

NOTICE OF AWARD

Dated _____, 2002

TO: _____
(Contractor)

ADDRESS: _____

PROJECT _____

OWNER'S CONTRACT NO. _____

CONTRACT FOR _____

(Insert name of Contract as it appears in the Bidding Documents)

You are notified that your Bid dated _____, 2002, for the above Contract has been considered. You are the apparent Successful Bidder and have been awarded a contract for _____

(Describe the total Work, alternates or sections of Work awarded)

The Contract Price of your Contract is _____

_____ Dollars (\$ _____).

3 copies of the proposed Contract Documents (except Drawings) accompanying this Notice of Award.

3 sets of Drawings will be delivered separately or otherwise made available to you immediately.

You must comply with the following conditions precedent within seven days of the date of this Notice of Award, that is by _____, 2002.

1. You must deliver to the Owner 3 fully executed counterparts of the Contract, including all Contract Documents.

2. You must deliver with the executed Contract the Contract Security (Bonds) as specified within the Contract Documents.
3. (List other conditions).

Provide Insurance Certificates per the Contract Documents.

(Owner)

BY: _____
(Authorized Signature)

(Title)

ACCEPTANCE OF AWARD

(Contractor)

BY: _____
(Authorized Signature)

(Title)

(Date)

NOTICE TO PROCEED

Dated _____, 2002

TO: _____
(Contractor)

ADDRESS: _____

PROJECT _____

OWNER'S CONTRACT NO. _____

CONTRACT FOR _____

(Insert name of Contract as it appears in the Bidding Documents)

You are notified that the Contract Times under the above contract will commence to run on _____, 2002. By that date, you are to start performing your obligations under the Contract Documents.

Before you may start any Work on the site, the Contractor and the Owner must each deliver to the other (with copies to the ENGINEER and CWCB) certificates of insurance which each is required to be purchase and maintain in accordance with the Contract Documents.

Also before you may start any Work at the site, you must

(add other requirements)

(Owner)

By: _____
(Authorized Signature)

(Title)

XYZ IRRIGATION COMPANY

PROJECT NAME

PROPOSAL, CONTRACT DOCUMENTS AND SPECIAL PROVISIONS

INVITATION TO BID

Notice is hereby given that **XYZ Irrigation Company** will accept sealed bid proposals for the construction of: **Project Name**

Bids will be accepted until **Date and Time**, at the office of **XYZ Irrigation Company, Address, Town, CO**. Bids received after said closing time of **Time** will be returned unopened. As soon as practical, after said closing time, all bids received will be publicly opened and read aloud in the **Office of XYZ Irrigation Company Board of Directors**. Proposals should be submitted in a sealed envelope marked "**Project Name**"

Plans and specifications will be available for a **\$20.00**, non-refundable fee, on or after **TIME** at the office of **XYZ Irrigation Company, Address, Town, CO**.

Bidders must be listed on the current Colorado State Department of Transportation's qualifications list to qualify. Proposals are requested for the furnishing of all labor and materials on a UNIT basis. Bid security in the form of a Bid Bond, Cashier's Check or Certified Check, payable to **XYZ Irrigation Company**, in the amount equal to ten (10%) percent of the total amount of the Bid, to be retained by the Company until a Contract is executed. If the successful Bidder should fail to enter into a Contract with the Company to furnished bid, his check or bid bond will be held as liquidated damages; in which event the Contract may then be awarded to the next lowest bidder.

The Board of Directors reserves the right to reject any and all proposals, to waive any informalities or irregularities therein, and to accept the proposal that in the opinion of the Board of Directors is in the best interest of the Company.

BY:

Chair, Board of Directors

PROPOSAL FOR XYZ IRRIGATION COMPANY PROJECT:

TO THE COMPANY ENGINEER,
XYZ IRRIGATION COMPANY
TOWN, COLORADO

Contractor has examined the Plans and Specifications and the site of the proposed work and receipt of Addendum Nos. _____ is hereby acknowledged.

Contractor understands and accepts the proposition that the Estimate of Quantities is approximate only, that the quantities are subject to either increase or decrease and proposes to perform any increased or decreased quantities of work at the unit price named in this Proposal, except for alterations provided in the Specifications.

Contractor agrees that the Invitation for Bids, Proposal Requirements and Conditions, the Plans and Specifications, any Special Provisions, and this Proposal shall form and be part of the Contract to be signed by him/it if this Proposal is accepted, and that he/it will furnish a Contract Bond in form acceptable by the **Company Engineer**, in a penal sum equal to the nearest integral \$100.00 in excess of the estimated Contract price, with surety, or sureties, satisfactory to the **Company Engineer**, to guarantee the completion of the work and also to guarantee that all material and labor upon this work, or incidental to the completion of this work shall be fully paid for.

