	17,265
Depreciation	78,896	-	-	-	78,896	76,816	(2,080)	78,896	-
Total Cost of Sales:	133,933	-	-	-	133,933	129,586	(4,347)	151,198	17,265
Gross Margin:	(88,976)	-	-	-	(88,976)	(104,296)	15,320	(113,898)	24,922
	-197.91%	#DIV/0!	#DIV/0!	#DIV/0!	-197.91%	-412.40%	214.49%	-305.36%	107.44%
Selling and Administrative Expenses	-	-	-	-	-	-	-	-	-
Earnings Before Interest (EBI):	(88,976)	-	-	-	(88,976)	(104,296)	15,320	(113,898)	24,922
	-197.91%	#DIV/0!	#DIV/0!	#DIV/0!	-197.91%	-412.40%	214.49%	-305.36%	107.44%
Non-operating Revenue and Expense:									
Interest and Non-Operating Revenue:	5,132	-	-	-	5,132	5,100	32	5,175	(43)
Grant Revenue:	-	-	-	-	-	-	-	-	-
Sale of Fixed Assets	-	-	-	-	-	-	-	-	-
Interest Transfer From SMC Contingency	4,261	-	-	-	4,261	4,566	(305)	4,750	(489)
Interest Expense:	(2,023)	-	-	-	(2,023)	(2,427)	404	(2,023)	(1)
Total Non-operating Revenue & Expense:	7,370	-	-	-	7,370	7,239	131	7,903	(533)
Net Income:	(81,606)	-	-	-	(81,606)	(97,057)	15,451	(105,995)	24,389
	-181.52%	#DIV/0!	#DIV/0!	#DIV/0!	-181.52%	-383.78%	202.26%	-284.17%	486.42%
Earnings Before Interest and Depreciation (EBID):	(10,080)	-	-	-	(10,080)	(27,480)	13,240	(35,002)	24,922
	-22.42%	#DIV/0!	#DIV/0!	#DIV/0!	-22.42%	-108.66%	86.24%	-93.84%	71.42%
Debt Principal Coverage									
Simple Cash Flow (Net Income Plus Depreciation)	(2,710)	-	-	-	(2,710)	(20,241)	17,531	(27,099)	24,389
Debt Principal	12,446	-	-	-	12,446	12,446	-	12,446	-
Debt Principal Coverage Surplus/Deficit	(15,156)	-	-	-	(15,156)	(32,687)	17,531	(39,545)	24,389
Debt Principal Coverage Percentage	-21.77%	#DIV/0!	#DIV/0!	#DIV/0!	-21.77%	-34.81%	13.04%	-217.73%	230.77%
Simple Asset Replacement Coverage									
Debt Principal Coverage Surplus/Deficit (From Above)	(15,156)	-	-	-	(15,156)	(32,687)	17,531	(39,545)	24,389
Depreciation	78,896	-	-	-	78,896	76,816	2,080	78,896	-
Cash Accumulated For/(Taken From) Asset Replacement	(94,052)	-	-	-	(94,052)	(109,503)	15,451	(118,441)	24,389
Working Capital									
Cash Flow:									
Net Income Plus Depreciation Less Principal CapEx, Accruals, and other Balance Sheet Changes	(15,156)	-	-	-	(15,156)	(32,687)	17,531	(39,545)	24,389
CapEx, Accruals, and other Balance Sheet Changes	15,363	-	-	-	15,363	(42,848)	58,211	15,363	-
Increase in (Decrease in) Working Capital	207	-	-	-	207	(75,535)	75,742	(24,182)	24,389
Plus Beginning Total Working Capital	918,695	-	-	-	918,695	981,270	(62,575)	1,639,493	(720,798)
Equals Ending Total Working Capital:	918,902	-	-	-	918,902	905,735	13,167	1,615,311	(696,409)
Working Capital Detail:									
Repair Reserve (1% of PPE):	116,632	-	-	-	116,632	-	-	-	-
Working Capital Designated for CapEx	23,312	-	-	-	23,312	-	-	-	-
Undesignated Working Capital	778,958	-	-	-	778,958	-	-	-	-
Total Working Capital:	918,902	-	-	-	918,902	-	-	-	-
Days On Hand Annual Cash Outlays in Total Working Capital:	1,206.37	-	-	-	1,206.37	-	-	-	-
Days On Hand Annual Cash Outlays in Total Working Capital Less Repair Reserve:	1,053.25	-	-	-	1,053.25	-	-	-	-
Days On Hand Annual Cash Outlays in Undesignated Working Capital	1,022.64	-	-	-	1,022.64	-	-	-	-
Working Capital Calculation:									
Current Assets	987,709	-	-	-	987,709	-	-	-	-
Current Liabilities	(19,023)	-	-	-	(19,023)	-	-	-	-
CPLTD	(49,784)	-	-	-	(49,784)	-	-	-	-
Total Working Capital	918,902	-	-	-	918,902	-	-	-	-

Unspent Capital Project	Working Capital	Appropriations	Beginning 7/1	2017	Unbilled			Expenses	A/P	YTD Working Capital
			Working Capital	Appropriations	Cash	A/R	A/R			
80273 - GPIP Site Improvements	\$ 9,826.95	\$ -	\$ 9,826.95	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,826.95	
90748 - GPIP Dock	\$ (14,094.04)	\$ -	\$ (29,079.94)	\$ 34,987.77	\$ -	\$ -	\$ 21,562.81	\$ 6,576.91	\$ 12,484.74	
Totals:	\$ (4,267.09)	\$ -	\$ (19,252.99)	\$ 34,987.77	\$ -	\$ -	\$ 21,562.81	\$ 6,576.91	\$ 22,311.69	



Income Statement

Through 09/30/16

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Annual Budget Amount	MTD Actual Amount	YTD Actual Amount	Budget Less YTD Actual	% of Budget	Prior Year Total Actual
Fund Category Proprietary Funds							
Fund Type Enterprise Funds							
Fund 270 - Gary Paxton Industrial Complex							
REVENUE							
Division 300 - Revenue							
Department 310 - State Revenue							
3101	Grant Revenue						
3101.005	Grant Revenue	7,000,000.00	.00	.00	7,000,000.00	0	.00
	3101 - Grant Revenue Totals	\$7,000,000.00	\$0.00	\$0.00	\$7,000,000.00	0%	\$0.00
	Department 310 - State Revenue Totals	\$7,000,000.00	\$0.00	\$0.00	\$7,000,000.00	0%	\$0.00
Department 360 - Uses of Prop & Investment							
3601	Rent - Land						
3601.000	Rent - Land	70,000.00	27,049.79	30,940.47	39,059.53	44	160,571.72
	3601 - Rent - Land Totals	\$70,000.00	\$27,049.79	\$30,940.47	\$39,059.53	44%	\$160,571.72
3602	Rent - Building						
3602.000	Rent - Building	79,200.00	5,059.25	14,016.75	65,183.25	18	66,502.96
	3602 - Rent - Building Totals	\$79,200.00	\$5,059.25	\$14,016.75	\$65,183.25	18%	\$66,502.96
3610	Interest Income						
3610.000	Interest Income	20,700.00	1,535.68	5,132.23	15,567.77	25	25,776.04
	3610 - Interest Income Totals	\$20,700.00	\$1,535.68	\$5,132.23	\$15,567.77	25%	\$25,776.04
3612	Change in FMV - Investmnt						
3612.000	Change in FMV - Investmnt	.00	.00	.00	.00	+++	2,008.00
	3612 - Change in FMV - Investmnt Totals	\$0.00	\$0.00	\$0.00	\$0.00	+++	\$2,008.00
	Department 360 - Uses of Prop & Investment Totals	\$169,900.00	\$33,644.72	\$50,089.45	\$119,810.55	29%	\$254,858.72
Department 380 - Miscellaneous							
3807	Miscellaneous						
3807.000	Miscellaneous	.00	.00	.00	.00	+++	(4,714.61)
	3807 - Miscellaneous Totals	\$0.00	\$0.00	\$0.00	\$0.00	+++	(\$4,714.61)
	Department 380 - Miscellaneous Totals	\$0.00	\$0.00	\$0.00	\$0.00	+++	(\$4,714.61)
Department 390 - Cash Basis Receipts							
3950	Transfer in from fund 540						
3950.173	Transfer In SCIP Conting	19,000.00	1,391.91	4,260.77	14,739.23	22	385,921.42
3950.540	Transfer in from fund 540	.00	.00	.00	.00	+++	47,642.00
	3950 - Transfer in from fund 540 Totals	\$19,000.00	\$1,391.91	\$4,260.77	\$14,739.23	22%	\$433,563.42
	Department 390 - Cash Basis Receipts Totals	\$19,000.00	\$1,391.91	\$4,260.77	\$14,739.23	22%	\$433,563.42
	Division 300 - Revenue Totals	\$7,188,900.00	\$35,036.63	\$54,350.22	\$7,134,549.78	1%	\$683,707.53
	REVENUE TOTALS	\$7,188,900.00	\$35,036.63	\$54,350.22	\$7,134,549.78	1%	\$683,707.53



Income Statement

Through 09/30/16

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Annual Budget Amount	MTD Actual Amount	YTD Actual Amount	Budget Less YTD Actual	% of Budget	Prior Year Total Actual
Fund Category Proprietary Funds							
Fund Type Enterprise Funds							
Fund 270 - Gary Paxton Industrial Complex							
EXPENSE							
Division 600 - Operations							
Department 630 - Operations							
5203	Heating Fuel						
5203.001	Electric	23,000.00	3,454.34	5,264.89	17,735.11	23	26,783.52
5203.005	Heating Fuel	23,000.00	965.14	2,344.17	20,655.83	10	18,277.22
	5203 - Heating Fuel Totals	\$46,000.00	\$4,419.48	\$7,609.06	\$38,390.94	17%	\$45,060.74
5204	Telephone						
5204.000	Telephone	5,000.00	201.54	201.54	4,798.46	4	3,935.22
	5204 - Telephone Totals	\$5,000.00	\$201.54	\$201.54	\$4,798.46	4%	\$3,935.22
5205	Insurance						
5205.000	Insurance	21,000.00	534.40	1,603.20	19,396.80	8	5,914.63
	5205 - Insurance Totals	\$21,000.00	\$534.40	\$1,603.20	\$19,396.80	8%	\$5,914.63
5206	Supplies						
5206.000	Supplies	2,000.00	.00	5,620.07	(3,620.07)	281	.00
	5206 - Supplies Totals	\$2,000.00	\$0.00	\$5,620.07	(\$3,620.07)	281%	\$0.00
5207	Repairs & Maintenance						
5207.000	Repairs & Maintenance	5,000.00	.00	.00	5,000.00	0	.00
	5207 - Repairs & Maintenance Totals	\$5,000.00	\$0.00	\$0.00	\$5,000.00	0%	\$0.00
5208	Bldg Repair & Maint						
5208.000	Bldg Repair & Maint	20,000.00	1,349.24	1,349.24	18,650.76	7	12,558.18
	5208 - Bldg Repair & Maint Totals	\$20,000.00	\$1,349.24	\$1,349.24	\$18,650.76	7%	\$12,558.18
5211	Data Processing Fees						
5211.000	Data Processing Fees	.00	.00	.00	.00	+++	3,732.00
	5211 - Data Processing Fees Totals	\$0.00	\$0.00	\$0.00	\$0.00	+++	\$3,732.00
5212	Contracted/Purchased Serv						
5212.000	Contracted/Purchased Serv	148,981.59	5,521.94	28,284.77	120,696.82	19	138,856.91
	5212 - Contracted/Purchased Serv Totals	\$148,981.59	\$5,521.94	\$28,284.77	\$120,696.82	19%	\$138,856.91
5214	Interdepartment Services						
5214.000	Interdepartment Services	37,874.00	4,838.81	10,317.81	27,556.19	27	38,972.99
	5214 - Interdepartment Services Totals	\$37,874.00	\$4,838.81	\$10,317.81	\$27,556.19	27%	\$38,972.99
5223	Tools & Small Equipment						
5223.000	Tools & Small Equipment	750.00	.00	.00	750.00	0	.00
	5223 - Tools & Small Equipment Totals	\$750.00	\$0.00	\$0.00	\$750.00	0%	\$0.00
5226	Advertising						
5226.000	Advertising	1,000.00	.00	.00	1,000.00	0	2,176.06
	5226 - Advertising Totals	\$1,000.00	\$0.00	\$0.00	\$1,000.00	0%	\$2,176.06



Income Statement

Through 09/30/16

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Annual Budget Amount	MTD Actual Amount	YTD Actual Amount	Budget Less YTD Actual	% of Budget	Prior Year Total Actual
Fund Category Proprietary Funds							
Fund Type Enterprise Funds							
Fund 270 - Gary Paxton Industrial Complex							
EXPENSE							
Division 600 - Operations							
Department 630 - Operations							
5231	Credit Card Expense						
5231.000	Credit Card Expense	600.00	22.77	51.09	548.91	9	424.41
5231 - Credit Card Expense Totals		\$600.00	\$22.77	\$51.09	\$548.91	9%	\$424.41
5290	Other Expenses						
5290.000	Other Expenses	1,000.00	.00	.00	1,000.00	0	.00
5290 - Other Expenses Totals		\$1,000.00	\$0.00	\$0.00	\$1,000.00	0%	\$0.00
Department 630 - Operations Totals		\$289,205.59	\$16,888.18	\$55,036.78	\$234,168.81	19%	\$251,631.14
Department 640 - Depreciation/Amortization							
6206	Depreciation-Machinery						
6206.000	Depreciation-Machinery	.00	.00	.00	.00	+++	.48
6206 - Depreciation-Machinery Totals		\$0.00	\$0.00	\$0.00	\$0.00	+++	\$0.48
Department 640 - Depreciation/Amortization Totals		\$0.00	\$0.00	\$0.00	\$0.00	+++	\$0.48
Division 600 - Operations Totals		\$289,205.59	\$16,888.18	\$55,036.78	\$234,168.81	19%	\$251,631.62
Division 640 - Depreciation/Amortization							
6201	Depreciation-Land Improve						
6201.000	Depreciation-Land Improve	.00	11,395.45	34,186.35	(34,186.35)	+++	136,745.34
6201 - Depreciation-Land Improve Totals		\$0.00	\$11,395.45	\$34,186.35	(\$34,186.35)	+++	\$136,745.34
6202	Depreciation-Plants						
6202.000	Depreciation-Plants	.00	5,210.01	15,630.03	(15,630.03)	+++	62,521.06
6202 - Depreciation-Plants Totals		\$0.00	\$5,210.01	\$15,630.03	(\$15,630.03)	+++	\$62,521.06
6205	Depreciation-Buildings						
6205.000	Depreciation-Buildings	.00	9,693.25	29,079.75	(29,079.75)	+++	116,316.25
6205 - Depreciation-Buildings Totals		\$0.00	\$9,693.25	\$29,079.75	(\$29,079.75)	+++	\$116,316.25
Division 640 - Depreciation/Amortization Totals		\$0.00	\$26,298.71	\$78,896.13	(\$78,896.13)	+++	\$315,582.65
Division 650 - Debt Payments							
5295	Interest Expense						
5295.000	Interest Expense	8,090.00	.00	.00	8,090.00	0	9,707.52
5295 - Interest Expense Totals		\$8,090.00	\$0.00	\$0.00	\$8,090.00	0%	\$9,707.52
7301	Note Principal Payments						
7301.000	Note Principal Payments	49,783.00	.00	.00	49,783.00	0	.00
7301 - Note Principal Payments Totals		\$49,783.00	\$0.00	\$0.00	\$49,783.00	0%	\$0.00
Division 650 - Debt Payments Totals		\$57,873.00	\$0.00	\$0.00	\$57,873.00	0%	\$9,707.52
EXPENSE TOTALS		\$347,078.59	\$43,186.89	\$133,932.91	\$213,145.68	39%	\$576,921.79



Income Statement

Through 09/30/16

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Annual Budget Amount	MTD Actual Amount	YTD Actual Amount	Budget Less YTD Actual	% of Budget	Prior Year Total Actual
	Fund 270 - Gary Paxton Industrial Complex Totals						
	REVENUE TOTALS	7,188,900.00	35,036.63	54,350.22	7,134,549.78	1%	683,707.53
	EXPENSE TOTALS	347,078.59	43,186.89	133,932.91	213,145.68	39%	576,921.79
	Fund 270 - Gary Paxton Industrial Complex Net Gain (Loss)	\$6,841,821.41	(\$8,150.26)	(\$79,582.69)	(\$6,921,404.10)	(1%)	\$106,785.74
	Fund Type Enterprise Funds Totals						
	REVENUE TOTALS	7,188,900.00	35,036.63	54,350.22	7,134,549.78	1%	683,707.53
	EXPENSE TOTALS	347,078.59	43,186.89	133,932.91	213,145.68	39%	576,921.79
	Fund Type Enterprise Funds Net Gain (Loss)	\$6,841,821.41	(\$8,150.26)	(\$79,582.69)	(\$6,921,404.10)	(1%)	\$106,785.74
	Fund Category Proprietary Funds Totals						
	REVENUE TOTALS	7,188,900.00	35,036.63	54,350.22	7,134,549.78	1%	683,707.53
	EXPENSE TOTALS	347,078.59	43,186.89	133,932.91	213,145.68	39%	576,921.79
	Fund Category Proprietary Funds Net Gain (Loss)	\$6,841,821.41	(\$8,150.26)	(\$79,582.69)	(\$6,921,404.10)	(1%)	\$106,785.74
	Grand Totals						
	REVENUE TOTALS	7,188,900.00	35,036.63	54,350.22	7,134,549.78	1%	683,707.53
	EXPENSE TOTALS	347,078.59	43,186.89	133,932.91	213,145.68	39%	576,921.79
	Grand Total Net Gain (Loss)	\$6,841,821.41	(\$8,150.26)	(\$79,582.69)	(\$6,921,404.10)	(1%)	\$106,785.74



Income Statement

Through 09/30/16

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Annual Budget Amount	MTD Actual Amount	YTD Actual Amount	Budget Less YTD Actual	% of Budget	Prior Year Total Actual
Fund Category Proprietary Funds							
Fund Type Capital Projects Funds							
Fund 780 - Capital Project-GPIP							
REVENUE							
Division 300 - Revenue							
Department 310 - State Revenue							
3101 Grant Revenue							
3101.005	Grant Revenue	.00	.00	.00	.00	+++	67,224.59
3101 - Grant Revenue Totals		\$0.00	\$0.00	\$0.00	\$0.00	+++	\$67,224.59
Department 310 - State Revenue Totals		\$0.00	\$0.00	\$0.00	\$0.00	+++	\$67,224.59
Division 300 - Revenue Totals		\$0.00	\$0.00	\$0.00	\$0.00	+++	\$67,224.59
REVENUE TOTALS		\$0.00	\$0.00	\$0.00	\$0.00	+++	\$67,224.59
EXPENSE							
Division 600 - Operations							
Department 630 - Operations							
5212 Contracted/Purchased Serv							
5212.000	Contracted/Purchased Serv	30,847.00	8,984.36	15,070.86	15,776.14	49	69,588.57
5212 - Contracted/Purchased Serv Totals		\$30,847.00	\$8,984.36	\$15,070.86	\$15,776.14	49%	\$69,588.57
5214 Interdepartment Services							
5214.000	Interdepartment Services	.00	.00	.00	.00	+++	11,060.97
5214 - Interdepartment Services Totals		\$0.00	\$0.00	\$0.00	\$0.00	+++	\$11,060.97
Department 630 - Operations Totals		\$30,847.00	\$8,984.36	\$15,070.86	\$15,776.14	49%	\$80,649.54
Department 670 - Fixed Assets							
7150 Capitalized Cont/Services							
7150.000	Capitalized Cont/Services	.00	.00	.00	.00	+++	(80,649.54)
7150 - Capitalized Cont/Services Totals		\$0.00	\$0.00	\$0.00	\$0.00	+++	(\$80,649.54)
Department 670 - Fixed Assets Totals		\$0.00	\$0.00	\$0.00	\$0.00	+++	(\$80,649.54)
Department 680 - Transfer to Other Funds							
7200 Interfund Transfers Out							
7200.000	Interfund Transfers Out	.00	.00	.00	.00	+++	364,680.05
7200 - Interfund Transfers Out Totals		\$0.00	\$0.00	\$0.00	\$0.00	+++	\$364,680.05
Department 680 - Transfer to Other Funds Totals		\$0.00	\$0.00	\$0.00	\$0.00	+++	\$364,680.05
Division 600 - Operations Totals		\$30,847.00	\$8,984.36	\$15,070.86	\$15,776.14	49%	\$364,680.05
EXPENSE TOTALS		\$30,847.00	\$8,984.36	\$15,070.86	\$15,776.14	49%	\$364,680.05
Fund 780 - Capital Project-GPIP Totals							
REVENUE TOTALS		.00	.00	.00	.00	+++	67,224.59
EXPENSE TOTALS		30,847.00	8,984.36	15,070.86	15,776.14	49%	364,680.05
Fund 780 - Capital Project-GPIP Net Gain (Loss)		(\$30,847.00)	(\$8,984.36)	(\$15,070.86)	\$15,776.14	49%	(\$297,455.46)



Income Statement

Through 09/30/16

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Annual Budget Amount	MTD Actual Amount	YTD Actual Amount	Budget Less YTD Actual	% of Budget	Prior Year Total Actual
Fund Category Proprietary Funds							
Fund Type Capital Projects Funds Totals							
	REVENUE TOTALS	.00	.00	.00	.00	+++	67,224.59
	EXPENSE TOTALS	30,847.00	8,984.36	15,070.86	15,776.14	49%	364,680.05
Fund Type	Capital Projects Funds Net Gain (Loss)	(\$30,847.00)	(\$8,984.36)	(\$15,070.86)	\$15,776.14	49%	(\$297,455.46)
Fund Category Proprietary Funds Totals							
	REVENUE TOTALS	.00	.00	.00	.00	+++	67,224.59
	EXPENSE TOTALS	30,847.00	8,984.36	15,070.86	15,776.14	49%	364,680.05
Fund Category	Proprietary Funds Net Gain (Loss)	(\$30,847.00)	(\$8,984.36)	(\$15,070.86)	\$15,776.14	49%	(\$297,455.46)
Grand Totals							
	REVENUE TOTALS	.00	.00	.00	.00	+++	67,224.59
	EXPENSE TOTALS	30,847.00	8,984.36	15,070.86	15,776.14	49%	364,680.05
	Grand Total Net Gain (Loss)	(\$30,847.00)	(\$8,984.36)	(\$15,070.86)	\$15,776.14	49%	(\$297,455.46)



Balance Sheet

Through 09/30/16

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Current YTD Balance	Prior Year Total Actual	Net Change	Change %
Fund Category Proprietary Funds					
Fund Type Enterprise Funds					
Fund 270 - Gary Paxton Industrial Complex					
ASSETS					
1027	Change in FMV-Investments				
1027.000	Change in FMV-Investments	21,633.00	21,633.00	.00	.00
	1027 - Change in FMV-Investments Totals	\$21,633.00	\$21,633.00	\$0.00	0.00%
1030	Investment-Central Trea.				
1030.100	Investment-Central Trea.	838,751.92	857,023.74	(18,271.82)	(2.13)
	1030 - Investment-Central Trea. Totals	\$838,751.92	\$857,023.74	(\$18,271.82)	(2.13%)
1050	Accts Rec.-Misc Billing				
1050.000	Accts Rec.-Misc Billing	43,014.20	34,072.24	8,941.96	26.24
	1050 - Accts Rec.-Misc Billing Totals	\$43,014.20	\$34,072.24	\$8,941.96	26.24%
1070	Notes Receivable				
1070.010	Notes Receivable	59,583.41	61,504.99	(1,921.58)	(3.12)
	1070 - Notes Receivable Totals	\$59,583.41	\$61,504.99	(\$1,921.58)	(3.12%)
1200	Prepaid Insurance				
1200.020	Prepaid Insurance	4,809.65	.00	4,809.65	+++
	1200 - Prepaid Insurance Totals	\$4,809.65	\$0.00	\$4,809.65	+++
1500	Land - SMC Industrial Com				
1500.270	Land - SMC Industrial Com	3,381,102.50	3,381,102.50	.00	.00
	1500 - Land - SMC Industrial Com Totals	\$3,381,102.50	\$3,381,102.50	\$0.00	0.00%
1510	Land Improvements				
1510.000	Land Improvements	5,231,342.17	5,231,342.17	.00	.00
	1510 - Land Improvements Totals	\$5,231,342.17	\$5,231,342.17	\$0.00	0.00%
1520	Distribution Lines				
1520.006	Distribution Lines	3,126,008.64	3,126,008.64	.00	.00
	1520 - Distribution Lines Totals	\$3,126,008.64	\$3,126,008.64	\$0.00	0.00%
1540	Buildings				
1540.000	Buildings	3,299,007.15	3,299,007.15	.00	.00
	1540 - Buildings Totals	\$3,299,007.15	\$3,299,007.15	\$0.00	0.00%
1550	Machinery & Equipment				
1550.000	Machinery & Equipment	5,094.80	5,094.80	.00	.00
	1550 - Machinery & Equipment Totals	\$5,094.80	\$5,094.80	\$0.00	0.00%
1570	Furniture & Fixtures				
1570.000	Furniture & Fixtures	1,724.00	1,724.00	.00	.00
	1570 - Furniture & Fixtures Totals	\$1,724.00	\$1,724.00	\$0.00	0.00%
1585	Intangible Accounts				
1585.000	Intangible Accounts	123,300.93	123,300.93	.00	.00
	1585 - Intangible Accounts Totals	\$123,300.93	\$123,300.93	\$0.00	0.00%



Balance Sheet

Through 09/30/16

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Current YTD Balance	Prior Year Total Actual	Net Change	Change %
Fund Category Proprietary Funds					
Fund Type Enterprise Funds					
Fund 270 - Gary Paxton Industrial Complex					
ASSETS					
1610	Accumulated Depr. Land Im				
1610.000	Accumulated Depr. Land Im	(972,246.46)	(938,060.11)	(34,186.35)	(3.64)
1610 - Accumulated Depr. Land Im Totals		(\$972,246.46)	(\$938,060.11)	(\$34,186.35)	(3.64%)
1620	Accumulated Depr Ut Plant				
1620.000	Accumulated Depr Ut Plant	(666,223.56)	(650,593.53)	(15,630.03)	(2.40)
1620 - Accumulated Depr Ut Plant Totals		(\$666,223.56)	(\$650,593.53)	(\$15,630.03)	(2.40%)
1630	Accumulated Depr Harbor				
1630.000	Accumulated Depr Harbor	(.12)	(.12)	.00	.00
1630 - Accumulated Depr Harbor Totals		(\$0.12)	(\$0.12)	\$0.00	0.00%
1640	Accumulated Depr Building				
1640.000	Accumulated Depr Building	(1,426,434.32)	(1,397,354.57)	(29,079.75)	(2.08)
1640 - Accumulated Depr Building Totals		(\$1,426,434.32)	(\$1,397,354.57)	(\$29,079.75)	(2.08%)
1650	Accumulated Depr Equipmnt				
1650.000	Accumulated Depr Equipmnt	(5,094.80)	(5,094.80)	.00	.00
1650 - Accumulated Depr Equipmnt Totals		(\$5,094.80)	(\$5,094.80)	\$0.00	0.00%
1670	Accumulated Depr furnitur				
1670.000	Accumulated Depr furnitur	(1,724.00)	(1,724.00)	.00	.00
1670 - Accumulated Depr furnitur Totals		(\$1,724.00)	(\$1,724.00)	\$0.00	0.00%
1810	Acc. Amortization - 1992				
1810.090	Acc. Amortization - 1992	(229,380.40)	(229,380.40)	.00	.00
1810 - Acc. Amortization - 1992 Totals		(\$229,380.40)	(\$229,380.40)	\$0.00	0.00%
1820	Other Deferred Debits				
1820.000	Other Deferred Debits	229,380.40	229,380.40	.00	.00
1820 - Other Deferred Debits Totals		\$229,380.40	\$229,380.40	\$0.00	0.00%
ASSETS TOTALS		\$13,063,649.11	\$13,148,987.03	(\$85,337.92)	(0.65%)
LIABILITIES AND FUND EQUITY					
LIABILITIES					
2020	Accounts Payable				
2020.000	Accounts Payable	.00	5,755.23	(5,755.23)	(100.00)
2020 - Accounts Payable Totals		\$0.00	\$5,755.23	(\$5,755.23)	(100.00%)
2300	Advances Payable				
2300.000	Advances Payable	248,910.68	248,910.68	.00	.00
2300 - Advances Payable Totals		\$248,910.68	\$248,910.68	\$0.00	0.00%
LIABILITIES TOTALS		\$248,910.68	\$254,665.91	(\$5,755.23)	(2.26%)



Balance Sheet

Through 09/30/16

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Current YTD Balance	Prior Year Total Actual	Net Change	Change %
Fund Category	Proprietary Funds				
Fund Type	Enterprise Funds				
Fund	270 - Gary Paxton Industrial Complex				
	FUND EQUITY				
2800	Contributed Cap.-Local				
2800.001	Contributed Cap.-Federal	2,427,569.38	2,427,569.38	.00	.00
2800.002	Contributed Cap.-State	1,304,917.94	1,304,917.94	.00	.00
2800.003	Contributed Cap.-Local	1,749,388.61	1,749,388.61	.00	.00
	2800 - Contributed Cap.-Local Totals	\$5,481,875.93	\$5,481,875.93	\$0.00	0.00%
2900	Reserve for Encumbrances				
2900.010	Reserve for Encumbrances	151.00	151.00	.00	.00
	2900 - Reserve for Encumbrances Totals	\$151.00	\$151.00	\$0.00	0.00%
2910	Designated-Capital Project				
2910.140	Designated-Capital Project	(439,765.78)	(439,765.78)	.00	.00
	2910 - Designated-Capital Project Totals	(\$439,765.78)	(\$439,765.78)	\$0.00	0.00%
2920	Undesignated/Re. Earnings				
2920.000	Undesignated/Re. Earnings	7,852,210.97	7,852,210.97	.00	.00
	2920 - Undesignated/Re. Earnings Totals	\$7,852,210.97	\$7,852,210.97	\$0.00	0.00%
2965	P/Y Encumbrance Control				
2965.000	P/Y Encumbrance Control	(151.00)	(151.00)	.00	.00
	2965 - P/Y Encumbrance Control Totals	(\$151.00)	(\$151.00)	\$0.00	0.00%
	FUND EQUITY TOTALS Prior to Current Year Changes	\$12,894,321.12	\$12,894,321.12	\$0.00	0.00%
	Prior Year Fund Equity Adjustment	.00			
	Fund Revenues	(54,350.22)			
	Fund Expenses	133,932.91			
	FUND EQUITY TOTALS	\$12,814,738.43	\$12,894,321.12	(\$79,582.69)	(0.62%)
	LIABILITIES AND FUND EQUITY TOTALS	\$13,063,649.11	\$13,148,987.03	(\$85,337.92)	(0.65%)
Fund	270 - Gary Paxton Industrial Complex Totals	\$0.00	\$0.00	\$0.00	+++
Fund Type	Enterprise Funds Totals	\$0.00	\$0.00	\$0.00	+++
Fund Category	Proprietary Funds Totals	\$0.00	\$0.00	\$0.00	+++
	Grand Totals	\$0.00	\$0.00	\$0.00	+++



Balance Sheet

Through 09/30/16

Detail Listing

Include Rollup Account/Rollup to Account

Account	Account Description	Current YTD Balance	Prior Year Total Actual	Net Change	Change %
Fund Category	Proprietary Funds				
Fund Type	Capital Projects Funds				
Fund	780 - Capital Project-GPIP				
	ASSETS				
1030	Investment-Central Trea.				
1030.100	Investment-Central Trea.	(15,070.86)	(10,287.30)	(4,783.56)	(46.50)
	1030 - Investment-Central Trea. Totals	(\$15,070.86)	(\$10,287.30)	(\$4,783.56)	(46.50%)
1050	Accts Rec.- State				
1050.060	Accts Rec.- State	.00	25,650.85	(25,650.85)	(100.00)
	1050 - Accts Rec.- State Totals	\$0.00	\$25,650.85	(\$25,650.85)	(100.00%)
1590	Construction in Progress				
1590.000	Construction in Progress	433,633.87	433,633.87	.00	.00
	1590 - Construction in Progress Totals	\$433,633.87	\$433,633.87	\$0.00	0.00%
	ASSETS TOTALS	\$418,563.01	\$448,997.42	(\$30,434.41)	(6.78%)
	LIABILITIES AND FUND EQUITY				
	LIABILITIES				
2020	Accounts Payable				
2020.000	Accounts Payable	.00	15,363.55	(15,363.55)	(100.00)
	2020 - Accounts Payable Totals	\$0.00	\$15,363.55	(\$15,363.55)	(100.00%)
	LIABILITIES TOTALS	\$0.00	\$15,363.55	(\$15,363.55)	(100.00%)
	FUND EQUITY				
2900	Reserve for Encumbrances				
2900.010	Reserve for Encumbrances	7,603.80	7,603.80	.00	.00
	2900 - Reserve for Encumbrances Totals	\$7,603.80	\$7,603.80	\$0.00	0.00%
2920	Undesignated/Re. Earnings				
2920.000	Undesignated/Re. Earnings	433,633.87	433,633.87	.00	.00
	2920 - Undesignated/Re. Earnings Totals	\$433,633.87	\$433,633.87	\$0.00	0.00%
2965	P/Y Encumbrance Control				
2965.000	P/Y Encumbrance Control	(7,603.80)	(7,603.80)	.00	.00
	2965 - P/Y Encumbrance Control Totals	(\$7,603.80)	(\$7,603.80)	\$0.00	0.00%
	FUND EQUITY TOTALS Prior to Current Year Changes	\$433,633.87	\$433,633.87	\$0.00	0.00%
	Prior Year Fund Equity Adjustment	.00			
	Fund Revenues	.00			
	Fund Expenses	15,070.86			
	FUND EQUITY TOTALS	\$418,563.01	\$433,633.87	(\$15,070.86)	(3.48%)
	LIABILITIES AND FUND EQUITY TOTALS	\$418,563.01	\$448,997.42	(\$30,434.41)	(6.78%)
	Fund 780 - Capital Project-GPIP Totals	\$0.00	\$0.00	\$0.00	+++
	Fund Type Capital Projects Funds Totals	\$0.00	\$0.00	\$0.00	+++



329 Harbor Drive, Suite 212
Sitka, AK 99835
Phone: 907-747-2660

Thursday, November 3, 2016

MEMORANDUM

To: Gary Paxton Industrial Park (GPIP) Board of Directors
From: Garry White, Director
Subject: GPIP Multi-Purpose Dock Contract Award

Introduction

The Gary Paxton Industrial Park (GPIP) Board of Directors has recommended that the CBS enter into an agreement with Turnagain Marine Construction Corporation to design and construct a multi-purpose dock at the Gary Paxton Industrial Park.

Attached is a draft contract for the Board's review and recommendation to the Assembly for approval.

Background

Since acquiring the industrial site in 1999, the CBS has considered the potential for development of a deep-water port at the Industrial Park. Every Legislative Priorities list from FY2003 through FY2016 includes a reference to development of a marine industry and infrastructure at the SCIP and/or a specific funding request.

Strategy No. 2 of the GPIP Board of Director's strategic plan calls for the construction of a multi-purpose dock at the GPIP.

The CBS was successful in working with the State Legislature to have \$7.5 million dollars for the construction of multi-purpose dock at the GPIP included in a ~\$453.5-million-dollar State wide transportation funding initiative in 2012, which was approved by the voters of Alaska.

In the spring of 2014, the engineering firm Moffatt and Nichol was selected to plan, permit, and design the multi-purpose dock.

The GPIP Board reviewed various potential preliminary designs for a hard faced dock in the winter and spring of 2015. In April 2015, the Board directed staff to investigate the potential of acquiring and installing a floating dock at the park.

The CBS hired R&M Engineering-Ketchikan to investigate the conditional assessment and feasibility of an available floating pontoon/dock.

The GPIIP Board met on November 23rd, 2015 to review a draft feasibility report on a Pontoon Drive Down Float for the Gary Paxton Industrial Park. The Board gave the GPIIP Director direction to bring back a final report and a suggested motion to move the floating dock project forward.

The GPIIP Board met in December 2015 and approved the following motion.

Motion: The GPIIP Board recommends that CBS staff develop and release a design build RFP to purchase, refurbish, and install a floating dock at the Gary Paxton Industrial Park. The GPIIP Board recommends that sections N, O, &, P of the former Hood Canal Bridge or similar floating dock be acquired. The project should include options for \$7 million dollars and \$8.7 million dollars

In an effort to enhance the opportunity for innovative solutions while maintaining a competitive process and firm pricing, the CBS elected to utilize a project delivery method referred to as design-build, where one contract is issued to a single entity for all services required to complete the project.

The CBS hired Windward Project Solutions LLC to assist with development and release of the RFP.

The RFP was released 6/22/2016 with available funds amount of \$6.8 million allocated for the design-build contract.

On August 18th, the CBS received four proposals in response to the Request for Proposals. All four proposals exceeded the available funds amount. The GPIIP Board met on September 1 to evaluate the Proposals and determined that the GPIIP Board would not request additional funds from the Assembly as necessary to award a contract at that time.

As a result, at the GPIIP Board's recommendation, the CBS re-engaged all four Proposer's in a competitive, Best & Final Offer process as allowed for in the RFP with restructured project priorities. On September 27th, three Final Offers were received. Those Offers include a total of six design options all of which accommodate freight and fishing industries and allow for future development that would enable use by larger vessels. Furthermore, all three Proposals each contain a solution within the available funds amount.

The GPIIP Board met on October 17, 2016 to review the updated proposals. The GPIIP Board scored all proposals with the following scores: (Potential 250 points)

- Turnagain Marine Construction – 249.92 points
- Pacific Pile Marine – 240 points
- Heko Services Inc. – 229.29 points

The GPIB Board then approved the following two motions:

MOTION: M/S Horan/Bevan moved to approve the proposed scores and the Apparent Best Value results.

ACTION: Motion PASSED 4/0 on a roll call vote
Yeas: Charles Horan, Hugh Bevan, Scott Wagner, Dan Jones

MOTION: M/S Horan/Bevan moved to support and recommend CBS staff to proceed with finalizing a scope of work and contract terms with Apparent Best Value Proposer on the condition that the Board will continue to be informed throughout the process, including an opportunity to review the contract prior to Administrative authorization.

ACTION: Motion PASSED 4/0 on a roll call vote
Yeas: Charles Horan, Hugh Bevan, Scott Wagner, Dan Jones

Project/Contractor Scope of Work

The following is a summarization, in general terms, of the scope of work included in the attached Design-Build contract and does not fully describe all details of the Work. The draft contract includes the Agreement, General Conditions, Supplementary Conditions, and Exhibits 1 and 2. Exhibit 1 describes the minimum project requirements, as were defined by the Request for Proposals and subsequent addenda and correspondence. Exhibit 2 serves to further define the Design-Builder's scope of work as detailed in the Proposal documents and negotiations.

The Design-Builder to perform:

- all management, services, labor, material, and equipment necessary to design and build the Project in accordance with the Contract; and,
- all regulatory coordination and authorizations (permits) as required by law to construct the facility; and,
- development and execution of a comprehensive, quality management plan including all testing, inspection, and documentation necessary to control and independently assure performance of Work is in strict compliance with applicable standards, specifications, and design requirements.

The Project will provide a multi-purpose, floating dock facility at the Gary Paxton Industrial Park to serve a range of industries, including but not limited to fishing and container/cargo shipping. The primary floating dock is a repurposed steel barge, 250 feet long and 74 feet wide, and will be accessible by a drive-down ramp with a minimum width of 14 feet. The structure will accommodate the handling of loaded containers, truck and trailers, and vehicles intended to support vessels with a maximum draft 40 feet.

A separate, new floating dock will be attached to the primary dock to allow for 120 feet of transient moorage for smaller vessels. Some features of the facility include lighting, electrical power sources, and a fire suppression system. Fenders, life rings, and access ladders will be installed to provide for safe operation. The facility will have a 50-year design life and meet or exceed industry standards relating to corrosion resistance with minimal long-term maintenance.

A portion of the existing deteriorated in-water structures will be removed as required to install the new facility. The final design and location will not unreasonably restrict opportunities for future upgrades that will enhance accommodation of larger vessels, bulk water distribution, or other new industry. Contingent upon the timely issuance of a contract and environmental authorizations, the Project is scheduled to be substantially complete by Fall 2017.

Fiscal Note

The GPIIP Multi-purpose Dock project is funded by a \$7,500,000 FY13 Designated Legislative Grant administered by the State of Alaska. The grant funds originated from a voter approved and ratified general obligation bond.

A contract award in the amount of \$6,800,000 would result in a project contingency of approximately 1% after accounting for project costs/encumbrances to date and estimated Construction Management and Inspection costs to complete the work. Industry standard construction contingencies range from 5-10% depending on project specifics. For this project, Staff feels there are minimal apparent Owner risks associated with this contract. However, since any unforeseen issues during construction could have cost implications it is important to have sufficient contingencies to avoid additional costs associated with Owner delays. CBS staff recommends an additional \$225,000 be added to the project budget to bring the total project contingency to ~4%. Possible funding sources include the GPIIP Enterprise Fund Undesignated Working Capital, Bulk Water Fund, and/or GPIIP Contingency Fund (i.e. Environmental Fund). It would be a project goal to minimize the use of the additional contingency funds and to return as much as possible back to the funding source.

Additional Information

- A draft Tariff of costs and regulations to use the dock have been developed for future discussion and implementation.
 - The GPIIP Director has held informal conversations with multiple businesses on potential uses of the dock for moving freight, vessel moorage, and in water vessel work.

- An Operational Management Plan for the dock has not been fully implemented at this time.
 - Per Turnagain Marine's proposal, annual maintenance expenses appear to be minimal due to quality of floating barge, protective coating, and cathodic protection.

- The Strategic Plan for the GPIIP includes the development of a marine services industry at the park. In the GPIIP Director's opinion, the proposed multi-purpose dock will provide a floating work platform to support the marine service industry. The GPIIP Board is still working towards the development of additional infrastructure to support the marine service industry. The Board will continue to advocate for funds to support the development of the GPIIP Waterfront to support the marine service industry.
- A multi-purpose dock at the GPIIP will allow for greater marketing opportunities.

Action

- GPIIP Board recommendation that the Assembly approval of attached agreement between Turnagain Marine Construction Corp. and the CBS.

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

AGREEMENT
BETWEEN OWNER AND DESIGN/BUILDER
ON THE BASIS OF A STIPULATED PRICE

Prepared by



Issued and Published Jointly by



AMERICAN COUNCIL OF ENGINEERING COMPANIES

ASSOCIATED GENERAL CONTRACTORS OF AMERICA

AMERICAN SOCIETY OF CIVIL ENGINEERS

PROFESSIONAL ENGINEERS IN PRIVATE PRACTICE
A Practice Division of the
NATIONAL SOCIETY OF PROFESSIONAL ENGINEERS

This Agreement has been prepared for use with the Standard General Conditions of the Contract Between Owner and Design/Builder (EJCDC D-700, 2009 Edition). Their provisions are interrelated and a change in one may necessitate a change in the other. The instructions and comments contained in the Guide to Use of EJCDC Design/Build Documents (EJCDC D-001, 2009 Edition), including guides to preparation of the Request for Proposal, the Proposal Form, and Supplementary Conditions, are also carefully interrelated with the wording of this Agreement.

Note to User

Before entering into this Agreement, it is recommended that the parties determine if applicable Laws and Regulations prohibit or require alterations in the contemplated contractual arrangements and the assignments of responsibilities for a design/build project. Check competitive bidding, contractor licensing, design professional licensing, and professional practice Laws and Regulations, among others.

Copyright © 2009 National Society of Professional Engineers
1420 King Street, Alexandria, VA 22314-2794
(703) 684-2882
www.nspe.org

American Council of Engineering Companies
1015 15th Street N.W., Washington, DC 20005
(202) 347-7474
www.acec.org

American Society of Civil Engineers
1801 Alexander Bell Drive, Reston, VA 20191-4400
(800) 548-2723
www.asce.org

Associated General Contractors of America
2300 Wilson Boulevard, Suite 400, Arlington, VA 22201-3308
(703) 548-3118
www.agc.org

The copyright for this EJCDC document is owned jointly by the four EJCDC sponsoring organizations and held in trust for their benefit by NSPE.



