SECTION "F"
GENERAL SPECIFICATIONS

SECTION F-1 NATURE OF AGREEMENT

F1-01 AGREEMENT AND CONTRACT DOCUMENTS

The Drawings, Specifications and Addenda, shall form part of the Contract Documents and the provisions thereof shall be as binding upon the parties hereto as if they were herein fully set forth. The table of contents, titles, headings, running headlines and marginal notes contained herein, and in said documents, are solely to facilitate reference to various provisions of the Contract Documents and in no way affect, limit, or cast light on the interpretation of the provisions to which they refer.

F1-02 DEFINITIONS

The following terms as used in these General Specifications are respectively defined as follows:

a) "Owner", "District", "BCPUD" or words "Party of the First Part" shall mean the Bolinas Community Public Utility District.

b) "Project Manager" shall mean Ed Pohlman or Bryan Lee, the private contractors appointed by BCPUD to oversee the installation of the Work under this Agreement.

c) "Inspector" shall mean the engineering or technical inspector designated by BCPUD to review and observe construction to ensure that it conforms to the design concept expressed in the Drawings and Specifications.

d) "Contractor" shall mean a person, firm or corporation with whom this Agreement is made by BCPUD.

e) "Subcontractor" shall mean a person, firm or corporation supplying labor and materials or only labor for work at the site of the project for, and under separate contract or agreement with, Contractor.

f) "Date of Signing of Agreement" or words equivalent, thereto, shall mean the date upon which this Agreement, with the signature of Contractor affixed, together with the prescribed bonds, insurance coverage certificates and other documents required in the Contract Documents shall be or shall have been delivered to BCPUD or its duly authorized representatives.

g) "Day" or "Days" unless herein otherwise expressly defined, shall mean a calendar day or days of twenty-four hours each.

h) "The Work" or "Work on (at) the Project" shall mean work to be performed at the location of the Project, including the transportation of materials and supplies to or from the location of the Project by employees of Contractor and any Subcontractor.

i) "Drawings" shall mean and include all Drawings which may have been prepared by or in behalf of BCPUD as a basis for Bids, when duly signed and made a part of this Agreement by incorporation or reference; all Drawings submitted in pursuance of the terms of this Agreement by the successful Bidder with its Bid and by Contractor to BCPUD, and all Drawings submitted by BCPUD to Contractor during the progress of the Work as provided for herein.

F1-03 OFFICIAL COPIES OF THE AGREEMENT

This Agreement shall be executed and signed in triplicate; two copies will be filed with BCPUD; and one copy will be delivered to Contractor.

F1-04 CONTRACTOR NOT AN AGENT OF BCPUD

The right of general review by BCPUD shall not make Contractor an agent of BCPUD and the liability of Contractor for all damages to persons or to public or private property, arising from Contractor's execution of the work, shall not be lessened because of such general review.

F1-05 ASSIGNMENTS

Contractor shall not assign the whole or any part of this Agreement or any monies due or to become due hereunder without the prior written consent of BCPUD. In case Contractor assigns all or any part of any monies due or to become due under this Agreement, the instrument of assignment shall contain a clause substantially to the effect that it is agreed that the right of the assignee in and to any monies due or become due to Contractor shall be subject to prior claims of all persons, firms and corporations for services rendered or materials supplied for the performance of the work called for in this Agreement.

F1-06 INSPECTION AND PAYMENTS NO WAIVER OF AGREEMENT PROVISIONS

Neither the observation and review by the Project Manager nor by an Inspector, nor any order, measurement, approved modification, certificate, or payment of money, nor acceptance of any part or whole of the Work, nor any extension of time, nor any possession by BCPUD or its agents, shall operate as a waiver of any provision of this Agreement, or of any latent defect, or of any power reserved therein to BCPUD or any right to damage thereunder; nor shall any breach of this Agreement be held to be a waiver of any other or subsequent breach. All remedies shall be taken and construed as cumulative.

F1-07 CONFLICTING CONDITIONS

Any provision in any of the Contract Documents which may be in conflict or inconsistent with any of the paragraphs in these General Specifications shall be brought to the attention of BCPUD in writing for clarification. Contractor shall comply with the clarification by BCPUD as part of this Agreement.

SECTION F-2 BONDS AND INSURANCE

F2-01 PERFORMANCE BOND

As a part of the execution of this Agreement, Contractor shall furnish a bond of a surety authorized to transact business in California conditioned upon the faithful performance of all covenants and stipulations under this Agreement. The amount of the Performance Bond shall be one hundred percent (100%) of the amount payable by the terms of the Agreement. The form of the Bond shall be as set forth in the Contract Documents. Contractor is required to submit, along with the Bond, a certificate of the County Clerk or a certificate of solvency from the State Insurance Commissioner to evidence the fact that the surety is a sufficient admitted surety insurer as prescribed by the California Bond and Undertaking Law (Code of Civil Procedure Section 995.010 et. seq.).

F2-02 PAYMENT BOND

As a part of the execution of this Agreement, Contractor shall furnish a bond of a surety authorized to transact business in California conditioned upon payment in full of all persons, companies, or corporations who perform labor upon or furnish materials to be used in the work under this Agreement; the bond shall inure to the benefit of all persons entitled to file claims under Section 3181 of the Civil Code of the State of California. The amount of the Payment Bond shall be one hundred percent (100%) of the amount payable by the terms of the Agreement. The form of the Bond shall be as set forth in the Contract Documents. Contractor is required to submit, along with the Bond, a certificate of the County Clerk or a certificate of solvency from the State Insurance Commissioner to evidence the fact that the surety is a sufficient admitted surety insurer as prescribed by the California Bond and Undertaking Law (Code of Civil Procedure Section 995.010 et. seq.).

F2-03 MAINTENANCE BOND

A Maintenance Bond in the amount of twenty percent (20%) of the amount payable by the terms of the Agreement with a corporate surety approved by BCPUD will be required. Such bond shall be provided before final payment is made to Contractor and shall guarantee the correction of failure due to materials or workmanship provided or done by Contractor including the repairs of any damage to other parts of BCPUD's water system resulting from such defects. Neither the final certificate of payment nor any provision in the Contract Documents nor partial or entire occupancy of the premises by BCPUD shall constitute an acceptance of work not done in accordance with the Contract Documents or relieve Contractor of liability in respect to any express warranties or responsibility for materials or workmanship. Contractor shall remedy any

defects in the work and pay for any damage to other work resulting therefrom. BCPUD will give notice of observed defects with reasonable promptness. In the event that Contractor should fail to make such repairs, adjustments, or other Work that may be made necessary by such defects, BCPUD may do so and charge Contractor the cost thereby incurred. The Maintenance Bond shall remain in full force and effect for a period of one (1) year after the date of final acceptance of the Work by BCPUD.

F2-04 SURETY COMPANIES WAIVE RIGHT TO NOTIFICATION

The surety companies shall familiarize themselves with all of the conditions and provisions of this Agreement, and they waive the right of special notification of any change or modification of this Agreement or of extension of time or of decreased or increased work, or of the cancellation of the Agreement, or of any other act of acts by BCPUD or its authorized agents, under the terms of this Agreement; and failure to so notify the aforesaid surety companies of changes shall in no way relieve the surety companies of their obligation under this Agreement.

F2-05 CONTRACTOR'S AND SUBCONTRACTOR'S INSURANCE

F2-05.1 GENERAL

Contractor shall not commence work under this Agreement until it has obtained all the insurance required under this paragraph and proof of such insurance has been approved by BCPUD, nor shall Contractor allow any subcontractor to commence work on its subcontract until the insurance required of the subcontractor has been so obtained and approved.

Commercial General Liability and Automobile Liability Insurance - Contractor shall provide and maintain the following commercial general liability and automobile liability insurance:

Coverage - Coverage for commercial general liability and automobile liability insurance shall be at least as broad as the following:

1. Insurance Services Office (ISO) Commercial General Liability Coverage (Occurrence Form CG 0001)

2. Insurance Services Office (ISO) Business Auto Coverage (Form CA 0001), covering Symbol 1 (any auto)

Limits - Contractor shall maintain limits no less than the following:

1. General Liability - One million dollars ($1,000,000) per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit or products-completed operations aggregate limit is used, either the general aggregate limit shall apply separately to the project/location (with the ISO CG 2503, or ISO CG 2504, or insurer's equivalent endorsement provided to BCPUD or the general aggregate limit and products-completed operations aggregate

limit shall be twice the required occurrence limit.

