



CITY COUNCIL MEETING AGENDA

October 15, 2025 at 5:30 PM

Council Chambers at City Hall - 1123 W. Lake St. Sandpoint, Idaho

Call to Order

Roll Call

Pledge of Allegiance

Announcements, Reports and Special Business

1. Mayor's Appointment of Fonda Jovick as City Attorney and Council Confirmation - **action item**
2. Fonda Jovick, City Attorney Oath of Office and Presentation of Appointment Certificate

Public Comments

Consent Calendar - action item

3. Approval of Minutes from Council's September 17, 2025, Regular Meeting - **action item**
4. Approval of Minutes from Council's October 1, 2025, Regular Meeting - **action item**
5. Approval of Minutes from Council's October 8, 2025, Special Meeting - **action item**
6. Payables Report / Approval of Bills for Payment - **action item**
7. Review and Accept Monthly Financial Report on Cash and Investment Transactions, August 2025 - **action item**
8. Proposed Resolution: Disposition of Semi-Permanent and Temporary Records - **action item**
9. Proposed Resolution: First Amendment to Legal Services Agreement with Bonner County Prosecutor (City Agreement #A24-1530-1) - **action item**
10. Proposed Resolution: Personnel Policy Amendments - **action item**
11. Proposed Resolution: Salary Administration Policy Amendments - **action item**

Old/Unfinished Business

12. Proposed Amendments to Sandpoint City Code 3-2-9 Open Container Law - **action item**

New Business

13. Presentation and Approval of 2026 Employee Benefits Agreements and Insurance Policies - **action item**
14. Proposed Resolution: Agreement with Interstate Concrete and Asphalt Company for a Construction Contract for the 2025 Paving Maintenance Project on Pine Street (Agreement #A25-3100-2) - **action item**
15. Discussion/Council Direction: North Boyer Ave Corridor Design and Traffic Study - **action item**

Adjourn

Public Participation Options and Information

Before the meeting, comment in writing: Email cityclerk@sandpointidaho.gov or deliver to City Hall.
Attend in person: See above for meeting location. Seating available on first-come, first-served basis.
Attend remotely: Register at <https://www.sandpointidaho.gov/meetings>.
After the meeting, view the recording on YouTube: <https://www.youtube.com/c/CityofSandpoint>.
For questions or requests for special accommodation: At least 48 hours prior to the meeting, send a message to the email address above or call (208) 263-3310.



CITY COUNCIL MEETING MINUTES

September 17, 2025 at 5:30 PM

Council Chambers at City Hall - 1123 W. Lake St. Sandpoint, Idaho

Call to Order

Mayor Grimm called the meeting of the Sandpoint City Council to order at 5:30 p.m. on Wednesday, September 17, 2025, in Council chambers at City Hall, 1123 W. Lake St., Sandpoint, Idaho.

Roll Call

PRESENT

Mayor Jeremy Grimm
 Councilor Deb Ruehle, Council President
 Councilor Joel Aispuro
 Councilor Kyle Schreiber
 Councilor Pam Duquette
 Councilor Rick Howarth

ABSENT

Councilor Justin Dick

As required by the City's adopted Code of Ethics and Civility, as the presiding officer, Mayor Grimm identified law enforcement personnel serving as sergeant-at-arms for the meeting: Police Chief Corey Coon.

Pledge of Allegiance

Mayor Grimm led all present in the Pledge of Allegiance.

Announcements and Reports

Mayor Grimm provided instructions for those who wished to speak during public comment time. With a number of members of the public, including downtown business owners, in attendance who wished to address the Mayor and Council regarding proposed changes to downtown parking, the Mayor provided a brief update on the meeting that had been held the week prior with downtown businesses on this topic and relayed that the City had not made any decisions regarding paid parking on downtown streets. Further, based on feedback received at the meeting, he had no intention of pursuing paid parking on First Avenue, Second Avenue, or Cedar Street, where the City would pivot to other methods, such as enforcement, to manage parking on the downtown streets. Over the course of the next few months, the City will be exploring options for technology to assist in parking management at the City's parking lots.

The Mayor also announced a new motorcyclist event, Sandpoint Showdown, permitted through the City to take place downtown on Saturday, September 27th.

Council members provided reports from recent meetings of the citizen advisory boards on which they serve as Council liaison, and Councilor Howarth announced an event, with performances and a tour the coming weekend, September 19-21, hosted by the Sandpoint Music Conservatory in celebration of the building at 110 Main Street, where they are located and which is turning 115 years old, historically serving as the Sandpoint City Hall, Fire Station and Library, among other uses.

At the Mayor's invitation, department directors provided reports on the projects and activities in their respective departments.

Public Comments

Mayor Grimm recited the rules and procedure for public comment during the meeting and offered an opportunity for members of the public to speak on items included on the Consent Calendar and Old and New Business topics on the agenda or other general matters relevant to the business of the City of Sandpoint. Both City of Sandpoint residents and non-residents spoke during the general public comments portion of the meeting, with comment sign-up sheets reflecting the following topics: citizen advisory boards, downtown parking, and the annual CHAFE 150 Gran Fondo bicycle ride.

Consent Calendar

Mayor Grimm recited for the record the amount of bills for payment approval. Councilor Duquette removed item #4, the proposed resolution to declare and direct disposal of personal property in the City's possession that is no longer needed. With that amendment, the Consent Calendar was unanimously approved by a vote of the Council members present.

Motion made by Councilor Schreiber, Seconded by Councilor Howarth.

Voting Yea: Councilor Ruehle, Councilor Aispuro, Councilor Schreiber, Councilor Duquette, Councilor Howarth

1. The minutes from Council's September 3, 2025, meeting were approved as presented.
2. The bills presented were approved for payment in the amount of \$396,669.72 for regular payables.
3. **Resolution 25-035** Engaging Magnuson-McHugh-Dougherty, CPA, for Fiscal Year 2025 Audit - approved
4. removed (*see New Business below*)

Old/Unfinished Business

5. **Ordinance 1432** Amendments to Title 9, Chapter 1 Definitions, and Chapter 5 Off-Street Parking and Loading Facilities

The Mayor announced that, first under Old Business, staff had returned with an ordinance for codification of the City Code Title 9 amendments approved by Council on August 20, 2025, following the public hearing on August 6th.

City Planner Bill Dean fielded questions from the Council members and, along with Community Planning and Development Director Jason Welker, concurred with Councilor Ruehle that the specific reference to City Code 9-5-14 in section 9-5-16 should have been removed with these amendments as a housekeeping measure to clean up an old reference and was simply missed during the process. City legal counsel in attendance, Zachary Jones, agreed that this was a simple correction that could be made, and he would work with the City Clerk to ensure the ordinance summary was appropriately updated prior to publication.

Deputy City Clerk Hayley Keys then read the title of the Ordinance as follows:

AN ORDINANCE OF THE CITY OF SANDPOINT, A MUNICIPAL CORPORATION OF THE STATE OF IDAHO, AMENDING SANDPOINT CITY CODE TITLE 9, CHAPTER 1, DEFINITIONS, AND CHAPTER 5, OFF-STREET PARKING AND LOADING FACILITIES; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR PUBLICATION AND AN EFFECTIVE DATE.

Motion that the Ordinance pass its first reading by title only, and the Summary is approved.

Motion made by Councilor Howarth, Seconded by Councilor Aispuro.

Voting Yea: Councilor Ruehle, Councilor Aispuro, Councilor Duquette, Councilor Howarth

Voting Nay: Councilor Schreiber

The Mayor announced that the Ordinance had passed its first reading by title only, and the Summary was approved.

Motion that the rules requiring three separate readings, once in the Ordinance's entirety, be suspended and that the Ordinance pass its second and third readings under suspension of the rules.

Motion made by Councilor Howarth, Seconded by Councilor Duquette.

Voting Yea: Councilor Ruehle, Councilor Aispuro, Councilor Schreiber, Councilor Duquette, Councilor Howarth

The Mayor announced that the motion passed, and the Ordinance was considered read, passed and adopted under suspension of the rules and would become effective following publication of the Summary in the newspaper.

6. Follow-up Discussion: Citizen Advisory Boards (Commissions and Committees)

Mayor Grimm summarized the contents of the memo he had provided in the meeting packet, which was in follow-up to his discussion with Council at the prior meeting, relaying that each board agenda should include a roundtable discussion, at which time board members can bring ideas to the board, potentially for City staff and/or City Council consideration, requesting from each board a key list of their suggestions for focused priority projects, which the Mayor and Council could consider for direction in support of city initiatives, and the memo also addressed the topic of subcommittees.

Mayor Grimm, along with City Clerk Melissa Ward, fielded questions from Councilor Duquette on the appropriate process for board members to share their personal contact information and communicate outside of their meetings and that the setting of the board's meeting agenda is coordinated between the board chair and staff liaison.

Councilor Ruehle remarked that the boards may have gotten a bit complicated, so far as the topic of subcommittees. She suggests evaluating, for instance, the Ped-Bike Committee's objectives to ensure they are not taking on too much so they can focus and streamline their work, and the time they dedicate is useful and productive. Perhaps subcommittee work can move to a less formal process, where a couple or group of board members simply gets together to work on a project and then brings it back up to the level of the full committee without the need to schedule meeting space at City Hall or impact staff time. Following a conversation with City Planner Bill Dean, she suggests better clarity surrounding code, standards, and policies, where a board doesn't get caught up in attempting to create these standards. She will meet with Mr. Dean to review the portion of City Code that speaks to Ped-Bike duties and responsibilities and report back to Council with some possible proposed amendments for consideration.

Councilor Howarth was supportive of board work being more directed, so long as board members have a process for proposing projects for consideration, as the City does want to take advantage of the immense knowledge and passion of our board members. He's in favor of allowing subcommittees to meet with appropriate education on the legal rules and requirements.

Mayor Grimm confirmed for Councilor Aispuro that he had not met collectively with all of the board chairs but believed he had met individually with each.

Councilor Schreiber is of the opinion that subcommittee work actually streamlines the full board meetings and contributes to progress. He was interested in the specific process for City Council to take items to the boards for their work. An example would be the Urban Area Transportation Plan standards, which he would like to see Council assign to the Ped-Bike Committee, with the Mayor suggesting a path where such a request for direction is agendaized for Council consideration.

Mayor Grimm confirmed that individual board members do have the opportunity to bring their ideas to the board during their roundtable session, where an idea could then be placed on the next board meeting agenda for a more robust discussion and potential action. Board members also have access to their board's Council liaison if they have any concerns or wish to make suggestions. He will ask the boards to provide a list of their top priorities by the end of this year. Mayor and Council can do the same after the new year and seating of the new Council following

the election, review all ideas, and determine some defined work for the boards in the coming year, with tasks and projects well-aligned to the work the City has funded and intends to accomplish.

New Business *(created with removal of item from Consent Calendar)*

4. **Resolution 25-036** Surplus Personal Property Declaration and Disposition

Mayor Grimm, Mr. Jones, and Police Chief Coon fielded questions from Councilor Duquette, followed by a motion to approve the resolution for surplus personal property declaration and disposition.

Motion made by Councilor Ruehle, Seconded by Councilor Howarth.

Voting Yea: Councilor Ruehle, Councilor Aispuro, Councilor Schreiber, Councilor Howarth

Voting Nay: Councilor Duquette

Executive Session

7. Motion to Convene in Executive Session pursuant to Idaho Code § 74-206(1)(b) to consider the evaluation, dismissal or disciplining of, or to hear complaints or charges brought against, a public officer, employee, staff member or individual agent and Idaho Code § 74-206(1)(d) to consider records that are exempt from disclosure as provided in Chapter 1 of Title 74, Idaho Code.

Motion made by Councilor Schreiber, Seconded by Councilor Aispuro.

Voting Yea: Councilor Ruehle, Councilor Aispuro, Councilor Schreiber, Councilor Duquette, Councilor Howarth

The Mayor asked everyone not participating in the session to exit the room and announced that the meeting recording would end.

8. The executive session was held pursuant to Idaho Code §§ 74-206(1)(b) and (d), as noted above.

Reconvene and Adjourn

Following conclusion of the executive session, the meeting was reconvened and immediately adjourned at 9:32 p.m.

I presided over this meeting and can confirm that the foregoing minutes, prepared by the City Clerk, were approved by City Council during their meeting held _____, 2025.

Jeremy Grimm, Mayor

Attest: Melissa Ward, City Clerk



CITY COUNCIL MEETING MINUTES

October 01, 2025 at 5:30 PM

Council Chambers at City Hall - 1123 W. Lake St. Sandpoint, Idaho

Call to Order

Mayor Grimm called the regular meeting of the Sandpoint City Council to order at 5:30 p.m. on Wednesday, October 1, 2025, in Council chambers at City Hall, 1123 W. Lake St., Sandpoint, Idaho.

Roll Call

PRESENT

Mayor Jeremy Grimm
 Councilor Deb Ruehle, Council President
 Councilor Joel Aispuro
 Councilor Justin Dick
 Councilor Kyle Schreiber
 Councilor Pam Duquette
 Councilor Rick Howarth

As required by the City's adopted Code of Ethics and Civility, as the presiding officer, Mayor Grimm identified law enforcement personnel serving as sergeant-at-arms for the meeting: Police Chief Corey Coon.

Pledge of Allegiance

Mayor Grimm led all present in the Pledge of Allegiance.

Announcements and Reports

Mayor Grimm provided instructions for those who wished to speak during public comment time and invited Chief Coon to the podium for remarks and a promotion pinning for Lt. Michael Aerni, with congratulations from all.

The Mayor then provided an update on departmental projects and activities and introduced attorney Will Herrington, who had been contracted for temporary legal services, effective October 1, 2025, after the City's agreement with Lake City Law had expired on September 30, 2025.

The meeting then proceeded to City Council announcements and reports, at which time a dispute ensued regarding the status of the City's legal counsel, with Councilor Aispuro and Council President Ruehle encouraging Council members to walk out. Councilors Ruehle, Aispuro, Dick, and Schreiber then left the meeting. Immediately following their departure, Councilors Duquette and Howarth then also exited, at which time Mayor Grimm adjourned the meeting at 5:43 p.m.

**** The remaining items on the agenda were not addressed. ****

Public Comments

Consent Calendar

1. September 17, 2025, Meeting Minutes
2. October 1 Payables Report
3. August 2025 Monthly Financial Report on Cash and Investment Transactions
4. Proposed Resolution: Disposition of Semi-Permanent and Temporary Records

Old/Unfinished Business

5. Proposed Amendments to Sandpoint City Code 3-2-9 Open Container Law

New Business – none included on agenda

Executive Session

6. Executive session, not held, had been requested pursuant to Idaho Code §§ 74-206(1)(b), (d), and (f) to consider the evaluation, dismissal or disciplining of, or to hear complaints or charges brought against, a public officer, employee, staff member or individual agent; to consider records that are exempt from disclosure as provided in Chapter 1 of Title 74, Idaho Code; and to communicate with legal counsel for the public agency to discuss the legal ramifications of and legal options for pending litigation or controversies not yet being litigated but imminently likely to be litigated.
7. Executive session was not held.

Adjourn

As stated above under Announcements and Reports, the meeting was adjourned at 5:43 p.m.

I presided over this meeting and can confirm that the foregoing minutes, prepared by the City Clerk, were approved by City Council during their meeting held _____, 2025.

Jeremy Grimm, Mayor

Attest: Melissa Ward, City Clerk



CITY COUNCIL SPECIAL MEETING MINUTES

October 08, 2025 at 5:30 PM

Council Chambers at City Hall - 1123 W. Lake St. Sandpoint, Idaho

Call to Order, Roll Call, and Pledge of Allegiance

Mayor Jeremy Grimm called the special meeting of the Sandpoint City Council to order at 5:30 p.m. in Council chambers at City Hall, 1123 W. Lake St., Sandpoint, Idaho.

PRESENT

Mayor Jeremy Grimm
 Councilor Deb Ruehle, Council President
 Councilor Joel Aispuro
 Councilor Justin Dick
 Councilor Kyle Schreiber
 Councilor Pam Duquette
 Councilor Rick Howarth

As required by the City's adopted Code of Ethics and Civility, as the presiding officer, Mayor Grimm identified law enforcement personnel serving as sergeant-at-arms for the meeting: Lt. Michael Aerni.

Mayor Grimm led all present in the Pledge of Allegiance.

Bills Approval

1. Motion to approve the October 1, 2025, Payables Report and payment of bills in the amount of \$684,822.38 for regular payables.

Motion made by Councilor Ruehle, Seconded by Councilor Howarth.

Voting Yea: Councilor Ruehle, Councilor Aispuro, Councilor Dick, Councilor Schreiber, Councilor Duquette, Councilor Howarth

Executive Session

2. Motion by Councilor Schreiber to convene in executive session pursuant to Idaho Code § 74-206(1)(b) to consider the evaluation, dismissal or disciplining of, or to hear complaints or charges brought against, a public officer, employee, staff member or individual agent and Idaho Code § 74-206(1)(f) to communicate with legal counsel for the public agency to discuss the legal ramifications of and legal options for pending litigation, or controversies not yet being litigated but imminently likely to be litigated, seconded by Councilor Ruehle.

Prior to the vote on this motion, Councilor Aispuro moved to amend the motion to state that Fonda Jovick would be included in the executive session. Following discussion, the amendment to the main motion was approved by majority vote of Council as follows:

Motion made by Councilor Aispuro, Seconded by Councilor Schreiber.

Voting Yea: Councilor Ruehle, Councilor Aispuro, Councilor Dick, Councilor Schreiber

Voting Nay: Councilor Duquette, Councilor Howarth

Vote on the main motion to convene in executive session:

Motion made by Councilor Schreiber, Seconded by Councilor Ruehle.

Voting Yea: Councilor Ruehle, Councilor Aispuro, Councilor Dick, Councilor Schreiber, Councilor Duquette, Councilor Howarth

3. The executive session was convened at 5:37 p.m.

Legal Services Agreements

With the executive session concluded, Mayor Grimm reconvened the meeting at 8:19 p.m., followed by remarks from the Mayor regarding the resolution of the issue surrounding the status of the City's appointed legal counsel.

4. Consideration of Temporary Legal Services Agreement with Herrington & Associates

Mayor Grimm relayed that the temporary agreement with Herrington & Associates included a clause allowing for termination with 48 hours' notice and that he would be providing such termination notice to the firm the following morning. Council took no action on this item.

5. **Resolution 25-037** Revised Legal Services Agreement with Lake City Law Group, PLLC

Mayor Grimm introduced this item with a suggestion, for clarity, to amend clause #2 in the agreement to state, "Fonda L. Jovick of Lake City Law is hereby confirmed as the appointed City Attorney", where this clause would state the following: "Fonda L. Jovick of Lake City Law is hereby confirmed as the appointed City Attorney for the City, as prescribed by Idaho Code Section 50-204 with all protections of Idaho Code Section 50-206."

Councilor Schreiber concurred and made a motion to amend the agreement with the change suggested by the Mayor, along with the Councilor's suggestion under clause #7 in the agreement, which was reflected in the document included in the meeting packet, to amend the verbiage at the end of this clause from "on a 'for cause' basis" to "for any cause deemed sufficient", as this language would align with Sandpoint City Code. Also for purposes of maintaining consistency with City Code, Councilor Schreiber included in his motion an additional amendment within that same clause, replacing "by a supermajority approval of council" with "by the affirmative vote of one-half (½) plus one of the members of the full council." With these changes, clause #7 would state the following: "This agreement shall be in effect until terminated by mutual agreement, or termination of the contract by the affirmative vote of one-half (½) plus one of the members of the full council for any cause deemed sufficient."

Councilor Ruehle seconded the motion.

Following further discussion and recommendations from Ms. Jovick, Councilor Schreiber agreed to include with his motion the following amendments to the Resolution: 1) In the recitals, strike the statement, "The agreement expired on September 30, 2025", and 2) add appointment confirmation language at the end of the first resolution paragraph, where it would state, "The Revised Legal Services Agreement with Lake City Law Group, PLLC, a copy of which is attached hereto and made a part hereof as if fully incorporated herein, is hereby approved, and confirmation of the appointment of Fonda L. Jovick is hereby effectuated."

Councilor Ruehle agreed to second the motion for the additional amendments to the proposed Resolution, followed by a vote to approve all of the stated amendments to both the Agreement and the Resolution, unanimously approved by Council.

Motion made by Councilor Schreiber, Seconded by Councilor Ruehle.

Voting Yea: Councilor Ruehle, Councilor Aispuro, Councilor Dick, Councilor Schreiber, Councilor Duquette, Councilor Howarth

Adjourn

The meeting adjourned at 8:32 p.m.

I presided over this meeting and can confirm that the foregoing minutes, prepared by the City Clerk, were approved by City Council during their meeting held _____, 2025.

Jeremy Grimm, Mayor

Attest: Melissa Ward, City Clerk



CITY OF SANDPOINT INVOICE REGISTER
PAYABLE DATES OF: 10/02/2025 THROUGH 10/15/2025

Item # 6.

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Invoice Number	Invoice Description Department/Division	GL Account Description	Line Item Amount	Invoice Amount
Vendor: ACCURATE TESTING LABS LLC				
148909	WWTP: DISSOLVED ORGANIC CARBON/NITROGEN WASTEWATER TREATMENT	TECH SERVICES - LABORATORY	200.00	\$200.00
148910	WWTP: MERCURY LOW LEVEL TESTING WASTEWATER TREATMENT	TECH SERVICES - LABORATORY	260.00	\$260.00
148586	WTP: ENDOTHALL & DIQUAT TESTING - LAKE PLANT WATER TREATMENT	TECH SERVICES - LABORATORY	505.00	\$505.00
149248	WTP: SAND CREEK EFFLUENT TESTING WATER TREATMENT	TECH SERVICES - LABORATORY	120.00	\$120.00
148255	WTP: HALOACETIC ACIDS & TRIHALOMETHANES TESTING WATER TREATMENT	TECH SERVICES - LABORATORY	1,960.00	\$1,960.00
149219	WTP: BACTERIA TESTING - SAND CREEK FILTERS WATER TREATMENT	TECH SERVICES - LABORATORY	150.00	\$150.00
149073	WTP: BACTERIA TESTING -SOUTH WATER TREATMENT	TECH SERVICES - LABORATORY	150.00	\$150.00
149052	WTP: TOTAL SUSPENDED SOLIDS WATER TREATMENT	TECH SERVICES - LABORATORY	45.00	\$45.00
148968	WTP: BACTERIA TESTING - EFFLUENT WATER TREATMENT	TECH SERVICES - LABORATORY	150.00	\$150.00
149072	WTP: BACTERIA TESTING - SAND CREEK WATER TREATMENT	TECH SERVICES - LABORATORY	120.00	\$120.00
Total For: ACCURATE TESTING LABS LLC				\$3,660.00
Vendor: AMERICAN FIRST AID SERVICE				
CW-1726	SHOP: MED SUPPLY RESTOCK STREET MAINTENANCE DIVISION	SAFETY/PPE/MEDICAL SUPPLIES/EQUIPMENT	43.76	\$131.28
	WATER DISTRIBUTION	SAFETY/PPE/MEDICAL SUPPLIES/EQUIPMENT	43.76	
	WASTEWATER COLLECTIONS	SAFETY/PPE/MEDICAL SUPPLIES/EQUIPMENT	43.76	
Total For: AMERICAN FIRST AID SERVICE				\$131.28
Vendor: AT&T MOBILITY II, LLC				
287339151180X	WIRELESS PHONE/DATA CHGS - PUBLIC WORKS SEPT 2025 WATER TREATMENT	TELEPHONE - WIRELESS	116.28	\$9

Invoice Number	Invoice Description Department/Division	GL Account Description	Line Item Amount	Invd	Item # 6.	t
	STREET MAINTENANCE DIVISION	TELEPHONE - WIRELESS	100.50			
	WASTEWATER COLLECTIONS	TELEPHONE - WIRELESS	558.31			
	WATER DISTRIBUTION	TELEPHONE - WIRELESS	85.28			
	PUBLIC WORKS ADMINISTRATION	OFFICE SUPPLIES/EQUIPMENT	112.57			
287336485071X	WIRELESS PHONE/DATA CHGS - POLICE SEPT'25					\$739.93
	POLICE DEPARTMENT	TELEPHONE - WIRELESS	433.54			
	POLICE DEPARTMENT	TELEPHONE - WIRELESS	80.34			
	POLICE DEPARTMENT	TELEPHONE - WIRELESS	180.84			
	POLICE DEPARTMENT	TELEPHONE - WIRELESS	45.21			
287339152904X	WIRELESS PHONE/DATA CHGS - CITY HALL SEPT'25					\$87.67
	FINANCE DEPARTMENT	TELEPHONE - WIRELESS	38.82			
	MAYOR'S OFFICE	TELEPHONE - WIRELESS	48.85			
287339154011X	WIRELESS PHONE/DATA CHGS - FIRE SEPT'25					\$130.39
	FIRE DEPARTMENT - SANDPOINT	TELEPHONE - WIRELESS	80.14			
	FIRE DEPARTMENT - SANDPOINT	TELEPHONE - WIRELESS	50.25			
287339153398X	WIRELESS PHONE/DATA CHGS - PARKS SEPT'25					\$270.96
	PARK MAINTENANCE & CAPITAL	TELEPHONE - WIRELESS	150.75			
	COMMUNITY DEVELOPMENT ADMINISTRATION	TELEPHONE - WIRELESS	40.07			
	RECREATION	TELEPHONE - WIRELESS	40.07			
	CITY BEACH CONCESSIONS	TELEPHONE - WIRELESS	40.07			
Total For: AT&T MOBILITY II, LLC						\$2,201.89
Vendor: AUTO HAUS INC						
12227	SC: CHEVY TRUCK ALTERNATOR PARTS					\$356.35
	WASTEWATER COLLECTIONS	VEHICLE & MACH SUPPLIES/PARTS	356.35			
Total For: AUTO HAUS INC						\$356.35
Vendor: AVISTA UTILITIES						
08/15/25-9/14/25	MONTHLY UTILITIES - CITY WIDE ACCT 4707730000					\$43,053.14
	GOVERNMENT BUILDING & GROUNDS DIVISION	ELECTRICITY	1,918.64			
	PARK MAINTENANCE & CAPITAL	ELECTRICITY	726.63			
	PARK MAINTENANCE & CAPITAL	ELECTRICITY	108.90			
	PARK MAINTENANCE & CAPITAL	ELECTRICITY	24.08			
	PARK MAINTENANCE & CAPITAL	ELECTRICITY	116.61			
	PARK MAINTENANCE & CAPITAL	ELECTRICITY	658.33			
	PARK MAINTENANCE & CAPITAL	ELECTRICITY	42.02			
	PARK MAINTENANCE & CAPITAL	ELECTRICITY	2,428.30			

Invoice Number	Invoice Description Department/Division	GL Account Description	Line Item Amount	Invd	Item # 6.	t
	PARK MAINTENANCE & CAPITAL	ELECTRICITY	20.40			
	GOVERNMENT BUILDING & GROUNDS DIVISION	ELECTRICITY	117.02			
	STREET MAINTENANCE DIVISION	ELECTRICITY	10,565.82			
	PARK MAINTENANCE & CAPITAL	ELECTRICITY	853.97			
	WATER TREATMENT	ELECTRICITY	13,237.74			
	WASTEWATER COLLECTIONS	ELECTRICITY	1,246.92			
	WASTEWATER TREATMENT	ELECTRICITY	8,614.87			
	RECREATION	ELECTRICITY	32.01			
	STREET MAINTENANCE DIVISION	ELECTRICITY	604.84			
	CENTRAL SERVICES DEPARTMENT	ELECTRICITY	20.00			
	GOVERNMENT BUILDING & GROUNDS DIVISION	ELECTRICITY	51.30			
	JAMES E. RUSSELL SPORTS CENTER FACILITY	ELECTRICITY	1,664.74			
Total For: AVISTA UTILITIES					\$43,053.14	
Vendor: BADGER METER INC						
80212632	WD: BEACON WTR METER READER - SEPT '25					\$579.81
	WATER DISTRIBUTION	SOFTWARE/SAAS - WATER METER READING	579.81			
Total For: BADGER METER INC					\$579.81	
Vendor: BAILEY JR., RICHARD						
REIMB092925	WWTP: BOOT REIMBURSEMENT FY 2025					\$125.00
	WASTEWATER TREATMENT	UNIFORM & CLOTHING	125.00			
Total For: BAILEY JR., RICHARD					\$125.00	
Vendor: BILLING DOCUMENT SPECIALISTS						
102662	UTILITY BILLING SEPTEMBER REG & LATE NOTICES					\$1,241.91
	UTILITY BILLING	TECH SERVICES - UTILITY BILLING	291.46			
	UTILITY BILLING	POSTAGE	950.45			
Total For: BILLING DOCUMENT SPECIALISTS					\$1,241.91	
Vendor: BONNER COUNTY DAILY BEE						
0000041158	BCB#7325 BID FOR PINE ST MILL & OVERLAY					\$96.40
	STREET CAPITAL & PROJECTS	ADVERTISING	96.40			
0000041414	BCB#7339 BID FOR BRIDGE ST RETAINING WALL					\$106.48
	STREET CAPITAL & PROJECTS	OTHER PROF SERVICE - ENGINEERING/ARCHITE	106.48			
0000040997-091	BCB#7310 VENDOR SOLICITATION FOR GRAND OPENING CELEBRATION					\$32.33
	JAMES E. RUSSELL SPORTS CENTER FACILITY	ADVERTISING	32.33			
Total For: BONNER COUNTY DAILY BEE					\$2	
Vendor: BONNER COUNTY PROSECUTING ATTY						

Invoice Number	Invoice Description Department/Division	GL Account Description	Line Item Amount	Invd	Item # 6.
BCPA082	PROCECUTING ATTORNEY SVCS - SEP 2025 LEGAL	OTHER PROF SERVICE - LEGAL - CRIMINAL	7,083.33		
Total For: BONNER COUNTY PROSECUTING ATTY					\$7,083.33
Vendor: BROWN'S NORTHSIDE					
S170676	1132 HOSE CLAMPS FIRE DEPARTMENT - SANDPOINT	VEHICLE & MACH SUPPLIES/PARTS	41.54		
Total For: BROWN'S NORTHSIDE					\$41.54
Vendor: BS&A SOFTWARE					
161895	ANNUAL SERVICES & SUPPORT AUG'25-AUG'26 INFORMATION TECHNOLOGY DIVISION	SOFTWARE/SAAS - ERP-ENTERPRISE RESOURCE	354.00		
	INFORMATION TECHNOLOGY DIVISION	SOFTWARE/SAAS - ERP-ENTERPRISE RESOURCE	1,459.00		
	INFORMATION TECHNOLOGY DIVISION	SOFTWARE/SAAS - ERP-ENTERPRISE RESOURCE	1,459.00		
	INFORMATION TECHNOLOGY DIVISION	SOFTWARE/SAAS - ERP-ENTERPRISE RESOURCE	1,856.00		
	INFORMATION TECHNOLOGY DIVISION	SOFTWARE/SAAS - ERP-ENTERPRISE RESOURCE	2,072.00		
11072	REMOVE WO AND INVENTORY MGMT SOFTWARE FROM 2025-26 AGREEMENT INFORMATION TECHNOLOGY DIVISION	SOFTWARE/SAAS - ERP-ENTERPRISE RESOURCE	(1,459.00)		
	INFORMATION TECHNOLOGY DIVISION	SOFTWARE/SAAS - ERP-ENTERPRISE RESOURCE	(1,459.00)		
Total For: BS&A SOFTWARE					\$4,282.00
Vendor: CC VENDOR - WELLS FARGO					
3550202	APA AICP IDAHO MEMBERSHIP - B.DEAN PLANNING DIVISION	LICENSES/DUES & SUBSCR (JOB RELATED)	872.00		
3192177	REGISTRATION GOVERNMENT GAAP UPDATE - FINANCE FINANCE DEPARTMENT	TRAINING AND TRAVEL	180.00		
113-6394678-00	CHECK PRINTING TONER REPLACEMENT FINANCE DEPARTMENT	OFFICE SUPPLIES/EQUIPMENT	119.45		
113-5038442-04	REMARKABLE PAPER TABLET & COVER FOR MAYOR INFORMATION TECHNOLOGY DIVISION	COMPUTER SUPPLIES/EQUIPMENT	808.00		
113-7955342-08	IT SERVER POWER SUPPLY BATTERY CARTRIDGE - QTY 8 INFORMATION TECHNOLOGY DIVISION	COMPUTER SUPPLIES/EQUIPMENT	2,461.04		
YX7UXAXHWI T	PNW PRETREATMENT WORKSHOP D. SAWYER - T0086 WASTEWATER TREATMENT	TRAINING AND TRAVEL	650.00		
3219597755	ADOBE PRO 9-16-25 TO 8-8-26 INFORMATION TECHNOLOGY DIVISION	SOFTWARE/SAAS - PDF/BLUEBEAM/AUTOCAD	257.91		
113-3333736-09	TABLET COVER INFORMATION TECHNOLOGY DIVISION	COMPUTER SUPPLIES/EQUIPMENT	89.00		
11350384420481	TABLET COVER RETURN				

Invoice Number	Invoice Description Department/Division	GL Account Description	Line Item Amount	Inv	Item # 6.
	INFORMATION TECHNOLOGY DIVISION	COMPUTER SUPPLIES/EQUIPMENT	(129.00)		
3903495825	GODADDY STANDARD SSL RENEWAL 1Y				\$119.99
	INFORMATION TECHNOLOGY DIVISION	SOFTWARE/SAAS - DOMAIN SSL	119.99		
20250904103208	NTOA - TRAINING CREDIT FOR CANCELLED CLASS				\$(976.00)
	POLICE DEPARTMENT	TRAINING AND TRAVEL	(976.00)		
18100977819978	CORRECTED TRANSACTION WORK BENCH CABINET - WITHOUT TAX				\$448.20
	FIRE DEPARTMENT - SANDPOINT	FACILITY SUPPLIES	448.20		
5090074	REFUND FOR TAX ON WORK BENCH CABINET				\$(475.09)
	FIRE DEPARTMENT - SANDPOINT	FACILITY SUPPLIES	(475.09)		
111-0483061-80	ST: SWITCH FOR SKID STEER				\$21.98
	STREET MAINTENANCE DIVISION	VEHICLE & MACH SUPPLIES/PARTS	21.98		
092225 - T0077	UBER TO CONFERENCE - ID ASSOC OF CITIES - T0077				\$2.00
	CITY CLERK'S OFFICE	TRAINING AND TRAVEL	2.00		
69187 - T0077	IDAHO ASSOC CITIES AIRPORT PARKING - KEYS T0077				\$30.00
	CITY CLERK'S OFFICE	TRAINING AND TRAVEL	30.00		
092225- T0077	UBER TO CONFERENCE - ID ASSOC OF CITIES - T0077				\$18.98
	CITY CLERK'S OFFICE	TRAINING AND TRAVEL	18.98		
092425 T0077	UBER TO BOI AIRPORT - ID ASSOC OF CITIES - T0077				\$18.93
	CITY CLERK'S OFFICE	TRAINING AND TRAVEL	18.93		
113-8848424-55	WEATHERPROOF PAPER & WHITE BOARD				\$264.90
	BUILDING DIVISION	OFFICE SUPPLIES/EQUIPMENT	264.90		
092625 T0085	UBER TO CONF - SENATE HOUSING MEETING - GRIMM T0085				\$1.50
	MAYOR'S OFFICE	TRAINING AND TRAVEL	1.50		
092625 - T0085-	SENATE HOUSING UBER FEE - GRIMM - T0085				\$29.12
	MAYOR'S OFFICE	TRAINING AND TRAVEL	29.12		
4090356	WTP: PLASTIC COMPRESSION TUBE FITTING				\$24.20
	WATER TREATMENT	OPERATIONAL SUPPLIES/EQUIPMENT	24.20		
18106221121376	WTP: MILWAUKEE BATTERY/BLOWER/TURF BUILDER				\$762.38
	WATER TREATMENT	TOOLS	498.00		
	WATER TREATMENT	TURF/GROUND/TREE/PLANT SUPPLIES/EQUIP	264.38		
111-3367357-35	JUMPER CABLES, BATTERIES - CITY HALL				\$110.72
	GOVERNMENT BUILDING & GROUNDS DIVISION	OPERATIONAL SUPPLIES/EQUIPMENT	110.72		
111-6564278-54	AMAZON RETURN - LASER LEVEL				\$(162.99)
	PARK MAINTENANCE & CAPITAL	TOOLS	(162.99)		
111-6564278-54	AMAZON ROTARY LASER LEVEL - ALL PARKS TOOLS				\$162.99
	PARK MAINTENANCE & CAPITAL	TOOLS	162.99		
1810385	SC: SILVER WINGS SEWER CHAIN FOR REPAIR				\$2

Invoice Number	Invoice Description Department/Division	GL Account Description	Line Item Amount	Invd	Item # 6.
	WASTEWATER COLLECTIONS	OPERATIONAL SUPPLIES/EQUIPMENT	237.00		
73422446	DOPL SEWER COLL & DRINK WTR DIST RENEWALS - BERGET				\$60.00
	WASTEWATER COLLECTIONS	LICENSES/DUES & SUBSCR (JOB RELATED)	30.00		
	WATER DISTRIBUTION	LICENSES/DUES & SUBSCR (JOB RELATED)	30.00		
011927523	SC: TV VAN CAP ASSEMBLY				\$31.94
	WASTEWATER COLLECTIONS	VEHICLE & MACH SUPPLIES/PARTS	31.94		
113-7684886-51	WWTP PRINTER TONER				\$78.10
	WASTEWATER TREATMENT	OFFICE SUPPLIES/EQUIPMENT	78.10		
113-8626724-70	WWTP PRINTER				\$379.00
	WASTEWATER TREATMENT	COMPUTER SUPPLIES/EQUIPMENT	379.00		
68801	COURTRESERVE JER - OCTOBER '25				\$199.00
	JAMES E. RUSSELL SPORTS CENTER FACILITY	SOFTWARE/SAAS - RECTRAC/REC1/TEAMSIDELIN	199.00		
092625 -T0085	GRIMM SENATE HOUSING COMM - UBER TO AIRPORT -T0085				\$19.39
	MAYOR'S OFFICE	TRAINING AND TRAVEL	19.39		
03-190616	CAKE FOR HR EVENT				\$28.74
	CENTRAL SERVICES DEPARTMENT	SUSTENANCE/FOOD	28.74		
598647 T0077	HAYLEY KEYS - ICCTFOA INSTITUTE HOTEL - T0077				\$393.24
	CENTRAL SERVICES DEPARTMENT	TRAINING AND TRAVEL	393.24		
113-6956426-40	PRINTER PAPER				\$40.96
	CENTRAL SERVICES DEPARTMENT	OFFICE SUPPLIES/EQUIPMENT	40.96		
Total For: CC VENDOR - WELLS FARGO					\$7,177.58
Vendor: CENTURY WEST ENGINEERING CORP					
250765	PINE ST MILL AND OVERLAY DESIGN SVCS THRU 8/29				\$4,535.00
	STREET CAPITAL & PROJECTS	OTHER PROF SERVICE - ENGINEERING/ARCHITE	4,535.00		
Total For: CENTURY WEST ENGINEERING CORP					\$4,535.00
Vendor: CHECKR INC					
2062918	BACKGROUND SVCS - 1 PW				\$57.49
	PUBLIC WORKS ADMINISTRATION	BACKGROUND CHECK SERVICES	57.49		
Total For: CHECKR INC					\$57.49
Vendor: CIVICPLUS INC					
352014	MUNICODE CODIFICATION SERVICES 12/06/25 - 12/05/26				\$3,950.10
	INFORMATION TECHNOLOGY DIVISION	SOFTWARE/SAAS - WEB/CODIFICATION/AGENDA	3,950.10		
Total For: CIVICPLUS INC					\$3,950.10
Vendor: CLEARWATER SPRINGS					
909301	WWTP: DISTILLED H2O & FUEL SURCHARGE				\$35.00
	WASTEWATER TREATMENT	LABORATORY SUPPLIES	35.00		