AGREEMENT
BETWEEN OWNER AND DESIGN/BUILDER
ON THE BASIS OF A STIPULATED PRICE

THIS AGREEMENT is by and between City & Borough of Sitka (Owner)
and Turnagain Marine Construction Corporation (Design/Builder).

Owner and Design/Builder hereby agree as follows:

ARTICLE 1 - WORK

1.01. Design/Builder shall complete all Work as specified or indicated in the Contract Documents. The Work is generally described as follows:

The design and construction of the **Gary Paxton Industrial Park (GPIP) Multi-Purpose Dock** facility (the "Project"), **Project Number 90748**, including:

- all management, services, labor, material, and equipment necessary to design and build the Project in accordance with the Contract; and,
- all regulatory coordination, services, and authorizations (permits) as required by law to construct the facility; and,
- development and execution of a comprehensive, quality management plan including all testing, inspection, and documentation necessary to control and independently assure performance of the Work is in strict compliance with the Contract, applicable standards, specifications, and design requirements.

ARTICLE 2 - THE PROJECT

2.01. The Project, of which the Work under the Contract Documents may be the whole or only a part, is generally described as follows:

Provide a functionally complete marine facility enabling access to the GPIP by a multitude of potential industries, as described throughout the Contract.

JARTICLE 3 - CONTRACT TIMES

3.01. Time of the Essence

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

3.02. Dates for Substantial Completion and Final Payment

- A. The Work will be substantially completed on or before January 26th, 2018, and completed and ready for final payment in accordance with Paragraph 13.08 of the General Conditions on or before March 26th, 2018.

3.03. Liquidated Damages

- A. Design/Builder and Owner recognize that time is of the essence as stated in Paragraph 3.01 above, and that Owner will suffer financial loss if the Work is not completed within the times specified in Paragraph 3.02.A above, plus any extensions thereof allowed in accordance with the General Conditions. The parties also recognize the delays, expense, and difficulties involved in proving in a legal, arbitration, or similar proceeding the actual loss suffered by Owner if the Work is not completed on time. Accordingly, instead of requiring any such proof, Owner and Design/Builder agree that as liquidated damages for delay (but not as a penalty), Design/Builder shall pay Owner \$3,000.00 for each day that expires after the time specified in Paragraph 3.02.A above for Substantial Completion until the Work is substantially complete. After Substantial Completion, if Design/Builder shall neglect, refuse, or fail to complete the remaining Work within the Contract Time or any proper extension thereof granted by Owner, Design/Builder shall pay Owner \$1,000.00 for each day that expires after the time specified in Paragraph 3.02.A for completion and readiness for final payment until the Work is completed and ready for final payment.

ARTICLE 4 - CONTRACT PRICE

- 4.01. Owner shall pay Design/Builder for completion of the Work in accordance with the Contract Documents an amount in current funds equal to the sum of the amounts determined pursuant to Paragraphs 4.01.A and 4.01.B below:

- A. *For all Work other than Unit Price Work, a Lump Sum of:*

(\$ 6,800,000.00)

The specific cash allowances are included in the above price and have been computed in accordance with Paragraph 10.02 of the General Conditions.

ARTICLE 5 - PAYMENT PROCEDURES

- 5.01. Design/Builder shall submit and Owner will process Applications for Payment in accordance with Article 13 of the General Conditions.

A. *Progress Payments; Retainage:* Owner shall make progress payments on account of the Contract Price on the basis of Design/Builder's Applications for Payment which are to be submitted on or about the 5th day of each month during performance of the Work as provided in Paragraphs 5.01.A.1 and A.2 below. All such payments will be measured by the Schedule of Values established in Paragraph 2.06.A.3 of the General Conditions (and in the case of Unit Price Work based on the number of units completed).

1. Prior to Substantial Completion, progress payments will be made in an amount equal to the percentage indicated below, but, in each case, less the aggregate of payments previously made and less such amounts as Owner may withhold in accordance with Paragraph 13.03.B of the General Conditions.
 - a. 95 percent of Work completed (with the balance being retainage). If the Work has been 50 percent completed as determined by Owner, and if the character and progress of the Work have been satisfactory to Owner, then as long as the character and progress of the Work remain satisfactory to Owner, there will be no additional retainage on account of Work completed,; and
 - b. 95 percent of the cost of materials and equipment not incorporated in the Work (but delivered, suitably stored, and accompanied by documentation satisfactory to Owner as provided in Paragraph 13.02.A of the General Conditions), with the balance being retainage.
2. Upon Substantial Completion, Owner shall pay an amount sufficient to increase total payments to Design/Builder to 98 percent of the Contract Price (with the balance being retainage), less such amounts as Owner may withhold in accordance with Paragraph 13.03.B of the General Conditions and less 150 percent of Owner's estimate of the value of the Work shown in the tentative list of items to be completed or corrected attached to the certificate of Substantial Completion.

B. *Final Payment.* Upon final completion and acceptance of the Work in accordance with paragraph 13.08 of the General Conditions, Owner shall pay the remainder of the Contract Price.

ARTICLE 6 - INTEREST

6.01. All moneys not paid when due as provided in Article 13 of the General Conditions shall bear interest at the rate of 4 percent per annum.

ARTICLE 7 - DESIGN/BUILDER'S REPRESENTATIONS

7.01. To induce Owner to enter into this Agreement, Design/Builder makes the following representations:

A. Design/Builder has examined and carefully studied the Contract Documents and the other related data identified in the Request for Proposals, but excluding the documents described in paragraph 8.01.K.

- B. Design/Builder has visited the Site and become familiar with and is satisfied as to the general, local, and Site conditions that may affect cost, progress, and performance of the Work.
- C. Design/Builder is familiar with and is satisfied as to all federal, state, and local Laws and Regulations that may affect cost, progress, and performance of the Work.
- D. Design/Builder has carefully studied all: (1) reports of explorations and tests of subsurface conditions at or contiguous to the Site and all drawings of physical conditions relating to existing surface or subsurface structures at the Site (except Underground Facilities), if any, that have been identified or made available by Owner and (2) reports and drawings of Hazardous Environmental Conditions, if any, at the Site that have been identified or made available by Owner.
- E. Design/Builder is aware of the general nature of work to be performed by Owner and others at the Site that relates to the Work as indicated in the Contract Documents.
- F. Design/Builder has considered the information known to Design/Builder; information commonly known to design/builders doing business in the locality of the Site; information and observations obtained from visits to the Site; the Contract Documents; and the Site-related reports and drawings identified in the Contract Documents, with respect to the effect of such information, observations, and documents on (1) the cost, progress, and performance of the Work; (2) the means, methods, techniques, sequences, and procedures of construction to be employed by Design/Builder, including any specific means, methods, techniques, sequences, and procedures of construction expressly required by the Contract Documents; and (3) Design/Builder's safety precautions and programs.
- G. Based on the information and observations referred to above, Design/Builder does not consider that further examinations, investigations, explorations, tests, studies, or data are necessary for it to enter into this Contract for the performance of the Work at the Contract Price, within the Contract Times, and in accordance with the other terms and conditions of the Contract Documents.
- H. Design/Builder has given Owner written notice of all conflicts, errors, ambiguities, or discrepancies that Design/Builder has discovered in the Contract Documents, and the written resolution thereof by Owner is acceptable to Design/Builder.
- I. The Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.

ARTICLE 8 - CONTRACT DOCUMENTS

8.01. The Contract Documents consist of the following:

- A. This Agreement (Form D-520)
- B. Performance Bond
- C. Payment Bond

- D. Standard General Conditions of the Contract Between Owner and Design/Builder (Form D-700)
- E. Supplementary Conditions
- F. Exhibit 1, including Section 3.0 of the Request for Proposals and all applicable Appendices
- G. Exhibit 2, including all applicable portions of the Design-Builder's proposal and other negotiations
- H. The following, which may be delivered, prepared, or issued after the Effective Date of this Agreement and are not attached hereto:
 - 1. Notice to Proceed;
 - 2. All Work Change Directives, and Change Orders amending, modifying or supplementing the Contract Documents pursuant to paragraph 3.04.A of the General Conditions;
 - 3. Specifications as defined in Paragraph 1.01.A.40 of the General Conditions; and
 - 4. Drawings as defined in Paragraph 1.01.A.18 of the General Conditions.

8.02. The documents listed in Paragraph 8.01 above are attached to this Agreement (except as expressly noted otherwise above).

8.03. There are no Contract Documents other than those listed above in this Article 8.

8.04. The Contract Documents may only be amended, modified, or supplemented as provided in Paragraph 3.04 of the General Conditions.

ARTICLE 9 - MISCELLANEOUS

9.01. The Standard General Conditions of the Contract Between Owner and Design/Builder are referred to herein as the General Conditions.

9.02. Terms used in this Agreement will have the meanings indicated in the General Conditions.

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

9.04. Owner and Design/Builder each binds itself, its partners, successors, assigns and legal representatives to the other party hereto, its partners, successors, assigns and legal representatives in respect to all covenants, agreements and obligations contained in the Contract Documents.

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

IN WITNESS WHEREOF, Owner and Design/Builder have signed this Agreement in duplicate. One counterpart each has been delivered to Owner and Design/Builder. All portions of the Contract Documents have been signed, initialed or identified by Owner and Design/Builder.

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

OWNER:

DESIGN/BUILDER:

By: _____

By: _____

[CORPORATE SEAL]

[CORPORATE SEAL]

Attest: _____

Attest: _____

Address for giving notices:

Address for giving notices:

Engineer License No. or
Certificate No.: _____
(Where applicable)

State: _____

(If Owner is a corporation, attach evidence of authority to sign. If Owner is a public body, attach evidence of authority to sign and resolution or other documents authorizing execution of this Agreement.)

Contractor License No.: _____
(Where applicable)

State: _____

(If Design/Builder is a corporation, attach evidence of authority to sign.)

Designated Representative:

Designated Representative:

Name: _____

Name: _____

Title: _____

Title: _____

Address: _____

Address: _____

Phone: _____

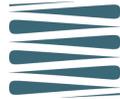
Phone: _____

Facsimile: _____

Facsimile: _____

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

STANDARD GENERAL CONDITIONS OF THE CONTRACT BETWEEN OWNER AND DESIGN/BUILDER

Prepared by
EJCDC 
ENGINEERS JOINT CONTRACT
DOCUMENTS COMMITTEE

and
Issued and Published Jointly by



AMERICAN COUNCIL OF ENGINEERING COMPANIES

ASSOCIATED GENERAL CONTRACTORS OF AMERICA

AMERICAN SOCIETY OF CIVIL ENGINEERS

PROFESSIONAL ENGINEERS IN PRIVATE PRACTICE
A Practice Division of the
NATIONAL SOCIETY OF PROFESSIONAL ENGINEERS

These General Conditions have been prepared for use with either one of the two Agreements between Owner and Design/Builder (EJCDC D-520 and D-525, 2009 Editions). Their provisions are interrelated and a change in one may necessitate a change in the others. The comments and instructions contained in the Guide to Use of EJCDC Design/Build Documents (EJCDC D-001, 2009 Edition) are also carefully interrelated with the wording of these General Conditions.

Copyright © 2009 National Society of Professional Engineers
1420 King Street, Alexandria, VA 22314-2794
(703) 684-2882
www.nspe.org

American Council of Engineering Companies
1015 15th Street N.W., Washington, DC 20005
(202) 347-7474
www.acec.org

American Society of Civil Engineers
1801 Alexander Bell Drive, Reston, VA 20191-4400
(800) 548-2723
www.asce.org

Associated General Contractors of America
2300 Wilson Boulevard, Suite 400, Arlington, VA 22201-3308
(703) 548-3118
www.agc.org

The copyright for this EJCDC document is owned jointly by the four EJCDC sponsoring organizations and held in trust for their benefit by NSPE.

TABLE OF CONTENTS

ARTICLE 1 – DEFINITIONS AND TERMINOLOGY	4
1.01 Defined Terms	4
1.02 Terminology	8
ARTICLE 2 – PRELIMINARY MATTERS	9
2.01 Delivery of Bonds	9
2.02 Commencement of Contract Times; Notice to Proceed	9
2.03 Starting the Work	9
2.04 Before Starting the Work	9
2.05 Initial Conference	10
2.06 Initial Acceptance of Schedules	10
ARTICLE 3 – CONTRACT DOCUMENTS: INTENT, AMENDING, REUSE	11
3.01 Intent	11
3.02 Reference Standards	11
3.03 Resolving Discrepancies	11
3.04 Amending and Supplementing Contract Documents	12
3.05 Reuse of Documents	12
3.06 Electronic Data	12
ARTICLE 4 – AVAILABILITY OF LANDS; DIFFERING SITE CONDITIONS; REFERENCE POINTS; HAZARDOUS ENVIRONMENTAL CONDITIONS	13
4.01 Availability of Lands	13
4.02 Differing Site Conditions	13
4.03 Reference Points	14
4.04 Hazardous Environmental Condition at Site	14
ARTICLE 5 – BONDS AND INSURANCE	15
5.01 Performance, Payment and Other Bonds	15
5.02 Licensed Sureties and Insurers	16
5.03 Certificates of Insurance	16
5.04 Design/Builder's Insurance	16
5.05 Owner's Liability Insurance	18
5.06 Property Insurance	18
5.07 Waiver of Rights	19
5.08 Receipt and Application of Insurance Proceeds	20
5.09 Acceptance of Bonds and Insurance; Option to Replace	20
5.10 Partial Utilization, Acknowledgment of Property Insurance	21
ARTICLE 6 – DESIGN/BUILDER'S RESPONSIBILITIES	21
6.01 Design Professional Services	21
6.02 Supervision and Superintendence of Construction	22
6.03 Labor, Working Hours	22
6.04 Services, Materials, and Equipment	22
6.05 Progress Schedule	23
6.06 Concerning Subcontractors, Suppliers, and Others	23
6.07 Patent Fees and Royalties	24

6.08 Permits.....	25
6.09 Laws or Regulations.....	25
6.10 Taxes	25
6.11 Use of Site and Other Areas.....	25
6.12 Record Documents	26
6.13 Safety and Protection.....	26
6.14 Safety Representative.....	27
6.15 Hazard Communication Programs	27
6.16 Emergencies	27
6.17 Submittals.....	27
6.18 Continuing the Work	28
6.19 Post-Construction Phase.....	28
6.20 Design/Builder's General Warranty and Guarantee	28
6.21 Indemnification	29
ARTICLE 7 – OTHER CONSTRUCTION	30
7.01 Related Work at Site.....	30
7.02 Coordination.....	30
7.03 Legal Relationships	31
ARTICLE 8 – OWNER'S RESPONSIBILITIES.....	31
8.01 General	31
8.02 Insurance	32
8.03 Limitations on Owner's Responsibilities.....	32
8.04 Undisclosed Hazardous Environmental Condition	32
8.05 Resident Project Representation.....	32
8.06 Owner's Consultant.....	32
8.07 Compliance with Safety Program.....	33
ARTICLE 9 – CHANGES IN THE WORK; CLAIMS	33
9.01 Authorized Changes in the Work	33
9.02 Unauthorized Changes in the Work	33
9.03 Claims.....	33
9.04 Execution of Change Orders	34
9.05 Notice to Sureties	34
ARTICLE 10 – COST OF THE WORK; CASH ALLOWANCES; UNIT PRICE WORK	
10.01 Cost of the Work.....	34
10.02 Cash Allowances	37
10.03 Unit Prices	37
ARTICLE 11 – CHANGE OF CONTRACT PRICE; CHANGE OF CONTRACT TIMES	
11.01 Change of Contract Price.....	38
11.02 Change of Contract Times	39
ARTICLE 12 – TESTS AND INSPECTIONS; CORRECTION, REMOVAL OR ACCEPTANCE OF DEFECTIVE CONSTRUCTION	40
12.01 Notice of Defects	40
12.02 Access to Construction	40

12.03 Tests and Inspections	40
12.04 Uncovering Construction.....	41
12.05 Owner May Stop Construction	41
12.06 Correction or Removal of Defective Construction.....	41
12.07 Correction Period.....	41
12.08 Acceptance of Defective Construction	42
12.09 Owner May Correct Defective Construction.....	42
ARTICLE 13 – PAYMENTS TO DESIGN/BUILDER AND COMPLETION	43
13.01 Schedule of Values	43
13.02 Application for Progress Payment	43
13.03 Progress Payments	44
13.04 Design/Builder's Warranty of Title.....	45
13.05 Substantial Completion.....	45
13.06 Partial Utilization.....	45
13.07 Final Inspection	46
13.08 Final Payment	46
13.09 Final Completion Delayed.....	47
13.10 Waiver of Claims	47
ARTICLE 14 – SUSPENSION OF WORK AND TERMINATION	48
14.01 Owner May Suspend Work	48
14.02 Owner May Terminate for Cause	48
14.03 Owner May Terminate for Convenience	49
14.04 Design/Builder May Stop Work or Terminate	49
ARTICLE 15 – DISPUTE RESOLUTION	50
15.01 Methods and Procedures.....	50
ARTICLE 16 – MISCELLANEOUS	50
16.01 Giving Notice.....	50
16.02 Computation of Times	50
16.03 Cumulative Remedies.....	50
16.04 Survival of Obligations.....	50
16.05 Controlling Law.....	51



**STANDARD GENERAL CONDITIONS OF THE
CONTRACT BETWEEN
OWNER AND DESIGN/BUILDER**

ARTICLE 1 – DEFINITIONS AND TERMINOLOGY

1.01 Defined Terms

A. Wherever used in the Contract Documents and printed with initial capital letters, the following terms have the meanings indicated which are applicable to both the singular and plural thereof. In addition to terms specifically defined, terms with initial capital letters in the Contract Documents include references to identified articles and paragraphs, and the titles of other documents or forms.

1. *Addenda*: Written or graphic instruments issued prior to the opening of Proposals which clarify, correct or change the Request for Proposals or the Contract Documents.
2. *Agreement*: The written instrument which is evidence of the agreement between Owner and Design/Builder covering the Work.
3. *Application for Payment*: The form which is to be used by Design/Builder in requesting progress or final payments and which is to be accompanied by such supporting documentation as is required by the Contract Documents.
4. *Asbestos*: Any material that contains more than one percent asbestos and is friable or is releasing asbestos fibers into the air above current action levels established by the United States Occupational Safety and Health Administration.
5. *Bonds*: Performance and payment bonds and other instruments of security.
6. *Change Order*: A written order which is signed by Design/Builder and Owner which authorizes an addition, deletion or revision in the Work, or an adjustment in the Contract Price or the Contract Times, issued on or after the Effective Date of the Agreement.
7. *Claim*: A demand or assertion by Owner or Design/Builder seeking an adjustment of Contract Price or Contract Times, or both, or other relief with respect to the terms of the Contract. A demand for money or services by a third party is not a claim.
8. *Conceptual Documents*: The drawings and specifications and/or other graphic or written materials, criteria and information concerning Owner's requirements for the Project, such as design objectives and constraints, space, capacity and performance requirements, flexibility and expandability, including those items enumerated in the Request for

Proposals which show or describe the character and scope of, or relate to, the Work to be performed or furnished and which have been prepared by or for Owner.

9. *Construction*: The part of the Work that is the result of performing or furnishing of labor, the furnishing and incorporating of materials and equipment into the Work and the furnishing of services (other than Design Professional Services) and documents, all as required by the Contract Documents.
10. *Construction Subagreement*: A written agreement between Design/Builder and a construction Subcontractor for provision of Construction.
11. *Contract*: The entire and integrated written agreement between Owner and Design/Builder concerning the Work. The Contract supersedes prior negotiations, representations, or agreements, whether written or oral.
12. *Contract Documents*: Those items so designated in the Agreement. Only printed or hard copies of the items listed in the Agreement are Contract Documents.
13. *Contract Price*: The moneys payable by Owner to Design/Builder for completion of the Work in accordance with the Contract Documents.
14. *Contract Times*: The numbers of days or the dates stated in the Agreement to (i) achieve Substantial Completion, and (ii) complete the Work so that it is ready for final payment in accordance with Paragraph 13.08.
15. *Design/Builder*: The individual or entity with whom Owner has entered into the Agreement.
16. *Design Subagreement*: A written agreement between Design/Builder and a design professional for provision of Design Professional Services.
17. *Design Professional Services*: That part of the Work comprised of services relating to the preparation of Drawings, Specifications, and other design submittals specified by the Contract Documents and required to be performed by licensed design professionals, as well as other services provided by or for licensed design professionals during Bidding/Negotiating, Construction, or Operational phases.
18. *Drawings*: Those portions of the Contract Documents prepared by or for Design/Builder and approved by Owner consisting of drawings, diagrams, illustrations, schedules and other data which show the scope, extent, and character of the Work.
19. *Effective Date of the Agreement*: The date indicated in the Agreement on which it becomes effective, but if no such date is indicated it means the date on which the Agreement is signed and delivered by the last of the two parties to sign and deliver.
20. *Field Order*: A written order issued by Owner which orders minor changes in the Work but which does not involve a change in the Contract Price or the Contract Times.

21. *Hazardous Environmental Condition*: The presence at the Site of Asbestos, Hazardous Waste, PCB's, Petroleum Products or Radioactive Materials in such quantities or circumstances that may present a substantial danger to persons or property exposed thereto on connection with the Work.
22. *Hazardous Waste*: The term Hazardous Waste shall have the meaning provided in Section 1004 of the Solid Waste Disposal Act (42 USC Section 6903) as amended from time to time.
23. *Laws or Regulations*: Any and all applicable laws, rules, regulations, ordinances, codes, and orders of any and all governmental bodies, agencies, authorities and courts having jurisdiction.
24. *Liens*: Charges, security interests or encumbrances upon real property or personal property.
25. *Milestone*: A principal event specified in the Contract Documents relating to an intermediate completion date or time prior to Substantial Completion of all the Work.
26. *Notice of Award*: The written notice by Owner to the successful proposer stating that upon compliance by the successful proposer with the conditions precedent included therein, within the time specified, Owner will sign and deliver the Agreement.
27. *Notice to Proceed*: A written notice given by Owner to Design/Builder fixing the date on which the Contract Times will commence to run and on which Design/Builder shall start to perform the Work.
28. *Owner*: The individual or entity with whom Design/Builder has entered into the Agreement and for whom the Work is to be performed.
29. *Owner's Consultant*: An individual or entity with whom the Owner may contract to furnish services to Owner with respect to the Project and who is identified as such in the Supplementary Conditions.
30. *Partial Utilization*: Use by Owner of a substantially completed part of the Work for the purpose for which it is intended (or a related purpose) prior to Substantial Completion of all the Work.
31. *PCBs*: Polychlorinated biphenyls.
32. *Petroleum*: Petroleum, including crude oil or any fraction thereof which is liquid at standard conditions of temperature and pressure (60 degrees Fahrenheit and 14.7 pounds per square inch absolute), such as oil, petroleum, fuel oil, oil sludge, oil refuse, gasoline, kerosene, and oil mixed with other non-Hazardous Wastes and crude oils.
33. *Project*: The total construction of which the Work to be provided under the Contract Documents may be the whole, or a part as indicated elsewhere in the Contract Documents.

34. *Proposal*: The documents submitted by Design/Builder in response to the Request for Proposals setting forth the design concepts, proposed prices, and other conditions for the Work to be performed.
35. *Radioactive Material*: Source, special nuclear, or byproduct material as defined by the Atomic Energy Act of 1954 (42 USC Section 2011 et seq.) as amended from time to time.
36. *Request for Proposals*: The document prepared by or for Owner specifying and describing Owner's objectives and the procedure to be followed in preparing and submitting a Proposal and awarding a contract.
37. *Resident Project Representative*: The authorized representative of Owner who may be assigned to the Site or any part thereof.
38. *Schedule of Values*: A schedule prepared by Design/Builder and acceptable to Owner indicating that portion of the Contract Price to be paid for each major component of the Work.
39. *Site*: Lands or other areas designated in the Contract Documents as being furnished by Owner upon which Construction is to be performed, including rights-of-way and easements for access thereto, and such other lands furnished by Owner which are designated for use of Design/Builder.
40. *Specifications*: The part of the Contract Documents prepared by or for Design/Builder and approved by Owner consisting of written technical descriptions of materials, equipment, construction systems, standards and workmanship as applied to the Work and certain administrative details applicable thereto.
41. *Subcontractor*: An individual or entity other than a Supplier having a direct contract with Design/Builder or with any other Subcontractor for the performance of a part of the Work.
42. *Submittal*: A written or graphic document prepared by or for Design/Builder which is required by the Contract Documents to be submitted to Owner by Design/Builder. Submittals may include Drawings, Specifications, progress schedules, shop drawings, samples, cash flow projections, and Schedules of Values. Submittals other than Drawings and Specifications are not Contract Documents.
43. *Substantial Completion*: The time at which the Work (or a specified part) has progressed to the point where it is sufficiently complete, in accordance with the Contract Documents, so that the Work (or a specified part) can be utilized for the purposes for which it is intended. The terms "substantially complete" and "substantially completed" as applied to all or part of the Work refer to Substantial Completion thereof.
44. *Supplementary Conditions*: The part of the Contract Documents which amends or supplements these General Conditions.
45. *Supplier*: A manufacturer, fabricator, supplier, distributor, materialman or vendor having a direct contract with Design/Builder or with any Subcontractor to furnish materials or equipment to be incorporated in the Work by Design/Builder or any Subcontractor.

46. *Unit Price Work*: Work to be paid for on the basis of unit prices.
47. *Work*: The entire design and construction or the various separately identifiable parts thereof required to be performed or furnished under the Contract Documents. Work includes and is the result of performing or furnishing Design Professional Services and Construction required by the Contract Documents.
48. *Work Change Directive*: A written directive to Design/Builder, issued on or after the Effective Date of the Agreement and signed by Owner ordering an addition, deletion or revision in the Work, or responding to differing site conditions under which the Work is to be performed or to emergencies. A Work Change Directive will not change the Contract Price or the Contract Times, but is evidence that the parties expect that the change directed or documented by a Work Change Directive will be incorporated in a subsequently issued Change Order following negotiations by the parties as to its effect, if any, on the Contract Price or Contract Times.

1.02 Terminology

A. The words and terms discussed in Paragraph 1.02.B are not defined terms, but when used in the Contract Documents have the indicated meanings.

B. *Intent of Certain Terms or Adjectives*:

1. The word "day" shall constitute a calendar day of 24 hours measured from midnight to the next midnight.
2. The word "defective," when modifying the word "Construction" refers to Construction that is unsatisfactory, faulty, or deficient in that it does not conform to the Contract Documents, or does not meet the requirements of any inspection, reference standard, test or approval referred to in the Contract Documents, or has been damaged prior to Owner's final payment (unless responsibility for the protection thereof has been assumed by Owner at Substantial Completion) provided that the defect was not caused by Owner.
3. The word "furnish," when used in connection with services, materials, or equipment, shall mean to supply and deliver said services, materials or equipment to the Site (or some other specified location) ready for use or installation and in usable or operable condition.
4. The word "install," when used in connection with services, materials, or equipment, shall mean to put into use or place in final position said services, materials or equipment or equipment complete and ready for intended use.
5. The words "perform" or "provide" when used in connection with services, materials, or equipment, shall mean to furnish and install said services, materials, or equipment complete and ready for intended use.
6. When "furnish," "install," "perform," or "provide" is not used in connection with services, materials, or equipment in a context clearly requiring an obligation of Design/Builder, "provide" is implied.

7. Unless stated otherwise in the Contract Documents, words or phrases that have a well-known technical or construction industry or trade meaning are used in the Contract Documents in accordance with that meaning.

ARTICLE 2 – PRELIMINARY MATTERS

2.01 Delivery of Bonds

- A. When Design/Builder delivers the executed Agreements to Owner, Design/Builder shall also deliver to Owner such Bonds as Design/Builder may be required to furnish in accordance with Paragraph 5.01.A.
- B. *Evidence of Insurance:* Before any Work is started, Design/Builder and Owner shall each deliver to the other those certificates of insurance that Design/Builder and Owner respectively are required to purchase and maintain in accordance with Article 5.

2.02 Commencement of Contract Times; Notice to Proceed

- A. The Contract Times will commence to run on the thirtieth day after the Effective Date of the Agreement, or, if a Notice to Proceed is given, on the day indicated in the Notice to Proceed. A Notice to Proceed may be given at any time within thirty days after the Effective Date of the Agreement. Unless agreed to in writing by Owner and Design/Builder, the Contract Times will commence to run no later than the ninetieth day after the last day for receipt of the Proposal or the thirtieth day after the Effective Date of the Agreement, whichever date is earlier.

2.03 Starting the Work

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

2.04 Before Starting the Work

- A. *Design/Builder's Review of Conceptual Documents:* Before undertaking the Work, Design/Builder shall carefully study and compare those Conceptual Documents prepared by Owner and check and verify pertinent figures therein and all applicable field measurements. Design/Builder shall promptly report in writing to Owner any conflict, error, ambiguity, or discrepancy which Design/Builder may discover and shall obtain a written interpretation or clarification from Owner before proceeding with any Work affected thereby; however, Design/Builder shall not be liable to Owner for failure to report any conflict, error, ambiguity, or discrepancy in the Conceptual Documents unless Design/Builder knew thereof.
- B. *Preliminary Schedules:* Within 10 days after commencement of the Contract Times (unless otherwise specified in the Contract Documents), Design/Builder shall submit the following to Owner for its timely review:

1. A preliminary progress schedule indicating the times (numbers of days or dates) for starting and completing the various stages of the Work, including any Milestones specified in the Contract Documents;
2. A preliminary schedule of Submittals which will list each required Submittal and the times for submitting, reviewing and processing each Submittal;
3. A preliminary Schedule of Values for all of the Work which will include quantities and prices of items which when added together equal the Contract Price and subdivides the Work into component parts in sufficient detail to serve as the basis for progress payments during performance of the Work. Such prices will include an appropriate amount of overhead and profit applicable to each item of Work; and
4. A preliminary cash flow projection estimating that portion of the Contract Price to be due during each month of performance.

2.05 *Initial Conference*

- A. Within twenty days after the Contract Times start to run, Design/Builder will arrange a conference attended by Owner and Design/Builder and others as appropriate to establish a working understanding among the parties as to the Work and to discuss the design concepts, schedules referred to in Paragraph 2.04.B, procedures for handling Submittals, processing Applications for Payment, maintaining required records, items required pursuant to Paragraph 8.01.A.6 and other matters.
- B. At the initial conference Owner and Design/Builder each shall designate, in writing, a specific individual to act as its authorized representative with respect to the services and responsibilities under the Contract. Such individuals shall have the authority to transmit instructions, receive information, render decisions relative to the Contract, and otherwise act on behalf of each respective party.

2.06 *Initial Acceptance of Schedules*

- A. At least ten days before submission of the first Application for Payment (unless otherwise provided in the Contract Documents), Design/Builder will arrange a conference attended by Design/Builder, Owner and others as appropriate to review for acceptability the schedules submitted in accordance with Paragraph 2.04.B. Design/Builder shall have an additional ten days to make corrections and adjustments and to complete and resubmit the schedules. No progress payment shall be made to Design/Builder until the acceptable schedules are submitted to Owner.
 1. The progress schedule will be acceptable to Owner if it provides an orderly progression of the Work to completion within any specified Milestones and the Contract Times. Such acceptance will not impose on Owner responsibility for the progress schedule, for sequencing, scheduling or progress of the Work nor interfere with nor relieve Design/Builder from Design/Builder's full responsibility therefor.
 2. Design/Builder's schedule of Submittals will be acceptable to Owner if it provides a workable arrangement for reviewing and processing the required Submittals.

3. Design/Builder's Schedule of Values will be acceptable to Owner as to form and substance if it provides a reasonable allocation of the Contract Price to component parts of the work.

ARTICLE 3 – CONTRACT DOCUMENTS: INTENT, AMENDING, REUSE

3.01 Intent

- A. The Contract Documents are complementary; what is called for by one is as binding as if called for by all.
- B. It is the intent of the Contract Documents including but not limited to the Conceptual Documents, the Drawings, and the Specifications to describe a functionally complete Project (or part thereof) to be designed and constructed in accordance with the Contract Documents. Design/Builder will furnish or perform all labor, documentation, services, materials, and equipment that may reasonably be inferred from the Contract Documents or from prevailing custom or trade usage as being required to produce the intended result whether or not specifically called, for at no additional cost to Owner.

3.02 Reference Standards

- A. Standards, Specifications, Codes, Laws or Regulations.
 1. Reference to standards, specifications, manuals or codes of any technical society, organization or association, or to Laws or Regulations, whether such reference be specific or by implication, shall mean the standard, specification, manual, code, or Laws or Regulations in effect on the Effective Date except as may be otherwise specifically stated in the Contract Documents.
 2. No provision of any such standard, specification, manual, or code, or instruction of a Supplier, shall be effective to change the duties and responsibilities of Owner, Design/Builder, or any of their subcontractors, consultants, agents, or employees from those set forth in the Contract Documents, nor shall it be effective to assign to Owner or its officers, directors, members, partners, employees, agents, consultants, or subcontractors any duty or authority to supervise or direct the furnishing or performance of the Work or any duty or authority to undertake responsibility inconsistent with the provisions of the Contract Documents.

3.03 Resolving Discrepancies

- A. In the event of a discrepancy between the Conceptual Documents on the one hand and the Proposal or Drawings or Specifications on the other hand, the Conceptual Documents will control except when Owner has approved a Submittal pursuant to Paragraph 6.17.B.
- B. Except as otherwise specifically stated in the Contract Documents, the provisions of the Contract Documents shall take precedence in resolving any conflict, error, ambiguity, or discrepancy between the provisions of the Contract Documents and:

1. The provisions of any such standard, specification, manual, code, or instruction (whether or not specifically incorporated by reference in the Contract Documents); or
2. The provisions of any such Laws or Regulations applicable to the performance of the Work (unless such an interpretation of the provisions of the Contract Documents would result in violation of such Law or Regulation).

3.04 *Amending and Supplementing Contract Documents*

A. The Contract Documents may be amended to provide for additions, deletions, and revisions in the Work or to modify the terms and conditions thereof in one or more of the following ways:

1. Owner's approval of required Submittals (pursuant to Paragraph 6.17.B);
2. A Work Change Directive;
3. A Change Order;
4. A Field Order.

3.05 *Reuse of Documents*

A. All documents including Drawings and Specifications prepared or furnished by Design/Builder pursuant to this Agreement are for Design/Builder's own use, and Design/Builder shall retain an ownership and property interest therein whether or not the Project is completed. Owner may make and retain copies for information and reference in connection with the use and occupancy of the Project by Owner and others. However, such documents are not intended or represented to be suitable for reuse by Owner or others on extensions of the Project or on any other project. Any reuse or any continued use after any termination without written verification or adaptation by Design/Builder for the specific purpose intended will be at Owner's sole risk and without liability or legal exposure to Design/Builder and Owner shall indemnify and hold harmless Design/Builder and Subcontractors from all claims, damages, losses and expenses including attorneys' fees arising out of or resulting therefrom. Any such verification or adaptation will entitle Design/Builder to further compensation at rates to be agreed upon by Owner and Design/Builder.

3.06 *Electronic Data*

A. Unless otherwise stated in the Supplementary Conditions, the data furnished by Owner to Design/Builder or Design/Builder to Owner that may be relied upon are limited to the printed copies (also known as hard copies). Files in electronic media format of text, data, graphics, or other types are furnished only for the convenience of the receiving party. Any conclusion or information obtained or derived from such electronic files will be at the user's sole risk. If there is a discrepancy between the electronic files and the hard copies, the hard copies govern.

B. Because data stored in electronic media format can deteriorate or be modified inadvertently or otherwise without authorization of the data's creator, the party receiving electronic files agrees that it will perform acceptance tests or procedures within 60 days, after which the receiving party shall be deemed to have accepted the data thus transferred. Any errors detected within the 60-day acceptance period will be corrected by the transferring party.

- C. When transferring documents in electronic media format, the transferring party makes no representations as to long term compatibility, usability, or readability of documents resulting from the use of software application packages, operating systems, or computer hardware differing from those used by the data's creator.

ARTICLE 4 – AVAILABILITY OF LANDS; DIFFERING SITE CONDITIONS; REFERENCE POINTS; HAZARDOUS ENVIRONMENTAL CONDITIONS

4.01 Availability of Lands

- A. Owner shall furnish the Site. Owner shall notify Design/Builder of any encumbrances or restrictions not of general application but specifically related to use of the Site which Design/Builder will have to comply in performing the Work. Unless otherwise provided in the Contract Documents, Owner will obtain in a timely manner and pay for easements for permanent structures or permanent changes in existing facilities. If Design/Builder and Owner are unable to agree on entitlement to or the amount or extent of any adjustments in the Contract Price or the Contract Times as a result of any delay in Owner's furnishing the Site, Design/Builder may make a Claim therefor as provided in Article 9.
- B. Upon reasonable written request, Owner shall furnish Design/Builder with a current statement of record legal title and legal description of the lands upon which the Construction is to be performed and Owner's interest therein as necessary for giving notice of or filing a mechanic's or construction lien against such lands in accordance with applicable Laws or Regulations.
- C. Design/Builder shall provide for all additional lands and access thereto that may be required for temporary construction facilities or storage of materials and equipment.

4.02 Differing Site Conditions

- A. Design/Builder shall promptly, and before the conditions are disturbed, give a written notice to Owner of (i) subsurface or latent physical conditions at the Site which differ materially from those indicated in the Contract Documents, or (ii) unknown physical conditions at the Site, of an unusual nature, which differ materially from those ordinarily encountered and generally recognized as inhering in work of the character called for by the Contract Documents.
- B. Owner will investigate the Site conditions promptly after receiving the notice. If the conditions do materially so differ and cause an increase or decrease in the Design/Builder's cost of, or the time required for, performing any part of the Work, whether or not changed as a result of the conditions, an equitable adjustment shall be made under this clause and the Contract Price or Times modified in writing by Change Order in accordance with Article 9.
- C. No request by Design/Builder for an equitable adjustment under Paragraph 4.02 shall be allowed unless Design/Builder has given the written notice required; provided that the time prescribed in 9.03.A for giving written notice may be extended by Owner.

D. The provisions of this Paragraph 4.02 are not intended to apply to a Hazardous Environmental Condition uncovered or revealed at the Site.

4.03 *Reference Points*

A. Design/Builder shall be responsible for laying out the Work and shall protect and preserve the reference points and property monuments established by Owner pursuant to Paragraph 8.01.A.6.e, and shall make no changes or relocations without the prior written approval of Owner. Design/Builder shall report to Owner whenever any reference point or property monument is lost or destroyed or requires relocation because of necessary changes in grades or locations, and shall be responsible for the accurate replacement or relocation of such reference points or property monuments by professionally qualified personnel.

4.04 *Hazardous Environmental Condition at Site*

A. Design/Builder will not be responsible for any Hazardous Environmental Condition encountered at the Site which was not identified in the Contract Documents to be within the scope of the Work. Design/Builder shall be responsible for materials creating a Hazardous Environmental Condition created by any materials brought to the Site by Design/Builder, Subcontractors, Suppliers or anyone else for whom Design/Builder is responsible.

B. If Design/Builder encounters a Hazardous Environmental Condition, Design/Builder shall immediately: (i) secure or otherwise isolate such condition; (ii) stop all Construction in connection with such condition and in any area affected thereby (except in an emergency as required by Paragraph 6.16); and (iii) notify Owner (and thereafter confirm such notice in writing). Owner shall promptly determine the necessity of retaining a qualified expert to evaluate such condition or take corrective action, if any.

C. Design/Builder shall not be required to resume Construction in connection with such Hazardous Environmental Condition or in any such affected area until after Owner has obtained any required permits related thereto and delivered to Design/Builder written notice (i) specifying that such condition and any affected area is or has been rendered safe for the resumption of Construction, or (ii) specifying any special conditions under which such Construction may be resumed safely. If Owner and Design/Builder cannot agree as to entitlement to or the amount or extent of an adjustment, if any, in Contract Price or Contract Times as a result of such Construction stoppage or such special conditions under which Construction is agreed to be resumed by Design/Builder, either party may make a Claim therefor as provided in Article 9.

D. If after receipt of such special written notice Design/Builder does not agree to resume Construction based on a reasonable belief it is unsafe, or does not agree to resume such Construction under such special conditions, then Owner may order such portion of the Work that is related to such Hazardous Environmental Condition to be deleted from the Work. If Owner and Design/Builder cannot agree as to entitlement to or the amount or extent of an adjustment, if any, in Contract Price or Contract Times as a result of deleting such portion of the Work, then either party may make a Claim therefor as provided in Article 9. Owner may have such deleted portion of the Work performed by Owner's own forces or others in accordance with Article 7.

E. To the fullest extent permitted by Laws or Regulations, Owner shall indemnify and hold harmless Design/Builder, Subcontractors, Suppliers and the officers, directors, partners, employees, agents,

other consultants and subcontractors of each and any of them from and against all claims, costs, losses and damages (including but not limited to all fees and charges of engineers, architects, attorneys and other professionals and all court or arbitration or other dispute resolution costs) arising out of or resulting from such Hazardous Environmental Condition, provided that such Hazardous Environmental Condition: (i) was not shown or indicated in the Contract Documents to be included in the scope of the Work, and (iii) was not created by Design/Builder or by anyone for whom Design/Builder is responsible. Nothing in this Paragraph 4.04.E shall obligate Owner to indemnify any individual or entity from and against the consequences of that individual's or entity's own negligence.

- F. To the fullest extent permitted by Laws or Regulations, Design/Builder shall indemnify and hold harmless Owner, Owner's Consultant and the officers, directors, partners, employees, agents, other consultants and subcontractors of each and any of them from and against all claims, costs, losses and damages (including but not limited to all fees and charges of engineers, architects, attorneys and other professionals and all court or arbitration or other dispute resolution costs) arising out of or resulting from such Hazardous Environmental Condition created by Design/Builder or anyone for whom Design/Builder is responsible. Nothing in this Paragraph 4.04.F shall obligate Design/Builder to indemnify any individual or entity from and against the consequences of that individual's or entity's own negligence.

ARTICLE 5 – BONDS AND INSURANCE

5.01 Performance, Payment and Other Bonds

- A. Design/Builder shall furnish performance and payment Bonds, each in an amount at least equal to the Contract Price as security for the faithful performance and payment of all Design/Builder's obligations to furnish, provide and pay for Work and related materials under the Contract Documents. These Bonds shall remain in effect at least until one year after the date when final payment becomes due, except as provided otherwise by Laws or Regulations or by the Contract Documents. Design/Builder shall also furnish such other Bonds as are required by the Contract Documents.
- B. All Bonds shall be in the form prescribed by the Contract Documents except as provided otherwise by Laws or Regulations, and shall be executed by such sureties as are named in the current list of "Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies" as published in Circular 570 (amended) by the Financial Management Service, Surety Bond Branch, U.S. Department of the Treasury. All Bonds signed by an agent or attorney-in-fact must be accompanied by a certified copy of that individual's authority to bind the surety. The evidence of authority shall show that it is effective on the date the agent or attorney-in-fact signed each bond.
- C. If the surety on any Bond furnished by Design/Builder is declared a bankrupt or becomes insolvent or its right to do business is terminated in any state where any part of the Project is located or it ceases to meet the requirements of Paragraph 5.01.B and 5.02, Design/Builder shall within twenty days thereafter substitute another Bond and surety, both of which shall comply with the requirements of Paragraphs 5.01.B and 5.02.