2. Automobile Liability - One million dollars ($1,000,000) for bodily injury and property damage each accident limit.

Within the timeframe specified in the Contract Documents, Contractor shall furnish BCPUD with certificates showing the type, amount, class of operations covered, effective dates and dates of expiration of policies. Contractor shall also provide certified copies of the specified endorsements for each policy. All policies are to contain, or be endorsed to contain, the following provisions:

1. BCPUD shall be named as an additional insured. BCPUD, its officers, directors, officials, employees, and volunteers are to be given insured status (via ISO endorsement CG 2010, CG 2033, or insurer's equivalent for general liability coverage) as respects: liability arising out of activities performed by or on behalf of Contractor; products and completed operations of Contractor; premises owned, occupied or used by Contractor; or automobiles and equipment owned, leased hired or borrowed by Contractor. The coverage shall contain no special limitations on the scope of protection afforded to BCPUD, its officers, directors, officials, employees, or volunteers.

2. For any claims related to this Project or the performance of the Work, Contractor's insurance shall be primary insurance as respects BCPUD, its officers, directors, officials, employees, and volunteers. Any insurance or self-insurance maintained by BCPUD, its officers, directors, officials, employees or volunteers shall be in excess of Contractor's insurance and shall not contribute with it.

3. Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to BCPUD, its officers, directors, officials, employees, or volunteers.

4. Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

5. Each insurance policy required by this Agreement shall state or shall be endorsed to state that coverage may not be suspended, voided, cancelled, reduced in coverage or limits, by the insurance carrier or Contractor except after thirty (30) days' prior written notice (10 days of non-payment of premium) by certified mail return receipt requested, has been given to BCPUD.

Such liability insurance shall indemnify Contractor and its sub-contractors against loss from liability imposed by law upon, or assumed under this Agreement by, Contractor or its sub-contractors for damages on account of such bodily injury (including death), property damage, personal injury, completed operations, and products liability.

The general liability policy shall cover bodily injury and property damage liability, owned and non-owned equipment, blanket contractual liability, completed operations liability, explosion,

collapse, underground excavation, and removal of lateral support.

The automobile liability policy shall cover all owned, non-owned, and hired automobiles.

All of the insurance required under this Agreement shall be provided on policy forms and through companies satisfactory to BCPUD.

Deductibles and Self-Insured Retentions - Any deductible or self-insured retention must be declared to and approved by BCPUD. At the option of BCPUD, the insurer shall either reduce or eliminate such deductibles or self-insured retentions.

Acceptability of Insurers - Insurance is to be placed with insurers having a current A.M. Best rating of no less than A-:VII or equivalent or as otherwise approved by BCPUD.

Evidences of Insurance - Prior to execution of the Agreement, Contractor shall file with BCPUD a certificate of insurance (Acord Form 25-S or equivalent) signed by the insurer's representative evidencing the coverage required by the Agreement. Such evidence shall include an additional insured endorsement signed by the insurer's representative and evidence of waiver of rights of subrogation against BCPUD (if builder's risk insurance is applicable). Such evidence shall also include confirmation that coverage includes or has been modified to include policy provisions 1-5, above.

Contractor shall, upon demand of BCPUD, deliver to BCPUD such policy or policies of insurance and the receipts for payment of premiums thereon.

Continuation of Coverage - If any of the required coverages expire during the term of the Agreement, Contractor shall deliver the renewal certificate(s) including the general liability additional insured endorsement and evidence of waiver of rights of subrogation against BCPUD (if builder's risk insurance is applicable) to BCPUD at least ten (10) days prior to the expiration date.

Sub-Contractors - In the event that Contractor employs other contractors (sub-contractors) as part of the work covered by the Agreement, it shall be Contractor's responsibility to require and confirm that each sub-contractor meets the minimum insurance requirements specified in this Agreement.

F2-05.2 WORKER'S COMPENSATION AND EMPLOYER'S LIABILITY INSURANCE

Contractor and all subcontractors shall insure (or be a qualified self-insured) under the applicable laws relating to workers' compensation insurance, all of their employees working on or about the construction site, in accordance with the "Workers' Compensation and Insurance Act", Division IV of the Labor Code of the State of California and any Acts amendatory thereof. The Contractor shall provide employer's liability insurance with limits of no less than $1,000,000 each accident, $1,000,000 disease policy limit, and $1,000,000 disease each employee.

SECTION F-3 CONTRACTOR'S GENERAL DUTIES, RESPONSIBILITIES AND OBLIGATIONS

F3-01 CONTRACTOR'S LEGAL ADDRESS

Both the address given in the Bid and Contractor's office in the vicinity of the work are hereby designated as places to which Drawings, samples, notices, letters or other articles or communications to Contractor may be mailed or delivered. The delivery at either of these places of any such thing from BCPUD or its agents to Contractor shall be deemed sufficient service thereof upon Contractor, and the date of such service shall be the date of such delivery.

F3-02 CONTRACTOR'S OFFICE

During the performance of this Agreement, Contractor shall maintain a suitable office which shall be the headquarters of a representative authorized to receive drawings, instructions, or other communications or articles from BCPUD or its agents; and any such thing given to the said representative or delivered at Contractor's office in its absence shall be deemed to have been given to Contractor.

F3-03 SUPERINTENDENCE BY CONTRACTOR

As part of the Bid, Contractor shall deliver to BCPUD a complete list of key job personnel and a list of emergency telephone numbers.

At the site of the work, Contractor shall employ a construction superintendent or foreman who shall have full authority to act for Contractor. It is understood that such representative must be acceptable to BCPUD.

F3-04 CONTRACTOR'S OBLIGATIONS

Contractor shall and will, in good workmanlike manner, do and perform all work and furnish all supplies and materials, machinery, equipment, facilities and means, except as herein otherwise expressly specified, necessary or proper to perform and complete all the Work required by this Agreement, within the time herein specified, in accordance with the provisions of this Agreement and said Specifications and in accordance with the Plans and Drawings covered by this Agreement and any and all supplemental Plans and Drawings. It shall furnish, erect, maintain and remove such construction plant and such temporary work site as may be required. Contractor shall observe, comply with, and be subject to all terms, conditions, requirements, and limitations of the Agreement and its Specifications.

It is understood that, except as otherwise specifically stated in the Contract Documents, Contractor shall provide and pay for all materials, labor, tools, equipment, water, light, power, transportation, superintendence, temporary construction of every nature, and all other services and facilities of every nature whatsoever necessary to execute, complete, and deliver the Work within the specified time.

F3-05 SAFETY AND HEALTH

Contractor shall execute and maintain its work so as to avoid injury or damage to any person or property. Contractor shall comply with the requirements of the specifications relating to safety measures applicable in particular operations or kinds of work. Contractor shall assume sole and complete responsibility and comply with the latest requirements of the California Occupational Safety and Health Act and all such similar legislation.

Contractor agrees that it shall assume sole and complete responsibility for job site conditions during the course of construction of this project, including safety of all persons and property; that this requirement shall apply continuously and not be limited to normal working hours; and that Contractor shall defend, indemnify and hold BCPUD and Project Manager, and their respective officers, directors, employees and volunteers, and each of them, harmless from any and all liability, real or alleged, in connection with the performance of work on this project, excepting for liability arising from the sole negligence of BCPUD or the Project Manager. Contractor alone shall be responsible for the safety, efficiency, and adequacy of its plant, appliances and methods, and for any damage which may result from their failure or their improper construction, maintenance or operation.

In order to protect the lives and health of its employees under the Agreement, Contractor shall comply with all pertinent provisions of the Contract Work Hours and Safety Standards Act, as amended, commonly known as the Construction Safety Act as pertains to health and safety standards; and shall maintain an accurate record of all cases of death, occupational disease, and injury requiring medical attention or causing loss of time from work, arising out of and in the course of employment on work under the Agreement.

In carrying out the Work, Contractor shall at all times exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed, and be in compliance with all applicable federal, state and local statutory and regulatory requirements including California Department of Industrial Relations (Cal/OSHA) regulations; and the U.S. Department of Transportation Omnibus Transportation Employee Testing Act. Safety precautions, as applicable, shall include but shall not be limited to: adequate life protection and life saving equipment; adequate illumination; instructions in accident prevention for all employees, such as the use of machinery guards, safe walkways, scaffolds, ladders, bridges, gang planks, confined space procedures, trenching and shoring, fall protection, and other safety devices; equipment and wearing apparel as are necessary or lawfully required to prevent accidents, injuries, or illnesses; and adequate facilities for the proper inspection and maintenance of all safety measures.

Contractor shall be responsible for the safeguarding of all utilities. At least two working days before beginning work, Contractor shall call the Underground Service Alert (USA) in order to determine the location of sub-structures. Contractor shall immediately notify BCPUD and the utility owner if he/she disturbs, disconnects, or damages any utility.

