



FAYETTEVILLE PUBLIC WORKS COMMISSION

PROCUREMENT DEPARTMENT

<https://www.faypwc.com/bids/>

Bid Addendum

PWC Number: PWC2324022

Bid Title : Various Water and Sewer Main Utility Replacement

Bid Opening Date and Time: November 22, 2023 at 1:00 P.M. E.T.

Addendum Number: I

Addendum Date: November 15, 2023

Procurement Advisor: *Victoria McAllister, Sr. Procurement Advisor*
victoria.mcallister@faypwc.com



1. Acknowledgement of this Addendum must be done within Bid Summary section listed within the Bid Documents

2. The solicitation is hereby modified as follows:

M1. BID SCHEDULE, PERFORMANCE AND DELIVERY, BID OPENING (SUBMITTAL DEADLINE)

The bid submittal is hereby extended until **November 22, 2023 at 1:00 P.M. ET.**

M2. 00100-INSTRUCTIONS TO BIDDERS, QUALIFICATION OF CONTRACTORS, SECTION 4

The subject referenced section is replaced with the following language:

E. QUALIFICATION OF CONTRACTORS

1. **Bidder Qualification Form** – The Bid package shall include the completed Contractor Qualification Form and all supporting documentation.
2. **Statutory Requirements** – The Bidder shall comply with all federal, state, and local statutes, regulations, and codes as they relate to the Project. Failure to comply with these requirements shall be considered a breach of Contract.
3. Contractor to provide utility references for similar projects completed by identified crews.
4. Contractor to provide W3 Transmittal of Wage and Tax Statement indicating wages and taxes paid by employer.
5. PWC is looking for utility contractors with experienced personnel in all facets of water and/or sewer main replacement services. The minimum work experience of the following Personnel Classifications will be required:
 - **Superintendent:** Must have a minimum of 10 years of experience as a superintendent, coordinating and managing all aspects of sewer and/or water construction projects.
 - **Foreman/Crew Leader:** Must have a minimum of 8 years of experience as a foreman/crew leader, coordinating and supervising a team of crew members for sewer and/or water construction projects.
 - **Operator:** Must have a minimum of 8 years of experience operating heavy equipment for sewer and/or water construction projects.

6. Equipment Requirements (Minimum)

- Excavator, 65,000 to 85,000 LB Class
- Excavator, 38,000 to 64,999 LB Class
- Excavator, 18,000 to 37,999 LB Class
- Excavator, 12,000 to 17,999 LB Class
- Mini-Excavator, 7,200 to 11,999 LB Class
- Standard Rubber Tire Backhoe
- Tamp, Portable, Self-Driven, Gasoline, up to 250 LBs
- Ram-Ex Vibratory Roller
- Vibratory Roller
- Trailer, Pintle or Ball Hook-up 10 Ton
- Truck, Dump, 10 CY Capacity
- Truck, Dump, 16 CY Capacity
- Wheel Loader
- Truck, Service
- Truck, Pick-up, 6000-8000 GVW With Crew Cab
- Directional Drill Rig, Up to 25,000 LBS
- Directional Drill Rig, Up to 40,000 LBS
- Directional Drill Rig, Up to 60,000 LBS
- Miscellaneous Tools

Contractor will only be paid for equipment and tools in use on the work site.

M3. ON-CALL CONSTRUCTION AGREEMENT

It was found that the On-Call Construction Agreement included in the bid document did not include the sample watermark. This bid has been modified to include the sample watermark version of the On-Call Construction Agreement. This contract is a sample and may not be the final version that will be used after award.

3. Following are questions received about the solicitation and the answers:

Q1. On the Bid Schedule page, under Contract Time, it indicates, "The Contract shall have an initial term of one (1) year...to renew the Contract on the same terms and conditions for up to two (2) additional one-year terms."

yet, On the ON-CALL CONSTRUCTION AGREEMENT, #4 Term, it reads "The initial term of this Contract shall be for two (2) years... this Contract will automatically renew for an additional one (1) year period...."

A1. The Contract Term will be what is listed within the Bid Schedule – Performance and Delivery section. The On-Call Construction Agreement is a sample and may not be the final On-Call Construction Agreement.

Q2. Does this solicitation/contract provide for cooperative purchasing use by other agencies within and/or outside the state of North Carolina?

A2. No.