5.02 *Licensed Sureties and Insurers*

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

5.03 *Certificates of Insurance*

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

5.04 *Design/Builder's Insurance*

- A. Design/Builder shall purchase and maintain such insurance as is appropriate for the Work being performed and as will provide protection from claims set forth below which may arise out of or result from Design/Builder's performance of the Work and Design/Builder's other obligations under the Contract Documents, whether it is to be performed by Design/Builder, any Subcontractor or Supplier or by anyone directly or indirectly employed by any of them to perform any of the Work, or by anyone for whose acts any of them may be liable:
 - 1. Claims under workers' compensation, disability benefits and other similar employee benefit acts;
 - 2. Claims based on the provision of professional services, including but not limited to the design services performed by Design/Builder, to be insured under a professional liability insurance policy or endorsement;

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

B. The policies of insurance required by paragraph 5.04.A shall:

1. With respect to insurance required by Paragraphs 5.04.A.3 through 5.04.A.6 inclusive, be written on an occurrence basis, include as additional insureds Owner and Owner's Consultants and any other persons or entities indicated in the Supplementary Conditions (subject to any customary exclusion in respect of professional liability), all of whom shall be listed as additional insureds, and include coverage for the respective officers, directors, members, partners, and employees, agents, and other consultants and subcontractors of each and any of all such additional insureds, and the insurance afforded to these additional insureds shall provide primary coverage for all claims covered thereby;
2. Include at least the specific coverages and be written for not less than the limits of liability provided in the Supplementary Conditions or required by Laws or Regulations, whichever is greater;
3. Include contractual liability insurance covering Design/Builder's indemnity obligations under Paragraphs 6.11 and 6.21;
4. Contain a provision or endorsement that the coverage afforded will not be canceled, materially changed or renewal refused until at least thirty days' prior written notice has been given to Owner and each other additional insured indicated in the Supplementary Conditions to whom a certificate of insurance has been issued (and the certificates of insurance furnished by the Design/Builder pursuant to Paragraph 5.03 will so provide);
5. Remain in effect at least until final payment and at all times thereafter when Design/Builder may be correcting, removing or replacing defective Construction in accordance with Paragraphs 12.06 and 12.07; and
7. Include completed operations coverage:
 - a. Such insurance shall remain in effect for two years after final payment.

- b. Design/Builder shall furnish Owner and each other additional insured indicated in the Supplementary Conditions to whom a certificate of insurance has been issued evidence satisfactory to Owner and any such additional insured of continuation of such insurance at final payment and one year thereafter.

5.05 *Owner's Liability Insurance*

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

5.06 *Property Insurance*

A. Unless otherwise provided in the Supplementary Conditions, Owner shall purchase and maintain property insurance upon the Construction at the Site in the amount of the full replacement cost thereof (subject to such deductible amounts as may be provided in the Supplementary Conditions or required by Laws or Regulations). This insurance will:

1. Include the interests of Owner, Owner's Consultant, Design/Builder, Subcontractors, and any other individuals or entities indicated in the Supplementary Conditions, and the officers, directors, members, partners, employees, agents, and other consultants and subcontractors of each and any of them, each of whom is deemed to have an insurable interest and shall be listed as a loss payee;
2. Be written on a Builder's Risk "all-risk" policy form that shall at least include insurance for physical loss and damage to the Construction, temporary buildings, falsework, and all materials and equipment in transit, and shall insure against at least the following perils or causes of loss: fire, lightning, extended coverage, theft, vandalism and malicious mischief, earthquake, collapse, debris removal, demolition occasioned by enforcement of Laws or Regulations, water damage (other than that caused by flood), and such other perils or causes of loss as may be specifically required by the Supplementary Conditions;
3. Include expenses incurred in the repair or replacement of any insured property (including but not limited to fees and charges of engineers and architects);
4. Cover materials and equipment stored at the Site or at another location that was agreed to in writing by Owner prior to being incorporated in the Construction, provided that such materials and equipment have been included in an Application for Payment approved by Owner;
5. Allow for partial utilization by Owner of the Work;
6. Include testing and start-up; and
7. Be maintained in effect until final payment is made unless otherwise agreed to in writing by Owner and Design/Builder with thirty days' written notice to each other loss payee to whom a certificate of insurance has been issued.

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

5.07 *Waiver of Rights*

- A. Owner and Design/Builder intend that all policies purchased in accordance with Paragraph 5.06 will protect Owner, Owner's Consultant, Design/Builder, Subcontractors, Suppliers, and all other individuals or entities identified in the Supplementary Conditions as loss payees (and the officers, directors, members, partners, employees, agents, and other consultants and subcontractors of each and any of them) in such policies and will provide primary coverage for all losses and damages caused by the perils or causes of loss covered thereby. All such policies shall contain provisions to the effect that in the event of payment of any loss or damage the insurers will have no rights of recovery against any of the insureds or loss payees thereunder. Owner and Design/Builder waive all rights against each other and their respective officers, directors, members, partners, employees, agents, and other consultants and subcontractors of each and any of them for all losses and damages caused by, arising out of or resulting from any of the perils or causes of loss covered by such policies and any other property insurance applicable to the Work; and, in addition, waive all such rights against Owner's Consultant, Subcontractors, Suppliers, and all other individuals or entities identified in the Supplementary Conditions as insureds or loss payees under such policies for losses and damages so caused. None of the above waivers shall extend to the rights that any party making such waiver may have to the proceeds of insurance held by Owner as trustee or otherwise payable under any policy so issued.
- B. Owner waives all rights against Design/Builder, Subcontractors, and Suppliers and the officers, directors, members, employees and agents of any of them for:

1. Loss due to business interruption, loss of use, or other consequential loss extending beyond direct physical loss or damage to Owner's property caused by, arising out of or resulting from fire or other peril whether or not insured by Owner; and
 2. Loss or damage to the completed Project or any part thereof caused by, arising out of or resulting from fire or other insured peril or cause or loss covered by any property insurance maintained on the completed Project or part thereof by Owner during partial utilization pursuant to Paragraph 13.06, after Substantial Completion pursuant to Paragraph 13.05, or after final payment pursuant to Paragraph 13.08.
- C. Any insurance policy maintained by Owner covering any loss, damage or consequential loss referred to in Paragraph 5.07.B shall contain provisions to the effect that in the event of payment of any such loss, damage, or consequential loss, the insurers will have no rights of recovery against Design/Builder, Subcontractors, Owner's Consultant, and the officers, directors, members, partners, employees, agents, and other consultants and subcontractors of each and any of them.

5.08 Receipt and Application of Insurance Proceeds

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

5.09 Acceptance of Bonds and Insurance; Option to Replace

- A. If either Owner or Design/Builder has any objection to the coverage afforded by or other provisions of the Bonds or insurance required to be purchased and maintained by the other party in accordance with Article 5 on the basis of their not complying with the Contract Documents, the objecting party shall so notify the other party in writing within ten days after receipt of the certificates (or other evidence requested) required by Paragraph 2.04.C. Owner and Design/Builder shall each provide to the other such additional information in respect of insurance provided as the other may reasonably request. If either party does not purchase or maintain all of the Bonds and insurance required of such party by the Contract Documents, such party shall notify the other party in writing of such failure to purchase prior to the start of the Work, or of such failure to maintain prior to any change in the required coverage. Without prejudice to any other right or remedy, the other party may elect to obtain equivalent Bonds or insurance to protect such other party's interests at the

expense of the party who was supposed to provide such coverage, and a Change Order shall be issued to adjust the Contract Price accordingly.

5.10 *Partial Utilization, Acknowledgment of Property Insurance*

- A. If Owner finds it necessary to occupy or use a portion or portions of the Work prior to Substantial Completion of all the Work as provided in Paragraph 13.06, no such use or occupancy shall commence before the insurers providing the property insurance pursuant to Paragraph 5.06 have acknowledged notice thereof and in writing effected any changes in coverage necessitated thereby. The insurers providing the property insurance shall consent by endorsement on the policy or policies, but the property insurance shall not be canceled or permitted to lapse on account of any such partial use or occupancy.

ARTICLE 6 – DESIGN/BUILDER'S RESPONSIBILITIES

6.01 Design Professional Services

A. *Standard of Care:* The standard of care for all Design Professional Services performed or furnished by Design/Builder under this Agreement will be the care and skill ordinarily used by members of the subject profession practicing under similar conditions at the same time and in the same locality.

B. *Preliminary Design Phase:* After the Contract Times commence to run, Design/Builder shall:

1. Consult with Owner to understand Owner's requirements for the Project and review available data;
2. Advise Owner as to the necessity of Owner's providing or obtaining from others additional reports, data, or services of the types provided in Paragraph 8.01.A.6.a-g and assist Owner in obtaining such reports, data, or services;
3. Identify and analyze requirements of governmental authorities having jurisdiction to approve the portions of the Project designed or specified by Design/Builder with whom consultation is to be undertaken in connection with the Project;
4. Obtain such additional geotechnical and related information which it deems necessary for performance of the Work;
5. On the basis of the Conceptual Documents and Design/Builder's Proposal, prepare preliminary design documents consisting of final design criteria, preliminary drawings, outline specifications, and written descriptions of the Project;
6. Furnish the preliminary design documents to and review them with Owner within the times indicated in the schedules described in Paragraphs 2.06.A.1 and 2.06.A.2; and
7. Identify any variations in the preliminary design documents from the Contract Documents in accordance with 6.17.B.

C. Final Design Phase:

After written acceptance by Owner of the preliminary design phase documents Design/Builder shall:

1. On the basis of the accepted Preliminary Design Phase documents, prepare final Drawings showing the scope, extent, and character of the Construction to be performed and furnished by Design/Builder and Specifications (which will be prepared, where appropriate, in general conformance with the format recommended by the Construction Specifications Institute);
2. Provide technical criteria, written descriptions, and design data required for obtaining approvals of such governmental authorities as have jurisdiction to review or approve the final design of the Project, and assist Owner in consultations with appropriate authorities;
3. Furnish the above documents, Drawings, and Specifications to and review them with Owner within the times indicated in the schedules described in Paragraphs 2.06.A.1 and 2.06.A.2; and
4. Identify any deviations from other Contract Documents in accordance with Paragraph 6.17.B.

6.02 Supervision and Superintendence of Construction

- A. Design/Builder shall supervise, inspect, and direct the Construction competently and efficiently, devoting such attention thereto and applying such skills and expertise as may be necessary to provide the Construction in accordance with the Contract Documents. Design/Builder shall be solely responsible for the means, methods, techniques, sequences, and procedures of Construction. Design/Builder shall be responsible to see that the completed Construction complies fully with the Contract Documents and shall keep Owner advised as to the quality and progress of the Construction.
- B. At all times during the progress of Construction, the Design/Builder shall assign a competent resident superintendent who shall not be replaced without written notice to Owner except under extraordinary circumstances.

6.03 Labor, Working Hours

- A. Design/Builder shall provide competent, suitably qualified personnel to perform the Work as required by the Contract Documents. Design/Builder shall at all times maintain good discipline and order at the Site.
- B. Except as otherwise required for the safety or protection of persons or the Work or property at the Site or adjacent thereto, and except as otherwise indicated in the Contract Documents, all Construction at the Site shall be performed during regular working hours, and Design/Builder will not permit overtime work or the performance of Construction on a Saturday, Sunday, or any legal holiday without Owner's written consent (which will not be unreasonably withheld).

6.04 Services, Materials, and Equipment

- A. Unless otherwise specified in the Contract Documents, Design/Builder shall furnish or cause to be furnished and assume full responsibility for all services, materials, equipment, labor, transportation, construction equipment and machinery, tools, appliances, fuel, power, light, heat, telephone, water,

sanitary facilities, temporary facilities, and all other facilities and incidentals necessary for the performance, testing, start-up, and completion of the Work.

- B. All materials and equipment incorporated into the Work shall be as specified by Owner, or in the Drawings or Specifications, or if not specified shall be of good quality and new, except as otherwise provided in the Contract Documents. All warranties and guarantees specifically called for by the Contract Documents shall expressly run to the benefit of Owner. If required by Owner, Design/Builder shall furnish satisfactory evidence (including reports of required tests) as to the source, kind, and quality of materials and equipment.
- C. All materials and equipment shall be stored, applied, installed, connected, erected, protected, used, cleaned, and conditioned in accordance with instructions of the applicable Supplier, except as otherwise provided in the Contract Documents.

6.05 Progress Schedule

- A. Design/Builder shall adhere to the progress schedule established in accordance with Paragraph 2.06.A as it may be adjusted from time to time as provided below:
 - 1. Design/Builder shall submit to Owner for acceptance proposed adjustments in the progress schedule that will not change the Contract Times (or Milestones). Such adjustments will conform generally to the progress schedule then in effect.
 - 2. Proposed adjustments in the progress schedule that will change the Contract Times (or Milestones) shall be submitted in accordance with the requirements of Article 11.02. Such adjustments may only be made by a Change Order or .

6.06 Concerning Subcontractors, Suppliers, and Others

- A. Design/Builder shall not employ any Subcontractor, Supplier, or other individual or entity against whom Owner may have reasonable objection. Design/Builder shall not be required to employ any Subcontractor, Supplier, or other individual or entity to furnish or perform any of the Work against whom Design/Builder has reasonable objection.
- B. Design/Builder shall be fully responsible to Owner for all acts and omissions of the Subcontractors, Suppliers, and other individuals or entities performing or furnishing any of the Work just as Design/Builder is responsible for Design/Builder's own acts and omissions. Nothing in the Contract Documents:
 - 1. shall create for the benefit of any such Subcontractor, Supplier, or other individual or entity any contractual relationship between Owner and any such Subcontractor, Supplier, or other individual or entity;
 - 2. shall create any obligation on the part of Owner to pay or to see to the payment of any moneys due any such Subcontractor, Supplier, or other individual or entity except as may otherwise be required by Laws or Regulations.

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

6.07 Patent Fees and Royalties

- A. Design/Builder shall pay all license fees and royalties and assume all costs incident to the use in the performance of the Work or the incorporation in the Work of any invention, design, process, product or device which is the subject of patent rights or copyrights held by others. If a particular invention, design, process, product, or device is specified in the Conceptual Documents for use in the performance of the Construction and if to the actual knowledge of Owner its use is subject to patent rights or copyrights calling for the payment of any license fee or royalty to others, the existence of such rights shall be disclosed by Owner in the Conceptual Documents.
- B. To the fullest extent permitted by Laws or Regulations, Design/Builder shall indemnify and hold harmless Owner and Owner's Consultant, and the officers, directors, partners, employees or agents, and other consultants of each and any of them from and against all claims, costs, losses and damages (including but not limited to all fees and charges of engineers, architects, attorneys and other professionals and all court or arbitration or other dispute resolution costs) arising out of or resulting from any infringement of patent rights or copyrights incident to the use in the performance of the Work or resulting from the specification or incorporation in the Work of any invention, design, process, product or device except those required by the Conceptual Documents.
- C. To the fullest extent permitted by Laws or Regulations, Owner shall indemnify and hold harmless Design/Builder and its officers, directors, members, partners, employees or agents, Subcontractors and Suppliers from and against all claims, costs, losses and damages (including but not limited to all fees and charges of engineers, architects, attorneys and other professionals and all court or arbitration or other dispute resolution costs) arising out of or resulting from any infringement of patent rights or copyrights incident to the use in the performance of the Work or resulting from the incorporation in the Work of any invention, design, process, product or device required by the Conceptual Documents, but not identified by Owner as being subject to payment of any license fee or royalty to others required by patent rights or copyrights.

6.08 Permits

A. Unless otherwise provided in the Contract Documents, Design/Builder shall obtain and pay for all necessary permits, licenses, and approvals of governmental authorities having jurisdiction over the Work. Owner shall assist Design/Builder, when necessary, in obtaining such permits, licenses and approvals. Design/Builder shall pay all governmental charges and inspection fees necessary for the performance of the Work, which are applicable on the last day for receipt of Proposals. Design/Builder shall pay all charges of utility owners for connections for providing permanent service to the Work, and Owner shall pay all charges of such utility owners for capital costs related thereto.

6.09 Laws or Regulations

A. Design/Builder shall give all notices required by and comply with all Laws and Regulations applicable to the performance of the Work. Except where otherwise expressly required by applicable Laws and Regulations, Owner shall not be responsible for monitoring Design/Builder's compliance with any Laws or Regulations.

B. If Design/Builder performs any Work knowing or having reason to know that it is contrary to Laws or Regulations, Design/Builder shall bear all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such Work.

C. Changes in Laws or Regulations not known on the Effective Date having an effect on the cost or time of performance may be the subject of a change in Contract Price or Contract Times.

6.10 Taxes

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

6.11 Use of Site and Other Areas

A. Limitation on Use of Site and Other Areas.

1. Design/Builder shall confine construction equipment, the storage of materials and equipment, and the operations of construction workers to the Site and other areas permitted by Laws or Regulations, and shall not unreasonably encumber the Site and other areas with construction equipment or other materials or equipment. Design/Builder shall assume full responsibility for any damage to any such land or area, or to the owner or occupant thereof or of any adjacent land or areas, resulting from the performance of the Work.
2. Should any claim be made by any such owner or occupant because of the performance of Work, Design/Builder shall promptly settle with such other party by negotiation or otherwise resolve the claim by arbitration or other dispute resolution proceeding or at law.

3. To the fullest extent permitted by Laws or Regulations, Design/Builder shall indemnify and hold harmless Owner, Owner's Consultants and anyone directly or indirectly employed by any of them from and against all claims, costs, losses and damages (including, but not limited to, fees of engineers, architects, attorneys and other professionals and court and arbitration or other dispute resolution costs) arising out of or resulting from any claim brought by any such owner or occupant against Owner, or any other party indemnified hereunder to the extent caused by or based upon Design/Builder's performance of the Construction.
- B. *Removal of Debris:* During the performance of the Construction, Design/Builder shall keep the premises free from accumulations of waste materials, rubbish, and other debris resulting from the Construction. Removal and disposal of such waste materials, rubbish, and other debris shall conform to applicable Laws or Regulations.
- C. *Cleaning:* Prior to Substantial Completion, Design/Builder shall clean the Site and make it ready for utilization by Owner. At completion of Construction, Design/Builder shall remove all tools, appliances, construction equipment, temporary construction and machinery, and surplus materials and shall restore to original condition all property not designated for alteration by the Contract Documents.
- D. *Loading Structures:* Design/Builder shall not load nor permit any part of any structure to be loaded in any manner that will endanger the structure, nor shall Design/Builder subject any part of the Construction or adjacent property to stresses or pressures that will endanger it.

6.12 Record Documents

- A. Design/Builder shall maintain in a safe place at the Site one record copy of all Drawings, Specifications, Addenda, Change Orders, Field Orders and Work Change Directives in good order and annotated to show all changes made during performance of the Work. These record documents together with all approved Submittals will be available to Owner for reference. Upon completion of the Work, these record documents and Submittals will be delivered to Owner.

6.13 Safety and Protection

- A. Design/Builder shall be solely responsible for initiating, maintaining and supervising all safety precautions and programs in connection with the Work. Such responsibility does not relieve Subcontractors of their responsibility for the safety of persons or property in the performance of their work, nor for compliance with applicable safety Laws and Regulations. Design/Builder shall take all necessary precautions for the safety of, and shall provide the necessary protection to prevent damage, injury, or loss to:
1. All persons on the Site or who may be affected by the Work;
 2. All the Work and materials and equipment to be incorporated therein, whether in storage on or off the Site; and
 3. Other property at the Site or adjacent thereto, including trees, shrubs, lawns, walks, pavements, roadways, structures, utilities and underground facilities not designated for removal, relocation, or replacement in the course of construction.

- B. Design/Builder shall comply with applicable Laws and Regulations relating to the safety of persons or property, or to the protection of persons or property from damage, injury, or loss; and shall erect and maintain all necessary safeguards for such safety and protection. Design/Builder shall notify owners of adjacent property and of underground facilities and utility owners when prosecution of the Work may affect them, and shall cooperate with them in the protection, removal, relocation, and replacement of their property.
- C. Design/Builder shall comply with the applicable requirements of Owner's safety programs, if any. The Supplementary Conditions identify any Owner's safety programs that are applicable to the Work.
- D. Design/Builder shall inform Owner of the specific requirements of Design/Builder's safety program with which Owner and its employees and representatives must comply while at the Site.
- E. All damage, injury, or loss to any property referred to in Paragraph 6.13.A.2 or 6.13.A.3 caused, directly or indirectly, in whole or in part, by Design/Builder, any Subcontractor, Supplier, or any other individual or entity directly or indirectly employed by any of them to perform any of the Work, or anyone for whose acts any of them may be liable, shall be remedied by Design/Builder.
- F. Design/Builder's duties and responsibilities for safety and for protection of the construction shall continue until such time as all the Work is completed and Owner has issued a notice to Design/Builder in accordance with Paragraph 13.08.B that the Work is acceptable (except as otherwise expressly provided in connection with Substantial Completion).

6.14 Safety Representative

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

6.15 Hazard Communication Programs

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

6.16 Emergencies

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

6.17 Submittals

- A. Owner will review and approve Submittals in accordance with the schedule of required Submittals accepted by Owner as required by Paragraph 2.06.A. Owner's review and approval will be only to determine if the items covered by the Submittals will, after installation or incorporation in the construction, conform to the information given in the Contract Documents and be compatible with the design concept of the completed Project as a functioning whole as indicated by the Contract Documents. Owner's review and approval will not extend to means, methods, techniques, sequences, or procedures of construction (except where a particular means, method, technique, sequence, or procedure of construction is specifically and expressly called for by the Contract Documents) or to safety precautions or programs incident thereto. The review and approval of a separate item as such will not indicate approval of the assembly in which the item functions.
- B. Owner's review and approval of Submittals shall not relieve Design/Builder from responsibility for any variation from the requirements of the Contract Documents unless Design/Builder has in a separate written communication at the time of submission called Owner's attention to each such variation and Owner has given written approval.
- C. Construction prior to Owner's review and approval of any required Submittal will be at the sole risk of Design/Builder.

6.18 Continuing the Work

- A. Design/Builder shall continue the Work and adhere to the progress schedule during all disputes or disagreements with Owner. No Work shall be delayed or postponed pending resolution of any disputes or disagreements, except as Design/Builder and Owner may otherwise agree in writing.

6.19 Post-Construction Phase

- A. Design/Builder shall:

1. Provide assistance in connection with the start-up, testing, refining and adjusting of any equipment or system.
2. Assist Owner in training staff to operate and maintain the Work.
3. Assist Owner in developing systems and procedures for control of the operation and maintenance of and record keeping for the Work.

6.20 Design/Builder's General Warranty and Guarantee

- A. Design/Builder warrants and guarantees to Owner that all Construction will be in accordance with the Contract Documents and will not be defective.

- B. Design/Builder's warranty and guarantee hereunder excludes defects or damage caused by:

1. abuse, modification or improper maintenance or operation by persons other than Design/Builder, Subcontractors, or Suppliers or any other individual for whom Design/Builder is responsible; or
2. normal wear and tear under normal usage.

C. Design/Builder's obligation to perform and complete the Work in accordance with the Contract Documents shall be absolute. None of the following will constitute an acceptance of Work that is not in accordance with the Contract Documents or a release of Design/Builder's obligation to perform the Work in accordance with the Contract Documents:

1. Observations by Owner;
2. The making of any progress or final payment;
3. The issuance of a certificate of Substantial Completion;
4. Use or occupancy of the Work or any part thereof by Owner;
5. Any review and approval of a Submittal;
6. Any inspection, test, or approval by others; or
7. Any correction of defective Construction by Owner.

6.21 Indemnification

A. To the fullest extent permitted by Laws or Regulations, Design/Builder shall indemnify and hold harmless Owner, Owner's Consultants, and the officers, members, directors, partners, employees, agents, other consultants and subcontractors of each from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys and other professionals and all court or arbitration or other dispute resolution costs) arising out of or resulting from the performance of the Work, provided that any such claim, cost, loss, or damage is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property (other than the Work itself), including the loss of use resulting therefrom) but only to the extent caused by any negligent act or omission of Design/Builder, any Subcontractor, any Supplier, or any individual or entity directly or indirectly employed by any of them to perform or furnish any of the Work.

B. In any and all claims against Owner, Owner's Consultant, or any of their respective consultants, agents, officers, members, directors, partners or employees by any employee (or the survivor or personal representative of such employee) of Design/Builder, any Subcontractor, any Supplier, any individual or entity directly or indirectly employed by any of them to perform any of the Work or anyone for whose acts any of them may be liable, the indemnification obligation under Paragraph 6.21.A shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for Design/Builder or any such Subcontractor, Supplier, or other individual or entity under workers' compensation acts, disability benefit acts or other employee benefit acts.

C. The indemnification obligations of Design/Builder under Paragraph 6.21.A shall not extend to the liability of Owner's Consultant, and their officers, directors, members, partners, employees, agents, other consultants, and subcontractors arising out of the preparation or approval of maps, drawings, opinions, reports, surveys, designs, or specifications.

ARTICLE 7 – OTHER CONSTRUCTION

7.01 Related Work at Site

A. Owner may perform other Work related to the Project at the Site with Owner's employees, or through other direct contracts therefor, or have other work performed by utility owners. If such other work is not noted in the Contract Documents, then:

1. Written notice thereof will be given to Design/Builder prior to starting any such other work; and
2. if Owner and Design/Builder are unable to agree on entitlement to or on the extent, if any, of any adjustment in the Contract Price or Contract Times that should be allowed as a result of such other work, Design/Builder may make a Claim therefor as provided in Article 9.

B. Design/Builder shall afford each other contractor who is a party to such a direct contract and each utility owner (and Owner, if Owner is performing the additional work with Owner's employees) proper and safe access to the Site and a reasonable opportunity for the introduction and storage of materials and equipment and the execution of such other work and shall properly connect and coordinate the Work with theirs. Unless otherwise provided in the Contract Documents, Design/Builder shall do all cutting, fitting, and patching of the Work that may be required to make its several parts come together properly and integrate with such other work. Design/Builder shall not endanger any work of others by cutting, excavating, or otherwise altering such work; provided, however, that Design/Builder may cut or alter others' work with the written consent of Owner and the others whose work will be affected. The duties and responsibilities of Design/Builder under this paragraph are for the benefit of such utility owners and other contractors to the extent that there are comparable provisions for the benefit of Design/Builder in said direct contracts between Owner and such utility owners and other contractors.

C. If the proper execution or results of any part of Design/Builder's Work depends upon work performed or services provided by others under this Article 7, Design/Builder shall inspect such other work and appropriate instruments of service and promptly report to Owner in writing any delays, defects or deficiencies in such other work or services that render it unavailable or unsuitable for the proper execution and results of Design/Builder's Work. Design/Builder's failure so to report will constitute an acceptance of such other work as fit and proper for integration with Design/Builder's Work except for latent or nonapparent defects and deficiencies in such other work.

7.02 Coordination

A. If Owner intends to contract with others for the performance of other work on the Project at the Site, the following will be set forth in Supplementary Conditions:

1. The individual or entity who will have authority and responsibility for coordination of the activities among the various prime contractors will be identified;

2. The specific matters to be covered by such authority and responsibility will be itemized;
and
3. The extent of such authority and responsibilities will be provided.

B. Unless otherwise provided in the Supplementary Conditions, Owner shall have sole authority and responsibility in respect of such coordination.

7.03 Legal Relationships

A. Paragraphs 7.01.A and 7.02 are not applicable for utilities not under the control of Owner.

B. Each other direct contract of Owner under Paragraph 7.01.A shall provide that the other contractor is liable to Owner and Design/Builder for the reasonable direct delay and disruption costs incurred by Design/Builder as a result of the other contractor's wrongful actions or inactions.

C. Design/Builder shall be liable to Owner and any other contractor under direct contract to Owner for the reasonable direct delay and disruption costs incurred by such other contractor as a result of Design/Builder's wrongful action or inactions.

ARTICLE 8 – OWNER'S RESPONSIBILITIES

8.01 General

A. Owner shall do the following in a timely manner so as not to delay the services of Design/Builder:

1. Provide such legal services as Owner may require with regard to legal issues pertaining to the Project including any that may be raised by Design/Builder;
2. If requested in writing by Design/Builder, furnish reasonable evidence satisfactory to Design/Builder that sufficient funds are available and committed for the entire cost of the Project. Unless such reasonable evidence is furnished, Design/Builder is not required to commence or continue any Work, or may, if such evidence is not presented within a reasonable time, stop Work upon 15 days notice to the Owner;
3. Make payments to Design/Builder promptly when they are due as provided in Paragraph 13.03 and 13.08;
4. Furnish the Site as set forth in Paragraph 4.01.A;
5. Furnish to Design/Builder, as required for performance of Design/Builder's Services the following, all of which Design/Builder may use and rely upon in performing services under this Agreement:
 - a. Environmental assessment and impact statements;
 - b. Property, boundary, easement, right-of-way, topographic, and utility surveys;
 - c. Property descriptions;

- d. Zoning, deed, and other land use restrictions;
 - e. Engineering surveys to establish reference points for design and construction which in Owner's judgment are necessary to enable Design/Builder to proceed with the Work;
 - f. Assistance to Design/Builder in filing documents required to obtain necessary permits, licenses, and approvals of governmental authorities having jurisdiction over the Project;
 - g. Permits, licenses, and approvals of government authorities Owner is specifically required to obtain by the Contract Documents; and
 - h. Identify all reports known to Owner of explorations and tests of subsurface conditions at or contiguous to the Site, all drawings known to owner of physical conditions relating to existing surface or subsurface structures at the Site, and any information or data known to Owner concerning underground facilities at the Site.
- 6. Review Submittals subject to Owner review pursuant to Paragraph 6.17.A; and
 - 7. Provide information known to Owner relating to the presence of materials and substances at the Site which could create a Hazardous Environmental Condition.

8.02 Insurance

- A. Owner's responsibilities in respect of purchasing and maintaining liability and property insurance are set forth in Article 5.

8.03 Limitations on Owner's Responsibilities

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

8.04 Undisclosed Hazardous Environmental Condition

- A. Owner's responsibility in respect of undisclosed Asbestos, PCBs, Petroleum, Hazardous Waste, or Radioactive Materials uncovered or revealed at the Site is set forth in Paragraph 4.04.

8.05 Resident Project Representation

- A. Owner may furnish a Resident Project Representative to observe the performance of Construction. The duties, responsibilities and limitations of authority of any such Resident Project Representative and assistants will be as provided in the Supplementary Conditions.

8.06 Owner's Consultant

A. Owner's Consultant, if any, has no duties, responsibilities, or authorities with respect to Design/Builder, unless so provided in the Supplementary Conditions.

8.07 Compliance with Safety Program

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

ARTICLE 9 – CHANGES IN THE WORK; CLAIMS

9.01 Authorized Changes in the Work

A. Without invalidating the Contract and without notice to any surety, Owner may, at any time or from time to time, order additions, deletions, or revisions in the Work within the general scope of the Contract by a Change Order or a Work Change Directive. Upon receipt of any such document, Design/Builder shall promptly proceed with the Work involved which will be performed under the applicable conditions of the Contract Documents (except as otherwise specifically provided).

9.02 Unauthorized Changes in the Work

A. Design/Builder shall not be entitled to an increase in the Contract Price or an extension of the Contract Times with respect to any Work performed that is not required by the Contract Documents as amended, modified and supplemented as provided in Paragraph 3.04, except in the case of an emergency as provided in Paragraph 6.16 or in the case of uncovering Construction as provided in Paragraph 12.04.

9.03 Claims

A. *Notice:* If Owner and Design/Builder are unable to agree on entitlement to, or on the amount or extent, if any, of an adjustment in the Contract Price or an adjustment of the Contract Times that should be allowed as a result of any order of Owner pursuant to Paragraph 9.01.A or other occurrence for which the Contract Documents provide that such adjustment(s) may be made, a Claim may be made therefor. Written notice of intent to make such a Claim shall be submitted to the other party promptly and in no event more than 15 days after the start of the occurrence or event giving rise to the Claim.

B. *Documentation:* Substantiating documentation shall be submitted by the claiming party within 30 days after delivery of the notice required by Paragraph 9.03.A.

C. *Decision:* The other party shall render a decision on the Claim no more than 30 days after the receipt of the substantiating documentation required by Paragraph 9.03.B. This decision will be final and binding unless the claiming party gives notice of intention to exercise its rights under Article 15 within 30 days of receipt of the decision and exercises such rights within 30 days of giving the notice of intent.

D. *Time Limit Extension:* The time limits of Paragraphs 9.03.B and 9.03.C may be extended by mutual agreement.

9.04 Execution of Change Orders

A. Owner and Design/Builder shall execute appropriate Change Orders covering:

1. Changes in the Work which are (i) ordered by Owner pursuant to Paragraph 9.01, (ii) required because of acceptance of defective Construction under Paragraph 12.08 or Owner's correction of defective Work under Paragraph 12.09 or (iii) agreed to by the parties; and
2. Changes in the Contract Price or Contract Times which are agreed to by the parties, including any undisputed sum or amount of time for Work actually performed in accordance with a Work Change Directive.

9.05 Notice to Sureties

A. If notice of any change affecting the general scope of the Work or the provisions of the Contract Documents (including, but not limited to, Contract Price or Contract Times) is required by the provisions of any Bond to be given to a surety, the giving of any such notice will be Design/Builder's responsibility. The amount of each applicable Bond will be adjusted to reflect the effect of any such change.

ARTICLE 10 – COST OF THE WORK; CASH ALLOWANCES; UNIT PRICE WORK

10.01 Cost of the Work

A. **Costs Included:** The term Cost of the Work means the sum of all costs necessarily incurred and paid by Design/Builder in the proper performance of the Work. When the value of Work covered by a Change Order or when a Claim for an adjustment in Contract Price is determined on the basis of Cost of the Work, the costs to be reimbursed to Design/Builder will be only those additional or incremental costs required because of the change of the Work or because of the event giving rise to the Claim. Except as otherwise may be agreed to in writing by Owner, such costs shall be in amounts no higher than those prevailing in the locality of the Project, and shall not include any of the costs itemized in Paragraph 10.01.B, and shall include only the following items:

1. Payroll costs for employees in the direct employ of Design/Builder in the performance of the Work under schedules of job classifications agreed upon by Owner and Design/Builder.
 - a. Such employees shall include without limitation superintendents, foremen, and other personnel employed full-time at the Site. Payroll costs for employees not employed full time on the Work shall be apportioned on the basis of their time spent on the Work. Payroll costs shall include, but not be limited to, salaries and wages plus the cost of fringe benefits which shall include social security contributions, unemployment, excise and payroll taxes, workers' compensation, health and retirement benefits, bonuses, sick leave, vacation and holiday pay applicable thereto. The expenses of performing Work after regular working hours, on Saturday, Sunday or legal holidays, shall be included in the above to the extent authorized by Owner.

- b. Such employees shall also include engineers, engineering technicians, architects, and others providing Design Professional Services. For purposes of this Paragraph 10.01.A.1, Design/Builder shall be entitled to payment for such employees an amount equal to salary costs times a factor, both as designated in the Agreement, for all services performed or furnished by such employees engaged on the Project.
2. Cost of all materials and equipment furnished and incorporated in the Work, including costs of transportation and storage thereof, and Suppliers' field services required in connection therewith. All cash discounts shall accrue to Design/Builder unless Owner deposits funds with Design/Builder with which to make payments, in which case the cash discounts shall accrue to Owner. All trade discounts, rebates and refunds and returns from sale of surplus materials and equipment shall accrue to Owner, and Design/Builder shall make provisions so that they may be obtained.
3. Payments made by Design/Builder to Subcontractors (excluding payments for Design Professional Services pursuant to Paragraph 10.01.A.4) for Work performed or furnished by Subcontractors. If any subcontract provides that the Subcontractor is to be paid on the basis of Cost of the Work plus a fee, the Subcontractor's Cost of the Work and fee shall be determined in the same manner as Design/Builder's Cost of the Work and fee.
4. Payments made by Design/Builder for Design Professional Services provided or furnished under a Design Subagreement.
5. Costs of special consultants (including but not limited to engineers, architects, testing laboratories, surveyors, attorneys, and accountants) employed for services specifically related to the Work.
6. Supplemental costs including the following items:
 - a. The proportion of necessary transportation, travel and subsistence expenses of Design/Builder's employees incurred in discharge of duties connected with the Work.
 - b. Cost, including transportation and maintenance, of all materials, supplies, equipment, machinery, appliances, office and temporary facilities at the Site and hand tools not owned by the workers, which are consumed in the performance of the Work, and cost, less market value, of such items used but not consumed which remain the property of Design/Builder.
 - c. Rentals of all construction or engineering equipment and machinery and the parts thereof whether rented from Design/Builder or others in accordance with rental agreements approved by Owner, and the costs of transportation, loading, unloading, installation, dismantling and removal thereof. All such costs shall be in accordance with the terms of said rental agreements. The rental of any such equipment, machinery or parts shall cease when the use thereof is no longer necessary for the Work.
 - d. Sales, consumer, use, and other similar taxes related to the Work, and for which Design/Builder is liable, imposed by Laws or Regulations.

- e. Deposits lost for causes other than negligence of Design/Builder, any Subcontractor or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable, and royalty payments and fees for permits and licenses.
- f. Losses, damages, and related expenses caused by damage to the Work not compensated by insurance or otherwise, sustained by Design/Builder in connection with the furnishing and performance of the Work provided they have resulted from causes other than the negligence of Design/Builder, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable. Such losses shall include settlements made with the written consent and approval of Owner. No such losses, damages, and expenses shall be included in the Cost of the Work for the purpose of determining Design/Builder's fee.
- g. The cost of utilities, fuel, and sanitary facilities at the Site.
- h. Minor expenses such as telegrams, long distance telephone calls, telephone service at the Site, express and courier services,, and similar petty cash items in connection with the Work.
- i. Cost of premiums for all Bonds and insurance Design/Builder is required by the Contract Documents to purchase and maintain.

B. Costs Excluded:

The term Cost of the Work shall not include any of the following items:

1. Payroll costs and other compensation of Design/Builder's officers, executives, principals (of partnerships and sole proprietorships), general managers, engineers, architects, estimators, attorneys, auditors, accountants, purchasing and contracting agents, expeditors, timekeepers, clerks and other personnel employed by Design/Builder whether at the Site or in Design/Builder's principal or a branch office for general administration of the Work and not specifically included in the agreed upon schedule of job classifications referred to in Paragraph 10.01.A.1, all of which are to be considered administrative costs covered by the Design/Builder's fee.
2. Expenses of Design/Builder's principal and branch offices other than Design/Builder's office at the Site.
3. Any part of Design/Builder's capital expenses, including interest on Design/Builder's capital employed for the Work and charges against Design/Builder for delinquent payments.
4. Costs due to the negligence of Design/Builder, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable, including but not limited to the correction of defective Work, disposal of materials or equipment wrongly supplied, and making good any damage to property.

5. Other overhead or general expense costs of any kind and the costs of any item not specifically and expressly included in Paragraph 10.01.A.

C. Design/Builder's Fee: When all the Work is performed on the basis of cost-plus, Design/Builder's fee shall be as set forth in the Agreement. When the value of the Work covered by a Change Order is determined on the basis of Cost of the Work, Design/Builder's fee shall be determined as set forth in Paragraph 11.01.C.

D. Documentation: Whenever the cost of any Work is to be determined pursuant to Paragraph 10.01.A and 10.01.B, Design/Builder will establish and maintain records thereof in accordance with generally accepted accounting practices and submit in a form acceptable to Owner an itemized cost breakdown together with supporting data.

10.02 Cash Allowances

A. The Contract Price includes all allowances so named in the Contract Documents. Design/Builder shall cause the Work so covered to be performed for such sums as may be acceptable to Owner. Design/Builder agrees that:

1. The allowances include the cost to Design/Builder (less any applicable trade discounts) of materials and equipment required by the allowances to be delivered at the Site, and all applicable taxes; and
2. Except as set forth in the Contract Documents, Design/Builder's costs for unloading and handling on the Site, labor, installation costs, overhead, profit, and other expenses contemplated for the allowances have been included in the Contract Price and not in the allowances, and no demand for additional payment on account of any of the foregoing will be valid.

B. Prior to final payment, an appropriate Change Order will be issued to reflect actual amounts due Design/Builder on account of Work covered by allowances, and the Contract Price shall be correspondingly adjusted.

10.03 Unit Prices

A. Where the Contract Documents provide that all or part of the Work is to be Unit Price Work, initially the Contract Price will be deemed to include for all of Unit Price Work an amount equal to the sum of the established unit prices for each separately identified item of Unit Price Work times the estimated quantity of each item as indicated in the Agreement. The estimated quantities of items of Unit Price Work are not guaranteed and are solely for the purpose of comparison of Bids and determining an initial Contract Price. Determinations of the actual quantities and classifications of Unit Price Work performed by Design/Builder will be made by Owner.

B. Each unit price will be deemed to include an amount considered by Design/Builder to be adequate to cover Design/Builder's overhead and profit for each separately identified item.

C. Design/Builder or Owner may make a Claim for an adjustment in the Contract Price in accordance with Article 9 if:

1. the quantity of any item of Unit Price Work performed by Design/Builder differs materially and significantly from the estimated quantity of such item indicated in the Contract Documents;
2. there is no corresponding adjustment with respect to any other item of Work; and
3. Design/Builder believes that it is entitled to an increase in Contract Price as a result of having incurred additional expense or Owner believes it is entitled to a decrease in Contract Price and the parties are unable to agree as to the amount of any such increase or decrease.

ARTICLE 11 – CHANGE OF CONTRACT PRICE; CHANGE OF CONTRACT TIMES

11.01 Change of Contract Price

- A. The Contract Price may only be changed by a Change Order. Any Claim for an adjustment in the Contract Price shall be based on written notice delivered by the party making the Claim to the other party promptly in accordance with Paragraph 9.03.A.
- B. The value of any Work covered by a Change Order or of any Claim for an adjustment in the Contract Price will be determined as follows:
 1. Where the Work involved is covered by unit prices contained in the Contract Documents, by application of such unit prices to the quantities of the items involved (subject to the provisions of Paragraph 10.03); or
 2. Where the Work involved is not covered by unit prices contained in the Contract Documents, by a mutually agreed lump sum (which may include an allowance for overhead and profit not necessarily in accordance with Paragraph 11.01.C.2); or
 3. Where the Work involved is not covered by unit prices contained in the Contract Documents and agreement to a lump sum is not reached under Paragraph 11.01.B.2, on the basis of the Cost of the Work (determined as provided in Paragraph 10.01) plus a Design/Builder's Fee for overhead and profit (determined as provided in Paragraph 11.01.C).
- C. *Design/Builder's Fee:* The Design/Builder's fee for overhead and profit on Change Orders shall be determined as follows:
 1. A mutually acceptable fixed fee; or
 2. If a fixed fee is not agreed upon, then a fee based on the following percentages of the various portions of the Cost of the Work:
 - a. For costs incurred under Paragraphs 10.01.A.1.a and 10.01.A.2, the Design/Builder's fee shall be 15 percent;

- b. For costs incurred under Paragraph 10.01.A.3 10.01.A.4, 10.01.A.5 and 10.01.A.6, the Design/Builder's fee shall be five percent;
- c. Where one or more tiers of subcontracts are on the basis of Cost of the Work plus a fee and no fixed fee is agreed upon, the intent of Paragraphs 11.01.C.1 and 11.01.C.2.a is that the Subcontractor who actually performs or furnishes Work, at whatever tier, will be paid a fee of 15 percent of the costs incurred by such Subcontractor under Paragraphs 10.01.A.1 and 10.01.A.2 and that any higher tier Subcontractor and Design/Builder will each be paid a fee of five percent of the amount paid to the next lower tier Subcontractor;
- d. The amount of credit to be allowed by Design/Builder to Owner for any change which results in a net decrease in cost will be the amount of the actual net decrease in cost plus a deduction in Design/Builder's fee by an amount equal to five percent of such net decrease; and
- e. When both additions and credits are involved in any one change, the adjustment in Design/Builder's fee shall be computed on the basis of the net change in accordance with Paragraphs 11.01.C.2.a through 11.01.C.2.d, inclusive.

11.02 Change of Contract Times

- A. The Contract Times (or Milestones) may only be changed by a Change Order. Any Claim for an adjustment of the Contract Times (or Milestones) shall be based on written notice pursuant to Paragraph 9.03.A.
- B. *Delays Beyond Design/Builder's Control:* Where Design/Builder is prevented from completing any part of the Work within the Contract Times (or Milestones) due to delay beyond the control of Design/Builder, the Contract Times (or Milestones) will be extended in an amount equal to the time lost due to such delay if a Claim is made therefor as provided in Paragraph 11.02.A. Delays beyond the control of Design/Builder shall include, but not be limited to, acts or neglect by Owner, governmental agencies, acts or neglect of utility owners or other contractors performing other construction work as contemplated by Article 7, fires, floods, epidemics, abnormal weather conditions, or acts of God.
- C. If Owner or other contractor or utility owners performing other work for Owner as contemplated by Article 7, or anyone for whom Owner is responsible, delays, disrupts, or interferes with the performance or progress of the Work, then Design/Builder shall be entitled to an equitable adjustment in the Contract Price or the Contract Times, or both. Design/Builder's entitlement to an adjustment of the Contract Times is conditioned on such adjustment being essential to Design/Builder's ability to complete the Work within the Contract Times.
- D. If Design/Builder is delayed in the performance or progress of the Work by fire, flood, epidemic, abnormal weather conditions, acts of God, acts or failures to act of utility owners not under the control of Owner, or other causes not the fault of and beyond control of Owner and Design/Builder, then Design/Builder shall be entitled to an equitable adjustment in Contract Times, if such adjustment is essential to Design/Builder's ability to complete the Work within the Contract Times.