Contractor hereby proposes to furnish all labor, machinery, equipment, materials and supplies, and to sustain all the expense incurred in doing the work hereinafter described for what is known as: **PROJECT NAME** as per the proposal schedule, and in pursuance of a certain advertisement of the Company Board of Directors, dated **DATE OF AD**, and in accordance with the full details, Plans, and Specifications as prescribed by said **Company Engineer**. The Colorado Department of Transportation's Standard Specifications for Road and Bridge Construction - 1991, and as revised by the special provisions, shall be used to control work on this project. The items of work and the unit prices contained in the Proposal Schedule are described in and are a part of the Standard Specifications and are to be the method of measurement of the project quantities and the basis of payment.

Contractor agrees to protect his/its employees on this Contract, if awarded by adequate Worker's Compensation Insurance. The Contractor further agrees to provide evidence of comprehensive general and automobile liability insurance as per the limits of the Contract prior to commencement of work.

Contractor agrees that any Extra Work or materials which the said **Company Engineer** may order in writing is to be paid for either at a lump sum or unit prices agreed upon prior to the work or on the force account basis as specified in the Specifications, the force account bills to be checked and signed at the end of each day by the engineer or inspector in charge, and the Contractor's representative; provided that no class or item of work or material for which a unit bid price is provided in this Proposal is to be classed as Extra Work.

Contractor hereby agrees to execute a Contract and Bonds within ten (10) days (or such further time as may be allowed in writing by the **Company Engineer**) after receiving notification of the Award of

Contract based on this proposal, and in case he/it does not, the Board of Directors may proceed to award the Contract to another, readvertise the work for bids, or proceed in any lawful manner they deem advisable, and accompanying Guaranty shall become forfeited to the Company as liquidated damages.

Contractor hereby agrees to commence the work within fifteen (15) days (or such further time as may be allowed in writing by the **Company Engineer**) after being awarded the Contract, and to complete the same within **NUMBER** working days or from and including such later date as may be designated in writing by the Company Engineer or his Project Engineer.

Contractor hereby declares and stipulates that this Proposal is made in good faith, without collusion or connection with any other Contractor, person or persons bidding for the same work.

Contractor understands that the Company reserves the right to make the award on the basis of the Bid deemed most favorable to the Company, to waive any informalities, or to reject any or all Bids, but that this bid shall remain open and not be withdrawn for a period of thirty (30) days from the date prescribed for its opening.

Company Name and Full Address

Type or Print Name of Bidder

Signature of Bidder's Authorized Officer or Partner

Date

NOTE: If Bidder is a corporation, set forth the legal name of the corporation together with the signature of the officer or officers authorized to sign Contracts on behalf of the corporation. If Bidder is a partnership, set forth the name of the firm together with the signature of the partner or partners authorized to sign Contracts on behalf of the partnership.

Business Address: _____

Telephone Number: _____

Date of Proposal: _____

ATTEST: _____
Secretary Corporate Seal

BID TABS

(INSERT FROM EXCEL SPREAD SHEET OR OTHERWISE)

Enclosed herewith is the required bid bond in the amount of ten percent (10%) (\$) which the bidder agrees to be forfeited to and become the property of the Company as liquidated damage should this proposal be accepted and a Contract be awarded to him and he fails to enter into a Contract in the form prescribed and to furnish the required bonds and insurance within ten days upon his signing the Contract and delivering the approved bonds. In submitting the bid it is understood that the right is reserved by the Company to reject any and all bids.

DATE

XYZ IRRIGATION COMPANY

PROJECT PROJECT NAME

The following special provisions take precedence over the specifications and plans and supplement the **STANDARD SPECIFICATIONS FOR ROAD AND BRIDGE CONSTRUCTION** adopted by the **Colorado Department of Transportation - 1991**, which is to be used to control construction on this project.

PROJECT DATED SPECIAL PROVISIONS

Instructions to Bidders	DATE
Notice to Bidders	DATE
Commencement and Completion of Work	DATE
Utilities	DATE

INSTRUCTIONS TO BIDDERS: PROJECT PROJECT NAME

To be considered, proposals must be made in accordance with these Instructions to Bidders.