State of North Carolina
Cumberland County

ON-CALL CONSTRUCTION AGREEMENT

THIS ON-CALL CONSTRUCTION AGREEMENT (“Agreement” or “Contract”) is made by and between Fayetteville Public Works Commission (“PWC”), a North Carolina public authority, [PER OUR CHARTER (SEE SEC 6A.20), THE CONSTRUCTION CONTRACT, IF MORE THAN \$500K, MUST BE BETWEEN THE CITY (BY AND THROUGH PWC) AND THE CONTRACTOR], and _____ (“Contractor”), a North Carolina _____ (each of PWC and Contractor is referred to herein as a “Party” and collectively as the “Parties”) as of the date of execution last written below (the “Effective Date”). For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

RECITALS

PWC requires the services of a _____ to provide will provide timely, cost-effective and quality on-call construction and repair services for various projects which can be small in scope and usually immediate in terms of need. Individual On-Call Requests dollar values and completion times will vary depending on the type and amount of work assigned and the rate at which appropriated of funds are consumed. The availability of the Contractor and its response times are of the utmost importance.

1. Scope of Services. The following is a general description of the tasks that may be required by PWC pursuant to this Agreement. The list is not intended to be all-inclusive, nor is it guaranteed that all of the listed tasks will be assigned.

Upon receipt of a “Notice to Proceed”, Contractor agrees to perform the Authorized Work requested and authorized by PWC pursuant to an On-Call Request. For purposes of this Agreement, an “On-Call Request” means an independent, specific, written work assignment issued to Contractor by PWC outlining a detailed scope of Services to be performed, including some or all of the above-described tasks, applicable timelines, and any other relevant specifications.

Contractor shall furnish and bear solely the entire cost of all labor and materials to perform the Work in a workmanlike manner in strict accordance with the Contract Documents, schedule delivery of the new materials, furnish and bear solely the entire cost of all supervision, contract administration, equipment, tools, and other means necessary to complete the Work, perform every obligation imposed by the Contract Documents, and be solely responsible for the clean-up and disposal of all materials and debris relating to or arising from the construction and renovation, subject to any exceptions that are specifically set forth in the Contract Documents. Except as otherwise specifically provided in the Contract Documents, Contractor is solely responsible for all construction means, methods, techniques, sequences, procedures, safety precautions or programs, supervising, coordinating, and performing the tasks necessary to complete the Work; provided, however, PWC shall have the right, without incurring any liability to Contractor, to suspend Contractor’s performance when a PWC employee, in his or her opinion, observes a safety violation involving a threat to life or imminent danger of bodily injury,

and the suspension shall remain in effect until Contractor remedies the safety violation.

2. Definitions. Capitalized terms used in this Agreement have the meaning specified below:

“Authorized Work” means the specific work requested and authorized pursuant to an On-Call Request.

“Business Day” means each calendar day that is not a Saturday, Sunday, holiday observed by the federal government for its employees, or holiday observed by PWC for its employees.

“Completion of the Authorized Work” means: (i) the Authorized Work is completed in accordance with this Agreement, except for punch list items; (ii) PWC has received any required temporary or final certificate of occupancy from the governmental agency with jurisdiction over the Authorized Work; and (iii) the registered architects or engineers (the “Designer(s)”) who designed portions or components of the Authorized Work have issued certificates of Completion of the Authorized Work as to those portions or components.

“Contract Documents” means the following documents that were either made available to Contractor by PWC during the bid solicitation process (including Drawings) or executed by the Parties or both, which are all incorporated by reference herein:

- a. This Agreement
- b. Bid Documents
- c. Contractor’s Submitted Bid
- d. Bid Bond
- e. Form of Exceptions
- f. Notice of Award
- g. Acceptance of Award
- h. Performance Bond
- i. Payment Bond
- j. Copy of General Contractor’s License
- k. Certificate of Insurance
- l. Technical Specifications
- m. Additional Specifications

The following documents may be delivered or issued on or after the Effective Date of the Agreement and may not be attached to this Agreement, but are considered Contract Documents when executed by the Parties:

- n. On-Call Request and Notice to Proceed
- o. Authorized Work Change Directive(s)
- p. Change Order(s)
- q. Field Order(s)

There are no Contract Documents other than those identified in this Agreement. The Contract Documents may only be amended, modified, or supplemented as provided in this Agreement in a writing signed by the Parties.

“Fault” means a breach of contract by Contractor, negligent, reckless, or intentional act(s) or omission(s) constituting a tort under applicable statutes or common law by one or more Responsible Persons, or violation(s) of applicable statute(s) or regulation(s) by a Responsible Person.