Such an adjustment shall be Design/Builder's sole and exclusive remedy for the delays described in this Paragraph 11.02.C.

- E. Owner and Owner's Consultant shall not be liable to Design/Builder for any claims, costs, losses, or damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) sustained by Design/Builder on or in connection with any other project or anticipated project.
- F. Design/Builder shall not be entitled to an adjustment in Contract Price or Contract Times for delays within the control of Design/Builder. Delays attributable to and within the control of a Subcontractor or Supplier shall be deemed to be delays within the control of Design/Builder.

ARTICLE 12 – TESTS AND INSPECTIONS; CORRECTION, REMOVAL OR ACCEPTANCE OF DEFECTIVE CONSTRUCTION

12.01 Notice of Defects

- A. Owner shall give Design/Builder prompt written notice of all defective Construction of which Owner has actual knowledge. All defective Construction may be rejected, corrected or accepted as provided in this Article 12.

12.02 Access to Construction

- A. Owner, Owner's Consultants, other representatives and personnel of Owner, independent testing laboratories and governmental agencies with jurisdictional interests will have access to the Site and the Construction at reasonable times for their observation, inspecting, and testing. Design/Builder shall provide them proper and safe conditions for such access and advise them of Design/Builder's Site safety procedures and programs so that they may comply therewith as applicable.

12.03 Tests and Inspections

- A. If the Contract Documents or Laws or Regulations of any public body having jurisdiction require any part of the Construction specifically to be inspected, tested or approved, Design/Builder shall assume full responsibility for arranging and obtaining such inspections, tests or approvals, pay all costs in connection therewith, and furnish Owner the required certificates of inspection or approval. Design/ Builder shall also be responsible for arranging and obtaining and shall pay all costs in connection with any inspections, tests, or approvals required for Owner's acceptance of materials or equipment to be incorporated in the Work or of materials, mix designs, or equipment submitted for approval prior to Design/Builder's purchase thereof for incorporation in the Work.
- B. Design/Builder shall give Owner reasonable notice of the planned schedule for all required inspections, tests, or approvals.
- C. If any Construction (or the construction work of others) that is required to be inspected, tested, or approved is covered by Design/Builder without written concurrence of Owner, then Contractor shall, if requested by Owner, uncover such Construction for observation.

- D. Uncovering Construction as provided in Paragraph 13.03.E shall be at Design/Builder's expense unless Design/ Builder has given Owner timely notice of Design/Builder's intention to cover the same and Owner has not acted with reasonable promptness in response to such notice.

12.04 Uncovering Construction

- A. If any Construction is covered contrary to the written request of Owner, it must, if requested by Owner, be uncovered for Owner's observation and recovered at Design/Builder's expense.
- B. If Owner considers it necessary or advisable that covered Construction be observed by Owner or inspected or tested by others, Design/Builder, at Owner's request, shall uncover, expose or otherwise make available for observation, inspection or testing as Owner may require, that portion of the Construction in question, furnishing all necessary labor, material and equipment. If it is found that such Construction is defective, Design/Builder shall pay all costs and damages caused by or resulting from such uncovering, exposure, observation, inspection and testing and of satisfactory replacement or reconstruction, (including but not limited to all fees and charges of engineers, architects, attorneys and other professionals, all court or arbitration or other dispute resolution costs, and all costs of repair or replacement of work of others); and Owner shall be entitled to an appropriate decrease in the Contract Price, and, if the parties are unable to agree as to the amount thereof, Owner may make a Claim therefor as provided in Article 9. If, however, such Construction is not found to be defective, Design/Builder shall be allowed an increase in the Contract Price or an extension of the Contract Times (or Milestones), or both, directly attributable to such uncovering, exposure, observation, inspection, testing, replacement and reconstruction. If the parties are unable to agree as to the amount or extent thereof, Design/Builder may make a Claim therefor as provided in Article 9.

12.05 Owner May Stop Construction

- A. If Construction is defective, or Design/Builder fails to supply sufficient skilled workers or suitable materials or equipment, or fails to furnish or perform Construction in such a way that the completed Construction will conform to the Contract Documents, Owner may order Design/Builder to stop Construction or any portion thereof, until the cause for such order has been eliminated; however, this right of Owner to stop Construction will not give rise to any duty on the part of Owner to exercise this right for the benefit of Design/Builder or any other party.

12.06 Correction or Removal of Defective Construction

- A. Owner will have authority to disapprove or reject defective Construction and will have authority to require special inspection or testing of the Construction whether or not the Construction is fabricated, installed or completed. If required by Owner, Design/Builder shall promptly, as directed, either correct all defective Construction, whether or not fabricated, installed or completed, or, if the Construction has been rejected by Owner, remove it from the Site and replace it with non-defective Construction. Design/Builder shall bear all direct, indirect, and consequential costs of such correction or removal (including but not limited to fees and charges of engineers, architects, attorneys and other professionals and all court, arbitration, or other dispute resolution costs) arising out of or relating to such correction or removal.

12.07 Correction Period

- A. If within one year after the date of Substantial Completion of the entire Work or such longer period of time as may be prescribed by Laws or Regulations or by the terms of any applicable special guarantee required by the Contract Documents or by any specific provision of the Contract Documents, any Construction is found to be defective, Design/Builder shall promptly, without cost to Owner and in accordance with Owner's written instructions, (i) correct such defective Construction, or, if it has been rejected by Owner, remove it from the Site and replace it with Construction that is not defective, and (ii) satisfactorily correct or remove and replace any damage to other Construction or the work of others resulting therefrom. If Design/Builder does not promptly comply with the terms of such instructions, or in an emergency where delay would cause serious risk of loss or damage, Owner may have the defective Construction corrected or the rejected Construction removed and replaced, and all costs, losses, and damages caused by or resulting from such removal and replacement (including but not limited to all fees and charges of engineers, architects, attorneys and other professionals, all court or arbitration or other dispute resolution costs, and all costs of repair or replacement of work of others) will be paid by Design/Builder.
- B. In special circumstances where a particular item of equipment is placed in continuous service before Substantial Completion of all the Work, the correction period for that item may start to run from an earlier date if so provided in the Conceptual Documents.
- C. Where defective Construction (and damage to other Construction resulting therefrom) has been corrected, removed or replaced under this Paragraph 12.07, the correction period hereunder with respect to such Construction will be extended for an additional period of one year after such correction or removal and replacement has been satisfactorily completed.

12.08 Acceptance of Defective Construction

- A. If, instead of requiring correction or removal and replacement of defective Construction, Owner prefers to accept it, Owner may do so. Design/Builder shall pay all costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys and other professionals and all court or arbitration or other dispute resolution costs) attributable to Owner's evaluation of and determination to accept such defective Construction. If any such acceptance occurs prior to final payment, a Change Order will be issued incorporating the necessary revisions in the Contract Documents, and Owner shall be entitled to an appropriate decrease in the Contract Price reflecting the diminished value of the Construction so accepted. If the parties are unable to agree as to the amount thereof, Owner may make a Claim therefor as provided in Article 9. If the acceptance occurs after final payment, an appropriate amount will be paid by Design/Builder to Owner.

12.09 Owner May Correct Defective Construction

- A. If Design/Builder fails within a reasonable time after written notice from Owner to correct defective Construction or to remove and replace rejected Construction as required by Owner in accordance with Paragraphs 12.06.A or 12.07.A, or if Design/Builder fails to perform the Construction in accordance with the Contract Documents, or if Design/Builder fails to comply with any other provision of the Contract Documents, Owner may, after seven days' written notice to Design/Builder, correct and remedy any such deficiency.
- B. In exercising the rights and remedies under this Paragraph 12.09 Owner shall proceed expeditiously. In connection with such corrective and remedial action, Owner may exclude Design/Builder from

all or part of the Site, take possession of all or part of the Construction, and suspend Design/Builder's services related thereto, take possession of Design/Builder's tools, appliances, construction equipment and machinery at the Site, and incorporate in the Construction all materials and equipment stored at the Site or for which Owner has paid Design/Builder but which are stored elsewhere. Design/Builder shall allow Owner, Owner's Consultant, Owner's representatives, agents, employees, and other contractors access to the Site to enable Owner to exercise the rights and remedies under this paragraph.

- C. All costs, losses, and damages (included but not limited to fees and charges of engineers, architects, attorneys and other professionals, all court or arbitration or other dispute resolution costs and all costs of repair or replacement of work of others) incurred or sustained by Owner in exercising such rights and remedies under this Paragraph 12.09 will be charged against Design/Builder and a Change Order will be issued incorporating the necessary revisions in the Contract Documents, and Owner shall be entitled to an appropriate decrease in the Contract Price. If the parties are unable to agree as to the amount thereof, Owner may make a Claim therefor as provided in Article 9.
- D. Design/Builder shall not be allowed an extension of the Contract Times (or Milestones) because of any delay in the performance of the Work attributable to the exercise by Owner of Owner's rights and remedies under this Paragraph 12.09.

ARTICLE 13 – PAYMENTS TO DESIGN/BUILDER AND COMPLETION

13.01 Schedule of Values

- A. The Schedule of Values established as provided in Paragraph 2.06.A will serve as the basis for progress payments. Progress payments on account of Unit Price Work will be based on the number of units completed.

13.02 Application for Progress Payment

- A. On or about the date established in the Agreement for submission of each application for progress payment (but not more often than once a month), Design/Builder shall submit to Owner for review an Application for Payment filled out and signed by Design/Builder covering the Work completed as of the date indicated on the Application and accompanied by supporting documentation as required by the Contract Documents. If payment is requested on the basis of materials and equipment not incorporated in the Work but delivered and suitably stored at the Site or at another location agreed to in writing, the Application for Payment shall also be accompanied by a bill of sale, invoice or other documentation warranting that Owner has received the materials and equipment free and clear of all Liens and evidence that the materials and equipment are covered by appropriate property insurance and other arrangements to protect Owner's interest therein, all of which will be satisfactory to Owner.
- B. Beginning with the second Application for Payment, each Application shall include an affidavit of Design/Builder stating that all previous progress payments received on account of the Work have been applied on account to discharge Design/Builder's legitimate obligations associated with prior Applications for Payment.

C. The amount of retainage with respect to progress payments will be as stipulated in the Agreement.

13.03 Progress Payments

A. *Procedure:* Progress payments shall be made by the Owner to the Design/Builder according to the following procedure:

1. Owner will, within ten days of receipt of each Application for Payment, either indicate in writing its acceptance of the Application and state that the Application is being processed for payment, or return the Application to Design/Builder indicating in writing its reasons for refusing to accept the Application. Not more than ten days after accepting such Application the amount will become due and when due will be paid by Owner to Design/Builder.
2. If Owner should fail to pay Design/Builder at the time the payment of any amount becomes due, then Design/Builder may, at any time thereafter, upon serving written notice that he will stop the Work within seven days after receipt of the notice by Owner, and after such seven day period, stop the Work until payment of the amount owing has been received. Written notice shall be deemed to have been duly served if sent by certified mail to the last known business address of Owner.
3. Payments due but unpaid shall bear interest at the rate specified in the Agreement.
4. No Progress Payment nor any partial or entire use or occupancy of the Project by Owner shall constitute an acceptance of any Work not in accordance with the Contract Documents.

B. *Reduction in or Refusal to Make Payment:* Owner may refuse to make the whole or any part of any such payment, or because of subsequently discovered evidence or the results of subsequent inspections or tests, nullify any previous payment, to the extent that is reasonably necessary to protect Owner from loss because:

1. the Construction is defective, or completed Construction has been damaged requiring correction or replacement; or
2. the Contract Price has been reduced by Change Order; or
3. Owner has been required to correct defective Construction or complete Work in accordance with Paragraph 12.09.A; or
4. Owner has actual knowledge of the occurrence of any of the events enumerated in Paragraphs 14.02.A.; or
5. Claims have been made against Owner on account of Design/Builder's performance or furnishing of the Work; or

6. Liens have been filed in connection with the Work, except where Design/Builder has delivered a specific Bond satisfactory to Owner to secure the satisfaction and discharge of such Liens; or
7. There are other items entitling Owner to a set off against the amount for which application is made.

C. If Owner refuses to make payment of the full amount requested by Design/Builder, Owner must give Design/Builder immediate written notice stating the reasons for such action and promptly pay Design/Builder any amount remaining after deduction of the amount withheld. Owner shall promptly pay Design/Builder the amount withheld or any adjustment thereto agreed to when Design/Builder remedies the reason for such action.

D. Upon a subsequent determination that Owner's refusal of payment was not justified, the amount wrongfully withheld shall be treated as an amount due as determined by Paragraph 14.02.C.1 and subject to interest as provided in the Agreement.

13.04 Design/Builder's Warranty of Title

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

13.05 Substantial Completion

A. When Design/Builder considers the Work ready for its intended use Design/Builder shall notify Owner in writing that the Work is substantially complete (except for items specifically listed by Design/Builder as incomplete) and request that Owner issue a certificate of Substantial Completion. Promptly thereafter, Owner and Design/Builder shall make an inspection of the Work to determine the status of completion. If Owner does not consider the Work substantially complete, Owner will notify Design/Builder in writing giving the reasons therefor. If Owner considers the Work substantially complete, Owner will prepare and deliver to Design/Builder a certificate of Substantial Completion which shall fix the date of Substantial Completion. There shall be attached to the certificate a list of items to be completed or corrected before final payment. At the time of delivery of the certificate of Substantial Completion Owner will deliver to Design/Builder a written determination as to division of responsibilities pending final payment between Owner and Design/Builder with respect to security, operation, safety, protection of Construction, maintenance, heat, utilities, insurance and warranties and guarantees.

B. Owner will have the right to exclude Design/Builder from the Site after the date of Substantial Completion, but Owner will allow Design/Builder reasonable access to complete or correct items on the list of items to be completed.

13.06 Partial Utilization

A. Prior to Substantial Completion of all the Work, Owner may use or occupy any substantially completed part of the Construction which (i) has specifically been identified in the Contract Documents, or (ii) Owner and Design/Builder agree constitute a separately functioning and usable part of the Construction that can be used by Owner for its intended purpose without significant

interference with Design/ Builder's performance of the remainder of the Construction, subject to the following:

1. Owner at any time may request Design/Builder in writing to permit Owner to use or occupy any such part of the Construction which Owner believes to be ready for its intended use and substantially complete. If Design/Builder agrees that such part of the Work is substantially complete, Design/Builder and Owner will follow the procedures of Paragraph 13.05 for that part of the Construction.
2. Design/Builder at any time may notify Owner in writing that Design/Builder considers any such part of the Work ready for its intended use and substantially complete and request Owner to issue a certificate of Substantial Completion for that part of the Work.
3. Within a reasonable time after either such request, Owner and Design/Builder shall make an inspection of that part of the Work to determine its status of completion. If Owner does not consider that part of the Work to be substantially complete, Owner will notify Design/Builder in writing giving the reasons therefor. If Owner considers that part of the Work to be substantially complete, the provisions of Paragraph 13.05 will apply with respect to certification of Substantial Completion of that part of the Work and the division of responsibility in respect thereof and access thereto.
4. No use or occupancy of part of the Construction will be accomplished prior to compliance with the requirements of Paragraph 5.10 regarding property insurance.

13.07 Final Inspection

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

13.08 Final Payment

A. Application for Payment.

1. After Design/Builder has completed all such corrections to the satisfaction of Owner and delivered in accordance with the Contract Documents all maintenance and operating instructions, schedules, guarantees, Bonds, certificates or other evidence of insurance, certificates of inspection, record documents (as provided in Paragraph 6.12) and other documents, Design/Builder may make application for final payment following the procedure for progress payments.
2. The final Application for Payment shall be accompanied (unless previously delivered) by:
 - (i) all documentation called for in the Contract Documents, including but not limited to the evidence of insurance required by Paragraph 5.04.B.7; (ii) consent of the surety, if any, to final payment; and (iii) complete and legally effective releases or waivers (satisfactory to Owner) of all Liens arising out of or filed in connection with the Work.

3. In lieu of such releases or waivers of Liens specified in Paragraph 13.08.A.2 and as approved by Owner, Design/Builder may furnish receipts or releases in full and an affidavit of Design/Builder that: (i) the releases and receipts include all labor, services, material and equipment for which a Lien could be filed, and (ii) all payrolls, material and equipment bills and other indebtedness connected with the Work for which Owner might in any way be responsible, or which in any way might result in liens or other burdens on Owner's property, have been paid or otherwise satisfied. If any Subcontractor or Supplier fails to furnish such a release or receipt in full, Design/Builder may furnish a Bond or other collateral satisfactory to Owner to indemnify Owner against any Lien.

B. Final Payment and Acceptance: If Owner is satisfied that the Work has been completed and Design/Builder's other obligations under the Contract Documents have been fulfilled, Owner will, within ten days after receipt of the final Application for Payment, give written notice to Design/Builder that the Work is acceptable. Otherwise, Owner will return the Application to Design/Builder, indicating in writing the reasons for refusing to process final payment, in which case Design/Builder shall make the necessary corrections and resubmit the Application.

C. Payment Becomes Due: Thirty days after the presentation to Owner of the acceptable Application and accompanying documentation, in appropriate form and substance and with Owner's notice of acceptability, the amount will become due and will be paid by Owner to Design/Builder.

13.09 Final Completion Delayed

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

13.10 Waiver of Claims

- A. The making and acceptance of final payment will constitute:
 1. A waiver of all Claims by Owner against Design/Builder, except Claims arising from unsettled Liens, from defective Construction appearing after final inspection pursuant to Paragraph 13.07, from failure to comply with the Contract Documents or the terms of any special guarantees specified therein, or from Design/Builder's continuing obligations under the Contract Documents; and
 2. A waiver of all Claims by Design/Builder against Owner other than those previously made in writing and still unsettled.

ARTICLE 14 – SUSPENSION OF WORK AND TERMINATION

14.01 Owner May Suspend Work

A. At any time and without cause, Owner may suspend the Work or any portion thereof for a period of not more than 90 days by notice in writing to Design/Builder which will fix the date on which Work will be resumed. Design/Builder shall resume the Work on the date so fixed. Design/Builder shall be allowed an adjustment in the Contract Price or an extension of the Contract Times, or both, directly attributable to any such suspension if Design/Builder makes a Claim therefor as provided in Article 9.

14.02 Owner May Terminate for Cause

A. The occurrence of any one or more of the following events justifies termination for cause:

1. Design/Builder's persistent failure to perform the Work in accordance with the Contract Documents (including, but not limited to, failure to supply sufficient skilled workers or suitable materials or equipment or failure to adhere to the progress schedule established under Paragraph 2.06.A as adjusted from time to time pursuant to Paragraph 6.05).
2. Design/Builder's disregard of Laws or Regulations of any public body having jurisdiction.
3. Design/Builder's violation in any substantial way of provisions of the Contract Documents.

B. If one or more of the events identified in Paragraph 14.02.A occur, Owner may, after giving Design/Builder (and the surety, if any) seven days' written notice, terminate the services of Design/Builder, take possession of any completed Drawings and Specifications prepared by or for Design/Builder (subject to the indemnification provisions of Paragraph 3.05.A), exclude Design/Builder from the Site, and take possession of the Work and of all Design/Builder's tools, appliances, construction equipment and machinery at the Site and use the same to the full extent they could be used by Design/Builder (without liability to Design/Builder for trespass or conversion), incorporate in the Work all materials and equipment stored at the Site or for which Owner has paid Design/Builder but which are stored elsewhere, and finish the Work as Owner may deem expedient. In such case Design/Builder shall not be entitled to receive any further payment until the Work is finished. If the unpaid balance of the Contract Price exceeds all costs, losses and damages sustained by Owner arising out of or resulting from completing the Work (including but not limited to all fees and charges of engineers, architects, attorneys and other professionals and all court or arbitration or other dispute resolution costs) such excess will be paid to Design/Builder. If such costs, losses and damages exceed such unpaid balance, Design/Builder shall pay the difference to Owner. Such costs, losses and damages incurred by Owner will be incorporated in a Change Order. When exercising any rights or remedies under this paragraph Owner shall not be required to obtain the lowest price for the Work performed.

C. Notwithstanding Paragraph 14.02.B, Design/ Builder's services will not be terminated if Design/Builder begins, within seven days of receipt of notice of intent to terminate, to correct its failure to perform and proceeds diligently to cure such failure within no more than 30 days of receipt of said notice.

D. Where Design/Builder's services have been so terminated by Owner, the termination will not affect any rights or remedies of Owner against Design/Builder then existing or which may thereafter accrue. Any retention or payment of moneys due Design/Builder by Owner will not release Design/Builder from liability.

14.03 Owner May Terminate for Convenience

A. Upon seven days' written notice to Design/Builder, Owner may, without cause and without prejudice to any other right or remedy of Owner, elect to terminate the Contract. In such case, Design/Builder shall be paid (without duplication of any items) for:

1. Completed and acceptable Work executed in accordance with the Contract Documents prior to the effective date of termination, including fair and reasonable sums for overhead and profit on such Work;
2. Expenses sustained prior to the effective date of termination in performing services and furnishing labor, materials or equipment as required by the Contract Documents in connection with uncompleted Work, plus fair and reasonable sums for overhead and profit on such expenses;
3. Amounts paid in settlement of terminated contracts with Subcontractors, Suppliers and others (including but not limited to all fees and charges of engineers, architects, attorneys and other professionals and all court or arbitration or other dispute resolution costs incurred in connection with termination of contracts with Subcontractors, Suppliers and others); and
4. Reasonable expenses directly attributable to termination.

B. Except as provided in Paragraph 14.03.C, Design/Builder shall not be paid on account of loss of anticipated profits or revenue or other economic loss arising out of or resulting from such termination.

14.04 Design/Builder May Stop Work or Terminate

A. If, through no act or fault of Design/Builder, the Work is suspended for a period of more than 90 days by Owner or under an order of court or other public authority, or Owner fails to act on any Application for Payment within thirty days after it is submitted or Owner fails for thirty days to pay Design/Builder any sum finally determined to be due, then Design/Builder may, upon seven days' written notice to Owner, and provided Owner does not remedy such suspension or failure within that time, terminate the Agreement and recover from Owner payment on the same terms as provided in Paragraph 14.03.A. In lieu of terminating the Agreement and without prejudice to any other right or remedy, if Owner has failed for 30 days to pay Design/Builder any sum finally determined to be due, Design/Builder may upon seven days' written notice to Owner stop the Work until payment is made of all such amounts due Design/Builder, including interest thereon. The provisions of this Paragraph 14.04.A are not intended to preclude Design/Builder from making Claim under Article 9 for an increase in Contract Price or Contract Times or otherwise for expenses or damage directly attributable to Design/Builder's stopping Work as permitted by this paragraph.

ARTICLE 15 – DISPUTE RESOLUTION

15.01 Methods and Procedures

- A. Dispute resolution methods and procedures, if any, shall be as set forth in the Supplementary Conditions. If no such method and procedure has been set forth, Owner and Design/Builder may exercise such rights or remedies as either may otherwise have under the Contract Documents or by Laws or Regulations in respect of any dispute.

ARTICLE 16 – MISCELLANEOUS

16.01 Giving Notice

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

16.02 Computation of Times

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

16.03 Cumulative Remedies

- A. The duties and obligations imposed by these General Conditions and the rights and remedies available hereunder to the parties hereto are in addition to, and are not to be construed in any way as a limitation of, any rights and remedies available to any or all of them which are otherwise imposed or available by:

1. Laws or Regulations; or
2. any special warranty or guarantee; or
3. other provisions of the Contract Documents.

- B. The provisions of Paragraph 16.03.A will be as effective as if repeated specifically in the Contract Documents in connection with each particular duty, obligation, right and remedy to which they apply.

16.04 Survival of Obligations

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

16.05 Controlling Law

A. The Contract Documents will be construed in accordance with the law of the place of the Project.

Supplementary Conditions

PART 1 – GENERAL

These Supplementary Conditions amend or supplement the Standard General Conditions of the Contract Between OWNER and Design/Builder, EJCDC D-700 (2009 Edition). All provisions that are not so amended or supplemented remain in full force and effect.

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

PART 2 – MODIFICATIONS OF THE GENERAL CONDITIONS

ARTICLE 1 – DEFINITIONS AND TERMINOLOGY

SC-1.01 Defined Terms

Add the following paragraphs immediately after Paragraph 1.01:

49. *As Shown* – “as shown” shall mean a specific reference to the Contract Drawings, equivalent to “as shown on the Contract Drawings.”
50. *Final Acceptance* – OWNER’s written acknowledgement that Design/Builder has achieved Final Completion as provided herein.
51. *Final Completion* – All obligations of Design/Builder under this Contract have been completed except for obligations that OWNER has waived or excused in writing and except for obligations of Design/Builder that survive termination of this Contract, such as warranty and indemnity.
52. *Construction Manager* – OWNER’s representative responsible for management and oversight of Design/Builder and coordination with the Design/Builder during construction. The RPR responsibilities in the Contract Documents shall also be performed by the Construction Manager. OWNER may engage an inspector to observe construction activities, but the inspector shall not have the authority allocated to either the Construction Manager or the RPR.
53. *Punch List* – A specific itemized list of defects provided by the OWNER to the Design/Builder that the Design/Builder shall address and complete the list to OWNER’s satisfaction prior to Final Acceptance with the exception of non-critical punch list items that are agreed upon by OWNER and Design/Builder.

ARTICLE 2 – PRELIMINARY MATTERS

SC-2.04 Before Starting the Work

Add the following new Paragraph 2.04.C.

- C. Design/Builder shall deliver to OWNER, with copies to the Construction Manager and each additional insured identified in the Supplementary Conditions, certificates of insurance (or other evidence requested by OWNER) that Design/Builder is required to purchase and maintain in accordance with Paragraphs 5.03 and 5.04.

Supplementary Conditions

ARTICLE 3 – CONTRACT DOCUMENTS: INTENT, AMENDING, REUSE

SC-3.01 Intent

Add a new Paragraph 3.01.C as follows:

The Technical Proposal and Price Proposal submitted by Design/Builder with its Proposal and accepted by OWNER will be incorporated as a Contract Document, will become a part of the complete contract and the concepts contained therein shall not be materially changed unless authorized by the OWNER. Interpretation and correct application of Contract Provisions are the responsibility of the Design/Builder. Changes in the design by the Design/Builder to meet contract requirements or correct defects or deficiencies, that do not materially change the Technical Proposal, are the responsibility of the Design/Builder and are not considered Changes in the Work and no adjustment will be allowed to contract price or time. Changes in Work to meet contract requirements, that materially change the concepts in the Technical Proposal, shall be reviewed by the OWNER. The Design/Builder may request a written change order for any such change, pursuant to the provisions of the Agreement.

SC-3.05.A Reuse of Documents

Delete the second sentence in Paragraph 3.05.A and replace with the following:

OWNER may make and retain copies of Project Documents for information and reference in connection with use on the Project by OWNER. Design/Builder and its design Consultants grant OWNER a limited license to use the Documents on the Project, extensions of the Project, and for related uses of the OWNER including but not limited to, commissioning, operations, maintenance, modifications, replacements or alterations.

SC-3.06.A Electronic Data

Add the following sentence after the first sentence in Paragraph 3.06.A:

OWNER will furnish Design/Builder one paper copy of the Contract Documents and one electronic .pdf format via email or other file transfer protocol. Additional paper copies will be furnished upon request at the cost of reproduction.

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

SC-4.01.C. Availability of Lands.

Add the following immediately following Paragraph 4.01.C:

Locations for construction storage is referenced in the Baseline Scope of Work. A plat drawing is attached to that document by Appendix.

SC-4.02. Differing Site Conditions.

Add the following new paragraphs immediately after Paragraph 4.02.D:

- E. The following report of explorations and tests of subsurface conditions at or contiguous to the Site is known to OWNER:

Supplementary Conditions

1. Geotechnical Data Report, Gary Paxton Industrial Park Multi-Use Dock, Sawmill Cove, Sitka Alaska (Shannon & Wilson, September 2014).
2. Sawmill Cove Intermodal Facility Paving, Geotechnical Investigation (R&M Engineering, Inc., June 2009)
3. Alaska Pulp Corporation, Non-Native Sediment Thicknesses and Description (Foster Wheeler Environmental Corporation, February 1999).

These reports were provided as part of the Reference Documents in Appendix J of the Request for Proposals.

- F. OWNER and Engineer do not represent that the reports show completely all the existing subsurface conditions and do not guarantee any interpretation of facts or opinions in the reports or that the information shown on the Contract Documents will accurately describe the actual subsurface conditions which may be encountered. Design/Builder must assume all responsibility for deductions and conclusions which may be made as to the nature of the materials to be excavated, the difficulties of making and maintaining the required excavation, and of doing other construction affected by subsurface conditions at the site of the construction.
- G. The following drawings of physical conditions relating to existing surface or subsurface structures at the Site (except Underground Facilities) are known to OWNER:
1. Sawmill Cove Bulk Water Terminal Bathymetric Survey (David Evans & Associates, September 2014).
 2. Sawmill Cover Industrial Park Intermodal Facility Paving (R&M Engineering, Inc., February 2010).
 3. Sawmill Cove Industrial Park Valve Location Layout: Fire & Potable Water, Sanitary Sewer (D.G. Jones/Associates, September 2003).
 4. Sawmill Cove Industrial Site Distribution and Lighting System Plan (Northstar Power Engineering, March 2002).

These reports were provided as part of the Reference Documents in Appendix J of the Request for Proposals.

- H. Design/Builder shall bear the burden of proving that a Differing Site Condition exists and that it could not reasonably have worked around the Differing Site Condition so as to avoid additional cost. Each request for a Change Order under this Differing Site Condition Section shall be accompanied by a statement signed by a qualified professional setting forth all relevant assumptions made by Design/Builder with respect to the condition of the Site, justifying the basis for such assumptions and explaining exactly how the existing conditions differ from those assumptions, and stating the efforts undertaken by Design/Builder to find alternative design or construction solutions to eliminate or minimize the problem and the associated costs. For Differing Site Conditions involving Utilities, Design/Builder shall describe the nature of the investigations undertaken and explain why it could not have been expected to discover such Utility in the course of its Investigations.
- I. Underground facilities in and adjacent to the project site may not be completely shown on drawings that are part of the Reference Documents. Design/Builder will need to contact the Water, Wastewater and Electric departments at the City and Borough of Sitka for locates when needed.

SC 4.04 Hazardous Environmental Condition at Site.

Add the following immediately following Paragraph 4.04.A:

1. "No Disturbance Zone" encompasses approximately six (6) acres within Alaska Tideland Patent No. 20 adjacent to the project site. Activities in the area have been restricted due to the existence of pulp residues.

Supplementary Conditions

Anchoring is prohibited within the No Disturbance Zone. A Revised Notice of Restricted Area in Sawmill Cove and Memorandum of Understanding between the State of Alaska and the City and Borough of Sitka – Management Plan for Sawmill Cove Property (Former APC Property) provides detailed restrictions regarding the Area of Concern. Design-Builder shall comply with all restrictions.

ARTICLE 5 – BONDS AND INSURANCE

SC-5.01.B. Performance, Payment, and Other Bonds.

At the end of Paragraph 5.01.B insert the following:

Performance Bond shall be provided on EJCDC Form C-610 – Construction Performance Bond. A Payment Bond shall be provided on EJCDC Form C615 – Construction Payment Bond. The penal amount of the Construction Performance Bond and the Construction Payment Bond shall be 40% of the lump sum Contract Price if the Price is less than \$5,000,000 and the penal amount for each bond shall be \$2,500,000 if the Contract Price exceeds \$5,000,000. It is the intent of the OWNER that the Construction Performance Bond shall not extend to obligations of the Design/Builder to cover any responsibility for negligence, errors or omission in the design or warranty of design. The OWNER intends that the professional liability insurance policy to be provided or furnished by the Design/Builder will be the financial security that OWNER will rely upon to cover claims relating to errors, omissions and other situations of failure to comply with contractual or professional obligations of the designer; provided, however, that OWNER retains the right to withhold amounts otherwise due under the Contract to cover claims of design professional liability.

In the event a design professional firm and a construction Design/Builder form a joint venture or similar relationship to perform this Contract, OWNER will accept a performance bond, payment bond and bid bond with the construction Design/Builder as sole or primary obligor to the extent permitted by statute. OWNER agrees to limit its remedies under any bonds to recover any payments first from the construction Design/Builder for any claims based on performance or lack of performance of construction activities. Statutory obligations under a payment bond will be the obligations of all bond obligors.

SC-5.02.A Licensed Sureties and Insurers.

At the end of Paragraph 5.02.A insert the following:

Insurance companies providing coverage shall have an A-7 rating or better in the latest printing of the A.M. Best's Key Rating Guide.

SC-5.04 Design/Builder's Insurance.

Add the following new paragraphs immediately after Paragraph 5.04.B:

- C. The limits of liability for the insurance required by Paragraph 5.04 of the General Conditions shall provide coverage for not less than the following amounts or greater where required by Laws and Regulations:
 1. Workers' Compensation and related coverages under Paragraphs 5.04.A.1 and A.2 of the General Conditions:
 - a. State: Alaska Statutory
 - b. Applicable Federal
(e.g., Longshoreman's): Statutory

Supplementary Conditions

- c. Employer's Liability: \$ 1,000,000
- 2. Commercial General Liability under Paragraphs 5.04.A.3 through A.6 of the General Conditions, which shall include completed operations and product liability coverages and eliminate the exclusion with respect to property under the care, custody and control of Design/Builder:
 - a. General Aggregate \$ 2,000,000
(including Premise & Products/Completed Operations)
 - b. Personal and Advertising Injury \$ 1,000,000
 - c. Each Occurrence (Bodily Injury and Property Damage) \$ 2,000,000
 - d. Property Damage liability insurance will provide Explosion, Collapse, and Under-ground coverages where applicable.
 - e. Excess or Umbrella Liability
Excess or umbrella coverages can be used to satisfy the required insurance coverages and limits.
 - f. Per Project Aggregate Limit \$2,000,000
- 3. Commercial Automobile Liability under Paragraph 5.04.A.6 of the General Conditions covering owned, hired or non-owned vehicles with a combined single limit of \$2,000,000 per occurrence
- D. The policies of insurance so required by this Paragraph 5.04.C.2 through 5.04.C.3 inclusive, include as additional insureds (subject to any customary exclusion in respect of professional liability) OWNER and its consultants working on the project site , all of whom shall be listed as additional insureds, and include coverage for the respective officers, directors, partners, employees, agents, and other consultants and subcontractors of each an any of all such additional insureds, using ISO Form GC20371001 or equivalent, and the insurance afforded to these additional insured shall provide primary coverage for all claims covered thereby.
- E. Design/Builder shall procure and maintain or furnish through any design firm subconsultant professional liability insurance for protection from claims arising out of performance of Design Professional Services under this Contract. Such professional liability insurance will provide limits in the amount of \$2,000,000 per claim and \$2,000,000 annual aggregate. Such coverage shall be maintained for a period of two years after Substantial Completion. Certificates indicating that such insurance is in effect will be delivered to OWNER prior to each policy renewal date or upon request by OWNER.
- F. Design/Builder shall deliver to OWNER, with copies to each additional insured identified in these Supplementary Conditions, certificates of insurance (and other evidence of insurance requested by OWNER or any other additional insured) which Design/Builder is required to purchase and maintain. Design/Builder's insurance policies shall contain a provision or endorsement that the coverage afforded will not be canceled, materially changed or renewal refused until at least 10 days prior written notice has been given to Design/Builder or, in the case of design professional liability insurance, to the insured design professional. Within three days of receipt of any such written notice, Design/Builder shall provide a copy of the notice to OWNER, and any additional insureds identified in these Supplementary Conditions.

Supplementary Conditions

- G. If OWNER has any objection to the coverage afforded by or other provisions of the insurance required to be purchased and maintained on the basis of non-conformance with the Contract Documents, OWNER shall notify Design/Builder in writing within 10 days after receipt of the certificates or other evidence required by Paragraph SC-5.04.D. Design/Builder shall provide such additional information in respect to insurance as OWNER shall reasonably request.

SC-5.06.A. Property Insurance.

- A. Delete Paragraph 5.06.A. and replace it with the following:
Design/Builder shall purchase and maintain property insurance upon the Construction in the amount of the full replacement cost thereof (subject to such deductible amounts as may be provided in the Supplementary Conditions or required by Laws or Regulations). This insurance will:.

Add the following new paragraphs immediately after Paragraph 5.06.A.7.:

8. Design/Builder shall assume the risk for all aspects of the transportation and tow of the floating pontoon from its original location until final incorporation into its final project site location in Sitka. The Design/Builder will retain ownership of the pontoon until the completion of the project. The City and Borough of Sitka is not responsible for any direct physical damage or liability associated with the property, tow or transport of the pontoon. This insurance may be provided under a separate insurance policy.

ARTICLE 6 – DESIGN/BUILDER’S REPSONSIBILITIES

SC-6.01 Design Professional Services.

Modify Paragraph-6.01.B.2 to reference “Paragraph 8.01.A.5.a-h” rather than “Paragraph 8.01.A.6.a-g”.

SC-6.02 Supervision and Superintendence of Construction.

Add the following new Paragraphs 6.02.C and 6.02.D immediately after GC-6.02.B:

- C. The initial appointment of the Project Manager and Engineer of Record and any removal and subsequent appointment shall be subject to the prior approval of the Construction Manager. For reasonable cause, Construction Manager may, upon notice to Design/Builder, require Design/Builder to remove (or cause to be removed) and replace the resident superintendent from the Site. Once removed such personnel shall no longer be involved with the Work in any capacity.
- D. Design/Builder is required to utilize the key staff included in its proposal and approved by OWNER to perform the Work. Any substitutions of key staff shall be subject to the prior approval of the Construction Manager. The qualifications of the proposed key staff were an important factor in selecting the Design/Builder to perform the Work, and any substitutions not approved by OWNER will result in additional costs and losses incurred by OWNER. The parties recognize the expense and difficulty in establishing the actual losses suffered as a result of a failure to utilize the proposed staff to perform the Work. The parties agree that the liquidated damage amount shown below is a reasonable estimate of the damages the OWNER can be expected to incur due to the unexcused failure of Design/Builder to utilize the proposed key staff to perform the Work:

Supplementary Conditions

the Design-Builder shall not replace the Project Manager and Engineer of Record named in the Design-Builder's Proposal without written consent by the CBS; unauthorized replacement of personnel may result in a liquidated damage assessment of \$50,000 per individual.

- E. The Project Manager shall serve as the single-point-contact for the Design-Builder, remain committed to a partnering relationship with the CBS, and have authority to make decisions on behalf of the Design-Builder. The Design-Builder's Project Manager shall coordinate with the CBS in a mutually agreeable format and frequency. Coordination shall be documented and include schedule progress, current risks, outstanding issues, submittal and transmittal status, quality, and safety.

SC-6.03 Labor, Working Hours.

Add the following new Paragraph 6.03.C immediately after GC-6.03.B:

- C. For reasonable cause, Construction Manager may, upon notice to Design/Builder, require Design/Builder to remove (or cause to be removed) any personnel performing any aspect of the Work. Once removed such personnel shall no longer be involved with the Work in any capacity.

SC-6.12 Record Documents.

Delete Paragraph 6.12.A and replace it with the following:

- A. Design/Builder shall maintain in a safe place at the Site one record copy of all Drawings, Specifications, Addenda, Change Orders, Work Change Directives, Field Orders, and written interpretations and clarifications in good order and annotated to show changes made during construction. Locations of all underground conduits, piping and other utilities will also be shown on the record documents, in order that field-located utilities are accurately shown. These record documents together with all approved Samples and a counterpart of all approved Shop Drawings will be available to the Construction Manager for reference. Upon completion of the Work, these record documents, Samples, and Shop Drawings will be delivered to OWNER.
- B. At the beginning of the construction, Design/Builder shall set aside one (1) complete set of full-size prints of the Contract Drawings, upon which it shall record or cause its various subcontractors to record, all deviations in construction, underground utilities and any deviations due to change orders or field located utilities and other subsurface facilities which Design/Build has installed as part of the Work. Notations and changes shall be done in a neat and legible manner acceptable to the Construction Manager. Upon completion of project, Design/Builder shall deliver the set of marked-up prints to the Construction Manager before final payment will be made.

SC-6.20 Design/Builder's General Warranty and Guarantee.

Add the following new Paragraph 6.20.D:

- D. No provision of any instructions, warranties or guarantees will be effective to assign to OWNER's Consultant, OWNER, Construction Manager, RPR or any of their consultants, agents or employees, any duty or authority to supervise or direct the furnishing or performance of the Work or any duty or authority to undertake responsibility contrary to the provisions of Paragraph 8.03.

Supplementary Conditions

SC-6.21 Indemnification.

Delete Paragraph 6.21.A in its entirety and substitute the following:

- A. To the fullest extent permitted by Laws and Regulations, Design/Builder shall defend, indemnify and hold harmless OWNER and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them from and against all claims, costs, losses, expenses and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) to the extent such claim, cost, loss, expense or damages are caused by or relate to any actual or alleged negligent act or omission of Design/Builder, any subcontractor, any Supplier, or any individual or entity directly or indirectly employed by any of them to perform any of the Work or anyone for whose acts any of them may be liable.

SC-6.21 Indemnification.

Delete Paragraph 6.21.C in its entirety and substitute the following:

- C. The defense and indemnification obligations set forth in Paragraph SC-6.21.A shall not extend to the liability of OWNER's Consultant, Engineer, Construction Manager and their officers, directors, members, partners, employees, agents, other consultants and subcontractors arising out of the giving of directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; provided, however, that this provision shall not operate to reduce or limit Design/Builder's primary responsibility for the adequacy of its construction methods, means, procedures or safety practices or its responsibility for the adequacy of its design. If there is a claim for a joint negligent act, error or omission of the Design/Build or its design consultant and the OWNER, the indemnification, defense and hold harmless provisions shall be apportioned on a comparative fault basis.

SC-6.22 Waiver of Consequential Damages.

Add the following new Paragraph 6.22:

Except for (i) those damages specifically recoverable by OWNER or Design/Builder as set forth elsewhere in the Contract; (ii) specified liquidated damages, if any, or, (iii) those consequential damages arising from the gross negligence or willful misconduct of the OWNER or Design/Builder, neither party shall be liable to the other, whether such liability arises out of contract, warranty, tort (including negligence), strict liability, or any other cause or form of action whatsoever, for lost revenue, lost profits, consequential or special loss or damage.

ARTICLE 8 – OWNER'S RESPONSIBILITIES

SC-8.09 OWNER's Representative

Add the following new Paragraph 8.09:

Construction Manager will be OWNER's representative during the construction period. The duties and responsibilities and the limitations of authority of the Construction Manager as OWNER's representatives during construction are set forth in the Contract Documents. OWNER may engage an inspector to observe construction activities, but the inspector shall not have the authority allocated to either the Construction Manager or the RPR.

Supplementary Conditions

SC-8.11 Authorized Variations in Work

Add the following new Paragraph 8.11:

Construction Manager may authorize minor variations in the Work from the requirements of the Contract Documents that do not involve an adjustment in the Contract Price or the Contract Times and are compatible with the design concept of the completed Project as a functioning whole as indicated by the Contract Documents. These may be accomplished by a Field Order and will be binding on OWNER and also on Design/Builder, who shall perform the Work involved promptly. If OWNER or Design/Builder believes that a Field Order justifies an adjustment in the Contract Price or Contract Times, or both, and the parties are unable to agree on entitlement to or on the amount or extent, if any, of any such adjustment, a Claim may be made therefore as provided in Paragraph 9.03 of the General Conditions. The Construction Manager will refer changes to the OWNER for due process and assist to expedite resolution to the proposed changes. See SC15.01.

