

Invitation to Bid

PLEASE BID THE FOLLOWING:

Project Information:

Name: RV Abatement

Bid Submittal Deadline:

Time: 3:00 pm Date: May 4, 2021

This project will be accomplished as a **UNIT PRICED CONTRACT** and will be subject to Washington State Prevailing Wage Law.

The City of Kelso in accordance with Title VI of the Civil Rights Act of 1964, 78 Stat. 252, 42 U.S.C. 2000d to 2000<u>d</u>-4 and Title 49, Code of Federal Regulations, Department of Transportation, subtitle A, Office of the Secretary, Part 21, nondiscrimination in federally assisted programs of the Department of Transportation issued pursuant to such Act, hereby notifies all bidders that it will affirmatively insure that in any contract entered into pursuant to this advertisement, disadvantaged business enterprises will be afforded full opportunity to submit bids in response to this invitation and will not be discriminated against on grounds of race, color, or national origin in consideration for an award.

BID SUBMITTAL OPTIONS:

All proposals must be submitted on the regular form furnished with the specifications in a sealed envelope clearly marked with the name of the bidder, the name of the project, and the date and time of the bid opening and MUST BE RECEIVED by the date AND time noted – anything after will not be accepted.

| Mail | Email | In Person |
|---------------------------|-------|---|
| City of Kelso | N/A | City Hall |
| Engineering Department | | 203 S. Pacific Ave. Suite 205 (2 nd Floor) |
| Attention: Nina Caulfield | | Kelso, WA 98626 |
| PO Box 819 | | |
| Kelso, WA 98626 | | |

QUESTIONS:

Questions must be received by 5:00 pm April 28, 2021. A Q&A will be compiled and posted to bid webpage.

| Project Details | Bid Documents |
|--|--|
| Nina Caulfield | Nina Caulfield |
| Project Compliance and Contract Specialist | Project Compliance and Contract Specialist |
| ncaulfield@kelso.gov | ncaulfield@kelso.gov |
| 360.577.3373 | 360.577.3373 |

Project Name Page 1 of 3

Bidding Instructions

Bids will be reviewed by the Engineering Department in Kelso City Hall, 203 S. Pacific Ave, 2nd Floor, Kelso, Washington. Bids are to be submitted to the Engineering Department on the forms provided for this purpose. However, you may feel free to submit your company specific quote form in conjunction with the provided form. Bids delivered to locations other than as indicated above or received after the designated date and time will not be accepted.

The City will not be responsible for any errors in submissions. Bidders will not be allowed to alter submissions after the submittal deadline. No bidder may withdraw his/her bid after the hour set for the opening thereof, unless the award of contract is delayed for a period exceeding forty-five (45) days. If it is determined to be in the best interest of the City, the City reserves the right to request an extension of bid prices during the review process.

The project will be awarded to the lowest responsible bidder whose bid is responsive conforming to the solicitation. Receipt of official communication from the City will evidence the award of a project. No other act of the City shall constitute award of a project.

BIDDER RESPONSIBILITY

Responsible bidders, as defined in RCW 39.04.010 and 39.04.350, must meet the following criteria:

- Be a registered contractor
- Have a current Unified Business Identifier (UBI) number
- Have industrial insurance/workers' comp coverage
- Have an Employment Security Department (ESD) account
- Have a state excise tax registration number
- Not be disqualified from bidding under RCW 39.06.010 or 39.12.065(3)
- Not have any apprenticeship violations, if applicable
- Certify through a sworn statement that they are not a willful violator of labor laws in reference to RCW 49.48.082 within the past three years.
- Have received training, provided by the Department of Labor and Industries or by a provider whose curriculum has been approved by L&I, on the requirements related to public works and prevailing wages. (See ESSHB 1673.) However, bidders that have completed three or more public works projects and maintained a valid business license in Washington for at least three years are exempt from this requirement.

BONDS

Per the City's procurement guidelines, each bid must be accompanied by a bid proposal deposit in the form of a certified check or bidder's bond made payable to the City of Kelso in an amount not less than five percent (5%) of the total bid and shall not be conditioned in any way to modify the minimum five percent (5%) required.

A Retainage Bond or a 5% contract retainage is required.