“Responsible Person” means Contractor and each of its employees, agents, representatives, subcontractors, or other persons and entities for which Contractor may be liable or responsible as a result of any statutory, tort, or contractual duty.

“Work” means all Authorized Work, collectively.

The terms used in this Agreement shall have the meaning as stated herein and in the Contract Documents. In the event of a conflict between the terms of this Agreement and any other component(s) of the Contract Documents, the terms of this Agreement shall govern.

3. Contract Prices. On-Call Requests will be issued individually on a “not to exceed” basis. Authorized Work shall be billed based on the hourly rates set forth on Exhibit A, attached hereto and made a part hereof by this reference. PWC shall pay Contractor for Completion of the Authorized Work in accordance with the Contract Documents the amount identified in the applicable On-Call Request (the “Price”). Contractor understands and acknowledges that the Price is derived from a specific appropriation of funds provided for the Work. Contractor agrees and acknowledges the Price is equal to the aggregate cost of all Authorized Work to be done pursuant to the applicable On-Call Request, including all labor, materials, equipment, apparatus, and supplies. Contractor acknowledges and agrees that there is no guarantee that the amount appropriated will be fully expended.

4. Term. The initial term of this Contract shall be for two (2) years commencing on the Effective Date (the “Initial Term”); provided, however, that PWC may terminate this Contract for convenience at any time following the expiration of the first year of the Initial Term by giving the Contractor written notice of termination. At the expiration of the Initial Term, this Contract will automatically renew for an additional one (1) year period unless a Party provides the other Party with notice of its intent not to renew this Agreement at least ninety (90) days prior to the expiration of the Initial Term.

The duration of the Authorized Work shall be as set forth in the applicable On-Call Request issued under this Contract, which shall be attached hereto and made an integral part hereof. The Parties shall perform their obligations under this Agreement in compliance with all scheduling deadlines set forth in the On-Call Request. Contractor shall commence the Authorized Work on the date to be specified in the Notice to Proceed issued by PWC. Contractor shall achieve Completion of the Authorized Work on the date specified in the On-Call Request, plus any modifications thereof allowed in accordance with the Contract Documents (the “Completion Date”).

5. Payment. PWC shall pay Contractor in installment payments plus a final payment, as set forth in the Contract Documents. For each applicable installment payment, Contractor shall submit an application for payment in accordance with the Contract Documents. An application for payment will be processed by PWC as provided in the Contract Documents.

Such installment payments shall reflect the actual cost of the Authorized Work, not to exceed in total the Price, and the allocable portion of the total Price for said installment. PWC shall make payment to Contractor, less any applicable retainage set forth in the Contract Documents; provided, however, that PWC may withhold all or a portion of a payment on account of (1) incomplete Authorized Work, (2) defective or nonconforming Authorized Work, (3) claims filed or a reasonable basis to believe that such claims will be filed imminently, (4) failure of Contractor to make payments properly for labor, services, materials, equipment or subcontracts, (5) damages caused to PWC or another party by one or more Responsible Persons, or (6) failure to comply with the terms and conditions of this Agreement. In the final payment, PWC shall pay the balance of the Price, including all retained amounts, less any Liquidated Damages and other applicable damage and claim amounts, to Contractor within forty-five (45) days of Completion of the Authorized Work; provided, however, that PWC may withhold a reasonable sum from the final payment to ensure correction of any final items or condition of the Authorized Work.