SC-8.14 Limitations on Construction Manager's Authority and Responsibilities

Add the following new Paragraph 8.14:

- A. Construction Manager will not supervise, direct, control, or have authority over or be responsible for Design/Builder's means, methods, techniques, sequences, design, or procedures of construction, or the safety precautions and programs incident thereto, or for any failure of Design/Builder to comply with Laws and Regulations applicable to the performance of the Work. Construction Manager will not be responsible for Design/Builder's failure to perform the Work in accordance with the Contract Documents.
- B. Construction Manager will not authorize any significant deviation from the Contract Documents or substitution of materials or equipment (including "or-equal" items).
- C. Construction Manager will not be responsible for the acts or omissions of Design/Builder or of any Subcontractor, any Supplier, or of any other individual or entity performing any of the Work.
- D. Construction Manager's review of the final Application for Payment and accompanying documentation and all maintenance and operating instructions, schedules, guarantees, bonds, certificates of inspection, tests and approvals, and other documentation required to be delivered by Design/Builder will only be to determine generally that their content complies with the requirements of, and in the case of certificates of inspections, tests, and approvals that the results certified indicate compliance with, the Contract Documents.

ARTICLE 9 – CHANGES IN THE WORK; CLAIMS

SC 9.03.A Notice:

Revise Paragraph 9.03.A to add the following at the end of the paragraph:

Failure to strictly comply with the 15 day time limit for written notice of intent to make a Claim shall bar the claiming party from any adjustments to Contract Price or Contract Time, due to the loss of the other party's ability to take mitigation actions to minimize any costs or delays. The parties agree that this provision shall be enforceable pursuant to its terms without need to prove any actual prejudice due to non-compliance with the time limits.

Supplementary Conditions

SC 9.03.B Documentation

Revise Paragraph 9.03.B to add the following at the end of the paragraph:

Failure to strictly comply with the 30-day requirement to provide substantiating documentation shall bar the claiming party from any adjustments to Contract Price or Contract Time, due to the loss of the other party's ability to take mitigation actions to minimize any costs or delays. The parties agree that this provision shall be enforceable pursuant to its terms without need to prove any actual prejudice due to non-compliance with the time limits.

SC 9.03.D Time Limit Extension

Delete Paragraph 9.03.D in its entirety and substitute the following:

The time limits of Paragraphs 9.03.A, 9.03.B and 9.03.C may be extended by mutual written agreement which is required to include a specific reference by citation to the applicable paragraph being revised. Except as provided in the proceeding sentence, both parties agree to waive any claim for additional payment or time extension if written notification and substantiating documentation was not provided in strict compliance with the terms of the Contract. The parties agree that the party seeking to enforce non-compliance with applicable time limits to bar claims is not obligated to prove any specific prejudice from the lack of strict compliance with Contract time limits.

SC 9.06 Accurate and Detailed Records

Add the following new paragraph 9.06:

Design/Builder believes additional compensation or time is warranted, then it must immediately begin keeping complete, accurate and specific daily records concerning every detail of the potential claim including actual costs incurred. Failure to keep an accurate and detailed record of the actual costs incurred shall be a bar to any recovery to any alleged entitlement to adjustments to Contract Price or Contract Times which are based on actual costs incurred. In computing damages, or costs claimed for a change order, or for any other claim against Owner for additional time, compensation or both, Design/Builder must prove actual damages based on internal costs for equipment, labor or efficiencies. Total cost, modified total cost or jury verdict forms of presentation of damage claims are not permissible to show damages.

ARTICLE 11 – CHANGE OF CONTRACT PRICE; CHANGE OF CONTRACT TIMES

SC 11.02.F Change of Contract Times.

Revise Paragraph 11.02.F to add the following at the end of the paragraph:

Delays due to labor strife, transportation shortages, delays in transit and delays at Design/Builder's facilities are deemed to be within the control of Design/Builder.

Supplementary Conditions

ARTICLE 12 – TESTS AND INSPECTIONS; CORRECTION, REMOVAL OR ACCEPTANCE OF DEFECTIVE CONSTRUCTION

SC 12.01.A Notice of Defects

Insert “or Design Professional Services” after “Construction” at lines 2 and 3.

SC 12.04.B Uncovering Construction

Revise line 8 to insert “or Design Professional Services related to such Construction” after “Construction.”

Revise line 19 to insert “and Design Professional Services related to such Construction and after “Construction.”
Delete “is” after “Construction.”

SC 12.05.A OWNER May Stop Construction

Revise line 1 to insert “or Design Professional Services” after “Construction.”

SC 12.06.A Correction or Removal of Defective Construction or Design Professional Services

Revise line 2 to insert “or Design Professional Services” after “Construction.”

Revise line 6 to insert “Design Professional Services or” prior to “Construction.”

SC 12.08.A Acceptance of Defective Construction or Design Professional Services

At line 2, insert “or Design Professional Services” after “Construction.”

At line 8, insert “or Design Professional Services” after “Construction.”

At line 13, insert “or Design Professional Services” after “Construction.”

SC 12.09 OWNER May Correct Defective Construction or Design Professional Services

Subparagraph A. At line 3, insert “or Design Professional Services” after “Construction.”

SC 12.10 Correction Period for Design Professional Services

Add the following new Paragraph 12.10:

Notwithstanding any shorter period referenced in these provisions, the correction period for any deficient Design Professional Services shall continue until six years after the date of Substantial Completion of the Work.

ARTICLE 13 – PAYMENTS TO DESIGN/BUILDER AND COMPLETION

SC 13.02.A Progress Payments

Revise the first line to read: “On the date established in the”

Supplementary Conditions

SC 13.03.A Progress Payments

Add the following new Paragraph after 13.03.A.4:

5. With each application for progress payment, Design/Builder shall provide a copy of their “in-progress” as-built drawings and material certifications. Design/Builder shall maintain Record Documents on the job site consisting of a complete set of drawings, survey line and grade books, and all Contract Documents. Design/Builder shall record (on Record Documents) and keep current on a daily basis all changes in location (both vertical and horizontal), material, equipment, and all changes in the Work. Design/Builder shall record all horizontal and vertical locations of all utilities encountered. Progress payment may be withheld by the Owner if “in-progress” as-built drawings and material certification are not received with each application for progress payment. Progress payment applications not supported by documentation certifying Engineer of Record’s direction may be denied; sealed plan sheets, specifications, submittal approvals, and/or approved shop drawings are acceptable forms of direction.

Add the following new Paragraph after 13.03.A.5:

6. Any payments made in association with Item 50.01, Barge Materials on Hand, do not constitute acceptance of the barge or imply acceptance of the barge’s suitability for its intended use. Demonstration of the Barge’s suitability for use and full compliance with the contract requirements is the responsibility of the Design/Builder and such demonstration shall be conducted in full accordance with the provisions of the Contract. Subject to Design/Builder’s compliance with Paragraph 13.03.A.5, the OWNER agrees to provide payment for Item 50.01, Barge Materials on Hand, in an amount not to exceed \$1,500,000.00 within 30 days of Notice to Proceed.

SC 13.06.B Partial Utilization

Add the following new Paragraph 13.06.B:

B. OWNER may at any time request Design/Builder in writing to permit OWNER to take over operation of any such part of the Construction although it is not substantially complete. OWNER and Design/Builder shall make an inspection of that part of the Construction to determine its status of completion and will prepare a list of the items remaining to be completed or corrected thereon before final payment. If Design/Builder does not object in writing to OWNER that such part of the Construction is not ready for separate operation by OWNER, OWNER will finalize the list of items to be completed or corrected and will deliver such lists to Design/Builder together with a written division of responsibilities pending final payment between OWNER and Design/Builder with respect to security, operation, safety, maintenance, utilities, insurance, warranties and guarantees for that part of the Construction which will become binding upon OWNER and Design/Builder at the time when OWNER takes over such operation. During such operation and prior to Substantial Completion of such part of the Construction, OWNER shall allow Design/Builder reasonable access to complete or correct items on said list and to complete other related Construction.

ARTICLE 15 – DISPUTE RESOLUTION

SC 15.01 Methods and Procedures.

Add the following new paragraphs as follows:

Supplementary Conditions

- B. In the event either party believes a critical problem exists that should not or cannot be resolved within the regular timetable of the dispute resolution procedures in this Contract, a senior management representative of either party may contact their counterpart in the other Party to address immediately any critical problem and seek appropriate resolution.
- C. When a dispute has arisen and negotiations between the parties have reached an impasse, either party may give the other party written notice of the dispute, the parties shall attempt to resolve the dispute promptly by negotiations between senior management representatives who have authority to settle the controversy and who are at a higher level of management than the persons with direct responsibility for the matter. Within ten (10) days after delivery of the notice, the receiving party shall submit to the other a written response. Thereafter, the representatives shall confer in person or by telephone promptly to attempt to resolve the dispute. All reasonable requests for information made by one party to the other will be honored. Any Contract durations for dispute resolution activities will be extended by the number of days the parties utilize this senior management resolution step. If the dispute has not been resolved by negotiation between the representatives within fifteen (15) days of the notice, the parties may utilize any dispute resolution remedies or procedures set forth in the Contract.
- D. Submittal of the dispute to mediation shall operate to suspend obligation to file an arbitration demand under the Contract, until such time as the mediation session is concluded or cancelled by either party.
- E. All claims, counterclaims, disputes or other matters in question between OWNER and Design/Builder arising out of or relating to the Contract Documents or breach thereof not resolved through negotiation or mediation shall be decided by binding arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association.
- F. In the event it becomes necessary to enforce any terms of the Contract, the prevailing party shall be entitled to recover all of its reasonable attorneys' fees, expenses, costs, arbitration fees and arbitrator expenses.
- G. Senior management of each party will support the development and implementation of conflict avoidance and expedited conflict resolution procedures for this Contract in the event it appears necessary or beneficial to facilitate more effective project performance and communications. As a critical element of these procedures, each party agrees to delegate authority to appropriate staff levels for expedited-decision making during the performance of this Contract.
- H. If the Claim is not resolved by mediation, a party's decision under Paragraph 9.03.C shall become final and binding 30 days after termination of the mediation unless, within that time period, OWNER or Design/Builder:
 - 1. elects in writing to invoke any dispute process provided for in the Supplementary Conditions; or
 - 2. agrees with the other party to submit the Claim to another dispute resolution process.
- I. If a Claim, dispute or other matter in question between OWNER and Design/Builder involves the work or obligations of a Subcontractor, Supplier or subconsultant, either OWNER or Design/Builder may join such entity as a party to the arbitration between OWNER and Design/Builder. Design/Build shall include in all subcontracts or other contracts a specific provision obligating the Subcontractor or other contracting party to consent to being joined in arbitration between OWNER and Design/Builder involving the work or obligations of such Subcontractor or other contracting party. Nothing in this paragraph SC 15.01.J nor in the provision of such subcontract or agreement consenting to joinder shall create any Claim, right or cause of action in favor of Subcontractor or other contracting party against OWNER.

Supplementary Conditions

- J. The obligation to comply with any Contract time limit pertaining to notice of intent to file a Claim, time limit to provide substantiating documents or any other time limit established in the Contract shall not be waived by pursuing any dispute resolution procedures, unless such waiver is expressly stated in writing by the party waiving the requirement with a specific reference to the provision or requirement being waived.

ARTICLE 16 – MISCELLANEOUS

SC 16.06 Partnering

Add a new Paragraph 16.06:

The OWNER and the DESIGN/BUILDER will promote the formation of a "Partnering" relationship in order to effectively complete the contract to the benefit of both parties. The purpose of this relationship will be to maintain cooperative communication and mutually resolve conflicts at the lowest possible management level.

Either party may request a formal "Partnering" workshop, selection of the "Partnering" facilitator and workshop site, and other administrative details shall be as agreed to by both parties. The costs involved in providing a facilitator and a workshop site will be borne by the OWNER. The OWNER shall pay all compensation for the wages and expenses of the facilitator and of the expenses for obtaining the workshop site. All other costs associated with the "Partnering" relationship will be borne separately by the party incurring the costs.

The formal "Partnering" workshop will not change or modify the terms and conditions of the Contract and will not relieve either party of the legal requirements of the Contract.

PROJECT NO. 90748

EXHIBIT 1

GARY PAXTON INDUSTRIAL PARK
MULTI-PURPOSE DOCK

3 PROJECT REQUIREMENTS

This Section describes the Project Requirements. The Design-Builder shall comply with all Project Requirements, including information provided by Appendix, as referenced throughout the RFP.

Reference Documents relating to the Project are provided in Appendix J. The documents provided in Appendix J are not included in the Contract. The CBS makes no warranty, implied or expressed, regarding the accuracy, applicability, or validity of the information included in Appendix J. Any use of the data, interpretations, opinions, or information contained in Appendix J is at the sole discretion of the Design-Builder; no additional compensation or Contract time shall be provided for errors or omissions in Reference Documents.

3.2 Project Scope of Work

The design and construction of the Gary Paxton Industrial Park (GPIP) Multi-Purpose Dock facility (the "Project") described in the Contract. The purpose of the Project is to enhance the opportunity for economic development and use of the GPIP by providing marine access to a multitude of potential industries, including but not limited to: freight, fishing, bulk water distribution, fuel, tourism, and others. The Design-Builder shall provide a functionally complete facility which is consistent with good engineering, construction, and environmental practices that meets or exceeds the Project Goals, Project Requirements, standards, guidelines, and procedures identified throughout the Contract. The Design-Builder shall determine the full scope of the Project through a thorough examination of the Contract, site evaluation, and any reasonable inferences to be gathered from each. The Design-Builder shall not rely on the physical descriptions contained in the Contract to identify all of the Project components.

At a minimum, the following Work shall be included in the Baseline, Lump Sum Price:

- all management, services, labor, material, and equipment necessary to design and build the Project in accordance with the Project Requirements and Contract; and,
- all regulatory coordination and authorizations (permits) as required by law to construct the facility; and,
- development and execution of a comprehensive, quality management plan including all testing, inspection, and documentation necessary to control and independently assure performance of Work is in strict compliance with applicable standards, specifications, and design requirements.

3.3 Project Goals

The CBS has established the following Project Goals:

- Deliver a facility which accommodates marine accessibility to GPIIP by a wide-range of potential commercial and industrial users within the Contract Price; and
- Construct a facility whose design mitigates premature degradation or corrosion, enhances service life and durability, and provides flexibility for potential long-term expansion and/or enhancements; and
- Complete the Project on or before the specified Substantial Completion date; and
- Maintain a safe environment for all Project personnel at all times and provide measures to ensure safe access and operation by future facility users; and
- Provide, implement, and assure excellent quality technical requirements and performance throughout design and construction and in accordance with an approved quality management plan; and
- Meet or exceed environmental regulatory and permitting requirements with no regulatory or permit violations; and
- Remain committed to a “project-first,” partnering approach by providing a consistent, qualified team with expertise in Design-Build delivery and management.

3.4 Project Location

The Project site is located at the Gary Paxton Industrial Park (GPIIP), on the west side of Sawmill Cove, Silver Bay, east of Sitka, Alaska; reference Appendix D for site location map. The Design-Builder is responsible for determining the precise location, alignment, and layout of the facility, subject to final approval by the CBS. Design-Builder shall comply with the restrictions detailed in the Appendix E. The Project shall not be located within the boundaries of existing Tideland Lease No. 2, as provided in Appendix I; construction activities and final facility locations shall not unreasonably restrict access to these existing Tideland Leases.

Upland access to the dock shall be located within the boundaries of the CBS, Sawmill Cove Industrial Park, Lot 9A, as detailed in Appendix G. Additionally, Lots 9B and 9C are available for permanent features of the Project and/or for Project-related, temporary construction staging areas. Appendix J contains reference information regarding preliminary conditions of the Project area and existing utilities which may be in conflict with the Project.

3.5 Substantial & Final Completion Dates

See Agreement, General Conditions, and Supplementary Conditions.

3.6 Facility Minimum Performance Criteria

See Appendix H for requirements.

3.7 Site Evaluation

The Design-Builder is responsible for assessing the actual site conditions, prior to submitting a Proposal. The CBS made an effort to provide a Substantial Completion date which enables the Design-Builder sufficient time to perform any detailed examinations, investigations, explorations, tests, studies, or data collection concerning site conditions which may be required to complete the Work. The Design-Builder shall plan and account for cost and schedule implications associated with and resulting from evaluating the site. Information regarding preliminary examinations are included Appendix J, Reference Documents.

3.8 Project Management

3.8.1 Personnel & Coordination.

See Agreement, General Conditions, and Supplementary Conditions.

3.8.2 Schedules

The Design-Builder shall provide and maintain an up to date Project Schedule to identify the sequencing of activities and time required for prosecution of the Work. The Project Schedule shall include all phases, including but not limited to permitting, design, procurement, construction, and close-out. Each phase shall include sufficient detail to clearly communicate the Design-Builder's ability and efforts to plan, coordinate, analyze, document, and control their Contract responsibilities. Project Schedule must be provided in the Critical Path Method format utilizing Primavera, MSProject, or a comparable software program and for each activity include the planned start/finish dates, total duration, float, percent complete, and responsibility. Updates to the Project Schedule shall be provided to the CBS on a monthly basis; except when work is occurring on-site, whereby weekly schedules are required.

3.9 Transmittals and Submittals

3.9.1 Cloud-based, Project Management Software

The Design-Builder may be required to participate in a cloud-based Project Management System, such as Submittal Exchange, to provide, monitor, track, and manage all project correspondence and documents. The CBS shall be responsible for providing and implementing any such System; no additional compensation shall be provided to the Design-Builder for utilizing the System.

3.9.2 Submittals

The following is a partial schedule of required submittals, for approval by the CBS:

- Schedule of Values, Lump Sum Breakdown
- Quality Management Plan
- Progress Payment Applications
- Design Exceptions: any proposed design variation from the Contract
- USACE Applications, as applicable

3.9.3 Transmittals

The following is a partial schedule of required transmittals, for the review and comment by the CBS; additional transmittals may be provided at the discretion of the Design-Builder.

3.9.3.1 Design

- Interim Design Drawings, at intervals deemed appropriate by the Design-Builder to ensure compliance with the Contract
- Final, Sealed Basis of Design
- Final, Sealed Design Calculation Package
- Final, Sealed Design – For Construction, including Special Provisions and/or Sheet Notes
- All approved shop drawings, supplemental drawings, and reports
- Final, Design Quality Control Documentation
- Final, Sealed As-Built Drawings

3.9.3.2 General, Construction, & Close-Out

- All quality documentation, including but not limited to material certifications, test results, inspection reports, non-conformances, and internal Requests for Information
- Project Schedules
- Certified Payrolls

- Operation & Maintenance Manuals: Design-Builder shall provide detailed, user-friendly, instructions for the proper operation and maintenance of the facility, such as inspection frequencies and criteria, load restrictions, mooring details, and other pertinent requirements necessary to ensure the design-life and safe operation of the facility.

3.10 Quality Management

3.10.1 Quality Control & Assurance

The Design-Builder shall provide a comprehensive Quality Management Plan, specific to all elements of the Contract, for approval by the CBS within 30 calendar days of Notice to Proceed. The Quality Management Plan shall describe in detail the Proposer's methods, procedures, and policies to provide, implement, and assure excellent quality technical requirements and performance throughout design and construction.

The Quality Management Plan shall:

- A. Address specific processes to ensure the design meets the requirements of the contract, environmental constraints, constructability of the design, and that all elements of the completed Project will be fit for use for the intended function, durability, and maintainability.
- B. Describe the Design-Builder's commitment and specific plan for integrating Quality Control and Quality Assurance from selection of materials through to project close-out, including all procedures relating to design reviews, inspection frequency, documentation, project forms, non-conformances, field changes, and corrective action plans.
- C. Provide the name and qualifications of the individuals responsible for performing independent design reviews, inspecting the Work, and assuring strict conformance with the Quality Management Plan.
- D. Include details of testing facility certifications and capabilities, sampling procedures, and any specialized procedures specific to the Work.

3.10.2 Documentation & Compliance

Quality documentation shall remain transparent and available for review by the CBS at any time during the Project and verify the Design-Builder is adhering to the approved Quality Management Plan, including audits, inspections, and testing, or as otherwise determined necessary by the CBS. The CBS reserves its right to stop Work. Failure to comply with the Quality Management Plan may constitute a violation or breach of the Contract Documents.

3.10.3 Certificates of Work & Progress Payments

Each element of Work, whether completed or partially completed, included on the Applications for Payment, in accordance with Article 13 of the General Conditions, shall be accompanied by a Certification of Work and supporting quality documentation and inspection reports. The Certification of Work is intended to justify payment by summarizing the current quality and physical completion status of each individual payment item, including a detailed explanation of quantity calculations and material certifications. Each Certification of Work shall be signed by the Design-Builder's Project Manager and Design Builder's Inspector.

3.11 Environmental Permitting and Compliance

The Design-Builder is responsible for determining, coordinating, and acquiring all authorizations required by State or Federal law, as required to perform the Work, including preparation of applications and all supporting investigations, monitoring plans, and reports, such as a Biological Assessment. The CBS shall remain the designated applicant. The Design-Builder is fully responsible for complying with regulatory conditions, including any and all mitigation measures and marine mammal monitoring.

An initial consultation with regulatory agencies was performed to provide the Design-Builder with a general description of the anticipated requirements and agency review timelines; the findings from the consultation are provided for reference only in Appendix J. The Design-Builder shall plan and schedule the Work in consideration of the following durations; any delays beyond the Design-Builder's control and in excess of these durations may constitute an adjustment in Contract time and/or costs.

Anticipated Permitting Durations: after the USACE receives a complete Application for Individual Permit, authorization is expected within twelve months. This duration assumes the Design-Builder actively manages the development and timely submission of a Biological Assessment and that the National Marine Fisheries Service proceeds with a Biological Opinion. The provided twelve-month duration also assumes the Design-Builder manages activities in a manner which avoids the necessity for an MMPA Incidental Harassment Authorization (IHA).

3.12 Survey

The Design-Builder shall provide all surveying and staking required to perform the Work. All survey shall be performed by or under the direct supervision of a surveyor licensed in the State of Alaska. All survey data shall be recorded and retained for Project records.

3.13 Utilities

The Design-Builder is responsible for coordinating all utility locates and shall take all precautions necessary to prevent disruption of Utility service, including protecting all utilities from damage

or disturbance. Utility relocation is not anticipated for this Project; however, the CBS will review reasonable and timely requests by the Design-Builder for permanent or temporary relocation of existing utilities in conflict with the Project. Any required utility relocation is the responsibility of the Design-Builder.

3.14 Temporary Accommodations and Facilities

The Design-Builder is responsible for providing adequate temporary accommodations and facilities for its operation, including but not limited to, lighting, electricity, drinking water, communications, office buildings, security, sanitary facilities, waste removal, storage, enclosures, dewatering, erosion and sediment control, containment, dust control, snow removal, roadway flagging, traffic control devices, and signage.

3.15 Protection of Property, Existing Structures, and Obstructions

The Design-Builder shall comply with Article 5.10 of the City & Borough of Sitka Standard Specifications. The CBS will determine if damage to existing property is to be corrected by repair, replacement, or compensatory payment by the Design-Builder. Upon Final Completion of the Project, all temporary staging areas, roadways, and other areas impacted by the Design-Builder shall be restored to its original condition.

The Design-Builder is responsible for removing any and all Abandoned Features (Structures and/or Pilings) which it determines to be in conflict with the Work and/or operation of the Project; approximate locations of Abandoned Features are represented on the Project Site Map in Appendix D. The Design-Builder is responsible for the entire scope of work associated with removal of Abandoned Features, including but not limited to, confirming actual location and structural conditions, securing all permits, and properly disposing of removed materials. No additional compensation for Abandoned Features shall be provided by the CBS. Appendix E provides additional information regarding removal of structures within the Area of Concern.

The existing mooring buoys are owned by Others and are likely in conflict with the Project. At the Design-Builder's request, the CBS will coordinate removal of the mooring buoys. The Design-Builder shall allow at least sixty (60) calendar days for such removal; costs associated with removal of mooring buoys is the responsibility of Others. The Design-Builder is responsible for the coordination and costs associated with temporary usage and/or purchase of existing mooring buoys.

3.16 Existing Material from Blue Lake Expansion Project

The CBS recently completed the Blue Lake Expansion (BLE) Project. Excess materials from BLE Project are stockpiled throughout the Gary Paxton Industrial Park and may be available for use on this Project. The Design-Builder may contact Erin Clay with the Electric Department at (907) 747-1885 to inquire about the quantity, quality, cost, and availability of such materials. This

Contract makes no warranty, implied or expressed, regarding the material. The decision to utilize excess material from the BLE Project is the Design-Builder's option; all coordination, agreements, costs, and logistics associated with using such material shall be the responsibility of the Design-Builder.

3.17 Protection & Maintenance of Work During Construction

The Design-Builder is responsible for protecting and maintaining the Project until notice of Substantial Completion has been issued by the CBS. For the purpose of this subsection, "maintenance" shall include measures to prevent damage to the Project during the prosecution of the Work; the Design-Builder shall continuously allocate sufficient resources to achieve such maintenance.

3.18 Refurbished/ Used Materials

The use of refurbished and/or used materials is not prohibited on the condition that the materials are formally approved by the Design-Builder's Engineer of Record for their specific application and use and that certification, in its applicable form, warrants the final materials satisfy the Contract, including but not limited to the criteria detailed in Appendix H. The Design-Builder shall be fully and solely responsible for any and all performance inspections, failures, delays, and costs associated with any decision to use of refurbished and/or used materials. The CBS does not accept, approve, or reject materials on this Contract; the burden of material acceptance shall remain with the Engineer of Record.

CBS shall have the right to engage an independent consultant to evaluate any approval by the Design-Builder's Engineer of Record for the use of major refurbished and/or used materials or equipment. Such evaluation will make a determination whether any proposed refurbished or used materials or equipment satisfies all Contract requirements, including criteria detailed in Appendix H. If the CBS consultant determines that the proposed refurbished or used materials or equipment do not satisfy all Contract requirements, the CBS consultant, Design-Builder, Engineer of Record and CBS shall confer to resolve any differences and attempt to reach agreement on the acceptability of any proposed refurbished or used materials, including any refinements or revisions in design or construction considered necessary so the proposed refurbished or used material or equipment will be considered by CBS and its consultant to satisfy all Contract requirements. If the parties cannot reach an agreement on the proposed use of refurbished or used materials or equipment, CBS shall have the right to direct changes, refinements or revisions to the proposed refurbished materials or equipment which CBS, in its sole discretion, considers necessary to allow the refurbished material or equipment to meet all Contract requirements. Design-Builder may pursue any rights to recover adjustments to Contract Price or Contract Time if Design-Builder considers the CBS direction to be a compensable change.

3.19 Dredging

The Design-Builder is responsible for determining and proving the viability of any design option which includes dredging. The Alaska Department of Environmental Conservation published a “Revised Memorandum of Understanding Between the State of Alaska and the City and Borough of Sitka, Management Plan for Sawmill Cove Industrial Park (Former APC Mill Site),” dated May 28, 2014, as included in Appendix E, providing conditions and restrictions regarding dredging; this document may not include all restrictions or requirements associated with dredging which is regulated by multiple State and Federal laws. No additional compensation or Contract time will be provided in association with dredging.

3.20 Buy-America

Buy-American provisions do not apply to this Project.

3.21 Accommodation for Adjacent Businesses

The Design-Builder shall coordinate with the CBS and adjacent business owners throughout the Contract duration to ensure impacts resulting from Project activities are minimized. Access to existing, private businesses shall not be restricted by construction operations and/or permanent design and operation. An offshore, minimum clear zone radius of 200 feet shall be maintained at all times, around Silver Bay Seafoods, unless otherwise agreed upon in writing by Silver Bay Seafoods.

3.22 Wage Rates

Prevailing wage rates apply to this Project in accordance State Laws and as provided in Appendix I. The Design-Builder and its Subcontractors shall file with the Alaska Department of Labor, Labor Law Compliance Division, and the CBS, a certified payroll on Friday of each week that covers the preceding week.

3.23 Local and State Taxes

The CBS is exempt from Alaska state sales and use taxes on materials and equipment to be incorporated in the Work. Said taxes shall not be included by the Design-Builder.

APPENDIX B

CERTIFICATION FOR ALASKA BUSINESS LICENSES / REGISTRATIONS

Contractor and all Subcontractors must comply with the following applicable requirements of Alaska Statutes at time of Award:

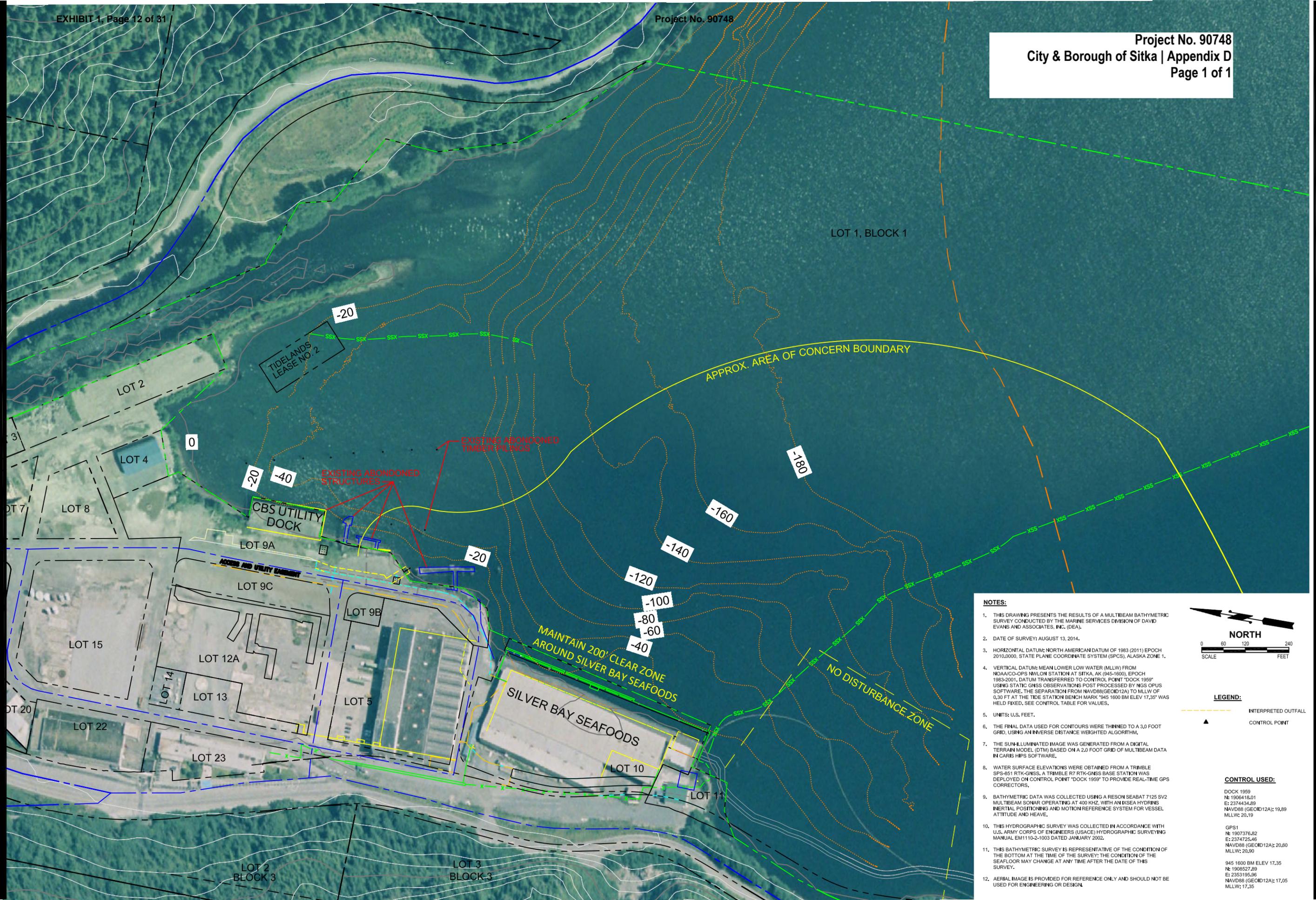
1. **Alaska Business License** (Form 08-070 issued under AS 43.70) issued prior to submittal of proposals as required by AS 36.30.210(e) for Contractor; and not later than five (5) days after a Notice of Intent to Award as required by AS 36.30.210(a) and AS 36.30.250(a) for all Subcontractors.
2. **Certificate of Registration** (Form 08-2407) as required by AS 08.18.011 for Construction Contractors, including General Contractors, Specialty Contractors (AS 08.18.024), Residential Contractors (AS 08.18.025), Electrical Contractors (AS 08.18.026), and Mechanical Contractors (AS 08.18.028).
3. **Certificate of Registration** for each individual to be in "responsible charge" (AS 08.48.341(14)) for Architecture, Engineering or Land Surveying (Form 08-2407 issued under AS 08.48.21 1) issued prior to submittal of proposal. Associates, consultants, specialists under the supervision of a registered individual in "responsible charge" are exempt from registration requirements (AS 08.48.331).
4. **Certificate of Authorization for Corporate Practice** for incorporated Contractors and incorporated Subcontractors for architecture, Engineering or Land Surveying (Form 08-2407 issued under AS 08.48.241). Corporations offering to provide Architectural, Engineering or Land Surveying services do not need to be registered for such disciplines at the time proposal is submitted provided they obtain corporate registration before contract award (AS 08.48.241).
5. **Certificate of Incorporation** (Alaska firms) or **Certification of Authorization for Foreign Firm** ("Out of State" firms). All corporations, regardless of type of services provided, must have one of the certificates (AS 10.06.218 and other sections of Title 10.06 - Alaska Corporations Code).
6. **Current Board of Director's Resolution** for incorporated Contractors and incorporated Subcontractors for Architecture, Engineering or Land Surveying (reference AS 08.48.241) which names the person(s) designated in "responsible charge" for each discipline. Such persons shall be licensed in Alaska and shall participate as project staff in the Contract / Subcontracts.
7. **All partners** in a Partnership to provide Architectural, Engineering, or Land Surveying must be legally registered in Alaska prior to submittal of proposal for at least one of those disciplines (AS 08.48.251) which the Partnership offers.
8. **Partnerships and Joint-Ventures**, regardless of type of services provided, must be licensed/registered in the legal name of the Partnership or Joint Venture as used in this proposal (AS 43.70.020 and 43.70.110(4)).

CERTIFICATION - COST AND PRICING DATA

In accordance with AS 36.30.400, any cost and pricing data submitted herewith, or in any future price proposals for the proposed contract will be accurate, complete and current as of the date submitted and will continue to be accurate and complete during the performance of the contract, if awarded.

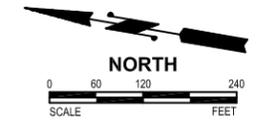
COVENANT AGAINST CONTINGENT FEES

The Contractor warrants that he has not employed any person to solicit or secure this contract upon any agreement for a commission, percentage, brokerage, or contingent fee. Breach of this warranty shall give the Contracting Agency the right to annul the contract, or, at its discretion, to deduct from the contract price, the amount of such commission, percentage, brokerage, or contingent fee. This warranty shall not apply to commissions payable by the Contractor upon contracts or sales secured or made through bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business.



NOTES:

- THIS DRAWING PRESENTS THE RESULTS OF A MULTIBEAM BATHYMETRIC SURVEY CONDUCTED BY THE MARINE SERVICES DIVISION OF DAVID EVANS AND ASSOCIATES, INC. (DEA).
- DATE OF SURVEY: AUGUST 13, 2014.
- HORIZONTAL DATUM: NORTH AMERICAN DATUM OF 1983 (2011) EPOCH 2010.0000, STATE PLANE COORDINATE SYSTEM (SPCS), ALASKA ZONE 1.
- VERTICAL DATUM: MEAN LOWER LOW WATER (MLLW) FROM NOAA-CO-OPS MLOW STATION AT SITKA, AK (945-1600), EPOCH 1983-2001, DATUM TRANSFERRED TO CONTROL POINT "DOCK 1959" USING STATIC GNSS OBSERVATIONS POST PROCESSED BY NGS OPUS SOFTWARE. THE SEPARATION FROM NAVD88(GEOD12A) TO MLLW OF 0.30 FT AT THE TIDE STATION BENCH MARK "945 1600 BM ELEV 17.35" WAS HELD FIXED. SEE CONTROL TABLE FOR VALUES.
- UNITS: U.S. FEET.
- THE FINAL DATA USED FOR CONTOURS WERE THINNED TO A 3.0 FOOT GRID, USING AN INVERSE DISTANCE WEIGHTED ALGORITHM.
- THE SUN-ILLUMINATED IMAGE WAS GENERATED FROM A DIGITAL TERRAIN MODEL (DTM) BASED ON A 2.0 FOOT GRID OF MULTIBEAM DATA IN CARIS HIPS SOFTWARE.
- WATER SURFACE ELEVATIONS WERE OBTAINED FROM A TRIMBLE SPS-851 RTK-GNSS, A TRIMBLE R7 RTK-GNSS BASE STATION WAS DEPLOYED ON CONTROL POINT "DOCK 1959" TO PROVIDE REAL-TIME GPS CORRECTORS.
- BATHYMETRIC DATA WAS COLLECTED USING A RESON SEABAT 7125 SV2 MULTIBEAM SONAR OPERATING AT 400 KHZ, WITH AN IXSEA HYDRINS INERTIAL POSITIONING AND MOTION REFERENCE SYSTEM FOR VESSEL ATTITUDE AND HEAVE.
- THIS HYDROGRAPHIC SURVEY WAS COLLECTED IN ACCORDANCE WITH U.S. ARMY CORPS OF ENGINEERS (USACE) HYDROGRAPHIC SURVEYING MANUAL EM 1110-2-1003 DATED JANUARY 2002.
- THIS BATHYMETRIC SURVEY IS REPRESENTATIVE OF THE CONDITION OF THE BOTTOM AT THE TIME OF THE SURVEY; THE CONDITION OF THE SEAFLOOR MAY CHANGE AT ANY TIME AFTER THE DATE OF THIS SURVEY.
- AERIAL IMAGE IS PROVIDED FOR REFERENCE ONLY AND SHOULD NOT BE USED FOR ENGINEERING OR DESIGN.



LEGEND:

- INTERPRETED OUTFALL
- ▲ CONTROL POINT

CONTROL USED:

- DOCK 1959
N: 1906418.01
E: 2374434.89
NAVD88 (GEOD12A): 19.89
MLLW: 20.19
- GPS1
N: 1907376.82
E: 2374725.46
NAVD88 (GEOD12A): 20.80
MLLW: 20.90
- 945 1600 BM ELEV 17.35
N: 1908527.89
E: 2353195.36
NAVD88 (GEOD12A): 17.05
MLLW: 17.35

REVISIONS: APPD.

DATE: 6/3/16
DESIGN:
DRAWN:
CHECKED:
REVISION NUMBER:

SCALE: 1"=120'

PROJECT NUMBER:

DRAWING FILE:
Draft Site Drawing 05-31-16.c

SHEET NO.
1
OF 1

Plot Date: 6/10/2016 1:11 PM
Save Date: 6/10/2016 1:05 PM
By: User
File: F:\GPIP Appendices\Appendix D\GPIP Site Drawing\draft Site Drawing 05-31-16.dwg

REVISED NOTICE OF RESTRICTED AREA IN SAWMILL COVE
RELATING TO A PORTION OF
ALASKA TIDELANDS PATENT NO. 20,
AS DESCRIBED BY
ALASKA TIDELAND SURVEY (ATS) NO. 6.
(A Survey Conducted September 15-22, 1961
and Approved February 28, 1962)

This amended Notice is filed pursuant to the Rules of the Alaska Department of Environmental Conservation, 18 AAC 75.375 (1999), pertaining to institutional controls at remedial sites. Activities in the area described below have been restricted due to the existence of pulp residues. Anchoring is prohibited in the No Disturbance Zone and within 50 feet of the wastewater discharge pipeline that extends through the Area of Concern and into the deeper waters of Silver Bay. Best management practices are in place for vessel management and in-water construction activities. Persons desiring to conduct activities in the area should confer with legal department of the City and Borough of Sitka, and should refer to the "Management Plan for Sawmill Cove Industrial Park," executed by and between the State of Alaska and the City and Borough of Sitka on May 28, 2014 and attached to this Notice.

The "No Disturbance Zone" encompasses approximately six (6) acres within Alaska Tideland Patent No.20, depicted on the attached drawing and described (without benefit of precise survey) in reference to ATS No. 6 (ADL 02191) as:

Beginning on the north shore of Silver Bay, and arm of Sitka Sound, Baranof Island, Alaska, at the line of mean high tide in front of U.S. Survey No. 3551 at the eastern edge of the southern face of the "rock embankment" that intersects Meander No. 9 (depicted with a pipeline coming through the "rock embankment" adjacent to a former "Pulp Warehouse" and "Wharf"), thence approximately four hundred twenty five feet (425') east-southeast into the Bay to a point of intersection with the minus one hundred foot depth contour (-100'), thence south-southwest approximately three hundred seventy five feet (375') to a point of intersection with the minus one hundred twenty foot depth contour (-120'), thence due west three hundred ninety feet (390') to a point of intersection with Meander No. 6, then generally north along the meander line to the place of beginning.

Restrictions on the use or disturbance of this area will remain in place until July 1, 2040 unless lifted sooner by the Alaska Department of Environmental Conservation.





Mark Gorman, Municipal Administrator
City and Borough of Sitka

July 23 2014

Date

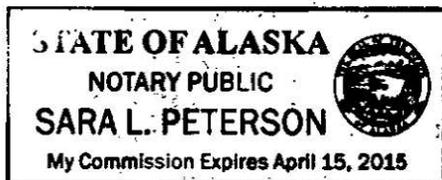
ACKNOWLEDGMENT

STATE OF ALASKA)

FIRST JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this 23 day of July, 2014, at Sitka, Alaska, before me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared Mark Gorman, Municipal Administrator for the City and Borough of Sitka, known to me and known to me to be the person he represents himself to be, and the same identical person who executed the above and foregoing document and who acknowledged to me that he executed the same freely and voluntarily for the purposes and uses herein mentioned.

WITNESS my hand and official seal the day, month, and year in this certificate first written above.