Project Name Page 2 of 3

100% Payment and Performance bonds are required. For contracts \$150,000 and less, the contractor may elect a 10% contract retainage in lieu of the P&P Bond requirement. A form for this retainage option will be provided upon request of the awarded contractor.

PREVAILING WAGES

This project is a Public Work as defined in RCW 39.04.010. The Awarded Contractor shall comply with all state laws relating to employment and wages. The hourly wages to be paid laborers, workers, or mechanics shall not be less than the prevailing rates for an hour's work in the same trade or occupation in Cowlitz County. The State of Washington prevailing wage rates applicable for this public works project may be found at the following website address of the Department of Labor and Industries, and is made part of this contract:

http://www.lni.wa.gov/TradesLicensing/PrevWage/WageRates/default.asp

The applicable effective date for prevailing wages for this project is the bid submittal date. A copy of the applicable prevailing wage rates is also available for viewing at the offices of the City. Upon request, the City will mail a hard copy of the applicable prevailing wages for this project. The cost of filing Prevailing Wage forms with the State Department of Labor and Industries shall be at no additional cost to the City.

No payment will be made on this contract until the contractor and each and every subcontractor has submitted a 'Statement of Intent to Pay Prevailing Wages' that has been approved by the Department of Labor and Industries. No final payment nor release of retainage will be made until the contractor and each and every subcontractor has submitted an 'Affidavit of Wages Paid' following L&I filing requirements, and that has been approved by the Department of Labor and Industries. Contractor is responsible for filing forms pursuant to L&I requirements.

ADDITIONAL TERMS AND CONDITIONS

The City of Kelso reserves the right to reject any or all bids, waive informalities or irregularities and to accept any bid for the project, which appears to serve the best interest of the City.

Upon notice of award contractor will obtain a City of Kelso business license. (http://bls.dor.wa.gov/cities/Kelso.aspx)

Bidder must be or have under contract a registered tow truck operator holding a current registration certificate issued from the Washington Department of Licensing as required under RCS 46.55.

Bidder must be within sixty miles of the City of Kelso.

The service company shall not be relieved from assuming all responsibility for properly estimating the difficulties and the cost of performing the services required within this specification, due to failure to investigate the conditions or become acquainted with all the information concerning the services to be performed.

Project Name Page 3 of 3

Invitation to Bid Details

Date of Request: April 20, 2021

Name of Project: RV Abatement

Proposed Start Date: Upon contract execution

Duration of Project: 3 Years

Location of Project: City of Kelso

Scope of Work:

The purpose of this project is to provide a unit priced service for the removal and ultimate disposal of abandoned recreational vehicles ("RVs") in the City of Kelso, Washington. This work will be assigned by task order. The City anticipates an annual RV abatement budget of \$23,000 for the duration of this contract. This contract shall not be exclusive and does not guarantee a minimum or maximum quantity of work. Bidder must be within sixty miles of the City of Kelso.

The work will consist of:

- 1. Hauling
- 2. Rubbish Cleanup
- 3. Asbestos Assessment
- 4. Asbestos Abatement
- 5. Fluid Draining and Disposal
- 6. Frame Disposal

Rubbish Cleanup - The Contractor will dispatch a crew prior to tow truck arrival at the RV's current site. The crew will remove trash and debris around the RV and eliminate any debris that may fall off during transport. If deemed necessary for safe transport, the crew will stretch-wrap the RV prior to tow truck arrival. The crew will then remove any material left on site after the RV has been removed, to include any oil or sewage spilled or leaked from the RV prior to or during the move. Trash and debris from inside the RV will be removed once the RV has arrived at the demolition facility.

Hauling - The Contractor should have tow trucks capable of removing and transporting large RVs and must be or have under contract a registered tow truck operator holding a current registration certificate issued from the Washington Department of Licensing as required under RCW 46.55.

Asbestos Assessment - An asbestos survey shall be completed at the Contractor's facility prior to the RV being dismantled or demolished, to ensure any asbestos material will be remediated

and disposed of by a licensed asbestos abatement company. The survey shall include taking samples of suspect materials, having said samples analyzed by a certified individual or firm, and producing a report on the findings. The suspect material shall include, but not be limited to, vinyl flooring and glue binding flooring of any type to the plywood decking of the RV. Any result higher than one percent (1%) shall be removed by a licensed asbestos abatement contractor.