6. Retainage. Subject to any restrictions applicable to any federal grant funds that may be utilized for the Authorized Work, PWC may, in its discretion, retain up to five percent (5%) of any periodic payment due Contractor; provided, however, when the Authorized Work is fifty percent (50%) complete, PWC, with written consent of the surety, shall not retain any further retainage from periodic payments due Contractor if Contractor continues to perform satisfactorily and any nonconforming Authorized Work identified in writing prior to that time by PWC or the Designer has been corrected by Contractor and accepted by PWC or the Designer, and provided further that full payment, less authorized deductions, shall also be made for those line item trades that have reached one hundred percent (100%) completion of their contract obligations by or before the Authorized Work is fifty percent (50%) complete if Contractor has performed satisfactorily in accordance with G.S. 143-134.1(b2), contingent upon PWC's receipt of an approval or certification from the Designer that the Authorized Work performed by the subcontractor is acceptable and in accordance with the Contract Documents. If PWC determines Contractor's performance is unsatisfactory, PWC may, in its discretion, reinstate retainage for each subsequent periodic application for payment as authorized in this Section up to the maximum amount of five percent (5%). The Authorized Work shall be deemed fifty percent (50%) complete when Contractor's gross project invoices, excluding the value of materials stored off-site, equal or exceed fifty percent (50%) of the Price, except the value of materials stored on-site shall not exceed twenty percent (20%) of Contractor's gross project invoices for the purpose of determining whether the Authorized Work is fifty percent (50%) complete. Within 60 days after the submission of a pay request and one of the following occurs, as specified in the Contract Documents, PWC, with written consent of the surety, shall release to Contractor all retainage on payments held by PWC: (i) PWC receives a certificate of substantial completion from the Designer in charge of the Authorized Work; or (ii) PWC receives beneficial occupancy or use of the Authorized Work; provided, however, PWC may in its discretion retain sufficient funds to secure Completion of the Authorized Work or corrections and punch list items on any Authorized Work. If PWC retains funds, the amount retained shall not exceed two and one-half times the estimated value of the Authorized Work to be completed or corrected or addressed in the punch list. Any reduction in the amount of the retainage on payments shall be with the consent of Contractor's surety. The existence of any third-party claims against Contractor or any additive change orders to the Construction Documents shall not be a basis for delaying the release of any retainage on payments. Notwithstanding anything in this Section to the contrary, following fifty percent (50%) completion of the Authorized Work, PWC shall be authorized to withhold additional retainage from a subsequent periodic payment, not to exceed five percent (5%), in order to allow PWC to retain two and one-half percent (2.5%) total retainage through the Completion of the Authorized Work. In the event that PWC elects to withhold additional retainage on any periodic payment subsequent to release of retainage on a

line-item of Authorized Work pursuant to G.S. 143-134.1(b2), Contractor may also withhold from the subcontractors remaining on the project sufficient retainage to offset the additional retainage held by PWC, notwithstanding the actual percentage of retainage withheld by PWC of the Authorized Work as a whole. Neither PWC's nor Contractor's release of retainage on payments as part of a payment in full on a line-item of Authorized Work pursuant to G.S. 143-134.1(b2) shall affect any applicable warranties on Authorized Work done by Contractor or subcontractor, and the warranties shall not begin to run any earlier than either PWC's receipt of a certificate of substantial completion from the Designer in charge of the Authorized Work or PWC receives beneficial occupancy.

7. Liquidated Damages. Time is of the essence with respect to performance of each of the Parties' obligations under this Agreement. Contractor recognizes and acknowledges that PWC will suffer financial and other losses if the Authorized Work is not completed by its Completion Date. The Parties recognize and agree that the delays, expense, and difficulties involved in proving in a legal or arbitration proceeding the actual loss suffered by PWC if the Authorized Work is not completed by the Completion Date. Accordingly, instead of requiring any such proof, Contractor and PWC agree that in the event Contractor fails to achieve Completion of the Authorized Work by its Completion Date, Contractor shall pay to PWC as liquidated damages to compensate PWC for damages related to the delayed Completion of the Authorized Work one thousand dollars (\$1000.00) per day ("Liquidated Damages") for each calendar day Contractor fails to achieve Completion of the Authorized Work by the Completion Date.

PWC and Contractor acknowledge and agree that the sums payable under this Section 7 shall constitute liquidated damages and not penalties and are in addition to all other rights of PWC, including the right to call a default. The parties further acknowledge that (i) the amount of loss or damages likely to be incurred is incapable or is difficult to precisely estimate, (ii) the amounts specified bear a reasonable relationship to, and are not plainly or grossly disproportionate to, the probable loss likely to be incurred in connection with Contractor's failure fails to achieve Completion of the Authorized Work, (iii) one of the reasons for PWC and Contractor reaching an agreement as to such amounts was the uncertainty and cost of litigation regarding the question of actual damages, and (iv) PWC and Contractor are sophisticated business parties and have been represented by sophisticated and able legal counsel and negotiated this Agreement at arm's length.

8. Contractor's Representations and Warranties. In order to induce PWC to enter into this Agreement, Contractor makes the following representations and warranties to PWC which shall be true and correct on the Effective Date and on the date of issuance of each On-Call Request under this Contract:

a. Contractor is duly licensed in the State of North Carolina to complete the Work, is duly organized, validly existing and in good standing and has all requisite powers, rights, and authority to execute, enter into, and perform this Agreement in accordance with the terms and conditions of this Agreement, and this Agreement constitutes a legal, valid, and binding obligation of Contractor enforceable against it in accordance with its terms.

b. Contractor has read the Contract Documents, and acknowledges and understands all data, materials, specifications, and requirements identified in the Contract Documents.