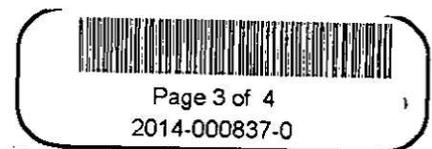


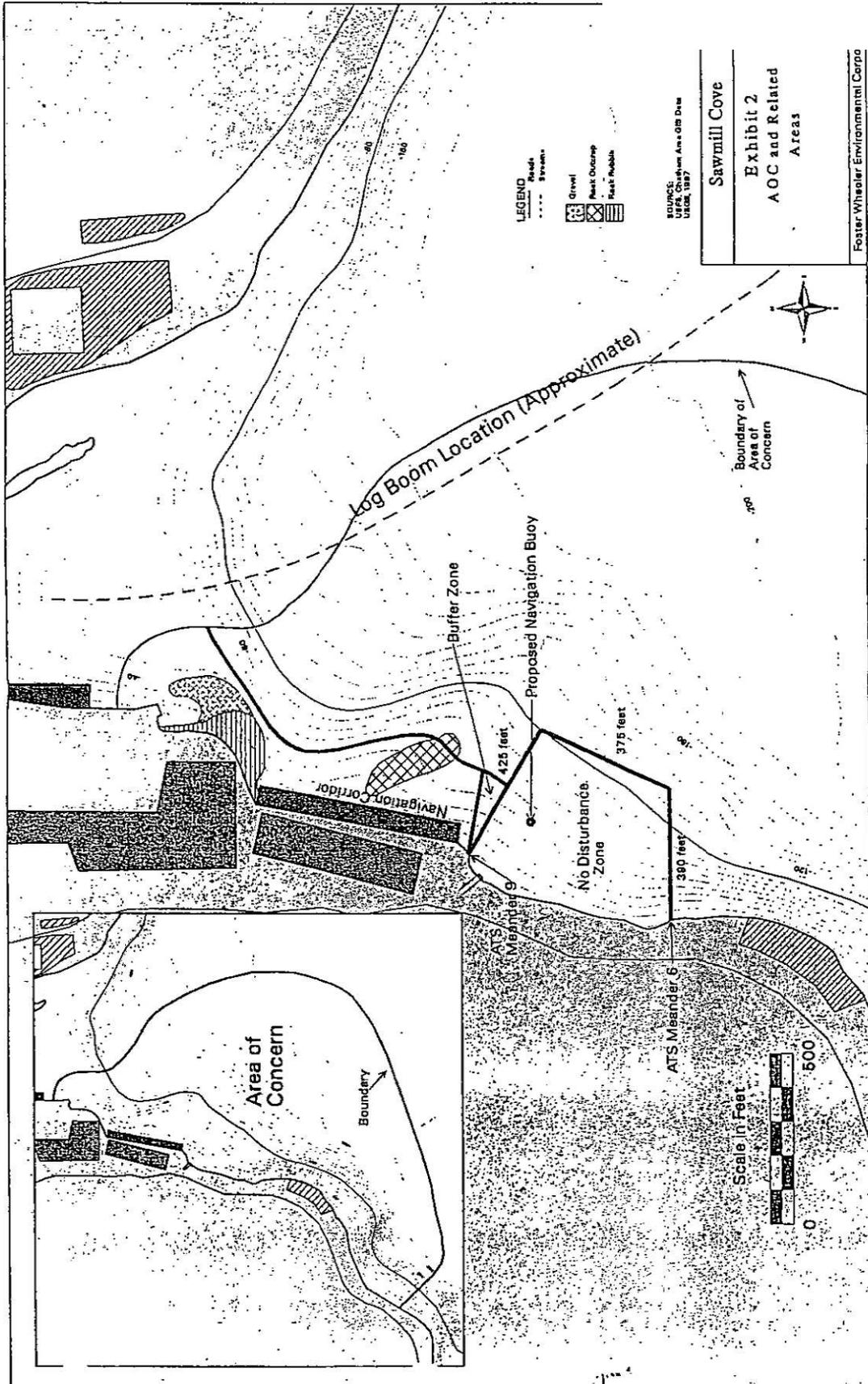
Notary Public, State of Alaska

My Commission Expires: 4-15-2015

Attachment: Drawing

Upon recording, please return this document to Municipal Clerk's Office, City and Borough of Sitka, 100 Lincoln Street, Sitka, Alaska, 99835





SOURCE:
 USGS, 7.5 Minute Topographic Map
 USGS, 1987
 Sawmill Cove
 Exhibit 2
 AOC and Related
 Areas
 Foster Wheeler Environmental Corp
 Revision: 01/15/2014



THE STATE
of ALASKA

GOVERNOR SEAN PARNELL

Department of Environmental
Conservation

OFFICE OF THE COMMISSIONER

Post Office Box 111800
410 Willoughby Avenue, Suite 303
Juneau, Alaska 99811-1800
Main: 907.465.5066
Fax: 907.465.5070
14.086

May 28, 2014

Mim McConnell
Mayor
City and Borough of Sitka
100 Lincoln St.
Sitka, AK 99835

Re: Memorandum of Understanding (MOU) between the State of Alaska and the City and Borough of Sitka - Management Plan for Sawmill Cove Property (Former APC Property)

Dear Mayor McConnell:

In 1999, Department of Environmental Conservation (DEC) Commissioner Michele Brown and Sitka Mayor Stan Filler signed a Memorandum of Understanding between the State of Alaska and the City and Borough of Sitka - Management Plan for Sawmill Cove Industrial Park (Former APC Property), outlining the City and Borough's responsibilities for ongoing management associated with contamination occurring prior to CBS ownership of the property. In concert with the final amended Record of Decision for the cleanup activities, DEC proposes to revise and streamline the MOU to account for the following:

1. As of 2005 the former developed mill site is no longer restricted to commercial/industrial use. At the direction of the City and Borough of Sitka and with DEC approval, the risk assessment was updated in 2005 to determine if the site was safe for unrestricted use. A 14-day public comment period was held on the revised risk assessment report. This land use change was memorialized in an amendment to the Record of Decision and 2 of 4 restrictive covenants were rescinded in 2005. Housing for seasonal seafood plant workers has since been constructed.
2. Petroleum contaminated soil cleanup was completed in 2000. This requirement in the 1999 MOU has therefore been fulfilled and is not included in the revised MOU.
3. Landfill post closure monitoring requirements and other remaining obligations associated with the Herring Cove Landfill and the former APC Industrial Waste Disposal Site have been overseen directly by DEC's Solid Waste Program (Juneau office) since the Record of Decision was issued in 1999. Solid Waste staff will continue to work with CBS to administer landfill management requirements. Landfill requirements are not included in the revised MOU.
4. Ecological recovery in Sawmill Cove is proceeding at a faster rate than predicted. Some of the management requirements have been modified as a result, and the long-term monitoring program has been terminated.
5. Industrial waste water generated by Silver Bay Seafoods is discharged through an outfall to deeper water in Silver Bay, well beyond the Area of Concern boundary. Silver Bay was moved out of the Division of Water's impaired waterbody category in the early 2000s.

May 28, 2014

Please sign the enclosed MOU and return a copy to:

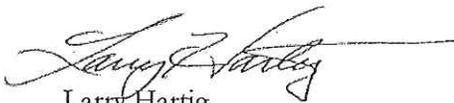
Department of Environmental Conservation
Contaminated Sites Program – Attention Evonne Reese
410 Willoughby Avenue, Suite 303
Juneau, AK 99811-1800

The City and Borough of Sitka will also need to file an amended *Notice of Restricted Area in Sawmill Cove* at the Sitka Recorder's Office, including an updated GIS figure depicting the No Disturbance Zone and "no anchoring" corridor, upon implementation of this revised MOU. The amended Notice (template enclosed) supersedes the Notice filed by Mayor Filler on May 14, 1999. Please furnish a copy to Evonne Reese at the above address once the notarized copy has been filed.

The redevelopment of the former Alaska Pulp Corporation mill site has been a true Alaskan economic success story. DEC looks forward to working closely with you on other projects designed to enhance the community and provide economic opportunities to Sitka's residents.

Please let me know if I can be of further assistance.

Sincerely,



Larry Hartig
Commissioner

Enclosures:

Revised MOU Between the State of Alaska and City and Borough of Sitka – Management Plan for Sawmill Cove Industrial Park
Revised Notice of Restricted Area in Sawmill Cove

cc: Mark Gorman, City Administrator, City and Borough of Sitka
Sandi Woods, DEC Solid Waste Program

REVISED Memorandum of Understanding
Between the State of Alaska and the City and Borough of Sitka
Management Plan for Sawmill Cove Industrial Park
(Former APC Mill Site)
May 28, 2014

This revised Memorandum of Understanding (MOU) “Management Plan” is made between the State of Alaska (State) and the City and Borough of Sitka (CBS) to set forth measures for implementing recorded institutional controls and other long-term responsibilities for management of the former Alaska Pulp Corporation property located at what is now known as the Sawmill Cove Industrial Park. This revised MOU supersedes the April 28, 1999 MOU signed by Commissioner Michele Brown and Sitka Mayor Stan Filler.

This Management Plan describes how CBS and the State will work together to implement the recorded institutional controls and site management activities for the uplands area and navigation and dredging.

Introduction

From approximately 1995-1999, the State required intensive studies of the environmental conditions of the property and the larger areas affected by the operation of the former APC pulp mill (the Upland and Bay Operable Unit study areas) in consultation with the Sitka Tribe of Alaska, other agencies, and the public. This revised Management Plan specifies the remaining work to be done under a 1999 prospective purchaser agreement between the State and CBS for the former APC pulp mill property. The PPA limits CBS liability for existing contamination associated with the property in exchange for this work.

Uplands – Land Use, Future Construction Activities, and Management of Contaminated Soils or Other Contaminated Media

Restrictive Covenants – Two of the four restrictive covenants recorded by APC in 1997 were rescinded in 2005 to allow for unrestricted land use at the former developed mill site (AK Tidelands Patent No. 20 and U.S. Survey No. 2797). Two covenants remain in effect. Restrictive Covenant Sitka Plat 81-40 comprises 12.522 acres at Herring Cove. Restrictive Covenant U.S. Patent No. 1213671 comprises 143.87 acres adjacent to the former developed mill site. The remaining two restrictive covenants are effective until July 11, 2097, or until dioxins and furans are shown not to be present in concentrations exceeding site-specific, risk-based residential cleanup levels. The restrictive covenants disallow human habitation, schooling of children, hospital care, child care or any purpose necessitating around-the-clock residency by humans. Of its own accord or if requested by CBS, DEC will review information showing that these restrictions may be modified or lifted.

Reporting – If contaminated soils or other media that require special handling are encountered during construction activities, CBS or its tenants or contractors working on the Sawmill Cove Industrial Park property will promptly notify DEC’s Contaminated Sites Program, Juneau office, and the CBS Public Works Director. These obligations exist in addition to any other notifications required by law. The Public Works Director or designee, who may be a qualified contractor, shall serve as the project manager for managing the material or taking any remedial actions.

REVISED Memorandum of Understanding
Between the State of Alaska and the City and Borough of Sitka
Management Plan for Sawmill Cove Industrial Park
(Former APC Mill Site)
May 28, 2014

Site Management – The Public Works Director or designee will require the testing and proper treatment or disposal in accordance with applicable law and DEC regulations and guidance on the management of contaminated soils or other contaminated media. The Public Works Director or designee will promptly report the actions to be taken to DEC as required by applicable law.

DEC Approvals – DEC will process any approvals necessary for addressing existing contamination as part of the implementation of the amended Record of Decision and its institutional controls under applicable regulations and not as enforcement actions.

Sawmill Cove – Future Construction Activities and Vessel Management

Definitions:

1. Area of Concern – The Area of Concern (AOC) is an area in west Sawmill Cove approximately 100 acres in size. The boundary of the AOC begins approximately 2000 lineal feet southwest of outfall 001, extends 500 feet offshore along a southeast line, and follows a rough arc through western Sawmill Cove back to the shoreline approximately 1200 lineal feet north of outfall 001.
2. No Disturbance Zone – A No Disturbance Zone (NDZ) has been established within the AOC. The purposes of the NDZ are to minimize re-suspension of pulp residue and to ensure that no activity occurs that may compromise the ability of the area to achieve the natural recovery ecological management goals within the stated time frame. The NDZ is an area of tidal and submerged lands and overlying seas within the Area of Concern where toxicity is greatest and pulp residue thickest. The area encompasses approximately 6 acres of tidal and submerged lands extending to the southwest immediately offshore of outfall 001. The area is bounded by a perimeter that begins at a shoreward point 50' from the south end of the former pulp dock; extends approximately 425' into Sawmill Cove along a southeast line to the intersection of the – 100 foot contour; turns southwest for approximately 375' to the intersection of the – 120 foot contour; and turns due west for approximately 375' to a point shoreward.
3. Navigational Corridor – The Navigational Corridor is an area of tidal and submerged lands and overlying seas in the AOC bounded by a perimeter that begins at a shoreward point fifty feet (50') from the south end of the former pulp dock; parallels the end of the dock out to the minus sixty foot (–60') contour interval; follows the minus sixty foot (–60') contour to the north end of the Area of Concern boundary, and swings shoreward along the AOC boundary line.

Navigational Dredging - Navigational dredging on the west side of Sawmill Cove in the AOC should be limited to the Navigational Corridor unless extenuating circumstances prevail. Navigational dredging within the AOC does not include blasting of the outcrop of native rocky material in front of the former pulp dock that follows the depth contours to the southeast.

REVISED Memorandum of Understanding
Between the State of Alaska and the City and Borough of Sitka
Management Plan for Sawmill Cove Industrial Park
(Former APC Mill Site)
May 28, 2014

Dredging actions that occur outside of the Navigation Corridor should be limited in scope and ancillary to in-water construction.

Dock Use and Future Expansion – Existing docks can be used as-is without any further regulatory action, subject only to berthing and dock expansion alternatives identified in the *Decision Framework for Managing Navigation in Sawmill Cove* (Exhibit 7, 1999 MOU). These alternatives are consistent with the remedy (natural recovery) and may be implemented through the normal permit process. Other berthing options are not necessarily precluded, but if proposed, they would have to be evaluated in the future for consistency with the remedy.

In-Water Construction – In-water construction in the AOC is allowed with appropriate precautions and best management practices, incorporated through the permitting process, to minimize disturbance or re-suspension of sediments. In-water construction in the AOC may include pilings, dolphins, docks, bulkheads, moorage and navigation aids, and other structures.

Vessel Management – Vessels are permitted to drop anchor in the AOC, excluding the NDZ and a 100' corridor designed to protect the wastewater discharge pipe that extends beyond the AOC. New single point mooring systems and navigation aids may be established, as needed. The NDZ boundaries and the pipeline corridor are depicted on the CBS Geographic Information System, viewable on-line at <http://www.cityofsitka.com/government/departments/planning/index.html>, and on NOAA charts.

Approaching or departing vessels may traverse the NDZ as long as precautionary measures are taken to minimize disturbance of bottom sediments. To the extent that it is safe and practicable, the following standard operating procedures should be followed by personnel maneuvering approaching or departing vessels in the vicinity of the No Disturbance Zone:

- Approach the dock at as high an angle as possible.
- Minimize the use of the main propulsion system, thrusters, and tugs when over or near the NDZ or buffer zone.
- Use as low a “bell” (such as “dead slow” or the slowest revolutions per minute ordered) when berthing.

Dredging, expansion of moorage, and in-water construction are prohibited in the NDZ, except that CBS may repair, maintain, or remove existing facilities using best management practices to minimize disturbances with approval by DEC prior to the work.

The Sawmill Cove Industrial Park manager will provide each landowner and tenant with a signed copy of the revised Management Plan. The plan must be filed with the Sitka Recorder's Office for each affected parcel. DEC's Institutional Controls Unit, at DEC.ICUNIT@alaska.gov must be notified of each filing and furnished with a copy of the Notice of Restricted Area in Sawmill Cove.

REVISED Memorandum of Understanding
Between the State of Alaska and the City and Borough of Sitka
Management Plan for Sawmill Cove Industrial Park
(Former APC Mill Site)
May 28, 2014



Larry Hartig, Commissioner
Department of Environmental Conservation

Date May 28, 2014



Mim McConnell, Mayor
City and Borough of Sitka

6/4/14
Date

CERTIFICATE OF OWNERSHIP AND DEDICATION

WE HEREBY CERTIFY THAT WE ARE THE OWNERS OF THE PROPERTY SHOWN AND DESCRIBED HEREON AND THAT WE HEREBY ADOPT THIS PLAN OF SUBDIVISION WITH OUR FREE CONSENT AND DEDICATE ALL STREETS, ALLEYS, WALKS, PARKS AND OTHER OPEN SPACES TO PUBLIC OR PRIVATE USE AS NOTED.

DATE _____ OWNER _____ (SIGNATURE) _____
DATE _____ OWNER _____ (SIGNATURE) _____

NOTARY'S ACKNOWLEDGMENT

US OF AMERICA
STATE OF ALASKA
CITY & BOROUGH OF SITKA

THIS IS TO CERTIFY THAT ON THIS _____ DAY OF _____, 20____, BEFORE ME, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR THE STATE OF ALASKA, DULY COMMISSIONED AND SWORN, PERSONALLY APPEARED _____

TO ME KNOWN TO BE THE IDENTICAL INDIVIDUAL(S) MENTIONED AND WHO EXECUTED THE WITHIN PLAT AND _____ ACKNOWLEDGED TO ME THAT _____ SIGNED THE SAME FREELY AND VOLUNTARILY FOR THE USES AND PURPOSES THEREIN SPECIFIED.

WITNESS MY HAND AND NOTARY SEAL THE DAY AND YEAR IN THIS CERTIFICATE FIRST HEREIN WRITTEN.

MY COMMISSION EXPIRES _____

NOTARY PUBLIC IN AND FOR THE STATE OF ALASKA

**CERTIFICATE OF PAYMENT OF TAXES
(STATE OF ALASKA)
(FIRST JUDICIAL DISTRICT)**

I THE UNDERSIGNED, BEING DULY APPOINTED AND QUALIFIED, AND ASSESSOR FOR THE CITY & BOROUGH OF SITKA, HEREBY CERTIFY THAT ACCORDING TO THE RECORDS IN MY POSSESSION, THE FOLLOWING DESCRIBED PROPERTY IS CARRIED ON THE TAX RECORDS OF THE CITY & BOROUGH OF SITKA, IN THE NAME OF _____

AND THAT ACCORDING TO THE RECORDS IN MY POSSESSION, ALL TAXES ASSESSED AGAINST SAID LANDS AND IN FAVOR OF THE CITY & BOROUGH OF SITKA ARE PAID IN FULL; THAT CURRENT TAXES FOR THE YEAR 20____ WILL BE DUE ON OR BEFORE AUGUST 31, 20____ DATED THIS DAY OF _____

ASSESSOR, CITY AND BOROUGH OF SITKA

CERTIFICATE OF APPROVAL BY THE BOARD

I HEREBY CERTIFY THAT THE SUBDIVISION PLAT SHOWN HEREON HAS BEEN FOUND TO COMPLY WITH THE SUBDIVISION REGULATIONS OF THE CITY & BOROUGH OF SITKA PLATTING BOARD, AND THAT SAID PLAT HAS BEEN APPROVED BY THE BOARD BY PLAT RESOLUTION NO. _____ DATED _____ 20____, AND THAT THE PLAT SHOWN HEREON HAS BEEN APPROVED FOR RECORDING IN THE OFFICE OF THE DISTRICT MAGISTRATE, EX-OFFICIO RECORDER, SITKA, ALASKA.

DATE _____ CHAIRMAN, PLATTING BOARD

SECRETARY _____

CERTIFICATE OF APPROVAL BY THE ASSEMBLY

I HEREBY CERTIFY THAT THE SUBDIVISION PLAT SHOWN HEREON HAS BEEN FOUND TO COMPLY WITH THE SUBDIVISION REGULATIONS OF THE CITY & BOROUGH OF SITKA ASSEMBLY AS RECORDED IN MINUTE BOOK _____ PAGE _____ DATED _____ 20____, AND THAT THE PLAT SHOWN HEREON HAS BEEN APPROVED FOR RECORDING IN THE OFFICE OF THE DISTRICT COURT, EX OFFICIO RECORDER, SITKA, ALASKA.

DATE _____ MAYOR _____

CITY AND BOROUGH CLERK _____

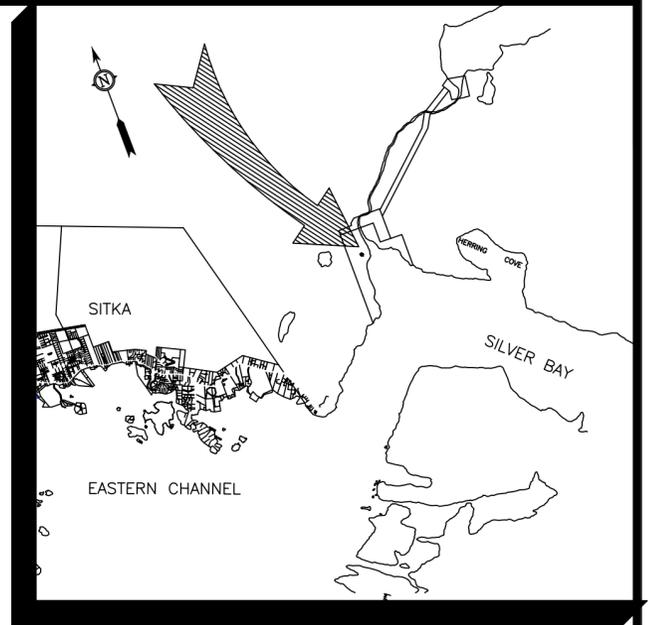
CERTIFICATE OF PAYMENT OF LOCAL IMPROVEMENT DISTRICT

I, THE UNDERSIGNED, BEING DULY APPOINTED AND QUALIFIED, AND FINANCE DIRECTOR FOR THE CITY & BOROUGH OF SITKA, DO HEREBY CERTIFY THAT, ACCORDING TO THE RECORDS OF THE CITY & BOROUGH OF SITKA, THE FOLLOWING DESCRIBED PROPERTY IS CARRIED ON THE RECORDS IN THE NAME OF: _____

(ALL OWNERS OF RECORD), AND THAT, ACCORDING TO THE RECORDS IN MY POSSESSION, ALL L.I.D.'S ASSESSED AGAINST SAID LANDS AND IN FAVOR OF THE CITY & BOROUGH OF SITKA ARE PAID IN FULL.

DATED THIS _____ DAY OF _____ 20____, AT SITKA, ALASKA.

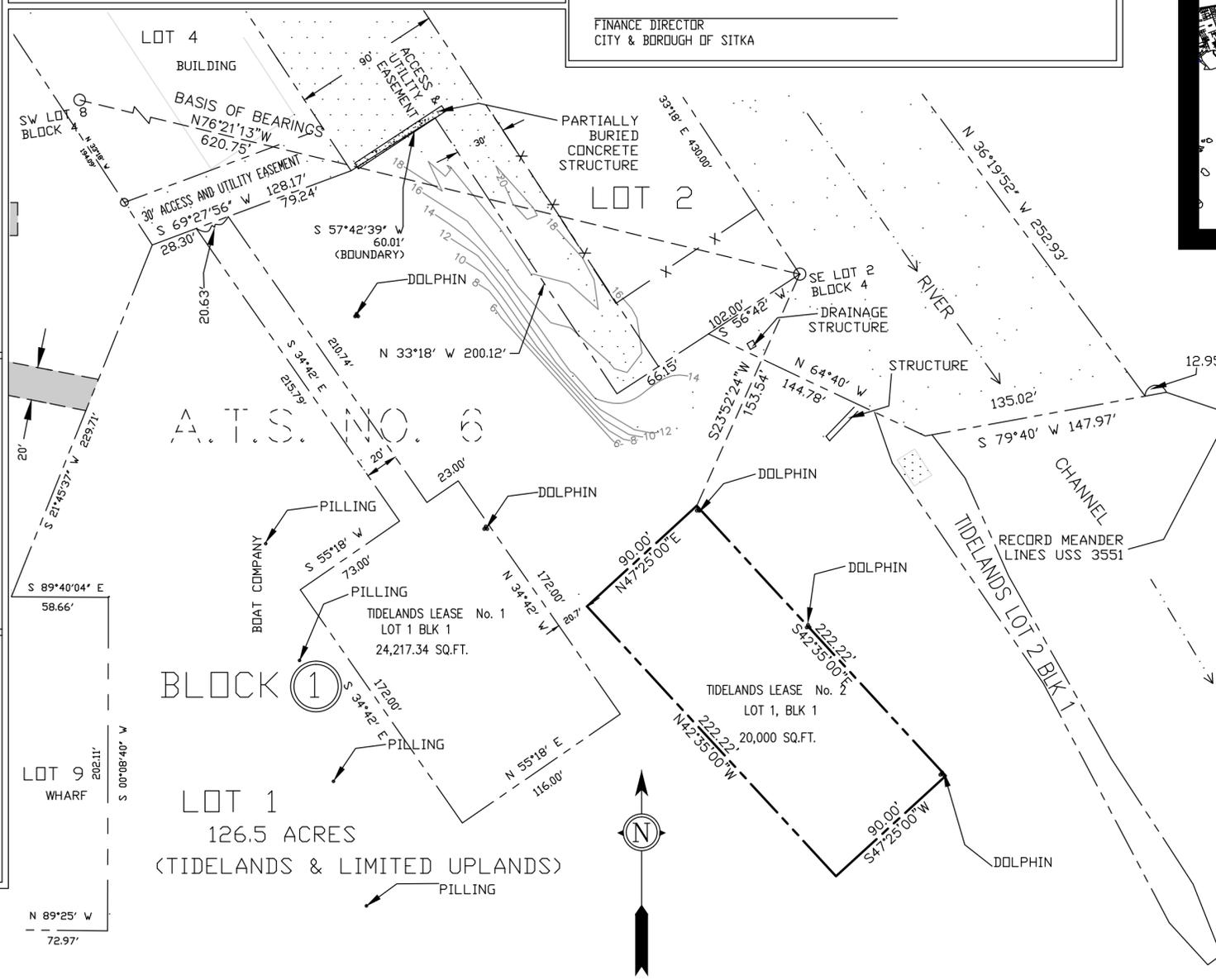
FINANCE DIRECTOR
CITY & BOROUGH OF SITKA



VICINITY MAP
SCALE 1"=1 MI.

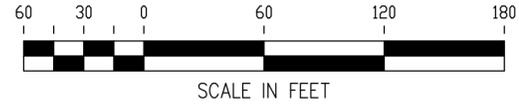
LEGEND

- PRIMARY CONTROL MONUMENT RECOVERED (BRASS CAP)
- ⊕ BLM/GLD PRIMARY BRASS CAP (RECOVERED)
- SECONDARY MONUMENT (SET)
- SECONDARY MONUMENT (RECOVERED)
- (R) RECORDED DATA
- (C) COMPUTED DATA
- (M) MEASURED DATA



NOTES

THE PURPOSE OF THIS PLAT IS TO CREATE A 20,000 SQUARE FOOT TIDELANDS LEASE IN LOT 1, BLOCK 1, OF ATS No. 6.



PRELIMINARY

SITKA RECORDING DISTRICT

O'NEILL
SURVEYING AND ENGINEERING
BOX 1849 SITKA, ALASKA 99835
PHONE: (907) 747-6700
FAX: (907) 747-7590
EMAIL: oneillengr@ak.net

BY	DATE	REV.	DESCRIPTION OF CHANGE
RECORD OF REVISIONS			



DESIGNED: P. O'NEILL
 DRAWN: WAD/ACAD
 CHECKED: PKD
 DATE OF PLAT: 29 SEPT. 2015
 SCALE: 1" = 60'
 DRAWING NAME: 30014-204
 PROJECT NO. 30014-204

SURVEYOR'S CERTIFICATE
 I HEREBY CERTIFY THAT I AM A REGISTERED SURVEYOR, LICENSED IN THE STATE OF ALASKA, AND THAT IN _____ A SURVEY OF THE HEREIN DESCRIBED LANDS WAS CONDUCTED UNDER MY DIRECT SUPERVISION AND THAT THIS PLAT IS A TRUE AND ACCURATE REPRESENTATION OF THE FIELD NOTES OF SAID SURVEY, AND THAT ALL DIMENSIONS AND OTHER DETAILS ARE CORRECT ACCORDING TO SAID FIELD NOTES.
 DATE _____ PATRICK K O'NEILL LS 6304

TIDELANDS LEASE No. 2
 LOT 1, BLOCK 1, SAWMILL COVE INDUSTRIAL PARK RESUBDIVISION No. 1 (ATS No. 6)

1 OF 1 SHEET

CERTIFICATE OF OWNERSHIP AND DEDICATION
 WE HEREBY CERTIFY THAT WE ARE THE OWNERS OF THE PROPERTY SHOWN AND DESCRIBED HEREIN AND THAT WE HEREBY ADOPT THIS PLAN OF SUBDIVISION WITH OUR FREE CONSENT AND INDICATE ALL STREETS, ALLEYS, WALKS, PARKS AND OTHER OPEN SPACES TO PUBLIC OR PRIVATE USE AS NOTED.

DATE: 2-15-13
 SIGNATURE: James E. Dunlop
 TITLE: Mayor and Borough of Sitka Municipal Administrator

DATE: _____
 SIGNATURE: _____
 TITLE: _____

NOTARY'S ACKNOWLEDGMENT
 US OF AMERICA
 STATE OF ALASKA
 CITY & BOROUGH OF SITKA

THIS IS TO CERTIFY THAT ON THIS 15th DAY OF February, 2013, BEFORE ME, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR THE STATE OF ALASKA, DULY COMMISSIONED AND SWORN, PERSONALLY APPEARED James E. Dunlop, Mayor and Borough of Sitka Municipal Administrator

TO BE KNOWN TO BE THE IDENTICAL INDIVIDUAL(S) MENTIONED AND WHO EXECUTED THE WITHIN PLAN AND HE ACKNOWLEDGED TO ME THAT HE SIGNED THE SAME FREELY AND VOLUNTARILY FOR THE USES AND PURPOSES THEREIN SPECIFIED.

WITNESS MY HAND AND NOTARY SEAL THE DAY AND YEAR IN THIS CERTIFICATE FIRST HEREBY WRITTEN.

Sara L. Peterson
 NOTARY PUBLIC IN AND FOR THE STATE OF ALASKA
 MY COMMISSION EXPIRES 4-15-2015

CERTIFICATE OF PAYMENT OF TAXES (STATE OF ALASKA) (FIRST JUDICIAL DISTRICT)

I, THE UNDERSIGNED, BEING DULY APPOINTED AND QUALIFIED, AND ASSESSOR FOR THE CITY & BOROUGH OF SITKA, DO HEREBY CERTIFY THAT ACCORDING TO THE RECORDS OF THE CITY AND BOROUGH OF SITKA, THE FOLLOWING DESCRIBED PROPERTY IS CARRIED ON THE TAX RECORDS IN THE NAME OF City and Borough of Sitka

AND THAT, ACCORDING TO THE RECORDS IN MY POSSESSION, ALL TAXES ASSESSED AGAINST SAID LANDS AND IN FAVOR OF THE CITY & BOROUGH OF SITKA ARE PAID IN FULL THAT CURRENT TAXES FOR THE YEAR 2013 WILL BE DUE ON OR BEFORE AUGUST 31ST

DATED THIS 14th DAY OF FEBRUARY, 2013, AT SITKA, ALASKA.

Sara L. Peterson
 ASSESSOR, CITY AND BOROUGH OF SITKA

CERTIFICATE OF APPROVAL BY THE BOARD

I HEREBY CERTIFY THAT THE SUBDIVISION PLAN SHOWN HEREIN HAS BEEN FOUND TO COMPLY WITH THE SUBDIVISION REGULATIONS OF THE CITY & BOROUGH OF SITKA PLANNING BOARD, AND THAT SAID PLAN HAS BEEN APPROVED BY THE BOARD BY PLAT RESOLUTION NO. 2013-2, DATED 2/16/2013, AND THAT THE PLAN SHOWN HEREIN HAS BEEN APPROVED FOR RECORDING IN THE OFFICE OF THE DISTRICT MAGISTRATE, EX-OFFICIO RECORDER, SITKA, ALASKA.

DATE: 2/16/2013
 SIGNATURE: Nancy Twaddle
 TITLE: CHAIRMAN, PLANNING BOARD

DATE: _____
 SIGNATURE: _____
 TITLE: SECRETARY

CERTIFICATE OF APPROVAL BY THE ASSEMBLY

I HEREBY CERTIFY THAT THE SUBDIVISION PLAN SHOWN HEREIN HAS BEEN FOUND TO COMPLY WITH THE SUBDIVISION REGULATIONS OF THE CITY & BOROUGH OF SITKA ASSEMBLY AS RECORDED IN MINUTE BOOK PAGE _____ DATED _____ 2013, AND THAT THE PLAN SHOWN HEREIN HAS BEEN APPROVED FOR RECORDING IN THE OFFICE OF THE DISTRICT COURT, EX-OFFICIO RECORDER, SITKA, ALASKA.

DATE: 2/15/13
 SIGNATURE: Mike McConell
 TITLE: MAYOR

DATE: _____
 SIGNATURE: _____
 TITLE: CITY AND BOROUGH CLERK

CERTIFICATE OF PAYMENT OF LOCAL IMPROVEMENT DISTRICT

I, THE UNDERSIGNED, BEING DULY APPOINTED AND QUALIFIED, AND FINANCE DIRECTOR FOR THE CITY & BOROUGH OF SITKA, DO HEREBY CERTIFY THAT, ACCORDING TO THE RECORDS OF THE CITY & BOROUGH OF SITKA, THE FOLLOWING DESCRIBED PROPERTY IS CARRIED ON THE RECORDS IN THE NAME OF The City and Borough of Sitka

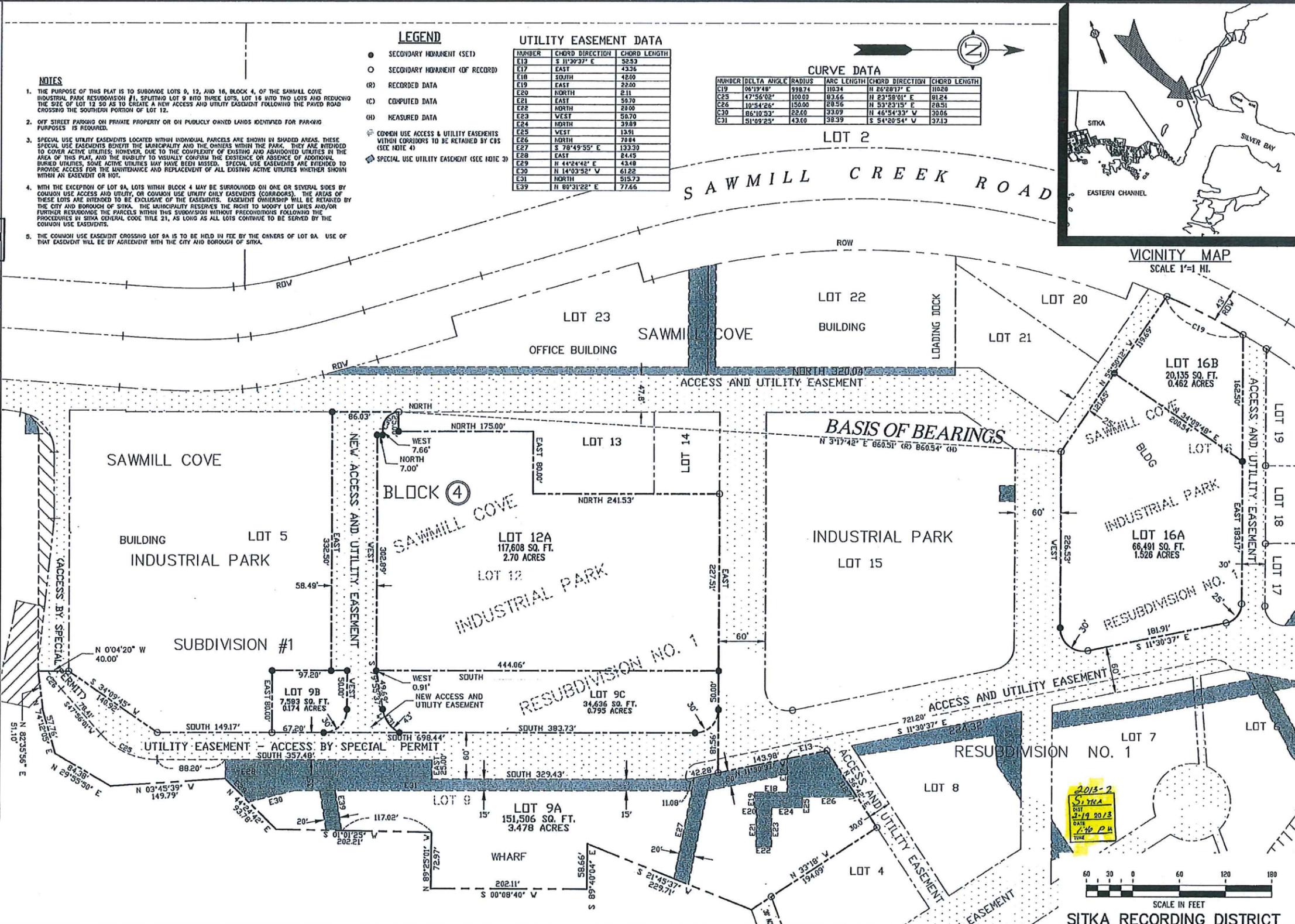
CALL OWNERS OF RECORD, AND THAT, ACCORDING TO THE RECORDS IN MY POSSESSION, ALL TAXES ASSESSED AGAINST SAID LANDS AND IN FAVOR OF THE CITY & BOROUGH OF SITKA ARE PAID IN FULL.

DATED THIS 14th DAY OF February, 2013, AT SITKA, ALASKA.

DATE: _____
 SIGNATURE: _____
 TITLE: FINANCE DIRECTOR, CITY & BOROUGH OF SITKA

O'NEILL SURVEYING AND ENGINEERING

BOX 1849 SITKA, ALASKA 99835
 PHONE: (907) 747-6700
 FAX: (907) 747-7590
 EMAIL: onellengr@aak.net



RECORD OF REVISIONS

NO	DATE	REV	DESCRIPTION OF CHANGE
1	2/1/13	41	MODIFICATION OF SOUTHERN BOUNDARY OF LOTS 12A AND 9C BASED ON RD. AS-BUILT.
2	2/14/13		



DESIGNED: P. O'NEILL
 DRAWN: KIZACAD
 CHECKED: PKO
 DATE OF PLAT: FEB. 14, 2013 = 104726
 SCALE: 1" = 60'
 DRAWING NAME: 30558-04
 PROJECT NO.: 30558-04-00

SURVEYOR'S CERTIFICATE

I HEREBY CERTIFY THAT I AM A REGISTERED SURVEYOR, LICENSED IN THE STATE OF ALASKA, AND THAT IN FEB. 2013 A SURVEY OF THE HEREIN DESCRIBED LANDS WAS CONDUCTED UNDER MY DIRECT SUPERVISION AND THAT THIS PLAN IS A TRUE AND ACCURATE REPRESENTATION OF THE FIELD NOTES OF SAID SURVEY, AND THAT ALL DIMENSIONS AND OTHER DETAILS ARE CORRECT ACCORDING TO SAID FIELD NOTES.

DATE: 2/14/13
 SIGNATURE: Patrick K. O'Neill
 TITLE: PATRICK K. O'NEILL, L.S. 6304

SAWMILL COVE INDUSTRIAL PARK RESUBDIVISION NO. 2

A SUBDIVISION OF LOTS 9, 12, AND 16; SAWMILL COVE INDUSTRIAL PARK RESUBDIVISION NO. 1

CLIENT: SITKA ECONOMIC DEVELOPMENT ASSOCIATION

2013-2
 SITKA
 DISTRICT
 DATE: 2/19/2013
 TIME: 1:46 PM

APPENDIX H

FACILITY MINIMUM PERFORMANCE CRITERIA

1.0 Compliance Documents

The following is a list of Project compliance documents. All references shall apply to the latest, current edition. This list may not be all inclusive; the intent of the Contract is for the Design-Builder to provide a functionally complete Project consistent with good engineering practice. Where conflicts exist between the following references, the Design-Builder's Engineer of Record shall be responsible for selecting the most appropriate governing standard, code, or specification.

- AASHTO LRFD Bridge Design Specifications, current edition
- American Concrete Institute, ACI 318-05 and ACI 318-11 Building Code Requirements for Structural Concrete and Commentary
- American Institute of Steel Construction (AISC), Steel Construction Manual
- AISC 303-10, Code of Standard Practice for Steel Buildings and Bridges
- AISC 341-10, Seismic Provisions for Structural Steel Buildings
- American Society of Civil Engineers, ASCE/SEI 7-05 Minimum Design Loads for Buildings and Other Structures
- ASCE COPRI 61-14, Standards for Seismic Design of Pier and Wharves
- Permanent International Association of Navigation Congresses (PIANC): Guidelines for the Design of Fender Systems
- US Army Corps of Engineers, Coastal Engineering Manual
- AWS-D1.1 Structural Welding Code – Steel
- AWS-D1.2 Structural Welding Code – Reinforcing Steel
- AWS-D3.6 Class B Standards using a Diver
- MOTEMS 2010 CBC Chapter 31F, Sections 3103F through 3107F
- UFC 4-152-01, Design: Piers and Wharves, 2012 ed. with Change 1
- UFC 4-159-03, Design Moorings
- AWWA M11 Steel Pipe Manual
- ASME Pressure Vessel
- OSHA, Walking-Working Surfaces, Subpart D 1910.23(e) 3
- ASCE 61 (Seismic Design of Piers and Wharves)

2.0 Materials, Construction Means and Methods, and Inspection Procedures

In addition to the compliance documents referenced in Section 1.0, the following list of Project compliance documents applies to material selections, construction means and methods, and inspection procedures. The Design-Builder's Engineer of Record shall be responsible for selecting the most appropriate governing standard, code, or specification. The General Conditions and Supplementary Conditions of the Contract shall govern in the event of a conflict. Design-Builder's

Engineer of Record may generate sealed, Project-specific special provisions or sheet notes which maintain or exceed the intent of the following specifications:

- Alaska DOT&PF Standard Specifications for Highway Construction, 2015 Edition, including applicable Special Provisions
- Alaska DOT&PF Standard Specifications for Marine Aviation, 2001 Edition
- City & Borough of Sitka Standard Specifications, 2002
- Alaska DOT&PF or WSDOT Qualified Products List, Current Editions
- Alaska DOT&PF Test Methods Manual, 2016
- American Society for Testing and Materials (ASTM), and the American Association of State Highway and Transportation Officials (AASHTO)

3.0 Design Vessels

The Gary Paxton Industrial Park is intended to benefit the community as a whole and has been improved, marketed and developed to serve a variety of users. The CBS recognizes the multi-purpose facility may not be ideally suited for every possible vessel; however, upon Substantial Completion of the Project, one or more vessel-sides of the facility shall be able to functionally accommodate the following vessel-types:

- Priority No. 1: Barge vessels transporting freight; designed to carry large steel containers (20 feet and/or 40 feet long, eight feet wide and eight feet tall)
- Priority No. 2: Commercial fishing vessels; up to 120 feet LOA

Additionally, it's required that the facility be designed and constructed in a manner which will not unreasonably restrict the CBS's future ability to upgrade the facility to accommodate the following additional Upgraded Vessels; the vessels listed below are not considered "design vessels:"

Upgraded Vessels Category 1	Scale	Length Overall (LOA) Feet	Beam Feet	Loaded Draft feet
Fish Processor Ship, Tenders	5,000 DWT	360	50	22
General Cargo, Coastal Tanker, Containership, Bulk Carrier	50,000 DWT	650	100	40
Passenger Ship	1500 GT	600	85	25
USCG National Security Cutter	4500 long tons (Displacement)	418	54	23
NOAA Research	1800 long tons	231	50	20

Upgraded Vessels Category 2	Scale	Length Overall (LOA) Feet	Beam Feet	Loaded Draft feet
Passenger Ship	225,000 GT	1200	160 (waterline)	35
Containership, Tanker	160,000 DWT	935	147	75

The Design-Builder shall evaluate and present the CBS with opportunities to accommodate some or all of the Category 1, Upgraded Vessels during final design development. The CBS may elect to incorporate Upgraded Vessels into the Contract. Final design shall provide conceptual evidence that the facility is able to reasonably accommodate the Upgraded Vessels, Category 1 and Category 2, with future modifications.

4.0 Design Life

The minimum service life of the dock infrastructure is 50 years. Where these requirements cannot be reasonably met, the design shall permit a service life based on industry standard practice.

5.0 Structure

The facility shall meet the following minimum criteria:

- A. Minimum draft of 40 feet with under-keel clearance = 5 ft at ELW
- B. Minimum usable dock surface capable of accommodating the specified live loads = 50' x 100.'
- C. Minimum clear width of all access structures (transfer spans/ trestles) = 14'. All access structures shall be capable of accommodating the specified live loads, as applicable.
- D. Access structure(s) shall be uncovered and accommodate the mobility of design vehicles.
- E. Facility is intended to remain in place permanently; accommodations for temporary removal or relocation is not required, except pile guides and/or mooring hoops shall be removable, as necessary for maintenance.
- F. Access Ramp Gradient = as determined by the Design-Builder to accommodate pedestrians and safe operation of the specified design vehicles. Engineering judgement based on standard industry practice may be used to determine applicability of ADA requirements.

- G. Minimum Freeboard = as determined by the Design-Builder to accommodate the live load criteria and accessibility by a variety of vessels
- H. Vehicle barriers shall be provided along all edges of access structures and dock.
- I. Deflection criteria for access structures due to unfactored live loading shall not exceed 1/250 of the span length.
- J. Designated pedestrian walkway and handrails shall be provided along both sides of all access structures. Handrails are not required on the dock.
- K. Floating pontoon dock(s) will neither be a US registered vessel, subject to inspection by the US Coast Guard, nor classified by a classification society.
- L. Provide a maximum width for any perforation through a walking surface of less than 1 inch; do not install any holes or openings without adequate protection or removable covers.

6.0 General Loading Criteria

6.1 Dead Loads

Dead Loads are defined as the actual material weight of all permanent structural and nonstructural components.

