

Guidance for the Use of EJCDC Standard Documents on Water and Waste Projects with RUS Financial Assistance

**Rural Utilities Service
December 1997**

The United States Department of Agriculture, Rural Utilities Service (RUS) and the Engineers Joint Contract Documents Committee (EJCDC) have developed a Funding Agency Edition of the following selected standard documents:

1. Standard Form of Agreement between Owner and Engineer for Professional Services (EJCDC No. 1910-1-FA, including Exhibits A through I, 1997 Edition),
2. Standard Form of Agreement between Owner and Contractor on the Basis of Stipulated Price, (EJCDC No. 1910-8-A-1-FA, 1997 Edition), and
3. Standard General Conditions of the Construction Contract (EJCDC No. 1910-8-FA, 1997 Edition).

When these documents are properly coordinated with other standard documents in the EJCDC set of Construction Related Documents, the documents are acceptable for use by RUS applicants and borrowers in the procurement of engineering professional services and utility construction services for projects with financial assistance under the Water and Waste Disposal programs.

The EJCDC documents are available from the National Society of Professional Engineers (<http://www.nspe.org> or 1-800-417-0348). RUS offices will not distribute EJCDC for any purpose other than training or to illustrate the appropriate use of the integrated set of documents on RUS financially assisted projects.

Any utility or consulting engineer that is anticipating funding all or part of a water or waste disposal improvement project with financial assistance from RUS should contact the USDA, Rural Development State Office for guidance before executing a professional services agreement or preparing a set of construction contract documents. The RUS Water and Waste Disposal programs are delivered through the USDA, Rural Development offices. Information on all the RUS programs, regulations, forms and a list of staff in the State Offices is available at <http://www.usda.gov/rus>.

This bulletin on the use of the EJCDC documents is provided by RUS to assist Rural Development staff in providing information and guidance to applicants and professional consultants in the development of agreements that are legally sufficient, ensure appropriate services are provided for a reasonable fee, and expedite the achievement of the applicant's goals. Many of the EJCDC standard forms must be used with the Funding Agency Editions of the agreements to develop a complete set of construction contract documents. This guidance package consists of attachments that can assist with the integration of those standard documents with the Funding Agency Edition documents. However, the guidance or model documents in these attachments are not to be used as a substitute for the careful evaluation of the requirements for a specific project. The owner, their engineer and legal counsel, with Rural Development consultation, must determine the best approach for a successful outcome.

Rural Development State Offices may modify this guidance when appropriate to comply with State statutes. The State Office will submit any modifications with a justification for changes to the Assistant Administrator for Water and Environmental Programs. Before an applicant or consultant proceeds with the development of an agreement or a set of contract documents, they should contact the Rural Development State Office to verify they have the most current information specific to the type of project and State where the project is located.

The Owner is responsible for the settlement of all contractual and administrative issues arising out of procurement entered into in support of a loan or grant. These include, but are not limited to: source evaluation, protests, disputes, and claims. Matters concerning violations of laws are to be referred to the applicable local, State, or Federal authority.

Attachments:

No.	Date	Title
1	10/97	Owner-Engineer Document List
2	10/97	Owner's Instructions Regarding Bidding Procedures and Construction Contract Documents
3	10/97	Owner-Contractor Document List
4	10/97	Advertisement for Bids
5	10/97	Preparation of Instructions to Bidders
6	10/97	Preparation of Supplementary Conditions
7	10/97	Preparation of Bid Form
8	10/97	Payment Application
9	10/97	Change Order

This bulletin and all the attachments are available at any Rural Development State Office. The State Office staff is familiar with the use of the documents in their States and can answer specific questions on Agency requirements.

Any Rural Development or RUS instructions, regulations, or forms referenced in this bulletin are available from any Rural Development State Office. Examples of forms to be used are:

- A. Compliance Statement (RD 400-6).
- B. Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions (AD-1048).
- C. RD Instruction 1940-Q, Exhibit A-1, Certification for Contracts, Grants, and Loans.

The RUS National Office maintains a web site for Water and Environmental Programs at <http://www.usda.gov/rus/water>. In addition to other valuable information, this site provides a listing of all the Rural Development State Offices and the capability to download a copy of Bulletin 1780-26 and the Attachments in a MS Word for Windows 6.0 format and copies of most Rural Development and RUS forms (all regulations and forms are under the link PROGRAMS/RELATED ISSUES). The bulletin and the attachments are formatted for copying as a doubled sided document to reduce paper usage after the first computer printing. Consultants may use the electronic files as the starting point in preparing a set of construction contract documents for a specific project. However, before an applicant or consultant proceeds with the development of an agreement or set of documents, they should contact the Rural Development State Office to verify any additions necessary to comply with State Laws in the specific State where the project is located.

The EJCDC documents and this bulletin contain references to the U.S. Code (USC), the Code of Federal Regulations (CFR), Executive Orders (E.O.), and Public Laws (P.L.). The current versions of the referenced documents are available over the Internet.

Type of Document	Web Site URL
USC	http://law.house.gov/usc.htm#search
CFR	http://www.access.gpo.gov/nara/cfr/index.html
E.O.	http://www.whitehouse.gov (Only partial list, others being added periodically)
P.L.	http://thomas.loc.gov/bss/bdquery.html#laws

Owner-Engineer Document List

The Rural Utilities Service (RUS) and the Engineers Joint Contract Documents Committee (EJCDC) have developed a Funding Agency Edition of the Owner-Engineer Agreement that when properly assembled is acceptable for use on Water and Waste Disposal projects funded by RUS. These documents are 1997 edition and should be used in coordination with the EJCDC construction related documents, Funding Agency Editions. The Exhibits referenced here were specifically drafted to be used with the Owner-Engineer Agreement, Funding Agency Edition and should not be mixed with Exhibits from the Standard Edition.

Because the EJCDC documents are fully integrated, when making a modification in one document you should ensure that appropriate modifications are made in all effected documents. It is RUS policy that the applicants use the EJCDC documents with minimal modification. However, RUS recognizes each project is unique and that modifications may be required to satisfy specific project requirements or State statutes.

Before an applicant or consultant proceeds with the development of an agreement, they should contact the Rural Development State Office to verify they have the most current information specific to the type of project and State where the project is located.

This table provides a list of the component parts of a complete Owner-Engineer Agreement and RUS Notes on their use.

Title	Form	RUS Notes: Necessary actions, important points
Standard Form of Agreement Between Owner and Engineer for Professional Services Funding Agency Edition	1910-1-FA	<ul style="list-style-type: none"> Page 1 of 13, before an "Effective Date" is entered the Owner should consult with a Rural Development representative. Page 13 of 13, RUS funding can be used for payment of engineering services only after RUS has concurred in this document. In addition to copies customarily provided for Owner, Engineer, and others, two executed copies with all attachments will be provided for Rural Development use.
Engineer's Services	Exhibit A (Required)	<ul style="list-style-type: none"> A.1.01.A.3, A list of alternatives to be evaluated must be entered, but leave option to add any required by funding agencies. Any unique tasks or deliverables not covered in the standard language must be added in the appropriate phase. A.1.06.B., The Engineer should provide a number of hours commensurate with the size and complexity of the project.
Owner's Responsibilities	Exhibit B (Required)	<ul style="list-style-type: none"> Any of the listed responsibilities that have been moved to Exhibit A or are included in Additional Engineer's Services should be deleted here.
Payments to Engineer for Services and Reimbursable Expenses	Exhibit C (Must Select One Option)	<ul style="list-style-type: none"> Must select either Lump Sum or Percentage of Construction Cost method of payment. Each State Office must develop an Exhibit C, Attachment 1 to outline payment methods and amounts. Reimbursable expenses are included in the amount stated in C.4.02.

Title	Form	RUS Notes: Necessary actions, important points
Standard Hourly Rates and Reimbursable Expenses Schedule	Exhibit C, Attachment 1 (Substitute Required)	<ul style="list-style-type: none"> • This must be replaced by State developed Exhibit C, Attachment 1. • The EJCDC Attachment 1 does not address all the references in Exhibit C. • Be specific about calculating fees regarding multiple construction contracts and change order adjustments of contract amount and time. • Be specific about calculating fees for PER and environmental part of PER.
Resident Project Representative	Exhibit D (Required)	<ul style="list-style-type: none"> • Required if Engineer provides this service • A similar document must be used if service is provided by others.
Notice of Acceptability of Work	Exhibit E (Required)	<ul style="list-style-type: none"> • Executed copy will be provided to the agency
Construction Cost Limit	Exhibit F (Optional)	
Insurance	Exhibit G (Required)	<ul style="list-style-type: none"> • Owner should review and update insurance coverage where necessary to maintain adequate protection during construction period. • Should consider Engineer carrying comparable types of coverage and limits Owner is carrying. • Owner should consider carrying “All Risk” Builder’s Risk, if the Work is modifying existing facilities.
Dispute Resolution	Exhibit H (Optional)	<ul style="list-style-type: none"> • Use only if it is desirable to settle disputes using a process other than the court system. • Entries in blanks: <ul style="list-style-type: none"> A. Name a specific service/agency i.e. American Arbitration Association. B. Construction Industry Rules of American Arbitration Association. C. Same as entry in A.
Special Provisions	Exhibit I (Optional)	<ul style="list-style-type: none"> • Use only if specific modifications are required by State statute or unique project requirements. • Follow document format.