In accordance with Section 6705 of the California Labor Code, Contractor shall submit to BCPUD specific plans to show details of provisions for worker protection from caving ground during

excavations of trenches of five feet or more in depth. The excavation/trench safety plan shall be submitted to and accepted by BCPUD prior to starting excavation. The trench safety plan shall have details showing the design of shoring, bracing, sloping or other provisions to be made for worker protection from the hazard of caving ground. If such a plan varies from the shoring system standards established by the Construction Safety Orders of the California Department of Industrial Relations (Cal/OSHA), the plan shall be prepared by a California registered civil or structural engineer. As part of the plan, a note shall be included stating that the registered civil or structural engineer certifies that the plan complies with the Cal/OSHA Construction Safety Orders, or that the registered civil or structural engineer certifies that the plan is not less effective than the shoring, bracing, sloping or other provisions of the Safety Orders. In no event shall Contractor use a shoring, sloping, or protective system less effective than that required by said Construction Safety Orders. Submission of this plan in no way relieves Contractor of the requirement to maintain safety in all areas. If excavations or trench work requiring a Cal/OSHA permit are to be undertaken, Contractor shall submit its permit with the excavation/trench work safety plan to BCPUD before work begins.

The names and telephone numbers of at least two medical doctors practicing in the vicinity and the telephone number of the local ambulance service shall be prominently displayed at the work site.

F3-06 PROTECTION OF WORK AND PROPERTY

Contractor shall at all times safely guard BCPUD's property from injury or loss in connection with this Agreement. It shall at all times safely guard and protect its own work, and that of adjacent property, from damage. Contractor shall replace or make good any such damage, loss or injury unless such be caused directly by errors contained in the Agreement or by BCPUD, or its duly authorized representative.

All property line fences shall be protected by Contractor, and if they are damaged or destroyed, they and any other property damaged by Contractor, its employees or agents, shall be restored to a condition as good as when it entered upon the work.

F3-07 CONTRACTOR SHALL ASSUME RISKS

Until the completion and final acceptance by BCPUD of all the work under and implied by this Agreement, the work shall be under Contractor's responsible care and charge. Contractor shall rebuild, repair, restore and make good all damages, re-erections, and repairs occasioned or rendered necessary by causes of any nature whatsoever.

F3-08 CONTRACTOR'S TITLE TO MATERIAL

No materials or supplies for the work shall be purchased by Contractor or by any subcontractor subject to any chattel mortgage or under a conditional sale contract or other agreement by which an interest is retained by the seller. Contractor warrants that it has good title to all materials and supplies used by him in the work, free from all liens, claims or encumbrances.

F3-09 COOPERATION

Contractor shall cooperate with all other contractors who may be performing work on behalf of BCPUD and workmen who may be employed by BCPUD on any work in the vicinity of the work to be done under this Agreement, and it shall so conduct its operations as to interfere to the least possible extent with the work of such contractors or workmen. It shall promptly make good, at its own expense, any injury or damage that may be sustained by other contractors or employees of BCPUD at its hands.

If, through acts of neglect on the part of Contractor, any other Contractors or any Subcontractor shall suffer loss or damage on work, Contractor agrees to settle with such other Contractor or subcontractor by agreement of arbitration if such other Contractor or subcontractor will so settle. If such other Contractor or subcontractor shall assert any claim against BCPUD (or any of its officers, directors, employees or volunteers) on account of any damage alleged to have been sustained, BCPUD shall notify Contractor, who shall indemnify, defend and hold harmless BCPUD, its officers, directors, employees and volunteers against any such claim.

F3-10 COMPLIANCE WITH LAWS AND REGULATIONS

Contractor shall keep himself fully informed of all existing and future state and federal laws, County and local ordinances and regulations which in any manner affect those engaged or employed in the Work, or the materials used in the Work, or which in any way affect the conduct of the Work and of all such orders and decrees of bodies or tribunals having any jurisdiction or authority over the same. If any discrepancy or inconsistency is discovered in the Drawings or Specifications, or in this Agreement in relation to any such law, ordinance, regulation, order or decree Contractor shall forthwith report the same to BCPUD in writing. Contractor shall at all times observe and comply with, and shall cause all of its agents and employees to observe and comply with, all such existing and future laws, ordinances, regulations, orders and decrees, and shall indemnify, defend and hold harmless BCPUD and its officers, directors, employees and volunteers against any claim or liability arising from or based upon the violation of any such law, ordinance, regulations, order or decree, whether by Contractor himself or by its employees.

F3-11 RESPONSIBILITY OF CONTRACTOR AND INDEMNIFICATION

Contractor shall take and assume all responsibility for the Work. Contractor shall bear all losses and damages directly resulting to him, to BCPUD, or to others on account of the performance or character of the Work, unforeseen difficulties, accidents or any other causes whatsoever, arising out of the work of Contractor under this Agreement.

To the fullest extent permitted by law, Contractor shall indemnify and hold harmless and defend BCPUD, its directors, officers, employees, or volunteers, and each of them from and against:

a. Any and all claims, demands, causes of action, damages, costs, expenses, losses or liabilities, in law or in equity, of every kind or nature whatsoever for, but not limited to, injury to or death of any person including BCPUD and/or Contractor, or any directors, officers, employees, or authorized volunteers of BCPUD or Contractor, and damages to or destruction of property of any person, including but not limited to, BCPUD and/or

Contractor or their directors, officers, employees, or authorized volunteers, arising out of or in any manner directly or indirectly connected with the work to be performed under the Agreement, however caused, regardless of any negligence of BCPUD or its directors, officers, employees, or authorized volunteers, except the sole negligence or willful misconduct or active negligence of BCPUD or its directors, officers, employees, or authorized volunteers;

b. Any and all actions, proceedings, damages, costs, expenses, penalties or liabilities, in law or equity, of every kind or nature whatsoever, arising out of, resulting from, or on account of the violation of any governmental law or regulation, compliance with which is the responsibility of Contractor;

c. Any and all losses, expenses, damages (including damages to the Work itself), attorneys' fees, and other costs, including all costs of defense, which any of them may incur with respect to the failure, neglect, or refusal of Contractor to faithfully perform the work and all of Contractor's obligations under the Agreement. Such costs, expenses, and damages shall include all costs, including attorneys' fees, incurred by the indemnified parties in any lawsuit to which they are a party.

Contractor shall defend, at Contractor's own cost, expense and risk, any and all such aforesaid suits, actions, or other legal proceedings of every kind that may be brought or instituted against BCPUD or its directors, officers, employees, or authorized volunteers.

Contractor shall pay and satisfy any judgment, award or decree that may be rendered against BCPUD or its directors, officers, employees, or authorized volunteers, in any and all such suits, actions, or other legal proceedings.

Contractor shall reimburse BCPUD or its directors, officers, employees, or authorized volunteers, and each of them. for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided.

Contractor's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by BCPUD, or its directors, officers, employees, or authorized volunteers.

F3-12 PERMITS AND REGULATIONS

Unless otherwise expressly provided for in this Agreement, Contractor shall procure and pay for all necessary permits, licenses and approvals necessary for the performance of this Agreement. Contractor shall comply with all laws, ordinances, rules, orders, and regulations relating to the performance of the work, the protection of adjacent property, and the maintenance of passageways, guard fences or other protective facilities.

F3-13 CONSTRUCTION UTILITIES

Contractor shall be responsible for furnishing at its expense for and in behalf of its work under this Agreement all necessary utilities, such as special connections to or furnishing of a water supply, telephones, power lines, fences, roads, watchmen, suitable storage places, etc.

F3-14 SUBCONTRACTING

Contractor may, subject to the limitation set forth in Division 2, Part 1, Chapter 4 (commencing at Section 4100) of the California Public Contract Code, utilize the services of specialty subcontractors on those parts of the Work which, under normal contracting practices, are performed by specialty subcontractors.

Contractor shall be as fully responsible to BCPUD for the acts and omissions of its subcontractors, and of persons either directly or indirectly employed by them, as it is for the acts and omissions of persons directly employed by him.

Contractor shall cause appropriate provisions to be inserted in all subcontracts relative to the work to bind subcontractors to Contractor by the terms of the General Specifications and other Contract Documents insofar as applicable to the work of subcontractors and to give Contractor the same power as regards terminating any subcontract that BCPUD may exercise over Contractor under any provision of the Contract Documents.

Nothing contained in this Agreement shall create any contractual relation between any subcontractor and BCPUD.

F3-15 PATENTS

Contractor shall hold and save BCPUD and its officers, directors, agents, servants, employees and volunteers harmless from liability of any nature or kind, including cost and expenses for, or on account of, any patented or unpatented invention, process, article, or appliance manufactured or used in the performance of the Agreement, including its use by BCPUD, unless otherwise specifically stipulated in the Contract Documents.