- c. Contractor is familiar with and is satisfied as to all laws and regulations that may affect cost, progress, and performance to complete the Work.
- d. Prior to undertaking any Authorized Work, Contractor shall have:
- (i) visited the site for the Authorized Work, conducted a thorough, visual examination of the site and adjacent areas, and become familiar with and is satisfied as to the general, local, and site conditions that may affect cost, progress, and performance in completing the Authorized Work..
 - (ii) Contractor shall have carefully studied all: (1) reports of explorations and tests of subsurface conditions at or adjacent to the site and all drawings of physical conditions relating to existing surface or subsurface structures at the site that have been identified in the Contract Documents and any accompanying reports and drawings, and (2) reports and drawings relating to Hazardous Environmental Conditions, if any, at or adjacent to the site that have been identified in the Contract Documents and any accompanying reports and drawings.
 - (iii) Contractor shall have considered the information known to Contractor itself; information commonly known to contractors doing business in the locality of the site; information and observations obtained from visits to the site; the Contract Documents; and the site-related reports and drawings identified in the Contract Documents, if any, with respect to the effect of such information, observations, and documents on (1) the cost, progress, and performance of the Authorized Work; (2) the means, methods, techniques, sequences, and procedures of construction to be employed by Contractor; and (3) Contractor's safety precautions and programs.
 - (iv) Based on the information and observations referred to in subparagraph (iii) of this subsection d, Contractor shall have satisfied itself that no further examinations, investigations, explorations, tests, studies, or data are necessary for the performance of the Authorized Work at the applicable Price commencing on the commencement date set forth in the Notice to Proceed and in accordance with the other terms and conditions of the Contract.
 - (v) Contractor shall have made itself aware of the general nature of the Authorized Work to be performed by PWC and others at the site that as indicated in the Contract Documents.
- e. Prior to undertaking any Work, Contractor shall have given PWC's Designer written notice of all conflicts, errors, ambiguities, or discrepancies that Contractor has discovered in the Contract Documents, and the written resolution thereof by the Designer is acceptable to Contractor.
- f. The Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.
- g. Contractor's entry into this Agreement constitutes an incontrovertible

representation by Contractor that, without exception, all prices in the Agreement are premised upon performing and furnishing the Work required by the Contract Documents.

h. Contractor has no business or personal relationship with any PWC Commissioner, officer, director, manager, or supervisor and Contractor covenants to disclose immediately to PWC any such relationship that develops during the performance of the Work.

9. Contractor's Payment Obligations. Contractor shall pay all of its obligations arising out of or in connection with the Work in a timely manner to all persons supplying materials in the prosecution of the Work and to all laborers and others employed thereon.

10. Performance and Payment Bonds. Contractor shall obtain and deliver to PWC a performance bond in an amount based on the estimated cost of the Authorized Work, conditioned upon the faithful performance of the all Authorized Work in accordance with the Contract Documents, which bond shall be solely for the protection of PWC. Contractor shall obtain and deliver to PWC a payment bond in the amount of one hundred percent (100%) of the estimated cost of the Authorized Work, conditioned upon the prompt payment for all labor or materials for which Contractor or one or more of its subcontractors is liable, which payment bond shall be solely for the protection of the persons furnishing materials or performing labor for which Contractor is liable. The performance bond and the payment bond shall be executed by one or more surety companies legally authorized to do business in the State of North Carolina, shall become effective upon the awarding of the construction contract by PWC to Contractor, and shall at all times comply with the requirements set forth in Article 3 of North Carolina General Statutes Chapter 44A. In the event PWC deems the surety or sureties upon any bond necessary for this Agreement and the Completion of the Authorized Work, or if for any reason, such bond ceases to be adequate to cover the performance and/or payment of the Authorized Work, Contractor shall, at its expense, within five (5) days after the receipt of notice from PWC, furnish an additional bond or bonds in such form and amount, and with such surety or sureties as shall be satisfactory to PWC. In such event no further payment to Contractor shall be deemed to be due under this Agreement until new or additional security for the performance and payment of the Authorized Work shall be furnished in manner and form satisfactory to PWC. Contractor understands and acknowledges that PWC, as a public authority, is not subject to the provisions of Articles 1 and 2 of Chapter 44A of the General Statutes, in accordance with G.S. 44A-34 and applicable law.