Asbestos Abatement - The Contractor will demolish the RVs that test positive for asbestoscontaining materials ("hot RVs") to the point that asbestos-containing material is exposed. At that point, the RV will be set aside. Once, no greater than four RVs are collected, the Contractor will have an asbestos abatement firm abate the asbestos material at the Contractor's facility. Asbestos-containing material shall be isolated from other work by means including, but not limited to, isolation tents and the creation of negative air pressure surrounding the RV work. All debris resulting from asbestos abatement shall be contained, wrapped, and transported to Waste Management, the waste disposal firm for this project, for disposal. A complete waste manifest to track all regulated waste from removal to disposal shall be created, and a copy of the same will be provided to the City.

Fluid Draining and Disposal - The Contractor shall drain all fluids and tanks at its enclosed demolition facility. This shall include, but not be limited to, oil, gasoline, gray water and black water tanks. Drained fluids shall become the property of the Contractor and disposed of in a legal manner.

Frame Disposal - The Contractor shall continue clean out the interior of the RV after asbestos removal has been completed. Any hazardous materials shall be separated from garbage. Hazardous means any materials that cannot be disposed of in the general waste stream. The Contractor shall then disassemble the RV. The chassis, component parts, and all waste shall become the property of the Contractor and disposed of in a legal manner. Where possible, the City encourages the recycling of material during the dismantling and disposal process.

Notes:

Unless otherwise indicated, a task order that is submitted to the Contractor will anticipate all items of work to be completed.

A copy of any document requested pursuant to work completed per this contract- including, but not limited to: asbestos testing results, certification of asbestos abatement, and hazardous material manifests - shall be submitted to the City within five (5) business days of issuance. Transmittal of the copy or copies may occur through email.

It is understood by the parties to this contract that the ultimate goal of the work under this contract is to complete the lawful disposal of RVs and their contents, such that no remnant of the RV or its contents remain in the possession of either the Contractor or the City upon completion of work.

Bid Form Page 1

Base Bid

The totals used on this cost proposal are comparative and used for the purpose of determining the lowest responsible bidder. Should the bidder enter into a contract with the City, the Unit Prices listed below shall prevail.

In order to determine the lowest responsible bidder per the requirements of RCW 35.23.352, the following scenario is proposed, which is reflected in the table below. Please enter your best prices based on the information provided. Please note that these quantities are estimates for comparative purposes and do not represent guaranteed quantities of work.

- General assumption: 8 RVs over the initial one (1) year contract period.
- Where a bid item is listed as per each ("EA"), the price will be the total for that item per RV.
- Hauling- This will include removal of the RV to the contractor's property for disassembly, as well as hauling the hulk to
 waste disposal facility. Any other cost incurred associated with hauling is considered incidental to this unit price.
- Rubbish and Spill Removal Includes all costs associated with cleaning and legally disposing of any rubbish or sewage and/or petrol spills inside and outside the RV, including any PPE expenses.
- Asbestos Assessment- Due to the age of most of the abandoned RVs, it is assumed about 6 will require asbestos
 assessment. Asbestos assessment includes all costs associated with the assessment of the RV for asbestos, per the
 requirements of the contract, as well as federal, state, and local laws and regulations.
- Asbestos Abatement- It is assumed 5 of the abandoned RVs will require asbestos abatement. Asbestos abatement
 includes all costs associated with the abatement of asbestos in or on the RV, pursuant to all federal, state, and local
 laws and regulations.
- Fluid Draining and Disposal Fluid draining and disposal includes all costs for both draining all refrigerants and liquid tanks (black water, septic, etc.) on the RV and legally disposing of the contents.
- Frame Disposal- Frame disposal includes all costs associated with the actual legal disposal of the frame once the RV has been removed from it. Hauling costs are not associated with this item.