ARTICLE 1 - Definitions

- 1.1 Bidding Documents include the Advertisement or Invitation to Bid, Instructions to Bidders, the Proposal and Proposal Schedule, other sample bidding and Contract forms and the proposed Contract Documents including any Addenda issued prior to receipt of Bids, the plans, specifications and special provisions.
- 1.2 All definitions set forth in the General Conditions of the Contract for Construction or in other Contract Documents are applicable to the Bidding Documents.
- 1.3 Addenda are written or graphic instruments issued by the **Company Engineer** prior to the execution of the Contract which modify or interpret the bidding documents by addition, deletions, clarifications or corrections.
- 1.4 A Bid is a complete and properly signed proposal to do the Work or designated portion thereof for the sums stipulated therein supported by data called for by the Bidding Documents.
- 1.5 Base Bid is the sum stated in the Bid for which the Bidder offers to perform the Work described as the base, to which Work may be added or deducted for sums stated in Alternate Bids.
- 1.6 An Alternate Bid (or Alternate) is an amount stated in the Bid to be added to or deducted from the amount of the Base Bid if the corresponding change in project scope or materials or methods of construction described in the Bidding Documents is accepted.
- 1.7 A Unit Price is an amount stated in the Bid as a price per unit of measurement for materials or services as described in the Contract Documents. The unit prices as shown on the Proposal Schedule are described in the **Colorado Department of Transportation Standard Specifications for Road and Bridge Construction 1991**, and as revised by the special provisions which will be used to control work on this project.
- 1.8 Unit Price Work - Work to be paid for on the basis of unit prices.
- 1.9 A Bidder is one who submits a Bid for a Contract for the work described in the proposed Contract Documents and is referred throughout these instructions as if singular in number and masculine in gender.
- 1.10 A Sub-bidder is one who submits a Bid to a Bidder for materials or labor for a portion of the Work.

ARTICLE 2 - Bidders Representation

- 2.1 Each Bidder by making his Bid represents that:

- a. He has read and understands the Bidding Documents and his Bid is made in accordance therewith.
- b. He has visited the site and has familiarized himself with the local conditions under which the Work is to be performed.
- c. His Bid is based upon the materials, systems and equipment described in the Bidding Documents without exceptions.

ARTICLE 3 - Bidding Documents

3.1 Copies

- a. Bidders may obtain from the **Company Engineer** complete sets of the Bidding Documents.
- b. Other major Sub-bidders may obtain sets of Bidding Documents for limited periods of time depending on the availability. **NO PARTIAL SETS WILL BE ISSUED.**
- c. Complete sets of Bidding Documents shall be used in preparing Bids; the Company assumes no responsibility for errors or misinterpretations resulting from the use of incomplete sets of Bidding Documents.
- d. The Company in making copies of the Bidding Documents available on the above terms, does so only for the purpose of obtaining Bids on the Work and does not confer a license or grant for any other use.

3.2 Interpretation or Correction of Bidding Documents

- a. Bidders shall promptly notify the Company of any ambiguity, inconsistency, or error which they may discover upon examination of the Bidding Documents or of the site and local conditions.
- b. Bidders requiring clarification or interpretation of the Bidding Documents shall make a written request to the Company received at least seven (7) days prior to the date of receipt of Bids.
- c. Any interpretation, correction or change of the Bidding Documents will be made by Addendum. Interpretations, corrections, or changes of the Bidding Documents made in any other manner will not be binding and Bidders shall not rely upon such interpretations, corrections and changes. The Company will not be responsible for oral clarification.

3.3 Substitutions

- a. The materials, products and equipment described in the Bidding Documents establish a standard of required function, dimension, appearance and quality to be met by any equal substitution.
- b. No substitution will be considered unless written request for approval has been submitted by the Bidder and has been received by the Company at least ten (10) days prior to the date for receipt of Bids.

Each such request shall include the name of the material or equipment for which it is to be substituted and a complete description of the proposed substitute including drawings, cuts, performance and test data and any other information necessary for an evaluation. A statement setting forth any changes in other materials, equipment or work that incorporation of the substitute would require shall be included. The burden of proof of the merit of the proposed substitute is upon the proposer. The Company's decision of approval or disapproval of a proposed substitution shall be final. Submit descriptive data with two copies of a letter or request for substitution along with a self-addressed, stamped envelope.

- c. If the Company approved any proposed substitution, such approval will be set forth in an addendum. Bidders shall not rely upon approvals made in any other manner. The Bidder proposing the substitution will be notified of approval or rejection by return of one copy of the Letter of Request so noting such approval or rejection if a self-addressed, stamped envelope is furnished.

3.4 Addenda

- a. Addenda will be mailed or delivered to all who are known by the Company to have received a complete set of Bidding Documents.
- b. Copies of addenda will be made available for inspection wherever Bidding Documents are on file for that purpose.
- c. No addenda will be issued later than four (4) days prior to the date for receipt of Bids except an addendum, if necessary, postponing the date for receipt of Bids or withdrawing the request for Bids.
- d. Each Bidder shall ascertain prior to submitting his Bid that he has received all addenda issued, and he shall acknowledge their receipt in his Bid. It is the responsibility of the Bidder to ensure receipt of all addenda.
- e. All addenda issued shall become a part of the Contract Documents.