Owner's Instructions Regarding Bidding Procedures And Construction Contract Documents

The Rural Utilities Service (RUS) and the Engineers Joint Contract Documents Committee (EJCDC) have developed Funding Agency Editions of specific documents that are acceptable for use as the foundation of the Construction Contract Documents on Water and Waste Disposal projects funded by RUS. This guidance is provided to indicate RUS preferences in preparation of the Construction Contract Documents and expedite the entire process of preparing for the project construction. RUS recognizes each project is unique and that modifications may be required to satisfy specific project requirements or State statutes.

This document is a model letter that the Owner and Engineer can use to delineate the issues and conclusions reached by the Owner and Engineer before preparing documents. The Owner and their Engineer should collaborate in the development of this or a similar document in consultation with the Owner's legal counsel before the Engineer begins development of the Construction Contract Documents.

Text enclosed in {} indicates a choice is necessary or information should be inserted.

PROJECT: {}

OWNER: {}

TO: {ENGINEER}

CC: USDA, Rural Development

You are hereby instructed to proceed with preparation of necessary Bidding Requirements and Contract Documents on the basis of the information given below or provided in attachments. This letter is to confirm decisions made and does not change any relationships or assignment of responsibilities established in the Owner-Engineer Agreement.

1. Project name to be used (if other than above): {}
2. Legal name and address of the Owner for construction contract purposes: {}
3. Form of business of Owner: ___Not-for-Profit Corporation ___Municipality ___Utility District.
4. Detailed description of property, including designation of property owner if different from the Owner identified above: {}
5. During the Construction Phase, Owner's Representative (point of contact) will be: {}
6. The Project will be constructed utilizing: {Single/Multiple} contract{s}, stipulated sum {, Portions of construction by Owner's own forces, Other (specify)}.
7. The form of Agreement between Owner and Contractor(s) shall be EJCDC No. 1910-8-A-1-FA (1997 Edition)
8. The method of selecting the Contractor(s) shall be open and competitive.

9. If multiple contracts are to be utilized on the same site, the activities of the Contractors will be coordinated by a designated prime contractor.

10. General Conditions of the Contract shall be EJCDC No. 1910-8-FA (1997 Edition)

11. Development of Supplementary Conditions of the Contract prior to bidding will be discussed and reviewed with Owner's Representative, who is: {}

12. Contractor's applications for payment will be paid by the {20th} day of each month. The Application for Payment will be based on EJCDC No. 1910-8-E (1996 edition) and RUS Bulletin 1780-26, Attachment 26-8.

13. Interest on late payments will be paid at the rate of {8}% per annum.

14. For Item 12 above to apply, applications for payment must be received by Owner 10 days before payment is due.

15. Retainage will be as stated in Owner-Contractor Agreement (EJCDC No. 1910-8-A-1-FA).

16. Liquidated Damages are required. Liquidated Damages shall be assessed in the amount of \$ {_____} per day for each calendar day required to achieve Substantial Completion. *{Customary practice on projects funded in part by RUS is not to have a liquidated damages provision for failure to complete the Work by a designated period of time after Substantial Completion. If this custom is not followed because of special circumstances, the Owner should establish an amount for liquidated damages, \$ _____ per day for each day required for readiness for final payment.}*

Calculation of liquidated damages amount:

	Substantial Completion	Final Payment (Optional)
Interest	_____	_____
Inspection	_____	_____
Administration	_____	_____
Engineering	_____	_____
Other	_____	_____
TOTAL	_____	_____

17. Instructions to Bidders shall be based on EJCDC No. 1910-12 (1996 edition) and RUS Bulletin 1780-26, Attachment 26-5.

18. Special Instructions to Bidders regarding Site visits are as follows: {}

19. Bid Form shall be prepared by Engineer.

20. Bids shall be solicited by Public Advertisement, Arranged by {Owner/Engineer}.
Publications to include: local and regional newspapers, builders exchange, etc. *{Add places where construction is normally advertised in specific States.}*

21. Instructions, if any, on the method of selection and/or qualification of Bidders: {}

22. Bid Security is required, in the amount of 5% of the total Bid in the form of a Bid Bond using EJCDC No. 1910-28-C or Certified Check.

23. Copies of the Bidding Documents may be made available in plan rooms: Selected by Engineer.
24. Date and time for receipt of Bids will be determined later by Owner and Engineer, with Rural Development concurrence.
25. Place of receipt of Bids will be determined later by Owner and Engineer.
26. Detailed bid tabulation forms will be prepared by Engineer.
27. Bids shall be publicly opened and read aloud.
28. In addition to the usual original signed Bid, the Owner requires the following (See RUS Bulletin 1780-26, Attachment 26-7): {}
29. Bids shall not be withdrawn by Bidders for {60} days after the receipt of Bids.
30. If a Contract is awarded, all Funding Agencies must concur prior to announcement. Construction at the site by the Contractor may commence upon, but not before, receipt of a Notice to Proceed.
31. Work shall be substantially complete {_____} calendar days after Contract Times commence to run.
32. The Change Order will be based on EJCDC No. 1910-8-B (1996 edition) and RUS Bulletin 1780-26, Attachment 26-9.
33. Special instructions are attached for the following items:
 - {Equal opportunity requirements*
 - Extensions of time*
 - Lien waivers*
 - Limited access during bidding*
 - Limited access during construction*
 - Monthly affidavits*
 - Phased occupancy*
 - Separate contracts*
 - Special time periods during which Contractor cannot perform construction*
 - Tax exemptions*
 - Wage standards or determinations, to which Contractor must conform (check with Rural Development)*
 - Work by Owner's own forces*
 - Other (specify)}*

Owner:

By _____ Date _____

Phone: _____ Fax: _____

Owner-Contractor Document List

The Rural Utilities Service (RUS) and the Engineers Joint Contract Documents Committee (EJCDC) have developed Funding Agency Editions of the Owner-Contractor Agreement and the General Conditions that when properly assembled with other Standard Edition construction related documents is acceptable for use as the foundation of the Construction Contract Documents on Water and Waste Disposal projects funded by RUS. These documents are 1997 edition. The other forms referenced here are part of the EJCDC set of Construction Related Documents, Standard Edition. Therefore, these forms may require minor modifications before use with the Funding Agency Editions.

Because the EJCDC documents are fully integrated, when making a modification in one document you should ensure that appropriate modifications are made in all effected documents. It is the Rural Utilities Service (RUS) policy that the applicants use the EJCDC documents with minimal modification. However, RUS recognizes each project is unique and that modifications may be required to satisfy specific project requirements or State statutes.

Before an applicant or consultant proceeds with the development of a set of contract documents, they should contact the Rural Development State Office to verify they have the most current information specific to the type of project and State where the project is located.

It is customary that project signs identifying the Owner, Contractor, Engineer, and Funding Agencies be erected during project construction. The sign requirements are not included in the Supplementary Conditions, but should be a part of the specifications prepared by the Engineer. These sign requirements vary by State. Therefore, the Engineer should contact the Rural Development State Staff Engineer for the specific requirements in the State where the project will be constructed.

To eliminate unnecessary delays after Bid Opening, the full set of Construction Contract Documents should be submitted to Rural Development for review and comment before start of the Bidding or Negotiation process.

This table provides a list of the component parts of a complete Owner-Contractor Agreement and RUS Notes on their use.

Title	Form	RUS Notes: Necessary actions, important points
Standard Form of Agreement Between Owner and Contractor on the Basis of Stipulated Price Funding Agency Edition	1910-8-A-1-FA (97)	<ul style="list-style-type: none"> • Read Notes to User in Introduction and make appropriate modifications. • 4.03, The amount entered for liquidated damages should cover all the Owner’s additional costs for the project not being operational: interest, professional fees, administrative costs, etc. • 7.01, Enter an interest rate comparable to short term lending rate or State law. • In addition to copies customarily provided for Owner, Contractor, Engineer, and others, two executed copies will be provided for Rural Development use.
Standard General Conditions of the Construction Contract Funding Agency Edition	1910-8-FA (97)	Includes: <ul style="list-style-type: none"> • Federal Requirements – Article 18. • Certificate of Owner’s Attorney - Exhibit GC-A.