6.2 Live Loads

6.2.1 Design Vehicles

Facility shall be designed for the following design vehicles and equipment:

- Vehicular: AASHTO HS20-44
- Taylor TS-9972 (Loaded) Reach Stacker, or of similar functionality

6.2.2 Vehicle Barrier

- 500 plf line load
- 3000 lbs concentrated load

6.2.3 Handrails

- 50 lbs plf on the top rail
- 200 lbs concentrated on the top rail

6.3 Berthing Loads & System

The design shall accommodate the vessels described in Section 3.0. Determine accidental berthing energies for design in accordance with UFC 4-152-01.

6.4 Mooring Loads

The quantity, position, and unfactored working load of moorage hardware shall be designed to accommodate the vessel types described in Section 3.0.

6.5 Wave Loads

The design shall consider site-specific wave regimes, including year around conditions, swells, and shall be based on a 50-year wind event.

6.6 Current Loads

Maximum current velocity of 1.0 knots will be used for the facility design.

6.7 Wind Loads

Wind loads shall be calculated in conformance with ASCE 7-05 or as otherwise determined applicable by the Engineer of Record.

6.8 Snow Loads

Snow loads shall be determined based on ASCE 7 for Sitka, Alaska with a Ground Snow Load, $pg = 50$ psf.

6.9 Seismic Loads

See Section 1.0, Compliance Documents.

6.10 Thermal Loads

Design shall consider uniform temperature and gradient temperature effects in accordance with the AASHTO Specifications. Design of in-water components to be based on a uniform temperature difference of 25° F higher or lower than Silver Bay water temperature in accordance with UFC 4-152-01.

6.11 Load Combinations

Design structures using the applicable load combinations listed in UFC 4-152-01, including an impact factor of 33 percent for vehicular loads. The load combinations from UFC 4-152-01 are based on ASCE 7.

- Ultimate Strength combinations per Table 3-6 in UFC 4-152-01
- Serviceability combinations per Table 3-7 in UFC 4-152-01
- The load factor for EQ shall be taken as zero for the “berthing” and “mooring” load combinations.

7.0 Serviceability & Corrosion Protection

- A. Provide non-skid surfaces where applicable to achieve safe, operational use of the facility year-around by the design vehicles and pedestrians.
- B. All steel and/or metal materials and fabrications shall be marine-grade Type 316 stainless steel, hot-dip galvanized, or metalized according to applicable ASTM standards, except steel pontoon(s) which may be coated with a 10 year guarantee.
- C. Aluminum alloy anodes shall be installed on the exterior sides and bottom, below waterline, of steel pontoon(s) to provide 10 years of cathodic protection.

8.0 Units of Measurement

Drawings and specifications will be in US Customary units.

9.0 Project Vertical and Horizontal Control

The project horizontal datum will be NAO 83 Alaska Zone 1, with conversion to local project coordinates. Vertical datum will be mean lower low water (MLLW=0.0 ft). All construction survey shall be performed by or under the direct supervision of a surveyor licensed in Alaska.

10.0 Fenders

See Exhibit 2

11.0 Security

The design shall provide for a permanent security gate, restricting access by unauthorized pedestrians and vehicles. At a minimum, the permanent security gate shall be the full width of the access structure and six (6) feet in height. Chain-link fencing materials are acceptable. The Design-Builder shall coordinate with the CBS regarding gate location, locking features, and signage.

12.0 Paint

All painted or coated surfaces shall be zinc-oxide with a minimum total coating thickness equal to or exceeding two-mils. Top coat colors shall be pre-approved by the CBS.

13.0 Provisions for Future Equipment, Utilities, and Uses

13.1 Potable Water

See Exhibit 2

13.2 Electrical

See Exhibit 2

13.3 Sanitary Sewer

Provisions for future sewer systems are not required.

13.4 Fire Water

See Exhibit 2 for detailed fire water system provisions. The International Fire Code (IFC) and the National Fire Protection Association (NFPA) Fire Code provide guidance on the requirements for fire suppression systems for marinas and are Project compliance documents. The applicability of these codes is dependent upon final configuration, functionality and use of the facility. The Design-Builder shall coordinate with the CBS throughout the design phase to ensure compliance with the IFC and NFPA.

13.5 Telecommunications

Provisions for telecommunications are not required.

APPENDIX I

STATE WAGE RATES

State wage rates can be obtained at:

<http://labor.state.ak.us/lss/pamp600.htm>

Use the State Wage rates that are in effect 10 days before the Bid Opening. A hard copy will be provided upon request.

Contractor may **not** begin work until he has submitted proof that a “Notice of Work” has been filed with the Alaska Department of Labor. A temporary receipt of the “Notice of Work” date-stamped by Wage & Hour will serve as proof.

Contractor shall include with his final pay request a “Notice of Completion of Public Works”, from the Alaska Department of Labor showing that all employees’ wages and employment security taxes have been paid to his employees and the employees of his subcontractors (T36 Clearance Approved). Final payment will not be released until this has been submitted.

The online system can be accessed through the myAlaska portal (<https://myalaska.state.ak.us/home/app>) after signing on with a user name and Password. The system can be found under “LSS-Online Filing Services” Users of the system will experience increased efficiency and reduced costs and waste, associated with filing paper forms. Once an employee’s personal data and classification information has been entered into the system, it will be available for future use, so only weekly changes (classifications, hours, and wages) would be updated. Rather than paying for postage, users will submit payrolls free of charge and receive an electronic confirmation that the information was received.

PROJECT NO. 90748

EXHIBIT 2

GARY PAXTON INDUSTRIAL PARK
MULTI-PURPOSE DOCK



Turnagain Marine Construction Corporation (General Contractor Builder) is pleased to be submitting a proposal for the design and construction of the long awaited Gary Paxton Industrial Park Facility (GPIP). Turnagain has engaged the local Anchorage office R&M Consulting as our primary design firm (Engineer of Record). Our team of highly qualified sub consultants, vendors, and subcontractors was selected based on their exceptional performance on prior endeavors. Our remaining team members (sub-consultants) are:

Shannon and Wilson – Geotechnical Engineering
AJD Engineering – Floating Dock Design

Transpac Marinas – Pontoon Fabrication
Solstice AK – Environmental & Permitting

Turnagain Marine is uniquely qualified to construct the GPIP Facility. Our management team has installed some of the toughest marine foundations in the state. This company was formed to specialize in the construction of heavy marine structures that require tested experience and custom equipment. Our initial equipment selection, hiring, and outfitting were tailored expressly for the type of structures being proposed herein.

As a company committed to design-build project delivery, this particular project is especially coveted by Turnagain Marine. Turnagain is dedicated to establishing themselves as the preeminent Alaskan design-builder for marine structures. As such, this project will have full participation of the executive team and will receive any and all resources needed to insure a highly successful project delivery.

Turnagain has earned the reputation of being a dependable partner, a highly capable contractor, and a proven performer in the Alaskan marine industry. As an Alaska-Only contractor our reputation is invaluable to our long term success. Given all that Sitka has at stake with this project, selecting Turnagain will insure that City is forming a partnership with an entity equally committed to the overall and unqualified success of the project.

- Prime Contractor and General Contractor Builder - Turnagain Marine Construction Corporation.
- Turnagain has contracted R&M Consulting of Anchorage, Alaska to provide design services (Engineer of Record) as a separate and independent entity.
- Turnagain is an Alaskan Corporation. (AK Contractor's License No. 39620).
- Jason Davis, Turnagain's President, is the single point of contact for the proposal.
jdavis@turnagain.build

Your consideration of this proposal is much appreciated.

Sincerely,

A handwritten signature in black ink that reads 'Jason Davis'.

Jason Davis
President



design, materials, fabrication, and workmanship meets or exceeds the quality specified. Turnagain’s management team will actively manage the schedule to insure workmanlike progress toward timely completion. Both the Turnagain management team and the quality representative will identify and present formal review opportunities to the Owner during design and construction insuring the Owner has ample say in relevant project decisions.

Turnagain’s past experience with design-build projects as produced multiple lessons learned all of which have been incorporated into this project approach. Primarily, Turnagain will endeavor to have the intended option selected promptly, will provide ample customer input and coordination opportunities early in the pre-design phase, and will insure all parties are fully behind the intended path forward before beginning detailed engineering. Upon acceptance of a plan and the completion of preliminary engineering, Turnagain will engage material suppliers and advance procurement activities as early in the project as possible. Turnagain intends to be shovel ready by the time permits are issued.

The single biggest schedule risk on the project is environmental permitting. To mitigate this risk, Turnagain has engaged a proven and regionally experienced environmental consultant, Solstice AK Consulting. Founder, Robin Reich, has a long-standing relationship with the local agency representatives and is experienced in the current permitting environment. Solstice will be engaged immediately upon NTP and will be heavily involved from the initial design until successful permit acquisition.

Turnagain believes the Gary Paxton Industrial Park facility can be successfully developed into an economic engine for the community and region. As a local marine contractor, an Alaskan, and an advocate for sustainable development I am hopeful that Turnagain can be a part of Sitka’s successful development of this facility.

Finally, Turnagain Marine has made its very best effort to interpret and accommodate the needs and desires outlined in the City & Borough of Sitka Request for Proposals. After review of this proposal, Turnagain welcomes to opportunity to clarify any questions or concerns about the items presented and price any modifications or changes desired by the Client.

As the President of Turnagain Marine Construction Corporation I certify that this proposal is true and correct to the best of our abilities. This proposal is made in good faith with the full intent of delivering a mutually successful project.

By Jason Davis
 Title President
 Date 8/17/16

Attest [Signature]
 Date 8/17/16

PROPOSAL FORM

DESIGN/BUILD CONSTRUCTION PROJECT for

GARY PAXTON INDUSTRIAL PARK, MULTI-PURPOSE DOCK

CITY AND BOROUGH OF SITKA, ALASKA

TO: City and Borough of Sitka
Attn: Municipal Clerk
100 Lincoln Street
Sitka, AK 99835

Turnagain Marine Construction Corporation

PROPOSER:

Company Name

Jason Davis

Company Contact

9330 Vanguard Drive, Suite 100 Anchorage, AK 99507

Address

907-261-8960

Telephone

jdavis@turnagain.build

E-mail address

TABLE OF CONTENTS

	Page
Article 1 – Proposal Recipient	3
Article 2 – Proposer's Acknowledgements	3
Article 3 – Proposer's Representations	4
Article 4 – Proposer's Certification.....	5
Article 5 – Basis of Proposal	6
Article 6 – Attachments to This Proposal.....	6
Article 7 – Defined Terms.....	6
Article 8 – Proposal Submittal	7

ARTICLE 1 – PROPOSAL REQUIREMENTS

1.01 Proposal Release Date: Tuesday, June 21, 2016

1.02 Pre-Proposal Conference: Thursday, July 21, 2016

3rd Floor Conference Room

City Hall

100 Lincoln Street

Sitka, AK 99835

at 2:00 p.m. Local Time

1.03 Proposals are Due: Tuesday, August 2, 2016

No later than 2:00:00 pm Local Time

City and Borough of Sitka

Office of the Municipal Clerk

100 Lincoln Street

Sitka, AK 99835

1.04 The undersigned Proposer proposes and agrees, if this Proposal is accepted, to enter into a Contract with OWNER in the form included in the Proposal Documents to perform all Work as specified or indicated in the Proposal Documents for the prices and within the times indicated in this Proposal and in accordance with the other terms and conditions of the Proposal Documents.

ARTICLE 2 – PROPOSER’S ACKNOWLEDGEMENTS

2.01 Proposer accepts all of the terms and conditions of the Instructions to Proposers including without limitation those dealing with the disposition of Proposal security. This Proposal will remain subject to acceptance for 60 days after the evaluation of the proposals, or for such longer period of time that Proposer may agree to in writing upon request of OWNER.

ARTICLE 3 – PROPOSER’S REPRESENTATIONS

3.01 In submitting this Proposal, Proposer represents that:

- A. Proposer has examined and carefully studied the Proposal Documents, other related data identified in the Proposal Documents, and the following Addenda, receipt of which is hereby acknowledged:

<u>Addendum No.</u>	<u>Addendum Date</u>
1	07/14/2016
2	07/20/2016
3	08/04/2016
GPIP Letter No. 1	9/07/2016
GPIP Letter No. 2	9/20/2016

- B. Proposer has visited the Site and become familiar with and is satisfied as to the general, local, and Site conditions that may affect cost, progress, and performance of the Work.
- C. Proposer is familiar with and is satisfied as to all Laws and Regulations that may affect cost, progress, and performance of the Work.
- D. Proposer has carefully studied all reports of explorations and tests of subsurface conditions at or contiguous to the Site and all drawings of physical conditions relating to existing surface or subsurface structures at the Site (except Underground Facilities) that have been identified in SC-4.02.
- E. Proposer has considered the information known to Proposer; information commonly known to contractors doing business in the locality of the Site; information and observations obtained from visits to the Site; the Request for Proposal Documents; and the Site-related reports and drawings identified in the Request for Proposal Documents, with respect to the effect of such information, observations, and documents on (1) the cost, progress, and performance of the Work; (2) the means, methods, techniques, sequences, and procedures of construction to be employed by Proposal, including applying the specific means, methods, techniques, sequences, and procedures of construction expressly required by the Request for Proposal Documents; and (3) Proposal’s safety precautions and programs.
- F. Based on the information and observations referred to in Paragraph 3.01.E above, Proposer does not consider that further examinations, investigations, explorations, tests, studies, or data are necessary for the determination of this Proposal for performance of

the Work at the price(s) bid and within the times required, and in accordance with the other terms and conditions of the Proposal Documents.

- G. Proposer is aware of the general nature of work to be performed by OWNER and others at the Site that relates to the Work as indicated in the Request for Proposal Documents.
- H. Proposer has given OWNER written notice of all conflicts, errors, ambiguities, or discrepancies that Proposer has discovered in the Proposal Documents, and the written resolution thereof by OWNER is acceptable to Proposer.
- I. The Proposal Documents are generally sufficient to indicate and convey understanding of all terms and conditions for the performance of the Work for which this Proposal is submitted.
- J. Proposer agrees not to withdraw its Proposal within 60 days after the actual date of the Proposal Due Date.

ARTICLE 4 – PROPOSER’S CERTIFICATION

4.01 Proposer certifies that:

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

4. “coercive practice” means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the bidding process or affect the execution of the Contract.

ARTICLE 5 – BASIS OF PROPOSAL

- 5.01 Proposer will complete the Work in accordance with the Contract Documents for the prices in Price Form.
- 5.02 Proposer agrees that the Work will be substantially complete and will be completed and ready for final payment in accordance with Paragraph 13.08 of the General Conditions on or before the dates or within the number of calendar days indicated in the Agreement.
- 5.03 Proposer accepts the provisions of the Agreement as to liquidated damages.

ARTICLE 6 – ATTACHMENTS TO THIS PROPOSAL

- 6.01 The following documents are submitted with and made a condition of this Bid:
 - A. Required Bid security in the form of a 5% Bid Bond, certified check or cashier’s check (check amount to be 5% of Baseline Lump Sum Price) and any required power of attorney for bond;
 - B. Evidence of authority to do business in the State of Alaska; or a written covenant to obtain such license within the time for acceptance of Proposal;
 - C. Contractor’s Certificate of Registration No.: 39620 in compliance with AS 08.18[or] Evidence of Proposer’s ability to obtain a State Contractor’s Certificate of Registration and a covenant by Proposer to obtain said Certificate within the time for Award of Contract;
 - D. Proposal, Volume I and Volume II as defined in Section 2 of the Request for Proposals.

ARTICLE 7 – DEFINED TERMS

- 7.01 The terms used in this Proposal with initial capital letters have the meanings stated in the Instructions to Proposers, the General Conditions, and the Supplementary Conditions.

ARTICLE 8 – PROPOSAL SUBMITTAL

8.01 This Proposal is submitted by:

If Proposer is:

An Individual

Name (typed or printed): _____

By: _____
(Individual's signature)

Doing business as: _____

A Partnership

Partnership Name: _____

By: _____
(Signature of general partner – attach evidence of authority to sign)

Name (typed or printed): _____

A Corporation

Corporation Name: Turnagain Marine Construction Corporation(SEAL)

State of Incorporation: Alaska

Type (General Business, Professional, Service, Limited Liability): _____

By: Jason Davis
(Signature – attach evidence of authority to sign)

Name (typed or printed): Jason Davis

Title: President
(CORPORATE SEAL)

Attest [Signature]

Date of Qualification to do business in Alaska is 05 / 20 / 14.





Proposal Form 2.7.3 B

Turnagain Marine Construction Corporation is an Alaskan Corporation. The Corporate Registration Number is 1007444. Turnagain is bidding as a stand-alone Design-Builder. The Engineer of Record and other consultants are engaged via consulting agreements but do not have a legal business relationship, such as a Joint Venture, established with Turnagain.

Revised Project Approach- BAFO

In response to GPIP Letter 1 and 2, Turnagain has provided the following revised project approach sections 2.7.4 replacing the section previously submitted. Turnagain is submitting three baseline options that comply with the revised project criteria and one alternative option.

Option Summary

Baseline Option No. 1 – 250’ x 74’ Floating Berth

250-foot x 74-foot floating berth with high deck loading to accommodate the revised live load criteria. This option includes lighting, fire protection, life rings/fire cabinets, and a small vessel access float.

Vessel Summary

Though the Tug and Barge combo is the only mandated design vessel Turnagain accepts the following vessels as project design vessels.

- Tug and Barge - 400’ x 100’ x 25’ draft x 950 TEU Capacity
- Fish Processor Ship, Tender - 360’ x 50’ x 22’ draft x 5,000 DWT
- Commercial Fishing Vessel – 150’ x 30’ x 20’ draft x 200 GT
- USCG National Security Cutter – 418’ x 54’ x 23’ draft x 4500 long tons displacement
- NOAA Research Vessel 231’ x 50’ x 20’ draft x 1800 long tons displacement

Future Vessel Accommodations

All options presented allow for future expansion to accommodate all Category 1 and Category 2 vessels named in the RFP. Care has been taken in the establishment of the alignment for longer vessels and extended berthing arrangements. Dredging is allowable per our designs. The two floating berth options with constant freeboard are especially favorable for future passenger vessel expansion.

Risk Assessment

The Owner appears to have concerns about the lifecycle and maintenance costs associated with floating berths. To minimize maintenance costs and extend the lifecycle of floating structures Turnagain has sourced very high quality barges that are in excellent condition. By starting with very high quality barges that have been well maintained Turnagain’s corrosion engineer will be able to apply a high quality coating and a twenty-year anode system insuring that the proposed floating berths achieve a 50-year useful life without dry-docking. Anode replacement in 20-years can be conducted by divers without welding or dry-docking.

Long Term Maintenance

All Baseline and Alternative Options proposed meet the mandatory 50-year service life requirements. The pile for floating and fixed options shall be galvanized and protected with anodes to achieve 50 years with minimal or no wastage. The two floating berth options presented are capable of achieving the 50-year lifecycle without dry-docking. The extended service life is provided through anodes, paint, and hull thickness.



Continued Commitment to Satisfy the GPIIP Stakeholders

Turnagain has put forth its best effort to develop a solution that optimally meets the GPIIP stakeholders wants and needs based upon the information available during the proposal phase. If elements of our proposal have in anyway missed the mark, Turnagain is willing to work with the project team to optimize our proposed facilities. If Turnagain is selected as the design builder of the new facility, continued efforts will be made to incorporate any missing features, to address all concerns, and to accommodate the shareholders input. The ultimate success of this project is as important to Turnagain as it is to the rest of the project stake holders.

Baseline Option No. 1 – 250' x 74' Floating Berth

Turnagain expended considerable effort to develop a floating berth option. New build construction was not a feasible alternative for the available budget. Salvaged concrete floats were unable to be converted into a sound facility capable of long service life and were generally not fit for duty. After considerable effort, Turnagain sourced a very high quality double hulled freight barge that is ideally suited for conversion into a floating berth. The barge is in immaculate condition. The double hull provides an exceptionally safe facility that can provide decades of service. Normally, a barge of this size and condition would exceed available funds, but with the low oil prices and soft market, Turnagain was able to secure an option on this barge that does not exceed the maximum allowable budget.

Proposed Barge, Interior View



Selection of this option will provide a 18,500 square foot floating berth; over 350% of the required freight handling area. The uniform deck load and allowable axle loading exceeds the required capacity for the design level forklift. The barge has 19-foot-high side shell so the Owner will be able to specify an initial desired freeboard and adjust the freeboard as desired using fresh water ballast. Freeboard heights between 4 and 15 feet are attainable allowing a wide variety of potential long term end users to optimize the facility to their needs. For the primary purpose of barge container handling Turnagain suggests a freeboard of 8-10 feet.



Proposed Barge in dry dock 2015. Note. Fence to be removed by Design Builder

Freeboard heights between 4 and 15 feet are attainable allowing a wide variety of potential long term end users to optimize the facility to their needs. For the primary purpose of barge container handling Turnagain suggests a freeboard of 8-10 feet.

Key Features of the Floating Berth

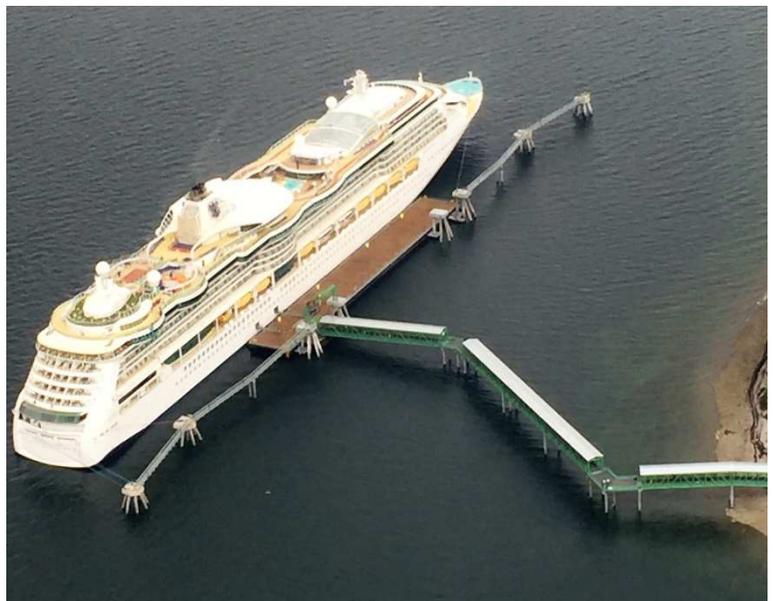
- Deck strength to accommodate a 75-ton forklift with a full load (235-kip axle load)
- Deck strength to stack five containers high
- 74-foot width provides for staging of materials while accommodating for forklift maneuvering
- 74-foot width supports container handling much better than 50' widths
- Turnagain's base proposal includes high mast lighting & convenience 120V receptacles at each pole
- Turnagain's base proposal includes a basic dry fire protection system

- 12-foot x 120-foot small boat float along backside of the barge for small vessel convenience
 - Allows easy access and safe, low freeboard moorage without impeding material handling
- Double hull with new exterior coatings and cathodic protection for a 15+ year dry-docking schedule and 50+ year service life.
- Floating berth is well suited to be the center point for future, large-scale expansion.
- Baseline floating berth option will accommodate the following vessels while allowing for future expansion to accommodate larger vessels.

Table 1 - Turnagain Accepted Design Vessels	Scale	Length Overall (LOA) Feet	Beam Feet	Loaded Draft feet
Tug and Barge	Container TEU Capacity: 950	400	100	25
Fish Processor Ship, Tenders	5,000 DWT	360	50	22
Commercial Fishing	200 GT	150	30	20
USCG National Security Cutter	4500 long tons (Displacement)	418	54	23
NOAA Research	1800 long tons (Displacement)	231	50	20

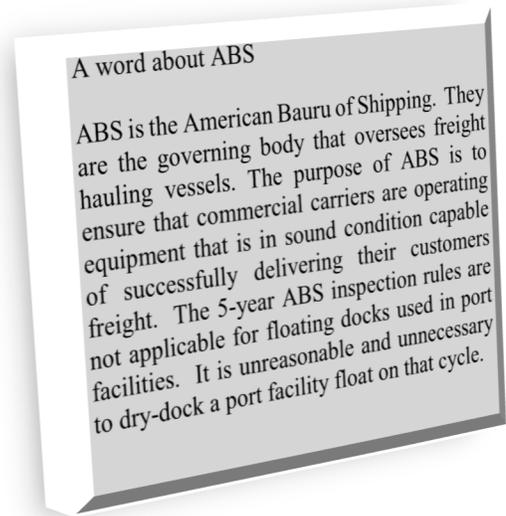
Future Expansion

The Baseline floating berth provides excellent opportunities for future expansion as a heavy freight or cruise ship facility. The floating berth is ideal for passenger accommodations. The future addition of mooring and breasting dolphins would result in a top tier municipal grade cruise ship facility similar to the ones in Hoonah, Ketchikan and Juneau. The fundamental elements provided in the baseline proposal are consistent with the attributes of a larger facility and will provide a sound foundation for the construction of larger facilities when the future expansion is desired.



Lifecycle and Maintenance

To maximize the longevity of the barge, Turnagain will dry-dock the barge for inspection, install a new exterior coating system, and perform a full anode replacement. The interior of the barge is painted and does not need re-painting. Turnagain has engaged a corrosion engineer to design an exterior corrosion protection system that will allow the barge to remain in continuous service for 50 years without dry docking. Hull anodes will need to be renewed by divers every 20 years. For optimal service life in excess of 50 years, dry docking on a 15 to 20 year cycle is recommended. It is not uncommon for well-maintained barges to perform over 50 years of continuous service. For example, there are multiple ABS Load-line barges hauling freight in Puget Sound that were built in the 1940s. These barges offer the same performance and structural capabilities that they had when they were new. There is no need to follow the ABS 5-year dry docking schedule for this facility. ABS rules are in place to regulate the shipping industry and are not relevant to a port facility.



The proposed dock is in full compliance with the provided contract documents. Though not fully detailed on the drawing set, Turnagain will comply with the security and utility requirements outlined in Sections 11 and 13 of Appendix H.

Basle Line Option 1, Floating Berth Technical Details

Hull: The hull of the floating dock is a 250' x 74' ABS and USCG inspected barge with a 2000 PSF capacity deck, 5/8" scantlings, double hull with water-tight bulkheads, and interior machinery rooms for future mechanical systems.

Dolphins

The floating dock is permanently moored with two pipe pile dolphins. Each of the dolphins consist of two 42" diameter x 7/8" wall vertical pipe piles and two 30" diameter x 5/8" wall batter piles. The top of the dolphin piling are framed together. Each dolphin pile has an internal tendon anchor that is drilled and grouted into bedrock. These tendon anchors resist tension forces and overturning. The tendon anchors are 50 ksi all-thread bar. They will be grouted approximately 40' into bedrock and then post-tensioned and locked off at the pile top. The 30" diameter batter piling will have 1-3/8" diameter all thread bar and the 42" plumb piling will have 1-3/4" all thread bars.

Dolphin Pile Collars

Pile collars will consist of U-shaped horizontal steel framework with rubber fender units to form a restraint collar around the vertical piles on each dolphin. The framework is welded to the deck of the floating dock and allows the dock to move up and down vertically with the tide. The collars will also allow some limited horizontal movement of the dock which will be damped by the rubber fender units. The

rubber fenders in this frame are designed to resist berthing loads and to remain below maximum compression under wind loads.

Berthing Fenders

The berthing fenders on the floating dock will be V-shaped rubber units with a hard plastic (UHMW) face. These will be installed in vertical strips at 10' on center to accommodate barges and commercial fishing vessels.

Access Ramp

The access ramp will have a pedestrian walkway, railing on both sides, will accommodate the design forklift, and have a minimum of 14' clear width. Turnagain has located a high-quality used ramp that is approximately 24-feet wide and will provide the wider ramp at no additional cost if it is still available and deemed suitable after award and inspection.

Design Life and Cathodic Protection (All Baseline Options)

An extended design life will be achieved through a combination of materials selection, coatings and sacrificial anodes. Where possible, materials will be selected that provide a long service life. For example, the use of HDPE, rubber, and UHMW will be beneficial as these are naturally corrosion resistant. Concrete design will include sufficient cover over reinforcing steel to provide protection. Certain admixtures and additives such as silica fume will be considered in order to provide a durable low permeability mix. Reinforcing steel will be galvanized or epoxy coated in most applications. Coatings may include various epoxy paints, spray metalizing or hot dip galvanizing. It is anticipated that all steel piling and all steel fabrications will be hot dip galvanized.

Sacrificial aluminum alloy and zinc anodes will be installed on components below the waterline. All steel piling will be both galvanized and will have a sacrificial anode systems designed for a 30-year service life. Galvanizing typically has a 20-year service life in the submerged zone. The combination of anodes and hot dip galvanizing brings the design life to 50 years. It is anticipated that no significant base metal section loss will occur in this time frame. It is recommended that new sacrificial anodes be installed after 30 years which will extend the service life.

Upgraded items included in Turnagain's Baseline Price

Turnagain's baseline proposals contain a number of items not specifically required by the RFP but thought to be a betterment to the project and necessary for practical use of the facility.



Lighting and Power

Baseline Option 1, the floating berth, and Baseline Option 3, the 250' x 50' fixed pier, both include lighting and convenience power. The system will have three stainless panels: Abutment meter & disconnect, on dock lighting panel, and mini power zone for the convenience receptacles and grounding system. The light poles would be 39' poles with bull horns and a total of six (two per pole)



fixtures. The 120V convenience receptacles built right into the poles. Within 200 ft of abutment, Turnagain to provide below grade system to City transformer.

Dry Fire Protection System

All baseline options include a basic 4" dry fire line system. Turnagain will provide a fire department connection at the abutment, a dry line to the back of the berth, and three connection points along the back-face of the berth. The system will consist of marine grade components and satisfy basic fire protection needs.

Small Vessel Float

The small vessel float will allow low freeboard vessels to dock and handle cargo at deck level. Heavy freight can be loaded into the vessel while moored at the small boat float with a reach lift or boom truck from the main dock/barge float easily and safely. This arrangement allows for easy access for light cargo loaded manually and still provides heavy freight loading capabilities.

GARY PAXTON INDUSTRIAL PARK MULTI-PURPOSE DOCK
SMALL VESSEL MOORAGE
TYPICAL 12' x 60' FLOAT SECTION

- GALVANIZED TUBE BULLRAIL
- HDPE PIPE FLOATATION
- UHMW RUB-BTRIP
- GULLIAM WALKERS
- GALVANIZED STEEL BAR GRATING
- CRCA™ HINGE AT FLOAT CONNECTIONS





Risk Assessment Analysis

Risk	Category	Description	Mitigation
Permitting	High	Environmental permitting poses the greatest schedule risk to the project and is one of the toughest risks to mitigate. Agencies cannot be held to an accountable standard or otherwise required to perform at any given pace. Additionally, the agencies may impose unduly restrictive or previously unanticipated conditions on permittees.	Turnagain has selected a competent and experienced permitting agent. Adequate budget and resources are committed to achieve permits under normal circumstances. Difficult to permit installations such as a fill dock, armor slopes, or other high impact designs were not selected. Reasonable allowances for marine monitoring and condition compliance were made in the bid process.
Geotechnical	Unacceptable	Geotechnical conditions at the site are quite well described in the geotech report however only the area along the shoreline where Turnagain's proposed facilities are located has been explored. Shifting off the shelf into deeper water toward the center of the bay in the alignment generally shown in the R&M feasibility report is unacceptably risky. There is no means of knowing what the bedrock elevation does. If the bedrock is deeper it is not a simple problem of needing longer piles, it fundamentally changes pile design requirements.	Locating the facility outside the explored basin would require geotechnical exploration. If the exploration discovered deep rock the project budget would be blown. If deep rock was encountered and piles, it would be unreasonable to rely on driving pile or spin fin piles to achieve bearing in the soils given the known high susceptibility for liquefaction. Only piles founded on bedrock are capable of insuring bearing capacity at this site. Do to extreme cost and stability risk the Turnagain proposals avoided the unexplored deep mid-harbor area.
Geotechnical	Medium	Geotechnical conditions at the site are quite well described in the geotech report but localized anomalies may occur. Deeper than anticipated bedrock elevations could impact pile lengths.	Turnagain's designs do not rely on soil above mudline for bearing capacity. All piles are driven to bedrock. To mitigate deep bedrock Turnagain has allowed for reasonable added pile length. If deep rock in excess of the supplied pile is encountered additional pile can be sourced with minimal or no impact on the project schedule.
Geotechnical	Low	Geotechnical conditions at the site are quite well described in the geotech report however material differences that result in greatly increased soil mobility beyond what is anticipated could impact the structure in a design level seismic event.	Turnagain's geotechnical engineer performed a reasonable and prudent analysis of seismic soil conditions and loading. The resultant design is conservative and reasonable. If soil conditions do not behave as anticipated during a massive earth quake event and the upland portion of the GPIP facility suffers a vast land slide event the dock may be severely damaged. Designing and constructing to protect against an unlikely and unanticipated doomsday event is not financially prudent.
Damage During Transit	Low	Precast members can be used to provide a cost effective and quality facility however if large precast members are damaged during construction they can be difficult or impossible to fully repair. Full replacement of damaged modules can impact the schedule.	Turnagain will take precautions to ensure that the handling and transit of large precast elements is done in accordance within the engineered guidelines and in accordance with best practices for hoisting and rigging. Turnagain has never seriously damaged a concrete element. Prudent care and planning mitigates this risk.



Barge Corrosion Assessment:

Initial cost savings potentially recognized by purchasing a heavily wasted barge were deemed imprudent and not in the best interest of the project when considered over the long term. The foundation of the Turnagain floating berth is starting with a very high quality barge in sound condition. Turnagain has engaged a corrosion engineer to make recommendations on the service life of the proposed barge. Attached is the corrosion engineer's recommendation for achieving a 50-year service life without dry-docking.

September 23, 2016



Northwest Corrosion Engineering

10995 Warfield Road, Sedro-Woolley, WA 98284
Phone: (360) 826-4570 Fax: (360) 826-6321

Mr. Jason Davis
Turnagin Marine Construction
8241 Diamond Hook Dr., Unit A
Anchorage, AK 99507

Subject: PCC Provider, Coatings and Corrosion Assessment

Mr. Davis,

Northwest Corrosion Engineering has completed a review of the two provided inspection reports, dated July 8th and 14th, 2016 detailing the existing condition of the interior and exterior surfaces of the PCC Provider. The purpose of our review was to evaluate the existing corrosion control measures and offer our opinion as the expected longevity of the vessel based upon those considerations. A summary of our review includes the following:

1. The double shell vessel was constructed in 2002. The outer (seaside) wall is composed of 5/8-inch steel plate and the inner wall is constructed of 3/8-inch plate.
2. Corrosion control of the outer hull consists of a Hemple Paint System; a specific coating system was not detailed. Galvanic anodes are connected to the below water portion of the hull.
3. The underwater survey noted that the coating was in excellent condition and no blistering was observed. All anodes were described as being in good condition with approximately 10% depletion.
4. A review of the supplied photographs is consistent with these findings.

In order to provide a detailed analysis and expected useful life of the vessel, we would need to participate in a dry dock inspection. This inspection would include the following elements:

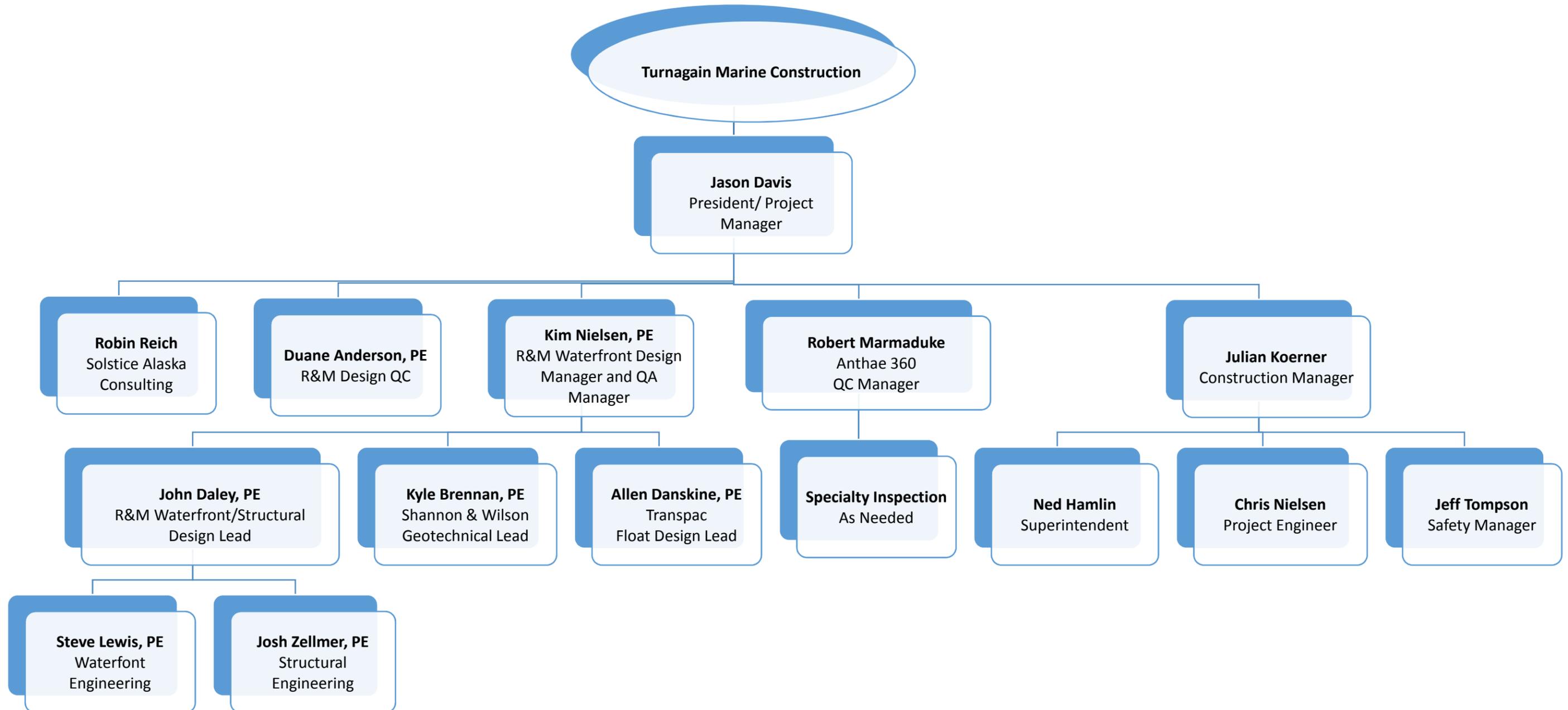
- Determine quantifiable coating characteristics such as adhesive properties, total dry film thickness, holiday testing, and notation of any abnormalities.
- Measure total anode volume loss and calculate average protective current output. This will allow us to determine an accurate anode consumption rate and remaining useful life.
- Verify that protective current distribution is adequate over all submerged surfaces.

Once this inspection is completed, an updated coating system and anode installation design will be developed. It is anticipated that the coating system requirements will include performing a sweep blast over the entire exterior surface and the application of a marine-grade overcoat (one or two coats) that is compatible with the existing coating material. At locations of existing coating defects, the steel will be abrasively blasted to provide a white metal finish in order to ensure a proper surface anchor profile prior to coating.

The design of the anode system will be such that a minimum 20-year anode life is achieved. The design will also include provisions for easy replacement of the anodes during routine dive inspection work.

Given these considerations and an appropriate inspection/maintenance schedule (perhaps 15 – 20 years), it is reasonable to expect that the combination of a robust coating system and a properly designed cathodic protection system will provide a minimum 50-year service life.

Gary Paxton Industrial Park Multi-Purpose Dock





Equipment, Means, and Methods

Company Equipment

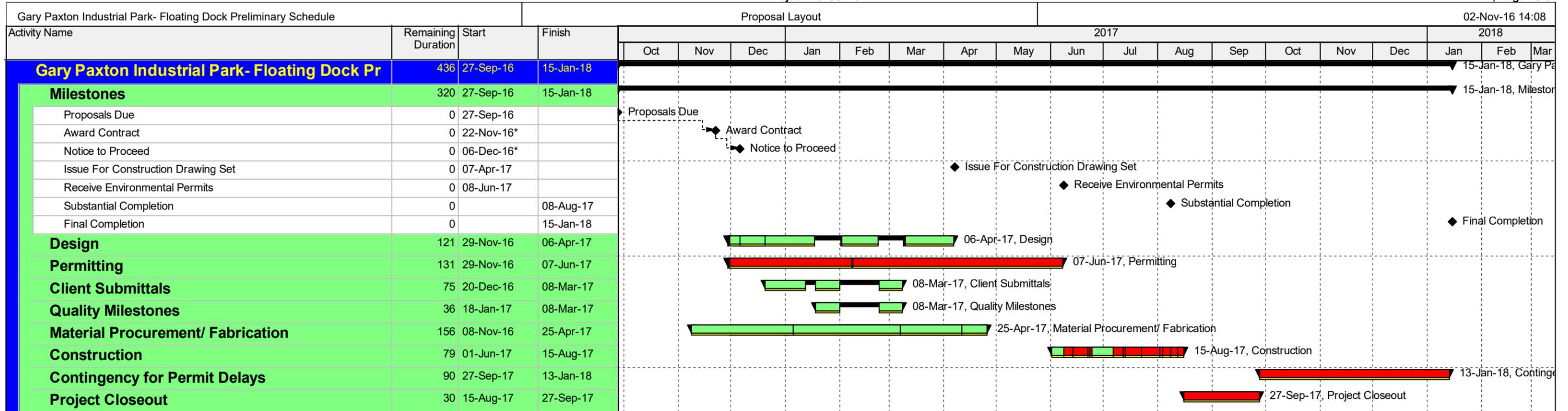
For the Gary Paxton project, Turnagain will supply the Brightwater Crane Barge. The Brightwater was designed specifically to construct large scale construction projects in the severe Alaskan environment. The Brightwater recently completed similar work continuously operating in Hoonah from June through mid-February performing pile driving, large diameter socketing, rock anchoring, and lifts up to 120 tons in exposed waters with minimal down time. The Brightwater is equipped with a pair of 100' long x 52" diameter octagonal automated spuds that reduce roll and provide station keeping in severe weather. The Brightwater supplements the spuds with a 4 point mooring system designed for severe conditions and deep water. The crane has extensive hoisting capabilities. In its current configuration, it is equipped with a 240 foot long boom and can lift 100 tons at 125 feet from center pin. Engineered lift chart and general arrangement drawing attached. The crane barge is maneuvered by two azimuth drive mini tugs carried on deck and serviced by two 90-HP rough water skiffs. On-board pile equipment includes:

Schedule Management

Turnagain will maintain a three-week look-ahead schedule in sufficient detail to provide the Owner, regulatory, QC, and other stake holders with an accurate near-term forecast of upcoming construction activity. The three-week schedule will also include a week of as-built information to assist in project recording and measurement. Additionally, a detailed CPM schedule prepared in Primavera P6 will be maintained and submitted along with the monthly pay applications. Thorough schedule updating is a critical component of Turnagain's project controls.

Procurement and Mobilization

From years of remote construction experience, Turnagain's staff has developed mobilization methods and procurement controls that insure the materials are available on time and that they are delivered without damage. In addition to the detailed QC program previously described which focuses on the quality of the end product, Turnagain's management expends a great deal of effort insuring the materials are available in a timely manner, delivered to the barge loading site in good condition, and are properly lashed and protected to ensure safe delivery to the project site. Turnagain works with a few key barge operators to ensure the tow and stow are performed to Turnagain's standards.



- Project Baseline Bar
- Secondary Baseline
- Actual Work
- Remaining Work
- Critical Remaining Work
- Milestone
- Summary



Quality Management Narrative

Introduction

The Quality Goal for this project and the project team reflects the standard which Turnagain Marine and R&M Consultants strive to achieve on every project. The goal is to deliver products and services in a manner that meets the stated requirements and expectations of the Client including conformance with contract requirements, environmental constraints, constructability limitations, prevailing industry standards, and applicable laws and licensing requirements.