ARTICLE 4 - Bidding Procedure

4.1 Form and Style of Bids

Failure to comply with the following provisions may be cause for rejection of Bids.

- a. All information supplied on the bid forms shall be filled in by typewriter or manually in ink. Illegible Bids will be cause for rejection.
- b. Where so indicated by the makeup of the bid form, sums shall be expressed in both words and figures, and in case of discrepancy between the two, the written amount shall govern.
- c. Any interlineation, alteration or erasure must be initialed by the signer of the Bid.
- d. All requested alternates shall be bid. If a Bidder wishes not to bid an alternate, it shall be marked "NO BID".
- e. Bidder shall make no additional stipulations on the bid form nor qualify his bid in any other manner.
- f. Each copy of Bid shall include the legal name of Bidder and a statement whether Bidder is a Sole Proprietor, a Partnership, a Corporation of any other legal entity, and each copy shall be signed by the person or persons legally authorized to bind the Bidder to a Contract. A Bid by a Corporation shall further give the state of incorporation and have the corporate seal affixed.

4.2 Security

- a. Each Bid shall be accompanied by a bid guaranty which shall be not less than ten percent (10%) of the bid amount. The guaranty must be duly executed by the Bidder as principal, pledging that the Bidder shall enter into a Contract with the Company on the terms stated in his Bid and will furnish the required bonds.
- b. The Company shall have the right to retain the bid security of all Bidders until either (a) the Contract has been executed and the required bonds and insurance have been furnished or (b) all Bids have been rejected or (c) no award has been made within thirty (30) days after the date of opening of Bids, when Bids may be withdrawn, upon demand of the Bidder so long as he has not been notified of the acceptance of his Bid.

4.3 Liquidated Damages for Failure to Enter Into Contract

The successful Bidder, upon his failure or refusal to execute and deliver the Contract, Performance and Labor and Material Payment Bonds and evidence of insurance within ten (10) days of the Notice of Award, shall forfeit to the Company, as liquidated damages and as penalty for such failure or refusal, the bid guaranty deposited with his Bid.

4.4 Submission of Bids

- a. The Company may waive any informalities or reject any or all Bids. No Bid received after the time and date specified in the Invitation to Bid will be considered. No Bidder may withdraw a Bid within thirty (30) days after the actual date of opening thereof.
- b. Oral, telephonic or telegraphic Bids are invalid and will not receive consideration.

4.5 Modification or Withdrawal of Bid Prior to Opening

- a. A Bid may not be modified, withdrawn or canceled by the Bidder during the stipulated time period following the time and date designated for the receipt of Bids, and Bidder so agrees in submitting his Bid.
- b. Bids submitted early may be modified or withdrawn only by notice to the party receiving Bids at the place and prior to the time designated for receipt of Bids. Such notice shall be in writing over the signature of the Bidder or be by telegram; if by telegram, written confirmation over the signature of Bidder must have been mailed and postmarked on or before the date and time set for receipt of Bids; it shall be so worked as not to reveal the amount of the original Bid.
- c. Withdrawn Bids may be resubmitted up to the time designated for the receipt of Bids provided that they are then fully in conformance with these Instructions to Bidders.
- d. Bid security shall be in an amount sufficient for the Bid as modified or resubmitted.

ARTICLE 5 - Consideration of Bids

5.1 Opening of Bids

- a. At the time indicated for bid opening, the **Company Engineer**, or his designee will announce that the time has arrived for bid opening and bid submission is closed. Any Bids submitted after this announcement will be returned unopened. The Company Engineer, or his designee, will initiate the bid opening procedure at the time set forth in the Invitation to Bid or as soon thereafter as practicable.
- b. Bidders will be asked if there are any present who wish to withdraw a Bid. A Bidder may then withdraw from bidding if they wish to do so at this time.
- c. Bids will then be opened publicly in the order in which they were received and will be read aloud.

5.2 Rejection of Bids

- a. The Company shall have the right to reject any or all Bids and in particular to reject a Bid not accompanied by any required bid security or data required by the Bidding Documents or

a Bid in any way incomplete or irregular.

- b. The Company may reject a Bid before or after opening upon evidence of collusion with intent to defraud or other illegal practices upon the part of the Bidder.