11. Contractor's Damage Repair Obligations. Contractor shall be responsible for all damages to the property of the City of Fayetteville and of PWC that may result from the normal procedure of a Responsible Person's actions in the prosecution of the Work or that may be caused by or result from the negligence of a Responsible Person during the progress of or connected with the prosecution of the Work, whether within the limits of the Work or elsewhere. Contractor shall promptly restore all such property so damaged to a condition as good as it was immediately prior to Contractor initiating the Work .

12. Defective Work. The Project shall be subject to observation and approval by PWC, Designer, and representatives of governmental agencies with jurisdiction over the Project. PWC and Designer shall be entitled to enter at all reasonable times the premises subject to construction or renovation to inspect the Work performed by or on behalf of Contractor, provided that such entry and inspection does not materially interfere with the progress of construction. Contractor shall correct promptly, at no cost to PWC, all Work

reasonably rejected by PWC or by its representatives. Should Contractor fail to correct rejected Work, PWC may, acting in its sole discretion, correct such Work and the Contractor shall pay PWC's actual costs of correction and any other applicable amounts identified in the Contract Documents.

13. As-Built Drawings. Contractor shall maintain during the progress of the Authorized Work as-built drawings indicating the current status of the Authorized Work as actually performed. Upon Completion of the Authorized Work, Contractor shall prepare a final version of such as-built drawings and submit them to PWC for approval.

14. Assignment. This Agreement shall be binding upon and inure to the benefit of the Parties, their legal representatives, successors, and assigns. Contractor may not assign, transfer, convey, or encumber, whether voluntarily or by operation of law, this Agreement or any obligations, rights under, or interests in this Agreement to a third party without the prior written consent of PWC; and, specifically, but without limitation, money that may become due and money that is 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.

15. Indemnity. Contractor shall indemnify, defend, and hold harmless PWC and its Commissioners, officers, employees, agents, and representatives and the City of Fayetteville and its elected officials, managers, employees, agents, and representatives and Design Engineer (collectively "Indemnitees") from and against all claims, actions, liabilities, damages, losses, costs, and expenses (including, without limitation, injury to or death of any persons and damage to property, economic and consequential damages and attorneys' fees) asserted by one or more third parties against one or more of the Indemnitees if the Fault of one or more Responsible Persons is a proximate cause of the loss, damage, or expense indemnified. Contractor's obligation to indemnify, defend, and hold harmless the Indemnitees shall survive the termination of this Agreement.

16. Insurance. Contractor shall maintain during the performance of the Work and for at least three (3) years after the Completion of the Work the insurance coverage set forth in the Contract Documents, which insurance shall be placed with insurance companies authorized to do business in the State of North Carolina and rated A minus VII or better by the current edition of Best's Key Rating Guide or otherwise approved in writing by PWC. Prior to initiating any Work, Contractor shall deliver certificates of insurance confirming each such coverage required by the Contract Documents, and Contractor shall direct its insurers to provide annually to PWC certificates confirming each such coverage during the coverage period. PWC shall be named as an additional insured in the comprehensive automobile and commercial liability insurance policies. Commercial general liability coverage shall be written on an "occurrence" basis. Contractor shall not reduce or allow the required insurance coverages to lapse without PWC's prior written approval. All policies for insurance must be endorsed to contain a provision giving PWC a thirty (30) calendar day prior written notice by certified mail of any cancellation of that policy or material reduction in coverage. Should a notice of cancellation be issued for non-payment of premiums or any part thereof, or should Contractor fail to provide and maintain certificates as set forth herein, PWC shall have the right, but shall not have the obligation, to pay such premium to the insurance company or to obtain such coverage and to deduct such payment from any sums that may be due or become due to Contractor, or to seek reimbursement for said payments from Contractor. Any such sums paid by PWC shall be due and payable immediately by Contractor upon notice from PWC. The insurance provisions of this

Agreement shall not be construed as a limitation on Contractor's responsibilities and liabilities pursuant to the terms and conditions of this Agreement. Contractor's obligation to maintain insurance for three (3) years after Completion of the Work shall survive the termination of this Agreement.

17. Warranty. Contractor hereby grants to PWC warranties on all materials and Workmanship involved in the Work for a period of one (1) year from the date of Completion of the Authorized Work and a period of two (2) years from the date of Completion of the Authorized Work for any latent structural defects. PWC shall give written notice to Contractor of any claim under this Section within the time specified hereinabove. These warranties shall be in addition to, and not in derogation of, all other rights and privileges which PWC may have under law, equity, or instrument, and shall survive the date of Completion of the Authorized Work and the final settlement and shall be binding on Contractor notwithstanding any provision in any other writing executed by PWC heretofore or contemporaneous with the execution of the Agreement or prior to the date of Completion of the Authorized Work.