Title	Form	RUS Notes: Necessary actions, important points
Change Order	1910-8-B (96)	<ul style="list-style-type: none"> • Must add signature block for Agency Concurrence. • In addition to copies customarily provided for Owner, Contractor, Engineer, others, two executed copies will be provided for Rural Development use.
Certificate of Substantial Completion	1910-8-D (96)	<ul style="list-style-type: none"> • Executed copy will be provided to Agency.
Application for Payment	1910-8-E (96)	<ul style="list-style-type: none"> • Must add signature blocks for Owner's Approval and Agency Concurrence. • Work added by Change Order will not be considered for payment until Change Order has Agency Concurrence. • Quantity Completed on Final Application for Payment must equal final adjusted contract quantities on unit price contracts. • In addition to copies customarily provided for Owner, Contractor, Engineer, others, an executed copy with all attachments will be provided for Rural Development use.
Guide to the Preparation of Instructions to Bidders	1910-12 (96)	<ul style="list-style-type: none"> • See Attachment 26-5, Preparation of Instructions to Bidders.
Guide to the Preparation of Supplementary Conditions	1910-17 (96)	<ul style="list-style-type: none"> • See Attachment 26-6, Supplementary Conditions.
Guide to Preparation of Bid Form	1910-18 (96)	<ul style="list-style-type: none"> • See Attachment 26-7, Preparation of Bid Form.
Notice of Award	1910-22 (96)	<ul style="list-style-type: none"> • Owner will not announce award of contract without consultation with Agency.
Notice to Proceed	1910-23 (96)	<ul style="list-style-type: none"> • Executed copy will be provided for Rural Development use.
Performance Bond	1910-28-A (96)	<ul style="list-style-type: none"> • Must be full amount of Contract. • Surety must have adequate bonding capacity, as published in TC-570, and be licensed to do business in the State where project is located.
Payment Bond	1910-28-B (96)	<ul style="list-style-type: none"> • Must be full amount of Contract. • Surety must have adequate bonding capacity, as published in TC-570, and be licensed to do business in the State where project is located.
Bid Bond	1910-28-C (96)	<ul style="list-style-type: none"> • Must be at least 5% of Bid amount.

Advertisement for Bids

Owner

Address

Separate sealed Bids for the construction of (briefly describe nature, scope, and major elements of the Work)

will be received by _____

at the office of _____

until _____, (Local Time) _____, _____ (year), and then at said office publicly opened and read aloud.

The Contract Documents may be examined at the following locations:

Copies of the Contract Documents may be obtained at the office of _____

located at _____ upon payment of \$ _____ for each set.

Date

Preparation of Instructions to Bidders

Rural Utilities Service Water and Waste Programs December 1997

PART I: USE OF THIS DOCUMENT

This guidance is to be used in association with the following Engineers Joint Contract Documents Committee documents:

1. Guide to Preparation of Instructions to Bidders (No. 1910-12, 1996 Edition),
2. Standard Form of Agreement Between Owner and Contractor on the Basis of Stipulated Price, Funding Agency Edition (No. 1910-8-1-FA, 1997 Edition), and
3. Standard General Conditions of the Construction Contract Funding Agency Edition (No. 1910-8-FA, 1997 Edition).

The Engineers Joint Contract Documents Committee (EJCDC) standard documents form the foundation for preparation of a integrated set of construction documents. Refer to the EJCDC documents for basic information. The EJCDC document Owner's Instructions Regarding Bidding Procedures and Construction Contract Documents, 1910-29 (1996 Edition) and Attachment 26-2 of this Bulletin 1780-26, can assist the Owner, Engineer, and Agency in determining the procedures to be used on a specific project.

Because the EJCDC documents are fully integrated, when making a modification in one document you should ensure that appropriate modifications are made in all effected documents. It is the Rural Utilities Service (RUS) policy that the applicants use the EJCDC documents with minimal modification. However, RUS recognizes each project is unique and that modifications may be required to satisfy specific project requirements or State statutes.

Part II of this document is a model set of Instructions to Bidders that can be used as the starting point for preparing the actual Instructions to Bidders for RUS water and waste projects. Any additions should follow the same format as the base document.

Text enclosed in {} indicates a choice is necessary or information must be inserted. This information must be provided and the {} eliminated prior to submittal to Rural Development for review. One critical area that requires additional information is Article 14 - Basis of Bid, Evaluation of Bids. This information will vary whether bid is Lump Sum or Unit Price. If the Evaluation of Bids involves anything other than checking the contractor's qualifications and calculation of unit prices, such as additive alternates, life-cycle costs, etc., the evaluation process must be clearly stated (given the bid documents, a third party would identify the same Successful Bidder as the Engineer) in the Instructions to Bidders.

PART II: SUGGESTED LANGUAGE FOR INSTRUCTIONS TO BIDDERS

Instructions to Bidders

ARTICLE 1 - DEFINED TERMS

1.01 Terms used in these Instructions to Bidders will have the meanings indicated in the General Conditions and Supplementary Conditions. Additional terms used in these Instructions to Bidders have the meanings indicated below which are applicable to both the singular and plural thereof:

A. Bidder--The individual or entity who submits a Bid directly to OWNER.

B. Issuing Office--The office from which the Bidding Documents are to be issued and where the bidding procedures are to be administered.

C. Successful Bidder--The lowest responsible Bidder submitting a responsive Bid to whom OWNER (on the basis of OWNER's evaluations as hereinafter provided) makes an award.

ARTICLE 2 - COPIES OF BIDDING DOCUMENTS

2.01 Complete sets of the Bidding Documents in the number and for the deposit sum, if any, stated in the Advertisement or Invitation to Bid may be obtained from the Issuing Office. The deposit will be refunded to each document holder of record who returns a complete set of Bidding Documents in good condition within 30 days after opening of Bids.

2.02 Complete sets of Bidding Documents must be used in preparing Bids; neither OWNER nor ENGINEER assumes any responsibility for errors or misinterpretations resulting from the use of incomplete sets of Bidding Documents.

2.03 OWNER and ENGINEER in making copies of Bidding Documents available on the above terms do so only for the purpose of obtaining Bids for the Work and do not confer a license or grant for any other use.

ARTICLE 3 - QUALIFICATIONS OF BIDDERS

3.01 To demonstrate Bidder's qualifications to perform the Work prior to award, within five days of OWNER's request, Bidder shall submit written evidence such as financial data, previous experience, present commitments, and such other data as may be called for below.

{A. _____}
{B. _____}

ARTICLE 4 - EXAMINATION OF BIDDING DOCUMENTS, OTHER RELATED DATA, AND SITE

4.01 Subsurface and Physical Conditions

A. The Supplementary Conditions identify:

1. Those reports of explorations and tests of subsurface conditions at or contiguous to the Site that Engineer has used in preparing the Bidding Documents.

2. Those drawings of physical conditions in or relating to existing surface and subsurface structures at or contiguous to the Site (except Underground Facilities) that ENGINEER has used in preparing the Bidding Documents.

B. Copies of reports and drawings referenced in paragraph 4.01.A will be made available by OWNER to any Bidder on request. Those reports and drawings are not part of the Contract Documents, but the "technical data" contained therein upon which Bidder is entitled to rely as provided in paragraph 4.02 of the General Conditions has been identified and established in paragraph 4.02 of the Supplementary Conditions. Bidder is responsible for any interpretation or conclusion Bidder draws from any "technical data" or any other data, interpretations, opinions, or information contained in such reports or shown or indicated in such drawings.

4.02 Underground Facilities

A. Information and data shown or indicated in the Bidding Documents with respect to existing Underground Facilities at or contiguous to the Site is based upon information and data furnished to OWNER and ENGINEER by owners of such Underground Facilities, including OWNER, or other.

4.03 Hazardous Environmental Condition

A. The Supplementary Conditions identify those reports and drawings relating to a Hazardous Environmental Condition identified at the Site, if any, that ENGINEER has used in preparing the Bidding Documents.

B. Copies of reports and drawings referenced in paragraph 4.03.A will be made available by OWNER to any Bidder on request. Those reports and drawings are not part of the Contract Documents, but the "technical data" contained therein upon which Bidder is entitled to rely as provided in paragraph 4.06 of the General Conditions has been identified and established in paragraph 4.06 of the Supplementary Conditions. Bidder is responsible for any interpretation or conclusion Bidder draws from any "technical data" or any other data, interpretations, opinions, or information contained in such reports or shown or indicated in such drawings.