5.3 Acceptance of Bid (Award)

- a. The Company shall have the right to accept Alternates in any order or combination and to determine the low Bidder on the basis of the sum of the Base Bid and the Alternates accepted.
- b. It is the intent of the Company to award the Contract to the lowest responsible Bidder provided the Bid has been submitted in accordance with the requirements of the Bidding Documents, is judged to be reasonable, and does not exceed the funds available.
- c. Notwithstanding any delay in the preparation and execution of the formal Contract Agreement, each Bidder shall be prepared, upon written notice of Bid Award, to furnish all required bonds and insurance, and to commence work within fifteen (15) days following receipt of such written notice of Award and Order to Proceed, or on date specified in such Order.

ARTICLE 6 - Performance Bond and Labor and Material Payment Bond

6.1 Company's Right to Require Bonds

The Company shall prior to the execution of the Contract, require the Bidder to furnish bonds covering the faithful performance of the Contract and the payment of all obligations arising thereunder in the form included herein to the nearest integral \$100.00 in excess of the Contract price. Premiums for the furnishing of such bonds shall be paid by the Bidder.

6.2 Time of Delivery and Form of Bonds

- a. The Bidder shall deliver the required bonds to the Company not later than ten (10) days after award of Contract.
- b. The Bidder shall require the Attorney-in-Fact who executes the required bonds on behalf of the surety to affix thereto a certified and current copy of his Power of Attorney.

ARTICLE 7 - Form of Agreement Between the Company and the Contractor

7.1 Form to be Used

Unless otherwise provided in the Bidding Documents, the Contract for the Work will be written on the Standard Form of Contract provided by the Company.

ARTICLE 8 - Legal Requirements

- 8.1 Attention of Bidders is particularly called to the State of Colorado Statutory requirements for Wages and Salaries, Equal Employment Opportunity, and Colorado Labor provisions. Requirements also include, but are not limited to, the Clean Air Act, Water Pollution Control Act, 1974 Fugitive Dust Law, Noise Control Act of 1972, Anti-Kickback Act and Public Works Act of 1976. The Subcontractor acknowledges that he is familiar with the necessary statutes and agrees to comply with the provisions.**

ARTICLE 9 - Sales Taxes

- 9.1 Attention of Bidders is particularly called to the requirement for certificates of Sales Tax exemption for the Contractor's and Subcontractors upon award of Contract. (Title 39-26-113 1973 CRS as amended) DO NOT INCLUDE SALES TAX IN THE BID PROPOSAL.**

Questions regarding this provision should be referred to the Colorado State Department of Revenue, Sales Tax Division.

ARTICLE 10 - Insurance

- 10.1 Bidders attention is called to the requirements for insurance, specified in the Contract. These shall also include the following minimums: Standard Workers' Compensation and Employers' Liability, including occupational disease, covering all employees engaged in performance of the work at the site, in the amount required by state statutes. Comprehensive general liability insurance (including premises/operations, products/completed operations, broad form contractual, independent contractors, broad form property damage and personal injury coverage) in an amount not less than \$2,000,000 combined single limit.**

Automobile liability insurance (including owned, non-owned and hired coverage) in an amount not less than \$1,000,000 combined single limit. Certificates of insurance, showing XYZ Irrigation Company as additional named insured, will be required within ten (10) days of award of Contract. Said certificates shall provide for 30 days written notice of cancellation, termination or material change to XYZ Irrigation Company.

ARTICLE 11 - Licenses and Permits

- 11.1 Contractor and any subcontractor shall hold any licenses required by State, City or other local regulations to perform the work intended.**
- 11.2 Prior to commencement of work the Contractor shall furnish evidence to the Company that all Special Mobile Machinery (SMM) to be used to perform the work contained within the Contract are currently registered with the State of Colorado Department of**

Revenue, Motor Vehicles Division. Such evidence shall include the make, model and serial number of the equipment, the SMM registration number, and the expiration date of the registration.

DATE

NOTICE TO BIDDERS

XYZ IRRIGATION COMPANY PROJECT PROJECT NAME

It is recommended that bidders on this project review the plan details with the following Company representative:

NAME AND PHONE OF COMPANY REPRESENTATIVE

For efficient scheduling, prospective bidders must contact the **Company Engineer** at least twenty-four (24) hours prior to the time they would like an appointment to review the project.

DATE

COMMENCEMENT AND COMPLETION OF WORK

XYZ IRRIGATION COMPANY PROJECT **PROJECT NAME**

The Contractor on this project shall commence work under this Contract on or before the 15th day following the date of award unless such time for beginning the work shall be changed by the **Company Engineer** in the "Notice to Proceed". The Contractor shall complete all work within **NUMBER** working days in accordance with the Notice to Proceed.

DATE

UTILITIES

XYZ IRRIGATION COMPANY PROJECT PROJECT NAME

It is anticipated that utilities conflicting with construction will be moved or adjusted in coordination with the Contractor's activities.

