

Contract Terms

Hold Harmless

The contractor indemnifies and holds harmless the property owner, Community Action and any funding source for the project for which he/she has bid on from liability for any personal property damages, bodily injury, death, sickness, disease, or loss of expense resulting from the Contractor's work under the Contract.

Contractor Assurance

By submitting a proposal or executing a contract, the Contractor asserts that the Community Action Contractor Handbook has been read and understood and that the required forms and documents have been completed to the satisfaction of Community Action's Housing and Support Services Department.

Contract Documents

The Contract consists of the Owner/Contractor Agreement, the Bid and Order to Proceed, the Specification, plans and drawings, and the Contractor Handbook. These documents cover all labor, materials, appliances, and services necessary to meet the Owner's and Community Action's performance standards and the terms and conditions for payment.

Site Inspection

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All bidders must visit the site and examine all structures. The bidder should address all items on the specifications and compare them to existing field conditions. Unusual conditions or deviations which exist at the time of the field inspection should be noted on the bid and reflected on the bid amount.

Omissions from the Specifications

In cases where materials and equipment are omitted from the spec or drawing and are necessary to fulfill the intent of the spec or drawing, it will be the responsibility of the Contractor to furnish and install the necessary items if a change order is approved by the Project Specialist, the Owner and the Contractor. All materials and equipment must meet the specifications of the Contract Documents.

Verification of Measurements

No extra compensation will be allowed because of differences between actual measurements and dimensions show on the spec. Refer such differences to the Owner and Project Specialist for consideration before bidding work.

Unforeseen Repairs

The Contractor shall notify the Community Action Project Specialist of any conditions or repairs not covered in the Contract Documents which are required for successful completion of the job. Defects which become evident as the work progresses shall be reported, not concealed.

Warranty of Construction

General Guarantee

The Contractor shall remedy at his/her own expense any defect due to faulty material or workmanship and pay for any damage to other work resulting from the Contractor's failure to conform to the Contract Documents. Further the Contractor shall furnish the Owner with all manufacturers' and suppliers' written guarantees and warranties covering materials and equipment furnished under the contract. The Contractor expressly guarantees and agrees to remedy any defects in the work and pay for any damages to other work resulting there from which shall appear within a period of 18 months from the date of final acceptance of the work.

Labor Quality

All labor furnished by Contractors, Subcontractors or Handymen must be performed by a trained, skilled, competent craftsmen, licensed when required. The owner reserves the right to have persons who are not performing their services in an acceptable manner removed from the job site.

Material Quality

The Contractor will furnish all supplies, equipment, etc. to satisfactorily execute the Contract. The materials used and installed must be new unless other arrangements have been made and approved by the Owner and Project Specialist.

Work Site Conditions

The Contractor will protect all property around the work site and will repair or replace any damaged work at his/her own expense. This includes payments, utilities, trees, fencing, and other existing conditions damaged in carrying out the Contract.

Contractor Responsibilities on the Job Site

The contractor agrees to keep the job site clean and orderly during construction and to remove all debris daily and at the completion of the job. Materials and equipment that have been removed and replaced as part of the work shall belong to the Contractor unless stated in writing beforehand. Upon completion of work, all stains, labels, tags, debris, and protective coverings will be removed and the job will be left in room clean condition.

The Contractor will take all precautions to protect persons from injury or inconvenience and will leave passageways unobstructed for pedestrians and vehicles and for access to fire hydrants.

The Contractor will assume full responsibility for the protection and safe keeping of all products and materials stored on the premises.

Owner Responsibilities on the Job Site

Utilities

The owner will permit the contractor to use at no cost, all existing utilities (heat, power and water) necessary for completion of the work.



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Work Site Preparation

The Owner will make reasonable efforts to have the job site prepared for the Contractor by removing furniture, furnishings and other valuables that might get in the Contractor's way.

Property Insurance and Taxes

The Owner must have and maintain homeowner's insurance for the property's full insurable value and keep property taxes current with the jurisdiction where the property is located. This insurance must cover the structure and improvements in the event of fire, vandalism, etc.

Required Insurance

Before an Order to Proceed can be signed, Contractors must submit certificates of insurance to the Community Action Project Specialist.

This applies to the following insurance:

Liability Insurance

The Contractor shall purchase and maintain liability insurance for him/her, all employees, and subcontractors. The amount of Comprehensive General Liability Insurance to be maintained and kept in force shall, under no circumstances, be less than \$300,000 for each person and not less than \$500,000 for each accident. The General Liability Insurance shall include coverage with the respect to Property Damage. Liability arising out of the so called "XCU" (explosive, collapse, and Underground damage). Property damage insurance with minimum limits of \$500,000 for each accident and \$1,000,000 aggregate must also be maintained.

Workman's Compensation Insurance

The Contractor must purchase Workman's Compensation Insurance and Employee's Liability Insurance, if applicable, for all persons employed at the construction site.

Required Paperwork

Completed Bid Specifications

The purpose of the job cost breakdown is to establish a cost for each line item of work that has been submitted on the bid.

The contractor must breakdown the total bid into cost for the individual tasks, including interim control and/or abatement for any lead work if applicable. The job cost breakdown will be reviewed by the Project Specialist to assure that the cost for the separate items are enough to have that item done by a second contractor if the original defaults.

The Project Specialist and the Contractor must agree on the job cost breakdown prior to the contract signing and the Order to Proceed. A copy of the job cost breakdown must be kept on file with Community Action, by the Project Specialist.

Owner/Contractor Agreement

The purpose of the Owner/Contractor agreement is to establish a legal contract between the Owner and the Contractor listing specific agreements concerning the job to be done.



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The Owner/Contractor agreement will be signed by both parties and witnessed by the Project Specialist at the Pre-Construction Conference. A copy will be kept on file by the Project Specialist.

Order to Proceed

The purpose of the Order to Proceed is to give notice to the Contractor to proceed with the rehab specified in the Owner/Contractor Agreement and the approved specifications. Both the Owner and Contractor will sign said document.

The Order to Proceed will be issued when all insurance requirements are met by the Contractor. All building permit applications and the job cost breakdown must also be submitted to the Project Specialist before work will proceed.

Lien Waivers

The purpose of Lien Waivers is to protect the Owner against future claims for payment.

Lien Waivers must be obtained from the Contractor, all subcontractors and major material suppliers, if applicable. These waivers will be kept on file with the Project Specialist and must be submitted with the final payment request.

Change Orders

No change orders will be accepted except for UNFORSEEN problems. Any change order must be approved in writing by the Owner, Contractor, and Project Specialist BEFORE such work begins. Any change order work begun prior to authorization will be considered unauthorized work and will therefore not be reimbursed by Community Action.

Permits and Licenses

The Contractor will secure at his own expense all necessary permits and licenses required to do the work and comply with all City, State, and Federal codes, regulations and ordinances. Community Action reserves the right to hold any funds until all necessary permits and final inspections have been secured and a copy has been provided to the Project Specialist.

Disputes

In the event that any dispute arises regarding claims of the Owner or Contractor or on all other matters relating to the execution and progress of the work on the interpretation of the Contract Documents, both parties agree that Community Action and the Project Specialist will be used as the arbitrator. The Project Specialist will do his/hers due diligence to ensure both parties are happy with the end result.

The Project Specialist will decide as to whether or not the Contractor has fulfilled his/her obligations per the job specifications and Owner/Contractor Agreement, Community Action reserves the right to pay the Contractor the final payment.

Contractor's Signature

Date