If Contractor uses any design, device or materials covered by letters, patent or copyright, it shall provide for such use by suitable agreement with the owner of such patented or copyrighted design, device or material. It is mutually agreed and understood that, without exception, the Agreement prices shall include all royalties or costs arising from the use of such design, device or materials, in any way involved in the work. Contractor and/or its sureties shall indemnify and save harmless BCPUD, its officers, directors, employees and volunteers, and each of them, from any and all claims for infringement by reason of the use of such patented or copyrighted design, device or materials or any trademark or copyright in connection with work agreed to be performed under this Agreement, and shall indemnify BCPUD, its officers, directors, employees and volunteers, and each of them, for any cost, expense or damage which it may be obliged to pay by reason of such infringement at any time during the prosecution of the work or after completion of the work.

F3-16 DRAWINGS TO BE FURNISHED BY CONTRACTOR

Within **three (3) calendar days** after mailing the Notice to Proceed, Contractor shall submit to BCPUD for review five (5) sets of working drawings together with the necessary descriptive information for all Shop Drawings to be furnished hereunder as an equal to that specified or as called for herein. The drawings shall make clear the details of construction and operation and demonstrate fully that all materials and equipment fully comply with the intent and provisions of this Agreement. Should any drawings furnished by Contractor not conform to the provisions of this Agreement as interpreted by BCPUD, Contractor shall make the revisions required and again submit them to BCPUD for final review. After final review and approval by BCPUD, these drawings shall become a part of this Agreement and the work shall be done in conformity therewith. No such work shall be begun or equipment, material or devices purchased until the drawings covering it or them have been reviewed and found to be acceptable by BCPUD under the terms of this Agreement. Regardless of corrections made in or review given to such drawings by BCPUD, Contractor will nevertheless be responsible for the accuracy of such drawings and for their conformity to the Drawings and Specifications, unless it notifies BCPUD, in writing, of any deviation at the time it furnishes such drawings.

F3-17 CONTRACTOR TO REPORT ERRORS OR DISCREPANCIES

If Contractor, in the course of the work, discovers any discrepancies between the Drawings and the conditions of the ground, or any errors or omissions in the Drawings or in the layout given by stakes, points, or instructions, it shall be its duty to inform BCPUD immediately in writing and BCPUD shall promptly verify the same. Any work done after such discovery, until authorized, will be done at Contractor's risk.

F3-18 PRESERVATION OF STAKES AND MARKS

Contractor shall carefully preserve benchmarks, reference points, and stakes, and in case of willful or careless destruction it will be charged with the resulting expense of replacement and shall be responsible for any mistakes that may be caused by their unnecessary loss or disturbances.

F3-19 MAINTENANCE OF TRAFFIC, TRAVELED WAYS, CROSSINGS, ETC.

Throughout the performance of the work under or in connection with this Agreement, Contractor shall construct and adequately maintain suitable and safe crossings over trenches and such detours as are necessary to care for public and private traffic.

The material excavated from trenches shall be compactly deposited along the side of the trench in such manner as shall give as little inconvenience as possible to the traveling public and to adjoining property owners.

F3-20 REPORTS, RECORDS AND DATA

Contractor shall submit to BCPUD such schedule of quantities and costs, progress schedules, payrolls, reports, estimates, records and other data as BCPUD may request concerning work performed or to be performed under this Agreement.

Contractor shall maintain a copy of record drawings annotated to show changes made during construction. The record drawings shall be delivered to BCPUD with or prior to the final payment request.

F3-21 INSPECTION

Contractor shall permit the authorized representatives and agents of BCPUD to inspect all work and materials.

F3-22 RIGHT OF APPEAL

Contractor shall have the right of appeal from any decision by any Inspector to BCPUD.

F3-23 MAINTAINING TRAFFIC

Contractor shall furnish, install and maintain at its expense all barricades, signs, lights, or other devices necessary to adequately warn of any obstructions to the traveled and pedestrian way and provide flagmen as necessary for safety of public traffic and pedestrians and to provide access to property adjacent to the work.

Contractor shall comply with the State of California, Department of Transportation Manual of warning signs, lights, and devices for use in performance of work within the job site.

The fact that rain or other causes, either within or beyond the control of Contractor, may force suspension or delay of the work shall in no way relieve Contractor of its responsibility for maintaining traffic through the project and providing local access as specified herein. Contractor shall at all times keep on the job such materials, force and equipment as may be necessary to keep roads, streets, and driveways within the project open to traffic and in good repair and shall expedite the passage of such traffic, using such force and equipment as may be necessary.

Contractor shall be responsible for keeping the Sheriff's Department and the Bolinas Fire Department informed of obstructions to either public or private roads caused by reason of its operations.

Contractor shall make provisions for the safe passage of pedestrians around the area of work at all times.

Full compensation for conforming to the requirements of this article shall be considered as included in the prices paid for the various contract items of work and no additional allowance will be made therefore.

F3-24 HAZARDOUS MATERIAL NOTIFICATION

Contractor shall promptly, and before the following conditions are disturbed, notify BCPUD in writing of any materials that Contractor believes may be material that is hazardous waste as defined by Health and Safety Code Section 25117 which is required to be moved to a Class I-III disposal site, subsurface or latent physical conditions at the site differing from those indicated, and unknown physical conditions at the site of an unusual nature, different from that ordinarily encountered and generally recognized as inherent in work of the character provided for in this Agreement.

BCPUD shall promptly investigate the conditions, and if it finds that the conditions do materially so differ, or do involve hazardous waste, and cause a decrease or increase in Contractor's cost of, or the time required for, performance of any part of the work shall issue a change order under the procedures described herein.

In the event that a dispute arises between BCPUD and Contractor whether the conditions materially differ, or involve hazardous waste, or cause a decrease or increase in Contractor's cost of, or time required for, performance of any part of the work, Contractor shall not be excused from any scheduled completion date provided for by the Agreement, but shall proceed with all work to be performed under the Agreement. Contractor shall retain any and all rights provided either by contract or by law which pertain to the resolution of disputes and protests between the contracting parties.

SECTION F-4 GENERAL DUTIES AND POWERS OF BCPUD AND OF REPRESENTATIVES THEREOF

F4-01 NO PERSONAL LIABILITY ON THE PART OF OFFICERS AND OFFICIALS OF BCPUD

No officer, director, employee, or volunteer of BCPUD or the Project Manger, or any authorized assistant or representative of any of them, shall be personally responsible for any liability arising under this Agreement.

F4-02 LAND AND RIGHTS-OF-WAY

Prior to the start of construction, BCPUD shall obtain all land rights-of-way necessary for the carrying out and completion of the Work to be performed under this Agreement.

F4-03 SURVEYS

Unless otherwise expressly provided for in this Agreement, BCPUD will furnish to Contractor all surveys necessary for the execution of the Work. Contractor shall carefully preserve bench marks, reference points, and stakes, and in case of willful or careless destruction it will be charged with the resulting expense of replacement and shall be responsible for any mistake that may be caused by their unnecessary loss or disturbance.

F4-04 AUTHORITY OF BCPUD INSPECTOR

BCPUD's Inspector shall observe construction for conformity to the Agreement provisions; shall decide all questions relative to the true construction, meaning, and intent of the Specifications and Drawings; shall have the power to reject or condemn all work or material which does not conform to the terms of this Agreement. Its estimate and decision in all matters shall be a condition precedent to an appeal to BCPUD, or the right of Contractor to receive, demand, or claim any money or other compensation under the Agreement and a condition precedent to any liability on the part of BCPUD to Contractor on account of this Agreement.

Regardless of work observed by BCPUD Inspector, Contractor shall nevertheless be responsible for the conformity of all work to the Drawings and Specifications.

Any objection by Contractor to a decision made by BCPUD Inspector under this Agreement shall be made by written protest to BCPUD specifying in detail the performance, the resultant costs, the circumstances surrounding the dispute as applicable, etc., within five (5) calendar days from BCPUD Inspector's decision. Similarly, any request by Contractor for extra time, money or changes in work shall be directed to District in writing within five (5) days from the date claim occurred, specifying in detail the circumstances justifying the request.

F4-05 DUTIES AND POWERS OF INSPECTORS

Properly authorized and accredited inspectors shall be considered to be the representatives of BCPUD limited to the duties and powers entrusted to them. It will be their duty to inspect materials and workmanship of those portions of the work to which they are assigned, either individually or collectively, under instructions of the Project Manager or BCPUD and to report any and all deviations from the Drawings, Specifications and other Agreement provisions which may come to their notice.

Regardless of work observed by the inspectors, Contractor shall be responsible for the conformity of all work to the intent and provisions of this Agreement.

F4-06 METHOD OF WORK

The review by BCPUD or its Project Manager of any drawing or any method of work proposed by Contractor shall not relieve Contractor of any of its responsibility for any errors therein and shall not be regarded as any assumption of risk or liability by BCPUD or its Project Manager or any officer, director or employee thereof, and Contractor shall have no claim under this Agreement on account of the failure or partial failure or inefficiency of any plan or method so approved. Such review shall be considered to mean merely that BCPUD or its Project Manager has no objection to Contractor using, upon its own full responsibility, the plan or method which Contractor proposes.