The owners of the utilities are as follows:

NAME AND PHONE OF UTILITY COMPANIES

XYZ IRRIGATION COMPANY

THIS CONTRACT is dated this _____ day of _____, 1998, A.D., between the **XYZ IRRIGATION COMPANY**, acting by and through its Board of Directors, hereinafter referred to as Company, and _____, hereinafter referred to as the Contractor.

The parties to this Contract, each in consideration of the agreements on the part of the other herein contained, hereby agree as follows:

1. The said Contractor agrees with the Company that it will in a good and workmanlike manner at its own cost and expense, and strictly in accordance with this Contract, including all documents incorporated through paragraph 5 herein, furnish all labor, material and equipment and do all work necessary, or incidental to complete construction of XYZ Irrigation Company Project: **PROJECT NAME**.
2. Payment: In consideration of the foregoing, the Company hereby agrees to pay to the Contractor, according to the requirements of the Specifications contained in the documents in paragraph 5 below, the amounts required for the completed Unit Price Work at the bid price of \$_____, calculated according to the prices bid, but not to exceed the maximum amount of \$_____, and such further amounts as may be required for the extra work or materials, all according to the provisions and subject to the conditions as set forth in the Specifications referred to above.
3. Time: It is further agreed that time is of the essence of this Contract, and that work shall be begun within fifteen days of the date of this Contract and completed within **NUMBER WORKING DAYS** unless additional time shall be allowed the said Contractor by the Company, in writing, under provisions of the Specifications herein before referred to.
4. Bond: This Contract shall not take effect or be in force until said Contractor shall have furnished and delivered to the Company a surety bond acceptable to the Company, in a penal sum equal to the nearest integral \$100.00 in excess of the estimated Contract price as per proposal hereto attached, duly executed by a corporate surety, qualified and licensed to do business in Colorado and maintaining a general agent therein.
5. Incorporation: It is especially understood and agreed that the Invitation for Bids, the Contractor's Proposal, the **Standard Specifications for Road and Bridge Construction 1991**, Plans, Contract Documents and Special Provisions, all being applicable to the Project and on file in the office of the **Company Engineer**, together with such alterations and modifications as may be made in accordance with the provisions of said Specifications, are each and all included in and made a part of this Contract.
6. Nondiscrimination: The Contractor, with regard to the work performed by it after award and prior to completion of the Contract work, will not discriminate on the grounds of race, color, national origin, or any other illegal basis in the selection and retention of subcontractors, including

procurement of materials and leases of equipment.

7. Solicitations for Subcontractors, Including Procurement of Materials and Equipment: In all solicitations either by competitive bidding or negotiation made by the Contractor for work to be performed under a subcontract, including procurement of materials or equipment, each potential subcontractor or supplier shall be notified by the Contractor of the Contractor's obligations under this Contract and the Regulations relative to nondiscrimination as set forth above.
8. Sanctions for Noncompliance: In the event of the Contractor's noncompliance with the nondiscrimination provisions of this Contract, the Company shall impose such Contract sanctions as it may determine to be appropriate, including but not limited to:
 - a. withholding of payments to the Contractor under the Contract until the Contractor complies, and/or
 - b. cancellation, termination, or suspension of the Contract, in whole or in part.
9. Subcontractors: The Contractor will include the provisions of paragraph 6 through 10 in every subcontract, including procurement of materials and leases of equipment, unless exempt by the Regulations, order, or instructions issued pursuant thereto. The Contractor will take such action with respect to any subcontract or procurement as the Company may direct as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that in the event a Contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the Contractor may request the Company to enter into such litigation to protect the interests of the Company.
10. **Indemnity: The Contractor shall be responsible for all damages and injury to persons or property caused by them, their agents or employees, which may result from their negligent operations hereunder and will indemnify and hold harmless the Company, their elected officials and appointed officials, employees, agents and representatives from any and all liability, damage, loss, cost or expense including but not limited to attorney's fees, which the Company, their elected or appointed officials, employees, agents or representatives may suffer as a result of any and all claims, demands, actions, costs or judgments made or brought against the Company, their elected or appointed officials, employees, agents or representatives by any person or entity arising out of operations negligently performed or omitted in connection with this Contract. By requiring this right to indemnification the Company in no way waives or intends to waive the limitations on liability which are provided to the Company and its employees under the Colorado Governmental Immunity Act, C.R.S. Section 24-10-101, et. seq.**
11. **Minimum Insurance Requirements:**

Minimum insurance requirements must be met by vendors Contracting with the Company.