18. Waiver. No failure on the part of any party to exercise, and no delay in exercising, any right, power, or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right hereunder preclude any other or further cumulative and not exclusive of any remedies provided by law. This Agreement shall be binding upon and inure to the benefit of the parties, their legal representatives, successors, and assigns. This Agreement may not be assigned, transferred, conveyed, or encumbered, whether voluntarily or by operation of law, by either party without the prior written consent of the other party, which consent shall not be unreasonably withheld.

19. Law. THIS AGREEMENT SHALL BE GOVERNED BY AND INTERPRETED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NORTH CAROLINA WITHOUT GIVING EFFECT TO THE CHOICE OF LAW PROVISIONS THEREOF. Contractor shall at all times comply with all applicable Federal, state, and local laws and building codes in the performance of its obligations under the Agreement.

20. Dispute Resolution. In the event of any dispute, controversy, or claim of any kind or nature arising under or in connection with this Agreement (a "Dispute") and involving any two or more of the following parties, PWC, Designer, Contractor or any subcontractor of Contractor, the party initiating the Dispute shall serve written notice of a Dispute on the party(ies) to the dispute, and those parties shall endeavor to settle the dispute first through direct, informal discussions between the parties' selected representatives. Any such representative(s) shall have binding authority to settle the Dispute. In the event the parties do not settle the Dispute within ten (10) days from the date of written notice of the Dispute, any party to the Dispute may, by written notice to the other party(ies), engage a mediator certified under the laws of the State of North Carolina to mediate the Dispute within thirty (30) days of such notice. The parties to the Dispute shall attend mediation in good faith. In the event mediation is unsuccessful, any party to the dispute may initiate arbitration proceedings. Any controversy or claim arising out of or relating to the Contract Documents, or the breach thereof, shall be settled by binding arbitration administered by the American Arbitration Association under its Construction Industry Arbitration Rules, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. All of the foregoing dispute resolution procedures shall be held in Cumberland County, North Carolina. The costs of the mediator and arbitrator in a dispute resolution process shall be divided equally among the parties to the process; provided, however, PWC shall bear at least one-third of the cost if PWC is a party to the dispute resolution and the remainder of the cost shall be divided equally among the other parties participating in

the dispute resolution. PWC shall, in its contractual arrangements with Designer, and Contractor shall, in its contracts with subcontractors and they in their contracts with lower-tier subcontractors authorize and direct such parties to participate in the dispute resolution procedures set forth in this Section. Unless otherwise directed in writing by PWC, Contractor shall continue the Work and maintain compliance with the scheduling deadlines set forth in the Contract Documents during any dispute resolution proceedings. If Contractor continues to perform, PWC shall make payments due for the continued performance in accordance with this Agreement. The provisions of this Section shall not extend any applicable statutes of limitation or repose.

21. Execution; Modification; Entire Agreement; Severability. This Agreement may be executed in counterparts with the same effect as if the signatures to each counterpart were upon a single instrument, and all such counterparts together shall be deemed an original of this Agreement. For purposes of this Agreement, a facsimile copy or scanned copy or photocopy of a party's signature shall be sufficient to bind such party. This Agreement shall be subject to execution by electronic means in accordance with Article 40 of Chapter 66 of the North Carolina General Statutes. No oral communication, promise, understanding, or agreement before, contemporaneous with, or after the execution of this Agreement shall affect or modify any of the terms and conditions and obligations of the Contract Documents. The Contract Documents shall be modified only by a subsequent writing signed by both Parties. The Contract Documents shall be conclusively considered to contain and express all the terms and conditions agreed upon by the Parties, notwithstanding any prior or contemporaneous written communication, promise, understanding or agreement. Should any provision of this Agreement or any of the Contract Documents at any time be in conflict with any law, statute, rule, regulation, order, or ruling and thus be unenforceable, or be unenforceable for any other reason, then the remaining provisions of this Agreement shall remain in full force and effect and the court or arbitrator shall give the offending provision the fullest meaning and effect permitted by law. The titles of the Sections throughout this Agreement are for convenience only and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction, or meaning of the provisions of this instrument.

22. Notices. Any notice which either Party is required or desires to give the other hereunder shall be deemed sufficiently given if, in writing, it is delivered personally, or sent by certified U.S. mail, return-receipt requested, postage prepaid, to the addresses listed herein below, or such other address as either Party shall give to the other Party by written notice in accordance herewith. Any notice given herein by personal delivery shall be deemed delivered when received. Any properly addressed notice given herein by certified mail shall be deemed delivered on third Business Day after the same is deposited in an official United States Post Office, postage prepaid, or if sooner upon the date when the return receipt therefore is signed, or refusal to accept the mailing by the addressee is noted thereon by the postal authorities.