Invoice Number	Invoice Description	GL Account Description	Line Item Amount	Inv	Item # 6.
Total For: CLEARWATER SPRINGS				\$35.00	
Vendor: CONSOLIDATED SUPPLY CO.					
S012604244.001	WD: SAWZALL BLADES				\$38.44
	WATER DISTRIBUTION	OPERATIONAL SUPPLIES/EQUIPMENT	38.44		
S012605965.001	WD: BRASS COUPLING PARTS				\$36.35
	WATER DISTRIBUTION	OPERATIONAL SUPPLIES/EQUIPMENT	36.35		
S012615625.001	WTP: HYPOCHLORITE CHLORINE SOLUTION - 4 GAL				\$59.36
	WATER TREATMENT	LABORATORY SUPPLIES	59.36		
S012616102.001	WTP: GRANULAR CHLORINE SHOCKER				\$163.09
	WATER TREATMENT	OPERATIONAL SUPPLIES/EQUIPMENT	163.09		
Total For: CONSOLIDATED SUPPLY CO.				\$297.24	
Vendor: CONSOR NORTH AMERICA INC					
W243452ID.04 -	ENGINEER SERVICES - APRIL 1 THRU JULY 31				\$3,096.00
	WATER DISTRIBUTION	OTHER PROF SERVICE - ENGINEERING/ARCHITE	3,096.00		
Total For: CONSOR NORTH AMERICA INC				\$3,096.00	
Vendor: CONTROLFREEK INC					
7025	WTP: BACKWASH VALVE SETUP/TESTING				\$1,216.70
	WATER TREATMENT	TECH SERVICES - SOFTWARE/SYSTEM SUPPORT	1,216.70		
Total For: CONTROLFREEK INC				\$1,216.70	
Vendor: CO-OP GAS & SUPPLY CO.					
33161	SHOP: SPRAY N WASH & OXI CLEAN				\$24.97
	STREET MAINTENANCE DIVISION	FACILITY SUPPLIES	8.32		
	WATER DISTRIBUTION	FACILITY SUPPLIES	8.33		
	WASTEWATER COLLECTIONS	FACILITY SUPPLIES	8.32		
40472	WTP: BOLTS/WASHERS/NUTS/ DISTILLED H2O				\$43.72
	WATER TREATMENT	OPERATIONAL SUPPLIES/EQUIPMENT	43.72		
32992	ST: CHISEL SCRAPERS/SPRAY BOTTLE				\$14.49
	STREET MAINTENANCE DIVISION	OPERATIONAL SUPPLIES/EQUIPMENT	14.49		
34702	SC: SAWZALL PARTS				\$22.36
	WASTEWATER COLLECTIONS	OPERATIONAL SUPPLIES/EQUIPMENT	22.36		
35712	SC: WASHERS AND NUTS				\$9.72
	WASTEWATER COLLECTIONS	OPERATIONAL SUPPLIES/EQUIPMENT	9.72		
33722	SC: PAINT SUPPLIES				\$23.76
	WASTEWATER COLLECTIONS	OPERATIONAL SUPPLIES/EQUIPMENT	23.76		
Total For: CO-OP GAS & SUPPLY CO.				\$100.00	
Vendor: CULLIGAN LLC					

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Invoice Number	Invoice Description Department/Division	GL Account Description	Line Item Amount	Inv	Item # 6.
08312025	WWTP: MNTHLY H2O & COOLER RNTL -AUG '25 WASTEWATER TREATMENT	OPERATIONAL SUPPLIES/EQUIPMENT	26.85		\$26.85
09302025	WWTP: MNTHLY H2O & COOLER RNTL - SEPT '25 WASTEWATER TREATMENT	OPERATIONAL SUPPLIES/EQUIPMENT	34.80		\$34.80
Total For: CULLIGAN LLC					\$61.65
Vendor: DAVE SMITH MOTORS INC					
1025062	2025 RAM 1500 TRUCK (VIN 1041) STREET MAINTENANCE DIVISION	CAPITAL VEHICLES	38,158.00		\$38,158.00
Total For: DAVE SMITH MOTORS INC					\$38,158.00
Vendor: EMSCONNECT					
13925	EMS & FIRE TRAINING SUBSCRIPTION OCT '25 FIRE DEPARTMENT - SANDPOINT	LICENSES/DUES & SUBSCR (JOB RELATED)	65.00		\$65.00
Total For: EMSCONNECT					\$65.00
Vendor: FATBEAM LLC					
60824	INTERNET SRVCS - CITY HALL OCT'25 INFORMATION TECHNOLOGY DIVISION	INTERNET - FIBER/T1	406.85		\$406.85
61007	FIBER MNTHLY INTERNET SRVC AT JER - OCT'25 JAMES E. RUSSELL SPORTS CENTER FACILITY	INTERNET - FIBER/T1	395.00		\$395.00
Total For: FATBEAM LLC					\$801.85
Vendor: FIRE PROTECTION SPECIALISTS LLC					
30245	MEMORIAL FIELD FIRE ALARM SYSTEM SERVICES PARK MAINTENANCE & CAPITAL	SERVICES - BUILDING - R&M	720.00		\$720.00
Total For: FIRE PROTECTION SPECIALISTS LLC					\$720.00
Vendor: FIRE SAFETY EDUCATION					
INV006425	CHILDREN'S EDU ACTIVITY BOOKS/STICKERS FIRE DEPARTMENT - SANDPOINT	EDUCATION/TRAINING SUPPLIES	1,326.00		\$1,326.00
Total For: FIRE SAFETY EDUCATION					\$1,326.00
Vendor: FREIGHTLINER NORTHWEST					
PC001659552:01	WD: FLUID RESERVOIR WATER DISTRIBUTION	VEHICLE & MACH SUPPLIES/PARTS	140.22		\$140.22
Total For: FREIGHTLINER NORTHWEST					\$140.22
Vendor: GIBBONS P.C.					
5200-00030	REFUND FOR OVERPAYMENT OF ESTIMATED PR UNCLASSIFIED	DUE TO CUSTOMERS	575.00		\$575.00
Total For: GIBBONS P.C.					\$5

Invoice Number	Invoice Description Department/Division	GL Account Description	Line Item Amount	Inv	Item # 6.	t
Vendor: GRAINGER INC						
9644516545	WWTP: RUBBER BOOTS & SAFETY GLASSES WASTEWATER TREATMENT	SAFETY/PPE/MEDICAL SUPPLIES/EQUIPMENT	999.82			\$999.82
9644516552	WWTP: DRILL BIT SET WATER TREATMENT	TOOLS	150.00			\$150.00
Total For: GRAINGER INC						\$1,149.82
Vendor: GREATER SANDPOINT CHAMBER COMMERCE						
124571	CHAMBER OF COMMERCE MMBRSHP -2026 CENTRAL SERVICES DEPARTMENT	LICENSES/DUES & SUBSCR (JOB RELATED)	200.00			\$200.00
Total For: GREATER SANDPOINT CHAMBER COMMERCE						\$200.00
Vendor: GRIPTION TIRES INC						
73681	BEARING OIL, O-RING KIT, LABOR - ALL PARKS PARK MAINTENANCE & CAPITAL	SERVICES - AUTOMOTIVE - R&M	355.75			\$355.75
73688	MOUNT LAWN TIRE- ALL PARKS PARK MAINTENANCE & CAPITAL	SERVICES - AUTOMOTIVE - R&M	20.00			\$20.00
Total For: GRIPTION TIRES INC						\$375.75
Vendor: GUARDIAN ALLIANCE TECHNOLOGIES INC						
30872	EMPLOYMENT BACKGROUND CHECK SERVICES POLICE DEPARTMENT	BACKGROUND CHECK SERVICES	254.00			\$254.00
Total For: GUARDIAN ALLIANCE TECHNOLOGIES INC						\$254.00
Vendor: HACH COMPANY						
14691544	WTP: CL17 CHEMICALS FOR TREATING WATER WATER TREATMENT	CHEMICAL SUPPLIES	87.62			\$87.62
Total For: HACH COMPANY						\$87.62
Vendor: HEIDI BARMORE						
ACFQAJ - T0084	REIMB - CHECKED BAG FEE FOR POST TRAINING - BARMORE - T0084 POLICE DEPARTMENT	TRAINING AND TRAVEL	35.00			\$35.00
Total For: HEIDI BARMORE						\$35.00
Vendor: HMH ENGINEERING						
GS025-16-02	CITY ENGINEER SERVICES SEPT '25 PUBLIC WORKS ADMINISTRATION	OTHER PROF SERVICE - ENGINEERING/ARCHITE	9,329.60			\$9,329.60
M24005-15	CEDAR ST RECON SVCS THRU 09/30/25 STREET CAPITAL & PROJECTS	OTHER PROF SERVICE - ENGINEERING/ARCHITE	708.82			\$854.00
	WATER CAPITAL PROJECTS	CAPITAL IMPROVEMENTS OTHER THAN BUILDING	145.18			
Total For: HMH ENGINEERING						\$10,1

Invoice Number	Invoice Description Department/Division	GL Account Description	Line Item Amount	Invd Item # 6.
Vendor: IDAHO DEPT OF ENVIRON QUALITY				
25POT0057AN	WWTP: FY26 IPDES PERMT 10/1/24 - 9/30/25 WASTEWATER TREATMENT	TECH SERVICES - REGULATORY AGENCIES	7,603.80	\$7,603.80
Total For: IDAHO DEPT OF ENVIRON QUALITY				\$7,603.80
Vendor: IDAHO STATE POLICE				
IN3730	ISP ILET ACCESS & USER FEES - OCT 25 - DEC 25 INFORMATION TECHNOLOGY DIVISION	PUBLIC SAFETY-MOTOROLA/ERS-CAD/WATCHGUAR	2,293.75	\$2,293.75
Total For: IDAHO STATE POLICE				\$2,293.75
Vendor: INSIGHT DISTRIBUTING INC				
0537379-IN	SHOP: PERFORATED TOWELS - 2 CASES STREET MAINTENANCE DIVISION	OPERATIONAL SUPPLIES/EQUIPMENT	32.93	\$98.80
	WATER TREATMENT	OPERATIONAL SUPPLIES/EQUIPMENT	32.93	
	WASTEWATER TREATMENT	OPERATIONAL SUPPLIES/EQUIPMENT	32.94	
0537318-IN	TP, HAND SOAP, TRASH BIN LINERS - JER JAMES E. RUSSELL SPORTS CENTER FACILITY	OPERATIONAL SUPPLIES/EQUIPMENT	358.10	\$358.10
Total For: INSIGHT DISTRIBUTING INC				\$456.90
Vendor: INTERSTATE CONCRETE & ASPHALT				
1081174	ST: HOT ASPHALT STREET MAINTENANCE DIVISION	ROADWAY/PATH SUPPLIES/EQUIPMENT	618.35	\$618.35
Total For: INTERSTATE CONCRETE & ASPHALT				\$618.35
Vendor: J-U-B ENGINEERS INC				
0189359	GREAT NORTHERN DSGN SVCS MAY-SEPT 2025 STREET CAPITAL & PROJECTS	OTHER PROF SERVICE - ENGINEERING/ARCHITE	4,075.06	\$8,359.10
	STREET CAPITAL & PROJECTS	OTHER PROF SERVICE - ENGINEERING/ARCHITE	2,047.98	
	STREET CAPITAL & PROJECTS	CAPITAL IMPROVEMENTS OTHER THAN BUILDING	1,358.35	
	STREET CAPITAL & PROJECTS	CAPITAL IMPROVEMENTS OTHER THAN BUILDING	877.71	
Total For: J-U-B ENGINEERS INC				\$8,359.10
Vendor: KELLER ASSOCIATES INC				
0252943	WWTP PRELIMINARY ENGINEER REPORT 7/1/25-8/23/25 WASTEWATER CAPITAL PROJECTS	CAPITAL IMPROVEMENTS OTHER THAN BUILDING	6,336.50	\$6,336.50
Total For: KELLER ASSOCIATES INC				\$6,336.50
Vendor: KELLEY CREATE				
40258057	SEPTEMBER COPIER LEASE POLICE DEPARTMENT	COPIER LEASE	244.75	\$244.75
Total For: KELLEY CREATE				\$244.75

Invoice Number	Invoice Description Department/Division	GL Account Description	Line Item Amount	Inv	Item # 6.
Vendor: MAGNET FORENSICS					
SIN085292	MAGNET AXIOM SOFTWARE PHONES/COMPUTERS OCT'25-OCT'26 INFORMATION TECHNOLOGY DIVISION	PUBLIC SAFETY-MOTOROLA/ERS-CAD/WATCHGUAR	6,720.00		\$6,720.00
Total For: MAGNET FORENSICS					\$6,720.00
Vendor: MILL VILLAGE LLC					
A25-3100-2	SNOW STORAGE 2025-2026 STREET MAINTENANCE DIVISION	RENTAL OF LAND AND BUILDING	5,900.00		\$5,900.00
Total For: MILL VILLAGE LLC					\$5,900.00
Vendor: MR CONCRETE LLC					
INV-0053	SIDEWALK TO CONCRETE PAD FOR PICNIC SHELTER PARK MAINTENANCE & CAPITAL	CAPITAL IMPROVEMENTS OTHER THAN BUILDING	1,485.00		\$1,485.00
Total For: MR CONCRETE LLC					\$1,485.00
Vendor: NAPA AUTO PARTS					
248838	WTP: DISPOSABLE GLOVES WATER TREATMENT	LABORATORY SUPPLIES	43.96		\$43.96
250024	WD: METER TRUCK OIL WATER DISTRIBUTION	VEHICLE & MACH SUPPLIES/PARTS	41.98		\$41.98
Total For: NAPA AUTO PARTS					\$85.94
Vendor: NORTH 40 OUTFITTERS					
049886/B	WTP: MURIATIC ACID - 2 GAL WATER TREATMENT	OPERATIONAL SUPPLIES/EQUIPMENT	21.98		\$21.98
049770/B	WTP: HITCH, CARIBEANERS WATER TREATMENT	OPERATIONAL SUPPLIES/EQUIPMENT	45.08		\$45.08
049785/B	WTP: RATCHET STRAP/GRAB HOOK/ CARIBEANER WATER TREATMENT	OPERATIONAL SUPPLIES/EQUIPMENT	53.95		\$53.95
049872/B	WD: WALKIE TALKIES WATER DISTRIBUTION	OPERATIONAL SUPPLIES/EQUIPMENT	113.98		\$113.98
049841/B	WTP: HEAVY DUTY RING MAT - QTY 3 WATER TREATMENT	FACILITY SUPPLIES	133.53		\$133.53
Total For: NORTH 40 OUTFITTERS					\$368.52
Vendor: NORTHERN LIGHTS					
100525	MONTHLY UTILITIES SEPT '25 WATER TREATMENT	ELECTRICITY	313.16		\$870.58
	WATER TREATMENT	ELECTRICITY	141.48		
	WATER TREATMENT	ELECTRICITY	90.40		
	WASTEWATER COLLECTIONS	ELECTRICITY	61.82		

Invoice Number	Invoice Description Department/Division	GL Account Description	Line Item Amount	Inv	Item # 6.
	WASTEWATER COLLECTIONS	ELECTRICITY	49.34		
	STREET MAINTENANCE DIVISION	ELECTRICITY	24.41		
	STREET MAINTENANCE DIVISION	ELECTRICITY	48.16		
	WASTEWATER COLLECTIONS	ELECTRICITY	46.86		
	GENERAL GOVERNMENT PROJECTS	ELECTRICITY	94.95		
Total For: NORTHERN LIGHTS					\$870.58
Vendor: OXARC INC					
0032415304	WWTP: CHLORINE WASTEWATER TREATMENT	CHEMICAL SUPPLIES	8,465.33		\$8,465.33
Total For: OXARC INC					\$8,465.33
Vendor: PACIFIC STEEL & RECYCLING					
9138655	SC: COVER FOR AVISTA GAS METER AT LIFT STATION WASTEWATER COLLECTIONS	OPERATIONAL SUPPLIES/EQUIPMENT	151.89		\$151.89
Total For: PACIFIC STEEL & RECYCLING					\$151.89
Vendor: PEAK SAND & GRAVEL INC					
110631	3/4 BASE JER PICNIC PAD PARK MAINTENANCE & CAPITAL	CAPITAL IMPROVEMENTS OTHER THAN BUILDING	70.81		\$70.81
110240	3/4" BASE - TRAVERS PICNIC PAD PARK MAINTENANCE & CAPITAL	CAPITAL IMPROVEMENTS OTHER THAN BUILDING	60.00		\$60.00
110451	11.68 TON TOP SOIL- ROW TREES PARK MAINTENANCE & CAPITAL	TURF/GROUND/TREE/PLANT SUPPLIES/EQUIP	274.49		\$274.49
Total For: PEAK SAND & GRAVEL INC					\$405.30
Vendor: PHOENIX ASPHALT MAINTENENCE INC					
1069	ST: AG HOSES STREET MAINTENANCE DIVISION	VEHICLE & MACH SUPPLIES/PARTS	1,010.09		\$1,010.09
Total For: PHOENIX ASPHALT MAINTENENCE INC					\$1,010.09
Vendor: PONDERAY NURSERY AND GARDEN					
371	BARK FOR ROW PARK MAINTENANCE & CAPITAL	TURF/GROUND/TREE/PLANT SUPPLIES/EQUIP	1,999.76		\$1,999.76
Total For: PONDERAY NURSERY AND GARDEN					\$1,999.76
Vendor: R.C. WORST CO					
358940	HYDROMATIC PUMPS AND CAPACITOR PACK WASTEWATER COLLECTIONS	OPERATIONAL SUPPLIES/EQUIPMENT	15,769.00		\$16,731.09
	WASTEWATER COLLECTIONS	OPERATIONAL SUPPLIES/EQUIPMENT	676.00		
	WASTEWATER COLLECTIONS	OPERATIONAL SUPPLIES/EQUIPMENT	286.09		

Invoice Number	Invoice Description Department/Division	GL Account Description	Line Item Amount	Invd Item # 6.
Total For: R.C. WORST CO				\$16,731.09
Vendor: RODDA PAINT CO - PREVIOUSLY MILLER PAINT				
61005393	LAKEVIEW ACRILITE SATIN PAINT PARK MAINTENANCE & CAPITAL	OPERATIONAL SUPPLIES/EQUIPMENT	92.15	\$92.15
Total For: RODDA PAINT CO - PREVIOUSLY MILLER PAINT				\$92.15
Vendor: SANDPOINT BUILDING SUPPLY				
2512573	PLYWOOD FOR PICNIC PAD - TRAVERS PARK MAINTENANCE & CAPITAL	CAPITAL IMPROVEMENTS OTHER THAN BUILDING	215.81	\$215.81
S46198I	SERVICE FEES - INVOICE 2500422 PARK MAINTENANCE & CAPITAL	OPERATIONAL SUPPLIES/EQUIPMENT	2.08	\$2.08
S46521I	SERVICE FEES - INVOICE 2511142 PARK MAINTENANCE & CAPITAL	OPERATIONAL SUPPLIES/EQUIPMENT	21.31	\$21.31
S46374I	SERVICE FEES - INVOICE 2507491 PARK MAINTENANCE & CAPITAL	OPERATIONAL SUPPLIES/EQUIPMENT	12.32	\$12.32
2512811	STAKES - ALL PARKS PARK MAINTENANCE & CAPITAL	OPERATIONAL SUPPLIES/EQUIPMENT	64.98	\$64.98
2511142	SPPLS FOR CENTENNIAL BRDG RPLCMNT - SPORTS CMLPX PARK MAINTENANCE & CAPITAL	OPERATIONAL SUPPLIES/EQUIPMENT	1,420.57	\$1,420.57
Total For: SANDPOINT BUILDING SUPPLY				\$1,737.07
Vendor: SAWYER, DEREK				
T0086 PER DIE	PER DIEM/MILEAGE REIMB 2025 PNW PRETREATMENT WORKSHOP - T0086 WASTEWATER TREATMENT	TRAINING AND TRAVEL	569.63	\$785.13
	WASTEWATER TREATMENT	TRAINING AND TRAVEL	215.50	
Total For: SAWYER, DEREK				\$785.13
Vendor: SELKIRK PRESS INC				
22766	BUSINESS CARDS 100 EA - HAYLEY, ERIK, HEATHER CENTRAL SERVICES DEPARTMENT	PRINTING AND BINDING	29.00	\$87.00
	CENTRAL SERVICES DEPARTMENT	PRINTING AND BINDING	29.00	
	PLANNING DIVISION	PRINTING AND BINDING	29.00	
Total For: SELKIRK PRESS INC				\$87.00
Vendor: SEW PRO 2				
3548-32	AERNI - PANTS ALTERATION POLICE DEPARTMENT	UNIFORM & CLOTHING	18.00	\$18.00
Total For: SEW PRO 2				\$18.00
Vendor: SMS AUTOMOTIVE & MARINE INC				

Invoice Number	Invoice Description Department/Division	GL Account Description	Line Item Amount	Inv	Item # 6.	t
3731	K-9 CAGE & REAR PARTITION - DURANGO POLICE DEPARTMENT	OPERATIONAL SUPPLIES/EQUIPMENT	2,083.13			\$2,083.13
Total For: SMS AUTOMOTIVE & MARINE INC						\$2,083.13
Vendor: SOUTH FORK HARDWARE (PUB WKS)						
414577	SC: SOUTH BOYER LIFT STATION LIGHT BULBS WASTEWATER COLLECTIONS	OPERATIONAL SUPPLIES/EQUIPMENT	27.98			\$27.98
415076	SC: GLOSS SPRAY - LIFT STATIONS WASTEWATER COLLECTIONS	OPERATIONAL SUPPLIES/EQUIPMENT	29.16			\$29.16
414863	WWTP: DRAIN REPAIR PARTS WASTEWATER TREATMENT	FACILITY SUPPLIES	23.18			\$23.18
414974	WTP: CLEAR DRY CEMENT, LOCTITE ADHESIVE WATER TREATMENT	OPERATIONAL SUPPLIES/EQUIPMENT	17.98			\$17.98
Total For: SOUTH FORK HARDWARE (PUB WKS)						\$98.30
Vendor: SPOKANE TESTING SOLUTIONS						
19533	DOT TESTING SEPT 2025 1 WWTP WASTEWATER TREATMENT	OTHER PROF SERVICE - MEDICAL	60.00			\$60.00
Total For: SPOKANE TESTING SOLUTIONS						\$60.00
Vendor: STEEL LLC						
33508289	NISHA MEDICAL VFD NEEDS REPLACED GENERAL GOVERNMENT PROJECTS	SERVICES - BUILDING - R&M	615.00			\$615.00
Total For: STEEL LLC						\$615.00
Vendor: STONEWAY ELECTRIC SUPPLY						
S104753145.001	WWTP: (10) FLOURESCENT LED LIGHTS WASTEWATER TREATMENT	FACILITY SUPPLIES	88.40			\$88.40
Total For: STONEWAY ELECTRIC SUPPLY						\$88.40
Vendor: TATIANA DIAL						
OCTOBERCONT	OCTOBER 10TH, 2025 CONTRA DANCE BAND RECREATION	TECH SERVICES - PARK/BEACH & REC AND ART	225.00			\$225.00
Total For: TATIANA DIAL						\$225.00
Vendor: TMG SERVICES INC						
0053926-IN	WWTP: ANNUAL CL2 SERVICE WASTEWATER TREATMENT	SERVICES - EQUIPMENT - R&M	7,436.75			\$7,436.75
0053927-IN	WTP: ANNUAL CL2 SERVICE WATER TREATMENT	SERVICES - EQUIPMENT - R&M	2,776.30			\$2,776.30
Total For: TMG SERVICES INC						\$10,2

Invoice Number	Invoice Description Department/Division	GL Account Description	Line Item Amount	Inv	Item # 6.
Vendor: TRAFFIC SAFETY SUPPLY CO					
INV084096	WD/SC: (4) FOLDABLE BARRICADES				\$1,170.72
	WATER DISTRIBUTION	SIGNAGE SUPPLIES/EQUIPMENT	585.36		
	WASTEWATER COLLECTIONS	SIGNAGE SUPPLIES/EQUIPMENT	585.36		
Total For: TRAFFIC SAFETY SUPPLY CO					\$1,170.72
Vendor: TRANSUNION RISK AND ALTERNATIVE DATA SOLUTIONS, INC					
5922531-202509	BACKGROUND CHECK SVCS - SEPT '25				\$135.00
	POLICE DEPARTMENT	BACKGROUND CHECK SERVICES	135.00		
Total For: TRANSUNION RISK AND ALTERNATIVE DATA SOLUTIONS, INC					\$135.00
Vendor: WATERFRONT PROPERTY MANAGEMENT					
56885	FIRE BOAT FUEL				\$178.74
	FIRE DEPARTMENT - SANDPOINT	FUEL - GASOLINE/DIESEL	178.74		
Total For: WATERFRONT PROPERTY MANAGEMENT					\$178.74
Vendor: WETSTONE DESIGN LLC					
3280	TRAVERS PAVILION PLAN SET				\$2,143.00
	PARK MAINTENANCE & CAPITAL	CAPITAL IMPROVEMENTS OTHER THAN BUILDING	635.00		
	PARK MAINTENANCE & CAPITAL	CAPITAL IMPROVEMENTS OTHER THAN BUILDING	508.00		
	PARK MAINTENANCE & CAPITAL	CAPITAL IMPROVEMENTS OTHER THAN BUILDING	1,500.00		
	PARK MAINTENANCE & CAPITAL	CAPITAL IMPROVEMENTS OTHER THAN BUILDING	(500.00)		
Total For: WETSTONE DESIGN LLC					\$2,143.00
Vendor: WHITNEY EQUIPMENT COMPANY					
PS-INV112002	WWTP: ABB FLOWMETER				\$5,852.51
	WASTEWATER TREATMENT	OPERATIONAL SUPPLIES/EQUIPMENT	5,750.11		
	WASTEWATER TREATMENT	OPERATIONAL SUPPLIES/EQUIPMENT	102.40		
Total For: WHITNEY EQUIPMENT COMPANY					\$5,852.51
Vendor: WILLIAMS SCOTSMAN INC					
9024618826	WWTP: MODULAR RENTAL 9/19/25-10/18/25				\$1,211.43
	WASTEWATER TREATMENT	RENTAL OF LAND AND BUILDING	785.40		
	WASTEWATER TREATMENT	RENTAL OF LAND AND BUILDING	19.64		
	WASTEWATER TREATMENT	RENTAL OF LAND AND BUILDING	206.26		
	WASTEWATER TREATMENT	RENTAL OF LAND AND BUILDING	22.00		
	WASTEWATER TREATMENT	RENTAL OF LAND AND BUILDING	5.00		
	WASTEWATER TREATMENT	RENTAL OF LAND AND BUILDING	70.00		
	WASTEWATER TREATMENT	RENTAL OF LAND AND BUILDING	103.13		
Total For: WILLIAMS SCOTSMAN INC					\$1,211.43

Invoice Number	Invoice Description Department/Division	GL Account Description	Line Item Amount	Inv	Item # 6.
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Vendor: ZACHARY NEU

REIMB092925	WWTP: BOOT REIMBURSEMENT FY 2025 WASTEWATER TREATMENT	UNIFORM & CLOTHING	125.00		\$125.00
Total For: ZACHARY NEU					\$125.00

Vendor: ZIPLY FIBER

3469 09.25.25	3469 - PHONE CHGS - TURTLE ROCK 09.25.25-10.24.25 WATER TREATMENT	TELEPHONE - LANDLINE & OTHER	76.22		\$76.22
4008 09.22.25	4008 - PHONE CHGS - CITY HALL 9.22.25-10.21.25 WASTEWATER COLLECTIONS	TELEPHONE - LANDLINE & OTHER	283.25		\$283.25
6269 09.22.25	6269 - PHONE CHGS - 911 TRANSFER 9.22.25-10.21.25 POLICE DEPARTMENT	TELEPHONE - LANDLINE & OTHER	13.80		\$13.80
6708 09.22.25	6708 - PHONE CHGS - CITY HALL 9.22.25-10.21.25 INFORMATION TECHNOLOGY DIVISION	TELEPHONE - LANDLINE & OTHER	110.15		\$110.15
Total For: ZIPLY FIBER					\$483.42

City of Sandpoint Payroll Breakdown for SEPTEMBER 2025

Employee Benefit Compensation Export

From 09/01/2025-09/30/2025

WAGES Total Employer Amount	MEDICAL Total Employer Amount	DENTAL Total Employer Amount	SUPPLEMENTAL Total Employer Amount	TAXES Total Employer Amount	RETIREMENT Total Employer Amount	Employer Total
538,081.33	99,555.86	4,185.00	12,756.45	35,300.32	68,939.26	758,818.22

Payables Total: \$235,137.80

Payroll Total: \$758, 818.22

Grand Total: \$993, 956.02

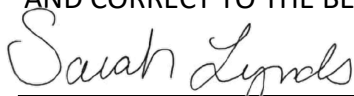
Councilor Signature: _____ Date: _____

Councilor Name: Rick Howarth

City of Sandpoint
Financial Report on Cash and Investment Transactions
August 31, 2025

FUND	BALANCE 7/31/25	DEBIT	CREDIT	BALANCE 8/31/25
General Fund Undesignated	10,862,746	2,693,612	2,659,841	10,896,517
General Fund Designated - Reserves	9,102,561	-	-	9,102,561
General Fund Designated - Other	2,119,929	347,850	34,930	2,432,849
Special Revenue:				
Fiber	135,881	1,718	1,230	136,369
Impact Fees	2,040,764	84,524	24,242	2,101,045
Recreation	551,419	19,736	54,354	516,801
Park Capital Improvement	1,405,037	86,367	110,050	1,381,354
Enterprise:				
Sanitation	549,358	74,869	113,208	511,019
Water	7,421,658	671,572	419,645	7,673,586
Water - Reserve Capital	9,548,776	141,143	206	9,689,713
Water - Reserve Watershed Protection	718,739	19,720	17,099	721,360
Water - Restricted	110,208	22,931	31,575	101,564
Wastewater	8,166,741	664,493	424,235	8,406,999
Wastewater - Reserve I&I Collection	1,940,414	8,026	1,110	1,947,330
Wastewater - Reserve Capital	10,950,960	106,632	-	11,057,592
Water and Wastewater Debt Service	1,012,241	4,113	505	1,015,848
Fiduciary:				
LID Guarantee	39,425	1,212	1,068	39,570
LID Combined	215,001	140,988	146,606	209,383
Payroll Benefit Clearing	501,791	555,971	534,723	523,038
GRAND TOTAL	67,393,649	5,645,478	4,574,628	68,464,500

I HEREBY SWEAR UNDER OATH THAT THE AMOUNTS REPORTED ABOVE, ON THE CASH BASIS, ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.



Sarah Lynds, Finance Director
City of Sandpoint, Idaho

City of Sandpoint
Cash and Investments
August 31, 2025

Description	City's Balance
Wells Fargo Bank	
Checking Account	2,839,180
Idaho State Investment Pool	
State Investment Pool Account	65,624,619
Cash on Hand	
Petty Cash	700
Total	<u><u>68,464,500</u></u>

I HEARBY SWEAR UNDER OATH THAT THE AMOUNTS REPORTED ABOVE ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

Sarah Lynds

Sarah Lynds, Finance Director
City of Sandpoint, Idaho

No: 25-
Date:

RESOLUTION
OF THE CITY COUNCIL
CITY OF SANDPOINT

TITLE: DISPOSITION OF SEMI-PERMANENT AND TEMPORARY RECORDS

WHEREAS: Idaho Code §50-907 provides for authorization to destroy records that are not required to be retained as permanent records, are no longer required by law or for City business, and that have met the minimum retention period provided by the City's records retention schedule adopted by Resolution No. 06-90 and amended by Resolution Nos. 10-54 and 12-02;

WHEREAS: The city has extremely limited appropriate space for the storage of old records which are no longer required for or used by the city; and,

WHEREAS: The City Treasurer has compiled a list of such records for destruction;

WHEREAS: The City Clerk proposes destruction of these records, which have exceeded their minimum retention; and

WHEREAS; As required by Idaho Code §50-907, the City Attorney has reviewed the attached list and approves the destruction of the records contained therein.

NOW, THEREFORE, BE IT RESOLVED THAT: Pursuant to Idaho Code §50-907, the records on the list prepared by the City Treasurer, a copy of which is attached hereto as if fully incorporated herein and made a part hereof, shall be destroyed.

Jeremy Grimm, Mayor

ATTEST:

Melissa Ward, City Clerk

Semi-Permanent Records Over Ten Years Old

<u>Item #</u>	<u>Record Description</u>	<u>Year of Record</u>
1	Year-end General Ledgers: Records documenting the summary of accounts reflecting the financial position of the city, showing debit, credit and balance amounts per account, budget, fund and department, and totals for notes receivable, interest income, amounts due from other funds, federal grants received, bank loans received, cash in escrow, deferred loans received, cash, encumbrances, revenue, accounts receivable, accounts payable, etc.	Prior to Oct 1, 2015
2	Grant Records: for non-significant grants related to the purchase and/or disposal of real property, records documenting the application, evaluation, awarding, administration, reporting and status of grants applied for, received, awarded or administered by the city. Records include: applications and proposals, summaries, objectives, activities, budgets, exhibits, award notices, progress reports, contracts, financial reports, and related correspondence and documentation	Prior to Oct 1, 2015
3	Leave Balance Reports: Year-end reports documenting individual city employee accrual and use of sick, vacation, compensatory, personal business, family and medical leave, and other leave time. Information usually includes: employee name and social security number, leave beginning balance, leave time accrued, leave time used, ending balance, and related data.	Prior to Oct 1, 2015

Semi - Permanent Records Over Five Years Old

<u>Item #</u>	<u>Record Description</u>	<u>Year of Record</u>
1	Misc Accounts Payable: Records (other than grants) documenting payment of city bills, including reports, invoices, statements, vouchers, purchase orders, payment authorizations, receipt records, canceled checks or warrants, etc.	Prior to Oct 1, 2020
2	Misc Accounts Receivable: Records (other than grants) documenting billing and collection of monies owed to the city by vendors, citizens, organizations, governments, etc. that have been paid.	Prior to Oct 1, 2020
3	Bank Transaction Records: Records (other than grants) documenting the status and transaction activity of city bank accounts, including account statements, deposit and withdrawal slips, checks, checkbook stubs and check registers, etc.	Prior to Oct 1, 2020
4	Deduction Authorization Records: Records documenting employee application and authorization for voluntary payroll deductions, direct bank deposits, and related actions. Payroll deductions are directly deposited or remitted to the authorized financial institution, insurance company, or other agency or vendor. For separated or terminated employees or if superseded.	Prior to Oct 1 2020
5	Deduction Registers: Registers or records documenting voluntary and/or required deductions from the gross pay of city employees. Types of deductions include: federal income and social security taxes, state income tax, workers' compensation, union dues, insurance, deferred compensation, credit union, parking permit, garnishments, levies, charitable contributions, and others.	Prior to Oct 1 2020
6	Employee Time Records: Records (other than grant related) documenting hours worked, leave hours accrued, and leave hours taken by city employees. Information usually includes: employee name and social security number, hours worked, type and number of leave hours taken, total hours, dates and related data.	Prior to Oct 1 2020

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| 7 | Employee Travel Records: Records documenting requests, authorizations, reimbursements, and other actions related to employee travel, including expense reports and receipts, vouchers and related documents. | Prior to Oct 1 2020 |
| 8 | Federal & State Tax Records: Records, in addition to those itemized in this section, used to report the collection, distribution, deposit, and transmittal of federal and state income taxes as well as social security tax. Examples include: the federal miscellaneous income statement (1099), request for taxpayer identification number and certificate (W-9), employers' quarterly federal tax return (941, 941E), tax deposit coupon (8109), and similar federal and state completed forms | Prior to Oct 1 2020 |
| 9 | Financial Reports: Reports (other than fiscal year-end reports and the quarterly published treasurer's report) documenting the financial condition and operation of the city, issued on a monthly, quarterly, annual or other basis, including quarterly published treasurer's report and year-end financial reports. Reports include information on revenues and expenditures in relation to the final budget. | Prior to Oct 1 2020 |
| 10 | Resolved Garnishment Records: Records documenting requests and court orders to withhold wages from employee earnings for garnishments, tax levies, support payments, and other reasons. Usually includes original writs of garnishment, orders to withhold, federal or state tax levies, recapitulations of amounts withheld, and related records. | Prior to Oct 1 2020 |
| 11 | General Ledgers: Monthly records documenting the summary of accounts reflecting the financial position of the city, showing debit, credit and balance amounts per account, budget, fund and department, and totals for notes receivable, interest income, amounts due from other funds, federal grants received, bank loans received, cash in escrow, deferred loans received, cash, encumbrances, revenue, accounts receivable, accounts payable, etc. | Prior to Oct 1 2020 |

- | | | |
|----|---|---------------------|
| 12 | Grant Records: for non- significant grants that are not related to the purchase and/or disposal of real property, documenting the application, evaluation, awarding, administration, reporting and status of grants applied for, received, awarded or administered by the city. Records include: applications and proposals, summaries, objectives, activities, budgets, exhibits, award notices, progress reports, contracts, financial reports, and related correspondence and documentation | Prior to Oct 1 2020 |
| 13 | Interdepartmental Billings: These are accounting documents that request the transfer of funds between departments for services rendered or materials purchased. | Prior to Oct 1 2020 |
| 14 | Investment Records: Reports, statements, summaries, correspondence and other records documenting and tracking investments made by the city, including the Local Government Investment Pool. | Prior to Oct 1 2020 |
| 15 | Leave Balance Reports: Reports (excluding year-end reports) documenting individual city employee accrual and use of sick, vacation, compensatory, personal business, family and medical leave, and other leave time. Information usually includes: employee name and social security number, leave beginning balance, leave time accrued, leave time used, ending balance, and related data. | Prior to Oct 1 2020 |
| 16 | Payroll Registers: Year-end registers or records serving the same function of documenting the earnings, voluntary and required deductions, and withholdings of city employees. Information usually includes employee name and social security number, hours worked, rate, overtime, vacation value, various allowance, gross pay, federal and state withholding, voluntary deductions, net pay, and related data for those employees no longer employed. | Prior to Oct 1 2020 |
| 17 | PERSI Records: Records relating to PERSI, including Employer Remittance Forms, invoices, correspondence, financial adjustments, etc. | Prior to Oct 1 2020 |
| 18 | Professional Membership Records: Records documenting city-paid individual memberships and activities in professional organizations (i.e. Idaho City Clerks, Treasurers & Finance Officers | Prior to Oct 1 2020 |

- Association, Association of Public Treasurers, etc.).
- 19 **Purchase Orders & Requisitions:** Requests and purchase orders for goods or services purchased by the city. Information includes: department, delivery location, date, quantity, description, unit and total price, and authorizing signatures. Prior to Oct 1 2020
 - 20 **Receipts:** Copies of receipts, showing the date, from whom received, amount, purpose, etc Prior to Oct 1 2020
 - 21 **Subsidiary Ledgers, Journals & Registers:** Records documenting details of transactions such as those related to receipts and expenditures on a daily, monthly, quarterly or similar basis. Includes journals, ledgers, registers, daybooks and other account books that provide backup documentation for the general ledger. Prior to Oct 1 2020
 - 22 **Utility Account Change Records:** Records documenting routine information changes to customer accounts, including name and address for closed accounts Prior to Oct 1 2020
 - 23 **Utility Application/Disconnect Records:** Applications completed by customers requesting or disconnecting water, sewer, street lights or other city-provided services. Prior to Oct 1 2020
 - 24 **Utility Bill Remittance Stubs:** Bill stubs received with payments for water, sewer, street lights and other city-provided services that document receipt and posting of customer payments. \ Prior to Oct 1 2020
 - 25 **Utility Billing Adjustment Records:** Records documenting adjustments to customer water, sewer, street lights or other city-provided service billings for debits, credits, refunds, returned checks, and related reasons. Prior to Oct 1 2020
 - 26 **Utility Billing Register:** Records documenting transactions on the water, sewer, street lights or other city-provided service account of each customer. Useful for reference to assure accurate customer billings. Prior to Oct 1 2020
 - 27 **Utility Customer Security Deposit Records:** Records documenting customer payment of a security deposit to receive water, sewer, street lights or other services. Prior to Oct 1 2020

- | | | |
|----|---|---------------------|
| 28 | Utility Meter Books: Document the readings of customer water by city employees for billing purposes. | Prior to Oct 1 2020 |
|----|---|---------------------|

Temporary Records Over Three Years Old

<u>Item #</u>	<u>Record Description</u>	<u>Year of Record</u>
1	Bankruptcy Notices: Records documenting notification to the city that certain individuals have filed for bankruptcy, and used to determine if the individual owes money to the city and to file notice or claim with the court.	Prior to Oct 1, 2022
2	Budget Records: Records used in preparing and adopting the city budget, including revenue projections, instructions, department requests, worksheets, council-approved tentative budget.	Prior to Oct 1, 2022
3	Gift & Contribution Records: Records documenting gifts and contributions to the city, where terms of the gift/contribution have been completed, including donor and acknowledgment letters, acquisition lists itemizing purchases made with contributed money, checks, receipts and related records	Prior to Oct 1, 2022
4	Payroll Administrative Reports: Reports, statistical studies, and other records designed and used for budget preparation, projections, workload and personnel management, and research and general reference. Often consists of recapitulation reports organizing wages, deductions, and other data into categories such as quarter-to-date, year-to-date, fiscal year-to-date, department, division, section, employee/employer contributions, and others.	Prior to Oct 1, 2022
5	Payroll Registers: Month-end registers or records serving the same function of documenting the earnings, voluntary and required deductions, and withholdings of city employees. Information usually includes employee name and social security number, hours worked, rate, overtime, vacation value, various allowance, gross pay, federal and state withholding,	Prior to Oct 1, 2022

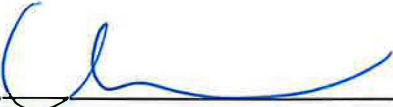
voluntary deductions, net pay, and related data for those employees no longer employed.