Processes to Ensure Design Conformance

One of the most fundamental keys to the success R&M has enjoyed is its time-tested, in-house quality management program. This program has been carefully developed and improved over 44 years of providing professional technical services, and the goal is to deliver products and services in a manner that meets the project-specific requirements and expectations of the Client including conformance with contract requirements, prevailing industry standards, and applicable laws, codes, and permit requirements. The Quality Management Program is a company-wide plan that sets out guidelines and procedures specifically applicable to each department (i.e., engineering, surveying, construction administration).

A balanced Quality Management Program is composed of the Quality Assurance Program (QAP), the Quality Control Program (QCP), and our Quality Improvement Program (QIP). Together they comprise our QA/QC program. Each project has its own Quality Plan, which delineates the special procedures of relevance to that project. The actual Scope of Work, Schedule, and Budget will be drawn from the Proposal and contract documents after award of the project and developed further as necessary.

The Quality Plan is used to guide a comprehensive set of quality reviews, checks and counter-checks into an effective set of procedures designed to enhance our professional performance and client satisfaction. Kim Nielsen, Group Manager of Waterfront Engineering, and Duane Anderson, Principal, will be responsible for design quality on this project. Kim will be responsible for developing, overseeing, and implementing a Quality Plan specific to this design-build project.

Some discrete steps along the path of project design QA/QC include, but are not limited to the following:

Quality Assurance:

- Develop a project specific Quality Plan
- Kickoff meeting to define project objectives/goals, functional needs, and schedule
- Obtain information necessary to objectively execute design level QA/QC, and identify data gaps, etc. that may pose risks
- Verify the codes and standards to which the technical review will be conducted
- Ensure that QC checks are completed and any identified issues are resolved and meet the established standards and client goals

Quality Control:



- Implement the project specific Quality Plan
 - Confirm project design milestones within the master project schedule
 - Explain the document checking and review procedures to be used (explained further below).
 - Assemble documents – review – get concurrence – incorporate changes – verify changes
 - Execute review of design and construction documents at Preliminary (contract award), 65%, and draft 100% design milestones

It is the responsibility of Kim and Duane to carefully apply the QA/QC protocols to the project assigned and also provide contract review and oversight of the program. Elements of R&M's QA/QC program include:

- Communication
- Kickoff Meeting
- Design Document Checking
 - Coordination Checks
 - Technical Check
 - Independent Peer Review
 - Constructability Review
 - Client Reviews

Proposer's Commitment and Plan for Procurement through Closeout

Turnagain Marine Construction has adopted the widely accepted Three Phase USACE Contractor Quality Control Program. The USACE program insures quality workmanship and contract compliance for all construction activities both on and off site. One advantage of using the USACE Three Phase QC method is that it is affective for all levels of fabricators, subcontractors, and on site work. When awarded this project, Turnagain will submit a QC plan (as part of the Quality Management Plan) that covers all construction operations whether on or off site, work by subcontractors, fabricators, and suppliers. The QC Plan Outline is as follows (taken from USACE Standard Specifications):

- A) Description of the quality control organization
- B) Name, qualifications, duties, responsibilities, and authorities of each person engaged in the QC function.
- C) Letter from the company President authorizing the QC manager to stop work that is not compliant with the contract and providing authorization to perform the needed QC functions. The QC manager will issue similar letters for subordinate QC staff.
- D) Procedures for scheduling, reviewing, certifying, and managing submittals to and from all associated entities.
- E) Control, verification, and acceptance testing procedures for each specific test to include the name, specification paragraph requiring testing, feature of work to be tested, test frequency and test administrator.
- F) Procedures for tracking preparatory, initial, and follow up controls as well as associated verification and acceptance testing documentation.
- G) Procedures for tracking construction deficiencies from identification through acceptable corrective action.



- H) Reporting procedures and proposed report formats.
- I) A list of all definable features of work (DFW). Per the USACE a DFW is a task which is separate and distinct from other tasks, has separate control requirements, and may be identified by different trades or disciplines.
- J) A list of all inspections required by code or contract.

The Turnagain QC plan will be updated and maintained throughout the contract period.

Individual Responsible for Quality Management Plan

Turnagain has engaged the services of the Robert Marmaduke to be responsible for the development and implementation of the Quality Management Plan for the Gary Paxton Industrial Park Multi-Purpose Dock. Mr. Marmaduke has extensive experience quality management experience on Federal, State, and Local Public Works project acting on behalf of all parties. Robert will implement and develop the overall quality management plan utilizing the expertise of Kim Nielsen and Duane Anderson to assist with the design quality control and assurance. Resumes are accompanied at the end of this section.

Summary of Testing Facility Capabilities and Inspector Qualifications

As part of the Quality Management Plan, Robert Marmaduke will be responsible for identifying and incorporating the appropriate special inspections and testing in conjunction with the design team and contract requirements. To perform special inspections and testing as deemed necessary, Turnagain Marine will utilize the services Wilson Engineering (onsite weld inspection), Dowl HKM (concrete and aggregate testing/ inspection), R&M Consultants (concrete and aggregate testing/ inspection), and Krazan & Associates (offsite weld inspection and precast concrete testing/ inspection). Each firm identified is experienced and specializes in the identified inspection and testing.

Response to Questions Posed 10/6/2016

1. Proposal addresses possibility of actual bedrock conditions requiring longer piles. Please describe Turnagain's approach should actual bedrock be higher than anticipated and/or of lesser quality (bearing/resistance not attained). Does Turnagain intend to perform PDA testing as a verification method?
 - a. If the actual bedrock is 15 to 20 feet higher than anticipated our design and construction approach will not need to be modified. If the bedrock is more than 20 feet shallower than anticipated rock anchors, rock pins, or sockets may be incorporated into the design.
 - b. Turnagain anticipates that the surface layer of the rock could be weathered and of poor quality. The pile will be fitted with heavy pile shoes and impact proofed into the surface layer of bedrock. If the rock is of poor quality or does not develop the anticipated resistance, the pile will be driven farther into the rock until the required bearing capacity is achieved. It is highly unlikely that with minimal increased penetration the pile will not be able to achieve required resistance.
 - c. Turnagain does not anticipate performing a PDA program. Turnagain will use the widely accepted ENR formula to calculate bearing capacity. If any concerns arise during this process or the values attained are for some reason deemed potentially unreliable Turnagain would take measures, including possibly a PDA program, to ensure the engineering criteria are met and documented.
2. It appears Turnagain intends to provide/install anodes on the barge in Option 1 (250' x 74'); please confirm. It's clear that all pilings will have anodes.
 - a. The barge will be fitted with anodes capable of providing a 20-year service life. The anode connection will be such that divers can replace the anodes in 20 years without welding or dry-docking.
3. What is the expected completion date of Option 1, assuming an NTP is issued by the first or second week of November?
 - a. The completion date is driven by the permitting timeline. Given that the Baseline Option 1 only requires eight piles and no socketing, it seems reasonable that an IHA will not be required. If the project can proceed without an IHA it is reasonable to target an August 15, 2017 completion date.
4. Does the small-vessel floating dock's ramp allow for vehicle loads (drive-down)?
 - a. The proposed small vessel float is not intended to be used as a vehicle drive down but can accommodate a Kawasaki Mule or similar ATV. When transferring freight, it is safer, more practical, and more productive to use an extended boom forklift, pedestal crane, or boom truck from the primary float. It is practical to reach out across the 12' wide float with loads likely to be placed on the small vessels. Given that the barge is 6-8 feet above the dock surface it will serve similarly to a loading dock allowing good visibility and access during freight transfer. Material staging can take place on the small boat float. The small boat float will provide safe access to the vessels for carts and pedestrians.



- b. While Turnagain firmly believes that freight loading from the barge float will be very user friendly and provides more hoisting options than a drive down, the facility can be upgraded to include a drive down small boat float. Turnagain is willing to discuss this option if desired. The range of cost for a drive down float is between \$175,000 and \$400,000 depending on the size, capacity, and features selected.
6. Thank you for the detailed information regarding the corrosion/long-term maintenance on the floating options. Should CBS ever elect to haul out the barge, does the design of the transfer bridge allow for it to be hoisted by a crane barge for potential haul-out of dock? Please briefly describe.
 - a. The transfer bridge can be hoisted with a crane barge or statically lifted by a small flat deck barge with hydraulic jacks and dunnage. Turnagain will detail both options in an O&M manual. Care will be taken during the design phase to ensure that future barge removal is not unreasonably difficult or costly.
7. Can you briefly describe the proposed dry fire suppression in more detail – specifically how the system would be operated in the event of an emergency?
 - a. The system would have a fire department connection point at the abutment with a 4” Storrs fitting or as specified by the local fire department. The fire department would charge the system from a pumper truck or hydrant.
 - b. The 4” fire line charged at the abutment would run down the transfer span/trestle to the dock. At the dock it would branch and run each direction.
 - c. On an interval of approximately 50’ or as needed to satisfy the fire code, there would be a riser with a 2-1/2” connection valve and a cabinet housing a 150’ of 1-1/2” fire hose.
 - d. The fire department would access the dock, connect to the risers, and have firefighting capability at multiple risers simultaneously.
 - e. All equipment from the FD connection at the abutment to the risers, including the fire hose cabinet and fire hose, is supplied by Turnagain.
 - f. This system can be modified as needed to reasonably accommodate the local fire department’s needs. Turnagain can price and perform upland distribution if desired but felt that work was beyond the intended scope of this proposal.
8. Note: Turnagain intended to include the following passage in the BAFO response and inadvertently left it out. Please include the following paragraph in the 2.7.4A response:

Turnagain’s proposal provides for a two-year correction period. Upon acceptance of Turnagain’s proposal the Owner is authorized to modify paragraph 12.07A of the contract general provisions to include a two-year correction period in lieu of the current industry standard one-year correction period. This two-year correction period applies to any and all options presented by Turnagain.

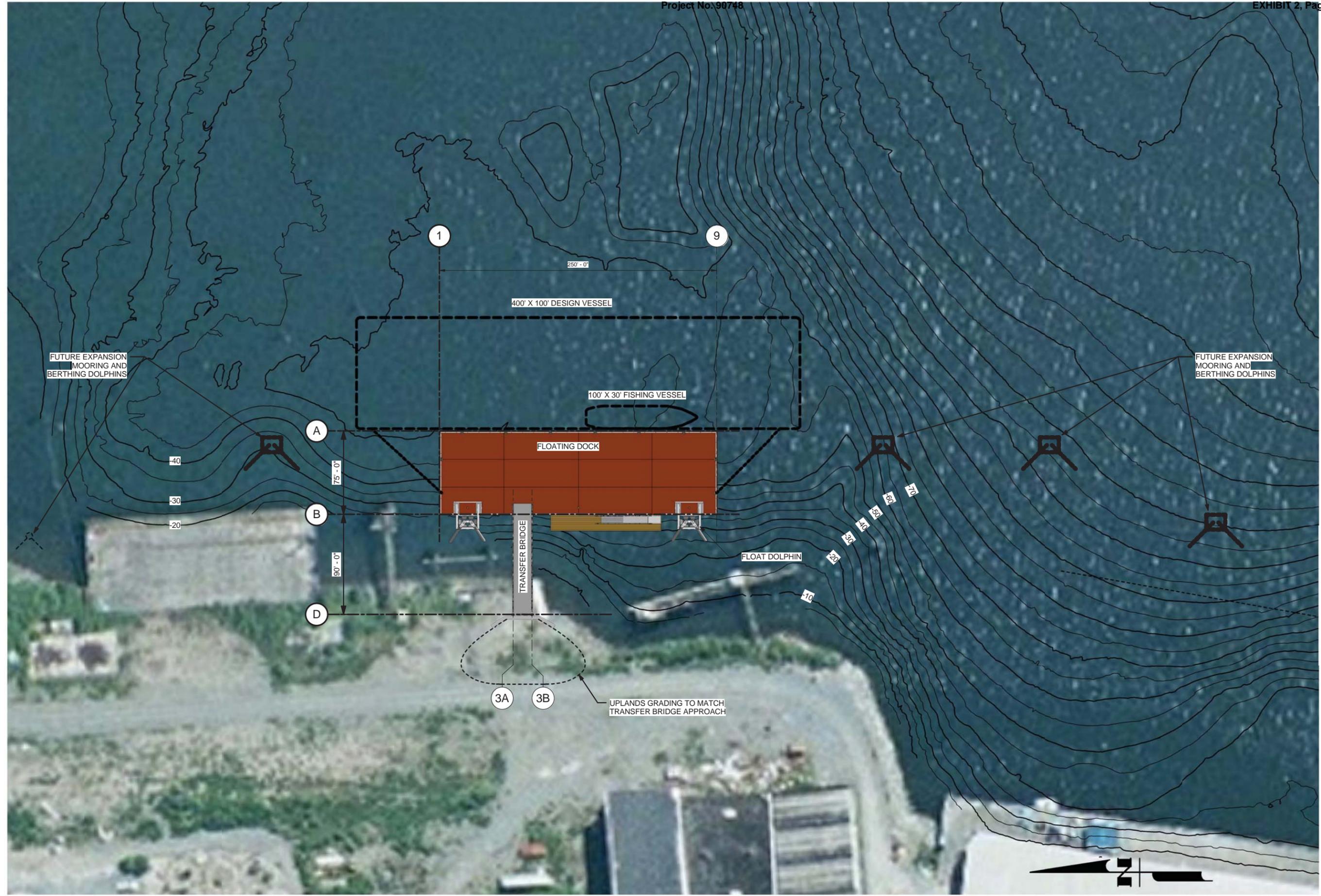


R&M CONSULTANTS, INC.
 9101 Vanguard Drive
 Anchorage, Alaska 99507
 rmconsult.com • email@rmconsult.com
 phone: 907.522.1707 • fax: 907.522.3403

City & Borough of Sitka
GARY PAXTON INDUSTRIAL PARK MULTIPURPOSE DOCK

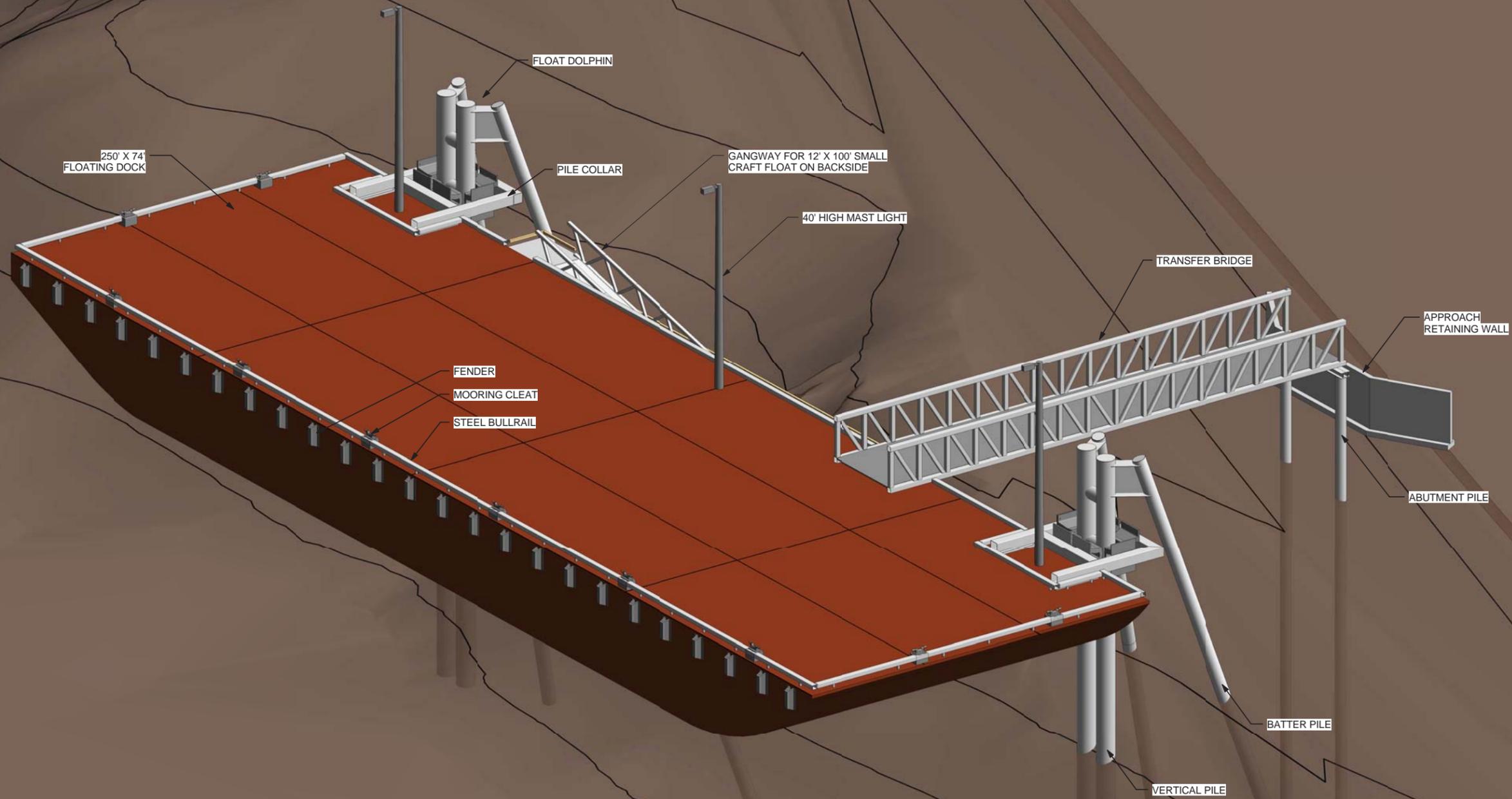
Drawn By: JZ/JC	Checked By: JD/KN
Date: SEPTEMBER 27, 2016	
Phase: CONCEPT	
Project No: 2409.01	
SHEET TITLE: Baseline Option 1	
SHEET NO:	

B1



9/26/2016 10:51:09 AM C:\Users\jcrowe\Documents\Gary Paxton Float_2_CENTRAL_jcrowe.rvt

① ALTERNATE B SITE PLAN
1" = 40'-0"



250' X 74'
FLOATING DOCK

FLOAT DOLPHIN

PILE COLLAR

GANGWAY FOR 12' X 100' SMALL
CRAFT FLOAT ON BACKSIDE

40' HIGH MAST LIGHT

TRANSFER BRIDGE

APPROACH
RETAINING WALL

FENDER

MOORING CLEAT

STEEL BULLRAIL

ABUTMENT PILE

BATTER PILE

VERTICAL PILE

C:\Users\jcrowe\Documents\Gary Paxton Float_2_CENTRAL_jcrowe.rvt

9/26/2016 10:51:21 AM



R&M CONSULTANTS, INC.
9101 Vanguard Drive
Anchorage, Alaska 99507
rmconsult.com • email@rmconsult.com
phone: 907.522.1707 • fax: 907.522.3403

*City & Borough
of Sitka*
GARY PAXTON INDUSTRIAL
PARK MULTIPURPOSE DOCK

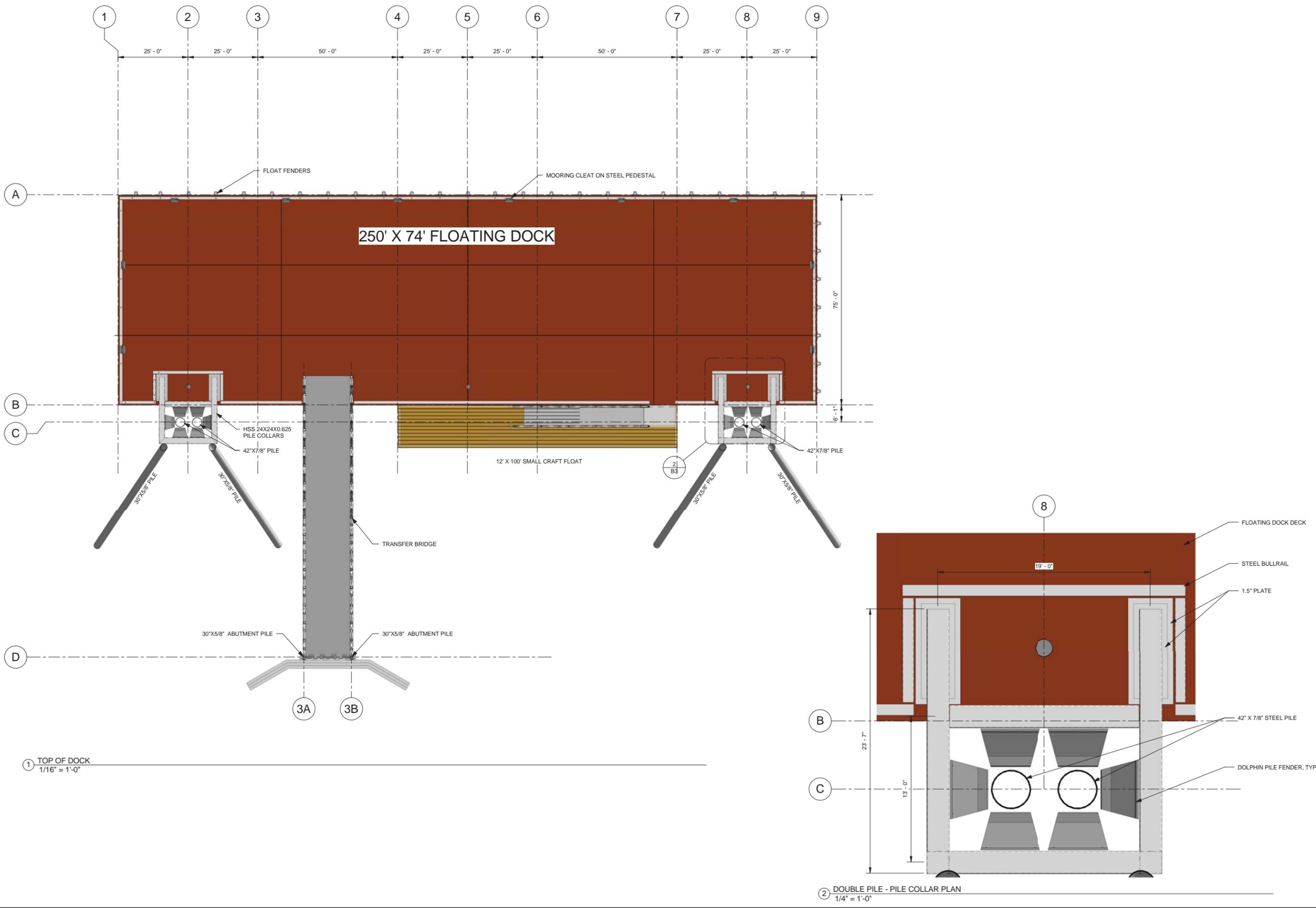


Drawn By: JZ/JC	Checked By: JD/KN
Date: SEPTEMBER 27, 2016	
Phase: CONCEPT	
Project No: 2409.01	
SHEET TITLE:	
Baseline Option 1 3D ORTHOGRAPHIC VIEW	
SHEET NO:	

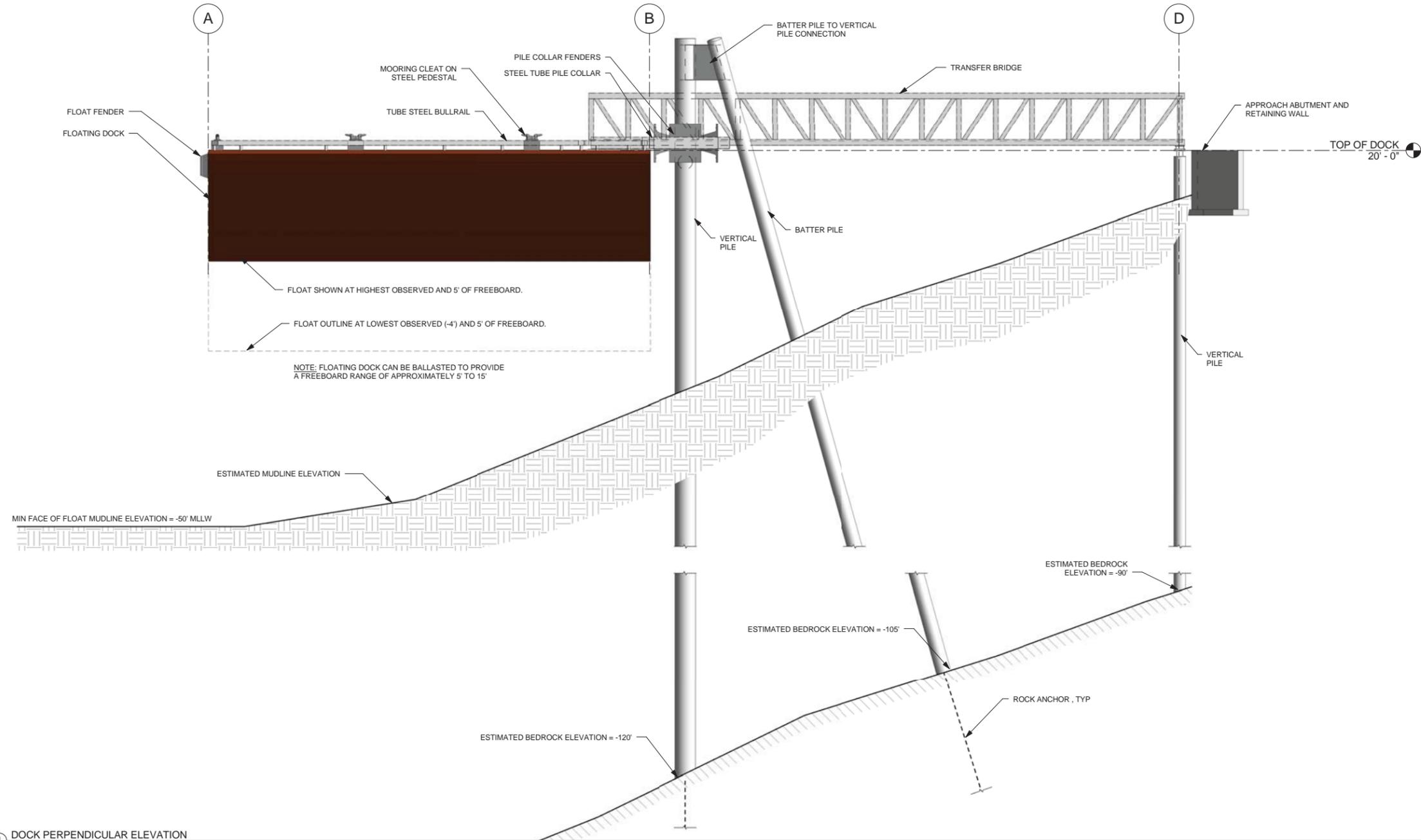


Drawn By:	Checked By:
JZ/JC	JD/KN
Date:	SEPTEMBER 27, 2016
Phase:	CONCEPT
Project No:	2409.01
SHEET TITLE:	
Baseline Opt. 1 PLANS	
SHEET NO:	

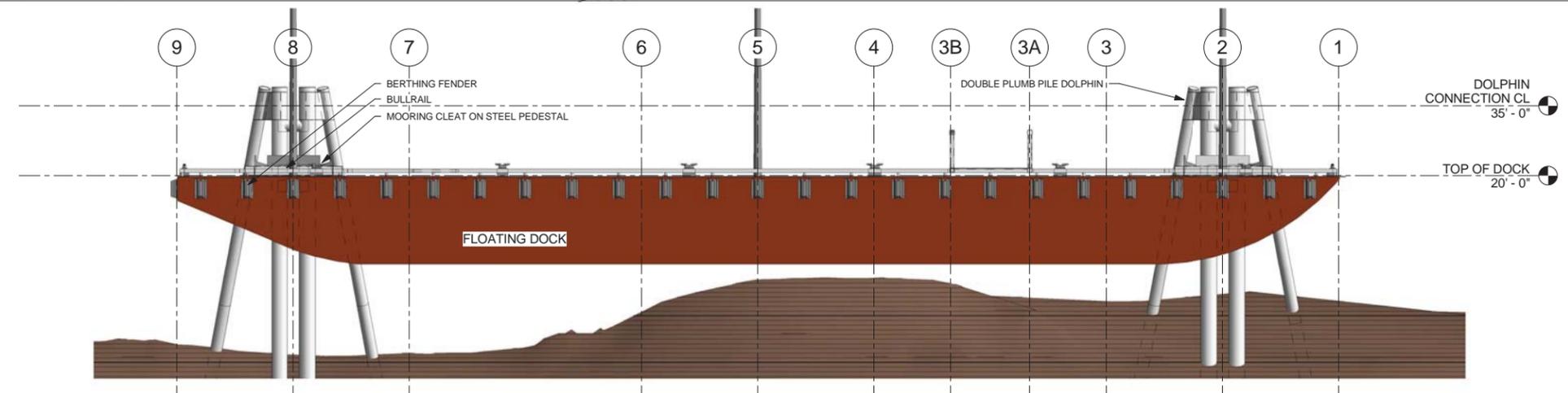
B3



C:\Users\jcrowe\Documents\Gary Paxton Float_2_CENTRAL_jcrowe.rvt 9/26/2016 10:51:27 AM



1 DOCK PERPENDICULAR ELEVATION
1" = 10'-0"



2 DOCK LONGITUDINAL ELEVATION
1/16" = 1'-0"

Turnagain
Marine Construction

R&M CONSULTANTS, INC.
9101 Vanguard Drive
Anchorage, Alaska 99507
rmconsult.com • email@rmconsult.com
phone: 907.522.1707 • fax: 907.522.3403

City & Borough of Sitka
GARY PAXTON INDUSTRIAL
PARK MULTIPURPOSE DOCK

Drawn By:	Checked By:
JZ/JC	JD/KN
Date:	SEPTEMBER 27, 2016
Phase:	CONCEPT
Project No:	2409.01
SHEET TITLE:	Baseline Option 1 ELEVATIONS
SHEET NO:	

9/26/2016 10:51:34 AM C:\Users\jcrowe\Documents\Gary Paxton Float_2_CENTRAL_jcrowe.rvt

GARY PAXTON INDUSTRIAL PARK MULTI-PURPOSE DOCK - PROPOSAL, VOLUME II
BASELINE PRICE FORM

Fixed Price for Design and Construction of Baseline Scope of Work: **FOR ALL BASELINE OPTIONS**

six million eight hundred thousand dollars and no cents _____ (\$ 6,800,000.00) Dollars

Print Dollar Amount

Note: Include the following information as a supplemental information as required by the Request for Proposal:

- Provide basis of pricing; methodology and project design features used to determine pricing; and
- Provide pricing assumptions if material to contingencies included in pricing to allow OWNER to consider whether scope or project risk allocation could be revised to obtain a higher value price and scope of work.

Alternative Options: pricing shall be provided for any Alternative Options included in the Proposal. Proposer hereby certifies the validity of Alternative Options prices, as presented by the Proposer.

This Price Form is submitted by:

If Proposer is:

An Individual

Name (typed or printed): _____

By: _____
(Individual's signature)

Doing business as: _____

A Partnership

Partnership Name: _____

By: _____
(Signature of general partner – attach evidence of authority to sign)

Name (typed or printed): _____

A Corporation

Corporation Name: Turnagain Marine Construction Corporation (SEAL)

State of Incorporation: Alaska

Type (General Business, Professional, Service, Limited Liability): General Business

By: *Jason Davis*
(Signature – attach evidence of authority to sign)

Name (typed or printed): Jason Davis



President
CORPORATE SEAL)

[Signature]

Date of Qualification to do business in Alaska is 6 / 20 / 14.

A Joint Venture

Name of Joint Venture: _____

Address: _____

By: _____
(Individual's signature)

GARY PAXTON INDUSTRIAL PARK MULTI-PURPOSE DOCK BID BOND FORM

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

BIDDER (Name and Address):
Turnagain Marine Construction Corporation

9330 Vanguard Drive, Suite 100

Anchorage, AK 99507

SURETY (Name and Address of Principal Place of Business):
Hartford Fire Insurance Company

520 Pike Tower, Suite 900

Seattle, WA 98101

OWNER (Name and Address):

City and Borough of Sitka

100 Lincoln St.

Sitka, AK 99835

BID

Bid Due Date: 8/2/2016

Description (Project Name and Include Location):

Gary Paxton Industrial Park Multi Purpose Dock Sawmill Cove, 90748, Sitka, Alaska

BOND

Bond Number: Bid

Date (Not earlier than Bid due date): 8/2/2016

Penal sum Five Percent (5%) of Bid Amount
(Words)

\$ 5%
(Figures)

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

BIDDER

Turnagain Marine Construction Corporation (Seal)

Bidder's Name and Corporate Seal

By: Jason Davis

Signature

Jason Davis

Print Name

President

Title

Attest: [Signature]

Signature

Witness

Title

SURETY

Hartford Fire Insurance Company (Seal)

Surety's Name and Corporate Seal

By: Cynthia L. Jay

Signature (Attach Power of Attorney)

Cynthia L. Jay

Print Name

Attorney-in-Fact

Title

Attest: Courtney Sandell

Signature Courtney Sandell

Witness

Title

Note: Above addresses are to be used for giving any required notice. Provide execution by any additional parties, such as joint venturers, if necessary.

1. Bidder and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors, and assigns to pay to Owner upon default of Bidder any difference between the total amount of Bidder's Bid and the total amount of the Bid of the next lowest, responsible Bidder who submitted a responsive Bid as determined by Owner for the work required by the Contract Documents, provided that:

- 1.1 If there is no such next Bidder, and Owner does not abandon the Project, then Bidder and Surety shall pay to Owner the penal sum set forth on the face of this Bond, and
- 1.2 In no event shall Bidder's and Surety's obligation hereunder exceed the penal sum set forth on the face of this Bond.
- 1.3 Recovery under the terms of this Bond shall be Owner's sole and exclusive remedy upon default of Bidder.

2. Default of Bidder shall occur upon the failure of Bidder to deliver within the time required by the Bidding Documents (or any extension thereof agreed to in writing by Owner) the executed Agreement required by the Bidding Documents and any performance and payment bonds required by the Bidding Documents.

3. This obligation shall be null and void if:

- 3.1 Owner accepts Bidder's Bid and Bidder delivers within the time required by the Bidding Documents (or any extension thereof agreed to in writing by Owner) the executed Agreement required by the Bidding Documents and any performance and payment bonds required by the Bidding Documents, or
- 3.2 All Bids are rejected by Owner, or
- 3.3 Owner fails to issue a Notice of Award to Bidder within the time specified in the Bidding Documents (or any extension thereof agreed to in writing by Bidder and, if applicable, consented to by Surety when required by Paragraph 5 hereof).

4. Payment under this Bond will be due and payable upon default of Bidder and within 30 calendar days after receipt by Bidder and Surety of written notice of default from Owner, which notice will be given with reasonable promptness, identifying this Bond and the Project and including a statement of the amount due.

5. Surety waives notice of any and all defenses based on or arising out of any time extension to issue Notice of Award agreed to in writing by Owner and Bidder, provided that the total time for issuing Notice of Award including extensions shall not in the aggregate exceed 120 days from Bid due date without Surety's written consent.

6. No suit or action shall be commenced under this Bond prior to 30 calendar days after the notice of default required in Paragraph 4 above is received by Bidder and Surety and in no case later than one year after Bid due date.

7. Any suit or action under this Bond shall be commenced only in a court of competent jurisdiction located in the state in which the Project is located.

8. Notices required hereunder shall be in writing and sent to Bidder and Surety at their respective addresses shown on the face of this Bond. Such notices may be sent by personal delivery, commercial courier, or by United States Registered or Certified Mail, return receipt requested, postage pre-paid, and shall be deemed to be effective upon receipt by the party concerned.

9. Surety shall cause to be attached to this Bond a current and effective Power of Attorney evidencing the authority of the officer, agent, or representative who executed this Bond on behalf of Surety to execute, seal, and deliver such Bond and bind the Surety thereby.

10. This Bond is intended to conform to all applicable statutory requirements. Any applicable requirement of any applicable statute that has been omitted from this Bond shall be deemed to be included herein as if set forth at length. If any provision of this Bond conflicts with any applicable statute, then the provision of said statute shall govern and the remainder of this Bond that is not in conflict therewith shall continue in full force and effect.

11. The term "Bid" as used herein includes a Bid, offer, or proposal as applicable.

POWER OF ATTORNEY

THE HARTFORD

Bond T-12
One Hartford Plaza
Hartford, Connecticut 06155
email: bond.claims@thehartford.com
call: 888-266-3488 | fax: 860-757-5835

KNOW ALL PERSONS BY THESE PRESENTS THAT:

Agency Code: 52-817693

- Hartford Fire Insurance Company, a corporation duly organized under the laws of the State of Connecticut
- Hartford Casualty Insurance Company, a corporation duly organized under the laws of the State of Indiana
- Hartford Accident and Indemnity Company, a corporation duly organized under the laws of the State of Connecticut
- Hartford Underwriters Insurance Company, a corporation duly organized under the laws of the State of Connecticut
- Twin City Fire Insurance Company, a corporation duly organized under the laws of the State of Indiana
- Hartford Insurance Company of Illinois, a corporation duly organized under the laws of the State of Illinois
- Hartford Insurance Company of the Midwest, a corporation duly organized under the laws of the State of Indiana
- Hartford Insurance Company of the Southeast, a corporation duly organized under the laws of the State of Florida

having their home office in Hartford, Connecticut (hereinafter collectively referred to as the "Companies") do hereby make, constitute and appoint, **up to the amount of Unlimited** :

Bryan Richard Ludwick, Michael S. Mansfield, Kari Michelle Motley, Tamara A. Ringeisen, Sara Sophie Sellin, Donald Percell Shanklin Jr., Misti M. Webb of Portland OR, James B. Binder, Brandon K. Bush, Peter J. Comfort, Jamie Diemer, Carley Espiritu, Diane M. Harding, Brent E. Heilesen, Kyle Joseph Howat, Cynthia L. Jay, Aliceon A. Keltner, Christopher Kinyon, Kristine A. Lawrence, Jon J. Oja, Annelies M. Richie, David W. Ross, Jennifer L. Snyder, Karen C. Swanson, Julie R. Truitt, Eric A. Zimmerman of TACOMA, Washington

their true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, to sign its name as surety(ies) only as delineated above by , and to execute, seal and acknowledge any and all bonds, undertakings, contracts and other written instruments in the nature thereof, on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

In Witness Whereof, and as authorized by a Resolution of the Board of Directors of the Companies on August 1, 2009, the Companies have caused these presents to be signed by its Vice President and its corporate seals to be hereto affixed, duly attested by its Assistant Secretary. Further, pursuant to Resolution of the Board of Directors of the Companies, the Companies hereby unambiguously affirm that they are and will be bound by any mechanically applied signatures applied to this Power of Attorney.



John Gray, Assistant Secretary

M. Ross Fisher, Vice President

STATE OF CONNECTICUT }
COUNTY OF HARTFORD } ss. Hartford

On this 12th day of July, 2012, before me personally came M. Ross Fisher, to me known, who being by me duly sworn, did depose and say: that he resides in the County of Hartford, State of Connecticut; that he is the Vice President of the Companies, the corporations described in and which executed the above instrument; that he knows the seals of the said corporations; that the seals affixed to the said instrument are such corporate seals; that they were so affixed by authority of the Boards of Directors of said corporations and that he signed his name thereto by like authority.



CERTIFICATE

Kathleen T. Maynard
Notary Public
My Commission Expires July 31, 2016

I, the undersigned, Vice President of the Companies, DO HEREBY CERTIFY that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which is still in full force effective as of August 2, 2016
Signed and sealed at the City of Hartford.



Kevin Heckman, Assistant Vice President

PRICING PROPOSAL - VOLUME II
RFP SECTION 2.8 -SCHEDULE OF VALUES - Expanded
GARY PAXTON INDUSTRIAL PARK FACILITY



BID ITEM	ITEM DESCRIPTION	QTY.	UNIT	UNIT COST	EXTENDED PRICE
Selected Baseline Option 1, 250' x 74' Floating Berth					
10	Permitting	1	LS		\$ 65,000.00
10.01	Submit Permit Application				
10.02	Permit Issued				
11	Design	1	LS		\$ 210,000.00
11.01	30% Design				
11.02	Coatings and Corrosion Engineering				
11.03	Final Sealed Basis of Design				
11.04	Final Sealed Design Cal. Package				
11.05	For Construction Package				
11.06	Design QC Package				
11.07	Final Record Drawings				
12	Construction Administration	1	LS		\$ 240,000.00
12.01	Inspection and Testing				
12.02	Bowditch Barge Assessment Report				
12.05	Monthly Construction Administration				
12.06	Approved Baseline Schedule				
12.07	Approved Quality Management Plan				
12.08	O&M Manuals				
20	Mobilization	1	LS		\$ 360,000.00
20.01	Bonds and Insurance Certificates				
20.02	Upland and Civil Mobe				
20.03	Marine Equipment Mobe				
20.04	Barge and Materials Mobe				
20.05	Demobilization				
30	Upland and Abutment Work	1	LS		\$ 350,000.00
30.01	Upland Abutment Materials				
30.02	Upland Abutment Site Work				
30.03	Upland Abutment Installation				
40	Finishes	1	LS		\$ 600,000.00
40.01	Lighting and Convenience Power				
40.02	Dry Fire Line from the Abutment				
40.03	Small Boat Float (120') and Gangway				
40.04	Bollards, Bull Rail, Fire & Life Ring Cab.				
40.05	Barge Fenders				

50	Floating Dock	18500	SF	\$ 150.00	\$ 2,775,000.00
50.01	Barge Material On Hand				
50.02	Afloat Retrofit and Prep				
50.03	Drydock and Paint				
50.04	Pile Hoops Fabricated and Installed				
50.05	Install Barge				
60	Dolphins	1	LS		\$ 1,600,000.00
60.01	Procure Pile				
60.02	Procure Rock Anchor Material				
60.03	Procure & Fabricate Steel Caps				
60.04	Procure Anodes				
60.05	Install Pile				
60.06	Install Rock Anchors				
60.07	Install Caps				
60.08	Install Anodes				
70	Transfer Bridge	1	LS		\$ 600,000.00
70.01	Transfer Bridge Materials On Hand				
70.02	Transfer Bridge Retrofit				
70.03	Transfer Bridge Paint				
70.04	Apron and Transitions				
70.05	Install Transfer Bridge				
Baseline Option 1 Total					\$ 6,800,000.00
80	Additional Services **	Selection Deadline			
80.01	Heavy Shore Power System Additive	1/31/2017		\$ 60,000.00	
80.02	Pedestal Mounted Dock Crane	1/31/2017		\$ 175,000.00	
80.03	Demo Utility Dock	3/2/2017		\$ 90,000.00	
80.04	Provide Water Service at Abutment	3/2/2017		\$ 45,700.00	
					\$ -

** Pricing fixed if executed by selection deadline.

** Change order required to authorize additional services.

**Additional Services (Optional)**

Pricing is fixed if Additional Services are executed by selection deadlines. The contract completion milestones will not be negatively impacted if the Additional Services are executed by the selection dates. A change order is required to authorize any of the following Additional Services:

Item 80.01 Heavy Shore Power System Additive

Add two marine grade power pedestals. Each of the two pedestals will have a 100 amp 120/208V three phase receptacle, a 100 amp 120/208V single phase receptacle, and a 50 amp 120/208V single phase receptacle. Selection Deadline: 1/31/2017.

Item 80.02 Pedestal Mounted Dock Crane

Provide a MCT 1040 Telescopic Boom Crane capable of hoisting 4400 lbs at 40 feet. The crane will be positioned in an agreeable location on the structure. This option would be beneficial to accompany the small vessel float for the fishing fleet. This option includes the electrical system to a panel at the access abutment. Providing the upland power feed is by others. Selection Deadline: 1/31/2017.

Item 80.03 Additional Demolition

Turnagain's baseline proposal allows for demolition of structures that directly interfere with the new construction. Exercising this option would result in the complete removal and disposal of the pile supported dock and nearby shoreline appurtenances. Turnagain will include this option in the permitting process to ensure potential selection of this item does not negatively affect the project completion milestones. Selection Deadline: 3/2/2017.

Item 80.04 Provide Water Service at Abutment

Provide all engineering, labor and materials to connect the dry fire line system to the existing water line. The scope of this service would be to install a tapping saddle to the existing water line, connect a four-inch gate valve and backflow preventer in line, and run four-inch piping to the abutment. The dock fire line system would be connected to the furnished line allowing the system to be charged by turning the gate valve at the main line. Selection Deadline: 1/31/2017