| # | Bid Item | Est. Bid Qty | Bid Unit | Unit Price | Total Price |
|----|-----------------------------|--------------|-----------------|-------------------|--------------------|
| 1. | Hauling | 8 | EA | \$ | \$ |
| 2. | Rubbish and Spill Removal | 8 | EA | \$ | \$ |
| 3. | Asbestos Assessment | 6 | EA | \$ | \$ |
| 4. | Asbestos Abatement | 5 | EA | \$ | \$ |
| 5. | Fluid Draining and Disposal | 8 | EA | \$ | \$ |
| 6. | Frame Disposal | 8 | EA | \$ | \$ |

| Subtotal | \$ |
|-------------------------|----|
| 8.1% WA State Sales Tax | \$ |
| Base Bid Total | \$ |

Your bid shall be considered non-responsive and therefore, void if:

- Not submitted on this form
- Figures are illegible
- Minimum bid requirements are not met (when applicable)
- This bid form is not signed

Project No.: Name: Bid Date: Bid Time: Agr RV Abatement May 4, 2021 3:00 pm

Bid Form Page 2

The undersigned hereby certifies that they have examined the location of the project and have read and thoroughly understand the plans and specifications governing the work.

The undersigned hereby agrees to construct the project in accordance with the above bid proposal.

The bidder is hereby advised that by signature of this proposal he/she is deemed to have acknowledged all requirements and signed all certificates contained herein.

ADDENDA RECEIPT ACKNOWLEDGEMENT

Receipt of the following Addenda to the Drawings and/or Specifications is hereby acknowledged.

| ADDENDUM NO(S). | DATE(S) OF RECEIPT | SIGNED ACKNOWLEDGMENT |
|-----------------|--------------------|-----------------------|
| | | |

Failure to acknowledge receipt of addenda may be considered an irregularity in the proposal.

NON-COLLUSION DECLARATION

I, by signing the proposal, hereby declare, under penalty of perjury under the laws of the United States and the State of Washington that the following statements are true and correct:

- 1. That the undersigned person(s), firm, association or corporation has (have) not, either directly or indirectly, entered into any agreement, participated in any collusion, or otherwise taken any action in restraint of free competitive bidding in connection with the project for which this proposal is submitted.
- 2. That by signing the signature page of this proposal, I am deemed to have signed and have agreed to the provisions of this declaration.

| Name of Bidder (Company) | E-mail | |
|--------------------------------------|-----------------|--|
| Physical WA State Mailing Address | Telephone | |
| City State and Zip | ESD Account No. | |
| Washington Registration Number | Expiration Date | |
| Name of Bidder's Representative | UBI No. | |
| Signature of Bidder's Representative | Date | |

Project No.: Name: Bid Date: Bid Time: Agr RV Abatement May 4, 2021 3:00 pm



Certification of Compliance with Wage Payment Statutes

Before award of a public works contract, the bidder under consideration for award of a public works project must submit to the public agency a sworn statement or an unsworn declaration under penalty of perjury that they have not willfully violated wage payment laws within the past three years in order to be considered a responsible bidder. (See RCW 39.04.350)

The bidder hereby certifies that, within the three-year period immediately preceding the bid solicitation/due date, the bidder is not a "willful" violator, as defined in RCW 49.48.082, of any provision of chapters 49.46, 49.48, or 49.52 RCW, as determined by a final and binding citation and notice of assessment issued by the Department of Labor and Industries or through a civil judgment entered by a court of limited or general jurisdiction.

^{*} If a corporation, proposal must be executed in the corporate name by the president or vice-president (or any other corporate officer accompanied by evidence of authority to sign). If a co-partnership, proposal must be executed by a partner.

This Contract is entered into by and between ______, hereinafter referred to as the "Contractor", and the City of Kelso, a municipal corporation of the State of Washington, hereinafter referred to as the "Owner".

- 1. <u>Description of Services</u>. The work to be performed is as defined in the bid documents and submitted bid/proposal and shall be subject to all terms of this Agreement which shall be signed and dated by the City Manager.
- 2. <u>Contractor's Obligation</u>. The Contractor agrees to furnish all materials, labor, tools, machinery, to otherwise do all things necessary for or incidental to the performance of the work set forth. All work shall be done in accordance with the Contract Documents. The Contractor agrees to do the work and furnish the materials in a most substantial and workmanlike manner according to the Contract Documents and within the time limits stated in the Contract Documents.