- 6 **Postage Records:** Document transactions with the U.S. Postal Service and private carriers, including: postage meter records, receipts for registered and certified mail, insured mail, special delivery receipt and forms, loss reports, etc. Prior to Oct 1, 2022

DESTRUCTION OF CITY RECORDS
ATTORNEY CERTIFICATION

As legal advisor to the City of Sandpoint, I hereby certify that I have reviewed the proposed Resolution, DISPOSITION OF SEMIPERMANENT AND TEMPORARY RECORDS, with accompanying list of records to be destroyed, a copy of which is attached hereto, and that said Resolution and list of records, to be considered by the Sandpoint City Council during their regular meeting on October 15, 2025, are in accordance with Idaho Code §§ 50-907 and 50-908.

DATED this 13th day of October 2025.



Fonda L. Jovick, Sandpoint City Attorney



AGENDA REPORT

City Council Meeting

TODAY'S DATE: October 09, 2025

MEETING DATE: October 15, 2024

TO: City Council

FROM: Cheryl Hughes, Central Services Director

SUBJECT: A24-1530-1 Bonner County Prosecutor Legal Services Agreement First Amendment

DESCRIPTION/BACKGROUND:

The City entered into a Prosecutor Legal Services Agreement with Bonner County on October 01, 2023 for an annual amount of \$85,000 under Resolution 23-072. The term of the agreement renews annually on October 01 each year unless amended or terminated by either party. This First Amendment is not making any change to the term but is amending the Fees. The Fees shall be amended increasing the annual \$85,000, 4%, equating to \$88,400, beginning October 01, 2025, which will result in FY 26 fees of \$3,400. This amount was included in the annual budget adopted by City Council. No additional funds needed for this increase outside of the budget. Annually thereafter, beginning, October 01, 2027 the annual fee will increase an additional 2%.

STAFF RECOMMENDATION:

Staff recommends a Motion to approve A24-1530-1 Bonner County Prosecutor Legal Services Agreement First Amendment increasing the Fees 4 % beginning October 01, 2026 and 2% annually thereafter.

ACTION:

Motion to approve A24-1530-1 Bonner County Prosecutor Legal Services Agreement First Amendment increasing the Fees 4 % beginning October 01, 2026 and 2% annually thereafter.

WILL THERE BE ANY FINANCIAL IMPACT? Yes HAS THIS ITEM BEEN BUDGETED? Yes.

ATTACHMENTS:

Proposed Resolution

A24-1530-1 Bonner County Prosecutor Legal Services Agreement

A24-1530-1 Bonner County Prosecutor Legal Services Agreement First Amendment

No: 25-
Date: October 15, 2025

RESOLUTION
OF THE CITY COUNCIL
CITY OF SANDPOINT

**TITLE: FIRST AMENDMENT TO CONTRACT WITH BONNER COUNTY
PROSECUTOR FOR MUNICIPAL PROSECUTOR LEGAL SERVICES
(CITY AGREEMENT #A24-1530-1)**

WHEREAS: In Idaho, cities are responsible for prosecuting all misdemeanors and infractions that occur within their jurisdiction, and cities routinely contract with the county prosecutor for provision of these legal services;

WHEREAS: Prior to October 2018, the City employed a prosecutor on staff and contracted with the Bonner County Prosecutor to provide backup coverage for the City position;

WHEREAS: With the staff prosecutor position eliminated as of October 2018, the City has been contracting with the Bonner County Prosecutor for municipal prosecutor legal services since that time, where the terms of the most recent agreement, City Agreement #A24-1530-1, reflects an annual cost of \$85,000 for these services and renewal annually on October 1 unless amended or terminated by either party;

WHEREAS: At this time, the First Amendment to Agreement #A24-1530-1 is presented for Council approval, providing for a 4% increase for Fiscal Year 2026 to \$88,400 and an ongoing 2% increase each year thereafter; and

WHEREAS: No additional amendments to the contract terms are requested at this time.

NOW, THEREFORE, BE IT RESOLVED THAT: The Mayor, on behalf of the City, is authorized to sign and enter into the First Amendment to Contract for Municipal Prosecutor Legal Services with the Bonner County Prosecutor (City Agreement #A24-1530-1), a copy of which is attached hereto and made a part hereof as if fully incorporated herein.

Jeremy Grimm, Mayor

ATTEST:

Melissa Ward, City Clerk



City of Sandpoint
1123 Lake Street
Sandpoint, Idaho 83864

AGREEMENT A24-1530-1
FIRST AMENDMENT

Date: September 30, 2025

Agreement Title: A24-1530-1 Bonner County Prosecutor Legal Services

Agreement Execution Date: October 01, 2023

Attorney: Bonner County Municipal Prosecutor

This First Amendment to Bonner County Prosecutor Legal Services Agreement A24-1530-1 shall become part of the original Agreement. All other terms and conditions of the original agreement not modified through this First Amendment shall remain in full force and effect.

Summary: Amend Fees and Expenses for Matters within the Scope of Work.

2. **Fees and Expenses for Matters within the Scope of Work:** shall be amended to include a 4% increase beginning October 1, 2025 and 2% annually thereafter each October 01.

SIGNED AND AGREED TO on this _____ day of _____ 2025.

By: _____
 Mayor for the City of Sandpoint

Attest:

 Melissa Ward, City Clerk

SIGNED AND AGREED TO on this _____ day of _____ 2025.

By: _____
 Louis Marshall, Bonner County Prosecutor

SIGNED AND AGREED TO on this _____ day of _____ 2025.

 Asia Williams, Chairman of the Bonner County Board of Commissioners

Attest:

 Michael Rosedale, County Clerk

**CONTRACT FOR
MUNICIPAL PROSECUTOR LEGAL SERVICES
CITY OF SANDPOINT, IDAHO**

The Parties to this Contract for Municipal Prosecutor Legal Services are Louis Marshall, Bonner County Prosecutor, 127 South First Ave, Sandpoint, Idaho 83864 ("Bonner") and the City of Sandpoint, 1123 Lake Street, Sandpoint, Idaho 83864 ("the City"). Bonner and the City are referred to collectively herein as "the Parties."

WHEREAS, the City desires to contract with Bonner to perform the services of a City Prosecutor prosecuting misdemeanors and infractions occurring within Sandpoint City limits; and

WHEREAS, Bonner desires to contract with the City to provide services as a City Prosecutor;

NOW THEREFORE, for the mutual covenants and considerations described herein, the Parties agree as follows:

1. ROLE OF BONNER AND SCOPE OF WORK: Bonner agrees to provide legal services to the City, specifically prosecution of misdemeanors and infractions where a Sandpoint police officer is the citing and/or investigating officer.

2. FEES AND EXPENSES FOR MATTERS WITHIN THE SCOPE OF WORK: The City agrees to pay Bonner for its services at a rate of SEVEN THOUSAND EIGHTY-THREE DOLLARS AND THIRTY-THREE CENTS (\$7,083.33) per month, for a total of EIGHTY-FIVE THOUSAND DOLLARS (\$85,000) per year.

3. BILLING AND COMPENSATION: The City shall pay in monthly installments.

4. TERM: This Contract shall be in full force and effect beginning October 1, 2023, and shall renew on the anniversary of that date in each subsequent year unless amended or terminated by either Party.

5. TERMINATION: Either of the Parties may terminate this Contract for any reason or for no reason by giving thirty (30) days written notice to the other Party. Upon termination by either Party, the City agrees to pay to Bonner all fees and expenses for services performed prior to the date of termination.

7. CONFLICTS: Bonner agrees not to undertake representation of any person or entity in a manner adverse to the City's legal interests during the term of the contract. Further, Bonner agrees that, to the best of their actual knowledge, neither Bonner nor anyone in its firm who will be working on specific matters related to representation of the City, has personal, business, or financial interests or relationships which would cause a reasonable individual with knowledge of the relevant facts to question the integrity or impartiality of those who are or will be acting

as representatives of the City. Bonner agrees to evaluate on an on-going basis whether, in its professional judgment, a conflict may become apparent or imminent. In the event that Bonner believes a conflict may develop, Bonner will immediately communicate with City administrators about the perceived potential conflict.

8. INDEPENDENT CONTRACTORS: Bonner shall be an independent contractor to the City and shall not be an employee. This Contract does not create any partnership, joint venture, or relationship other than an independent contractor relationship. Neither Bonner, nor its partners, Of Counsel attorneys, agents, or employees shall be deemed an employee of the City for any purpose whatsoever, and Bonner shall not be eligible to participate in any benefit program provided by the City for its employees. Bonner shall be exclusively responsible for the payment of its own respective taxes, withholding payments, penalties, fees, fringe benefits, contributions to insurance and pension or other deferred compensation plans, including but not limited to worker's compensation and Social Security obligations, professional fees or dues.

9. ASSIGNMENT: Bonner shall not assign or transfer its interest in this Contract.

10. APPLICATION OF LAWS: This Contract shall be interpreted, construed, and governed according to the laws of the State of Idaho.

11. DISPUTE RESOLUTION: Any controversy, dispute, or disagreement arising out of or relating to this Contract, or any breach thereof, shall, unless otherwise agreed to by the Parties, be settled by confidential, informal, binding arbitration with an arbitrator mutually acceptable to the Parties. Each party shall bear its own attorneys' fees and costs for such dispute resolution.

12. NOTICE: All notices required to be sent under this Contract shall be in writing and sent by First Class U.S. Mail or Personal Delivery addressed:

To Bonner:
Bonner Prosecuting Attorney 127 South First Ave,
Sandpoint, Idaho 83864 ("Bonner").

To City:
Sandpoint City Administrator, 1123 Lake Street, Sandpoint,
Idaho 83864 ("the City").

Each Party shall have the continuing obligation to advise the other of any change of address.

13. AGREEMENT: This written authorization embodies the entire agreement between the Parties, and there are no other agreements, oral or written, with reference to this Contract. In case any one or more of the provisions

contained in the Contract shall be held unenforceable, the remaining provisions contained herein shall not be impaired thereby.

14. **AMENDMENTS:** No change or modification to this Contract shall be valid unless made in writing and signed by both Parties.

15. **Board of Commissioners:** Idaho Code §§ 31-2604 and 31-3113 allows prosecuting attorneys to contract with cities for such prosecutions with the unanimous approval of the Board of Commissioners. This contract is subject to such approval.

16. **EFFECTIVE DATE:** The effective date of this Agreement is October 1, 2023.

SIGNED AND AGREED TO on this 20th day of September 2023.

By: [Signature]
Mayor for the City of Sandpoint

Attest:

[Signature]
Melissa Ward, City Clerk

SIGNED AND AGREED TO on the 21st day of September 2023.

By: [Signature]
Louis Marshall, Bonner County Prosecutor

SIGNED AND AGREED TO on the 10 day of October 2023.

By: [Signature]
Steve Bradshaw, Chairman of the Bonner County Board of Commissioners

Attest:

[Signature]
Michael Rosedale, County Clerk



Prosecutor's Office

October 4, 2023

Memorandum

To: Commissioners

From: Louis Marshall
Bonner County Prosecutor

Re: Renewal of contract for municipal prosecutor legal services with the City of Sandpoint, Idaho.

Description: Under applicable Idaho law, cities are responsible for prosecuting all misdemeanors and infractions which occur within their territorial limits. However, counties routinely provide this service in exchange for compensation. For the last five years, the Bonner County Prosecutor's Office has contracted with the City of Sandpoint to do just that, to great success.

The purpose of this new agreement is to reflect increases in the cost Bonner County will incur to complete its obligations under the Contract. As such the total amount is increasing from \$75,000 to \$85,000.

Distribution: _____ Copy to BOCC Office
_____ Copy to Louis Marshall, Bonner County Prosecutor

A suggested motion would be: **Mr. Chairman based on the information before us I move that the Board approve the contract between the Bonner County Prosecutor's Office and the City of Sandpoint for the provision of municipal prosecutor legal services and authorize the Chairman to sign the agreement administratively.**

Recommendation Acceptance: ☒ yes ☐ no

Commissioner Steven Bradshaw, Chairman

Date: 10-10-23



AGENDA REPORT

City Council Meeting

TODAY'S DATE: October 3, 2025

MEETING DATE: October 15, 2025

TO: City Council

FROM: Cheryl Hughes, Central Services Director

SUBJECT: Approve Personnel Policy Changes

DESCRIPTION/BACKGROUND:

City Council adopted the current Personnel Policy on April 17, 2019. As a result of the Compensation and Classification Study, there are sections within the Personnel Policy that need to be added and updated, as it related to On Call and Duty Phone employees and subsequent compensation and compensation for Wastewater Treatment Plant employees. Additionally, adding policy on the City recovering employer paid premiums when an employee does not return from a Leave of Absence not covered by any leave bank and medical and/or dental premiums were paid throughout the Leave of Absence. Employees are responsible to cover their premiums during a Leave of Absence but the City continues to cover the employer portion of the premiums. If the employee does not return from Leave, those employer paid premiums as outlined above may be returned to the City. This policy is in line with the policy for FMLA, which reads, *"If the employee does not return to work at the end of the FMLA leave for reasons other than the continued serious health condition of the employee or eligible family member, the City may recover from the employee the premiums that were paid for the employee's medical coverage during the FMLA leave period"*.

Staff will be working evaluating and updating a revised Personnel Policy that will be brought to Council for review and adoption when that large exercise is completed. This new Personnel Policy when completed will incorporate the Salary Administration Policy into that final document so there will only be one Employee Handbook and Personnel Policy, which will be more efficient and easier for all.

- A. The following changes are being requested within the Personnel Policy at this time and redlined versions are included as an attachment to this Agenda item:

1. Section XIII – Employee Classification

a. Section XIII(C) – On-Call and Duty Phone Employees

Change to reflect clarification for on-call and duty phone employees, including rotations and that these rotations will be managed at the Division level and Procedures developed by the Department Head.

2. Section XIV – Compensation Policies

a. Section XIV(O) – On-Call and Duty Phone Compensation

This is being added to the Personnel Policy and provides for compensation to employees in Public Works Streets, Utilities, Wastewater Treatment Plant, and Water Treatment Plant for carrying a City issued mobile device for on-call support and after-hours communication. Additionally, it provides compensation of 1 hour or actual time worked for responding to an emergency, paid at 1 ½ times the regular rate of pay. If call out occurs on a holiday, compensation will follow the City's Holiday Policy, as outlined in Section XV (c) of the Personnel Policy. The portion of the Holiday Policy applicable reads: *“Non-exempt employees scheduled to physically work on a holiday (actual or observed) or who are called in for unscheduled emergency work shall be compensated at a rate of two times the employee’s regular rate of pay”*.

3. Section XV – Employee Benefits

a. Section XV (E) – Leaves of Absence – to be changed as follows:

Add subsection 4 adding policy providing ability for the City to recover employer paid premiums when an employee does not return from a Leave of Absence not covered by any leave bank and medical and/or dental premiums were paid throughout the Leave of Absence. Employees are responsible to cover their premiums during a Leave of Absence but the City continues to cover the employer portion of the premiums. If the employee does not return from Leave, those employer paid premiums as outlined above should be returned to the City. This policy is in line with the policy for FMLA, which reads, *“If the employee does not return to work at the end of the FMLA leave for reasons other than the continued serious health condition of the employee or eligible family member, the City may recover from the employee the premiums that were paid for the employee’s medical coverage during the FMLA leave period”*.

STAFF RECOMMENDATION:

Staff recommends City Council make a motion to approve the changes to the Personnel Policy.

ACTION:

Motion to approve changes to the Personnel Policy.

WILL THERE BE ANY FINANCIAL IMPACT? No HAS THIS ITEM BEEN BUDGETED? N/A

ATTACHMENTS:

- Proposed Resolution
- Personnel Policy
- Personnel Policy redlined sections summary

No: 25-
Date: October 15, 2025

RESOLUTION
OF THE CITY COUNCIL
CITY OF SANDPOINT

TITLE: PERSONNEL POLICY AMENDMENTS

WHEREAS: The City's current Personnel Policy has been in use since April 2019, with updates now required as a result of the 2025 Compensation and Classification Study;

WHEREAS: The proposed amendments would add language providing: 1) for compensation to Public Works Department employees in the Streets and Utilities Divisions and at the Wastewater and Water Treatment Plants for carrying a City-issued mobile device for on-call support and after-hours communication and 2) the ability for the City to recover employer-paid premiums when an employee does not return from a leave of absence not covered by any leave bank and medical and/or dental premiums were paid throughout their leave; and

WHEREAS: Although these specific amendments are requested in order to make necessary updates at this time, work is currently underway to streamline the City's various personnel-related policies, and a new comprehensive Employee Handbook and Personnel Policy will be presented for Council consideration in the near future.

NOW, THEREFORE, BE IT RESOLVED THAT: The amendments to the City of Sandpoint Personnel Policy herein described and as reflected in the attached document are hereby approved, effective immediately.

Jeremy Grimm, Mayor

ATTEST:

Melissa Ward, City Clerk



City of Sandpoint Personnel Policy

Approved by the City Council

Date: April 17, 2019

Updated:

March 19, 2025
June 25, 2025

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I. WELCOME STATEMENT

At City of Sandpoint, we know that the talents and skills of you, our employees, are our principal resources. In recognition of this invaluable contribution, we have developed sound, competitive, and comprehensive policies and programs in order to provide an excellent working environment.

This handbook summarizes our policies and programs and will serve as a helpful guide in understanding what we can expect from each other. Please read it carefully and keep it for future reference. If you have specific questions, or need clarification on any information contained in this handbook, please see your supervisor.

Our success depends upon us working together in a spirit of teamwork. Together we can satisfy our citizens' needs and enjoy a mutually rewarding working relationship.

Sincerely,

City Council
City of Sandpoint

II. HISTORY

The City is a political subdivision of the state of Idaho, though it is not a part of state government. The City Council serves as the governing body of the City, carrying out local legislative duties and fulfilling other obligations as provided by law. The City Council is the general policymaker for the City and has primary authority to establish terms and conditions of employment with the City. The Mayor, or his/her designee, may appoint personnel to help carry out administrative responsibilities. As with all elected public officials, the Mayor and City Council are ultimately responsible to the voters of the City.

Employees should recognize that although they may serve as an employee supervised by the Mayor or his/her designee, they remain an employee of the City and not of the official who supervises their work. The terms and conditions set forth in this Policy, and in the resolutions and policy statements that support it, cannot be superseded by any other official, without the express written authorization of the City Council. That is particularly true for terms or conditions that would establish a current or future financial obligation for the City. You may, however, work for an office/division with an operational policy that provides additional direction to employees on expectations and procedures unique to that office/division.

III. PURPOSE

City of Sandpoint believes it is important to keep employees fully informed about organizational policies. We want each employee to understand what he or she can expect from the organization as well as the obligations assumed as an employee. The policies and practices described in this handbook reflect a great deal of care and concern for the people who make it possible for City of Sandpoint to exist—our employees.

The intent of this Policy is to provide employees with a basic outline of some of the programs, policies, and benefits available to City of Sandpoint employees. It is designed to introduce you to the City, familiarize you with various policies, practices and procedures currently in effect at the City, and help answer many of the questions that may arise in connection with your employment.

This Policy is not a contract of employment and does not create a contract of employment. Nothing contained within this Policy is intended to create, or shall be construed as creating, an express or implied contract or guarantee for employment for any term. Its purpose is simply to provide you with a convenient explanation of present policies and practices of the City.

This Policy may change with time or it may need to be clarified, amended, supplemented, or rescinded. Therefore, City of Sandpoint reserves the right to modify, rescind, delete or add to the provisions of this Policy as well as any of its other personnel policies and practices from time to time as the organization deems necessary or appropriate.

This Policy applies to all City employees, including firefighters, to the extent that the provisions contained herein are not in conflict with the current collective bargaining agreement (CBA). If there is a conflict between this policy and the current CBA, the CBA shall control.

IV. EMPLOYMENT AT-WILL

Employment with City of Sandpoint is at-will, unless a collective bargaining agreement setting forth just cause principles applies. At-will employment means that either the employee or the employer is free to terminate the employment relationship at any time *with or without reason, advance notice, or warning*. No representative of this organization has the authority to change this at-will relationship except in a specific written agreement declaring such intent and signed by the employee and approved by the City Council.

All employees of the City are at-will and are employed at the discretion of the Mayor and/or the head of the division in which the employee works. Only a signed written contract authorized by the City Council can alter the at-will nature of employment regardless of anything written or spoken by the Mayor or supervisor. Employees have no right to continued employment or employment benefits, except as may be agreed to in writing and expressly approved by the City Council. All provisions of this Policy will be interpreted in a manner consistent with this paragraph. In the event of any irreconcilable inconsistencies, the terms of this paragraph will prevail.

V. CRIMINAL BACKGROUND CHECKS

All new hires must satisfactorily complete a background check. The background check is customized based on the position and duties required and may include a criminal background check, credit check, references check, verification of certifications and/or relevant educational history, and/or licenses and other job-specific requirements.

A criminal conviction is not necessarily a bar to employment. The City considers each situation on a case-by-case basis. The City will consider the nature and severity of any conviction, the time that has elapsed since commission, conviction and completion of sentencing and the nature of the job. All information obtained as a result of a background check will be used solely for employment purposes. All background check information will be kept confidential. The City Complies with all applicable federal, state and local laws regarding background checks.

Any employee convicted of a crime during employment must inform his/her division head and the Human Resources Director of such conviction (including pleas of guilty) immediately. The Human Resources Director will review the conviction to determine whether the conviction is work related and therefore will affect the employee's status. Failure to notify the City of any convictions may be grounds for disciplinary action, up to and including termination of employment.

VI. EMPLOYEE CODE OF CONDUCT

Employees are expected to conduct themselves in a professional manner that is both civil and cooperative. City employees are public employees and therefore are exposed to additional public scrutiny in both their public and personal conduct. This Code of Conduct has been established to aid employees in understanding both expected and prohibited conduct. Violations of the Code of Conduct will be grounds for disciplinary action up to and including termination of employment. This list is illustrative and not all inclusive. Other behaviors and acts of misconduct not specifically detailed here may be grounds for disciplinary action as well. Nothing contained herein is intended to change the at-will nature of employment or limit the reasons for which an employee may be disciplined.

A. EXPECTED CONDUCT

Each employee is expected to conduct himself/herself in a professional manner. In order to accomplish this, each employee must:

1. Be respectful, courteous and professional. Work cooperatively and constructively with fellow workers and members of the public. Comply with supervisor directions.
2. Be prompt and regular in attendance at work for defined work schedules or other required employer functions, and follow procedures for exceptions to the normal schedules, including the scheduling and taking of personal time off.
3. Comply with dress standards established in the division for which the employee works. In the absence of any division dress standards, clothing will be appropriate for the functions performed and will present a suitable appearance to the public.
4. Abide by all division rules and direction of a supervisor whether written or oral. No employee will be required to follow the directive of a supervisor that violates the laws of the local jurisdiction, state or nation.
5. Maintain the confidential nature of records that are not open to the public in accordance with the direction of the responsible official.
6. Maintain a current appropriate driver's license when work for the City requires the employee to drive a vehicle as part of his/her responsibilities. Each such employee must report any state-imposed driving restrictions to his/her immediate supervisor and notify his/her supervisor if his/her driving abilities are impaired.
7. Follow all workplace rules, procedures and policies whether established formally by the division or by outside agencies.
8. Report all accidents and near misses that occur or are observed on the job, or that involve City property, and cooperate as requested in the reconstruction of any such accident.
9. Avoid conflicts of interests in appointments and working relationships with other employees, contractors and potential contractors in the City and related agencies.
10. Adhere to any code of ethics in the employee's profession.

B. PROHIBITED CONDUCT

Employees are expected to refrain from behaviors that reflect adversely upon the City, including:

1. Not initiate or participate, or encourage others, in acts or threats of violence, bullying, malicious gossip, spreading of rumors, or any other behavior designed to create discord and lack of harmony, or that willfully interferes with another employee's ability to do his/her job.
2. Not engage in abusive conduct or language, including profanity and loud, threatening or harassing speech, toward or in the presence of fellow employees or the public.
3. Not engage in conduct at or away from work that may reflect adversely upon the City or its officials or otherwise impair the employee's ability to perform job duties.
4. Not engage in prolonged visiting with coworkers, children, friends or family members that interfere with work in the division in which the employee serves.
5. Not use work time for personal business, including the selling of goods or services to the general public.
6. Not use phones or computers in the workplace in a manner that violates policy or that disrupts workplace productivity, including time spent on social media.
7. Not use City-owned tools and equipment for personal use.
8. Not use work time or public premises to promote religious beliefs to members of the public or fellow employees.
9. Not have outside employment, or serve on any board or commission, that conflicts with duties performed for the City in any meaningful way. Individual offices/divisions may determine permissible examples of outside employment.
10. Not knowingly make any false report or complaint regarding behavior of others or participate in such report or complaint.
11. Not release any public record, including personnel records, without the express authority of the public official responsible for custody of the record.
12. Not use any substances, lawful or unlawful, that will impair the employee's ability to competently perform his/her work or threaten the safety and well-being of other workers or the public. If the employee is prescribed a medication that may impair the employee's ability to safely do his/her job, the employee is required to provide a physician's note explaining the possible effects of the medication on the employee's ability to do his/her job and the length of the time that the employee will be required to take the medication. The employee may be required to take leave while taking the medication.
13. Not destroy, alter, falsify or steal the whole or any part of a police report or any record kept as part of the official governmental records of the City (I.C. §§ 18-3201 and 18-3202).
14. Not provide false or misleading information on employment applications, job performance reports or any other related personnel documents or papers.
15. Not engage in conduct that violates the laws of the state of Idaho, including but not limited to I.C. § 18-1356 (accepting gifts that exceed a value of \$50), I.C. § 74-401 et seq. (Ethics in Government Act), I.C. § 74-501 et seq. (Prohibitions Against Contracts) and I.C. § 18-1359 (Using Public Position for Personal Gain).
16. Not accept gifts or gratuities in any personal or professional capacity that, although it may be legal, could create the impression that the giver was seeking favor from the employee or official in violation of I.C. § 18-1356 and I.C. § 18-1357.
17. Not engage in criminal conduct of any kind while on or off duty.

18. Not engage in political activities while on duty. This rule does not apply to Elected Officials.
19. Not display political pictures, stickers, badges, or buttons on City equipment or buildings or on one's person during work hours.
20. Not use the official authority or influence of their employment to further the cause of any political party or candidate for nomination or election to political office.

VII. WORKPLACE VIOLENCE

The City seeks to provide a violence-free workplace. Violence in the workplace poses a threat to the safety of employees and the public. The City will not tolerate acts and behaviors that are likely to result in workplace violence, including, but not limited to: abusive language, hitting or shoving, threats of bodily harm, threats or acts of violence, brandishing of an object which may be used as a weapon, sending threatening, harassing or abusive e-mail and faxes, using the workplace to violate protective orders and stalking.

All employees are responsible for minimizing workplace violence. All acts or threats of violence should be promptly reported to a supervisor, division head, Human Resources Director or the Mayor. Employees should also report situations that they believe could lead to workplace violence, including but not limited to protective orders or other no-contact orders.

Any employee who is determined to be responsible for acts or threats of violence, or other conduct listed in this section, will be subject to prompt disciplinary action up to and including termination of employment.

VIII. UNLAWFUL WORKPLACE DISCRIMINATION, HARASSMENT AND RETALIATION

The City strives to maintain a supportive and civil workplace—one in which employees treat each other with respect and dignity. In keeping with these values, the City prohibits and does not tolerate unlawful workplace discrimination, harassment or retaliation.

The following defined terms are applicable to this section:

- **Legally protected class** means a personal characteristic that is protected by law. This includes race, color, national origin, religion, sex, age (40 and over), disability, sexual orientation, gender identity/expression, or any other characteristic protected by law.
- **Participation in the workplace** includes all aspects of being an employee at the City, including recruitment, hiring, job performance, performance reviews, training, development, promotion, demotion, transfer, compensation, benefits, educational assistance, layoff and recall, participation in social and recreational programs, termination and/or retirement.

A. WORKPLACE DISCRIMINATION

Workplace discrimination is when one or more persons in a legally protected class are treated adversely with respect to their participation in the workplace. Adverse employment actions usually involve decisions made by supervisors, division heads, or Elected Officials that affect the workplace status and benefits of employees.

Illegal adverse employment actions may include, but are not limited to, not hiring a qualified applicant due to his/her age, not promoting an employee due to his/her religious beliefs, denying an employee a raise due to his/her race, disciplining an employee more harshly than others due to his/her sex, and terminating an employee due to his/her national origin.

B. WORKPLACE HARASSMENT

Workplace harassment is unwelcome conduct that is directed to one or more persons in a legally protected class that interferes with their participation in the workplace. The offensive conduct must be severe or recurring such that it creates a work environment that a reasonable person would consider intimidating, hostile or abusive. Petty slights, annoyance, and isolated incidents (unless extremely serious) will not rise to the level of illegality.

Offensive conduct may include, but is not limited to, offensive jokes, slurs, epithets or name calling, physical assaults or threats, intimidation, ridicule or mockery, insults or put-downs, offensive objects or pictures.

C. WORKPLACE SEXUAL HARASSMENT

Sexual harassment is a specific type of workplace harassment. Since it is particularly destructive to the work environment it is more thoroughly addressed here.

Sexual harassment occurs when one or more persons are subject to unwelcome sexual advances, request for sexual favors, or other verbal, non-verbal, visual or physical harassment of a sexual nature that is so severe or recurring such that it creates a hostile or offensive work environment.

Sexual harassment includes sexually harassing others of the same and/or different gender, gender identity or gender expression.

Sexual harassment is unlawful whether it involves coworkers, supervisors, division heads, Elected Officials, or customers of the City.

Sexual harassment may include, but is not limited to:

1. Leering, making sexual gestures, or displaying derogatory and or sexually suggestive objects, pictures, cartoons, posters or drawings;
2. Sexually degrading language, derogatory comments, epithets, slurs, sexually explicit jokes or comments;
3. Verbal or non-verbal unwanted sexual advances or propositions;
4. Threatening or making reprisals after a negative response to sexual advances;
5. Offering employment benefits such as raises, promotions and job retention in exchange for sexual favors;
6. Unwanted physical conduct such as touching, massaging, pinching, patting, hugging; and
7. Physical interference with normal work or movement including impeding or blocking movement.

D. HOSTILE WORK ENVIRONMENT

A hostile work environment is discrimination or harassment in the workplace in which comments or conduct based on a legally protected class, unreasonably interferes with participation in the workplace. To a reasonable person, the comments or conduct must be severe or recurring such that it creates an intimidating or offensive work environment. Isolated incidents, petty slights, occasional teasing or impolite behavior are generally not sufficient to create a hostile work environment.

Examples of a hostile work environment may include, but are not limited to: being subjected to daily racial slurs, recurring derogatory comments about job performance based on gender, continuous sexual advances or propositions, frequently receiving sexually explicit emails from a coworker, physical harassment like hitting, pushing, groping and other touching.

E. WORKPLACE RETALIATION

Workplace retaliation is when an employee is punished or negatively treated because the employee engaged in legally protected activity, including initiating a complaint of discrimination or harassment, providing information or assisting in an investigation or refusing to follow orders that would result in discrimination or harassment. Retaliation can result from employment action taken by a supervisor, division head, Elected Official or from acts of other employees.

Examples of conduct that might be considered retaliation for engaging in protected activity include assigning the employee to less desirable tasks or shifts in the office, denying an employee a promotion or raise, socially isolating an employee, playing practical jokes on the employee, and allowing other employees to be critical of an employee for participating in a workplace investigation into alleged discrimination or harassment.

F. RESPONSIBILITIES

1. Employee Responsibilities

Employees should report incidents of discrimination, harassment, sexual harassment, hostile work environment or retaliation as soon as possible after the occurrence. Reporting should be made to any of the following:

- Designated Official
- Supervisor
- Division Head
- Human Resources Director
- Legal Counsel for the City

If the employee's supervisor is the subject of the incident, the employee should instead report the incident to one of the other listed officials. Reporting should be made regardless of whether the offensive act was committed by a supervisor, coworker, vendor, visitor or customer.

2. Supervisor Responsibilities

All supervisors are expected to ensure that the work environment is free from unlawful discrimination, harassment, sexual harassment, retaliation or the development of a hostile work environment. They are responsible for the application and communication of this policy within their work areas. Supervisors should:

- Encourage employees to report any violations of this policy before the harassment becomes severe or recurring.
- Make sure the Human Resources Office is made aware of any inappropriate behavior in the workplace.
- Create a work environment where sexual and other harassment, discrimination, or retaliation is not permitted.
- Correct any behaviors they observe that could constitute unlawful discrimination, harassment, sexual harassment or hostile work environment.
- Report any complaint of unlawful discrimination, harassment, sexual harassment, retaliation or hostile work environment to the Designated Official.

3. The City designates the Mayor, or his/her designee, as the Designated Official who will be responsible for directing the procedures of this policy.

G. PROCEDURE FOR REPORTING AND INVESTIGATING

The following steps must be followed to report and investigate incidents of unlawful discrimination, harassment, sexual harassment, retaliation, or the development of a hostile work environment.

1. A person who believes he/she has been unlawfully discriminated, harassed or retaliated against, or who observes or knows about behavior in the workplace that could be unlawful discrimination, harassment or retaliation, should report it to the Designated Official, his/her supervisor, division head, Elected Official, Human Resources Director or legal counsel for the City. The individual receiving the report must then forward it to the Designated Official. If the Designated Official is the subject of the complaint, the report must then be forwarded to legal counsel for the City.

2. Once such a complaint has been made, the complaint cannot be withdrawn by the complainant without a determination that it was made erroneously.
3. The Designated Official should promptly review the complaint and consult with legal counsel for the City and the Human Resources Director.
4. In appropriate circumstances, the person who is alleged to have committed the offense may be placed on paid or unpaid administrative leave pending a resolution of the allegations.
5. The Designated Official, in consultation with legal counsel for the City, should engage an appropriate person to investigate the complaint. The investigator should be a neutral party.
6. The investigator should interview the complainant, the person alleged to have committed the offenses, and any relevant witnesses to determine whether or how the alleged conduct occurred.
7. At the conclusion of the investigation, the investigator will submit a report of the findings to the Designated Official, who will then route it as appropriate.
8. The Designated Official and/or the appropriate supervisors and legal counsel for the City will meet separately with both the complainant and the person alleged to have committed the offenses to notify them in person of the findings of the investigation.
9. The complainant and the person alleged to have committed the offenses may submit written statements to the Designated Officials and/or supervisors challenging the factual basis of the findings. Unless circumstances prevent, the statement must be submitted no later than five working days after the meeting in which the findings of the investigation are discussed.
10. After the Designated Official and/or supervisors have met with both parties and reviewed the documentation, and after consultation with legal counsel for the City, a decision will be made as to what action, if any, should be taken by the Mayor or division head.
11. At the conclusion of this complaint procedure, the complainant should be informed that appropriate action, if any, has been taken. Because disciplinary personnel matters are confidential, details of the specific discipline should not be shared with the complainant.

H. DISCIPLINARY ACTION

1. If it is determined that unlawful discrimination, harassment or retaliation has occurred, an appropriate course of action will be taken by the City. The action will depend on the following factors:
 - a. The severity, frequency and pervasiveness of the conduct;
 - b. The conduct of the respective employees;
 - c. Prior complaints made against the person alleged to have committed the offenses; and
 - d. The quality of the evidence (first-hand knowledge, credible corroboration etc.).
2. If problematic conduct is revealed in the investigation, corrective action may be taken even if the investigation is inconclusive or if it is determined that there has been no unlawful discrimination, harassment or retaliation.

I. CONFIDENTIALITY

Confidentiality will be maintained to the fullest extent possible in accordance with applicable federal, state and local law. However, a complete and thorough investigation of the allegations will require the investigator to inform witnesses of certain aspects of the complaint in order to obtain an accurate account of the actions of the parties involved. The City's insurer may also be engaged to assist in all phases of any proceeding or investigation.

IX. GENERAL POLICIES

A. ATTENDANCE AND PUNCTUALITY

It is important for employees to report to work on time and to avoid unnecessary absences. The City recognizes that illness or other circumstances beyond an employee's control may cause him/her to be absent from work from time to time. However, frequent absenteeism or tardiness may result in disciplinary action, up to and including termination of employment. Excessive absenteeism or frequent tardiness puts an unnecessary strain on coworkers and can have a negative impact on the success of the City.

Employees are expected to report to work when scheduled. Whenever an employee knows in advance that he/she is going to be absent, the employee must notify his/her immediate supervisor or the division head. If the absence is unexpected, the employee should attempt to reach his/her immediate supervisor as soon as possible, but in no event later than one hour before the employee is due at work. In the event the immediate supervisor is unavailable, the employee must speak with the division head or his/her designated representative. If the employee must leave a voicemail, he/she must provide a phone number where the employee may be reached if need be.

B. SUBSTANCE ABUSE

The City recognizes alcohol and drug abuse as potential health, safety and security problems. The City expects all employees to assist in maintaining a work environment free from the effects of alcohol, drugs or other intoxicating substances. Compliance with this substance abuse policy is made a condition of employment, and violations of the policy may lead to discipline and/or termination of employment.

All employees are prohibited from engaging in the unlawful manufacture, possession, use, distribution or purchase of illicit drugs, alcohol or other intoxicants, as well as the misuse of prescription drugs on City premises or at any time and any place during working hours. All employees are required to report to their jobs in appropriate mental and physical condition, ready to work.

Substance abuse is an illness that can be treated. Employees who have an alcohol or drug abuse problem are encouraged to seek appropriate professional assistance. Employees may inform their immediate supervisor, division head, or the Human Resources Office for assistance in seeking help, including possible coverage under the City's medical insurance plan, to address substance abuse.

When work performance is impaired, admission to or use of a treatment or other program does not preclude appropriate action by the City.

C. RELATIONSHIP POLICY

Any supervisor involved in a romantic relationship with a subordinate must immediately notify his/her superior of the existence of any such relationship. Efforts should be made to eliminate supervisory responsibility for one who is romantically involved with a subordinate. Employees involved in such relationship bear a responsibility to the City to cooperate in any effort to avoid the potential conflicts that can arise from such personal relationships in the workplace. Such relationship may result in a change of employment duties.