The minimum insurance requirements which the Contractor here must meet are as follows:

A. The Contractor providing services under this Agreement will be required to procure and maintain at his own expense and without cost to XYZ Irrigation Company, until final acceptance of all work covered by the Contract or proposal, the following types and amounts of insurance. The policy limits required are to be considered minimum amounts.

1. Comprehensive General Liability Insurance with minimum limits of \$2,000,000 combined single limit for each occurrence. This policy shall include the Board Form Endorsement. The Certificate of Insurance for this coverage must identify if this coverage is provided under a claims-made form. Should this insurance coverage be on a claims-made form, a letter from the Contractor's Insurance Broker must accompany the Certificate of Insurance which outlines the current policy aggregate limits.
2. Automobile Liability Insurance which includes coverage for all owned, non-owned and hired vehicles with a minimum limit of \$1,000,000 combined single limit for each occurrence.
3. Workers Compensation and Employers Liability Insurance shall cover the obligations of the Contractor in accordance with the provisions of the Workers Compensation Act, as amended, of the State of Colorado.
4. The Contractor shall provide Certificates of Insurance to XYZ Irrigation Company demonstrating that the aforementioned insurance requirements have been met prior to the commencement of work under this Contract. The Comprehensive General Liability and Automobile Liability Certificates of Insurance shall indicate XYZ Irrigation Company as an additional insured. These Certificates of Insurance shall also contain a valid provision or endorsement that these policies may not be canceled, terminated, changed or modified, without thirty (30) days prior written notice to the Company. Such notice to be transmitted by Certified Mail, return receipt requested.
5. Certificates of insurance shall list the following designated Company representative as certificate holder:

Risk Manager
XYZ Irrigation Company
P.O. Box 123
Town, Colorado 87654

6. Certificate of Insurance shall be submitted to:

Contract Administrator
XYZ Irrigation Company
P.O. Box 123
Town, Colorado 87654

12. **Statutory Requirements:** This Contract is subject to all statutory requirements which are or may become applicable to counties or political subdivisions of the State of Colorado generally. Without limiting the scope of this provision, the Contract is specifically subject to the following statutory requirements:
- a. **Colorado Labor:** Colorado Labor shall be employed to perform the Work to the extent of not less than eighty percent (80%) of each type or class of labor in the several classifications of skilled and common labor employed under this Contract, in accordance with the C.R.S., Section 8-17-202, et seq. "Colorado labor" means any person who is a resident of the State of Colorado at the time of employment hereunder without discrimination as to race, color, creed, sex, age, ancestry, religion, or handicap, except that sex, age, or handicap can be considered to be a legitimate occupational qualification, in accordance with the provisions of C.R.S. 24-34-401, et seq.
 - b. **Bribery or Abuse of Public Office:** Contractor in entering this Contract avers that it is familiar with the provisions of C.R.S. Sections 18-8-301, et seq. (Abuse of Public Office Act) and that no violation of such provisions has occurred or will occur with regard to or during the term of this Contract.
13. **Guaranty and Warranties:** The Contractor shall furnish the Company with a written guaranty for one year covering all labor, materials and workmanship incorporated in the work. The Contractor, in instances of work performed by the specification, shall procure such warranties and deliver them to the Company on completion of the work. Such warranties will not lessen the Contractor's responsibilities under the purchase order documents. Whenever warranties or guarantees are required by the specifications for a period longer than one year, such longer period shall govern.
14. **Post-Completion:** Final payment made to the Contractor on account of the work shall not operate to relieve the Contractor of responsibility for faulty material or workmanship, and unless otherwise provided, the Contractor shall remedy any defect due thereto and pay for any damages resultant therefrom which shall appear within one year from the date of final acceptance of the work.
15. **Termination of the Contract:**
- a. If the Company fails to make payment within forty five (45) calendar days of receiving the Application for Payment, the Contractor may upon seven (7) additional days written notice to the Company, terminate the Contract and recover from the Company payment for all Work executed and for any proven loss sustained upon any materials, equipment, tools and construction equipment and machinery applicable to the Project. The above charges

include reasonable profit and damages.