4.04 Provisions concerning responsibilities for the adequacy of data furnished to prospective Bidders with respect to subsurface conditions, other physical conditions and Underground Facilities, and possible changes in the Bidding Documents due to differing or unanticipated conditions appear in paragraphs 4.02, 4.03, and 4.04 of the General Conditions. Provisions concerning responsibilities for the adequacy of data furnished to prospective Bidders with respect to a Hazardous Environmental Condition at the Site, if any, and possible changes in the Contract Documents due to any Hazardous Environmental Condition uncovered or revealed at the Site which was not shown or indicated in the Drawings or Specifications or identified in the Contract Documents to be within the scope of the Work appear in paragraph 4.06 of the General Conditions.

4.05 On request, OWNER will provide Bidder access to the Site to conduct such examinations,

investigations, explorations, tests, and studies as Bidder deems necessary for submission of a Bid. Bidder shall fill all holes and clean up and restore the Site to its former condition upon completion of such explorations, investigations, tests, and studies.

4.06 Reference is made to Article 7 of the Supplementary Conditions for the identification of the general nature of other work that is to be performed at the Site by OWNER or others (such as utilities and other prime contractors) that relates to the Work for which a Bid is to be submitted. On request, OWNER will provide to each Bidder for examination access to or copies of Contract Documents (other than portions thereof related to price) for such other work.

4.07 It is responsibility of each Bidder before submitting a Bid to:

A. Examine and carefully study the Bidding Documents, including any Addenda and the other related data identified in the Bidding Documents;

B. Visit the Site and become familiar with and satisfy Bidder as to the general, local, and Site conditions that may affect cost, progress, and performance of the Work;

C. Become familiar with and satisfy Bidder as to all Federal, State, and local Laws and Regulations that may affect cost, progress, or performance of the Work;

D. Carefully study all reports of explorations and tests of subsurface conditions at or contiguous to the Site and all drawings of physical conditions in or relating to existing surface or subsurface structures at or contiguous to the Site (except Underground Facilities) which have been identified in the Supplementary Conditions as provided in paragraph 4.02 of the General Conditions, and carefully study all reports and drawings of a Hazardous Environmental Condition, if any, at the Site which have been identified in the Supplementary Conditions as provided in paragraph 4.06 of the General Conditions;

E. Obtain and carefully study (or assume responsibility for doing so) all additional or supplementary examinations, investigations, explorations, tests, studies, and data concerning conditions (surface, subsurface, and Underground Facilities) at or contiguous to the Site which may

affect cost, progress, or performance of the Work or which relate to any aspect of the means, methods, techniques, sequences, and procedures of construction to be employed by Bidder, including any specific means, methods, techniques, sequences, and procedures of construction expressly required by the Bidding Documents, and safety precautions and programs incident thereto;

F. Agree at the time of submitting its Bid that no further examinations, investigations, explorations, tests, studies, or data are necessary for the determination of its Bid for performance of the Work at the price bid and within the times and in accordance with the other terms and conditions of the Bidding Documents;

G. Become aware of the general nature of the work to be performed by OWNER and others at the Site that relates to the Work as indicated in the Bidding Documents;

H. Correlate the information known to Bidder, information and observations obtained from visits to the Site, reports and drawings identified in the Bidding Documents, and all additional examinations, investigations, explorations, tests, studies, and data with the Bidding Documents;

I. Promptly give ENGINEER written notice of all conflicts, errors, ambiguities, or discrepancies that Bidder discovers in the Bidding Documents and confirm that the written resolution thereof by ENGINEER is acceptable to Bidder; and

J. Determine that the Bidding Documents are generally sufficient to indicate and convey understanding of all terms and conditions for the performance of the Work.

4.08 The submission of a Bid will constitute an incontrovertible representation by Bidder that Bidder has complied with every requirement of this Article 4, that without exception the Bid is premised upon performing and furnishing the Work required by the Bidding Documents and applying any specific means, methods, techniques, sequences, and procedures of construction that may be shown or indicated or expressly required by the Bidding Documents, that Bidder has given ENGINEER written notice of all conflicts, errors, ambiguities, and discrepancies that Bidder has discovered in Bidding Documents and the written

resolutions thereof by ENGINEER are acceptable to Bidder, and that the Bidding Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performing and furnishing the Work.

ARTICLE 5 - PRE-BID CONFERENCE

5.01 A pre-Bid conference will be held at {_____} {a.m.}{p.m.} on {_____} at {_____}. Representatives of OWNER and ENGINEER will be present to discuss the Project. Bidders are encouraged to attend and participate in the conference. ENGINEER will transmit to all prospective Bidders of record such Addenda as ENGINEER considers necessary in response to questions arising at the conference. Oral statements may not be relied upon and will not be binding or legally effective.

ARTICLE 6 - SITE AND OTHER AREAS

6.01 The Site is identified in the Bidding Documents. All additional lands and access thereto required for temporary construction facilities, construction equipment, or storage of materials and equipment to be incorporated in the Work are to be obtained and paid for by CONTRACTOR. Easement for permanent structures or permanent changes in existing facilities are to be obtained and paid for by OWNER unless otherwise provided in the Bidding Documents.

ARTICLE 7 - INTERPRETATIONS AND ADDENDA

7.01 All questions about the meaning or intent of the Bidding Documents are to be submitted to ENGINEER in writing. Interpretations or clarifications considered necessary by ENGINEER in response to such questions will be issued by Addenda mailed or delivered to all parties recorded by ENGINEER as having received the Bidding Documents. Questions received less than ten days prior to the date for opening of Bids may not be answered. Only questions answered by Addenda will be binding. Oral and other interpretations or clarifications will be without legal effect.

7.02 Addenda may be issued to clarify, correct, or change the Bidding Documents as deemed advisable by OWNER or ENGINEER.

ARTICLE 8 - BID SECURITY

8.01 A Bid must be accompanied by Bid security made payable to OWNER in an amount of 5 % of Bidder's *{maximum}* Bid price and in the form of a certified or bank check or a Bid Bond (EJCDC No. 1910-28-C, 1996 Edition) issued by a surety meeting the requirements of paragraphs 5.01 and 5.02 of the General Conditions.

8.02 The Bid security of the Successful Bidder will be retained until such Bidder has executed the Contract Documents, furnished the required contract security and met the other conditions of the Notice of Award, whereupon the Bid security will be returned. If the Successful Bidder fails to execute and deliver the Contract Documents and furnish the required contract security within 15 days after the Notice of Award, OWNER may annul the Notice of Award and the Bid security of that Bidder will be Forfeited. The Bid security of other Bidders whom OWNER believes to have a reasonable chance of receiving the award may be retained by OWNER until the earlier of *{seven}* days after the Effective Date of the Agreement or *{61}* days after the Bid opening, whereupon Bid security furnished by such Bidders will be returned.

8.03 Bid security of other Bidders whom OWNER believes do not have a reasonable chance of receiving the award will be returned within *{seven}* days after the Bid opening.

ARTICLE 9 - CONTRACT TIMES

9.01 The number of days within which, or the dates by which, the Work is to be (a) Substantially Completed and (b) also completed and ready for final payment are set forth in the Agreement.

ARTICLE 10 -LIQUIDATED DAMAGES

10.01 Provisions for liquidated damages, if any, are set forth in the Agreement.

ARTICLE 11 - SUBSTITUTE AND "OR-EQUAL" ITEMS

11.01 The Contract, if awarded, will be on the basis of materials and equipment specified or described in the Bidding Documents, or "or-equal" materials and equipment as defined in paragraph 6.05 of the General Conditions, or those substitute or materials and equipment approved by the

ENGINEER and identified by Addendum. The materials and equipment described in the Bidding Documents establish a standard of required type, function and quality to be met by any proposed substitute or "or-equal" item. Request for ENGINEER's clarification of materials and equipment considered "or-equal" prior to the Effective Date of the Agreement must be received by the ENGINEER at least 5 days prior to the date for receipt of Bids. No item of material or equipment will be considered by ENGINEER as a substitute unless written request for approval has been submitted by Bidder and has been received by ENGINEER at least 15 days prior to the date for receipt of Bids. Each request shall conform to the requirements of paragraph 6.05 of the General Conditions. The burden of proof of the merit of the proposed item is upon the Bidder. ENGINEER's decision of approval or disapproval of a proposed item will be final. If ENGINEER approves any proposed substitute item, such approval will be set forth in an Addendum issued to all prospective Bidders. Bidders shall not rely upon approvals made in any other manner.

ARTICLE 12 - SUBCONTRACTORS, SUPPLIERS, AND OTHERS

12.01 If the Supplementary Conditions require the identity of certain Subcontractors, Suppliers, individuals, or entities to be submitted to OWNER in advance of a specified date prior to the Effective Date of the Agreement, the apparent Successful Bidder, and any other Bidder so requested, shall within five days after Bid opening, submit to OWNER a list of all such Subcontractors, Suppliers, individuals, or entities proposed for those portions of the Work for which such identification is required. Such list shall be accompanied by an experience statement with pertinent information regarding similar projects and other evidence of qualification for each such Subcontractor, Supplier, individual, or entity if requested by OWNER. IF OWNER or ENGINEER, after due investigation, has reasonable objection to any proposed Subcontractor, Supplier, individual, or entity, OWNER may, before the Notice of Award is given, request apparent Successful Bidder to submit a substitute, without an increase in the Bid.