D. TOBACCO FREE WORKPLACE POLICY

City of Sandpoint is committed to providing a safe and healthy workplace and promoting the health and well-being of its employees. All premises of the City workplace and property are tobacco free, including leased/owned vehicles and equipment. Per Idaho Code § 39-5502, smoking is prohibited within 20 feet of any building entrance for employees and the public. Tobacco is defined, but is not limited to, any type of tobacco product that is smoked, applied to the gums, and/or inhaled. This includes cigarettes, cigars, pipes, e-cigarettes, chewing tobacco, plug, snuff, or any other form of tobacco products. This policy does not apply to products recommended or prescribed as part of a tobacco cessation program, with the exception of e-cigarettes. Effective January 1, 2020, this policy applies to all full-time, part-time and temporary employees, all visitors, and all contractors. Tobacco use is only permitted during meal and rest periods.

E. OUTSIDE EMPLOYMENT

Employees may engage in outside employment, in addition to their City employment, only under the following conditions:

1. There shall be no conflict of interest or incompatibility with the employee's City employment.
2. The time involved in outside employment shall not adversely affect the employee's attitude or efficiency in his or her City employment.
3. No telephone calls or personal contacts concerning the outside employment shall be made during the hours of City employment.
4. Each employee shall report all outside employment to his or her division head and shall secure the written approval of such division head prior to the commencement of such outside employment. The division head shall notify the Human Resources Director at the time such outside employment is approved.

F. CITY COMMISSIONS, COMMITTEES AND BOARDS

To avoid conflict of interest, to ensure City commissions, committees, and boards are citizen driven, and to provide clarity regarding appointment and participation in City commissions, committees or boards:

1. City employees shall not serve as members on any City commission, committee or board. However, an employee may participate at meetings as a resource but only when invited by the Chair of the commission, committee or board, and with the permission of the applicable division head. If not attending at the request of the Chair, the employee may attend as any other member of the general public.
2. City employees may serve on non-City commissions, committees or boards and conflict of interest will continue to be determined per above Section E, Outside Employment.

G. WEAPON FREE WORKPLACE

To assure compliance with the intent of Idaho Code § 18-3301, 3302C, and 3303, the City of Sandpoint will not allow any employee, or person governed by these rules, other than sworn law enforcement personnel and employees properly acting within the scope of their official duties, to be in the possession of any weapon, inside City buildings/facilities. Additionally, any employee with a concealed weapons permit shall not be allowed to bring a weapon into City buildings/facilities.

All employees, other than sworn law enforcement personnel and those acting within the scope of their duties, which require the carrying and/or transport of a weapon outside City buildings/facilities, are prohibited from carrying or transporting weapons when using City provided vehicles in conjunction with City business. Employees who use their own vehicle for City business are not required to remove personal weapons that they normally have in their vehicle, provided that they comply with all state, federal and local laws regarding said weapon.

X. EMPLOYEE DISCIPLINE

A. PERFORMANCE/DISCIPLINE FRAMEWORK

The following framework provides discipline options that may be taken when an employee violates employment policies or fails to adequately perform his/her duties. Nothing contained herein is intended to change the at-will nature of the employee's employment or limit the reasons for which the employee may be disciplined, including termination of employment. Progressive steps may be implemented in order to encourage improved performance or attitude but are not required. The City may take any of the following disciplinary actions, or any other action, in any order when it deems an action or performance of the employee to be serious enough to warrant a certain discipline.

B. DISCIPLINARY ACTIONS AVAILABLE

1. The following actions are among the disciplinary actions that may be taken in response to personnel policy violations or performance deficiencies:
 - a. Verbal warning
 - b. Written warning or reprimand
 - c. Suspension without pay
 - d. Demotion
 - e. Termination of employment
2. Conditions of maintaining employment that relate to particular performance/behavior issues may be established in conjunction with any of these actions.

C. OPPORTUNITY TO BE HEARD—NAME-CLEARING HEARING

1. All employees are at-will. However, an at-will public employee whose employment is being terminated, or demoted with a reduction in pay, based upon allegations of *dishonesty, immorality or criminal misconduct* is constitutionally entitled to a name-clearing hearing when one is requested.
2. Failure by the employee to pursue this hearing procedure constitutes a waiver of this opportunity.
3. Issues involving dishonesty, immorality or criminal misconduct are the only issues that will be heard in this procedure.
4. The procedure for the hearing is as follows:
 - a. Within 14 days of his/her employment termination or demotion, the employee may submit to the City Council a written request for a name-clearing hearing and state the basis for it.
 - b. A request for hearing will be denied if the employee misses the deadline for submittal of the request or does not state a valid reason. An employee will be notified if a requested hearing is either granted or denied.
 - c. An employee granted a hearing will meet with the City Council. The hearing will not exceed one hour in duration.
 - d. An audio recording of the hearing will be made and maintained as part of the personnel record.

- e. The employee's supervisor may provide a brief written statement at least 24 hours prior to the hearing. The City Council may require the supervisor to participate in the hearing.
 - f. The employee will be provided an opportunity to present evidence upon which the claims are based.
 - g. The City Council may ask questions during this process.
 - h. The Idaho Rules of Evidence do not apply to this hearing.
5. After the hearing, the City Council will consider the information submitted, and other information as might be in the City's records, to arrive at a decision and will issue a written statement setting forth the reasons for the decision.

XI. HIRING POLICIES

A. EQUAL EMPLOYMENT OPPORTUNITY

1. All selection of employees and all employment decisions, including classification, transfer, discipline and employment termination, will be made without regard to race, religion, sex, age, national origin, sexual orientation, gender/identity expression or non-job-related disability, or any other characteristic protected by law. No job or class of jobs will be closed to any individual except where a mental or physical attribute, sex or age is a bona fide occupational qualification.
2. All objections to hiring or other employment practices will be brought to the attention of the Mayor, division head, supervisor or Human Resources Office, or in the case of objection to actions undertaken by any of them, to legal counsel for the City.
3. Employees can raise concerns and make reports without fear of retaliation. Anyone found to be engaging in any type of unlawful discrimination will be subject to disciplinary action, up to and including termination of employment.
4. The City will endeavor to make reasonable accommodations for qualified individuals with known disabilities, unless doing so would result in an undue hardship. An employee should advise either the division head, supervisor or Human Resources Office if he/she requires an accommodation to enable the employee to perform the essential tasks of the job.
5. The City will also endeavor to make reasonable accommodations for its employees' religious needs and practices, including those related to appearance and observance of holidays. An employee should advise either the division head, supervisor or Human Resources Office if he/she requires accommodation for religious reasons.

B. PREFERENCE FOR PROMOTING FROM WITHIN

1. Qualified City employees who have obtained a higher level professional license may be promoted within a line of progression without following the notice and selection procedures normally required for hiring new employees.
2. Qualified employees include those in a line of progression that is defined as classifications that have various class levels for similar positions that result in a progressive promotion upon obtaining a higher level license, e.g. Water Treatment Operator I, II etc. City of Sandpoint lines of progression include the following:
 - a. Utility Operator I, II, III
 - b. Water Treatment Operator I, II, III, IV
 - c. Wastewater Treatment Plant Operator I, II, III, IV
3. Lines of progression do not include supervisory positions or other classifications wherein the scope of work is changed based on the level of responsibility and knowledge, skills and abilities required.

C. VETERAN'S PREFERENCE AND RIGHTS

1. The City will grant a preference to U.S. Armed Services veterans, or certain of his/her family members, in accordance with provisions of Idaho Code, Title 65, Chapter 5. In the event of equal qualifications for an available position, a veteran or family member who qualifies for the preference will be employed.
2. Employees who are qualified veterans returning to employment with the City following qualified military leave shall have the rights and responsibilities provided by Idaho Code § 65-508 and the Uniformed Services Employment and Reemployment Rights Act, 38 U.S.C. § 4301, et seq. The returning veteran will be restored to his/her position with the same seniority, status and pay that he/she would have had if there had been no military leave. In addition, in accordance with the provisions of these laws, the veteran will not be discharged from his/her position without cause for a period of 1 year after the restoration of his/her employment with the City.

D. NEPOTISM/HIRING OF RELATIVE

1. No person will be employed by the City when the employment would result in a violation of provisions found in Idaho Code, including but not limited to I.C. Title 74, Chapter 4, I.C. § 18-1359 and their successors. Any employment made in violation of these sections may be void. The appointment or employment of the following persons is expressly prohibited:
 - a. No person related to the Mayor or a City Council member by blood or marriage within the second degree will be appointed to any compensated office, position, employment or duty; and
 - b. No public servant, including Elected Officials and employees, will appoint or vote for the appointment of any person related to him/her by blood or marriage within the second degree to any compensated office, position, employment or duty. This means no one related within the second degree to anyone involved in any way in the hiring process can be hired and/or that no one related to an applicant within the second degree can take part in the hiring process.
2. An employee whose relative is subsequently elected may be eligible to retain his/her position and pay increases as allowed by relevant provisions of Idaho law, including Idaho Code § 18-1359(5).
3. Due consideration should be given to employing related persons in the same service area as to avoid any real or perceived conflicts of interest.

XII. EMPLOYEE PERSONNEL FILES

A. PERSONNEL RECORDS

1. The official employee records for the City will be kept in the Human Resource Office.
2. The personnel files should contain records related to employee performance, employee status, and other relevant materials related to the employee's service with the City.
3. The employee's supervisor, Elected Officials and the employee himself/herself may contribute materials to the personnel files deemed relevant to the employee's performance.

B. ACCESS TO PERSONNEL FILES

1. Only the employee's supervisor, the Mayor, the City Council when acting as a board in the course of its official business, attorneys for the City, and the employee are authorized to view materials in a personnel file. Access of others to such files will be allowed only when authorized after consultation with legal counsel for the City.
2. Information regarding personnel matters will only be provided to outside parties with a release from the employee, when deemed necessary by legal counsel for the City, or pursuant to a Court order or a proper subpoena.
3. The City reserves the right to disclose the contents of personnel files to outside state or federal agencies, its insurance carrier or its carrier's agents for risk management purposes, or when necessary to defend itself against allegations of unlawful conduct.
4. Copies of materials in an employee's personnel file are available to that employee without charge, subject to exceptions provided by statutes.

C. MANAGEMENT OF INFORMATION IN PERSONNEL FILES

Each employee will be provided an opportunity to contest the contents of his/her personnel file at any time, by filing a written objection and explanation that will be included in the file along with the objectionable material. In the sole judgment of the Mayor, after consultation with legal counsel for the City, any offending material may be removed upon a finding by the City that it is false or unfairly misleading. In general, there is a presumption that materials are to remain in personnel files accompanied by the employee's written objection and explanation to provide a complete employment history. Any such approved removal of information will be documented in writing and maintained in the employee's personnel file.

XIII. EMPLOYEE CLASSIFICATION

For various reasons, employee status must be organized by classes in order to administer employee policies, benefits or otherwise address employment issues. It is generally the responsibility of the employee to assure that he/she is properly categorized for purposes of each issue or benefit type. The City will endeavor to assist with such matters, but the employee is ultimately responsible to assure that his/her service is properly addressed.

A. EMPLOYEE CLASSIFICATION FOR EMPLOYMENT STATUS

1. All employees of the City, including part-time and temporary employees, are at-will employees, except as otherwise required by law or pursuant to a written contract approved by the City Council.
2. Appointed Officials.
The city clerk, treasurer, and any other officials appointed pursuant to Idaho Code § 50-204 may only be removed pursuant to Idaho Code § 50-206.

B. EMPLOYEE CLASSIFICATION FOR BENEFIT PURPOSES

The classification of the position an employee holds with the City may affect the status of obligations or benefits associated with his/her employment. The primary classes of employees are:

1. Elected Officials
Elected Officials are not considered regular employees. Elected Officials receive employment benefits as identified in a resolution adopted by the City Council.
2. Full-Time Regular Employees
Employees whose employment is sustained and continuing and whose typical work week consists of at least 30 hours are considered full-time regular employees. Full-time regular employees are eligible for employee benefits provided by the City.
3. Part-Time Regular Employees
Employees whose employment is sustained and continuing and whose typical work week consists of at least 20 hours but less than 30 hours on a regular basis are considered part-time regular employees. Part-time regular employees may receive reduced employee benefits as authorized by the City Council and as required by federal and state law. The scope of benefits received may vary proportionately with the number of hours typically worked for a part-time regular employee. The number of hours worked may also affect the employee's obligation to participate in certain mandatory state benefit programs. Certain benefits may not be available because qualifying thresholds have not been reached.
4. Temporary Employees
Employees who work on an irregular, seasonal or temporary basis are temporary employees. Temporary employees receive no benefits provided to regular employees, except those required by law or authorized by the City Council.

C. ON-CALL EMPLOYEES

Those employees subject to being called to respond by telephone or to return to work in an emergency, but are otherwise free to use their time for personal activities are "on-call employees." On-call employees must respond to a telephone call, e-mail, or emergency alert remotely within 10 minutes, but have up to 1 hour to report to any physical location when necessary.

D. EXEMPT EMPLOYEES

Employees who work in positions exempt from the FLSA are paid on a salary basis and are ineligible for both overtime pay and compensatory time. Salaried employees are expected to manage their work schedule to accomplish the duties of the position, and may be required to work over 40 hours in a week, including nights and weekends. Salaried employees who frequently work fewer than 40 hours a week or who frequently leave work early may need additional work, which is best handled as a performance issue. Salaried employees are not managed on an hourly basis so they do not record holiday or individual work hours, but should however document PTO of four hours or more on their timesheet. Salaried employees who work at least a half-day do not have to record leave taken on their timesheet for that day. Leave taken under the FMLA should be recorded in increments of one-quarter (0.25) of an hour.

XIV. COMPENSATION POLICIES

A. ESTABLISHMENT OF EMPLOYEE COMPENSATION

Employees are compensated in accordance with, and subject to, decisions of the City Council as annual budgets are set and are subject to increase, reduction, or status quo maintenance for any time period. The City will comply with all state and federal pay acts governing compensation of its employees. The Human Resources Director may make suggestions about salary compensation and other pay system concerns, but the final decision regarding compensation policy rests with the City Council as adopted through the Salary Administration Policy.

B. RIGHT TO CHANGE COMPENSATION AND BENEFITS

The City may change general compensation for any reason deemed appropriate by the City Council. Compensation may also be adjusted based upon job performance and the availability of funds to maintain a solvent city budget. Hours worked may be reduced or employees may be laid off as necessary to meet budgetary constraints or as work needs change.

C. OVERTIME COMPENSATION

1. In addition to the employee classifications set forth elsewhere in this policy, all employees are classified as exempt (salaried) or non-exempt (hourly) for purposes of complying with the federal Fair Labor Standards Act (FLSA). Exempt employees perform work that qualifies for the professional, executive or administrative exemption and do not qualify for overtime compensation. Employees should contact their division head or the Human Resources Office for further clarification of the employee's FLSA status.
2. Overtime for non-exempt, hourly employees will be allowed only when authorized by the appropriate supervisor or when absolutely necessary in an emergency. Employees may not work any hours outside of their scheduled work day unless the supervisor has given advanced authorization for the unscheduled work. Employees may not start work early, finish work late, work during meal breaks or perform any other extra or overtime work unless they are authorized to do so, and it is reported on the employee's timesheet. Any employee who fails to report, or inaccurately reports, any hours worked will be subject to disciplinary action, up to and including termination of employment.
3. Non-exempt employees who work in excess of 40 hours per established work week, or in excess of the work period interval established for firefighters, will receive overtime pay computed at 1½ hours for each additional hour worked. Only hours actually worked will be used to calculate overtime pay. PTO or paid time off for holidays, jury duty, CAT leave or any other leave of absence will not be considered hours worked. If an employee works longer than the normal eight-hour day or is called back to work, it will be up to the supervisor to try to adjust the employee's hours for the rest of the work week to avoid overtime whenever possible.
4. It is the policy of the City to avoid the necessity for overtime work and pay overtime instead of allowing an employee to accrue compensatory time ("comp time") off hours. Any comp time hours accrued through April 17, 2019 shall be used by December 31, 2019. The division head has the right to schedule employees for the use of comp time in order to attain a 0 balance in comp time hours by December 31st.

D. REPORTING AND VERIFYING TIME RECORDS

1. Each hourly employee is responsible to timely and accurately record time that he/she has worked in accordance with the procedures authorized by the City Council and the payroll office. Each report of non-exempt employees must be signed manually or electronically by both the supervisor and the employee and must contain a certification that it is a true and correct record of the employee's actual time worked and benefits used for the time period covered. Any changes to the time record made by a supervisor or the payroll office to correct mistakes must be acknowledged by the employee. Exempt employees may be required to document time worked or benefits used for accountability purposes.
2. Any employee concerned about his/her compensation, rate of pay, payroll status, deductions, etc., must communicate such concerns to the payroll office or his/her supervisor as soon as any such concern becomes evident. Documentation of any such issue should be maintained in the employee's personnel file.
3. Employees may not falsify their own timesheet nor submit or alter another employee's timesheet in any way. Employees must not under- or over-report hours worked by themselves or other employees, or conceal any falsification of time records, even if instructed to do so by a supervisor, division head, an Elected Official or other person. If instructed to do so, the employee must immediately report it to legal counsel for the City.

E. WORK PERIODS

1. The work week for all non-exempt employees who are subject to the FLSA begins at 12:00 a.m. on Sunday of each week and concludes at 11:59 p.m. of the succeeding Saturday, unless the demands of a particular service area dictate otherwise.
2. The work period for firefighters may be up to the 28-day work period allowed by the FLSA, 29 U.S.C. § 207(k), as adopted by the City Council.

F. HOURS OF WORK

1. Generally, most positions in the City are 40-hour-a-week jobs consistent with City Hall office hours of 8:00 a.m. to 5:00 p.m. Monday through Friday, with one unpaid hour off for lunch. The hours of work of individual positions may be outside of these hours, when approved by the Department Director and Mayor.
2. Core hours when departments must ensure there is proper coverage for City Hall services are 8:00 a.m. through 5:00 p.m.. Departments may allow for varying schedules outside the normal 8:00 a.m. through 5:00 p.m. hours, as long as services or job responsibilities are not negatively impacted.
3. Some departments may permit employees to work "flexible" work schedules, such as four 10-hour days per week, or work earlier or later than the 8:00 a.m. through 5:00 p.m. hours. These "flexible" work schedules must be approved by the Department Director and Mayor and notification (schedule) provided to Human Resources. All non-law enforcement, non-exempt employees are limited to a maximum 12 hours of work in a single shift and will have a minimum of 10 hours of rest in between shifts. If emergency conditions exist, a single work shift beyond 12 hours may be approved by the Department Director or Mayor.

G. REST AND MEAL PERIODS

1. All employees scheduled to work four or more continuous hours may be given up to 15 minutes during each four continuous hours for paid personal rest break at the discretion of their Department Director or supervisor. Such breaks shall not be cumulative nor available for late arrival to work, nor used in connection with meal breaks, nor used for early dismissal at the end of the scheduled work day. Overtime will not be allowed to accumulate for rest periods missed. Employees on rest breaks shall be considered on duty and available for work at the discretion of the supervisor. The supervisor may also designate the location of breaks and limit the activities of the employees while on break.
2. A minimum of 30 minutes up to a maximum of 1 hour of unpaid time off for meal periods is provided for all employees; however, circumstances may require that employees remain on the work site during the meal period. In the event the employee remains at their work site during the meal period, the employee will not be required to add 30 minutes up to the maximum of 1 hour to their scheduled shift. Generally, employees are not to work through lunch to make up for arriving late or leaving early unless they have prior approval for a given day from their supervisor.

H. PAYROLL PROCEDURES AND PAYDAYS

1. Employees are paid bi-weekly throughout the year. Paychecks or direct deposit receipts are issued every other Friday after the end of each pay period. Should the payday fall on a holiday, paychecks will be distributed on the preceding work day.
 - a. A pay period is composed of two consecutive payroll weeks. A payroll week runs from 12:00 a.m. Sunday of one week through 11:59 p.m. Saturday of the same week. Therefore, the pay period runs from 12:00 a.m. Sunday of one week through 11:59 p.m. Saturday of the following week, unless the demands of a particular service area dictate otherwise.
 - b. Upon termination of employment, employees will be issued their final paycheck no later than the next regular payday after the pay period in which their employment ended. If requested in writing, employees may be issued their final paycheck within 48 hours of the receipt of such request, weekends and holidays excluded.
2. Every effort will be made to ensure that employees are paid correctly. Occasionally, however, inadvertent mistakes can happen. Each employee must monitor the accuracy of compensation received and review his/her paper or electronic paycheck stub when received to make sure it is correct. Information shown on the employee's paycheck stub is provided for information only. Actual practices regarding the issuance of paychecks and allocation of employee benefits must be consistent with official policy of the City. In the event of disagreement between the computer-generated paycheck stub and official policy, as interpreted by the City Council, the policy will prevail. Employees are obligated to call to the City's attention any such errors, whether to the advantage or disadvantage of the employee. When mistakes are made and are called to the City's attention, the City will correct the mistake as soon as possible.

I. JURY DUTY OR WITNESS IN COURT PROCEEDING

1. The City encourages employees to fulfill their civic responsibilities by serving on jury duty when required. Leave will be granted, and full pay provided, to employees called to serve as a court witness in matters specifically related to City operations, or called to serve on jury duty.

2. Employees must show the jury duty summons or notice to their supervisor as soon as possible so that the supervisor can make arrangements to accommodate their absence. Employees are expected to report for work whenever the court schedule permits.

J. MILITARY LEAVE

Upon providing a copy of military orders, an unpaid leave of absence will be granted to an employee to participate in ordered and authorized field training in accordance with Idaho Code §§ 46-407 and 46-409, and the Uniformed Services Employment and Reemployment Rights Act (USERRA).

K. ELECTION LEAVE

In instances where the employee's work duties prevent the employee from voting on his/her own time, an employee will be granted an appropriate amount of time, without the employee charging his/her PTO, for voting in primary, general, municipal or special elections.

L. PAYROLL DEDUCTIONS

No payroll deductions will be made from an employee's paycheck unless authorized in writing by the employee, or as required by law (Idaho Code § 45-609).

M. TRAVEL EXPENSE REIMBURSEMENT

An employee on approved City business will be reimbursed for expenses incurred in completing his/her assignment in accordance with the policies established by the City Council.

N. ON-THE-JOB INJURIES

1. Employees are covered by worker's compensation insurance for on-the-job injuries. All on-the-job injuries must be reported to the employee's supervisor in accordance with policy so that a worker's compensation claim can be filed. Return to employment will be authorized on a case-by-case basis in consultation with the supervising official and the State Insurance Fund, and may require a fitness for duty medical review. Concerns associated with injured worker status may be brought before the City Administrator or Human Resources Office for review.
2. The City will handle worker's compensation claims for sworn law enforcement officers pursuant to Idaho Code, Title 72, Chapter 11.
3. State Insurance Fund (SIF) Income Benefits
 - a. In order to receive income benefits, the time lost from work (disability) must be authorized by an employee's treating physician. Income benefits are payable if an employee is disabled from work more than five calendar days. Benefits are payable from the sixth day after disability unless the employee is hospitalized overnight or a disability exceeds 14 days. Under these conditions, benefits are payable from the date of disability. The income benefit received depends on an employee's average weekly wage. Most injured workers will be paid 67% of their gross wage.
 - b. An employee may use accrued CAT leave, if available, or PTO to make up the difference between the benefits paid by SIF and the employee's gross pay. If the employee elects to use CAT leave or PTO, payment will be made after the employee provides the payroll accountant with a photocopy of the check received by SIF. If the employee does not have accrued leave or fails to provide proof of payment, SIF income benefits will constitute the employee's entire compensation.

XV. EMPLOYEE BENEFITS

The City offers a number of employee benefits for full-time and part-time regular employees. These benefit offerings are subject to change or termination at the sole discretion of the City Council.

A. PAID TIME OFF (PTO)

PTO is an alternative to categorized vacation and sick leave accruals. It provides an employee with more flexibility to use his/her time off to meet personal needs, while recognizing an employee's individual responsibility to manage such absences. PTO accrues as the employee works. Employees will not accrue PTO while on an unpaid leave of absence or under suspension of any kind.

1. Accrual Schedule for Full-Time Employees

- a. Each full-time regular employee, who is scheduled to work 40 hours or more, will accrue PTO hours on the first and second pay period of each month according to the schedule below. If a third pay period occurs in any month, no additional pro-rated PTO hours will accrue. Part-time regular employees who work less than 30 hours, and full-time regular employees who work more than 30 hours but less than 40 hours, will accrue PTO proportionately with the number of hours typically worked. PTO accruals will be prorated for new employees based on their hire date and for employees separating from service based on their employment termination date.

Years of Service	1st/2nd Pay Period	Per Month	Per Year	Maximum (2x Annual)
< 1 year	7.00	14.00	168.00	336.00
1 year but < 2 years	7.20	14.40	172.80	345.60
2 years but < 3 years	7.40	14.80	177.60	355.20
3 years but < 4 years	7.60	15.20	182.40	364.80
4 years but < 5 years	7.80	15.60	187.20	374.40
5 years but < 10 years	8.00	16.00	192.00	384.00
10 years but < 15 years	9.00	18.00	216.00	432.00
15 years but < 20 years	10.00	20.00	240.00	480.00
> 20 years	11.00	22.00	264.00	528.00

- b. Employees must be in paid status for more than one-half of their scheduled work days during the month to earn PTO.
- c. The maximum annual accrued carryover is the limit of unused PTO that can be carried over from one fiscal year to the next. Any excess above the maximum allowable accumulation not used during the pay period in which it accrues will be forfeited, without right of compensation, at the conclusion of the pay period in which it becomes excess.
- d. PTO leave shall not be used for the purpose of postponing the date of separation, retirement or other predetermined separation or termination of employment past the actual month of the employee's last physical work day. For example, an employee who submits a notice of resignation will not be allowed to use leave to postpone their last day with the City into the subsequent month. Separation of employment needs to be in the same month as the last day worked.
- e. An employee may not establish a negative balance in the employee's PTO leave account.

2. Termination

Employees will be paid for all accrued PTO, subject to authorized deductions, when they leave employment with the City.

a. Elective Deferral

Upon separation from service for any reason other than retirement, PTO payouts may be made in the form of direct compensation to the employee or contribution as an elective deferral (subject to FICA tax) into the employee's HSA, 457 Deferred Compensation or PERSI Choice account.

b. Employer Contribution

Upon separation from service due to retirement, and the employee has reached 55 years of age or his/her applicable PERSI years of service, PTO payouts may be made in the form of employer contribution (not subject to FICA tax) to an HRA/VEBA account or as outlined in Section 2a above.

3. Minimum Increments of PTO

Employees may request and use PTO in quarter (.25) hour increments.

4. Notice and Scheduling

PTO is to be scheduled with consent of the responsible supervisor. Efforts will be made to accommodate the preference of the employee in scheduling PTO for vacations, but first priority will be the orderly functioning of the affected division. There may be occasions, such as sudden illness, when an employee cannot notify his/her supervisor in advance as required. In those situations, employees must inform supervisors of their circumstances as soon as possible.

5. Annual PTO Cash Out

Full-time regular employees may be eligible to cash out up to 40 hours of PTO per calendar year.

a. Eligibility Requirements

- i. Must have five years of continuous service as of January 31st in the current calendar year;
- ii. Must have used a minimum of 40 hours PTO in the previous calendar year (72-hour minimum for firefighters);
- iii. Must have a minimum balance of 160 hours PTO remaining as of January 31st after the cash out is submitted (480-hour minimum for firefighters); and
- iv. Must have direct compensation less than the current Social Security Old-Age Survivors and Disability (OASDI) benefit base.

b. Cash-Out Distributions

- i. Employees may select distribution as additional cash compensation or direct payment to HSA or 457 Deferred Compensation account.
- ii. If an employee's PTO balance drops below the minimum when it is processed, then the cash-out hours and corresponding distribution will be reduced accordingly.
- iii. Employees will receive distributions on the last paycheck in March in the current calendar year.

B. CATASTROPHIC (CAT) LEAVE

Employees hired prior to November 1, 2017 may be eligible to use CAT leave hours in the event of a covered illness or worker's compensation injury.

1. Employees who have a covered illness that will require them to be absent for longer than three working days per condition are required to contact their immediate supervisor and the Human Resources Office to request FMLA, if eligible, and for approval of CAT leave usage.
2. Employees must first use a minimum of three working days of PTO per condition before CAT leave usage is approved.
3. CAT leave hours are non-renewable and additional hours or days shall not be added once the CAT leave bank is exhausted.
4. Upon separation from service for any reason, employees will be cashed out at 25% of their CAT leave balance (not to exceed \$5,000) in the form of employer contribution to an HRA/VEBA account. Employees hired prior to January 1, 1989, will be cashed out at 50% of their CAT leave balance, up to a maximum of 360 hours.

C. HOLIDAYS

1. This Holiday Policy will be applicable to all full-time regular employees and part-time regular, seasonal, and temporary employees and does not apply to any employees under a collective bargaining agreement.
2. Eleven official holidays are provided for full-time regular employees. Full-time regular employees receive compensation for that day even though they do not work. Holidays which fall on Saturday will be observed on the preceding Friday. Those which fall on Sunday will be observed on the Monday immediately following the Sunday holiday. The holiday schedule may be changed at any time with City Council approval.
3. Holiday Bank
 - a. When a holiday falls on an employee's regularly scheduled day off, the employee will have their typical work schedule hours placed into a Holiday Bank. For example, if an employee typically works 10 hours, the employee will have 10 hours placed into a Holiday Bank for the holiday which fell on the employee's regularly scheduled day off.
 - b. If the holiday falls within a period of scheduled leave, the holiday hours will be used during that period instead of PTO, due to policy requirement to use Holiday before the use of PTO.

For example – if an employee takes a week vacation and during the week, there is a City observed holiday, when entering time for that week, the employee would enter their regular hours in Holiday Not Worked and NOT in the Holiday Bank and then use any available hours within their Holiday Bank, with the and remaining hours entered as PTO.
 - c. The maximum number of hours that can be accrued within the Holiday Bank is 50 hours. An employee will not accrue holiday time above the maximum 50 hours. Accrued hours in the employee Holiday Bank must be used prior to use of PTO.
4. Holiday Pay
 - a. Full-time regular employees will be compensated for the holiday at straight time pay for the number of hours they are normally scheduled. Part-time regular seasonal, and temporary employees do not receive holiday pay, unless they are scheduled and physically work on the holiday (actual or observed).

- b. Non-exempt employees scheduled to physically work on a holiday (actual or observed) or who are called in for unscheduled emergency work shall be compensated at a rate of two times the employee's regular rate of pay.

5. Recognized Holidays:

New Year's Day	Labor Day
Human Rights Day	Veterans Day
Presidents' Day	Thanksgiving Day
Memorial Day	Day after Thanksgiving
Juneteenth	Christmas Day
Independence Day	

- 6. The Mayor has the authority to temporarily adjust the operating hours of City offices on days immediately preceding or following scheduled holidays based on workload and employee morale. In the event City offices are closed early, employees have the option of working their regularly scheduled shift or they may use PTO or Holiday Bank to leave early. No additional holiday pay shall be provided to employees who opt to leave early and no reduction to PTO or Holiday Bank hours taken shall be provided to employees who have previously scheduled for the day off.

D. BEREAVEMENT LEAVE

Up to five days of paid leave of absence will be provided upon approval by division head for a death in the immediate family (spouse, parents, grandparents, children, grandchildren, brothers and sisters, including in-laws). Only time taken within 30 days prior to or immediately following a death shall qualify as bereavement leave. If an employee is on scheduled time off at the time bereavement occurs, bereavement leave shall be paid and time off shall not be charged to accrued leave until bereavement leave is exhausted.

E. LEAVES OF ABSENCE

1. Up to five days of unpaid leave of absence may be granted by department heads for any justifiable purpose. The leave must be approved in writing and reported to the Human Resources Director and payroll accountant.
2. Any request for unpaid leave in excess of five (5) days must be submitted to the Human Resources Director and approved by the Mayor. The request must include an explanation of the reason for the unpaid leave and a statement from the Department Director stating how the employee's position will be covered in the employee's absence.
3. Unpaid leave in excess of thirty days shall require formal written approval by the Department Director and signed and authorized by the Mayor.

F. BENEFITS FOR TEMPORARY EMPLOYEES

All temporary employees will receive benefits as required by law, including worker's compensation insurance. All other benefits are to be determined in the discretion of the City Council.

G. INSURANCE COVERAGE

Various insurance benefits are available to regular employees and their family members in accordance with the terms and conditions of the City's contract for such services. The Human Resources Office should be contacted to learn of sign-up and claims procedures. Other insurance offerings may be available at employee or shared expense.

Benefits are more accurately described by the applicable summary plan descriptions (SPD) and benefit booklets. These documents are consistently reviewed and modified as the need arises. Should any differences be noted between this policy and SPD or benefit booklets, the language of the SPD or benefit booklet will prevail. Contact the Human Resources Office for a copy of SPD or benefit booklet.

H. RETIREMENT PROGRAM OFFERING

The City participates in the retirement program of the Public Employees Retirement System of Idaho (PERSI) and with Social Security (FICA). PERSI requires the City to withhold a percentage of an employee's gross salary for pension purposes, and to contribute an additional larger amount on behalf of the employee. Contact the Human Resource Office for further information.

I. MISCELLANEOUS BENEFITS

In addition to the benefits listed on the previous pages, the following are examples of miscellaneous benefits, subject to change at the sole discretion of the City Council, that may be available to employees for participation in accordance with the terms of their respective policy or agreement:

1. Deferred compensation plans handled by payroll deduction.
2. Employee-requested deduction programs.
3. Allowance for uniforms, tools, equipment, etc.
4. Further job-related training and certification opportunities.

XVI. FAMILY MEDICAL LEAVE ACT (FMLA)

This section contains a summary of FMLA rights and responsibilities and is not intended to be a complete statement of all FMLA issues that may arise. Please check with the Human Resources Office in identifying FMLA leave issues. The US Department of Labor has published an FMLA resource for employees: <https://www.dol.gov/whd/fmla/employeeeguide.pdf>. It has also published a guide for employers that is also beneficial to employees: <https://www.dol.gov/whd/fmla/employerguide.pdf>.

A. ELIGIBILITY REQUIREMENTS

To be eligible for FMLA benefits, prior to any leave request, the employee:

1. Must have worked for the City for at least 12 months, which in some circumstances may include separate periods of employment with the City;
2. Must have actually worked at least 1,250 hours for the City during the previous 12 months; and
3. The City must employ at least 50 employees within 75 miles of the employee's workplace measured by using available transportation on the most direct route.

B. FMLA RIGHTS

1. An eligible employee is entitled to job-protected, unpaid leave for the following reasons:
 - a. birth and care of the eligible employee's child;
 - b. placement for adoption or foster care of a child with the employee;
 - c. care of an immediate family member (spouse, child, parent) who has a serious health condition; or
 - d. care of the employee's own serious health condition.
2. A "serious health condition" is a condition that requires inpatient care at a hospital, hospice or residential medical care facility, including any subsequent period of incapacity or treatment in connection with such inpatient care, or a condition that requires continuing care by a licensed health care provider.
3. The employee may request up to 12 weeks of leave during a 12-month period in which the City will continue the employee's benefits (employer portion only). The 12-month period is determined using a "rolling" 12-month period measured backward from the first day of the employee's FMLA leave. If the employee does not return to work at the end of the FMLA leave for reasons other than the continued serious health condition of the employee or eligible family member, the City may recover from the employee the premiums that were paid for the employee's medical coverage during the FMLA leave period.
4. Total FMLA leave for employee spouses/parents who both work for the City is 12 weeks combined if the leave is for reasons other than the employee's own personal serious illness.

C. CONCURRENT USE OF ACCRUED LEAVE AND WORKER'S COMPENSATION REQUIRED

1. Employees are required to use any accrued PTO leave, CAT leave and compensatory time off ("comp time") concurrently with any FMLA leave. If the employee does not have sufficient

accrued leave and comp time to cover the time out on FMLA leave, the employee may take the remainder of FMLA leave as unpaid leave.

2. If the employee is on worker's compensation leave, such leave will also run concurrently with any FMLA leave.

D. EMPLOYEE OBLIGATIONS

1. Employees are required to give 30 days' advance notice, or as much time as practical, when the need for FMLA leave is foreseeable. The employee may be required to provide medical certification by his/her physician or medical practitioner indicating the diagnosis and probable duration of the FMLA qualifying medical condition. The City may also require second or third opinions at the City's expense.
2. Employees who are on FMLA leave for their own serious illness for at least one week are required to provide a medical practitioner's fitness for duty report prior to returning to work. The employee must provide his/her medical practitioner with a job description so that the practitioner can evaluate whether the employee will be able to perform all of his/her duties on his/her return to work. FMLA leave may be denied if these requirements are not met. The decision to allow an employee to return to work will be solely the City's in compliance with the provisions of FMLA. If a doctor finds that the employee is not fit to return to duty, the employee will not be allowed to return to work.
3. Employees should contact the Human Resources Office to discuss their rights and obligations for continuation of any current benefits they are receiving. Employees must make arrangements for payment of their portion of their benefit costs or discontinuation of those benefits will occur.
4. To request FMLA leave, the employee must contact the Human Resources Office indicating the reason for requesting FMLA leave and the expected duration of leave.
5. Employees eligible for FMLA protected leave may decline the use of such leave, but will then be subject to the attendance and leave policies of the City.

E. INTERMITTENT LEAVE REQUESTS

FMLA leave may be taken intermittently or on a reduced leave schedule with prior written approval from the employee's supervisor or when "medically necessary." Intermittent leave may not be used for the birth or placement of a child for adoption or foster care without the written approval of the supervisor or Mayor.

F. EMPLOYER'S RIGHTS AND OBLIGATIONS

1. The City has the duty to notify employees of the availability of the right to FMLA leave and to determine whether the employee is or is not an "eligible employee" under the Act.
2. The City may require periodic notices of the employee's FMLA status and his/her intent to return to work.
3. The City will return the employee to the same or an equivalent position after returning from FMLA leave, subject to the terms of the FMLA. The only exception may be for individuals who, under the provisions of the FMLA, are considered to be a "key employee" whose extended absence would cause "substantial and grievous economic injury".

G. THE NATIONAL DEFENSE AUTHORIZATION ACT

1. The FMLA also provides an entitlement of up to 26 weeks of unpaid leave during a single 12-month period to an eligible employee who must care for a covered service member. A “covered service person” is a spouse, son, daughter, parent or next of kin of the employee and has a serious injury or illness incurred in the line of duty that renders that person unfit to perform his or her duties in the Armed Forces. If this type of leave is requested, the City may require medical certification that the service member being cared for has a serious health condition and that it was incurred in the line of duty.
2. FMLA also now provides 12 weeks of FMLA leave to an employee if his or her spouse, son, daughter or parent has been called to active duty with the Armed Forces. No serious medical condition is required for this type of leave. If this type of leave is requested, the City may require certification that the service member has actually been called to active duty.
3. The allowed length of FMLA military leave is measured from the first day of leave taken and ends 12 months later. FMLA time already taken may be deducted from the 26 weeks of leave in some circumstances. See the Human Resources Office to determine available leave.
4. Employees are required to provide prior notice when the need for this type of FMLA military leave is foreseeable.

XVII. AMERICANS WITH DISABILITIES ACT

A. ELIGIBILITY

The Americans with Disabilities Act (ADA) and the Americans with Disabilities Amendments Act (ADAAA) prohibit employers with 15 or more employees from discriminating against individuals with disabilities.

B. REASONABLE ACCOMMODATION

The City will reasonably accommodate qualified individuals with a disability so that they can perform the essential functions of a job, unless:

1. Doing so causes a direct threat to these individuals or others in the workplace, and the threat cannot be eliminated by reasonable accommodation; or
2. The accommodation creates an undue hardship to the City.

Employees should contact their supervisor or the Human Resources Office with any questions or requests for accommodation.

