

EXAMPLE OF LUMP SUM CONTRACT FOR DEBRIS REMOVAL

A lump sum contract establishes a total price using a one item bid from a CONTRACTOR. It should be used only when a scope of work is clearly defined, with areas of work and quantities of material clearly identified. Lump sum contracts can be defined in one of two ways:

- *Area Method, where the scope of work is based on a one time clearance of a specified area, or*
- *Pass Method, where the scope of work is based on a certain number of passes through a specified area, such as a given distance along a right of way.*

ARTICLE 1.

AGREEMENT BETWEEN PARTIES

This contract is made and entered into on this the _____ day of _____, 20____, by and between the city/county of _____, hereinafter called the ENTITY, and _____, hereinafter called the CONTRACTOR.

ARTICLE 2.

SCOPE OF WORK

This contract is issued pursuant to the Solicitation and Procurement on _____ for the removal of debris caused by the sudden natural or human-made disaster of _____ to _____. It is the intent of this contract to provide equipment and resources to remove all hazards to life and property in the affected communities. Cleanup, demolition, and removal will be limited to 1) that which is determined to be in the interest of public safety and 2) that which is considered essential to the economic recovery of the affected area.

The Work shall consist of cleanup or demolition and removal as outlined in the specifications on drawings and on block sector maps attached to the invitation for bid number _____.

ARTICLE 3.

SCHEDULE OF WORK

Time is of the essence for this debris removal contract.

Notice to proceed with the Work: The Work under this contract will commence on _____, 20____. Maximum allowable time for completion will be _____ calendar days, unless the ENTITY initiates additions or deletions by written change order. If the CONTRACTOR does not complete the work within the allotted time, liquidated damages will be assessed in the amount of _____ per day.

ARTICLE 4.

CONTRACT PRICE

The lump sum price for performing the Work stipulated in the contract documents is _____.

ARTICLE 5.

PAYMENT

The CONTRACTOR shall submit certified pay requests for completed work. The ENTITY shall have ten (10) calendar days to approve or disapprove the pay request. The ENTITY shall pay the CONTRACTOR for his performance under the contract within twenty (20) days of approval of the pay estimate. On contracts over 30 days in duration, the ENTITY shall pay the CONTRACTOR a

pro-rata percentage of the contract amount on a monthly basis, based on the amount of work completed and approved in that month. The ENTITY will remunerate the CONTRACTOR within thirty (30) days of the approved application for payment, after which interest will be added at a rate of _____ per annum. Payments shall be subject to a retainer of _____ on each payment. Retainer shall be released upon substantial completion of the work.

Funding for this contract is authorized pursuant to Public Law of the State of Washington and _____ (local statute or ordinance).

ARTICLE 6.

CHANGE ORDERS

If the scope of work is changed by the ENTITY, the change in price and contract time will be promptly negotiated by the parties, prior to commencement of work.

ARTICLE 7.

CONTRACTOR'S OBLIGATIONS

The CONTRACTOR shall supervise and direct the Work, using skillful labor and proper equipment for all tasks. Safety of the CONTRACTOR's personnel and equipment is the responsibility of the CONTRACTOR. Additionally, the CONTRACTOR shall pay for all materials, equipment, personnel, taxes, and fees necessary to perform under the terms of the contract.

Any unusual, concealed, or changed conditions are to be immediately reported to the ENTITY. The CONTRACTOR shall be responsible for the protection of existing utilities, sidewalks, roads, buildings, and other permanent fixtures. Any unnecessary damage will be repaired at the CONTRACTOR's expense.

ARTICLE 8.

ENTITY'S OBLIGATIONS

The ENTITY's representative(s) shall furnish all information, documents, and utility locations necessary for commencement of Work. Costs of construction permits and authority approvals will be borne by the ENTITY. A representative will be designated by the ENTITY for inspecting the work and answering on-site questions.

THIS CONTRACT IS DULY SIGNED BY ALL PARTIES HERETO:

ENTITY (City, County, Town, Etc.)

(Include Address, City, State)

Seal CONTRACTOR

by _____

the Principal of the Firm