12.02 If apparent Successful Bidder declines to make any such substitution, OWNER may determine such Bidder to be nonresponsive and

reject the Bid. Declining to make requested substitutions will not constitute grounds for forfeiture of the Bid security of any Bidder. Any Subcontractor, Supplier, individual, or entity so listed and against which OWNER and ENGINEER makes no written objection prior to the giving of the Notice of Award will be deemed acceptable to OWNER and ENGINEER subject to revocation of such acceptance after the Effective Date of the Agreement as provided in paragraph 6.06 of the General Conditions.

12.03 CONTRACTOR shall not be required to employ any Subcontractor, Supplier, individual, or entity against whom CONTRACTOR has reasonable objection.

ARTICLE 13 - PREPARATION OF BID

13.01 The Bid form is included with the Bidding Documents. Additional copies may be obtained from ENGINEER.

13.02 All blanks on the Bid form shall be completed by printing in ink or by typewriter and the Bid signed. A Bid price shall be indicated for each *{section, Bid item, alternative, adjustment unit price item, and unit price item}* listed therein, or the words "No Bid," "No Change," or "Not Applicable" entered.

13.03 A Bid by a corporation shall be executed in the corporate name by the president or a vice-president or other corporate officer accompanied by evidence of authority to sign. If required by State where work is to be performed, the corporate seal shall be affixed and attested by the secretary or an assistant secretary. The corporate address and state of incorporation shall be shown below the signature.

13.04 A Bid by a partnership shall be executed in the partnership name and signed by a partner (whose title must appear under the signature), accompanied by evidence of authority to sign. The official address of the partnership shall be shown below the signature.

13.05 A Bid by a limited liability company shall be executed in the name of the firm by a member and accompanied by evidence of authority to sign. The state of formation of the firm and the official address of the firm must be shown below the signature.

13.06 A Bid by an individual shall show the Bidder's name and official address.

13.07 A Bid by a joint venture shall be executed by each joint venturer in the manner indicated on the Bid form. The official address of the joint venture must be shown below the signature.

13.08 All names shall be typed or printed in ink below the signatures.

13.09 The Bid shall contain an acknowledgment of receipt of all Addenda, the numbers of which shall be filled in on the Bid form.

13.10 The address and telephone number for communication regarding the Bid shall be shown.

13.11 The Bid shall contain evidence of Bidder's authority and qualification to do business in the state where the Project is located or covenant to obtain such qualification prior to award of the Contract. Bidder's state contractor license number for the state of the Project, if any, shall also be shown on the Bid form.

ARTICLE 14 - BASIS OF BID; EVALUATION OF BIDS

{Owner and Engineer must choose the applicable items under this article and delete the remaining paragraphs}

14.01 Lump Sum

A. Bidders shall submit a Bid on lump sum basis as set forth in the Bid form.

{or}

A. Bidders shall submit a Bid on a lump sum basis for the base Bid *{and include a separate price for each alternate described in the Bidding Documents as provided for in the Bid form. The price for each alternate will be the amount added to the base Bid if OWNER selects the alternate. In the evaluation of Bids, alternates will be applied in the same order as listed in the Bid form}*.

{or}

14.01 Unit Price

A. Bidders shall submit a Bid on a unit price basis for each item of Work listed in the Bid schedule.

B. The total of all estimated prices will be determined as the sum of the products of the estimated quantity of each item and the unit price Bid for the item. The final quantities and Contract Price will be determined in accordance with paragraph 11.03 of the General Conditions.

C. Discrepancies between the multiplication of units of Work and unit prices will be resolved in favor of the unit prices. Discrepancies between the indicated sum of any column of figures and the correct sum thereof will be resolved in favor of the correct sum. Discrepancies between words and figures will be resolved in favor of the words.

ARTICLE 15 - SUBMITTAL OF BID

15.01 Each prospective Bidder is furnished one copy of the Bidding Documents with one separate unbound copy each of the Bid form, and the Bid Bond form. The unbound copy of the Bid form is to be completed and submitted with the Bid security and the following data:

A. If Bid amount exceeds \$10,000, signed Compliance Statement (RD 400-6). Refer to specific equal opportunity requirements set forth in paragraph 18.10 of the General Conditions.

B. If Bid amount exceeds \$25,000, signed Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions (AD-1048)

C. If Bid amount exceeds \$100,000, signed RD Instruction 1940-Q, Exhibit A-1, Certification for Contracts, Grants, and Loans. Refer to paragraph 18.11 of the General Conditions.

{D. _____}

15.02 A Bid shall be submitted no later than the date and time prescribed and at the place indicated in the advertisement or invitation to Bid and shall be enclosed in an opaque sealed envelope plainly marked with the Project title (and, if applicable, the designated portion of the Project for which the Bid is submitted), the name and address of Bidder, and shall be accompanied by the Bid security and other required documents. If a Bid is sent by mail or other delivery system, the sealed envelope containing the Bid shall be enclosed in a separate envelope plainly marked on the outside with the

notation "BID ENCLOSED." A mailed Bid shall be addressed to {_____}.

ARTICLE 16 - MODIFICATION AND WITHDRAWAL OF BID

16.01 A Bid may be modified or withdrawn by an appropriate document duly executed in the manner that a Bid must be executed and delivered to the place where Bids are to be submitted prior to the date and time for the opening of Bids.

16.02 If within 24 hours after Bids are opened any Bidder files a duly signed written notice with OWNER and promptly thereafter demonstrates to the reasonable satisfaction of OWNER that there was a material and substantial mistake in the preparation of its Bid, that Bidder may withdraw its Bid, and the Bid security will be returned. Thereafter, if the Work is rebid or negotiated, that Bidder will be disqualified from further bidding on the Work.

ARTICLE 17 - OPENING OF BIDS

17.01 Bids will be opened at the time and place indicated in the Advertisement for Bids and, unless obviously non-responsive, read aloud publicly. An abstract of the amounts of the base Bids and major alternates, if any, will be made available to Bidders after the opening of Bids.

ARTICLE 18 - BIDS TO REMAIN SUBJECT TO ACCEPTANCE

18.01 All Bids will remain subject to acceptance for the period of time stated in the Bid form, but OWNER may, in its sole discretion, release any Bid and return the Bid security prior to the end of this period.

ARTICLE 19 - AWARD OF CONTRACT

19.01 OWNER reserves the right to reject any or all Bids, including without limitation, nonconforming, nonresponsive, unbalanced, or conditional Bids. OWNER further reserves the right to reject the Bid of any Bidder whom it finds, after reasonable inquiry and evaluation, to be non-responsive. OWNER also reserves the right to waive all informalities not involving price, time, or changes in the Work and to negotiate contract terms with the Successful Bidder.

19.02 More than one Bid for the same Work from an individual or entity under the same or different names will not be considered. Reasonable grounds for believing that any Bidder has an interest in more than one Bid for the Work may be cause for disqualification of that Bidder and the rejection of all Bids in which that Bidder has an interest.

19.03 In evaluating Bids, OWNER will consider whether or not the Bids comply with the prescribed requirements, and such alternates, unit prices and other data, as may be requested in the Bid Form or prior to the Notice of Award.

19.04 In evaluating Bidders, OWNER will consider the qualifications of Bidders and may consider the qualifications and experience of Subcontractors, Suppliers, and other individuals or entities proposed for those portions of the Work for which the identity of Subcontractors, Suppliers, and other individuals or entities must be submitted as provided in the Supplementary Conditions.

19.05 OWNER may conduct such investigations as OWNER deems necessary to establish the responsibility, qualifications, and financial ability of Bidders, proposed Subcontractors, Suppliers, individuals, or entities to perform the Work in accordance with the contract Documents.

19.06 If the Contract is to be awarded, OWNER will award the Contract to the responsible Bidder whose Bid, conforming with all the material terms and conditions of the Advertisement for Bids, is lowest, price and other factors considered.

ARTICLE 20 - CONTRACT SECURITY AND INSURANCE

20.01 Article 5 of the General Conditions, as may be modified by the Supplementary Conditions, sets forth OWNER's requirements as to performance Bond, payment Bond, and insurance. When the Successful Bidder delivers the executed Agreement to OWNER, it must be accompanied by such Bonds.