XVIII. FITNESS FOR DUTY EXAMS

A. SAFE WORK ENVIRONMENT

The City is committed to maintaining a safe and productive workplace. Every employee is required to report to work fit to perform his/her job in a safe, appropriate and effective manner.

B. CONDITIONS FOR EXAM

The City may require a fitness for duty evaluation as part of a physical exam of the employee to determine the employee's physical, mental and emotional readiness to perform the essential functions of his/her job with efficiency and safety for himself/herself and others. Fitness for duty evaluations may be done in the following circumstances:

1. Following a conditional offer of employment;
2. Prior to return to work following a leave related to injury or illness;
3. When an employee expresses concern about his/her ability to perform the functions of his/her job; or
4. When there is reasonable belief that the employee cannot safely perform the functions of his/her job.

XIX. IDAHO WHISTLEBLOWER PROTECTION

A. SCOPE

Idaho Code, Title 9, Chapter 21, provides protections to public employees who experience adverse employment actions as a result of the good faith reporting of the existence of any waste of public funds, property or manpower, or of a violation, or suspected violation, of law, rule or regulation of the City, state of Idaho or the United States of America.

B. REPORTING

Any such report must be made at a time, and in a manner, which gives the City a reasonable opportunity to correct the waste or violation.

C. PROTECTION

The City may not take adverse action against an employee because the employee in good faith reports the suspected waste or violation, or participates or gives information in an investigation, hearing, court proceeding or any other form of administrative review of the report.

D. ENFORCEMENT OF RIGHTS

If the employee believes that he/she has experienced an adverse employment action protected by the Whistleblower Act, he/she may bring a civil action in District Court within 180 days of the occurrence of the violation of the Act.

XX. CANDIDACY FOR ELECTIVE OFFICE

A. FIRST AMENDMENT

While the City recognizes that the First Amendment provides Constitutional protections for the political activity of its employees, it also recognizes that this right is not absolute when balancing the right of the individual to become a candidate for office and the City's interest in promoting the efficiency of the public services it performs through its employees.

B. REASONABLE PREDICTION OF DISRUPTION

1. If an employee initiates candidacy against an Elected Official and there is a reasonable prediction of disruption, the employee must resign or face possible employment action, including being placed on an unpaid leave of absence or termination.
2. A reasonable prediction of disruption is based upon any of the following factors:
 - a. The size of the division in which the employee works—the smaller the division, the greater the likelihood of disruption;
 - b. Whether the employee candidate holds a position of trust and confidence to the incumbent—the closer the ties, the greater the likelihood of disruption;
 - c. Whether the employee candidate is running for a position in which he/she would replace or become superior to his/her current supervisor—in such circumstances the likelihood of disruption would be greater; or
 - d. The nature of the relationship between the employee candidate and the incumbent and the degree of contact they have with one another—the greater the amount of contact and interaction, the greater the likelihood of disruption.
 - e. Not all of the above factors must be met to find a reasonable prediction of disruption.

C. EVALUATION AND ACTION

1. The Elected Official should consult with legal counsel for the City in determining whether there exists a reasonable prediction of disruption and the appropriate employment action to take.
2. The Elected Official should set out in writing the factual basis for finding that there exists a reasonable prediction of disruption using the above factors and his reasoning for taking the specific action. The written findings should be provided to the employee and placed in the employee's personnel file.
3. All other applicable procedures that allow an opportunity to be heard, as set out in this policy, will apply.

XXI. SEPARATION FROM EMPLOYMENT

A. REDUCTIONS IN FORCE (RIF)

When financial circumstances or changes of workload require, the City may reduce forces in such manner as it deems necessary to maintain the effective functioning of the City services. Employee assignments may be affected by reductions in force made due to economic conditions or to changes in staffing and work needs. The Mayor, in conjunction with the City Council, may make any changes in the work force or assignment of resources deemed to be in the City's best interests.

B. COBRA BENEFITS

Employees who currently receive medical benefits and who resign or are terminated from their employment may be eligible to continue those medical benefits for a limited time in accordance with the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). Employees with questions regarding the right to continue health coverage after termination of their employment should contact the Human Resources Office.

C. EXIT INTERVIEW

Each employee who terminates from employment is encouraged to participate in an exit interview with the designated representative of the City. In such interview, the City should notify the employee when certain benefits will terminate, when final pay will be issued and review the process to receive COBRA benefits. The employee should be invited to inform the interviewer about his/her impressions of employment. An employee exit form may be completed and will be retained in the employee's personnel file.

D. RESIGNATION POLICY

1. Written and oral resignations are effective upon receipt by a supervisor or Elected Official. Oral resignations should be documented by the supervisor after consultation with the Mayor or division head. Evidence of the written or oral resignation should be provided to the employee and placed in the employee's personnel file.
2. Employees who have an unexcused or unauthorized absence of three or more working days in a row may be considered to have resigned through abandonment of his/her position. If an employee's words or actions indicate an intent to resign, including having an unexcused or unauthorized absence of 3 or more working days in a row, the City will consider the employee as having resigned and immediately notify him/her of such.

ADOPTED by the City Council on the 17th day of April, 2019.

Mayor

Date

Attest:

City Clerk

APPENDIX A

ACKNOWLEDGMENT OF RECEIPT OF CITY OF SANDPOINT PERSONNEL POLICY

I, _____ acknowledge receipt of the City of Sandpoint Personnel Policy, adopted on April 17, 2019.

- ☐ I understand that it is my responsibility to read and review this Policy.
- ☐ I understand that I am an at-will employee of the City, that this Policy is not an employment contract, that none of the provisions of this Policy can create a contract and that the Policy is not a guarantee of any particular length or term of employment.
- ☐ I understand that I am obligated to perform my duties of employment in conformance with the provisions of this Personnel Policy and any additional rules, regulations, policies or procedures imposed by the division in which I work whether or not I choose to read the new Policy.
- ☐ I understand that this Policy may be modified without prior notice to me.
- ☐ I understand that should this Policy be modified that I will be provided with a copy of the modifications.
- ☐ I understand that this Policy may be provided to me in either paper format or by electronic access.

DATED this _____ day of _____, 20____.

Employee Signature

I, _____, provided a copy (either electronically or by paper) of the City of Sandpoint Personnel Policy, as adopted by the City Council on April 17, 2019 to _____, on this _____ day of _____, 20____.

Cheryl Hughes, Central Services/HR Director

Personnel Policy Changes – Redlined:

Section XIII – Employee Classification

C. ON-CALL AND DUTY PHONE EMPLOYEES

~~Those employees subject to being called to respond by telephone or to return to work in an emergency, but are otherwise free to use their time for personal activities are “on-call employees.”~~

On-call employees must respond to a telephone call, e-mail, or emergency alert remotely within 10 minutes, but have up to 1 hour to report to any physical location when necessary.

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Those non-exempt employees who are responsible for holding/carrying a City issued mobile device for on-call support and after-hours communication. The duty phone must be carried by the designated on-call employee at all times during the employee rotation. The duty phone is to be used exclusively for City business and is not to be used for personal communications.

On-Call/Duty Phone rotations will be managed at the Division level and the Procedures developed by the Department Head.

Section XIV – Compensation Policies

O. ON-CALL AND DUTY PHONE COMPENSATION

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This On-Call and Duty-Phone Compensation Policy applies to employees in Public Works Streets, Utilities, Wastewater Treatment Plant, and Water Treatment Plant.

Facilities and/or operations that are functioning 7 days per week, the compensation for holding/carrying the City issued mobile device for on-call support and after-hours communication is \$20.00 per day.

Facilities and/or operations that function Monday thru Friday, the compensation for holding/carrying the City issued mobile device for on-call support and after-hours communication is \$20.00 per weekday (M-F) and \$30.00 per weekend day (Sat-Sun) and City observed holidays where City facilities and/or operations are closed and not performing operations or services.

If physical response is needed, employee shall receive a minimum call out compensation of 1 hour or actual time worked, paid at 1 ½ times the regular rate of pay. If call out occurs on a holiday, compensation to follow the City's Holiday Policy, as outlined in Section XV-C of this Personnel Policy.

Employees to follow Department/Division specific on-call guidelines.

P. WASTEWATER TREATMENT PLANT EMPLOYEES

Given the hazardous conditions at the Wastewater Treatment Plant facility, employees of the Wastewater Treatment Plant facility will receive \$3,000 annually in Hazardous Pay. This pay will be paid on all paychecks, including the 3rd paycheck of the month. This pay is effective until the new Administration building is completed and operational. Hazardous Pay will be pro-rated for hire or termination dates.

Section XV – Employee Benefits

3.4. The City may recover from the employee the premiums that were paid for the employee's medical or dental coverage during the leave period not covered by any leave bank if the employee does not return to work at the end of the leave of absence. The City may deduct these premiums from the employee's final paycheck or collect through other means.



AGENDA REPORT

City Council Meeting

TODAY'S DATE: March 5, 2025

MEETING DATE: March 19, 2025

TO: City Council

FROM: Cheryl Hughes, Central Services Director

SUBJECT: Approve Salary Administration Policy Changes

DESCRIPTION/BACKGROUND:

City Council adopted the current Salary Administration Policy in December 2018 with revisions in 2023 and March 2025. The Salary Administration Policy is being proposed to update the policy for changes resulting from the Compensation and Classification Study and also some minor updates to titles (ie; HR Director is now Director over Human Resources). The most significant change is in relation to Specialty Pay and removing, adding, and clarifying Specialty Pay and qualifying for this pay.

The following changes are being proposed and redlined versions of the changes are included as an attachment to this Agenda item:

1. Adding the Mayor, Finance Director, where applicable, and changing reference of the HR Director to Director over Human Resources, which is more appropriate.
2. Removing portions of the policy that are no longer applicable as a result of the Compensation and Classification Study and how the salary schedule is not structured.
3. Specialty Pay changes that include clarifying that Specialty Pay will not be paid for expired licenses or certifications; adding that the City will no longer pay for redundant certifications, as when an employee receives a certification, under the new structure, they would receive a promotion and not Specialty Pay. For example, a WWTP Operator I who obtains a WTP Operator I certification will no longer be compensated Specialty Pay for that. Another example is if a WWTP Operator I receives a WWTP Operator II certification, they would be promoted to a higher grade on the salary schedule and not receive Specialty Pay in addition to the promotion. All current employees receiving Specialty Pay continue to receive it, as long as it remains active, through their employment with the City. The City is not taking away any Specialty Pay currently being received.

Specialty Pay has been removed with the exception of the following:

1. Public Works Department Specialty Pay for Backflow Assembly Tester in Utilities for up to three employees at \$.50 per hour and Water Distribution Operator I,II, II and Wastewater Collections Operator I, II, II for Utilities employees for \$.50 per hour per certificate up to maximum \$1.50 per hour.

2. Adding a Pre-Treatment Operator certification Specialty Pay of \$1.50 per hour for one Wastewater Treatment Plant employee where they will act as the Pre-Treatment Operator, which DEQ requires we have on staff, as part of their regular job duties, in addition to their normal WWTP Operator duties.
3. Police Department has small changes and that is removing the Drug Narcotics and Bilingual Specialty Pay and combining for Community Resource Officers the Animal Abuse Investigator and the Animal Control Officer.
4. Removing Professional Development Certification of \$100 as a one-time lump sum for receiving a job-related certification, with a minimum earning of two or more Continuing Education Credits. This training and certification is likely being paid for by the City. No additional compensation is needed or is already a part of job duties and responsibilities.

STAFF RECOMMENDATION:

Staff recommends City Council make a motion to approve the changes to the Salary Administration Policy.

ACTION:

Motion to approve the changes to the Salary Administration Policy.

WILL THERE BE ANY FINANCIAL IMPACT? Yes HAS THIS ITEM BEEN BUDGETED? Yes

ATTACHMENTS:

- Proposed Resolution
- Salary Administration Policy redlined section

No: 25-
Date: October 15, 2025

RESOLUTION
OF THE CITY COUNCIL
CITY OF SANDPOINT

TITLE: SALARY ADMINISTRATION POLICY AMENDMENTS

- WHEREAS: The City's current Salary Administration Policy was approved in December 2018, with revisions in 2023 and March 2025 and amendments requested at this time due to the recently-completed Compensation and Classification Study and for some minor housekeeping updates to job titles and more significant changes in relation to specialty pay;
- WHEREAS: Portions of the Policy that are no longer applicable as a result of the Compensation and Classification Study have been removed;
- WHEREAS: The title of Mayor and Finance Director are added throughout, where applicable, and reference to HR Director is changed to Director over Human Resources;
- WHEREAS: Specialty pay changes include clarification that specialty pay is not applicable for expired licenses or certifications, that the City will no longer pay for redundant certifications, and that specialty pay has been removed from the Policy with certain exceptions for Backflow Assembly Tester and Pre-Treatment Operator;
- WHEREAS: For Police Community Resource Officers, the new specialty pay provisions also combine Animal Abuse Investigator and Animal Control Officer;
- WHEREAS: The one-time lump sum payment of \$100 for job-related professional development certification with a minimum earning of two or more Continuing Education Credits (CEU) has also been removed, where this type of training and certification is likely funded by the City and is already a part of job duties and responsibilities; and
- WHEREAS: Although these specific amendments are requested in order to make necessary updates at this time, work is currently underway to streamline the City's various personnel-related policies, and a new comprehensive Employee Handbook and Personnel Policy will be presented for Council consideration in the near future.
- NOW, THEREFORE, BE IT RESOLVED THAT: The amendments to the City of Sandpoint Salary Administration Policy herein described and as reflected in the attached document are hereby approved, effective immediately.

Jeremy Grimm, Mayor

ATTEST:

Melissa Ward, City Clerk



SALARY ADMINISTRATION POLICY

In order to attract and retain qualified personnel with the potential to assume responsible positions within the organization and to fill openings at all levels, it is the City of Sandpoint's policy to maintain consistent and competitive salary ranges based on the economic requirements of the agency and commensurate with those of the community in which we operate.

A. PURPOSE

1. To obtain the highest possible degree of employee performance, morale, and loyalty through salary administration.
2. To seek internal consistency within and between all service areas of the City.
3. To provide an effective means of controlling payroll costs and salary expenditures.
4. To provide for recognition and reward for differences in individual ability and performance.
5. To provide uniform methods for establishing and applying salary rates, and to facilitate the employment, classification, and promotion of personnel.

B. RESPONSIBILITIES

1. City Council – It is the responsibility of the legislative body to:
 - a. Review and approve salary structures, ranges, and related schedules as part of the annual budget process. The City Administrator, Mayor, Finance Director, and/or Director over Human Resources may be granted discretionary authority to make changes during the budget year to meet administrative needs but not to exceed the overall salary and benefits budget as adopted by the City Council.
 - b. Review and approve salary administration policies.
 - c. Review and render decision on matters for which authority has not been otherwise delegated.
2. Supervisors – It is the responsibility of each supervisor to:
 - a. Plan and administer the salary rates of personnel under his or her supervision within approved budgets and in accordance with the guidelines established by this policy.
 - b. Review the functions performed by each member of his or her staff, and prepare and submit position description questionnaires to the Director over Human Resources Manager.
 - c. Review and appraise the performance of each member of his or her staff periodically, and relate salary increases to performance ratings.

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3. Director over Human Resources (HR) Manager – It is the responsibility of the Director over Human ResourcesHR Manager to:

~~a. Assist the City Administrator with the developing and maintaining a consistently fair and competitive salary structure that complies with the City pay philosophy of being within +/- 5% of current market rates.~~

~~b.a.~~ Develop and recommend salary administration policies.

~~e.b.~~ Develop procedures and techniques for the implementation of uniform salary administration practices.

~~d.c.~~ Develop evaluation systems that will group positions of substantially comparable content into like salary grades, and maintain files of current position descriptions.

~~e.d.~~ Maintain such records as may be required to facilitate the administration of salary rates and provide adequate control of salary costs as well as maintain records required by law.

~~f.e.~~ Review and approve personnel action notices for compliance with established policy, adherence to sound practices, consistency between service areas, and legal compliance.

~~g.f.~~ Review all deviations from established salary administration policy with the City Administrator or Mayor, who will render a final decision.

C. GUIDELINES

1. Before an applicant may be hired or an employee promoted to a new or revised position, a job description must be prepared using the position description questionnaire submitted by the division director. The position must be evaluated, approved, and placed in a salary group.
2. Hiring rates for new employees shall be determined by the Director over Human ResourcesHR Manager in consultation with the Department Directorhiring-manager. Normally, this rate should start at step one for the position and be no more than the central point of the salary grade, unless the applicant possesses qualifications clearly exceeding those generally required for the position, or competitive conditions in the area indicate the starting rate should be increased. If an applicant is hired above the central point, the Department Director-hiring-manager shall submit a written request to the Director over Human ResourcesHR Manager providing a valid business case to support the hiring rate. The request is subject to review and final approval by the Mayor, City Administrator and/or Director over Human Resources, City Administrator.
3. Step increases are in-grade adjustments in salary, granted for increased proficiency and/or changes in position content that are not sufficient to warrant reclassification. Length of service may be considered in assessing proficiency, but it shall not be the determining factor.
4. Step increases may not be granted more frequently than once each year without the approval of the Director over Human Resources HR-Manager and Mayor and/or City Administrator.
5. Employees who are hired in or promoted to their grade at step 5 or below in the salary range

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for the position may be eligible for a step increase upon completion of six months' service. The supervisor must submit a written request to the Department Director and Director over Human Resources~~HR Manager~~ providing a valid business case to support the increase. The request is subject to review and final approval by the Mayor and/or City Administrator. Upon completion of an additional six months' service, employees in this category may again be considered for a step increase. Thereafter, step increases are generally only granted at annual intervals based on the employee's anniversary date. In rare instances, a Department Director~~division head~~ may submit a written request to the HR Director over Human Resources~~Manager~~ for an additional increase due to justifiable business need. The request is subject to review and final approval by the Mayor and/or City Administrator.

6. In administering this policy, it should be remembered that step increases are not automatic. The employee's behavior and performance on the job should always be the governing factor in determining the amount and time interval in granting salary increases.
7. The following factors are also considered in determining step increases:
 - a. Performance and accomplishments since last review,
 - b. Potential for advancement,
 - c. Assumption of increased responsibility, and
 - d. Attainment of goals established in the previous review.
8. Employees are not eligible for step increases if they are subject to a performance improvement plan (PIP) or received a written warning at any time during the annual performance review period. While every effort should be made to salvage marginal performers, such efforts should not include pay increases as a form of encouragement. Step increases are granted only for "meets requirements" or better performance.
9. Step increases may be delayed by the amount of time spent on a leave of absence granted by the City.
10. Each succeeding salary increase within the range should be considered in light of increasingly higher standards of performance. The central point in the range is the salary that is considered to be a fair and equitable rate of compensation for an employee who is fully qualified from the standpoint of training and experience, and whose demonstrated performance on the job over a period of time (usually three to five years) is entirely satisfactory in all respects.
11. Promotion is the advancement from a position in one salary grade to another position in a higher salary grade. When promoted, an employee will generally receive the minimum salary for the new position. However, the new salary shall not be less than 2-1/2% nor more than 5% of the employee's current rate and shall not be based on a step-to-step adjustment. If the employee's step increase date (in current position) is within 30 days before or after the promotion, the step increase is given first, and then the promotional increase is calculated. Promotional increases in excess of 5% require prior approval of the Director over Human Resources~~HR Manager~~ and Mayor and/or City Administrator. The effective date of the promotional increase establishes a new annual performance review and step increase date from the effective date of the Promotion. Progressive promotions from a position in a lower salary grade to another position in a higher salary grade, within the same line of progression (i.e. Water Treatment Operator I to Water Treatment Operator II) are limited to one per year from the date of the most recent

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promotion.

12. Reclassifications may be made when a major change in the position content occurs, or when the incumbent in the position relinquishes or assumes substantial responsibilities. When a position warrants reclassification, a position evaluation job survey shall be conducted by the Director over Human Resources ~~HR Manager~~ to re-evaluate the duties for assignment to the proper position classification. If, as a result of the evaluation job survey, a position is changed to a higher or lower salary grade, the incumbent's salary should be adjusted to reflect the reclassification. The effective date of the reclassification does not establish a new annual performance review and step increase date.

~~13. When a position is upgraded because of a change in market value, it is not considered a promotional increase. The only salary change is an adjustment to bring the incumbent(s) up to at least the minimum of the new grade and no less than the employee's current salary. The effective date of the position upgrade does not establish a new annual performance review and step increase date.~~

~~14. When a position is downgraded because of a change in market value it is not a demotion. The salary of the employee may remain the same, as long as the resulting salary is within the new range. Should the employee's current salary exceed the range maximum upon downgrade, the employee's salary shall be frozen until it is within the range maximum. The effective date of the position downgrade does not establish a new annual performance review and step increase date.~~

~~15.~~ 13. Transfers may be affected from one position to another within the same salary grade, or from a position in one Department or Division ~~service area~~ to a position of the same grade in another Department or Division ~~service area or division~~. An employee shall not receive an adjustment in salary unless a promotion is involved. The effective date of the transfer establishes a new annual performance review and step increase date.

~~16.~~ 14. A demotion is movement from the current position to a position in a lower salary grade. The salary of a demoted employee may remain the same or may be reduced, as long as the resulting salary is within the new range. The effective date of the demotion does not establish a new annual performance review and step increase date.

~~17.~~ 15. Situations that may result in a demotion include:

- a. Voluntary – Employee requests to be moved back to a lower-graded position due to personal reasons, inability to perform current job, or merely a preference for the type of work;
- b. Involuntary – The City acknowledges the employee's inability to perform current position duties or poor job performance on the current job and demotes the employee to a lower-level job in which the employee can meet performance expectations.

~~18.~~ 16. Factors generally to be considered in setting pay levels for a position include, but are not limited to, knowledge, skill and abilities required for the position, pay levels in the community, working conditions, special licenses required, scope of responsibility, management responsibility, and budget responsibility.

D. TRAINING & DEVELOPMENT INCENTIVE PROGRAM

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The City recognizes that training and professional development provides greater skill and knowledge to employees, which translates to improved job performance. Improved job performance, in turn, means greater efficiency, fewer errors, and better productivity. Only non-exempt-exempt, hourly employees are eligible for training and development incentives that are not part of their core job responsibilities and do not provide a promotional opportunity for obtaining such license or certification.

The well-trained employee acquires an advantage for him- or herself as well. By participating in training, employees can deepen or expand their existing skill set and increase their understanding of the organization. In addition, a well-trained employee may be able to take advantage of internal promotion opportunities. All Specialty Pay must be job related to employee's current classification regular job responsibilities and duties and pre-approved by the Department/division Director/head and; HR Director over Human Resources, and Mayor and/or Manager and City Administrator.

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Specialty pay is effective the beginning of the first full pay period after verification of any valid license and/or certification is received, reviewed and approved by Department Director and the Director over Human Resources/HR Director/Manager. Specialty Pay is only effective if applicable licenses and/or certifications are valid. Expired licenses and/or certifications need to be renewed for Specialty Pay to resume. If a license or certification expires, the Specialty Pay will be removed and resume once renewed if it is a license or certification that is directly related to the employee's current classification and regular job responsibilities and duties. No Specialty Pay will be paid or reinstated for redundant licenses or certifications that are not an employee's regular job duties or responsibilities.

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The following is a list of certifications, licenses, and assignments that are considered eligible for Specialty Pay as well as the associated, predetermined compensation amounts. Additional job-related certifications, licenses, and assignments to an employee's current classification may be requested in writing by the Department Director/division-head to the HR Director/Manager for review and consideration. The request is subject to final review and approval by the Director over Human Resources and/or Mayor or City Administrator.

1. Dual License-Specialty Pay: Additional compensation of \$0.50 per hour, to a maximum of \$2.00, shall be granted to employees who obtain one or more of the following licenses in addition to that which is a minimum requirement of their current position:

- a. Water Distribution Operator I, II, III
- b. Water Treatment Operator I, II, III, and IV
- c. Wastewater Collection Operator I, II, III
- d. Wastewater Treatment Operator I, II, III, and IV
- e. Backflow Assembly Tester
- f. Wastewater Laboratory Operator I, II, III, IV

1. Public Works Department Specialty Pay. Additional compensation shall be granted to Public Works employees who complete the following Specialty programs:

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a. Backflow Assembly Tester : Additional compensation of \$0.50 per hour for three Utilities employee who obtains the Backflow Assembly Tester Certification and acts in this capacity as part of their regular job duties. This Specialty Pay is limited to three Utilities employee and selection is determined and approved by the Department Director.

b. Water Distribution Operator I, II, III/Wastewater Collection Operator I, II, III – Utilities employees only shall receive additional compensation of \$0.50 per hour to a maximum of \$1.50 per hour.

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2. Road Scholar Specialty Pay: Additional compensation of \$1.00 per hour, to a maximum of \$2.00, shall be granted to employees who complete the following Idaho Department of Transportation (IDT) programs administered by the Local Highway Technical Assistance Council (LHTAC):

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a. Road Scholar Program

b. Road Master Program

c. Pre-Treatment Operator Certification: Additional compensation of \$1.50 per hour for one Wastewater Treatment Plant employee who obtains the Pre-Treatment Operator Certification and acts in this capacity as part of their regular job duties. This specialty pay is limited to one Wastewater Treatment Plant employee and selection is determined and approved by the Department Director.

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Public Works employees receiving Specialty Pay not referenced in this Policy for active certifications as of October 01, 2025 are eligible to continue receiving that Specialty Pay until termination of employment. An active certification must be maintained at all times or the Specialty Pay associated will end and is not eligible for reinstatement.

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3.2. Police ~~Department~~Division Specialty Pay: Additional compensation ranging from \$0.50 to \$1.00 per hour, to a maximum of \$2.50, shall be granted to police ~~employees~~officers who complete the following specialty programs:

a. Emergency Response Team (ERT): \$0.50/hour

b. K-9: \$0.50/hour

c. ~~Drug/Narcotics: \$0.50/hour~~

d. Polygraph: \$0.50/hour

e. Instructor: \$0.50/hour

f. ~~Bilingual: \$0.50/hour~~

g. Detective: \$1.00/hour

h. School Resource Officer: \$1.00/hour

i. Animal Control Officer/ Animal Abuse Investigator: \$0.50/hour – available only to Community Resource Officers

j. ~~Animal Abuse Investigator: \$0.50/hour~~

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4.3. ~~Police Department~~ ~~Division~~ Assignment Pay: Additional compensation of \$1.00 per hour, to a maximum of \$2.50 when combined with specialty pay, shall be granted to police officers who are assigned to the following specialty areas:

- a. Field Training Officer (FTO)
- b. Shift Differential

Assignment pay shall be effective upon assignment and is limited only to hours worked in the performance of assigned specialty area duties.

~~5. Professional Development Certification Payment: Additional compensation administered as a one-time lump sum of \$100, effective the first full pay period after completion, shall be granted to employees who complete a job-related certification program consisting of a minimum of two or more Continuing Education Units (CEUs). The program must be pre-approved by the division head, HR Manager and City Administrator. Employees are limited to a maximum of two certification payments per calendar year.~~

E. YEARS OF SERVICE (LONGEVITY) RECOGNITION AWARDS

The recruitment and retention of well-qualified and highly motivated staff is a top priority of the City. It is understood that competitive compensation and City-sponsored benefits are the fundamental basis for long-term employment. It is also understood that recognition of the loyalty and service by leadership staff and elected officials plays an important role in the retention of City staff.

1. Longevity pay is to recognize long-term years of service. Full-time, regular, non-union employees become eligible for a service award when they have completed at least five years of consecutive City service and shall receive a lump sum payment as follows:

- a. 5 years - \$50
- b. 10 years - \$100
- c. 15 years - \$150
- d. 20 years - \$200
- e. 25 years - \$250
- f. 30 years - \$300
- g. 35 years - \$350
- h. 40 years - \$400

Payment shall be made by the pay period following the date the employee is eligible to receive longevity pay.

2. A retirement recognition award of \$500 is given to full-time, regular employees upon retirement under the following circumstances:

- a. After completion of 20 years of consecutive City service; or
- b. If the employee is at least age 50 with at least 10 years consecutive City service; or

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- c. If the employee is at least age 55 with at least 5 years of consecutive City service.

Payment shall be made in the last pay period following the date the employee retires.

3. For Police, in addition to the retirement recognition award a retiring employee would receive as outlined in #2 above, a retiring police officer would also be provided their duty weapon to take with them at retirement.

F. SUMMARY

The goal of the salary administration policy is to:

- Improve morale by providing the opportunity to increase earning through performance management.
- Provide positive financial incentives for outstanding performance.
- Maintain internal equity and external competitiveness.

The City, at its discretion, may amend, modify or discontinue this policy at any time and without notice. Nothing in this policy creates or is intended to create a contract or alter the at-will nature of employment with the City.

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AGENDA REPORT

City Council Meeting

TODAY'S DATE: September 24th, 2025

MEETING DATE: October 1st, 2025

TO: Mayor Grimm, members of the Sandpoint City Council

FROM: Jason Welker, Planning and Community Development Director and Corey Coon, Chief of Police

SUBJECT: Amendments to Sandpoint City Code § 3-2-9 (Open Container Law)

INTRODUCITON:

The purpose of this staff report is to present proposed amendments to Sandpoint City Code § 3-2-9 ("Open Container Law"), which regulates the possession and consumption of alcoholic beverages in public spaces. These amendments expand the locations where alcoholic beverages may be consumed during permitted special events, clarify permitting and service requirements, and add language specifying restrictions around service area boundaries and ADA access.

DESCRIPTION/BACKGROUND:

Under the current code, alcohol consumption is generally prohibited on sidewalks, rights-of-way, and in public parks except in specifically designated facilities, including in Farmin Park and at War Memorial Field. The intent of this ordinance has been to balance public safety and community standards with opportunities for controlled, permitted alcohol service at public events.

Over the past year, several event organizers have requested expanded options for hosting special events at other parks and facilities. Staff has worked with the Parks & Recreation Department, Police Department, and City Attorney to evaluate these requests and develop appropriate code amendments.

SUMMARY OF CHANGES:

The proposed amendments remove strikethrough language and add underlined language as shown in the attached draft. Key changes include:

- **New Facilities Added** – Three additional City parks/facilities will be eligible for alcohol service during permitted special events:
 - "within the buildings at 607 and 611 S. Ella Avenue in Lakeview Park (these are currently the Lions Club and BCHS facilities leased from the City)
 - "in the James E. Russel Sports Center at Travers Park," and
 - "at single-day events during the month of June, in an area not to exceed one (1) acre in the northwest corner of the interior lawn at City Beach Park (see Figure 1 below)"
 - Figure 1: City Beach Alcohol Service Area for Special Events



- **Expanded Service Definition** – Clarifies that beverages may be purchased, sold, or served (including complimentary service) by a vendor operating under a valid city-issued catering permit, explicitly allowing hosted or sponsored service.
- **Clearer Permitting Process** – Consolidates language to state that events must be approved through the City's standard event permitting process, rather than by individual staff or council approval on an ad hoc basis.
- **Designated Service Area Requirements** – Strengthens requirements that alcohol service areas must be shown on event site plans, be enclosed by City-approved barriers, and maintain unobstructed sidewalks and ADA access unless otherwise approved as part of a closure.
- **Seasonal Limitations** – Adds a requirement that certain locations (e.g., City Beach lawn) may host alcohol service only during the month of June.

CONSISTENCY WITH THE COMPREHENSIVE PLAN AND PARKS AND RECREATION MASTER PLAN

These amendments support the 2024 Comprehensive Plan by advancing the goals of:

- **Goal 2 – Recreation:** Enhance special events programming and improve access to facilities that foster community gathering and economic vitality
- **Goal 3 – Regional Economy:** Continue investing in parks and recreation facilities and programming as important quality-of-life considerations for residents and as a driver of tourism and seasonal events
- **Downtown Vitality & Vibrant Culture:** Encourage partnerships with local organizations to host events in public spaces and activate underutilized areas, fostering a lively community atmosphere

Furthermore, these amendments are consistent with the **Sandpoint Parks & Recreation Master Plan (2020)**, which calls for:

- **Implementation of Site-Specific Master Plans** – The Master Plan directs the City to implement adopted plans for War Memorial Field, City Beach, and Travers/Centennial/Great Northern Sports Complex, including activation of these spaces for community gatherings and events

- **Objective 2.2 – Enhance Special Event Programming** – The Plan explicitly recommends expanding and enhancing special event programming, including exploring new event opportunities that respond to seasonal and community themes
- **Key Issues & Recommendations** – Community input during the master planning process emphasized improving City Beach and the downtown waterfront to make them active, year-round destinations, and identified “enhance special events” as a recurring theme.

Together, these amendments help realize the Master Plan vision by enabling a broader set of park spaces to host alcohol-permitted community events in a safe, controlled manner — aligning with the goal of activating public spaces, supporting tourism, and strengthening Sandpoint’s sense of community.

STAFF RECOMMENDATION:

These amendments support the City’s goal of encouraging community events while maintaining public order and compliance with state alcohol laws. By expanding available locations, the City offers equitable opportunities for different event organizers. The clarified permitting process provides transparency and consistency for staff and applicants alike. Staff recommends approving the amendments, which will be brought to a subsequent council meeting as an ordinance for adoption.

ACTION:

Council may consider the following actions regarding the proposed amendments to Sandpoint City Code § 3-2-9 (Open Container Law):

1. **Adopt the Ordinance as Presented:** Approve the amendments as drafted, expanding the eligible parks/facilities and clarifying permitting requirements and service area controls.
2. **Adopt with Modifications:** Approve the amendments with specific changes as directed by Council (e.g., remove or add facilities, adjust seasonal restrictions, or revise service area requirements).
3. **Remand for Further Staff Work:** Direct staff to make additional revisions to the draft ordinance and bring it back for consideration at a future meeting.
4. **Take No Action:** Retain the current code language with no changes.

WILL THERE BE ANY FINANCIAL IMPACT? N HAS THIS ITEM BEEN BUDGETED? N

ATTACHMENTS:

Draft amendment to Sandpoint City Code § 3-2-9 (Open Container Law)

3-2-9: Open Container Law:

- A. No person in a motor vehicle, while the vehicle is on a public highway or the right-of-way of a public highway in the city, may drink or possess any open beverage containing alcoholic liquor, beer, or wine, unless such person is a passenger in the passenger area of a limousine, or in the living quarters of a recreational vehicle. Violation of this section is a misdemeanor for the individual in actual physical control of the vehicle pursuant to section 18-8004, Idaho Code, and an infraction for other individuals violating this section.
- B. It shall be unlawful for any person to drink or consume beer, wine or any other intoxicating beverage or to have in their possession any open bottle, can or other container containing such beer, wine or other intoxicating beverage while on a sidewalk, boardwalk, or anywhere within the public street right-of-way or in any public park within the city, except as follows:
 1. Consumption of alcoholic beverages is allowed in Farmin Park, ~~and at War Memorial Field,~~ within the buildings located at 607 and 611 S. Ella Avenue in Lakeview Park, in the James E. Russel Sports Center at Travers Park, and, at single-day events during the month of June, in an area not to exceed one (1) acre in the northwest corner of the interior lawn at City Beach Park (see "Figure 1" below) when purchased-sold or served (including complimentary service) on site from by an authorized vendor with a valid alcohol beverage catering permit operating under a valid city-issued alcohol beverage catering permit for an event issued by the city for events approved by through the City's event permitting process by the parks and recreation director or city council, as applicable.

Figure 1: City Beach Alcohol Service Area for Special Events



2. ~~Those Persons~~ Persons consuming alcoholic beverages must remain in specific areas of the park designated for alcoholic beverage consumption within the city-approved designated alcohol service area shown on the event site plan, which shall be enclosed by permanent or temporary barriers or other controls approved by the City. ~~In all cases, they must remain within the inner boundary of the park's fence or curb and not inhibit the use of the sidewalk by other persons. If an event includes a City-approved street closure or temporary venue expansion, the designated area may include the closed~~

street or expanded area as shown on the approved site plan. Sidewalks shall remain open and unobstructed and ADA access maintained unless expressly included in an approved closure.

(Ord. 1295, 2-5-2014; Ord. 1297, 3-19-2014)



AGENDA REPORT

City Council Meeting

TODAY'S DATE: October 08, 2025

MEETING DATE: October 15, 2024

TO: City Council

FROM: Cheryl Hughes, Central Services Director

SUBJECT: Approve 2026 Employee Benefits Contracts and Insurance Policies

DESCRIPTION/BACKGROUND:

The City is renewing dental benefits with Delta Dental and after a process soliciting rates from other carriers, including Regence Blue Shield – our current provider, what staff is proposing is in both the City and employee's best interests financially to move to Blue Cross as the medical provider, beginning January 01, 2026.

Below is a summary of benefits and changes, as applicable:

A. Dental:

Delta Dental premiums are as follows with no change in plan for 2026: Employee (City paid): \$45.00/no premium charged to employee and monthly amounts below represent only dependent coverage costs, not employee cost of \$45.00.

For the below premiums, City covers employee portion of \$45.00/month

Employee/Spouse:	\$88.00/month – \$2/month increase to employee
Employee/Child:	\$70.00/month - \$6/month increase to employee
Employee/Children:	\$98.00/month - \$1/month increase to employee
Family:	\$138.00/month – No increase

B. Medical:

Taylor Insurance solicited rates for medical insurance for comparable plan designs from Blue Cross (competitive and evaluated), Pacific Source (competitive and evaluated), United Healthcare (declined to participate – not competitive), and Mountain Health Co-Op (declined to participate – not competitive). The City did not obtain rates from III-A due to requiring a full medical history application from every employee and the time constraints to accomplish this were not attainable.

The City received renewal rates from Regence Blue Shield and the initial renewal rate equated to a 29.92% increase in premiums. After further conversations, Regence Blue Shield provided

a 27.85% increase and later followed up with a 22.9% increase with removal of the Shareplan option and offering a \$50K retention credit on January 2026 renewal, which equates to about 3%, and the final premium increase proposed of 17.9% with no Shareplan.

This rate increase also includes increasing the deductibles and maximum out of pockets across all three plans and creating a 6-tier prescription plan. The presentation that will be provided by Taylor Insurance will provide more details.

After comparing the rates amongst the 3 different plans with Blue Cross and evaluating coverage of the plans, it was determined that the plan is robust, has benefits not available with Regence Blue Shield, like Choice Docs. If you utilize their ChoiceDoc provider the co-pay is \$10, rather than the \$30 co-pay. The providers in Sandpoint that are on the ChoiceDoc provider list is numerous, with major medical group doctors and other providers part of the ChoiceDoc network. This does incorporate a 6-tier prescription plan, whereas our current plan is 3 tiers with Regence Blue Shield. Due to rising costs, it is being proposed the City move to a 6-tier prescription plan no matter who our insurance provider would be. With this 6-tier prescription plan, drug classes in tiers 5 and 6 would see percentage co-pays (20% and 30% respectively). Under the new Blue Cross plan, the Employee, Spouse, and Child tier has been combined into the Family tier level. Ultimately, the number/type of dependents determines the premiums and the rate increases differ amongst the different levels. Even with the increases varying, all levels with the exception of the Employee, Spouse, Child level, is lower than if we remained in Regence Blue Shield. Overall, the average increase to medical premiums by moving to Blue Cross, as briefly described above is 8.67%, as opposed to the 17.9% proposed by Regence Blue Shield.

For our current year, January 2025 – December 2025, the City negotiated an increase of 24.81%. The City Council approved the utilization of the \$75K Medical Reserves to offset the employee and employer impacts, resulting in a net increase of 18.125%.

Staff do not propose any change to the contribution rates. Currently, the City contributes 100% of employee insurance costs for the Classic and HSA plans and 67% of dependents, with employees paying 33% of dependent premiums.

Below is summary of changes proposed for Medical deductibles for 2026:

1. Traditional/Classic Plan: \$2,000 deductible/\$8,000 out of pocket maximum. Increased deductible of \$500 and an increase out of pocket maximum of \$850.
2. Buy-Up Plan: \$1,000 deductible/ \$5,500 maximum out of pocket. Increased deductible of \$500 and an increase out of pocket maximum of \$500. \$5,500 is the maximum out of pocket allowed in this Blue Cross plan.
3. HSA Plan: \$4,000 deductible / \$5,500 maximum out of pocket. City contribution of \$1,800 per year in HAS account.