All work shall be performed between the hours of 8:00 am to 5:00pm Monday through Friday. No work shall be permitted on weekends or City-recognized holidays without prior permission from the Owner.

- **3.** Owner's Obligation. In consideration of the promises and agreements of the Contractor as set forth herein, and in consideration of the faithful performance and furnishing of the work and materials required by this Contract to the satisfaction of the Owner, the Owner agrees to pay the Contractor in the manner and in the times provided in the Contract Documents and in accordance with the ordinances of the City of Kelso and the laws of the State of Washington. The amount finally to be paid is, however, variable upon the amount of work done and/or materials furnished pursuant to unit prices, if any, fixed in the Contractor's Proposal or as modified by any or all approved change orders.
- **4.** <u>Term.</u> The term of this Agreement shall commence on its execution date and shall continue until the completion of the Services, but in any event no later than three years. This Agreement may be extended for one additional year upon the mutual written agreement of the City and the Contractor and according to the Procurement Policies of the City.
- 5. <u>Prevailing Wages.</u> This contract is subject to prevailing wages according to RCW 39.12. Prevailing wages for all work performed pursuant to each work order must be the prevailing wage rates in effect at the beginning date for each contract year. L&I forms in compliance with Prevailing Wage requirements shall be submitted annually. Contractor shall submit an approved Intent to Pay Prevailing Wages upon contract execution before any payments can be made. An Affidavit of Wages Paid form must be filed annually at the end of each contract year for all work completed within that contract year. Contractor will pay all fees associated with filing the forms. If any work is subcontracted on a project, Intent to Pay Prevailing Wages and Affidavit of Wages Paid form must be submitted by each sub-contractor annually.
- **6.** <u>Compensation.</u> In consideration of the promises and agreements of the Contractor as set forth herein, and in consideration of the faithful performance and furnishing of the work and materials required by this Contract to the satisfaction of the Owner, the Owner agrees to pay the Contract in the manner and in the times provided in the Contract Documents and in accordance with the code of the City of Kelso and the laws of the State of Washington. The amount finally to be paid is, however, variable upon the amount of work done and/or materials furnished pursuant to unit prices, if any, fixed in the Contractors' proposal or as modified by any or all approved change orders. The City agrees to pay an amount not to exceed \$ for the initial contract term.

Compensation Rates. Compensation for Services shall be in accordance with the rates as bid.

Method of Payment. Payment by the City for the Services will only be made after the Services have been performed and an itemized billing statement has been submitted in the form specified by the City and approved by the appropriate City representative, which shall specifically set forth the Services performed, the name of the person performing such Services, and the hourly labor charge rate for such person.

Payment shall be made on a monthly basis thirty (30) days after receipt of such billing statement. Each payment shall withhold the legal retainage as required by Washington State law unless a Retainage Bond has been provided.

Notwithstanding the provisions above, the Owner reserves the right to refuse payment, in whole or in part, until such time as the Owner is satisfied that the Contractor and its subcontractors have satisfied all claims and requirements of the Washington Department of Revenue, Washington State Employment Security Department, and Washington Department of Labor and Industries, as well as all claims of suppliers of labor, materials, or equipment.

The Contractor shall be solely responsible for the payment of any taxes imposed by any lawful jurisdiction as a result of performance and payment under this Agreement.

7. Independent Contractor. It is the intention and understanding of the Parties that the Contractor shall be an independent contractor. The Contractor or his or her employees or agents performing under this Agreement are not employees or agents of the City. The Contractor will not hold himself or herself out as nor claim to be an officer or employee of the City. The Contractor will not make any claim of right, privilege, or benefit which would accrue to an employee under law. The City shall neither be liable for nor obligated to pay sick leave, vacation pay or any other benefit of employment, nor to pay any social security or other tax which may arise as an incident of employment. The Contractor shall pay all income and other taxes as

due. Industrial or any other insurance which is purchased for the benefit of the Contractor shall not be deemed to convert this Agreement to an employment contract.

It is recognized that the Contractor may or will be performing maintenance services during the term for other parties and that the City is not the exclusive user of the Contractor's services; provided, however, that the performance of other professional services shall not conflict with or interfere with the Contractor's ability to perform the Services. The Contractor agrees to resolve any conflict in favor of the City.