ARTICLE 21 - SIGNING OF AGREEMENT

21.01 When OWNER gives a Notice of Award to the Successful Bidder, it shall be accompanied by the required number of unsigned counterparts of the Agreement with the other contract Documents which are identified in the Agreement as attached thereto. Within 15 days thereafter, Successful Bidder shall sign and deliver the required number of counterparts of the Agreement and attached documents to OWNER. Within *{ten}* days thereafter, OWNER shall deliver one fully signed counterpart to Successful Bidder with a complete set of the Drawings with appropriate identification.

21.02 This Contract is expected to be funded in part with funds provided by the United States Department of Agriculture, Rural Utilities Service (RUS). Refer to Article 18 of the General Conditions for information on the Federal Requirements.

21.03 Concurrence by RUS in the award of the Contract is required before the Contract is effective.

{ARTICLE 22 - SALES AND USE TAXES

22.01 OWNER is exempt from _____ State sales and use taxes on materials and equipment to be incorporated in the Work. Exemption No. _____. Said taxes shall not be included in the Bid. Refer to paragraph 6.10 of the Supplementary Conditions for additional information.}

{ARTICLE 23 - DAVIS-BACON AND RELATED ACTS

23.01 The Work under this contract is subject to the provisions of the Davis-Bacon and Related Acts, as published in the U.S. Department of Labor regulations (29 CFR Parts 1, 3, and 5). Refer to paragraph 18 of the Supplementary Conditions for the Labor Standards Provisions clauses that are part of this Contract.}

Preparation of Supplementary Conditions

Rural Utilities Service
December 1997

PART I: USE OF THIS DOCUMENT

This guidance is to be used only in association with the following Engineers Joint Contract Documents Committee (EJCDC) documents:

1. Guide to Preparation of Supplementary Conditions (No. 1910-17, 1996 Edition),
2. Standard Form of Agreement Between Owner and Contractor on the Basis of Stipulated Price, Funding Agency Edition (No. 1910-8-1-FA, 1997 Edition), and
3. Standard General Conditions of the Construction Contract Funding Agency Edition (No. 1910-8-FA, 1997 Edition).

The EJCDC Guide to Preparation of Supplementary Conditions is coordinated with the Standard Edition documents. Therefore, you must make certain the paragraph references to the General Conditions, Funding Agency Edition, are accurate. Refer to the EJCDC documents for basic information. The EJCDC document Owner's Instructions Regarding Bidding Procedures and Construction Contract Documents, 1910-29 (1996 Edition) and Attachment 26-2 of this Bulletin 1780-26, can assist the Owner, Engineer, and Agency in determining the procedures to be used on a specific project.

Because the EJCDC documents are fully integrated, when making a modification in one document you should ensure that appropriate modifications are made in all effected documents. It is the Rural Utilities Service (RUS) policy that the applicants use the EJCDC documents with minimal modification. However, RUS recognizes each project is unique and that modifications may be required to satisfy specific project requirements or State statutes.

Part II of this document is a model set of Supplementary Conditions that can be used as the starting point for preparing the actual Supplementary Conditions for RUS water and waste projects. Any additions or modifications should follow the same format as the base document.

Special attention should be focused on the types and amounts of insurance, and those to listed as additional insureds under paragraph 5.04. These should be reviewed for each project in terms of the specific conditions associated with that project and the risks involved, and then the paragraphs in the Supplementary Conditions drafted accordingly. RUS does not support unfair allocation of risk or the burden of excessive insurance coverage.

Text enclosed in {} indicates a choice is necessary or information must be inserted. This information must be provided and the {} eliminated prior to submittal to Rural Development for review.

PART II: SUGGESTED LANGUAGE FOR SUPPLEMENTARY CONDITIONS

Supplementary Conditions

These Supplementary Conditions amend or supplement the Standard General Conditions of the Construction Contract Funding Agency Edition (No. 1910-8-FA, 1997 Edition) and other provisions of the Contract Documents as indicated below. All provisions which are not so amended or supplemented remain in full force and effect.

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

SC-1.01.A.4. Add the following language to the end of paragraph 1.01.A.4:

The Application for Payment form to be used on this Project is *{include copy of blank form}*.

SC-1.01.A.10. Add the following language to the end of paragraph 1.01.A.10:

The Change Order form to be used on this Project is *{include copy of blank form}*.

SC-1.01.A.21. Add the following language to the end of paragraph 1.01.A.21:

The ENGINEER's Consultants on this project are: *{list all consultants}*.

SC-2.03.A. Delete paragraph 2.03.A in its entirety and insert the following in its place:

A. The Contract Times will commence to run on the day indicated in the Notice to Proceed. A Notice to Proceed may be given at any time within *{30}* days after the Effective Date of the Agreement.

{SC-4.02. Add the following new paragraphs immediately after paragraph 4.02.B:

C. In the preparation of Drawings and Specifications, ENGINEER or ENGINEER's Consultants relied upon the following reports of exploration and tests of subsurface conditions at the Site:

1. See EJCDC No. 1910-17 for examples.

D. In the preparation of Drawings and Specifications, ENGINEER or ENGINEER's Consultants relied upon the following drawings of physical conditions in or relating to existing surface and subsurface structures (except Underground Facilities) which are at or contiguous to the Site:

1. See EJCDC No. 1910-17 for examples.

E. Copies of reports and drawings itemized in SC-4.02.C and SC-4.02.D that are not included with Bidding Documents may be examined at _____ during regular business hours. These reports and drawings are not part of the Contract Documents, but the "technical data" contained therein upon which the CONTRACTOR may rely as identified and established above are incorporated therein by reference. CONTRACTOR is not entitled to rely upon other information and data utilized by ENGINEER and ENGINEER's Consultants in the preparation of the Drawings and Specifications.]

{SC-4.06. Add the following new paragraphs immediately after paragraph 4.06.A:

1. In the preparation of Drawings and Specifications, ENGINEER or ENGINEER's Consultants relied upon the following reports of Hazardous Environmental Conditions at the Site:

a. See EJCDC No. 1910-17 for examples.

2. In the preparation of Drawings and Specifications, ENGINEER or ENGINEER's Consultants relied upon the following

drawings of Hazardous Environmental Conditions which are at or contiguous to the Site:

a. See EJCDC No. 1910-17 for examples.

3. Copies of reports and drawings itemized in SC-4.06.A.1 and SC-4.06.A.2 that are not included with Bidding Documents may be examined at

during regular business hours. These reports and drawings are not part of the Contract Documents, but the "technical data" contained therein upon which the CONTRACTOR may rely as identified and established above are incorporated therein by reference. CONTRACTOR is not entitled to rely upon other information and data utilized by ENGINEER and ENGINEER's Consultants in the preparation of the Drawings and Specifications.}

{The amounts of coverage for each type of insurance under paragraph 5.04 are considered to be the minimum amounts that should be used to provide the OWNER adequate protection. These amounts should be reviewed in the context of the specific project and adjusted accordingly.}

SC-5.04. Add the following new paragraph immediately after paragraph 5.04.B:

C. The limits of liability for 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: Statutory
- b. Applicable Federal (e.g., Longshoremen's) Statutory
- c. Employer's Liability {\$ 500,000}

2. Contractor's General Liability under paragraphs 5.04.A.3 and 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 the Contractor:

- a. General Aggregate {\$ 2,000,000}
- b. Products - Completed Operations Aggregate {\$ 1,000,000}
- c. Personal and Advertising Injury {\$ 1,000,000}
- d. Each Occurrence (Bodily Injury and Property Damage) {\$ 1,000,000}
- e. Property Damage liability insurance will provide Explosion, Collapse, and Underground coverages where applicable.
- f. Excess or Umbrella Liability
 - 1) General Aggregate {\$ 5,000,000}
 - 2) Each Occurrence {\$ 5,000,000}

3. Automobile Liability under paragraph 5.40.A.6 of the General Conditions:

- a. Combined Single Limit of {\$ 1,000,000}

4. The Contractual Liability coverage required by paragraph 5.04.B.4 of the General Conditions shall be provided by the CONTRACTOR as part of the CONTRACTOR'S General Liability coverage.