Additionally, Blue Cross is providing a 12% maximum rate lock for year 2, potentially lower based on actual utilization.

- C. Vision – City staff proposes using Blue Cross for vision insurance and with enhanced benefits with minimal cost increase to the employee premiums, with some slightly decreasing. Blue Cross

will be the provider for vision and utilize VSP providers for the network, which means employees will see no change in choice of providers. The employee pays 100% of vision costs. Below are the 2026 rates:

Employee:	\$11.25/month – \$3.05 increase
Employee and Spouse -	\$16.24/month - \$0.16/month decrease
Employee & 1 Child -	\$16.24/month - \$1.32/month decrease
Family -	\$28.90/month - \$0.84/month increase

- D. USABLE – Life Insurance - the City is in a rate contract until 2028. No premium increase for 2026.
- E. Long Term Disability – the City has evaluated this benefit and staff is proposing making this a voluntary benefit beginning in 2026 as a result of the cost and as far as staff is aware, this has been minimally used since inception. This will yield almost \$27K year savings to the City. If an employee is interested in Long Term Disability and we have a minimum 15% employee participation, the rate will be based on age and monthly payroll amount and they will be provided the information to enroll.
- F. BPA – no change in per employee per month cost of \$2.43. This premium is paid 100% by the City.

STAFF RECOMMENDATION:

Staff recommends a Motion to approve 2026 employee benefits contracts and insurance policies and allow the Mayor signature authority to enter into subsequent provider agreements.

ACTION:

Motion to approve 2026 employee benefits contracts and insurance policies and allow the Mayor signature authority to enter into subsequent provider agreements.

WILL THERE BE ANY FINANCIAL IMPACT? Yes HAS THIS ITEM BEEN BUDGETED? Yes.

ATTACHMENTS:

Proposed Resolution

City of Sandpoint Comparison 2026

Carrier	City of Sandpoint Carrier Comparison - Fully Insured								
	Current Regence Blue Shield of Idaho			Revised Renewal OptionsRegence Blue Shield of Idaho			Blue Cross of Idaho Options		
	Fully Insured - Share Plan			Fully Insured - SharePlan Removed			Fully Insured		
	Classic 1500	\$500 Buy-Up	HSA	Option 1 / \$2,000	Option 2 / \$1,000 Buy-Up	Option 3 / HSA \$4000	Option 1 / \$2,000	Option 2 / \$1,000 Buy-Up	Option 3 / HSA \$4000
Deductible	Individual / Family	Individual / Family	Individual / Family	Individual / Family	Individual / Family	Individual / Family	Individual / Family	Individual / Family	Individual / Family
	In-network Out-of-network	\$1,500 / \$3,000 \$500 / \$1,000	\$3,300 / \$6,600	\$2,000 / \$4,000	\$1,000 / \$2,000	\$4,000 / \$8,000	\$2,000 / \$4,000	\$1,000 / \$2,000	\$4,000 / \$8,000
Out of Pocket Maximum Individual / Family	Combined			Combined			Combined		
	Includes coinsurance, deductible and office/Rx copays.		Includes Deductible and Coinsurance	Includes coinsurance, deductible and office/Rx copays.		Includes Deductible and Coinsurance	Includes coinsurance, deductible and office / Rx Copays		Includes Deductible and Coinsurance
	In-network Out-of-network	\$7,150 / \$14,300 \$5,000 / \$10,000	\$5,000 / \$10,000	\$8,000 / \$16,000	\$6,000 / \$12,000	\$6,000 / \$12,000	\$8,000 / \$16,000	\$5,500 / \$11,000	\$5,500 / \$11,000
	Combined	Combined	Combined	Combined	Combined	Combined	\$10,000 / \$20,000	\$7,000 / \$14,000	\$7,000 / \$14,000
Coinsurance	After deductible is met, member pays:			After deductible is met, member pays:					
In-network	30%	30%	20%	30%	30%	30%	30%	30%	30%
Out-of-network	50%	50%	50%	50%	50%	50%	50%	50%	50%
Pediatric Office Visits (under age 18)	\$30	\$30	Deductible and Coinsurance	\$30	\$30	Deductible and Coinsurance	\$0	\$0	Deductible and Coinsurance
Primary Care Visit In-network	\$30	\$30		\$30	\$30		Choice Docs: \$10 Non-Choice Docs: \$30		
Specialist Visit	\$30	\$30		\$30	\$30		Choice Docs: \$30 Non-Choice Docs: \$50		
Diagnostic Lab & X-Ray	Deductible and Coinsurance			Deductible and Coinsurance			Deductible and Coinsurance		
Outpatient Rehab (PT, OT, ST)	Deductible and Coinsurance			Deductible and Coinsurance			\$60		Deductible and Coinsurance
Chiropractic Services	\$30	\$30	Deductible and Coinsurance	\$30	\$30	Deductible and Coinsurance	\$30		
Prescription Drugs	Cost per 34 day Supply			Cost per 34 day Supply			Cost per 30 day Supply		
Tier 1	\$10	\$5	20%	\$10	\$5	30%	\$10	\$10	Deductible and Coinsurance
Tier 2	\$40	\$35	20%	\$40	\$35	30%	\$20	\$20	
Tier 3	\$75	\$60	20%	\$75	\$60	30%	\$30	\$30	
Tier 4	\$100	N/A	N/A	\$100	\$100	30%	\$50	\$50	
Tier 5	N/A	N/A	N/A	20%	20%	30%	20%	20%	
Tier 6	N/A	N/A	N/A	35%	35%	30%	30%	30%	
Rx Out of Pocket Maximum	Combined with Medical			Combined with Medical			Combined with Medical		
Rate Classificaton	Premiums								
	Classic 1500	\$500 Buy-Up	HSA	Option 1 / \$2,000	Option 2 / \$1,000 Buy-Up	Option 3 / HSA \$4000	Option 1 / \$2,000	Option 2 / \$1,000 Buy-Up	Option 3 / HSA \$4000
Employee	\$659.40	\$722.90	\$582.10	\$751.70	\$805.00	\$623.90	\$694.34	\$752.40	\$586.19
Employee + Spouse	\$1,409.50	\$1,545.00	\$1,244.70	\$1,606.50	\$1,720.40	\$1,333.40	\$1,463.37	\$1,588.34	\$1,230.58
Employee + Child	\$974.00	\$1,067.80	\$860.10	\$1,110.30	\$1,189.10	\$921.60	\$954.92	\$1,035.66	\$804.53
Employee + Children	\$1,158.40	\$1,269.80	\$1,022.90	\$1,320.40	\$1,414.00	\$1,095.90	\$1,342.61	\$1,457.08	\$1,129.39
Employee + Spouse + One Child	\$1,724.10	\$1,889.90	\$1,522.70	\$1,965.10	\$2,104.50	\$1,631.10	\$2,073.50	\$2,251.57	\$1,741.84
Employee + Spouse + Two or more Children	\$1,908.10	\$2,091.90	\$1,685.50	\$2,175.20	\$2,329.40	\$1,805.40	\$2,073.50	\$2,251.57	\$1,741.84



AGENDA REPORT

City Council Meeting

TODAY'S DATE: October 3, 2025

MEETING DATE: October 15, 2025

TO: MAYOR AND CITY COUNCIL

FROM: Holly Ellis, Public Works Director

SUBJECT: Construction Contract Award – 2025 Pine Street Mill and Overlay

DESCRIPTION/BACKGROUND:

In 2020, the City's independent specialist, Infrastructure Management Services (IMS) produced a Pavement Condition Assessment of all streets in Sandpoint. This assessment utilized a van equipped with laser sensors to collect data every 100 feet, objectively measuring pavement cracking, texture, rutting, roughness, cross fall, crown, grade, and radius of curvature across all streets. The findings help inform the City where, when, and how to invest in pavement maintenance.

The 2025 Paving Maintenance Project is located on Pine Street, as recommended in the Pavement Condition Assessment 5 year plan for an overlay. Work includes milling 2-inches of the existing asphalt and placing a 2-inch overlay of approximately seven blocks of Pine St, between Division Ave & N Boyer Ave. This mill and overlay is intended to preserve the life of the roadway. This project also upgraded curb ramps to meet ADA standards.

The project was bid in accordance with Idaho Code 67-2805(2), Category A and the City of Sandpoint procurement requirements. Bids were opened on October 2, 2025. A total of two bids were received. After evaluation of bids, Interstate Concrete and Asphalt Co. was determined to be the lowest responsive and responsible bidder. A summary of the bid results is attached.

Construction will proceed as weather allows, with completion targeted by mid-November 2025. Adjacent property owners will be notified prior to start of construction. Local access to private properties will be maintained at all times. Funding for this project is by the Resort City Tax.

STAFF RECOMMENDATION:

Staff recommends contract award to Interstate Concrete and Asphalt Co. in the total amount of \$287,596.00 for the 2025 Paving Maintenance Project – Pine Street Mill & Overlay.

ACTION:

Move to approve the Staff recommendation and authorize the Mayor to sign the contract documents.

WILL THERE BE ANY FINANCIAL IMPACT? Yes **HAS THIS ITEM BEEN BUDGETED?** Yes

ATTACHMENTS:

Bid Summary- 25-3100-2 Pine Street Mill and Overlay
 Proposed Resolution
 Pine Street Mill and Overlay - Contract Documents

PRELIMINARY BID RESULTS
PINE STREET MILL & OVERLAY
Prepared By: City of Sandpoint
Date: October 2, 2025 2:00:00PM

Bidder	Total w/Base Bid
Wood's Crushing & Hauling, Inc.	\$379,958.00
Interstate Concrete & Asphalt Co.	\$287,596.00

Apparent Lowest Bidder: Interstate Concrete & Asphalt Co.

No: 25-
Date: October 15, 2025

RESOLUTION
OF THE CITY COUNCIL
CITY OF SANDPOINT

TITLE: AGREEMENT WITH INTERSTATE CONCRETE AND ASPHALT COMPANY FOR A CONSTRUCTION CONTRACT FOR THE 2025 PAVING MAINTENANCE PROJECT ON PINE STREET (AGREEMENT #A25-3100-2)

WHEREAS: In 2020, the City engaged an independent specialist, Infrastructure Management Services (IMS), to produce a pavement condition assessment of all streets in Sandpoint, utilizing a van equipped with laser sensors to collect data every 100 feet, objectively measuring pavement cracking, texture, rutting, roughness, cross fall, crown, grade, and radius of curvature across all streets, with the findings helping to inform the City where, when, and how to invest in pavement maintenance;

WHEREAS: The 2025 Paving Maintenance Project, funded by Resort City Tax revenue, will take place on Pine Street, as recommended by the assessment, to include removal of existing deteriorated asphalt, repaving of Pine Street from Division Avenue to North Boyer Avenue, and pedestrian accessibility improvements, with the goal of improved safety and accessibility and maintenance of City infrastructure;

WHEREAS: The project was bid in accordance with Idaho Code § 67-2805(2), Category A, and City of Sandpoint procurement requirements, with bids opened on October 2, 2025, the deadline for receipt of bids;

WHEREAS: Following evaluation of the two bids received, it was determined that Interstate Concrete and Asphalt Co. was the lowest responsive and responsible bidder; and

WHEREAS: Completion is targeted for mid-November 2025, with construction proceeding as weather allows.

NOW, THEREFORE, BE IT RESOLVED THAT: The Agreement with Interstate Concrete and Asphalt Company for a Construction Contract for the 2025 Paving Maintenance Project on Pine Street in the amount of \$287,596.00, a copy of which is attached hereto and made a part hereof as if fully incorporated herein, is hereby approved.

BE IT FURTHER RESOLVED THAT: On behalf of the City, the Mayor or authorized designee, as provided by the City's Procurement Process and Signature Authority Policy for Goods, Services, and Construction, as further outlined in the City of Sandpoint Procurement Policy, is authorized to sign the Agreement referenced herein.

Jeremy Grimm, Mayor

ATTEST:

Melissa Ward, City Clerk

AGREEMENT BETWEEN OWNER AND CONTRACTOR FOR CONSTRUCTION CONTRACT (STIPULATED PRICE)

This Agreement is by and between City of Sandpoint, Idaho ("Owner") and Interstate Concrete & Asphalt ("Contractor").

Terms used in this Agreement have the meanings stated in the General Conditions and the Supplementary Conditions.

Owner and Contractor hereby agree as follows:

ARTICLE 1—WORK

1.01 Contractor shall complete all Work as specified or indicated in the Contract Documents. The Work is generally described as follows:

The project can be summarized to include full road width asphalt removal and replacement on Pine St. between Division Ave. and Boyer Ave. installation of ADA pedestrian ramps, and pavement markings.

ARTICLE 2—THE PROJECT

2.01 The Project, of which the Work under the Contract Documents is a part, is generally described as follows:

City of Sandpoint –Pine St. Mill and Overlay

ARTICLE 3—ENGINEER

3.01 The Owner will assume all duties and responsibilities of Engineer, and have rights and authority assigned to Engineer in the Contract.

3.02 The project has been designed by the Owner's consultant Century West Engineering.

ARTICLE 4—CONTRACT TIMES

4.01 *Time is of the Essence*

A. All time limits for Milestones, if any, Substantial Completion, and completion and readiness for final payment as stated in the Contract Documents are of the essence of the Contract.

4.02 *Contract Times: Dates*

A. The Work will be substantially complete on or before **November 7, 2025**, and completed and ready for final payment in accordance with Paragraph 15.06 of the General Conditions on or before **November 14, 2025**.

4.05 *Liquidated Damages*

A. Contractor and Owner recognize that time is of the essence as stated in Paragraph 4.01 above and that Owner will suffer financial loss if the Work is not completed within the times specified in Paragraph 4.02 above plus any extensions thereof allowed in accordance with Article 12 of the General Conditions. The parties also recognize the delays, expense, and

difficulties involved in proving in a legal or arbitration proceeding the actual loss suffered by Owner if the Work is not completed on time. Accordingly, instead of requiring any such proof, Owner and Contractor agree that as liquidated damages for delay (but not as a penalty):

1. *Substantial Completion*: Contractor shall pay Owner \$500.00 for each day that expires after the time (as duly adjusted pursuant to the Contract) specified above for Substantial Completion, until the Work is substantially complete.
 2. *Completion of Remaining Work*: After Substantial Completion, if Contractor shall neglect, refuse, or fail to complete the remaining Work within the Contract Times (as duly adjusted pursuant to the Contract) for completion and readiness for final payment, Contractor shall pay Owner \$250.00 for each day that expires after such time until the Work is completed and ready for final payment.
- B. If Owner recovers liquidated damages for a delay in completion by Contractor, then such liquidated damages are Owner's sole and exclusive remedy for such delay, and Owner is precluded from recovering any other damages, whether actual, direct, excess, or consequential, for such delay, except for special damages (if any) specified in this Agreement.

ARTICLE 5—CONTRACT PRICE

5.01 Owner shall pay Contractor for completion of the Work in accordance with the Contract Documents, the amounts that follow, subject to adjustment under the Contract:

- A. For all Work, at the prices stated in Contractor's Bid, attached hereto as an exhibit.

ARTICLE 6—PAYMENT PROCEDURES

6.01 *Submittal and Processing of Payments*

- A. Contractor shall submit Applications for Payment in accordance with Article 15 of the General Conditions. Applications for Payment will be processed by Engineer as provided in the General Conditions.

6.02 *Progress Payments; Retainage*

- A. Owner shall make progress payments on the basis of Contractor's Applications for Payment on or about the 30th day of each month during performance of the Work as provided in Paragraph 6.02.A.1 below, provided that such Applications for Payment have been submitted in a timely manner and otherwise meet the requirements of the Contract. All such payments will be measured by the Schedule of Values established as provided in the General Conditions (and in the case of Unit Price Work based on the number of units completed) or, in the event there is no Schedule of Values, as provided elsewhere in the Contract.
1. Prior to Substantial Completion, progress payments will be made in an amount equal to the percentage indicated below but, in each case, less the aggregate of payments previously made and less such amounts as Owner may withhold, including but not limited to liquidated damages, in accordance with the Contract.
 - a. 95 percent of the value of the Work completed (with the balance being retainage).
 - b. 95 percent of cost of materials and equipment not incorporated in the Work (with the balance being retainage).

- B. Upon Substantial Completion, Owner shall pay an amount sufficient to increase total payments to Contractor to 95 percent of the Work completed, less such amounts set off by Owner pursuant to Paragraph 15.01.E of the General Conditions.

6.03 *Final Payment*

- A. Upon final completion and acceptance of the Work, Owner shall pay the remainder of the Contract Price in accordance with Paragraph 15.06 of the General Conditions.

6.04 *Consent of Surety*

- A. Owner will not make final payment, or return or release retainage at Substantial Completion or any other time, unless Contractor submits written consent of the surety to such payment, return, or release.

6.05 *Interest*

- A. All amounts not paid when due will bear interest at the rate of 6% percent per annum.

ARTICLE 7—CONTRACT DOCUMENTS

7.01 *Contents*

- A. The Contract Documents consist of all of the following:
 - 1. This Agreement.
 - 2. Bonds:
 - a. Performance bond (together with power of attorney).
 - b. Payment bond (together with power of attorney).
 - 3. Standard General Conditions, EJCDC C-700 (2018 Edition).
 - 4. Supplementary Conditions.
 - 5. Specifications (not attached but incorporated by reference) consisting of the Idaho Standards for Public Works Construction (ISPWC – 2020 Edition), excluding Division 100.
 - 6. Special Provisions.
 - 7. Drawings consisting of 5 sheets with each sheet bearing the following general title **Pine Street Mill and Overlay**.
 - 8. Addenda (numbers 1 to 1, inclusive).
 - 9. Contractor's Bid
 - 10. The following which may be delivered or issued on or after the Effective Date of the Contract and are not attached hereto:
 - a. Notice to Proceed.
 - b. Work Change Directives.
 - c. Change Orders.
 - d. Field Orders.
 - e. Warranty Bond, if any.

11. In the event of inconsistency between the Contract Documents, the Contract Documents shall be interpreted in accordance with the listed priorities set forth in this provision, i.e, requirements of item 1 shall supersede all lower ranked items.
- B. The Contract Documents listed in Paragraph 7.01.A are attached to this Agreement (except as expressly noted otherwise above).
- C. There are no Contract Documents other than those listed above in this Article 7.
- D. The Contract Documents may only be amended, modified, or supplemented as provided in the Contract.

ARTICLE 8—REPRESENTATIONS, CERTIFICATIONS, AND STIPULATIONS

8.01 Contractor's Representations

- A. In order to induce Owner to enter into this Contract, Contractor makes the following representations:
 1. Contractor has examined and carefully studied the Contract Documents, including Addenda.
 2. Contractor has visited the Site, conducted a thorough visual examination of the Site and adjacent areas, and become familiar with the general, local, and Site conditions that may affect cost, progress, and performance of the Work.
 3. Contractor is familiar with all Laws and Regulations that may affect cost, progress, and performance of the Work.
 4. Contractor has carefully studied the drawings of physical conditions relating to existing surface or subsurface structures at the Site that have been identified in the Supplementary Conditions, with respect to the drawings.
 5. Contractor has considered the information known to Contractor itself; information commonly known to contractors doing business in the locality of the Site; information and observations obtained from visits to the Site; the Contract Documents; and the Technical Data identified in the Supplementary Conditions or by definition, with respect to the effect of such information, observations, and Technical Data on (a) the cost, progress, and performance of the Work; (b) the means, methods, techniques, sequences, and procedures of construction to be employed by Contractor; and (c) Contractor's safety precautions and programs.
 6. Based on the information and observations referred to in the preceding paragraph, Contractor agrees that no further examinations, investigations, explorations, tests, studies, or data are necessary for the performance of the Work at the Contract Price, within the Contract Times, and in accordance with the other terms and conditions of the Contract.
 7. Contractor is aware of the general nature of work to be performed by Owner and others at the Site that relates to the Work as indicated in the Contract Documents.
 8. Contractor has given Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that Contractor has discovered in the Contract Documents, and of

discrepancies between Site conditions and the Contract Documents, and the written resolution thereof by Engineer is acceptable to Contractor.

9. The Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.
10. Contractor's entry into this Contract constitutes an incontrovertible representation by Contractor that without exception all prices in the Agreement are premised upon performing and furnishing the Work required by the Contract Documents.
11. The Contractor is an appropriately licensed public works contractor per Idaho Code Section 54-1902.
12. Contractor shall comply with all Laws and Regulations applicable to the performance of the Work. Except where otherwise expressly required by applicable Laws and Regulations, neither Owner nor Engineer shall be responsible for monitoring the Contractor's compliance with any Laws or Regulations.

8.02 *Contractor's Certifications*

- A. Contractor certifies that it has not engaged in corrupt, fraudulent, collusive, or coercive practices in competing for or in executing the Contract. For the purposes of this Paragraph 8.02:
 1. "corrupt practice" means the offering, giving, receiving, or soliciting of anything of value likely to influence the action of a public official in the bidding process or in the Contract execution;
 2. "fraudulent practice" means an intentional misrepresentation of facts made (a) to influence the bidding process or the execution of the Contract to the detriment of Owner, (b) to establish Bid or Contract prices at artificial non-competitive levels, or (c) to deprive Owner of the benefits of free and open competition;
 3. "collusive practice" means a scheme or arrangement between two or more Bidders, with or without the knowledge of Owner, a purpose of which is to establish Bid prices at artificial, non-competitive levels; and
 4. "coercive practice" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the bidding process or affect the execution of the Contract.

A25-3100-3

IN WITNESS WHEREOF, Owner and Contractor have signed this Agreement.

This Agreement will be effective on October 16, 2025 (which is the Effective Date of the Contract).

Owner: City of Sandpoint

(typed or printed name of organization)

By: _____
(individual's signature)

Date: _____
(date signed)

Name: Jeremy Grimm
(typed or printed)

Title: Mayor
(typed or printed)

Attest: _____
(individual's signature)

Title: City Clerk
(typed or printed)

Address for giving notices:

City of Sandpoint, City Clerk

1123 Lake Street

Sandpoint, Idaho 83864

Designated Representative:

Name: Holly Ellis
(typed or printed)

Title: Public Works Director
(typed or printed)

Address:

1123 Lake Street

Sandpoint, Idaho 83864

Phone: (208) 946-2087

Email: hellis@sandpointidaho.gov

(If [Type of Entity] is a corporation, attach evidence of authority to sign. If [Type of Entity] is a public body, attach evidence of authority to sign and resolution or other documents authorizing execution of this Agreement.)

Contractor: Interstate Concrete & Asphalt
Interstate Concrete & Asphalt Co.

(typed or printed name of organization)

By: _____
(individual's signature)

Date: 10-8-25
(date signed)

Name: Jeff Meyer
(typed or printed)

Title: Area Manager ICA North
(typed or printed)

(If [Type of Entity] is a corporation, a partnership, or a joint venture, attach evidence of authority to sign.)

Attest: _____
(individual's signature)

Title: Contract Administrator
(typed or printed)

Address for giving notices:

Interstate Concrete & Asphalt Co.

PO Box 1113

Sandpoint, Idaho 83864

Designated Representative:

Name: Samuel Williams
(typed or printed)

Title: Estimator/Project Manager
(typed or printed)

Address:

PO Box 1113

Sandpoint, ID 83864

Phone: 208.290.2670

Email: samuel.williams@interstate-ica.com

License No.: PWC-C-12090
(where applicable)

State: Idaho



CERTIFICATE OF AUTHORITY

TO: City of Sandpoint for their project: Bid 25-3100-2
Pine Street Mill and Overlay

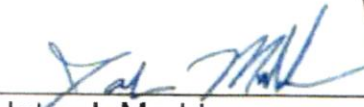
ENTITY: Interstate Concrete and Asphalt Company

SUBJECT: Jeff Meyer

I, John J. Madden, Vice President for Interstate Concrete and Asphalt Company, certify that Jeff Meyer, Sandpoint Area Manager of Interstate Concrete and Asphalt Company, has legal authority to sign on behalf of the company in all matters, without the signature of others, including legal contracts and all other business documents, with regards to the City of Sandpoint for their project: Bid 25-3100-2 Pine Street Mill and Overlay

This certificate is issued on the 25th day of September 2025.

Respectfully,



John J. Madden
Vice President
Interstate Concrete and Asphalt Company



PERFORMANCE BOND

Contractor Name: Interstate Concrete & Asphalt Address (principal place of business): PO Box 1113 Sandpoint, Idaho 83864	Surety Name: Address (principal place of business):
Owner Name: City of Sandpoint Mailing address (principal place of business): 1123 Lake St. Sandpoint, Idaho 83864	Contract Description (name and location): A25-3100-3 Pine Street Mill and Overlay Contract Price: \$287,596.00 Effective Date of Contract: October 16, 2025
Bond Bond Amount: Date of Bond: <i>(Date of Bond cannot be earlier than Effective Date of Contract)</i> Modifications to this Bond form: ☐ None ☐ See Paragraph 16	
Surety and Contractor, intending to be legally bound hereby, subject to the terms set forth in this Performance Bond, do each cause this Performance Bond to be duly executed by an authorized officer, agent, or representative.	
Contractor as Principal	Surety
<i>(Full formal name of Contractor)</i>	<i>(Full formal name of Surety) (corporate seal)</i>
By: _____ <i>(Signature)</i>	By: _____ <i>(Signature)(Attach Power of Attorney)</i>
Name: _____ <i>(Printed or typed)</i>	Name: _____ <i>(Printed or typed)</i>
Title: _____	Title: _____
Attest: _____ <i>(Signature)</i>	Attest: _____ <i>(Signature)</i>
Name: _____ <i>(Printed or typed)</i>	Name: _____ <i>(Printed or typed)</i>
Title: _____	Title: _____
Notes: (1) Provide supplemental execution by any additional parties, such as joint venturers. (2) Any singular reference to Contractor, Surety, Owner, or other party is considered plural where applicable.	

1. The Contractor and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors, and assigns to the Owner for the performance of the Construction Contract, which is incorporated herein by reference.
2. If the Contractor performs the Construction Contract, the Surety and the Contractor shall have no obligation under this Bond, except when applicable to participate in a conference as provided in Paragraph 3.
3. If there is no Owner Default under the Construction Contract, the Surety's obligation under this Bond will arise after:
 - 3.1. The Owner first provides notice to the Contractor and the Surety that the Owner is considering declaring a Contractor Default. Such notice may indicate whether the Owner is requesting a conference among the Owner, Contractor, and Surety to discuss the Contractor's performance. If the Owner does not request a conference, the Surety may, within five (5) business days after receipt of the Owner's notice, request such a conference. If the Surety timely requests a conference, the Owner shall attend. Unless the Owner agrees otherwise, any conference requested under this Paragraph 3.1 will be held within ten (10) business days of the Surety's receipt of the Owner's notice. If the Owner, the Contractor, and the Surety agree, the Contractor shall be allowed a reasonable time to perform the Construction Contract, but such an agreement does not waive the Owner's right, if any, subsequently to declare a Contractor Default;
 - 3.2. The Owner declares a Contractor Default, terminates the Construction Contract and notifies the Surety; and
 - 3.3. The Owner has agreed to pay the Balance of the Contract Price in accordance with the terms of the Construction Contract to the Surety or to a contractor selected to perform the Construction Contract.
4. Failure on the part of the Owner to comply with the notice requirement in Paragraph 3.1 does not constitute a failure to comply with a condition precedent to the Surety's obligations, or release the Surety from its obligations, except to the extent the Surety demonstrates actual prejudice.
5. When the Owner has satisfied the conditions of Paragraph 3, the Surety shall promptly and at the Surety's expense take one of the following actions:
 - 5.1. Arrange for the Contractor, with the consent of the Owner, to perform and complete the Construction Contract;
 - 5.2. Undertake to perform and complete the Construction Contract itself, through its agents or independent contractors;
 - 5.3. Obtain bids or negotiated proposals from qualified contractors acceptable to the Owner for a contract for performance and completion of the Construction Contract, arrange for a contract to be prepared for execution by the Owner and a contractor selected with the Owners concurrence, to be secured with performance and payment bonds executed by a qualified surety equivalent to the bonds issued on the Construction Contract, and pay to the Owner the amount of damages as described in Paragraph 7 in excess of the Balance of the Contract Price incurred by the Owner as a result of the Contractor Default; or
 - 5.4. Waive its right to perform and complete, arrange for completion, or obtain a new contractor, and with reasonable promptness under the circumstances:

- 5.4.1 After investigation, determine the amount for which it may be liable to the Owner and, as soon as practicable after the amount is determined, make payment to the Owner; or
 - 5.4.2 Deny liability in whole or in part and notify the Owner, citing the reasons for denial.
6. If the Surety does not proceed as provided in Paragraph 5 with reasonable promptness, the Surety shall be deemed to be in default on this Bond seven days after receipt of an additional written notice from the Owner to the Surety demanding that the Surety perform its obligations under this Bond, and the Owner shall be entitled to enforce any remedy available to the Owner. If the Surety proceeds as provided in Paragraph 5.4, and the Owner refuses the payment, or the Surety has denied liability, in whole or in part, without further notice, the Owner shall be entitled to enforce any remedy available to the Owner.
 7. If the Surety elects to act under Paragraph 5.1, 5.2, or 5.3, then the responsibilities of the Surety to the Owner will not be greater than those of the Contractor under the Construction Contract, and the responsibilities of the Owner to the Surety will not be greater than those of the Owner under the Construction Contract. Subject to the commitment by the Owner to pay the Balance of the Contract Price, the Surety is obligated, without duplication for:
 - 7.1. the responsibilities of the Contractor for correction of defective work and completion of the Construction Contract;
 - 7.2. additional legal, design professional, and delay costs resulting from the Contractor's Default, and resulting from the actions or failure to act of the Surety under Paragraph 5; and
 - 7.3. liquidated damages, or if no liquidated damages are specified in the Construction Contract, actual damages caused by delayed performance or non-performance of the Contractor.
 8. If the Surety elects to act under Paragraph 5.1, 5.3, or 5.4, the Surety's liability is limited to the amount of this Bond.
 9. The Surety shall not be liable to the Owner or others for obligations of the Contractor that are unrelated to the Construction Contract, and the Balance of the Contract Price will not be reduced or set off on account of any such unrelated obligations. No right of action will accrue on this Bond to any person or entity other than the Owner or its heirs, executors, administrators, successors, and assigns.
 10. The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders, and other obligations.
 11. Any proceeding, legal or equitable, under this Bond must be instituted in any court of competent jurisdiction in the location in which the work or part of the work is located and must be instituted within two years after a declaration of Contractor Default or within two years after the Contractor ceased working or within two years after the Surety refuses or fails to perform its obligations under this Bond, whichever occurs first. If the provisions of this paragraph are void or prohibited by law, the minimum periods of limitations available to sureties as a defense in the jurisdiction of the suit will be applicable.
 12. Notice to the Surety, the Owner, or the Contractor must be mailed or delivered to the address shown on the page on which their signature appears.
 13. When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement will be deemed deleted therefrom and provisions conforming to such

statutory or other legal requirement will be deemed incorporated herein. When so furnished, the intent is that this Bond will be construed as a statutory bond and not as a common law bond.

14. Definitions

- 14.1. *Balance of the Contract Price*—The total amount payable by the Owner to the Contractor under the Construction Contract after all proper adjustments have been made including allowance for the Contractor for any amounts received or to be received by the Owner in settlement of insurance or other claims for damages to which the Contractor is entitled, reduced by all valid and proper payments made to or on behalf of the Contractor under the Construction Contract.
 - 14.2. *Construction Contract*—The agreement between the Owner and Contractor identified on the cover page, including all Contract Documents and changes made to the agreement and the Contract Documents.
 - 14.3. *Contractor Default*—Failure of the Contractor, which has not been remedied or waived, to perform or otherwise to comply with a material term of the Construction Contract.
 - 14.4. *Owner Default*—Failure of the Owner, which has not been remedied or waived, to pay the Contractor as required under the Construction Contract or to perform and complete or comply with the other material terms of the Construction Contract.
 - 14.5. *Contract Documents*—All the documents that comprise the agreement between the Owner and Contractor.
15. If this Bond is issued for an agreement between a contractor and subcontractor, the term Contractor in this Bond will be deemed to be Subcontractor and the term Owner will be deemed to be Contractor.
16. Modifications to this Bond are as follows: **None**

PAYMENT BOND

Contractor Name: Interstate Concrete & Asphalt Address <i>(principal place of business)</i> : PO Box 1113 Sandpoint, Idaho 83864	Surety Name: Address <i>(principal place of business)</i> :
Owner Name: City of Sandpoint Mailing address <i>(principal place of business)</i> : 1123 Lake St. Sandpoint, ID 83864	Contract Description <i>(name and location)</i> : A25-3100-3 - Pine St. Mill and Overlay Contract Price: 287,596.00 Effective Date of Contract: October 16, 2025
Bond Bond Amount: Date of Bond: <i>(Date of Bond cannot be earlier than Effective Date of Contract)</i> Modifications to this Bond form: ☐ None ☐ See Paragraph 18	
Surety and Contractor, intending to be legally bound hereby, subject to the terms set forth in this Payment Bond, do each cause this Payment Bond to be duly executed by an authorized officer, agent, or representative.	
Contractor as Principal	Surety
<i>(Full formal name of Contractor)</i>	<i>(Full formal name of Surety) (corporate seal)</i>
By: _____	By: _____
<i>(Signature)</i>	<i>(Signature)(Attach Power of Attorney)</i>
Name: _____	Name: _____
<i>(Printed or typed)</i>	<i>(Printed or typed)</i>
Title: _____	Title: _____
Attest: _____	Attest: _____
<i>(Signature)</i>	<i>(Signature)</i>
Name: _____	Name: _____
<i>(Printed or typed)</i>	<i>(Printed or typed)</i>
Title: _____	Title: _____
Notes: (1) Provide supplemental execution by any additional parties, such as joint venturers. (2) Any singular reference to Contractor, Surety, Owner, or other party is considered plural where applicable.	

1. The Contractor and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors, and assigns to the Owner to pay for labor, materials, and equipment furnished for use in the performance of the Construction Contract, which is incorporated herein by reference, subject to the following terms.
2. If the Contractor promptly makes payment of all sums due to Claimants, and defends, indemnifies, and holds harmless the Owner from claims, demands, liens, or suits by any person or entity seeking payment for labor, materials, or equipment furnished for use in the performance of the Construction Contract, then the Surety and the Contractor shall have no obligation under this Bond.
3. If there is no Owner Default under the Construction Contract, the Surety's obligation to the Owner under this Bond will arise after the Owner has promptly notified the Contractor and the Surety (at the address described in Paragraph 13) of claims, demands, liens, or suits against the Owner or the Owner's property by any person or entity seeking payment for labor, materials, or equipment furnished for use in the performance of the Construction Contract, and tendered defense of such claims, demands, liens, or suits to the Contractor and the Surety.
4. When the Owner has satisfied the conditions in Paragraph 3, the Surety shall promptly and at the Surety's expense defend, indemnify, and hold harmless the Owner against a duly tendered claim, demand, lien, or suit.
5. The Surety's obligations to a Claimant under this Bond will arise after the following:
 - 5.1. Claimants who do not have a direct contract with the Contractor
 - 5.1.1. have furnished a written notice of non-payment to the Contractor, stating with substantial accuracy the amount claimed and the name of the party to whom the materials were, or equipment was, furnished or supplied or for whom the labor was done or performed, within ninety (90) days after having last performed labor or last furnished materials or equipment included in the Claim; and
 - 5.1.2. have sent a Claim to the Surety (at the address described in Paragraph 13).
 - 5.2. Claimants who are employed by or have a direct contract with the Contractor have sent a Claim to the Surety (at the address described in Paragraph 13).
6. If a notice of non-payment required by Paragraph 5.1.1 is given by the Owner to the Contractor, that is sufficient to satisfy a Claimant's obligation to furnish a written notice of non-payment under Paragraph 5.1.1.
7. When a Claimant has satisfied the conditions of Paragraph 5.1 or 5.2, whichever is applicable, the Surety shall promptly and at the Surety's expense take the following actions:
 - 7.1. Send an answer to the Claimant, with a copy to the Owner, within sixty (60) days after receipt of the Claim, stating the amounts that are undisputed and the basis for challenging any amounts that are disputed; and
 - 7.2. Pay or arrange for payment of any undisputed amounts.
 - 7.3. The Surety's failure to discharge its obligations under Paragraph 7.1 or 7.2 will not be deemed to constitute a waiver of defenses the Surety or Contractor may have or acquire as to a Claim, except as to undisputed amounts for which the Surety and Claimant have reached agreement. If, however, the Surety fails to discharge its obligations under Paragraph 7.1 or 7.2, the Surety

shall indemnify the Claimant for the reasonable attorney's fees the Claimant incurs thereafter to recover any sums found to be due and owing to the Claimant.

8. The Surety's total obligation will not exceed the amount of this Bond, plus the amount of reasonable attorney's fees provided under Paragraph 7.3, and the amount of this Bond will be credited for any payments made in good faith by the Surety.
9. Amounts owed by the Owner to the Contractor under the Construction Contract will be used for the performance of the Construction Contract and to satisfy claims, if any, under any construction performance bond. By the Contractor furnishing and the Owner accepting this Bond, they agree that all funds earned by the Contractor in the performance of the Construction Contract are dedicated to satisfying obligations of the Contractor and Surety under this Bond, subject to the Owner's priority to use the funds for the completion of the work.
10. The Surety shall not be liable to the Owner, Claimants, or others for obligations of the Contractor that are unrelated to the Construction Contract. The Owner shall not be liable for the payment of any costs or expenses of any Claimant under this Bond, and shall have under this Bond no obligation to make payments to or give notice on behalf of Claimants, or otherwise have any obligations to Claimants under this Bond.
11. The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders, and other obligations.
12. No suit or action will be commenced by a Claimant under this Bond other than in a court of competent jurisdiction in the state in which the project that is the subject of the Construction Contract is located or after the expiration of one year from the date (1) on which the Claimant sent a Claim to the Surety pursuant to Paragraph 5.1.2 or 5.2, or (2) on which the last labor or service was performed by anyone or the last materials or equipment were furnished by anyone under the Construction Contract, whichever of (1) or (2) first occurs. If the provisions of this paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit will be applicable.
13. Notice and Claims to the Surety, the Owner, or the Contractor must be mailed or delivered to the address shown on the page on which their signature appears. Actual receipt of notice or Claims, however accomplished, will be sufficient compliance as of the date received.
14. When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement will be deemed deleted here from and provisions conforming to such statutory or other legal requirement will be deemed incorporated herein. When so furnished, the intent is that this Bond will be construed as a statutory bond and not as a common law bond.
15. Upon requests by any person or entity appearing to be a potential beneficiary of this Bond, the Contractor and Owner shall promptly furnish a copy of this Bond or shall permit a copy to be made.
16. Definitions
 - 16.1. *Claim*—A written statement by the Claimant including at a minimum:
 - 16.1.1. The name of the Claimant;
 - 16.1.2. The name of the person for whom the labor was done, or materials or equipment furnished;

- 16.1.3. A copy of the agreement or purchase order pursuant to which labor, materials, or equipment was furnished for use in the performance of the Construction Contract;
 - 16.1.4. A brief description of the labor, materials, or equipment furnished;
 - 16.1.5. The date on which the Claimant last performed labor or last furnished materials or equipment for use in the performance of the Construction Contract;
 - 16.1.6. The total amount earned by the Claimant for labor, materials, or equipment furnished as of the date of the Claim;
 - 16.1.7. The total amount of previous payments received by the Claimant; and
 - 16.1.8. The total amount due and unpaid to the Claimant for labor, materials, or equipment furnished as of the date of the Claim.
- 16.2. *Claimant*—An individual or entity having a direct contract with the Contractor or with a subcontractor of the Contractor to furnish labor, materials, or equipment for use in the performance of the Construction Contract. The term Claimant also includes any individual or entity that has rightfully asserted a claim under an applicable mechanic's lien or similar statute against the real property upon which the Project is located. The intent of this Bond is to include without limitation in the terms of "labor, materials, or equipment" that part of the water, gas, power, light, heat, oil, gasoline, telephone service, or rental equipment used in the Construction Contract, architectural and engineering services required for performance of the work of the Contractor and the Contractor's subcontractors, and all other items for which a mechanic's lien may be asserted in the jurisdiction where the labor, materials, or equipment were furnished.
- 16.3. *Construction Contract*—The agreement between the Owner and Contractor identified on the cover page, including all Contract Documents and all changes made to the agreement and the Contract Documents.
- 16.4. *Owner Default*—Failure of the Owner, which has not been remedied or waived, to pay the Contractor as required under the Construction Contract or to perform and complete or comply with the other material terms of the Construction Contract.
- 16.5. *Contract Documents*—All the documents that comprise the agreement between the Owner and Contractor.
17. If this Bond is issued for an agreement between a contractor and subcontractor, the term Contractor in this Bond will be deemed to be Subcontractor and the term Owner will be deemed to be Contractor.
18. Modifications to this Bond are as follows: **None**



BID No. 25-3100-2 ADDENDUM NO. 1

City of Sandpoint
1123 Lake Street
Sandpoint, Idaho 83864

Date: September 17, 2025

BID Number and Title: 25-3100-2 – Pine Street Minn and Overlay Project
BID Submission Deadline: Thursday, October 2, 2025 @ 2:00 PM PST/PDT
Pages: 2 Pages

.....