To PWC:
Fayetteville Public Works Commission
Attn: Marion J. Noland, Interim CEO/General Manager PO Box 1089
Fayetteville, NC 28302

To Contractor:

23. Termination. In addition to any other termination rights of PWC set forth in this Agreement, PWC may terminate this Agreement immediately if during the progress of any Authorized Work or during any warranty period, Contractor:

- a. Persistently fails to prosecute Authorized Work properly and in accordance with this Contract, including but not limited to include failure to provide sufficient crews, equipment, or resources, or failure to adhere to the schedule;
- b. Demonstrates disregard for the policies, procedures, or requirements of PWC;
- c. Demonstrates complete disregard of the authority of PWC or its designated representatives; or
- d. Violates in any substantial way the provisions and requirements of this Agreement.

Such termination shall be effective upon written notice to Contractor and its surety. PWC may terminate the contract for its convenience by providing Contractor at least seven (7) calendar days prior written notice, in which event Contractor shall be paid for all Authorized Work completed, plus other expenses as mutually agreed upon between PWC and Contractor.

24. Compliance with North Carolina and Federal Law. Contractor hereby acknowledges that "E-Verify" is the federal E-Verify program operated by the US Department of Homeland Security and other federal agencies which is used to verify the work authorization of newly hired employees pursuant to federal law and in accordance with Article 2, Chapter 64 of the North Carolina General Statutes. Contractor further acknowledges that all employers, as defined by Article 2, Chapter 64 of the North Carolina General Statutes, must use E-Verify and after hiring an employee to work in the United States, shall verify the work authorization of the employee through E-Verify in accordance with N.C.G.S. §64-26(a). Contractor hereby pledges, attests, and warrants through execution of this Agreement that Contractor complies with the requirements of Article 2, Chapter 64 of the North Carolina General Statutes and further pledges, attests, and warrants that all subcontractors currently employed by or subsequently hired by Contractor shall comply with all E-Verify requirements. Failure to comply with the above requirements shall be considered a breach of this Agreement. Contractor hereby further acknowledges that the execution and delivery of this Agreement constitutes Contractor's certification to PWC and to the North Carolina State Treasurer that, as of the date of the Effective Date of this Agreement, Contractor is not listed on (a) the Final Divestment List created and maintained by the North Carolina Department of State Treasurer pursuant to the Iran Divestment Act of 2015, Chapter 147, Article 6E of the General Statutes of North Carolina (the "Iran Divestment Act"); or (b) the list of companies that the North Carolina State Treasurer determines to be engaged in a boycott of Israel in accordance with Article 6G of Chapter 147 of the General Statutes of North Carolina. Contractor represents and warrants to Commission that Contractor, and all persons and entities owning (directly or indirectly) an ownership interest in it: (i) are not, and will not become, a person or entity with whom a party is restricted from doing business with under regulations of the Office of Foreign Asset Control ("OFAC") of the Department of the Treasury (including, but not limited to, those named on OFAC's Specially Designated and Blocked Persons list) or under any statute, executive order (including, but not limited to, the September 24, 2001, Executive Order 13224 Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action; and (ii) are not knowingly engaged in, and will not knowingly engage in, any dealings or transactions or be otherwise associated with such persons or entities described

in clause (i) above. Contractor also shall at all times during the term of this Agreement comply with Executive Order 11246, , as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," including but not limited to the Equal Opportunity Clause requirements set forth in 41 C.F.R. § 60-1.4. Contractor shall abide by the requirements of 41 CFR 60-300.5(a) and 60-741.5(a) prohibiting discrimination against qualified individuals on the basis of protected veteran status or disability and requiring affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified protected veterans and individuals with disabilities.

IN WITNESS WHEREOF, the Parties have executed this Agreement by their duly authorized representatives as of the Effective Date.

Fayetteville Public Works Commission

[CONTRACTOR]

By: _____
Marion J. Noland, Interim CEO/GM

By: _____

(Printed Name, Title)

Date: _____

Date: _____

This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act (N.C. Gen. Stat. § 159-1 et seq.).

By: _____
Rhonda Haskins, Chief Financial Officer

Approved as to form:

Legal Dept.

EXHIBIT A

Hourly Rates

SAMPLE