{5. List additional types and amounts of insurance that may be required by OWNER.}

{6. List by name other persons or entities to be included on policy as additional insureds.}

{SC-5.06.A. In the case of multiple prime contractors on a single Site (multiple prime contractors for the Project may each need to provide property insurance), it is necessary to define the Contractor responsible for providing the Property Insurance. If there is only one contractor on the site, do not modify paragraph 5.06.A of the General Conditions.}

{SC-5.06.A.1. List by name other persons or entities to be included on policy as additional insureds.}

SC-6.05.C. Amend the paragraph by making two subparagraphs under the title C. Engineer's

Evaluation. The paragraph text is retitled, 6.05.C.2 After Effective Date of Agreement. A new paragraph is added before this paragraph to read as follows:

1. During Bidding. The Contract, if awarded, will be on the basis of materials and equipment specified or described in the Bidding Documents, or “or-equal” materials and equipment as defined in paragraph 6.05 of the General Conditions, or those substitute or materials and equipment approved by the ENGINEER and identified by Addendum. The materials and equipment described in the Bidding Documents establish a standard of required type, function, and quality to be met by any proposed substitute or “or-equal” item. Request for ENGINEER’s clarification of materials and equipment considered “or-equal” prior to the Effective Date of the Agreement must be received by the ENGINEER at least 5 days prior to the date for receipt of Bids. No item of material or equipment will be considered by ENGINEER as a substitute unless written request for approval has been submitted by Bidder and has been received by ENGINEER at least 15 days prior to the date for receipt of Bids. Each request shall conform to the requirements of paragraph 6.05 of the General Conditions. The burden of proof of the merit of the proposed item is upon the Bidder. ENGINEER’s decision of approval or disapproval of a proposed item will be final. If ENGINEER approves any proposed substitute item, such approval will be set forth in an Addendum issued to all prospective Bidders. Bidders shall not rely upon approvals made in any other manner.

{SC-6.10. If OWNER qualifies for sales or use tax exemptions, the language should be inserted here and coordinated with the language of Article 22 of the Instructions to Bidders.}

{SC-7.01.A. If the OWNER is planning to have Work performed by more than one prime contractor, by OWNER, or others, it should be specifically stated here.}

{When multiple prime contractors are working on a single Site, the following modification should be made.}

SC-7.02.A.1. Delete paragraphs 7.02.A.1-3 in their entirety and insert the following:

1. The _____ CONTRACTOR shall have the authority and be responsible for coordination of the activities among the other prime contractors and subcontractors on the Site to ensure a safe, efficient working environment. This authority covers scheduling delivery of materials, storage of materials, sequencing of construction involving different crafts, resolving interface issues between crafts, scheduling testing, and all other aspects of the Work that do not impact the design or function of the Work.}

SC-9.03.A. Add the following language at the end of paragraph 9.03:

The Duties, Responsibilities, and Limitations of Authority of the Resident Project Representative will be as stated in Exhibit D of the OWNER-ENGINEER Agreement, 1910-1-FA, 1997 Edition, as amended and executed for this specific Project. *{If anyone other than the Engineer is providing the Resident Project Representative, this should be stated here.}*

SC-18.08 Delete paragraph 18.08.A in its entirety and insert the following in its place:

A. Where this Contract exceeds \$100,000 CONTRACTOR shall comply with all the requirements of the Clean Air Act (42 U.S.C. §7414) and Section 308 of the Water Pollution Control Act (33 U.S.C. §1318) relating to inspection, monitoring, entry, reports, and information, as well as all other requirements specified in Section 114 of the Clean Air Act and Section 308 of the Water Pollution Control Act and all regulations and guidelines issued thereunder after the award of the contract. In so doing the Contractor further agrees:

1. As a condition for the award of contract, to notify the Owner of the receipt of any communication from the Environmental Protection Agency (EPA) indicating that a facility to be utilized in the performance of the contract is under consideration to be listed on the EPA list of Violating Facilities. Prompt notification is required prior to contract award.

2. To certify that any facility to be utilized in the performance of any nonexempt contractor subcontract is not listed on the EPA list of Violating Facilities pursuant to 40 CFR Part 32 as of the date of contract award.

3. To include or cause to be included the above criteria and the requirements in every nonexempt subcontract and that the Contractor will take such action as the Government may direct as a means of enforcing such provisions.

{SC-18. This does not apply to RUS financed projects, but when another funding source requires the OWNER comply with the Davis-Bacon Act, add a new paragraph 18.13 immediately after paragraph 18.12 and coordinate the language with Article 23 of the Instructions to Bidders.

18.13. Davis-Bacon and Related Acts

A. During the performance of the Work under this Contract the CONTRACTOR must abide by the Labor Standards Provisions of the Davis-Bacon and Related Acts.

1. Wage Determination. Insert wage determination.

2. Labor Standards Provisions. The Labor Standards Provisions as stated in RD Instruction 1940-C, Exhibit A are hereby incorporated into this Contract. The CONTRACTOR will be responsible for complying with these provisions and the OWNER and Agency will monitor compliance. Suggest copy of Exhibit A be included in documents.}

Preparation of Bid Form

**Rural Utilities Service
December 1997**

PART I: USE OF THIS DOCUMENT

This guidance is to be used only in association with the following Engineers Joint Contract Documents Committee (EJCDC) documents:

1. Guide to Preparation of Bid Form (No. 1910-18, 1996 Edition),
2. Standard Form of Agreement Between Owner and Contractor on the Basis of Stipulated Price, Funding Agency Edition (No. 1910-8-1-FA, 1997 Edition), and
3. Standard General Conditions of the Construction Contract Funding Agency Edition (No. 1910-8-FA, 1997 Edition).

The EJCDC Guide to Preparation of Bid Form is coordinated with the Standard Edition documents. Therefore, you must make certain the paragraph references to the Owner-Contractor Agreement and General Conditions, Funding Agency Editions, are accurate. Refer to the EJCDC documents for basic information. The EJCDC document Owner's Instructions Regarding Bidding Procedures and Construction Contract Documents, 1910-29 (1996 Edition) and Attachments 26-2 and 26-5 of this Bulletin 1780-26, can assist the Owner, Engineer, and Agency in determining the procedures to be used on a specific project.

Because the EJCDC documents are fully integrated, when making a modification in one document you should ensure that appropriate modifications are made in all effected documents. It is the Rural Utilities Service (RUS) policy that the applicants use the EJCDC documents with minimal modification. However, RUS recognizes each project is unique and that modifications may be required to satisfy specific project requirements or State statutes.

All procurement transactions, regardless of whether by sealed bids or by negotiation and without regard to dollar value, shall be conducted in a manner that provides maximum open and free competition. Procurement procedures shall not restrict or eliminate competition. Examples of what are considered to be restrictive of competition include, but are not limited to: placing unreasonable requirements on firms in order for them to qualify to do business; noncompetitive practices between firms; organizational conflicts of interest; specifying only a brand name product instead of either allowing an equal product to be offered, or describing the performance of the relevant requirements of the procurement; and unnecessary experience and bonding requirements.

Part II of this document is a model Bid Form that can be used as the starting point for preparing the actual Bid Form for RUS Water and Waste Disposal program projects. Any additions or modifications should follow the same format as the base document.

Text enclosed in {} indicates a choice is necessary or information must be inserted. This information must be provided and the {} eliminated prior to submittal to Rural Development for review.

PART II: SUGGESTED LANGUAGE FOR BID FORM

Bid Form

Project Identification: *{Project or portion of Project to which Bid applies}*

Contract Identification and Number: *{Title, Number, etc. that appears elsewhere in Bidding Documents}*

This Bid Is Submitted To: *{Name and Address of OWNER}*

1.01 The undersigned Bidder proposes and agrees, if this Bid is accepted, to enter into an Agreement with OWNER in the form included in the Bidding Documents to perform all Work as specified or indicated in the Bidding Documents for the prices and within the times indicated in the Bid and in accordance with the other terms and conditions of the Bidding Documents.

2.01 Bidder accepts all of the terms and conditions of the Advertisement and Instructions to Bidders, including without limitations those dealing with the dispositions of Bid security. The Bid will remain subject to acceptance for *{60}* days after the Bid opening, or for such longer period of time that Bidder may agree to in writing upon request of OWNER.

3.01 In submitting this Bid, Bidder represents, as set forth in the Agreement, that:

A. Bidder has examined and carefully studied the Bidding Documents, the other related data identified in the Bidding Documents, and the following Addenda, receipt of all which is hereby acknowledged.

Addendum No.	Addendum Date
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

B. Bidder 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. Bidder 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. Bidder 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 in or relating to existing surface or subsurface structures at or contiguous to the Site (except Underground Facilities) which have been identified in the Supplementary Conditions as provided in paragraph 4.02 of the General Conditions, and (2) reports and drawings of a Hazard Environmental Condition, if any, which has been identified in the Supplementary Conditions as provided in paragraph 4.06 of the General Conditions.

E. Bidder has obtained and carefully studied (or assumes responsibility for having done so) all additional or supplementary examinations, investigations, explorations, tests, studies, and data concerning conditions (surface, subsurface and Underground Facilities) at or contiguous to the Site which may affect cost, progress, or performance of the Work or which relate to any aspect of the means, methods, techniques, sequences, and

procedures of construction to be employed by the Bidder, including applying the specific means, methods, techniques, sequences, and procedures of construction expressly required by the Bidding Documents to be employed by Bidder, and safety precautions and programs incident thereto.

F. Bidder does not consider that any further examinations, investigations, explorations, tests, studies, or data are necessary for the determination of this Bid for performance of the Work at the price(s) bid and within the times and in accordance with the other terms and conditions of the Bidding Documents.