Acknowledge receipt of this Addendum by inserting its number and date on the Bid Form. Failure to do so may subject bidder to disqualification. This Addendum forms a part of the Contract Documents. It modifies the Contract Documents as follows:

-
1. Part 8 of the project manual "Construction Drawings" was not included in the original bid posting.
 2. Part 8 of the project manual "Construction Drawings" is included in this addendum
-

END OF ADDENDUM NO. 1

STANDARD GENERAL CONDITIONS OF THE CONSTRUCTION CONTRACT

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STANDARD GENERAL CONDITIONS OF THE CONSTRUCTION CONTRACT

ARTICLE 1—DEFINITIONS AND TERMINOLOGY

1.01 *Defined Terms*

- A. Wherever used in the Bidding Requirements or Contract Documents, a term printed with initial capital letters, including the term's singular and plural forms, will have the meaning indicated in the definitions below. In addition to terms specifically defined, terms with initial capital letters in the Contract Documents include references to identified articles and paragraphs, and the titles of other documents or forms.
1. *Addenda*—Written or graphic instruments issued prior to the opening of Bids which clarify, correct, or change the Bidding Requirements or the proposed Contract Documents.
 2. *Agreement*—The written instrument, executed by Owner and Contractor, that sets forth the Contract Price and Contract Times, identifies the parties and the Engineer, and designates the specific items that are Contract Documents.
 3. *Application for Payment*—The document prepared by Contractor, in a form acceptable to Engineer, to request progress or final payments, and which is to be accompanied by such supporting documentation as is required by the Contract Documents.
 4. *Bid*—The offer of a Bidder submitted on the prescribed form setting forth the prices for the Work to be performed.
 5. *Bidder*—An individual or entity that submits a Bid to Owner.
 6. *Bidding Documents*—The Bidding Requirements, the proposed Contract Documents, and all Addenda.
 7. *Bidding Requirements*—The Advertisement or invitation to bid, Instructions to Bidders, Bid Bond or other Bid security, if any, the Bid Form, and the Bid with any attachments.
 8. *Change Order*—A document which is signed by Contractor and Owner and authorizes an addition, deletion, or revision in the Work or an adjustment in the Contract Price or the Contract Times, or other revision to the Contract, issued on or after the Effective Date of the Contract.
 9. *Change Proposal*—A written request by Contractor, duly submitted in compliance with the procedural requirements set forth herein, seeking an adjustment in Contract Price or Contract Times; contesting an initial decision by Engineer concerning the requirements of the Contract Documents or the acceptability of Work under the Contract Documents; challenging a set-off against payments due; or seeking other relief with respect to the terms of the Contract.
 10. *Claim*
 - a. A demand or assertion by Owner directly to Contractor, duly submitted in compliance with the procedural requirements set forth herein, seeking an adjustment of Contract Price or Contract Times; contesting an initial decision by Engineer concerning the

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requirements of the Contract Documents or the acceptability of Work under the Contract Documents; contesting Engineer's decision regarding a Change Proposal; seeking resolution of a contractual issue that Engineer has declined to address; or seeking other relief with respect to the terms of the Contract.

- b. A demand or assertion by Contractor directly to Owner, duly submitted in compliance with the procedural requirements set forth herein, contesting Engineer's decision regarding a Change Proposal, or seeking resolution of a contractual issue that Engineer has declined to address.
 - c. A demand or assertion by Owner or Contractor, duly submitted in compliance with the procedural requirements set forth herein, made pursuant to Paragraph 12.01.A.4, concerning disputes arising after Engineer has issued a recommendation of final payment.
 - d. A demand for money or services by a third party is not a Claim.
11. *Constituent of Concern*—Asbestos, petroleum, radioactive materials, polychlorinated biphenyls (PCBs), lead-based paint (as defined by the HUD/EPA standard), hazardous waste, and any substance, product, waste, or other material of any nature whatsoever that is or becomes listed, regulated, or addressed pursuant to Laws and Regulations regulating, relating to, or imposing liability or standards of conduct concerning, any hazardous, toxic, or dangerous waste, substance, or material.
 12. *Contract*—The entire and integrated written contract between Owner and Contractor concerning the Work.
 13. *Contract Documents*—Those items so designated in the Agreement, and which together comprise the Contract.
 14. *Contract Price*—The money that Owner has agreed to pay Contractor for completion of the Work in accordance with the Contract Documents.
 15. *Contract Times*—The number of days or the dates by which Contractor shall: (a) achieve Milestones, if any; (b) achieve Substantial Completion; and (c) complete the Work.
 16. *Contractor*—The individual or entity with which Owner has contracted for performance of the Work.
 17. *Cost of the Work*—See Paragraph 13.01 for definition.
 18. *Drawings*—The part of the Contract that graphically shows the scope, extent, and character of the Work to be performed by Contractor.
 19. *Effective Date of the Contract*—The date, indicated in the Agreement, on which the Contract becomes effective.
 20. *Electronic Document*—Any Project-related correspondence, attachments to correspondence, data, documents, drawings, information, or graphics, including but not limited to Shop Drawings and other Submittals, that are in an electronic or digital format.
 21. *Electronic Means*—Electronic mail (email), upload/download from a secure Project website, or other communications methods that allow: (a) the transmission or communication of Electronic Documents; (b) the documentation of transmissions, including sending and receipt; (c) printing of the transmitted Electronic Document by the

recipient; (d) the storage and archiving of the Electronic Document by sender and recipient; and (e) the use by recipient of the Electronic Document for purposes permitted by this Contract. Electronic Means does not include the use of text messaging, or of Facebook, Twitter, Instagram, or similar social media services for transmission of Electronic Documents.

22. *Engineer*—The individual or entity named as such in the Agreement.
23. *Field Order*—A written order issued by Engineer which requires minor changes in the Work but does not change the Contract Price or the Contract Times.
24. *Hazardous Environmental Condition*—The presence at the Site of Constituents of Concern in such quantities or circumstances that may present a danger to persons or property exposed thereto.
- a. The presence at the Site of materials that are necessary for the execution of the Work, or that are to be incorporated into the Work, and that are controlled and contained pursuant to industry practices, Laws and Regulations, and the requirements of the Contract, is not a Hazardous Environmental Condition.
 - b. The presence of Constituents of Concern that are to be removed or remediated as part of the Work is not a Hazardous Environmental Condition.
 - c. The presence of Constituents of Concern as part of the routine, anticipated, and obvious working conditions at the Site, is not a Hazardous Environmental Condition.
25. *Laws and Regulations; Laws or Regulations*—Any and all applicable laws, statutes, rules, regulations, ordinances, codes, and binding decrees, resolutions, and orders of any and all governmental bodies, agencies, authorities, and courts having jurisdiction.
26. *Liens*—Charges, security interests, or encumbrances upon Contract-related funds, real property, or personal property.
27. *Milestone*—A principal event in the performance of the Work that the Contract requires Contractor to achieve by an intermediate completion date, or by a time prior to Substantial Completion of all the Work.
28. *Notice of Award*—The written notice by Owner to a Bidder of Owner's acceptance of the Bid.
29. *Notice to Proceed*—A written notice by Owner to Contractor fixing the date on which the Contract Times will commence to run and on which Contractor shall start to perform the Work.
30. *Owner*—The individual or entity with which Contractor has contracted regarding the Work, and which has agreed to pay Contractor for the performance of the Work, pursuant to the terms of the Contract.
31. *Progress Schedule*—A schedule, prepared and maintained by Contractor, describing the sequence and duration of the activities comprising Contractor's plan to accomplish the Work within the Contract Times.
32. *Project*—The total undertaking to be accomplished for Owner by engineers, contractors, and others, including planning, study, design, construction, testing, commissioning, and start-up, and of which the Work to be performed under the Contract Documents is a part.

33. *Resident Project Representative*—The authorized representative of Engineer assigned to assist Engineer at the Site. As used herein, the term Resident Project Representative (RPR) includes any assistants or field staff of Resident Project Representative.
34. *Samples*—Physical examples of materials, equipment, or workmanship that are representative of some portion of the Work and that establish the standards by which such portion of the Work will be judged.
35. *Schedule of Submittals*—A schedule, prepared and maintained by Contractor, of required submittals and the time requirements for Engineer's review of the submittals.
36. *Schedule of Values*—A schedule, prepared and maintained by Contractor, allocating portions of the Contract Price to various portions of the Work and used as the basis for reviewing Contractor's Applications for Payment.
37. *Shop Drawings*—All drawings, diagrams, illustrations, schedules, and other data or information that are specifically prepared or assembled by or for Contractor and submitted by Contractor to illustrate some portion of the Work. Shop Drawings, whether approved or not, are not Drawings and are not Contract Documents.
38. *Site*—Lands or areas indicated in the Contract Documents as being furnished by Owner upon which the Work is to be performed, including rights-of-way and easements, and such other lands or areas furnished by Owner which are designated for the use of Contractor.
39. *Specifications*—The part of the Contract that consists of written requirements for materials, equipment, systems, standards, and workmanship as applied to the Work, and certain administrative requirements and procedural matters applicable to the Work.
40. *Subcontractor*—An individual or entity having a direct contract with Contractor or with any other Subcontractor for the performance of a part of the Work.
41. *Submittal*—A written or graphic document, prepared by or for Contractor, which the Contract Documents require Contractor to submit to Engineer, or that is indicated as a Submittal in the Schedule of Submittals accepted by Engineer. Submittals may include Shop Drawings and Samples; schedules; product data; Owner-delegated designs; sustainable design information; information on special procedures; testing plans; results of tests and evaluations, source quality-control testing and inspections, and field or Site quality-control testing and inspections; warranties and certifications; Suppliers' instructions and reports; records of delivery of spare parts and tools; operations and maintenance data; Project photographic documentation; record documents; and other such documents required by the Contract Documents. Submittals, whether or not approved or accepted by Engineer, are not Contract Documents. Change Proposals, Change Orders, Claims, notices, Applications for Payment, and requests for interpretation or clarification are not Submittals.
42. *Substantial Completion*—The time at which the Work (or a specified part thereof) has progressed to the point where, in the opinion of Engineer, the Work (or a specified part thereof) is sufficiently complete, in accordance with the Contract Documents, so that the Work (or a specified part thereof) can be utilized for the purposes for which it is intended. The terms "substantially complete" and "substantially completed" as applied to all or part of the Work refer to Substantial Completion of such Work.

43. *Successful Bidder*—The Bidder to which the Owner makes an award of contract.
44. *Supplementary Conditions*—The part of the Contract that amends or supplements these General Conditions.
45. *Supplier*—A manufacturer, fabricator, supplier, distributor, or vendor having a direct contract with Contractor or with any Subcontractor to furnish materials or equipment to be incorporated in the Work by Contractor or a Subcontractor.
46. *Technical Data*
- a. Those items expressly identified as Technical Data in the Supplementary Conditions, with respect to either (1) existing subsurface conditions at or adjacent to the Site, or existing physical conditions at or adjacent to the Site including existing surface or subsurface structures (except Underground Facilities) or (2) Hazardous Environmental Conditions at the Site.
 - b. If no such express identifications of Technical Data have been made with respect to conditions at the Site, then Technical Data is defined, with respect to conditions at the Site under Paragraphs 5.03, 5.04, and 5.06, as the data contained in boring logs, recorded measurements of subsurface water levels, assessments of the condition of subsurface facilities, laboratory test results, and other factual, objective information regarding conditions at the Site that are set forth in any geotechnical, environmental, or other Site or facilities conditions report prepared for the Project and made available to Contractor.
 - c. Information and data regarding the presence or location of Underground Facilities are not intended to be categorized, identified, or defined as Technical Data, and instead Underground Facilities are shown or indicated on the Drawings.
47. *Underground Facilities*—All active or not-in-service underground lines, pipelines, conduits, ducts, encasements, cables, wires, manholes, vaults, tanks, tunnels, or other such facilities or systems at the Site, including but not limited to those facilities or systems that produce, transmit, distribute, or convey telephone or other communications, cable television, fiber optic transmissions, power, electricity, light, heat, gases, oil, crude oil products, liquid petroleum products, water, steam, waste, wastewater, storm water, other liquids or chemicals, or traffic or other control systems. An abandoned facility or system is not an Underground Facility.
48. *Unit Price Work*—Work to be paid for on the basis of unit prices.
49. *Work*—The entire construction or the various separately identifiable parts thereof required to be provided under the Contract Documents. Work includes and is the result of performing or providing all labor, services, and documentation necessary to produce such construction; furnishing, installing, and incorporating all materials and equipment into such construction; and may include related services such as testing, start-up, and commissioning, all as required by the Contract Documents.
50. *Work Change Directive*—A written directive to Contractor issued on or after the Effective Date of the Contract, signed by Owner and recommended by Engineer, ordering an addition, deletion, or revision in the Work.

1.02 Terminology

- A. The words and terms discussed in Paragraphs 1.02.B, C, D, and E are not defined terms that require initial capital letters, but, when used in the Bidding Requirements or Contract Documents, have the indicated meaning.
- B. *Intent of Certain Terms or Adjectives:* The Contract Documents include the terms “as allowed,” “as approved,” “as ordered,” “as directed” or terms of like effect or import to authorize an exercise of professional judgment by Engineer. In addition, the adjectives “reasonable,” “suitable,” “acceptable,” “proper,” “satisfactory,” or adjectives of like effect or import are used to describe an action or determination of Engineer as to the Work. It is intended that such exercise of professional judgment, action, or determination will be solely to evaluate, in general, the Work for compliance with the information in the Contract Documents and with the design concept of the Project as a functioning whole as shown or indicated in the Contract Documents (unless there is a specific statement indicating otherwise). The use of any such term or adjective is not intended to and shall not be effective to assign to Engineer any duty or authority to supervise or direct the performance of the Work, or any duty or authority to undertake responsibility contrary to the provisions of Article 10 or any other provision of the Contract Documents.
- C. *Day:* The word “day” means a calendar day of 24 hours measured from midnight to the next midnight.
- D. *Defective:* The word “defective,” when modifying the word “Work,” refers to Work that is unsatisfactory, faulty, or deficient in that it:
 - 1. does not conform to the Contract Documents;
 - 2. does not meet the requirements of any applicable inspection, reference standard, test, or approval referred to in the Contract Documents; or
 - 3. has been damaged prior to Engineer’s recommendation of final payment (unless responsibility for the protection thereof has been assumed by Owner at Substantial Completion in accordance with Paragraph 15.03 or Paragraph 15.04).
- E. *Furnish, Install, Perform, Provide*
 - 1. The word “furnish,” when used in connection with services, materials, or equipment, means to supply and deliver said services, materials, or equipment to the Site (or some other specified location) ready for use or installation and in usable or operable condition.
 - 2. The word “install,” when used in connection with services, materials, or equipment, means to put into use or place in final position said services, materials, or equipment complete and ready for intended use.
 - 3. The words “perform” or “provide,” when used in connection with services, materials, or equipment, means to furnish and install said services, materials, or equipment complete and ready for intended use.
 - 4. If the Contract Documents establish an obligation of Contractor with respect to specific services, materials, or equipment, but do not expressly use any of the four words “furnish,” “install,” “perform,” or “provide,” then Contractor shall furnish and install said services, materials, or equipment complete and ready for intended use.

- F. *Contract Price or Contract Times*: References to a change in “Contract Price or Contract Times” or “Contract Times or Contract Price” or similar, indicate that such change applies to (1) Contract Price, (2) Contract Times, or (3) both Contract Price and Contract Times, as warranted, even if the term “or both” is not expressed.
- G. Unless stated otherwise in the Contract Documents, words or phrases that have a well-known technical or construction industry or trade meaning are used in the Contract Documents in accordance with such recognized meaning.

ARTICLE 2—PRELIMINARY MATTERS

2.01 *Delivery of Performance and Payment Bonds; Evidence of Insurance*

- A. *Performance and Payment Bonds*: When Contractor delivers the signed counterparts of the Agreement to Owner, Contractor shall also deliver to Owner the performance bond and payment bond (if the Contract requires Contractor to furnish such bonds).
- B. *Evidence of Contractor’s Insurance*: When Contractor delivers the signed counterparts of the Agreement to Owner, Contractor shall also deliver to Owner, with copies to each additional insured (as identified in the Contract), the certificates, endorsements, and other evidence of insurance required to be provided by Contractor in accordance with Article 6, except to the extent the Supplementary Conditions expressly establish other dates for delivery of specific insurance policies.
- C. *Evidence of Owner’s Insurance*: After receipt of the signed counterparts of the Agreement and all required bonds and insurance documentation, Owner shall promptly deliver to Contractor, with copies to each additional insured (as identified in the Contract), the certificates and other evidence of insurance required to be provided by Owner under Article 6.

2.02 *Copies of Documents*

- A. Owner shall furnish to Contractor four printed copies of the Contract (including one fully signed counterpart of the Agreement), and one copy in electronic portable document format (PDF). Additional printed copies will be furnished upon request at the cost of reproduction.
- B. Owner shall maintain and safeguard at least one original printed record version of the Contract, including Drawings and Specifications signed and sealed by Engineer and other design professionals. Owner shall make such original printed record version of the Contract available to Contractor for review. Owner may delegate the responsibilities under this provision to Engineer.

2.03 *Before Starting Construction*

- A. *Preliminary Schedules*: Within 10 days after the Effective Date of the Contract (or as otherwise required by the Contract Documents), Contractor shall submit to Engineer for timely review:
 - 1. A Preliminary Schedules: Within 10 days after the Effective Date of the Contract (or as otherwise required by the Contract Documents), Contractor shall submit to Engineer for timely review:
 - 1. A preliminary Progress Schedule indicating the times (numbers of days or dates) for starting and completing the various stages of the Work, including any Milestones specified in the Contract;

2. A preliminary Schedule of Submittals; and. a preliminary Schedule of Values for all of the Work which includes quantities and prices of items which when added together equal the Contract Price and subdivides the Work into component parts in sufficient detail to serve as the basis for progress payments during performance of the Work. Such prices will include an appropriate amount of overhead and profit applicable to each item of Work

2.04 Preconstruction Conference; Designation of Authorized Representatives

- A. Before any Work at the Site is started, a conference attended by Owner, Contractor, Engineer, and others as appropriate will be held to establish a working understanding among the parties as to the Work, and to discuss the schedules referred to in Paragraph 2.03.A, procedures for handling Shop Drawings, Samples, and other Submittals, processing Applications for Payment, electronic or digital transmittals, and maintaining required records.
- B. At this conference Owner and Contractor each shall designate, in writing, a specific individual to act as its authorized representative with respect to the services and responsibilities under the Contract. Such individuals shall have the authority to transmit and receive information, render decisions relative to the Contract, and otherwise act on behalf of each respective party.

2.05 *Acceptance of Schedules*

- A. At least 10 days before submission of the first Application for Payment a conference, attended by Owner, Contractor, Engineer, and others as appropriate, will be held to review the schedules submitted in accordance with Paragraph 2.03.A. No progress payment will be made to Contractor until acceptable schedules are submitted to Engineer.
 1. The Progress Schedule will be acceptable to Engineer if it provides an orderly progression of the Work to completion within the Contract Times. Such acceptance will not impose on Engineer responsibility for the Progress Schedule, for sequencing, scheduling, or progress of the Work, nor interfere with or relieve Contractor from Contractor's full responsibility therefor.
 2. Contractor's Schedule of Submittals will be acceptable to Engineer if it provides a workable arrangement for reviewing and processing the required submittals.
 3. Contractor's Schedule of Values will be acceptable to Engineer as to form and substance if it provides a reasonable allocation of the Contract Price to the component parts of the Work.
 4. If a schedule is not acceptable, Contractor will have an additional 10 days to revise and resubmit the schedule.

2.06 *Electronic Transmittals*

- A. Except as otherwise stated elsewhere in the Contract, the Owner, Engineer, and Contractor may send, and shall accept, Electronic Documents transmitted by Electronic Means.
- B. If the Contract does not establish protocols for Electronic Means, then Owner, Engineer, and Contractor shall jointly develop such protocols.
- C. Subject to any governing protocols for Electronic Means, when transmitting Electronic Documents by Electronic Means, the transmitting party makes no representations as to long-term compatibility, usability, or readability of the Electronic Documents resulting from the

recipient's use of software application packages, operating systems, or computer hardware differing from those used in the drafting or transmittal of the Electronic Documents.

ARTICLE 3—CONTRACT DOCUMENTS: INTENT, REQUIREMENTS, REUSE

3.01 *Intent*

- A. The Contract Documents are complementary; what is required by one Contract Document is as binding as if required by all.
- B. It is the intent of the Contract Documents to describe a functionally complete Project (or part thereof) to be constructed in accordance with the Contract Documents.
- C. Unless otherwise stated in the Contract Documents, if there is a discrepancy between the electronic versions of the Contract Documents (including any printed copies derived from such electronic versions) and the printed record version, the printed record version will govern.
- D. The Contract supersedes prior negotiations, representations, and agreements, whether written or oral.
- E. Engineer will issue clarifications and interpretations of the Contract Documents as provided herein.
- F. Any provision or part of the Contract Documents held to be void or unenforceable under any Law or Regulation will be deemed stricken, and all remaining provisions will continue to be valid and binding upon Owner and Contractor, which agree that the Contract Documents will be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.
- G. Nothing in the Contract Documents creates:
 - 1. any contractual relationship between Owner or Engineer and any Subcontractor, Supplier, or other individual or entity performing or furnishing any of the Work, for the benefit of such Subcontractor, Supplier, or other individual or entity; or
 - 2. any obligation on the part of Owner or Engineer to pay or to see to the payment of any money due any such Subcontractor, Supplier, or other individual or entity, except as may otherwise be required by Laws and Regulations.

3.02 *Reference Standards*

- A. *Standards Specifications, Codes, Laws and Regulations*
 - 1. Reference in the Contract Documents to standard specifications, manuals, reference standards, or codes of any technical society, organization, or association, or to Laws or Regulations, whether such reference be specific or by implication, means the standard specification, manual, reference standard, code, or Laws or Regulations in effect at the time of opening of Bids (or on the Effective Date of the Contract if there were no Bids), except as may be otherwise specifically stated in the Contract Documents.
 - 2. No provision of any such standard specification, manual, reference standard, or code, and no instruction of a Supplier, will be effective to change the duties or responsibilities of Owner, Contractor, or Engineer from those set forth in the part of the Contract Documents prepared by or for Engineer. No such provision or instruction shall be effective

to assign to Owner or Engineer any duty or authority to supervise or direct the performance of the Work, or any duty or authority to undertake responsibility inconsistent with the provisions of the part of the Contract Documents prepared by or for Engineer.

3.03 *Reporting and Resolving Discrepancies*

A. *Reporting Discrepancies*

1. *Contractor's Verification of Figures and Field Measurements:* Before undertaking each part of the Work, Contractor shall carefully study the Contract Documents, and check and verify pertinent figures and dimensions therein, particularly with respect to applicable field measurements. Contractor shall promptly report in writing to Engineer any conflict, error, ambiguity, or discrepancy that Contractor discovers, or has actual knowledge of, and shall not proceed with any Work affected thereby until the conflict, error, ambiguity, or discrepancy is resolved by a clarification or interpretation by Engineer, or by an amendment or supplement to the Contract issued pursuant to Paragraph 11.01.
2. *Contractor's Review of Contract Documents:* If, before or during the performance of the Work, Contractor discovers any conflict, error, ambiguity, or discrepancy within the Contract Documents, or between the Contract Documents and (a) any applicable Law or Regulation, (b) actual field conditions, (c) any standard specification, manual, reference standard, or code, or (d) any instruction of any Supplier, then Contractor shall promptly report it to Engineer in writing. Contractor shall not proceed with the Work affected thereby (except in an emergency as required by Paragraph 7.15) until the conflict, error, ambiguity, or discrepancy is resolved, by a clarification or interpretation by Engineer, or by an amendment or supplement to the Contract issued pursuant to Paragraph 11.01.
3. Contractor shall not be liable to Owner or Engineer for failure to report any conflict, error, ambiguity, or discrepancy in the Contract Documents unless Contractor had actual knowledge thereof.

B. *Resolving Discrepancies*

1. Except as may be otherwise specifically stated in the Contract Documents, the provisions of the part of the Contract Documents prepared by or for Engineer take precedence in resolving any conflict, error, ambiguity, or discrepancy between such provisions of the Contract Documents and:
 - a. the provisions of any standard specification, manual, reference standard, or code, or the instruction of any Supplier (whether or not specifically incorporated by reference as a Contract Document); or
 - b. the provisions of any Laws or Regulations applicable to the performance of the Work (unless such an interpretation of the provisions of the Contract Documents would result in violation of such Law or Regulation).

3.04 *Requirements of the Contract Documents*

- A. During the performance of the Work and until final payment, Contractor and Owner shall submit to the Engineer in writing all matters in question concerning the requirements of the Contract Documents (sometimes referred to as requests for information or interpretation—RFIs), or relating to the acceptability of the Work under the Contract Documents, as soon as

possible after such matters arise. Engineer will be the initial interpreter of the requirements of the Contract Documents, and judge of the acceptability of the Work.

- B. Engineer will, with reasonable promptness, render a written clarification, interpretation, or decision on the issue submitted, or initiate an amendment or supplement to the Contract Documents. Engineer's written clarification, interpretation, or decision will be final and binding on Contractor, unless it appeals by submitting a Change Proposal, and on Owner, unless it appeals by filing a Claim.
- C. If a submitted matter in question concerns terms and conditions of the Contract Documents that do not involve (1) the performance or acceptability of the Work under the Contract Documents, (2) the design (as set forth in the Drawings, Specifications, or otherwise), or (3) other engineering or technical matters, then Engineer will promptly notify Owner and Contractor in writing that Engineer is unable to provide a decision or interpretation. If Owner and Contractor are unable to agree on resolution of such a matter in question, either party may pursue resolution as provided in Article 12.

3.05 *Reuse of Documents*

- A. Contractor and its Subcontractors and Suppliers shall not:
 - 1. have or acquire any title to or ownership rights in any of the Drawings, Specifications, or other documents (or copies of any thereof) prepared by or bearing the seal of Engineer or its consultants, including electronic media versions, or reuse any such Drawings, Specifications, other documents, or copies thereof on extensions of the Project or any other project without written consent of Owner and Engineer and specific written verification or adaptation by Engineer; or
 - 2. have or acquire any title or ownership rights in any other Contract Documents, reuse any such Contract Documents for any purpose without Owner's express written consent, or violate any copyrights pertaining to such Contract Documents.
- B. The prohibitions of this Paragraph 3.05 will survive final payment, or termination of the Contract. Nothing herein precludes Contractor from retaining copies of the Contract Documents for record purposes.

ARTICLE 4—COMMENCEMENT AND PROGRESS OF THE WORK

4.01 *Commencement of Contract Times; Notice to Proceed*

- A. The Contract Times will commence to run on the 30th day after the Effective Date of the Contract or, if a Notice to Proceed is given, on the day indicated in the Notice to Proceed. A Notice to Proceed may be given at any time within 30 days after the Effective Date of the Contract. In no event will the Contract Times commence to run later than the 60th day after the day of Bid opening or the 30th day after the Effective Date of the Contract, whichever date is earlier.

4.02 *Starting the Work*

- A. Contractor shall start to perform the Work on the date when the Contract Times commence to run. No Work may be done at the Site prior to such date.

4.03 *Reference Points*

- A. Owner shall provide engineering surveys to establish reference points for construction which in Engineer's judgment are necessary to enable Contractor to proceed with the Work. Contractor shall be responsible for laying out the Work, shall protect and preserve the established reference points and property monuments, and shall make no changes or relocations without the prior written approval of Owner. Contractor shall report to Engineer whenever any reference point or property monument is lost or destroyed or requires relocation because of necessary changes in grades or locations, and shall be responsible for the accurate replacement or relocation of such reference points or property monuments by professionally qualified personnel.

4.04 *Progress Schedule*

- A. Contractor shall adhere to the Progress Schedule established in accordance with Paragraph 2.05 as it may be adjusted from time to time as provided below.
 - 1. Contractor shall submit to Engineer for acceptance (to the extent indicated in Paragraph 2.05) proposed adjustments in the Progress Schedule that will not result in changing the Contract Times.
 - 2. Proposed adjustments in the Progress Schedule that will change the Contract Times must be submitted in accordance with the requirements of Article 11.
- B. Contractor shall carry on the Work and adhere to the Progress Schedule during all disputes or disagreements with Owner. No Work will be delayed or postponed pending resolution of any disputes or disagreements, or during any appeal process, except as permitted by Paragraph 16.04, or as Owner and Contractor may otherwise agree in writing.

4.05 *Delays in Contractor's Progress*

- A. If Owner, Engineer, or anyone for whom Owner is responsible, delays, disrupts, or interferes with the performance or progress of the Work, then Contractor shall be entitled to an equitable adjustment in Contract Price or Contract Times.
- B. Contractor shall not be entitled to an adjustment in Contract Price or Contract Times for delay, disruption, or interference caused by or within the control of Contractor. Delay, disruption, and interference attributable to and within the control of a Subcontractor or Supplier shall be deemed to be within the control of Contractor.
- C. If Contractor's performance or progress is delayed, disrupted, or interfered with by unanticipated causes not the fault of and beyond the control of Owner, Contractor, and those for which they are responsible, then Contractor shall be entitled to an equitable adjustment in Contract Times. Such an adjustment will be Contractor's sole and exclusive remedy for the delays, disruption, and interference described in this paragraph. Causes of delay, disruption, or interference that may give rise to an adjustment in Contract Times under this paragraph include but are not limited to the following:
 - 1. Severe and unavoidable natural catastrophes such as fires, floods, epidemics, and earthquakes;
 - 2. Abnormal weather conditions;
 - 3. Acts or failures to act of third-party utility owners or other third-party entities (other than those third-party utility owners or other third-party entities performing other work at or

adjacent to the Site as arranged by or under contract with Owner, as contemplated in Article 8); and

4. Acts of war or terrorism.
- D. Contractor's entitlement to an adjustment of Contract Times or Contract Price is limited as follows:
1. Contractor's entitlement to an adjustment of the Contract Times is conditioned on the delay, disruption, or interference adversely affecting an activity on the critical path to completion of the Work, as of the time of the delay, disruption, or interference.
 2. Contractor shall not be entitled to an adjustment in Contract Price for any delay, disruption, or interference if such delay is concurrent with a delay, disruption, or interference caused by or within the control of Contractor. Such a concurrent delay by Contractor shall not preclude an adjustment of Contract Times to which Contractor is otherwise entitled.
 3. Adjustments of Contract Times or Contract Price are subject to the provisions of Article 11.
- E. Each Contractor request or Change Proposal seeking an increase in Contract Times or Contract Price must be supplemented by supporting data that sets forth in detail the following:
1. The circumstances that form the basis for the requested adjustment;
 2. The date upon which each cause of delay, disruption, or interference began to affect the progress of the Work;
 3. The date upon which each cause of delay, disruption, or interference ceased to affect the progress of the Work;
 4. The number of days' increase in Contract Times claimed as a consequence of each such cause of delay, disruption, or interference; and
 5. The impact on Contract Price, in accordance with the provisions of Paragraph 11.07.
- Contractor shall also furnish such additional supporting documentation as Owner or Engineer may require including, where appropriate, a revised progress schedule indicating all the activities affected by the delay, disruption, or interference, and an explanation of the effect of the delay, disruption, or interference on the critical path to completion of the Work.
- F. Delays, disruption, and interference to the performance or progress of the Work resulting from the existence of a differing subsurface or physical condition, an Underground Facility that was not shown or indicated by the Contract Documents, or not shown or indicated with reasonable accuracy, and those resulting from Hazardous Environmental Conditions, are governed by Article 5, together with the provisions of Paragraphs 4.05.D and 4.05.E.
- G. Paragraph 8.03 addresses delays, disruption, and interference to the performance or progress of the Work resulting from the performance of certain other work at or adjacent to the Site.

ARTICLE 5—SITE; SUBSURFACE AND PHYSICAL CONDITIONS; HAZARDOUS ENVIRONMENTAL CONDITIONS

5.01 *Availability of Lands*

- A. Owner shall furnish the Site. Owner shall notify Contractor in writing of any encumbrances or restrictions not of general application but specifically related to use of the Site with which Contractor must comply in performing the Work.
- B. Upon reasonable written request, Owner shall furnish Contractor with a current statement of record legal title and legal description of the lands upon which permanent improvements are to be made and Owner's interest therein as necessary for giving notice of or filing a mechanic's or construction lien against such lands in accordance with applicable Laws and Regulations.
- C. Contractor shall provide for all additional lands and access thereto that may be required for temporary construction facilities or storage of materials and equipment.

5.02 *Use of Site and Other Areas*

A. *Limitation on Use of Site and Other Areas*

- 1. Contractor shall confine construction equipment, temporary construction facilities, the storage of materials and equipment, and the operations of workers to the Site, adjacent areas that Contractor has arranged to use through construction easements or otherwise, and other adjacent areas permitted by Laws and Regulations, and shall not unreasonably encumber the Site and such other adjacent areas with construction equipment or other materials or equipment. Contractor shall assume full responsibility for (a) damage to the Site; (b) damage to any such other adjacent areas used for Contractor's operations; (c) damage to any other adjacent land or areas, or to improvements, structures, utilities, or similar facilities located at such adjacent lands or areas; and (d) for injuries and losses sustained by the owners or occupants of any such land or areas; provided that such damage or injuries result from the performance of the Work or from other actions or conduct of the Contractor or those for which Contractor is responsible.
- 2. If a damage or injury claim is made by the owner or occupant of any such land or area because of the performance of the Work, or because of other actions or conduct of the Contractor or those for which Contractor is responsible, Contractor shall (a) take immediate corrective or remedial action as required by Paragraph 7.13, or otherwise; (b) promptly attempt to settle the claim as to all parties through negotiations with such owner or occupant, or otherwise resolve the claim by arbitration or other dispute resolution proceeding, or in a court of competent jurisdiction; and (c) to the fullest extent permitted by Laws and Regulations, indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them, from and against any such claim, and against all costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to any claim or action, legal or equitable, brought by any such owner or occupant against Owner, Engineer, or any other party indemnified hereunder to the extent caused directly or indirectly, in whole or in part by, or based upon, Contractor's performance of the Work, or because of other actions or conduct of the Contractor or those for which Contractor is responsible.

- B. *Removal of Debris During Performance of the Work:* During the progress of the Work the Contractor shall keep the Site and other adjacent areas free from accumulations of waste materials, rubbish, and other debris. Removal and disposal of such waste materials, rubbish, and other debris will conform to applicable Laws and Regulations.
- C. *Cleaning:* Prior to Substantial Completion of the Work Contractor shall clean the Site and the Work and make it ready for utilization by Owner. At the completion of the Work Contractor shall remove from the Site and adjacent areas all tools, appliances, construction equipment and machinery, and surplus materials and shall restore to original condition all property not designated for alteration by the Contract Documents.
- D. *Loading of Structures:* Contractor shall not load nor permit any part of any structure to be loaded in any manner that will endanger the structure, nor shall Contractor subject any part of the Work or adjacent structures or land to stresses or pressures that will endanger them.

5.03 *Subsurface and Physical Conditions*

- A. *Reports and Drawings:* The Supplementary Conditions identify:
 - 1. Those reports of explorations and tests of subsurface conditions at or adjacent to the Site that contain Technical Data;
 - 2. Those drawings of existing physical conditions at or adjacent to the Site, including those drawings depicting existing surface or subsurface structures at or adjacent to the Site (except Underground Facilities), that contain Technical Data; and
 - 3. Technical Data contained in such reports and drawings.
- B. *Underground Facilities:* Underground Facilities are shown or indicated on the Drawings, pursuant to Paragraph 5.05, and not in the drawings referred to in Paragraph 5.03.A. Information and data regarding the presence or location of Underground Facilities are not intended to be categorized, identified, or defined as Technical Data.
- C. *Reliance by Contractor on Technical Data:* Contractor may rely upon the accuracy of the Technical Data expressly identified in the Supplementary Conditions with respect to such reports and drawings, but such reports and drawings are not Contract Documents. If no such express identification has been made, then Contractor may rely upon the accuracy of the Technical Data as defined in Paragraph 1.01.A.46.b.
- D. *Limitations of Other Data and Documents:* Except for such reliance on Technical Data, Contractor may not rely upon or make any claim against Owner or Engineer, or any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors, with respect to:
 - 1. the completeness of such reports and drawings for Contractor's purposes, including, but not limited to, any aspects of the means, methods, techniques, sequences, and procedures of construction to be employed by Contractor, and safety precautions and programs incident thereto;
 - 2. other data, interpretations, opinions, and information contained in such reports or shown or indicated in such drawings;
 - 3. the contents of other Site-related documents made available to Contractor, such as record drawings from other projects at or adjacent to the Site, or Owner's archival documents concerning the Site; or

4. any Contractor interpretation of or conclusion drawn from any Technical Data or any such other data, interpretations, opinions, or information.

5.04 *Differing Subsurface or Physical Conditions*

- A. *Notice by Contractor:* If Contractor believes that any subsurface or physical condition that is uncovered or revealed at the Site:
1. is of such a nature as to establish that any Technical Data on which Contractor is entitled to rely as provided in Paragraph 5.03 is materially inaccurate;
 2. is of such a nature as to require a change in the Drawings or Specifications;
 3. differs materially from that shown or indicated in the Contract Documents; or
 4. is of an unusual nature, and differs materially from conditions ordinarily encountered and generally recognized as inherent in work of the character provided for in the Contract Documents;

then Contractor shall, promptly after becoming aware thereof and before further disturbing the subsurface or physical conditions or performing any Work in connection therewith (except in an emergency as required by Paragraph 7.15), notify Owner and Engineer in writing about such condition. Contractor shall not further disturb such condition or perform any Work in connection therewith (except with respect to an emergency) until receipt of a written statement permitting Contractor to do so.