Any plan or method of work suggested by the Project Manager or BCPUD to Contractor but not specified or required, if adopted or followed by Contractor in whole or in part, shall be used at

the risk and responsibility of Contractor, and the Project Manager and BCPUD shall assume no responsibility therefore.

F4-07 SUSPENSION OF WORK

Should BCPUD be prevented or enjoined from proceeding with the Work or from authorizing its prosecution either before or after its prosecution, by reason of any litigation, Contractor shall not be entitled to make or assert any claim for damage by reason of said delay, but time for completion of the work will be extended to such reasonable time as BCPUD may determine will compensate for time lost by such delay with such determination to be set forth in writing.

F4-08 RIGHT OF BCPUD TO TERMINATE AGREEMENT

If Contractor should be adjudged a bankrupt, or if it should make a general assignment for the benefit of its creditors, or if a receiver should be appointed on account of its insolvency, or if it should repeatedly refuse of should fail, except in cases for which extension of time is provided, to supply enough properly skilled workers or proper materials, or if it should fail to make prompt payment to Subcontractors, or for material or labor, or persistently disregard laws and ordinances or instructions of the Project Manager, or otherwise be guilty of a substantial violation of any provision of the Agreement, then the BCPUD may, without prejudice to any other right or remedy, after giving him seven (7) calendar days written notice, terminate employment of Contractor and take possession of the premises and of all materials, tools and appliances thereon, and finish the Work by whatever method it may deem expedient. In such case, Contractor shall not be entitled to receive any further payment until the Work is finished. If the unpaid balance for the Agreement price exceeds the expense of finishing the Work, including compensation for additional management and administrative services, such excess shall be paid to Contractor. If such expense exceeds such unpaid balance, Contractor shall pay the difference to the BCPUD. The Project Manager shall certify expenses incurred through Contractor's default.

The final determination as to whether there has been non-compliance with the Agreement sufficient to warrant suspension thereof, and termination of Contractor's employment, rests with the BCPUD's Board of Directors. Its decision shall be binding on all parties to the Agreement.

F4-09 RIGHT OF BCPUD TO PERFORM EXTRA WORK

In case of neglect or refusal by Contractor to perform any extra work which may be authorized by BCPUD or its Project Manager or to make satisfactory progress in the execution of the same, BCPUD may employ any person or persons to perform such work and Contractor shall not in any way interfere with or molest the person or persons so employed.

F4-10 PORTIONS OF THE WORK MAY BE PLACED IN SERVICE

If desired by BCPUD, portions of the Work, as completed, may be placed in service. Contractor shall give proper access to the Work for this purpose, but such use and operations shall not constitute an acceptance of the Work, and Contractor shall be liable for defect due to faulty

construction until the entire Work under this Agreement is finally accepted. The warranty period shall not commence until entire Work under this Agreement is finally accepted.

SECTION F-5 SCOPE, NATURE AND INTENT OF THE SPECIFICATIONS AND DRAWINGS

F5-01 INTERPRETATION OF SPECIFICATIONS AND DRAWINGS

The Specifications and the Drawings are intended to be explanatory of each other. Any work indicated in the Drawings and not in the Specifications, or vice versa, is to be executed as if indicated in both.

Should it appear that the Work to be done, or any of the matters relative thereto, are not sufficiently detailed or explained in these Contract Documents, including the Drawings, Contractor shall apply to BCPUD for such further explanations as may be necessary and shall conform thereto as part of this Agreement, so far as may be consistent with the terms of this Agreement. In the event of any doubt or question arising, respecting the true meaning of the Specifications, reference shall be made to BCPUD and its decision thereon shall be final.

F5-02 PERFORMANCE IN ACCORDANCE WITH TRUE MEANING AND INTENT OF AGREEMENT

The Work shall be performed and completed according to the true spirit, meaning and intent of the Contract Documents.

F5-03 FIGURE DIMENSIONS TO GOVERN

All work shown on the Drawings, the dimensions of which are not figures, shall be accurately followed to the scale to which the Drawings are made. Figured dimensions are to be followed, where given. Large scale and full size drawings shall be followed in preference to small scale drawings. Contractor shall request a clarification from BCPUD where figured dimensions differ from other figured dimensions or from scaled measurements.

F5-04 EXISTING UNDERGROUND FACILITIES

The locations of existing underground facilities as shown on the Drawings are based upon field and record information obtained during the design of the Project. The information may be inaccurate or incomplete. It shall be Contractor's responsibility to notify every owner of underground facilities to field verify the locations of their facilities prior to commencing excavations.

In the event that Contractor encounters underground facilities at locations materially different from those shown on the Drawings or indicated in the Specifications or identified in the field, it shall immediately notify BCPUD. BCPUD shall promptly investigate the conditions and if it finds that they are significantly different than the available information would suggest it will

make the necessary changes to the Drawings and/or Specifications and any increase or decrease of costs resulting from the changes shall be adjusted under Extra Work.

F5-05 DATUM

The datum of which all elevations mentioned herein or shown on the Drawings is the datum of the United States Coast and Geodetic Survey, namely, mean sea level.

F5-06 LINES AND GRADES

All work done under this Agreement shall be done in conformance with the Drawings and Specifications and as may be staked by BCPUD or its Project Manager in the field. Contractor shall keep BCPUD informed, a reasonable time in advance, of the time and places at which it wishes to do work in order that lines and grades may be furnished and necessary measurements for record and payment made with the minimum of inconvenience to BCPUD and of delay to Contractor.

F5-07 REMOVAL OR REPLACEMENT OF WORK DONE WITHOUT LINES, GRADE OR LEVELS

Any work done without lines, levels, or grades being given by BCPUD or its Project Manager may be ordered replaced at Contractor's sole cost and expense, except when such work is authorized by BCPUD or its Project Manager in writing.

SECTION F-6 CHARACTER OF WORKMANSHIP AND MATERIALS

F6-01 INSPECTION

All work and materials shall be subject to the inspection and rejection of BCPUD or its Project Manager.

BCPUD or its Project Manager may assign such assistants as it or it may deem necessary to inspect the materials to be furnished and the work to be done under this Agreement.

BCPUD shall be notified of the time and place of preparation, manufacture, or construction of all material for work or any part of the work which it may wish to inspect, and of the time and place of making the factory tests required under this Agreement. Such notification shall be given a sufficient length of time in advance of the beginning of the work on such material or part, or the beginning of such test, to allow arrangements to be made for inspecting and testing or witnessing, as the case may be, if such inspection and testing or witnessing are deemed practicable by BCPUD or its Project Manager.

If any Work is covered contrary to the written instructions of BCPUD or its Project Manager it must, if requested by BCPUD or its Project Manager, be uncovered for its observation and replaced at Contractor's expense.

If BCPUD or its Project Manager considers it necessary or advisable that covered work be inspected or tested by others, Contractor, at BCPUD's or its Project Manager's request, will uncover, expose or otherwise make available for observation, inspection or testing as BCPUD or its Project Manager may require, that portion of the Work in question, furnishing all necessary labor, materials, tools, and equipment. If it is found that such Work is defective, Contractor will bear all the expenses of such uncovering, exposure, observation, inspection and testing and of satisfactory reconstruction. If, however, such Work is not found to be defective, Contractor will be allowed an increase in the Agreement Price or an extension of the Agreement Time, or both, directly attributable to such uncovering, exposure, observation, inspection, testing and reconstruction and an appropriate Change Order shall be issued.

F6-02 SUBSURFACE CONDITIONS FOUND DIFFERENT

Should Contractor encounter subsurface and/or latent conditions at the site materially differing from those shown on the Drawings or indicated in the Specifications, it shall immediately give notice to BCPUD of such conditions before they are disturbed. BCPUD will thereupon promptly investigate the conditions, and if it finds that they materially differ from those shown on the Drawings or indicated in the Specifications, it will at once make or cause or be made such changes in the Drawings and/or Specifications as it may find necessary, and any increase or decrease of cost resulting from such changes to be adjusted in the manner provided under Extra Work.

F6-03 OPENINGS FOR INSTALLATION OF, AND PREPARATION FOR OTHER WORK

Contractor's attention is directed to the fact that openings must be left in structures for the installation of mechanical equipment; that certain mechanical and electrical appurtenances, and foundation anchor bolts are to be embedded in concrete; and that the plans may be incomplete.

Space and openings may or may not have been provided in the design of the structures for the installation of equipment and piping. Any additional openings, or changes in size or location, that may be necessary shall be provided by Contractor in time to prevent unnecessary cutting of concrete or other work, and no additional payment shall be made on account of such openings.