G. Bidder is aware of the general nature of the Work to be performed by OWNER and others at the Site that relates to the Work as indicated in the Bidding Documents.

H. Bidder has correlated the information known to Bidder, information and observations obtained from visits to the Site, reports and drawings identified in the Bidding Documents, and all additional examinations, investigations, explorations, tests, studies, and data with the Bidding Documents.

I. Bidder has given ENGINEER written notice of all conflicts, errors, ambiguities, or discrepancies that Bidder has discovered in the Bidding Documents, and the written resolution thereof by ENGINEER is acceptable to Bidder.

J. The Bidding Documents are generally sufficient to indicate and convey understanding of all terms and conditions for the performance of the Work for which this Bid is submitted.

4.01 Bidder further represents that this Bid is genuine and not made in the interest of or on the behalf of any undisclosed individual or entity and is not submitted in conformity with any agreement or rules of any group, association, organization, or corporation; Bidder has not directly or indirectly induced or solicited any other Bidder to submit a false or sham Bid; Bidder has not solicited or induced any individual or entity to refrain from bidding; and Bidder has not sought by collusion to obtain for itself any advantage over any other Bidder or over OWNER.

5.01 Bidder will complete the Work in accordance with the Contract Documents for the following price(s):

LUMP SUM BID PRICE _____ (\$ _____)
(use words) (figures)

{OR}

Attached Itemized Unit Price Sheets

{Using a format similar to the following layout:

<u>NO.</u>	<u>ITEM</u>	<u>UNIT</u>	<u>ESTIMATED QUANTITY</u>	<u>UNIT PRICE</u>	<u>TOTAL ESTI-MATED PRICE</u>
TOTAL OF ALL ESTIMATED PRICES					(\$ _____)

A. Unit Prices have been computed in accordance with paragraph 11.03.B of the General Conditions.

B. Bidder acknowledges that estimated quantities are not guaranteed, and are solely for the purpose of comparison of Bids, and final payment for all Unit Price Bid items will be based on actual quantities provided, determined as provided in the contract Documents.

6.01 Bidder agrees that the Work will be substantially completed and ready for final payment in accordance with paragraph 14.07.B of the General Conditions on or before the dates or within the number of calendar days indicated in the Agreement.

6.02 Bidder accepts the provisions of the Agreement as to liquidated damages in the event of failure to complete the work within the times specified above, which shall be stated in the Agreement.

7.01 The following documents are attached to and made a condition of the Bid:

- A. Required Bid security in the form of Bid Bond - Certified Check (circle type of security provided);
- B. If Bid amount exceeds \$10,000, signed Compliance Statement (RD 400-6). Refer to specific equal opportunity requirements set forth in paragraph 18.10 of the General Conditions;
- C. If Bid amount exceeds \$25,000, signed Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions (AD-1048);
- D. If Bid amount exceeds \$100,000, signed RD Instruction 1940-Q, Exhibit A-1, Certification for Contracts, Grants, and Loans. Refer to paragraph 18.11 of the General Conditions;
{D. A tabulation of Subcontractors, Suppliers [and others] individuals and entities required to be identified in this Bid;}
- {E. Required bidder qualifications statement with supporting data; and}*
- {F. List other documents as pertinent.}*

8.01 The terms used in this Bid with the initial capitol letters have the meanings indicated in the Instructions to Bidders, the General Conditions, and the Supplementary Conditions.

SUBMITTED on _____, _____

State Contractor License No. _____ (If applicable)

Employer's Tax ID No. _____

If Bidder is:

An Individual

Name (typed or printed): _____

By: _____

(Individual's signature)

SEAL,
if required
by State

Doing business as: _____

Business address: _____

Phone No. (____)_____ FAX No. (____)_____ E-Mail Address _____

A Partnership

Partnership Name: _____

By: _____

(Signature of general partner -- attach evidence of authority to sign)

SEAL,
if required
by State

Name (typed or printed): _____

Business address: _____

Phone No. (____)_____ FAX No. (____)_____ E-Mail Address _____

A Corporation

Corporation Name: _____

State of Incorporation: _____

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

By: _____

(Signature -- attach evidence of authority to sign)

Name (typed or printed): _____

Title: _____

Attest _____

(Signature of Corporate Secretary)

CORPORATE
SEAL,
if required by State

Business address: _____

Phone No. (____)_____ FAX No. (____)_____ E-Mail Address _____

Date of Qualification to do business is _____

A Joint Venture

Joint Venture Name: _____

SEAL,
if required
by State

By: _____

(Signature of joint venture partner -- attach evidence of authority to sign)

Name (typed or printed): _____

Title: _____

Business address: _____

Phone No. (____)_____ FAX No. (____)_____ E-Mail Address _____

Joint Venture Name: _____

SEAL,
if required
by State

By: _____

(Signature of joint venture partner -- attach evidence of authority to sign)

Name (typed or printed): _____

Title: _____

Business address: _____

Phone No. (____)_____ FAX No. (____)_____ E-Mail Address _____

Phone and FAX Number, and Address for receipt of official communications:

(Each joint venturer must sign. The manner of signing for each individual, partnership, and corporation that is party to the venture should be in the manner indicated above.)

Application for Payment

Rural Utilities Service Water and Waste Programs December 1997

This guidance is to be used in association with the following Engineers Joint Contract Documents Committee documents:

1. Guide to Preparation of Instructions to Bidders (No. 1910-12, 1996 Edition),
2. Standard Form of Agreement Between Owner and Contractor on the Basis of Stipulated Price, Funding Agency Edition (No. 1910-8-1-FA, 1997 Edition), and
3. Standard General Conditions of the Construction Contract Funding Agency Edition (No. 1910-8-FA, 1997 Edition).

The Engineers Joint Contract Documents Committee (EJCDC) standard documents form the foundation for preparation of a integrated set of construction documents. Refer to the EJCDC documents for basic information. The EJCDC document Application for Payment, 1910-8-E (1996 Edition), Partial Payment Estimate, Form RD 1924-18, Rev. 6/97, and this Attachment can assist the Owner, Engineer, and Agency in developing an Application for Payment to be used on a specific project.

Because the EJCDC documents are fully integrated, when making a modification in one document you should ensure that appropriate modifications are made in all effected documents. It is the Rural Utilities Service (RUS) policy that the applicants use the EJCDC documents with minimal modification. However, RUS recognizes each project is unique and that modifications may be required to satisfy specific project requirements or State statutes.

It is anticipated that an attachment to the Application for Payment for the detailed tracking of quantities, materials stored, etc. will be developed by the Engineer and Contractor. 7 CFR 1780.76 (e) states Form RD 1924-18 (Available at <http://rdinit.usda.gov/regs/formlist.html>) or other similar form may be used for contractor payments. If Form RD 1924-18 is not used, prior concurrence by the State Staff Engineer must be obtained. In addition to the language on the EJCDC form, any form used for Application for Payment must include language similar to the following:

Approved by OWNER: *{with signature and date blocks}*

Accepted by Agency: The review and acceptance of this application for payment does not attest to the correctness of the quantities shown or that the work has been performed in accordance with the Contract Documents. *{with signature and date blocks}*

Change Order

Rural Utilities Service Water and Waste Programs December 1997

This guidance is to be used in association with the following Engineers Joint Contract Documents Committee documents:

1. Guide to Preparation of Instructions to Bidders (No. 1910-12, 1996 Edition),
2. Standard Form of Agreement Between Owner and Contractor on the Basis of Stipulated Price, Funding Agency Edition (No. 1910-8-1-FA, 1997 Edition), and
3. Standard General Conditions of the Construction Contract Funding Agency Edition (No. 1910-8-FA, 1997 Edition).

The Engineers Joint Contract Documents Committee (EJCDC) standard documents form the foundation for preparation of a integrated set of construction documents. Refer to the EJCDC documents for basic information. The EJCDC document Change Order, 1910-8-B (1996 Edition), Contract Change Order, Form RD 1924-7, and this Attachment can assist the Owner, Engineer, and Agency in developing an Change Order to be used on a specific project.

Because the EJCDC documents are fully integrated, when making a modification in one document you should ensure that appropriate modifications are made in all effected documents. It is the Rural Utilities Service (RUS) policy that the applicants use the EJCDC documents with minimal modification. However, RUS recognizes each project is unique and that modifications may be required to satisfy specific project requirements or State statutes.

7 CFR 1780.76 (h) (2) states changes will be recorded on Form RD 1924-7, "Contract Change Order" (Available at <http://rdinit.usda.gov/regs/formlist.html>), or similar form if approved by the State program official or designee. In addition to the language on the EJCDC form, any form used for Change Order must include language similar to the following:

Concurrence by Agency: Changes are not effective until signed by Agency. *{with signature and date blocks}*