- **8.** <u>Permits.</u> The Contractor agrees to make all necessary arrangements and to obtain all necessary permits to do the work required and covered by this Contract from the United States and any of its subdivisions or agencies and the State of Washington and any of its subdivisions or agencies.
- **9.** <u>Indemnification and Hold Harmless</u>. The Contractor shall defend, indemnify and hold the Owner, its officers, officials, employees and volunteers harmless from any and all claims, injuries, damages, losses or suits including attorney fees, arising out of or in connection with the performance of this Agreement, except for injuries and damages caused by the sole negligence of the Owner.

Should a court of competent jurisdiction determine that this Agreement is subject to <u>RCW 4.24.115</u>, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Contractor and the Owner, its officers, officials, employees, and volunteers, the Contractor's liability hereunder shall be only to the extent of the Contractor's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the Contractor's waiver of immunity under <u>Industrial Insurance</u>, <u>Title 51</u> <u>RCW</u>, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this section shall survive the expiration or termination of this Agreement.

10. Contractor's Insurance.

- A. **Insurance Term.** The Contractor shall procure and maintain insurance, as required in this Section, without interruption from commencement of the Contractor's work through the term of the contract and for thirty (30) days after the Physical Completion date, unless otherwise indicated herein.
- **B. No Limitation.** Contractor's maintenance of insurance, its scope of coverage and limits as required herein shall not be construed to limit the liability of the Contractor to the coverage provided by such insurance, or otherwise limit the Owner's recourse to any remedy available at law or in equity.

C. Minimum Scope of Insurance

Contractors required insurance shall be of the types and coverage as stated below:

- 1. <u>Automobile Liability</u> insurance covering all owned, non-owned, hired and leased vehicles. Coverage shall be at least as broad as Insurance Services Office (ISO) form CA 00 01.
- 2. Commercial General Liability insurance shall be as least at broad as ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, independent contractors, products-completed operations, stop gap liability, personal injury and advertising injury, and liability assumed under an insured contract. The Commercial General Liability insurance shall be endorsed to provide a per project general aggregate limit using ISO form CG 25 03 05 09 or an equivalent endorsement. There shall be no exclusion for liability arising from explosion, collapse or underground property damage. The Owner shall be named as additional an insured under the Contractor's Commercial General Liability insurance policy with respect to the work performed for the Owner using ISO Additional Insured endorsement CG 20 10 10 01 and Additional Insured-Completed Operations endorsement CG 20 37 10 01 or substitute endorsements providing at least as broad coverage.
- 3. Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.

D. Minimum Amounts of Insurance

Contractor shall maintain the following insurance limits:

- Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of \$1,000,000 per accident.
- 2. <u>Commercial General Liability</u> insurance shall be written with limits no less than \$1,000,000 each occurrence, \$2,000,000 general aggregate and \$2,000,000 products-completed operations aggregate limit.
- E. Owner Full Availability of Contractor Limits. If the Contractor maintains higher insurance limits than the minimums shown above, the Owner shall be insured for the full available limits of Commercial General and Excess or Umbrella liability maintained by the Contractor, irrespective of whether such limits maintained by the Contractor are greater than those required by this contract or whether any certificate of insurance furnished to the Owner evidences limits of liability lower than those maintained by the Contractor.
- **F. Other Insurance Provision.** The Contractor's Automobile Liability and Commercial General Liability insurance policies are to contain, or be endorsed to contain, that they shall be primary insurance as respect the Owner. Any insurance,