F6-04 QUALITY OF MATERIALS AND WORKMANSHIP IN ABSENCE OF DETAILED SPECIFICATIONS AND DRAWINGS

Whenever under this Agreement it is provided that Contractor shall furnish materials or manufactured articles or shall do work for which no detailed Specifications are set forth, the materials or manufactured articles shall be of the best grade in quality and workmanship obtainable in the market from firms of established good reputation or, if not ordinarily carried in stock, shall conform to the usual standards for first-class materials or articles of the kind required, with due consideration of the use to which they are to be put. In general, work performed shall be in full conformity and harmony with the intent to secure the best standard of construction and equipment of the work as whole or in part.

F6-05 SAMPLES AND TESTS OF MATERIALS

When requested by BCPUD or its Project Manager, sample or test specimens of the materials to be used or offered for use in connection with the Work shall be prepared at the expense of Contractor and furnished by him in such quantities and sizes as may be required for proper examination and tests, with all carriage charges prepaid and with information as to their sources.

All samples shall be submitted before shipment and in ample time to permit the making of proper tests, analyses, or examination before the time at which it is desired to incorporate the material into the Work.

No material shall be used in the Work unless or until it has been approved by BCPUD or its Project Manager. Samples will be secured and tested whenever necessary to determine the quality of the material.

F6-06 INSPECTION AND TESTING OF MATERIALS

All materials and equipment used in the construction of the Project shall be subject to adequate inspection and testing in accordance with accepted standards. The laboratory or inspection agency shall be selected by BCPUD. BCPUD will pay for all laboratory inspection services directly, and not as a part of the Agreement. Materials of construction, particularly those upon which the strength and durability of the structure may depend, shall be subject to inspection and testing to establish conformance with Specifications and suitability for uses intended.

Contractor shall provide certifications or letters of compliance from material suppliers as requested by BCPUD or its Project Manager. Providing the certifications or letters of compliance will be at Contractor's expense.

F6-07 "OR EQUAL" CLAUSE

Whenever a material, article or piece of equipment is identified on the Drawings or in the Specifications by reference to manufacturers' or vendors' names, trade names, catalogue numbers, etc., it is intended merely to establish a standard; and, any material, article, or equipment of other manufacturers and vendors which will perform adequately the duties imposed by the general design will be considered equally acceptable provided the material article, or equipment so proposed is, in the opinion of BCPUD or its Project Manager, of equal substance and function. It shall not be purchased or installed by Contractor without BCPUD's or its Project Manager's review and approval.

F6-08 STORAGE OF MATERIALS

Materials shall be so stored as to ensure the preservation of their quality and fitness for the work. They shall be so located and disposed of that prompt and proper inspection thereof may be made.

F6-09 CORRECTION OF WORK

All work, all materials, whether incorporated in the Work or not, all processes of manufacture, and all methods of construction shall be at all times and places subject to the inspection of BCPUD or its Project Manager who shall be the final judge of the quality and suitability of the Work, materials, processes of manufacture and methods of construction for the purposes for which they are used. Should they fail to meet its approval they shall be forthwith reconstructed, made good, replaced and/or corrected, as the case may be, by Contractor at its own expense. Rejected material shall immediately be removed from the site. If, in the opinion of BCPUD or its Project Manager, it is undesirable to replace any defective or damaged materials or to reconstruct or correct any portion of the Work injured or not performed in accordance with the Contract Documents, the compensation to be paid to Contractor hereunder shall be reduced by such amount as in the judgment of BCPUD shall be equitable.

F6-10 RIGHT TO RETAIN IMPERFECT WORK

If any portion of the work done or material furnished under this Agreement shall prove defective and not in accordance with the Specifications and Drawings, and if the imperfection in the same shall not be of sufficient magnitude of importance to make the Work dangerous or undesirable, or if the removal of such work is impracticable or will create conditions which are dangerous or undesirable, BCPUD shall have the right and authority to retain such work instead of requiring the imperfect work to be removed and reconstructed, but it shall make such deductions therefore in the payments due or to become due Contractor as may be just and reasonable.

F6-11 FINAL GUARANTEE

Contractor hereby unconditionally guarantees that the Work will be done in full accordance with the requirements of the Contract Documents, and further guarantees the Work to be and remain free of defects in workmanship and materials for a period of one (1) year from the date of written acceptance thereof, unless a longer guarantee period is specifically called for. Contractor shall be held responsible for and must make good any defects, because of faulty, improper or inferior workmanship or materials, arising or discovered in any part of its work within one (1) year after the completion and acceptance of the same. The Maintenance Bond furnished by Contractor shall continue for such period and shall cover such defects and protect BCPUD against them.

F6-12 WEATHER CONDITIONS

In the event of temporary suspension of work, or during inclement weather, Contractor will, and will cause its subcontractors to protect carefully its and their work and materials against damage or injury from the weather. If, in the opinion of BCPUD, any work or materials shall have been damaged or injured by reason of failure on the part of Contractor or any of its subcontractors to so protect its work, such materials shall be removed and replaced at the expense of Contractor.

SECTION F-7 PROGRESS AND PROSECUTION OF WORK

F7-01 CONSTRUCTION SCHEDULE

At the time of execution and delivery of the Agreement, Contractor shall deliver to BCPUD an estimated construction progress schedule in a form consistent with the Contract Documents and satisfactory to BCPUD, showing the proposed dates of commencement and completion of each of the various subdivisions of work required under the Contract Documents.

F7-02 TIME FOR COMPLETION AND LIQUIDATED DAMAGES

It is hereby understood and mutually agreed that time is of the essence in the performance of this Agreement; and it is further mutually understood and agreed that the work embraced in this Agreement shall be commenced by the date to be specified in the Notice to Proceed.

Contractor agrees that the work shall be prosecuted regularly, diligently, and uninterruptedly at such rate of progress as will insure full completion thereof within the time specified. It is expressly understood and agreed, by and between Contractor and BCPUD, that the time for the completion of the work described herein is a reasonable time for the completion of the same, taking into consideration the average climatic range and usual industrial conditions prevailing in this locality.

If Contractor shall neglect, fail or refuse to complete the work within the time herein specified, or any proper extension thereof granted by BCPUD, then Contractor does hereby agree, as a part consideration for the awarding of this Agreement, to pay to BCPUD the amount specified in the Contract Documents, not as a penalty but as liquidated damages for such breach of contract as hereinafter set forth, for each and every calendar day that Contractor shall be in default after the time stipulated for completing the Work.

The liquidated damages amount is fixed and agreed upon by and between Contractor and BCPUD because of the impracticability and extreme difficulty of fixing and ascertaining the actual damages BCPUD would in such event sustain, is agreed to be the amount of damages which BCPUD would sustain, and shall be retained from time to time by BCPUD from current periodical estimates.

It is further agreed that time is of the essence of each and every portion of this Agreement and of the Specification wherein a definite and certain length of time is fixed for the performance of any act whatsoever; and where under the Agreement an additional time is allowed for the completion of any work, the new time limit fixed by such extension shall be of the essence of this Agreement. Provided that Contractor shall not be charged with liquidated damages or any excess cost when BCPUD determines that Contractor is without fault and Contractor's reasons for the time extension are acceptable to BCPUD; Provided further that Contractor shall not be charged with liquidated damages or any excess cost when the delay in completion of the work is unavoidable.

F7-03 AVOIDABLE DELAYS

Avoidable delays in the prosecution or completion of the Work shall include all delays which might have been avoided by the exercise of care, prudence, foresight and diligence on the part of Contractor.

Delays in the prosecution of parts of the Work, which may in themselves be unavoidable but do not necessarily prevent or delay the prosecution of other parts of the Work nor the completion of the whole Work within the time herein specified; reasonable loss of time resulting from the necessity of submitting plans to BCPUD or its Project Manager for approval and from the making of surveys, measurements, and inspections; and, such interruptions as may occur in the prosecution of the Work on account of the reasonable interference of other Contractors employed by BCPUD which do not necessarily prevent the completion of the whole Work within the time herein specified, will be considered by BCPUD as avoidable delays within the meaning of this Agreement.

F7-04 UNAVOIDABLE DELAYS

Unavoidable delays in the prosecution or completion of the Work under this Agreement shall include all delays which may result, through causes beyond the control of Contractor and which it could not have provided against by the exercise of care, prudence, foresight, and diligence. Orders issued by BCPUD changing the amount of work to be done, the quantity of material to be furnished, or the manner in which the Work is to be prosecuted, and unforeseen delays in the completion of the work of other Contractors under contract with BCPUD will be considered unavoidable delays, so far as they necessarily interfere with Contractor's completion of the whole of the Work. Delays due to adverse weather conditions will not be regarded as unavoidable delays in this sense, as Contractor should understand that such conditions are to be expected and plan its work accordingly.