- b. If the Contractor defaults or persistently fails or neglects to carry out the Work in accordance with the Contract Documents or fails to perform any provision of the Contract, the Company, after seven (7) days written notice to the Contractor and without prejudice to any other remedy it may have, may make good such deficiencies and may deduct the cost thereof from the payment then or thereafter due the Contractor or, at its option, may terminate the Contract and take possession of the site and of all materials, equipment, tools, and construction equipment and machinery thereon owned by the Contractor and may finish the Work by whatever method it may deem expedient, and if the unpaid balance of the Contract sum exceeds the expense of finishing the Work, such excess shall be paid to the Contractor, but if such expense exceeds such unpaid balance, the Contractor shall pay the difference to the Company.
- c. The Company reserves the right to terminate further work under this Contract if funds for this purpose are not appropriated, budgeted, or otherwise made available for years subsequent to the current fiscal year. In such an event, XYZ Irrigation Company is released from all liability whatsoever and will not be responsible for payment of any costs or expenses incurred in reliance upon this agreement beyond that amount which has been appropriated and made available for this Contract and neither party shall have any further liability hereunder, said Contract to cease and terminate as of such date.
- d. The performance of work under this Contract may be terminated, in whole or from time to time in part, by the Company whenever for any reason the Company shall determine that such termination is in the best interests of the Company. Termination of work hereunder shall be effected by delivery to the Contractor of a "Notice of Termination" specifying the extent to which performance of work under the Contract is terminated and the date upon which such termination becomes effective.
 - (1) After receipt of the "Notice of Termination" the Contractor shall cancel its outstanding commitments hereunder covering the procurement of materials, supplies, equipment and miscellaneous items. In addition, the Contractor shall exercise all reasonable diligence to accomplish the cancellation or diversion of its outstanding commitments covering personal services and extending beyond the date of such termination to the extent that they relate to the performance of any work terminated by the notice. The Contractor shall then submit a claim for all outstanding amounts due as soon as reasonably possible.

16. Determinations for Unit Prices:

- a. The Company will determine the actual quantities and classifications of Unit Price Work performed by CONTRACTOR. The Company will review with CONTRACTOR the Company's preliminary determinations on such matters before rendering written decision thereon (by recommendation of an Application for Payment or otherwise). The Company's written decision thereon will be final and binding upon CONTRACTOR.

- b. The value of any Unit Price Work covered by a Change order or of any claim for an increase or decrease in the Contract Price shall be determined in one of the following ways:
- (1) By application of unit prices to the quantities of the items involved, subject to the following provisions:
 - (i) Where the Contract Documents provide that all or part of the Work is to be Unit Price Work, initially the Contract Price will be deemed to include for all Unit Price Work an amount equal to the sum of the established unit prices for each separately identified item of Unit Price Work times the estimated quantity of each item as indicated in the Agreement. The estimated quantities of items of Unit Price Work are not guaranteed and are solely for the purpose of comparison of Bids and determining an initial Contract Price. Determinations of the actual quantities and classifications of Unit Price Work performed by CONTRACTOR will be made in accordance with Paragraph 16.a. above.
 - (ii) Each unit price will be deemed to include an amount considered by CONTRACTOR to be adequate to cover CONTRACTOR'S overhead and profit for each separately identified item.
 - (iii) Where the quantity of any item of Unit Price Work performed by CONTRACTOR differs materially and significantly from the estimated quantity of such item indicated in the Agreement and there is no corresponding adjustment with respect to any other item of Work and if CONTRACTOR believes that CONTRACTOR has incurred additional expense as a result thereof, CONTRACTOR may make a claim for an increase in the Contract Price. Any claim for an increase or decrease in the Contract Price shall be based on written notice delivered by the party making the claim to the other party promptly (but in no event later than ten calendar days) after the occurrence of the event giving rise to the claim and stating the general nature of the claim. Notice of the amount of the claim with supporting data shall be delivered within twenty calendar days after such occurrence and shall be accompanied by claimant's written statement that the amount claimed covers all known amounts (direct, indirect and consequential) to which the claimant is entitled as a result of the occurrence of said event. No claim for an adjustment in the Contract Price will be valid if not submitted in accordance with this paragraph.

THIS CONTRACT shall inure to the benefit of, and be binding upon, the successors to the respective parties.

IN WITNESS WHEREOF, the Board of Directors, acting for and on behalf of the Company, have executed this Contract and have caused the same to be attested by the Secretary of the Board of Directors,

Company Name, State of Colorado, and the party of the second part has executed this Contract, all on the day and year first above written.

Signed this _____ day of _____, 19_____

ATTEST: _____

Secretary to the Board
(seal)

**BOARD OF DIRECTORS
XYZ IRRIGATION COMPANY**

By: _____
COMPANY PRESIDENT

CONTRACTOR: _____

ATTEST: _____

TITLE: _____

(corporate seal)

By: _____

Title: _____

(If this Contract is executed on behalf of a corporation, it must be signed by an agent duly authorized by the corporation to execute such Contract, and the corporate seal must be affixed to this Contract by the Secretary of the corporation or other authorized keeper of the corporate seal. Authority of the agent to execute this Contract for the corporation must be shown by an accompanying resolution by the Board of Directors of the corporation, duly certified by the Secretary or other officer of the corporation.)