- self-insurance, or self-insured pool coverage maintained by the Owner shall be excess of the Contractor's insurance and shall not contribute with it.
- **G.** Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best rating of not less than A: VII.
- H. Verification of Coverage. Contractor shall furnish the Owner with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsements, evidencing the insurance requirements of the Contractor before commencement of the work. Upon request by the Owner, the Contractor shall furnish certified copies of all required insurance policies, including endorsements, required in this contract and evidence of all subcontractors' coverage.
- I. Subcontractors' Insurance. The Contractor shall cause each and every Subcontractor to provide insurance coverage that complies with all applicable requirements of the Contractor-provided insurance as set forth herein, except the Contractor shall have sole responsibility for determining the limits of coverage required to be obtained by Subcontractors. The Contractor shall ensure that the Owner is an additional insured on each and every Subcontractor's Commercial General liability insurance policy using an endorsement at least as broad as ISO Additional Insured endorsement CG 20 38 04 13.
- J. Notice of Cancellation. The Contractor shall provide the Owner and all Additional Insureds for this work with written notice of any policy cancellation within two business days of their receipt of such notice.
- K. Failure to Maintain Insurance. Failure on the part of the Contractor to maintain the insurance as required shall constitute a material breach of contract, upon which the Owner may, after giving five business days' notice to the Contractor to correct the breach, immediately terminate the contract or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, with any sums so expended to be repaid to the Owner on demand, or at the sole discretion of the Owner, offset against funds due the Contractor from the Owner.
- 11. <u>Contractor's Bond</u>. The Contractor agrees, before it undertakes performance of this Contract, it will file with the Owner a Performance Bond and Payment Bond or combined Performance and Security Bond in the full amount of the Contract price, executed by itself as principal and one or more surety companies authorized to do business in the State of Washington as surety unless otherwise provided in this agreement. The bond(s) shall be subject to the approval of the City Attorney and shall comply with the laws of the State of Washington, and especially with the provisions of Revised Code of Washington, Chapter 39.08. and 39.04. For contracts \$150,000 and less, the contractor may elect to have the City retain 10% of the of the contract amount for a period of thirty days after the date of final acceptance, or until receipt of all necessary releases from the department of revenue, the employment security department, and the department of labor and industries and settlement of any liens filed under chapter 60.28 RCW, whichever is later.
- **12.** <u>Payment of Suppliers.</u> The Contractor agrees to pay in a timely manner all suppliers of labor, materials, and equipment utilized in operations under the Contract.
- **13.** <u>Minority Employment.</u> The Contractor agrees that it shall actively solicit the employment of minority group members. The Contractor further agrees that if it subcontracts for goods or services, it shall actively solicit bids for the subcontracting of goods or services from qualified minority businesses. The Contractor shall furnish evidence of its compliance with these requirements of minority employment and solicitation. The Contractor further agrees to consider the grant of subcontract to said minority bidders on the basis of substantially equal proposals in the light most favorable to said minority businesses. The Contractor shall be required to submit evidence of compliance with this section ad part of its proposal.
- **14.** Employment of Labor. The Contractor agrees that all persons employed by it and by any of its subcontractors in work done pursuant to this Contract shall not be employed in excess of eight hours in any one day, except as provided or allowed by law. The Contractor shall comply with all employment security laws of the State of Washington and shall timely make all required payments in connection therewith.
- **15.** Payment of Labor. The Contractor agrees that all laborers, workers, or mechanics employed by it or by any subcontractor in the work of this Contract will be paid not less than the prevailing rate of wage for an hour's work in accordance with the provisions of Ch. 39.12, R.C.W. and all such rules and regulations as may be promulgated thereto by the Washington Department of Labor and Industries. In case any dispute arises as to what the prevailing rates of wage for work of a similar nature are and such dispute cannot be adjusted by the parties involved, the matter shall be referred to the Director of the Department of Labor and Industries of the State of Washington for arbitration, and the director's decision therein shall be final and conclusive and binding on all parties involved in the dispute.
- **16.** <u>Termination</u>. The Owner may terminate or suspend this Agreement at any time, with or without cause, upon ten (10) days prior written notice to the Contractor. In the event of such termination or suspension, the Contractor shall be entitled to payment for all services performed and reimbursable expenses incurred to the date of the termination. The Owner may

terminate the Agreement immediately if the Contractor's insurance coverage is cancelled for any reason or if the Contractor is unable to perform the Work.

| CONTRACTOR | CITY OF KELSO |
|------------------------------|-----------------------------|
| By: | By: |
| Signature | Signature |
| | Andrew Hamilton |
| Printed Name | Printed Name |
| | City Manager |
| Title | Title |
| Date | Date |
| | |
| Attest/Authentication: | Approved as to form |
| City Clerk Brian Butterfield | City Attorney Ianean Parker |
| | |

Executed on the dates written below.