F7-05 CARELESS DESTRUCTION OF STAKES AND MARKS NO CAUSE FOR DELAY

In the event that any stakes and marks placed by BCPUD or its Project Manager are destroyed through carelessness on the part of Contractor, and that the destruction of these marks causes a delay in the work, Contractor shall have no claim for damages or extension of time.

F7-06 CONTRACTOR TO SERVE NOTICE OF DELAYS

Whenever Contractor foresees any delay in the prosecution of the Work, and in any event immediately upon the occurrence of any delay which Contractor regards as an unavoidable delay, it shall notify BCPUD in writing of the possibility of the occurrence of such delay and its cause, in order that BCPUD may take immediate steps to prevent, if possible, the occurrence or continuance of the delay, or if this cannot be done, may determine whether the delay is to be considered avoidable or unavoidable, how long it continues, and to what extent the prosecution and completion of the Work are to be delayed thereby.

After the completion of any part or the whole of the Work, BCPUD, in estimating the amount due Contractor, will assume that any and all delays which have occurred in its prosecution and completion have been avoidable delays, except such delays as shall have been called to the attention of BCPUD at the time of their occurrence and found by it to have been unavoidable. Contractor will make no claim that any delay not called to the attention of BCPUD at the time of its occurrence has been an unavoidable delay.

F7-07 EXTENSION OF TIME

Should any delays occur which BCPUD may consider unavoidable, as herein defined, Contractor shall, pursuant to its application, be allowed an extension of time, beyond the time herein set forth, proportional to said delay or delays, in which to complete this Agreement; and liquidated damages for delay shall not be charged against Contractor by BCPUD during an extension of time granted because of unavoidable delay or delays.

Should an extension of time in which to complete the Agreement be granted by BCPUD to Contractor because or on account of delays which were avoidable as herein defined, such as extension of time shall not relieve Contractor from payment of liquidated damages for delay as herein provided for.

F7-08 SATURDAY, SUNDAY, HOLIDAY AND OVERTIME

Saturday, Sunday, holiday and overtime work will be allowed only if requested in writing from Contractor with the stipulation that Contractor shall pay for all overtime labor charges at the charge out rates for inspectors and/or resident engineers. All overtime labor charges shall be deducted from the final payment along with any liquidated damages.

Work necessary for the proper care and protection of work already performed or in case of an emergency will be allowed without the permission of the Engineer or BCPUD.

F7-09 PURSUANCE OF WORK UNDER UNFAVORABLE WEATHER AND OTHER ADVERSE CONDITIONS

During unfavorable weather and other adverse conditions, Contractor shall pursue only such portions of the Work as shall not be damaged thereby. No portions of the Work whose satisfactory quality or efficiency will be affected by any unfavorable conditions shall be constructed while these conditions exist, unless by special means or precautions, approved by BCPUD or its Engineer, Contractor shall be able to overcome them.

SECTION F-8 MANNER, SYSTEM AND AMOUNT OF PAYMENTS

F8-01 PAYMENT

Subject to Article F8-11 DISTRICT'S RIGHT TO WITHHOLD CERTAIN AMOUNTS, BCPUD shall pay Contractor the Item Price for each Item 1 – 7 identified in Contractor's Bid as follows: (1) 95% of the Item Price upon completion of each Item as determined by BCPUD and

receipt of reimbursement therefore from the state funding agency; and (b) the remaining 5% for all Items following BCPUD's final acceptance of the Work on all Items, Contractor's execution of a Conditional Waiver and Release Upon Filing, the recording of a Notice of Completion, and following the proscribed time period after the required filing by the BCPUD of a Notice of Completion with the County of Marin.

F8-02 QUANTITIES OF ESTIMATE

Wherever the estimate quantities of work to be done and materials to be furnished on a unit price basis under this Agreement are shown in any of the Contract Documents, including the Bid, they are given for use in comparing bids, and the right is expressly reserved, except as herein otherwise specifically limited, to increase or diminish them as may be deemed reasonably necessary or desirable by BCPUD to complete the Work contemplated by this Agreement, and such increase or diminution shall in no way violate this Agreement, nor shall any such increase or diminution give cause for claims or liability for damages.

F8-03 BREAKDOWN OF LUMP SUM PRICES

Within five (5) calendar days after the issuance of the Notice to Proceed, Contractor shall furnish to BCPUD, as appropriate, a detailed estimate giving a complete breakdown of large lump sum prices and items which include numerous subdivisions and work. This breakdown will be used as a basis for partial payments and will not be considered as fixing a basis for additions to or deductions from the Agreement price.

F8-04 METHOD OF MEASUREMENT

Unless specifically stated otherwise in this Agreement, no extra measurement or measurements according to local custom of any kind shall be allowed in measuring the Work under this Agreement, but only the length, area, solid contents, number, weight, or time in standard units, as the case may be, shall be considered as specified.

Basis of payment for all items measured by the lineal unit or square unit shall be the horizontal distance as indicated on the Drawings, irrespective of vertical curves or grade.

F8-05 DELAYED PAYMENTS

Should any payment due Contractor or any estimate be delayed, through fault of BCPUD, beyond the time stipulated, such delay shall not constitute a breach of contract or be the basis for a claim for damages, but BCPUD shall pay Contractor interest on the amount of the payment in accordance with Public Contract Code Section 20104.50.

The date of payment of any estimate shall be considered the day on which the payment is offered or mailed as evidenced by the records of BCPUD. If interest shall become due on any delayed payment, the amount thereof, as determined by BCPUD, shall be added to a succeeding payment. If the interest shall become due on the final payment it shall be paid on a supplementary voucher,

provided, however, that Contractor shall not be entitled to interest on any sum or sums which, by the terms of this Agreement, BCPUD is authorized to reserve or retain.

F8-06 NO CHARGE FOR DELAY

Contractor shall have no claim for extra compensation for any hindrances or delays of work from any cause whatsoever during the progress thereof, although it may ask for an extension of the time agreed upon for completing the Work.

F8-07 COMPENSATION TO DISTRICT FOR CERTAIN COSTS OF EXTENSION OF TIME

In case the work called for under this Agreement is not completed within the time limit stipulated herein, BCPUD shall have the right, as provided herein above, to extend the time of completion thereof. If the time limit be so extended, BCPUD shall have the right to charge to Contractor and to deduct from the final payment for the work the actual cost to BCPUD of engineering, inspection, superintendence and other overhead expenses which are directly chargeable to the Agreement and which accrue during the period of such extension, except that the cost of final surveys and preparation of final estimate and the costs accruing by reason of unavoidable delays shall not be included in such charges.

F8-08 FINAL ACCEPTANCE OF WORK

Contractor shall notify BCPUD, in writing, of the completion of the Work. Final inspection and acceptance of the Work shall be made for BCPUD by the Project Manager or a representative of BCPUD, at BCPUD's discretion. Such inspection shall be made as soon as practicable after Contractor has notified BCPUD in writing that the Work is ready for such inspection.

When the final inspection is complete and BCPUD has determined that the Work is in accord with the requirements of the Contract Documents, BCPUD shall accept the Work in writing. Upon receipt of the written acceptance, Contractor shall release BCPUD from claims against BCPUD, conditioned on final payment. Upon receipt of the release, the BCPUD Board of Directors, at its regular meeting, shall accept completion of the work and authorize the final payment. BCPUD shall record a Notice of Completion. After thirty-five (35) calendar days and within sixty (60) calendar days of the recordation of the Notice of Completion, BCPUD shall make final payment.

F8-09 FINAL ESTIMATE AND PAYMENT

BCPUD shall, as soon as practicable after the final acceptance of the Work done under this Agreement, make a final estimate of the amount of work done thereunder and the value thereof.

F8-10 FINAL PAYMENT TO TERMINATE LIABILITY OF DISTRICT

The acceptance by Contractor of the final payment, made according to the terms of this Agreement, shall operate as and be a release to BCPUD, and every officer, director, employee,

volunteer and agent thereof, from all claims and liabilities to Contractor for anything done or furnished for or relating to the Work, or for any act or neglect of BCPUD or any person relating to or affecting the work under this Agreement, except the claim against BCPUD for the remainder, if there be any, of amounts kept and retained as provided by the terms of this Agreement. No payment, however, final or otherwise, shall operate to release Contractor or its Sureties from any obligation under this Agreement or the Performance and Payment Bond.

F8-11 DISTRICT'S RIGHT TO WITHHOLD CERTAIN AMOUNTS

Contractor agrees that it will indemnify and hold BCPUD, its officers, directors, employees and volunteers, and each of them, harmless from all claims growing out of the lawful demands of subcontractors, laborers, workmen, mechanics, materialmen, and furnishers of machinery and parts thereof, equipment, power tools, and all supplies, including commissary, incurred in the performance of this Agreement. Contractor shall, at BCPUD's request, furnish satisfactory evidence that all obligations of the nature herein above designated have been paid, discharged, or waived. BCPUD may withhold from Contractor amounts required or permitted to be with-held by Division 3, Part 4, Title 15, Chapter 4, Article 3, (commencing at Section 3183) of the California Civil Code.

F8-12 RESOLUTION OF CONSTRUCTION CLAIMS OF $375,000 OR LESS

All claims of $375,000 or less by Contractor arising out of, or relating to the Contract Documents or the breach thereof, except for claims which have been waived by the acceptance of final payment, as provided by Article F8-10, FINAL PAYMENT TO TERMINATE LIABILITY OF DISTRICT, shall be decided in accordance with Article 1.5, Chapter 1 of Part 3 of Division 2 of the Public Contract Code, then obtaining, subject to the limitations of this Article F8-10. This agreement to resolve claims and any other agreement or consent to arbitrate entered into in accordance herewith as provided in this Article will be specifically enforceable under the prevailing arbitration law of any court having jurisdiction.

All claims shall be in writing and include the documents necessary to substantiate the claim. Claims must be filed on or before the date of final payment.

For claims of less than Fifty Thousand Dollars ($50,000), BCPUD shall respond in writing to any written claim within 45 days of receipt of the claim, or may request, in writing, within 30 days of receipt of the claim, any additional documentation supporting the claim or relating to defenses or claims BCPUD may have against Contractor. For claims over fifty thousand dollars ($50,000) BCPUD shall respond in writing to all written claims within 60 days of receipt of the claim.

If the claimant disputes BCPUD's written response, or BCPUD fails to respond within the time prescribed, the claimant may notify BCPUD of its demand for an informal meeting and conference for settlement of the issues in dispute. Upon demand, BCPUD shall schedule a meeting and conference within 30 days for settlement of the dispute.

If following the meeting and conference the claim or any portion remains in dispute, the claimant may file a claim pursuant to Chapter 1 (commencing with Section 900) and Chapter 2 (commencing with Section 910) of Part 3 of Division 3.6 of Title 1 of the Government Code.

No arbitration arising out of or relating to the Contract Documents shall include by consolidation, joinder, or in any other manner, the Project Manager, its agents, employees, or consultants, except by written consent of the Project Manager. No arbitration arising out of or relating to the Contract Documents shall include by consolidation, joinder, or in any other manner any other person or entity who is not a party to the Agreement unless:

The inclusion of such other person or entity is necessary if complete relief is to be afforded among those who are already parties to the arbitration;

Such other person or entity is substantially involved in a question of law or fact which is to those who are already parties to the arbitration and which will arise in such proceedings; and

The written consent of the other person or entity sought to be included and of District and Contractor has been obtained for such inclusion, which consent shall make specific reference to this paragraph; but no such consent shall constitute consent to arbitration of any dispute not specifically described in such consent or to arbitration with any party not specifically identified in such consent.

F8-13 RESOLUTION OF CONSTRUCTION CLAIMS OF MORE THAN $375,000

All claims in excess of $375,000 by Contractor arising out of, or relating to the Contract Documents, or the breach thereof, except for claims which have been waived by the acceptance of final payment, as provided by Article F8-10, FINAL PAYMENT TO TERMINATE LIABILITY OF DISTRICT, shall be decided in accordance with the same documentation and other requirements set forth in Article F8-12, except that BCPUD shall respond in writing to all written claims within 90 days of receipt of the claim.

F8-14 FALSE CLAIMS AFFIDAVIT

California Penal Code section 72 provides that any person who presents for payment with intent to defraud any district, any false or fraudulent claim, bill, account, voucher, or writing, is punishable by fines not exceeding ten thousand dollars ($10,000) and/or imprisonment in the state prison.

Government Code Sections 12650 et seq. (California False Claims Act), pertains to civil penalties that may be recovered from persons (including corporations, etc.) for presenting a false claim for payment or approval, presents a false record or statement to get a false claim paid or approved, or other acts, to any official or employee of any political subdivision of the State of California. Any person or corporation violating the provisions of Government Code Section 12650 et seq., shall be liable for three times the amount of the damages of the political subdivision, plus a civil penalty, plus costs. Contractor agrees that any costs or expenses

incurred by BCPUD in reviewing or auditing any claims that are not supported by Contractor's cost accounting or other records, or the Agreement, shall be deemed to be damages incurred by BCPUD within the meaning of the California False Claims Act.

All Claims by Contractor shall include the following certification, properly completed and executed by Contractor or an officer of Contractor:

> I, _____, BEING THE _____(MUST BE AN OFFICER) OF _____(CONTRACTOR), DECLARE UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA, AND DO PERSONALLY CERTIFY AND ATTEST THAT I HAVE THOROUGHLY REVIEWED THE ATTACHED CLAIM FOR ADDITIONAL COMPENSATION AND/OR EXTENSION OF TIME, AND KNOW ITS CONTENTS, AND SAID CLAIM IS TRUTHFUL AND ACCURATE; THAT THE AMOUNT REQUESTED ACCURATELY REFLECTS THE AGREEMENT ADJUSTMENT FOR WHICH THE OWNER IS LIABLE; AND, FURTHER, THAT I AM FAMILIAR WITH CALIFORNIA PENAL CODE SECTION 72 AND CALIFORNIA GOVERNMENT CODE SECTION 12650, ET SEQ., PERTAINING TO FALSE CLAIMS, AND FURTHER KNOW AND UNDERSTAND THAT SUBMISSION OR CERTIFICATION OF A FALSE CLAIM MAY LEAD TO FINES, IMPRISONMENT AND/OR OTHER SEVERE LEGAL CONSEQUENCES.

F8-15 CLAIMS

BCPUD shall have full authority to compromise or otherwise settle any claim relating to this Agreement.

BCPUD shall provide Contractor timely notification of the receipt of any third-party claim, relating to this Agreement. BCPUD shall be entitled to recover its reasonable costs incurred in providing this notification.

F8-16 RETENTION PROCEEDS; WITHHOLDING; DISBURSEMENT

The provisions of Public Contract Code Section 7107, related to the withholding and disbursement of retention proceeds is applicable to this Agreement.

SECTION F-9 EXTRA WORK

F9-01 EXTRA WORK OR WORK OMITTED

Whenever corrections, alterations, or modifications of the work under this Agreement are ordered by BCPUD or its Project Manager, such added work shall be known as Extra Work, and when such corrections, alterations, or modifications decrease the amount of work to be done, such subtracted work shall be known as Work Omitted.

When Contractor considers that any changes ordered involve Extra Work it shall immediately notify BCPUD in writing and subsequently keep its informed as to when and where alleged Extra Work is to be performed and shall make claim for compensation therefor each month not later than the first day of the month following that in which the work claimed to be Extra Work was performed and it shall submit a daily complete statement of materials used and expenses incurred on account of Extra Work performed, showing allocation of all materials and expenses.

All such claims shall state the date of BCPUD's order or approval authorizing the work on account of which claim is made.

If Extra Work orders are given in accordance with the provisions of this Agreement, such work shall be considered a part hereof and subject to each and all of its terms and requirements.

No order for Extra Work, at any time or place, shall in any manner or to any extent relieve Contractor of any of its obligations under the Agreement.

F9-02 COMPENSATION FOR EXTRA WORK OR WORK OMITTED

No changes in the Work covered by the approved Contract Documents shall be made without having prior written approval of BCPUD. Charges or credits for the Work covered by the approved change shall be determined by one or more, or a combination of the following methods:

a. Unit bid prices previously approved.
b. An agreed lump sum.
c. The actual cost of:

(1) Labor, including foremen.
(2) Materials entering permanently into the work.
(3) The ownership or rental cost of construction plant and equipment during the time of use on the extra work.
(4) Power and consumable supplies for the operation of power equipment.
(5) Insurance.
(6) Social Security and old age and unemployment contributions.

To the cost under "c" above, there shall be added a fixed fee to be agreed upon but not to exceed fifteen percent (15%) of the estimated cost of the work. The fee shall be compensation to cover the costs of supervision, overhead, bond, profit and any other general expenses.

No claim for Extra Work or cost shall be allowed unless the same was done in pursuance of a written order of the Project Manager and approved by BCPUD, as aforesaid, and the claim presented with the first estimate after the changed or Extra Work is done. When work is performed under the terms of subparagraph "c" above, Contractor shall furnish satisfactory bills, payrolls, and vouchers covering all items of cost and, when requested by BCPUD, give BCPUD access to accounts relating thereto.

F9-03 CHANGE ORDER FROM

All changes in the amount to be paid to Contractor for the Work and all changes to the contract period, including changes in the amount and/or contract period as the result of Extra Work shall be accomplished using the Change Order form expressly provided for that purpose in the Contract Documents.