- B. *Engineer's Review:* After receipt of written notice as required by the preceding paragraph, Engineer will promptly review the subsurface or physical condition in question; determine whether it is necessary for Owner to obtain additional exploration or tests with respect to the condition; conclude whether the condition falls within any one or more of the differing site condition categories in Paragraph 5.04.A; obtain any pertinent cost or schedule information from Contractor; prepare recommendations to Owner regarding the Contractor's resumption of Work in connection with the subsurface or physical condition in question and the need for any change in the Drawings or Specifications; and advise Owner in writing of Engineer's findings, conclusions, and recommendations.
- C. *Owner's Statement to Contractor Regarding Site Condition:* After receipt of Engineer's written findings, conclusions, and recommendations, Owner shall issue a written statement to Contractor (with a copy to Engineer) regarding the subsurface or physical condition in question, addressing the resumption of Work in connection with such condition, indicating whether any change in the Drawings or Specifications will be made, and adopting or rejecting Engineer's written findings, conclusions, and recommendations, in whole or in part.
- D. *Early Resumption of Work:* If at any time Engineer determines that Work in connection with the subsurface or physical condition in question may resume prior to completion of Engineer's review or Owner's issuance of its statement to Contractor, because the condition in question has been adequately documented, and analyzed on a preliminary basis, then the Engineer may at its discretion instruct Contractor to resume such Work.
- E. *Possible Price and Times Adjustments*
1. Contractor shall be entitled to an equitable adjustment in Contract Price or Contract Times, to the extent that the existence of a differing subsurface or physical condition, or any related delay, disruption, or interference, causes an increase or decrease in

Contractor's cost of, or time required for, performance of the Work; subject, however, to the following:

- a. Such condition must fall within any one or more of the categories described in Paragraph 5.04.A;
 - b. With respect to Work that is paid for on a unit price basis, any adjustment in Contract Price will be subject to the provisions of Paragraph 13.03; and,
 - c. Contractor's entitlement to an adjustment of the Contract Times is subject to the provisions of Paragraphs 4.05.D and 4.05.E.
2. Contractor shall not be entitled to any adjustment in the Contract Price or Contract Times with respect to a subsurface or physical condition if:
 - a. Contractor knew of the existence of such condition at the time Contractor made a commitment to Owner with respect to Contract Price and Contract Times by the submission of a Bid or becoming bound under a negotiated contract, or otherwise;
 - b. The existence of such condition reasonably could have been discovered or revealed as a result of any examination, investigation, exploration, test, or study of the Site and contiguous areas expressly required by the Bidding Requirements or Contract Documents to be conducted by or for Contractor prior to Contractor's making such commitment; or
 - c. Contractor failed to give the written notice required by Paragraph 5.04.A.
 3. If Owner and Contractor agree regarding Contractor's entitlement to and the amount or extent of any adjustment in the Contract Price or Contract Times, then any such adjustment will be set forth in a Change Order.
 4. Contractor may submit a Change Proposal regarding its entitlement to or the amount or extent of any adjustment in the Contract Price or Contract Times, no later than 30 days after Owner's issuance of the Owner's written statement to Contractor regarding the subsurface or physical condition in question.
- F. *Underground Facilities; Hazardous Environmental Conditions:* Paragraph 5.05 governs rights and responsibilities regarding the presence or location of Underground Facilities. Paragraph 5.06 governs rights and responsibilities regarding Hazardous Environmental Conditions. The provisions of Paragraphs 5.03 and 5.04 are not applicable to the presence or location of Underground Facilities, or to Hazardous Environmental Conditions.

5.05 *Underground Facilities*

- A. *Contractor's Responsibilities:* Unless it is otherwise expressly provided in the Supplementary Conditions, the cost of all of the following are included in the Contract Price, and Contractor shall have full responsibility for:
1. reviewing and checking all information and data regarding existing Underground Facilities at the Site;
 2. complying with applicable state and local utility damage prevention Laws and Regulations;

3. verifying the actual location of those Underground Facilities shown or indicated in the Contract Documents as being within the area affected by the Work, by exposing such Underground Facilities during the course of construction;
 4. coordination of the Work with the owners (including Owner) of such Underground Facilities, during construction; and
 5. the safety and protection of all existing Underground Facilities at the Site, and repairing any damage thereto resulting from the Work.
- B. *Notice by Contractor:* If Contractor believes that an Underground Facility that is uncovered or revealed at the Site was not shown or indicated on the Drawings, or was not shown or indicated on the Drawings with reasonable accuracy, then Contractor shall, promptly after becoming aware thereof and before further disturbing conditions affected thereby or performing any Work in connection therewith (except in an emergency as required by Paragraph 7.15), notify Owner and Engineer in writing regarding such Underground Facility.
- C. *Engineer's Review:* Engineer will:
1. promptly review the Underground Facility and conclude whether such Underground Facility was not shown or indicated on the Drawings, or was not shown or indicated with reasonable accuracy;
 2. identify and communicate with the owner of the Underground Facility; prepare recommendations to Owner (and if necessary issue any preliminary instructions to Contractor) regarding the Contractor's resumption of Work in connection with the Underground Facility in question;
 3. obtain any pertinent cost or schedule information from Contractor; determine the extent, if any, to which a change is required in the Drawings or Specifications to reflect and document the consequences of the existence or location of the Underground Facility; and
 4. advise Owner in writing of Engineer's findings, conclusions, and recommendations.
- During such time, Contractor shall be responsible for the safety and protection of such Underground Facility.
- D. *Owner's Statement to Contractor Regarding Underground Facility:* After receipt of Engineer's written findings, conclusions, and recommendations, Owner shall issue a written statement to Contractor (with a copy to Engineer) regarding the Underground Facility in question addressing the resumption of Work in connection with such Underground Facility, indicating whether any change in the Drawings or Specifications will be made, and adopting or rejecting Engineer's written findings, conclusions, and recommendations in whole or in part.
- E. *Early Resumption of Work:* If at any time Engineer determines that Work in connection with the Underground Facility may resume prior to completion of Engineer's review or Owner's issuance of its statement to Contractor, because the Underground Facility in question and conditions affected by its presence have been adequately documented, and analyzed on a preliminary basis, then the Engineer may at its discretion instruct Contractor to resume such Work.
- F. *Possible Price and Times Adjustments*
1. Contractor shall be entitled to an equitable adjustment in the Contract Price or Contract Times, to the extent that any existing Underground Facility at the Site that was not shown

or indicated on the Drawings, or was not shown or indicated with reasonable accuracy, or any related delay, disruption, or interference, causes an increase or decrease in Contractor's cost of, or time required for, performance of the Work; subject, however, to the following:

- a. With respect to Work that is paid for on a unit price basis, any adjustment in Contract Price will be subject to the provisions of Paragraph 13.03;
 - b. Contractor's entitlement to an adjustment of the Contract Times is subject to the provisions of Paragraphs 4.05.D and 4.05.E; and
 - c. Contractor gave the notice required in Paragraph 5.05.B.
2. If Owner and Contractor agree regarding Contractor's entitlement to and the amount or extent of any adjustment in the Contract Price or Contract Times, then any such adjustment will be set forth in a Change Order.
 3. Contractor may submit a Change Proposal regarding its entitlement to or the amount or extent of any adjustment in the Contract Price or Contract Times, no later than 30 days after Owner's issuance of the Owner's written statement to Contractor regarding the Underground Facility in question.
 4. The information and data shown or indicated on the Drawings with respect to existing Underground Facilities at the Site is based on information and data (a) furnished by the owners of such Underground Facilities, or by others, (b) obtained from available records, or (c) gathered in an investigation conducted in accordance with the current edition of ASCE 38, Standard Guideline for the Collection and Depiction of Existing Subsurface Utility Data, by the American Society of Civil Engineers. If such information or data is incorrect or incomplete, Contractor's remedies are limited to those set forth in this Paragraph 5.05.F.

5.06 *Hazardous Environmental Conditions at Site*

A. *Reports and Drawings:* The Supplementary Conditions identify:

1. those reports known to Owner relating to Hazardous Environmental Conditions that have been identified at or adjacent to the Site;
2. drawings known to Owner relating to Hazardous Environmental Conditions that have been identified at or adjacent to the Site; and
3. Technical Data contained in such reports and drawings.

B. *Reliance by Contractor on Technical Data Authorized:* Contractor may rely upon the accuracy of the Technical Data expressly identified in the Supplementary Conditions with respect to such reports and drawings, but such reports and drawings are not Contract Documents. If no such express identification has been made, then Contractor may rely on the accuracy of the Technical Data as defined in Paragraph 1.01.A.46.b. Except for such reliance on Technical Data, Contractor may not rely upon or make any claim against Owner or Engineer, or any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors, with respect to:

1. the completeness of such reports and drawings for Contractor's purposes, including, but not limited to, any aspects of the means, methods, techniques, sequences and procedures

- of construction to be employed by Contractor, and safety precautions and programs incident thereto;
2. other data, interpretations, opinions, and information contained in such reports or shown or indicated in such drawings; or
 3. any Contractor interpretation of or conclusion drawn from any Technical Data or any such other data, interpretations, opinions or information.
- C. Contractor shall not be responsible for removing or remediating any Hazardous Environmental Condition encountered, uncovered, or revealed at the Site unless such removal or remediation is expressly identified in the Contract Documents to be within the scope of the Work.
- D. Contractor shall be responsible for controlling, containing, and duly removing all Constituents of Concern brought to the Site by Contractor, Subcontractors, Suppliers, or anyone else for whom Contractor is responsible, and for any associated costs; and for the costs of removing and remediating any Hazardous Environmental Condition created by the presence of any such Constituents of Concern.
- E. If Contractor encounters, uncovers, or reveals a Hazardous Environmental Condition whose removal or remediation is not expressly identified in the Contract Documents as being within the scope of the Work, or if Contractor or anyone for whom Contractor is responsible creates a Hazardous Environmental Condition, then Contractor shall immediately: (1) secure or otherwise isolate such condition; (2) stop all Work in connection with such condition and in any area affected thereby (except in an emergency as required by Paragraph 7.15); and (3) notify Owner and Engineer (and promptly thereafter confirm such notice in writing). Owner shall promptly consult with Engineer concerning the necessity for Owner to retain a qualified expert to evaluate such condition or take corrective action, if any. Promptly after consulting with Engineer, Owner shall take such actions as are necessary to permit Owner to timely obtain required permits and provide Contractor the written notice required by Paragraph 5.06.F. If Contractor or anyone for whom Contractor is responsible created the Hazardous Environmental Condition in question, then Owner may remove and remediate the Hazardous Environmental Condition, and impose a set-off against payments to account for the associated costs.
- F. Contractor shall not resume Work in connection with such Hazardous Environmental Condition or in any affected area until after Owner has obtained any required permits related thereto, and delivered written notice to Contractor either (1) specifying that such condition and any affected area is or has been rendered safe for the resumption of Work, or (2) specifying any special conditions under which such Work may be resumed safely.
- G. If Owner and Contractor cannot agree as to entitlement to or on the amount or extent, if any, of any adjustment in Contract Price or Contract Times, as a result of such Work stoppage, such special conditions under which Work is agreed to be resumed by Contractor, or any costs or expenses incurred in response to the Hazardous Environmental Condition, then within 30 days of Owner's written notice regarding the resumption of Work, Contractor may submit a Change Proposal, or Owner may impose a set-off. Entitlement to any such adjustment is subject to the provisions of Paragraphs 4.05.D, 4.05.E, 11.07, and 11.08.
- H. If, after receipt of such written notice, Contractor does not agree to resume such Work based on a reasonable belief it is unsafe, or does not agree to resume such Work under such special

conditions, then Owner may order the portion of the Work that is in the area affected by such condition to be deleted from the Work, following the contractual change procedures in Article 11. Owner may have such deleted portion of the Work performed by Owner's own forces or others in accordance with Article 8.

- I. To the fullest extent permitted by Laws and Regulations, Owner shall indemnify and hold harmless Contractor, Subcontractors, and Engineer, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals, and all court, arbitration, or other dispute resolution costs) arising out of or relating to a Hazardous Environmental Condition, provided that such Hazardous Environmental Condition (1) was not shown or indicated in the Drawings, Specifications, or other Contract Documents, identified as Technical Data entitled to limited reliance pursuant to Paragraph 5.06.B, or identified in the Contract Documents to be included within the scope of the Work, and (2) was not created by Contractor or by anyone for whom Contractor is responsible. Nothing in this Paragraph 5.06.I obligates Owner to indemnify any individual or entity from and against the consequences of that individual's or entity's own negligence.
- J. To the fullest extent permitted by Laws and Regulations, Contractor shall indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to the failure to control, contain, or remove a Constituent of Concern brought to the Site by Contractor or by anyone for whom Contractor is responsible, or to a Hazardous Environmental Condition created by Contractor or by anyone for whom Contractor is responsible. Nothing in this Paragraph 5.06.J obligates Contractor to indemnify any individual or entity from and against the consequences of that individual's or entity's own negligence.
- K. The provisions of Paragraphs 5.03, 5.04, and 5.05 do not apply to the presence of Constituents of Concern or to a Hazardous Environmental Condition uncovered or revealed at the Site.

ARTICLE 6—BONDS AND INSURANCE

6.01 *Performance, Payment, and Other Bonds*

- A. Contractor shall furnish a performance bond and a payment bond, each in an amount at least equal to the Contract Price, as security for the faithful performance and payment of Contractor's obligations under the Contract. These bonds must remain in effect until one year after the date when final payment becomes due or until completion of the correction period specified in Paragraph 15.08, whichever is later, except as provided otherwise by Laws or Regulations, the terms of a prescribed bond form, the Supplementary Conditions, or other provisions of the Contract.
- B. Contractor shall also furnish such other bonds (if any) as are required by the Supplementary Conditions or other provisions of the Contract.
- C. All bonds must be in the form included in the Bidding Documents or otherwise specified by Owner prior to execution of the Contract, except as provided otherwise by Laws or

Regulations, and must be issued and signed by a surety named in “Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies” as published in Department Circular 570 (as amended and supplemented) by the Bureau of the Fiscal Service, U.S. Department of the Treasury. A bond signed by an agent or attorney-in-fact must be accompanied by a certified copy of that individual’s authority to bind the surety. The evidence of authority must show that it is effective on the date the agent or attorney-in-fact signed the accompanying bond.

- D. Contractor shall obtain the required bonds from surety companies that are duly licensed or authorized, in the state or jurisdiction in which the Project is located, to issue bonds in the required amounts.
- E. If the surety on a bond furnished by Contractor is declared bankrupt or becomes insolvent, or the surety ceases to meet the requirements above, then Contractor shall promptly notify Owner and Engineer in writing and shall, within 20 days after the event giving rise to such notification, provide another bond and surety, both of which must comply with the bond and surety requirements above.
- F. If Contractor has failed to obtain a required bond, Owner may exclude the Contractor from the Site and exercise Owner’s termination rights under Article 16.
- G. Upon request to Owner from any Subcontractor, Supplier, or other person or entity claiming to have furnished labor, services, materials, or equipment used in the performance of the Work, Owner shall provide a copy of the payment bond to such person or entity.
- H. Upon request to Contractor from any Subcontractor, Supplier, or other person or entity claiming to have furnished labor, services, materials, or equipment used in the performance of the Work, Contractor shall provide a copy of the payment bond to such person or entity.

6.02 *Insurance—General Provisions*

- A. Owner and Contractor shall obtain and maintain insurance as required in this article and in the Supplementary Conditions.
- B. All insurance required by the Contract to be purchased and maintained by Owner or Contractor shall be obtained from insurance companies that are duly licensed or authorized in the state or jurisdiction in which the Project is located to issue insurance policies for the required limits and coverages. Unless a different standard is indicated in the Supplementary Conditions, all companies that provide insurance policies required under this Contract shall have an A.M. Best rating of A-VII or better.
- C. Alternative forms of insurance coverage, including but not limited to self-insurance and “Occupational Accident and Excess Employer’s Indemnity Policies,” are not sufficient to meet the insurance requirements of this Contract, unless expressly allowed in the Supplementary Conditions.
- D. Contractor shall deliver to Owner, with copies to each additional insured identified in the Contract, certificates of insurance and endorsements establishing that Contractor has obtained and is maintaining the policies and coverages required by the Contract. Upon request by Owner or any other insured, Contractor shall also furnish other evidence of such required insurance, including but not limited to copies of policies, documentation of applicable self-insured retentions (if allowed) and deductibles, full disclosure of all relevant exclusions, and evidence of insurance required to be purchased and maintained by

- Subcontractors or Suppliers. In any documentation furnished under this provision, Contractor, Subcontractors, and Suppliers may block out (redact) (1) any confidential premium or pricing information and (2) any wording specific to a project or jurisdiction other than those applicable to this Contract.
- E. Owner shall deliver to Contractor, with copies to each additional insured identified in the Contract, certificates of insurance and endorsements establishing that Owner has obtained and is maintaining the policies and coverages required of Owner by the Contract (if any). Upon request by Contractor or any other insured, Owner shall also provide other evidence of such required insurance (if any), including but not limited to copies of policies, documentation of applicable self-insured retentions (if allowed) and deductibles, and full disclosure of all relevant exclusions. In any documentation furnished under this provision, Owner may block out (redact) (1) any confidential premium or pricing information and (2) any wording specific to a project or jurisdiction other than those relevant to this Contract.
- F. Failure of Owner or Contractor to demand such certificates or other evidence of the other party's full compliance with these insurance requirements, or failure of Owner or Contractor to identify a deficiency in compliance from the evidence provided, will not be construed as a waiver of the other party's obligation to obtain and maintain such insurance.
- G. In addition to the liability insurance required to be provided by Contractor, the Owner, at Owner's option, may purchase and maintain Owner's own liability insurance. Owner's liability policies, if any, operate separately and independently from policies required to be provided by Contractor, and Contractor cannot rely upon Owner's liability policies for any of Contractor's obligations to the Owner, Engineer, or third parties.
- H. Contractor shall require:
1. Subcontractors to purchase and maintain worker's compensation, commercial general liability, and other insurance that is appropriate for their participation in the Project, and to name as additional insureds Owner and Engineer (and any other individuals or entities identified in the Supplementary Conditions as additional insureds on Contractor's liability policies) on each Subcontractor's commercial general liability insurance policy; and
 2. Suppliers to purchase and maintain insurance that is appropriate for their participation in the Project.
- I. If either party does not purchase or maintain the insurance required of such party by the Contract, such party shall notify the other party in writing of such failure to purchase prior to the start of the Work, or of such failure to maintain prior to any change in the required coverage.
- J. If Contractor has failed to obtain and maintain required insurance, Contractor's entitlement to enter or remain at the Site will end immediately, and Owner may impose an appropriate set-off against payment for any associated costs (including but not limited to the cost of purchasing necessary insurance coverage), and exercise Owner's termination rights under Article 16.
- K. Without prejudice to any other right or remedy, if a party has failed to obtain required insurance, the other party may elect (but is in no way obligated) to obtain equivalent insurance to protect such other party's interests at the expense of the party who was required to provide such coverage, and the Contract Price will be adjusted accordingly.

- L. Owner does not represent that insurance coverage and limits established in this Contract necessarily will be adequate to protect Contractor or Contractor's interests. Contractor is responsible for determining whether such coverage and limits are adequate to protect its interests, and for obtaining and maintaining any additional insurance that Contractor deems necessary.
- M. The insurance and insurance limits required herein will not be deemed as a limitation on Contractor's liability, or that of its Subcontractors or Suppliers, under the indemnities granted to Owner and other individuals and entities in the Contract or otherwise.
- N. All the policies of insurance required to be purchased and maintained under this Contract will contain a provision or endorsement that the coverage afforded will not be canceled, or renewal refused, until at least 10 days prior written notice has been given to the purchasing policyholder. Within three days of receipt of any such written notice, the purchasing policyholder shall provide a copy of the notice to each other insured and Engineer.

6.03 Contractor's Insurance

- A. *Required Insurance:* Contractor shall purchase and maintain Worker's Compensation, Commercial General Liability, and other insurance pursuant to the specific requirements of the Supplementary Conditions.
- B. *General Provisions:* The policies of insurance required by this Paragraph 6.03 as supplemented must:
 - 1. include at least the specific coverages required;
 - 2. be written for not less than the limits provided, or those required by Laws or Regulations, whichever is greater;
 - 3. remain in effect at least until the Work is complete (as set forth in Paragraph 15.06.D), and longer if expressly required elsewhere in this Contract, and at all times thereafter when Contractor may be correcting, removing, or replacing defective Work as a warranty or correction obligation, or otherwise, or returning to the Site to conduct other tasks arising from the Contract;
 - 4. apply with respect to the performance of the Work, whether such performance is by Contractor, any Subcontractor or Supplier, or by anyone directly or indirectly employed by any of them to perform any of the Work, or by anyone for whose acts any of them may be liable; and
 - 5. include all necessary endorsements to support the stated requirements.
- C. *Additional Insureds:* The Contractor's commercial general liability, automobile liability, employer's liability, umbrella or excess, pollution liability, and unmanned aerial vehicle liability policies, if required by this Contract, must:
 - 1. include and list as additional insureds Owner and Engineer, and any individuals or entities identified as additional insureds in the Supplementary Conditions;
 - 2. include coverage for the respective officers, directors, members, partners, employees, and consultants of all such additional insureds;
 - 3. afford primary coverage to these additional insureds for all claims covered thereby (including as applicable those arising from both ongoing and completed operations);

4. not seek contribution from insurance maintained by the additional insured; and
5. as to commercial general liability insurance, apply to additional insureds with respect to liability caused in whole or in part by Contractor's acts or omissions, or the acts and omissions of those working on Contractor's behalf, in the performance of Contractor's operations.

6.04 *Builder's Risk and Other Property Insurance*

- A. *Builder's Risk*: Unless otherwise provided in the Supplementary Conditions, Contractor shall purchase and maintain builder's risk insurance upon the Work on a completed value basis, in the amount of the Work's full insurable replacement cost (subject to such deductible amounts as may be provided in the Supplementary Conditions or required by Laws and Regulations). The specific requirements applicable to the builder's risk insurance are set forth in the Supplementary Conditions.
- B. *Property Insurance for Facilities of Owner Where Work Will Occur*: Owner is responsible for obtaining and maintaining property insurance covering each existing structure, building, or facility in which any part of the Work will occur, or to which any part of the Work will attach or be adjoined. Such property insurance will be written on a special perils (all-risk) form, on a replacement cost basis, providing coverage consistent with that required for the builder's risk insurance, and will be maintained until the Work is complete, as set forth in Paragraph 15.06.D.
- C. *Property Insurance for Substantially Complete Facilities*: Promptly after Substantial Completion, and before actual occupancy or use of the substantially completed Work, Owner will obtain property insurance for such substantially completed Work, and maintain such property insurance at least until the Work is complete, as set forth in Paragraph 15.06.D. Such property insurance will be written on a special perils (all-risk) form, on a replacement cost basis, and provide coverage consistent with that required for the builder's risk insurance. The builder's risk insurance may terminate upon written confirmation of Owner's procurement of such property insurance.
- D. *Partial Occupancy or Use by Owner*: If Owner will occupy or use a portion or portions of the Work prior to Substantial Completion of all the Work, as provided in Paragraph 15.04, then Owner (directly, if it is the purchaser of the builder's risk policy, or through Contractor) will provide advance notice of such occupancy or use to the builder's risk insurer, and obtain an endorsement consenting to the continuation of coverage prior to commencing such partial occupancy or use.
- E. *Insurance of Other Property; Additional Insurance*: If the express insurance provisions of the Contract do not require or address the insurance of a property item or interest, then the entity or individual owning such property item will be responsible for insuring it. If Contractor elects to obtain other special insurance to be included in or supplement the builder's risk or property insurance policies provided under this Paragraph 6.04, it may do so at Contractor's expense.

6.05 *Property Losses; Subrogation*

- A. The builder's risk insurance policy purchased and maintained in accordance with Paragraph 6.04 (or an installation floater policy if authorized by the Supplementary Conditions), will contain provisions to the effect that in the event of payment of any loss or damage the insurer will have no rights of recovery against any insureds thereunder, or against

Engineer or its consultants, or their officers, directors, members, partners, employees, agents, consultants, or subcontractors.

1. Owner and Contractor waive all rights against each other and the respective officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, for all losses and damages caused by, arising out of, or resulting from any of the perils, risks, or causes of loss covered by such policies and any other property insurance applicable to the Work; and, in addition, waive all such rights against Engineer, its consultants, all individuals or entities identified in the Supplementary Conditions as builder's risk or installation floater insureds, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, under such policies for losses and damages so caused.
 2. None of the above waivers extends to the rights that any party making such waiver may have to the proceeds of insurance held by Owner or Contractor as trustee or fiduciary, or otherwise payable under any policy so issued.
- B. Any property insurance policy maintained by Owner covering any loss, damage, or consequential loss to Owner's existing structures, buildings, or facilities in which any part of the Work will occur, or to which any part of the Work will attach or adjoin; to adjacent structures, buildings, or facilities of Owner; or to part or all of the completed or substantially completed Work, during partial occupancy or use pursuant to Paragraph 15.04, after Substantial Completion pursuant to Paragraph 15.03, or after final payment pursuant to Paragraph 15.06, will contain provisions to the effect that in the event of payment of any loss or damage the insurer will have no rights of recovery against any insureds thereunder, or against Contractor, Subcontractors, or Engineer, or the officers, directors, members, partners, employees, agents, consultants, or subcontractors of each and any of them, and that the insured is allowed to waive the insurer's rights of subrogation in a written contract executed prior to the loss, damage, or consequential loss.
1. Owner waives all rights against Contractor, Subcontractors, and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them, for all losses and damages caused by, arising out of, or resulting from fire or any of the perils, risks, or causes of loss covered by such policies.
- C. The waivers in this Paragraph 6.05 include the waiver of rights due to business interruption, loss of use, or other consequential loss extending beyond direct physical loss or damage to Owner's property or the Work caused by, arising out of, or resulting from fire or other insured peril, risk, or cause of loss.
- D. Contractor shall be responsible for assuring that each Subcontract contains provisions whereby the Subcontractor waives all rights against Owner, Contractor, all individuals or entities identified in the Supplementary Conditions as insureds, the Engineer and its consultants, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, for all losses and damages caused by, arising out of, relating to, or resulting from fire or other peril, risk, or cause of loss covered by builder's risk insurance, installation floater, and any other property insurance applicable to the Work.

6.06 *Receipt and Application of Property Insurance Proceeds*

- A. Any insured loss under the builder's risk and other policies of property insurance required by Paragraph 6.04 will be adjusted and settled with the named insured that purchased the policy. Such named insured shall act as fiduciary for the other insureds, and give notice to such other insureds that adjustment and settlement of a claim is in progress. Any other insured may state its position regarding a claim for insured loss in writing within 15 days after notice of such claim.
- B. Proceeds for such insured losses may be made payable by the insurer either jointly to multiple insureds, or to the named insured that purchased the policy in its own right and as fiduciary for other insureds, subject to the requirements of any applicable mortgage clause. A named insured receiving insurance proceeds under the builder's risk and other policies of insurance required by Paragraph 6.04 shall maintain such proceeds in a segregated account, and distribute such proceeds in accordance with such agreement as the parties in interest may reach, or as otherwise required under the dispute resolution provisions of this Contract or applicable Laws and Regulations.
- C. If no other special agreement is reached, Contractor shall repair or replace the damaged Work, using allocated insurance proceeds.

ARTICLE 7—CONTRACTOR'S RESPONSIBILITIES

7.01 *Contractor's Means and Methods of Construction*

- A. Contractor shall be solely responsible for the means, methods, techniques, sequences, and procedures of construction.
- B. If the Contract Documents note, or Contractor determines, that professional engineering or other design services are needed to carry out Contractor's responsibilities for construction means, methods, techniques, sequences, and procedures, or for Site safety, then Contractor shall cause such services to be provided by a properly licensed design professional, at Contractor's expense. Such services are not Owner-delegated professional design services under this Contract, and neither Owner nor Engineer has any responsibility with respect to (1) Contractor's determination of the need for such services, (2) the qualifications or licensing of the design professionals retained or employed by Contractor, (3) the performance of such services, or (4) any errors, omissions, or defects in such services.

7.02 *Supervision and Superintendence*

- A. Contractor shall supervise, inspect, and direct the Work competently and efficiently, devoting such attention thereto and applying such skills and expertise as may be necessary to perform the Work in accordance with the Contract Documents.
- B. At all times during the progress of the Work, Contractor shall assign a competent resident superintendent who will not be replaced without written notice to Owner and Engineer except under extraordinary circumstances.

7.03 *Labor; Working Hours*

- A. Contractor shall provide competent, suitably qualified personnel to survey and lay out the Work and perform construction as required by the Contract Documents. Contractor shall maintain good discipline and order at the Site.

- B. Contractor shall be fully responsible to Owner and Engineer for all acts and omissions of Contractor's employees; of Suppliers and Subcontractors, and their employees; and of any other individuals or entities performing or furnishing any of the Work, just as Contractor is responsible for Contractor's own acts and omissions.
- C. Except as otherwise required for the safety or protection of persons or the Work or property at the Site or adjacent thereto, and except as otherwise stated in the Contract Documents, all Work at the Site will be performed during regular working hours, Monday through Friday. Contractor will not perform Work on a Saturday, Sunday, or any legal holiday. Contractor may perform Work outside regular working hours or on Saturdays, Sundays, or legal holidays only with Owner's written consent, which will not be unreasonably withheld.

7.04 *Services, Materials, and Equipment*

- A. Unless otherwise specified in the Contract Documents, Contractor shall provide and assume full responsibility for all services, materials, equipment, labor, transportation, construction equipment and machinery, tools, appliances, fuel, power, light, heat, telephone, water, sanitary facilities, temporary facilities, and all other facilities and incidentals necessary for the performance, testing, start up, and completion of the Work, whether or not such items are specifically called for in the Contract Documents.
- B. All materials and equipment incorporated into the Work must be new and of good quality, except as otherwise provided in the Contract Documents. All special warranties and guarantees required by the Specifications will expressly run to the benefit of Owner. If required by Engineer, Contractor shall furnish satisfactory evidence (including reports of required tests) as to the source, kind, and quality of materials and equipment.
- C. All materials and equipment must be stored, applied, installed, connected, erected, protected, used, cleaned, and conditioned in accordance with instructions of the applicable Supplier, except as otherwise may be provided in the Contract Documents.

7.05 *"Or Equals"*

- A. *Contractor's Request; Governing Criteria:* Whenever an item of equipment or material is specified or described in the Contract Documents by using the names of one or more proprietary items or specific Suppliers, the Contract Price has been based upon Contractor furnishing such item as specified. The specification or description of such an item is intended to establish the type, function, appearance, and quality required. Unless the specification or description contains or is followed by words reading that no like, equivalent, or "or equal" item is permitted, Contractor may request that Engineer authorize the use of other items of equipment or material, or items from other proposed Suppliers, under the circumstances described below.
 - 1. If Engineer in its sole discretion determines that an item of equipment or material proposed by Contractor is functionally equal to that named and sufficiently similar so that no change in related Work will be required, Engineer will deem it an "or equal" item. For the purposes of this paragraph, a proposed item of equipment or material will be considered functionally equal to an item so named if:
 - a. in the exercise of reasonable judgment Engineer determines that the proposed item:
 - 1) is at least equal in materials of construction, quality, durability, appearance, strength, and design characteristics;

- 2) will reliably perform at least equally well the function and achieve the results imposed by the design concept of the completed Project as a functioning whole;
 - 3) has a proven record of performance and availability of responsive service; and
 - 4) is not objectionable to Owner.
- b. Contractor certifies that, if the proposed item is approved and incorporated into the Work:
- 1) there will be no increase in cost to the Owner or increase in Contract Times; and
 - 2) the item will conform substantially to the detailed requirements of the item named in the Contract Documents.
- B. *Contractor's Expense*: Contractor shall provide all data in support of any proposed "or equal" item at Contractor's expense.
- C. *Engineer's Evaluation and Determination*: Engineer will be allowed a reasonable time to evaluate each "or-equal" request. Engineer may require Contractor to furnish additional data about the proposed "or-equal" item. Engineer will be the sole judge of acceptability. No "or-equal" item will be ordered, furnished, installed, or utilized until Engineer's review is complete and Engineer determines that the proposed item is an "or-equal," which will be evidenced by an approved Shop Drawing or other written communication. Engineer will advise Contractor in writing of any negative determination.
- D. *Effect of Engineer's Determination*: Neither approval nor denial of an "or-equal" request will result in any change in Contract Price. The Engineer's denial of an "or-equal" request will be final and binding, and may not be reversed through an appeal under any provision of the Contract.
- E. *Treatment as a Substitution Request*: If Engineer determines that an item of equipment or material proposed by Contractor does not qualify as an "or-equal" item, Contractor may request that Engineer consider the item a proposed substitute pursuant to Paragraph 7.06.

7.06 Substitutes

- A. *Contractor's Request; Governing Criteria*: Unless the specification or description of an item of equipment or material required to be furnished under the Contract Documents contains or is followed by words reading that no substitution is permitted, Contractor may request that Engineer authorize the use of other items of equipment or material under the circumstances described below. To the extent possible such requests must be made before commencement of related construction at the Site.
1. Contractor shall submit sufficient information as provided below to allow Engineer to determine if the item of material or equipment proposed is functionally equivalent to that named and an acceptable substitute therefor. Engineer will not accept requests for review of proposed substitute items of equipment or material from anyone other than Contractor.
 2. The requirements for review by Engineer will be as set forth in Paragraph 7.06.B, as supplemented by the Specifications, and as Engineer may decide is appropriate under the circumstances.

3. Contractor shall make written application to Engineer for review of a proposed substitute item of equipment or material that Contractor seeks to furnish or use. The application:
 - a. will certify that the proposed substitute item will:
 - 1) perform adequately the functions and achieve the results called for by the general design;
 - 2) be similar in substance to the item specified; and
 - 3) be suited to the same use as the item specified.
 - b. will state:
 - 1) the extent, if any, to which the use of the proposed substitute item will necessitate a change in Contract Times;
 - 2) whether use of the proposed substitute item in the Work will require a change in any of the Contract Documents (or in the provisions of any other direct contract with Owner for other work on the Project) to adapt the design to the proposed substitute item; and
 - 3) whether incorporation or use of the proposed substitute item in connection with the Work is subject to payment of any license fee or royalty.
 - c. will identify:
 - 1) all variations of the proposed substitute item from the item specified; and
 - 2) available engineering, sales, maintenance, repair, and replacement services.
 - d. will contain an itemized estimate of all costs or credits that will result directly or indirectly from use of such substitute item, including but not limited to changes in Contract Price, shared savings, costs of redesign, and claims of other contractors affected by any resulting change.
- B. *Engineer's Evaluation and Determination*: Engineer will be allowed a reasonable time to evaluate each substitute request, and to obtain comments and direction from Owner. Engineer may require Contractor to furnish additional data about the proposed substitute item. Engineer will be the sole judge of acceptability. No substitute will be ordered, furnished, installed, or utilized until Engineer's review is complete and Engineer determines that the proposed item is an acceptable substitute. Engineer's determination will be evidenced by a Field Order or a proposed Change Order accounting for the substitution itself and all related impacts, including changes in Contract Price or Contract Times. Engineer will advise Contractor in writing of any negative determination.
- C. *Special Guarantee*: Owner may require Contractor to furnish at Contractor's expense a special performance guarantee or other surety with respect to any substitute.
- D. *Reimbursement of Engineer's Cost*: Engineer will record Engineer's costs in evaluating a substitute proposed or submitted by Contractor. Whether or not Engineer approves a substitute so proposed or submitted by Contractor, Contractor shall reimburse Owner for the reasonable charges of Engineer for evaluating each such proposed substitute. Contractor shall also reimburse Owner for the reasonable charges of Engineer for making changes in the Contract Documents (or in the provisions of any other direct contract with Owner) resulting from the acceptance of each proposed substitute.

- E. *Contractor's Expense*: Contractor shall provide all data in support of any proposed substitute at Contractor's expense.
- F. *Effect of Engineer's Determination*: If Engineer approves the substitution request, Contractor shall execute the proposed Change Order and proceed with the substitution. The Engineer's denial of a substitution request will be final and binding, and may not be reversed through an appeal under any provision of the Contract. Contractor may challenge the scope of reimbursement costs imposed under Paragraph 7.06.D, by timely submittal of a Change Proposal.

7.07 *Concerning Subcontractors and Suppliers*

- A. Contractor may retain Subcontractors and Suppliers for the performance of parts of the Work. Such Subcontractors and Suppliers must be acceptable to Owner. The Contractor's retention of a Subcontractor or Supplier for the performance of parts of the Work will not relieve Contractor's obligation to Owner to perform and complete the Work in accordance with the Contract Documents.
- B. Contractor shall retain specific Subcontractors and Suppliers for the performance of designated parts of the Work if required by the Contract to do so.
- C. Subsequent to the submittal of Contractor's Bid or final negotiation of the terms of the Contract, Owner may not require Contractor to retain any Subcontractor or Supplier to furnish or perform any of the Work against which Contractor has reasonable objection.
- D. Prior to entry into any binding subcontract or purchase order, Contractor shall submit to Owner the identity of the proposed Subcontractor or Supplier (unless Owner has already deemed such proposed Subcontractor or Supplier acceptable during the bidding process or otherwise). Such proposed Subcontractor or Supplier shall be deemed acceptable to Owner unless Owner raises a substantive, reasonable objection within 5 days.
- E. Owner may require the replacement of any Subcontractor or Supplier. Owner also may require Contractor to retain specific replacements; provided, however, that Owner may not require a replacement to which Contractor has a reasonable objection. If Contractor has submitted the identity of certain Subcontractors or Suppliers for acceptance by Owner, and Owner has accepted it (either in writing or by failing to make written objection thereto), then Owner may subsequently revoke the acceptance of any such Subcontractor or Supplier so identified solely on the basis of substantive, reasonable objection after due investigation. Contractor shall submit an acceptable replacement for the rejected Subcontractor or Supplier.
- F. If Owner requires the replacement of any Subcontractor or Supplier retained by Contractor to perform any part of the Work, then Contractor shall be entitled to an adjustment in Contract Price or Contract Times, with respect to the replacement; and Contractor shall initiate a Change Proposal for such adjustment within 30 days of Owner's requirement of replacement.
- G. No acceptance by Owner of any such Subcontractor or Supplier, whether initially or as a replacement, will constitute a waiver of the right of Owner to the completion of the Work in accordance with the Contract Documents.

- H. On a monthly basis, Contractor shall submit to Engineer a complete list of all Subcontractors and Suppliers having a direct contract with Contractor, and of all other Subcontractors and Suppliers known to Contractor at the time of submittal.
- I. Contractor shall be solely responsible for scheduling and coordinating the work of Subcontractors and Suppliers.
- J. The divisions and sections of the Specifications and the identifications of any Drawings do not control Contractor in dividing the Work among Subcontractors or Suppliers, or in delineating the Work to be performed by any specific trade.
- K. All Work performed for Contractor by a Subcontractor or Supplier must be pursuant to an appropriate contractual agreement that specifically binds the Subcontractor or Supplier to the applicable terms and conditions of the Contract for the benefit of Owner and Engineer.
- L. Owner may furnish to any Subcontractor or Supplier, to the extent practicable, information about amounts paid to Contractor for Work performed for Contractor by the Subcontractor or Supplier.
- M. Contractor shall restrict all Subcontractors and Suppliers from communicating with Engineer or Owner, except through Contractor or in case of an emergency, or as otherwise expressly allowed in this Contract.

7.08 *Patent Fees and Royalties*

- A. Contractor shall pay all license fees and royalties and assume all costs incident to the use in the performance of the Work or the incorporation in the Work of any invention, design, process, product, or device which is the subject of patent rights or copyrights held by others. If an invention, design, process, product, or device is specified in the Contract Documents for use in the performance of the Work and if, to the actual knowledge of Owner or Engineer, its use is subject to patent rights or copyrights calling for the payment of any license fee or royalty to others, the existence of such rights will be disclosed in the Contract Documents.
- B. To the fullest extent permitted by Laws and Regulations, Owner shall indemnify and hold harmless Contractor, and its officers, directors, members, partners, employees, agents, consultants, and subcontractors, from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals, and all court or arbitration or other dispute resolution costs) arising out of or relating to any infringement of patent rights or copyrights incident to the use in the performance of the Work or resulting from the incorporation in the Work of any invention, design, process, product, or device specified in the Contract Documents, but not identified as being subject to payment of any license fee or royalty to others required by patent rights or copyrights.
- C. To the fullest extent permitted by Laws and Regulations, Contractor shall indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them, from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to any infringement of patent rights or copyrights incident to the use in the performance of the Work or resulting from the incorporation in the Work of any invention, design, process, product, or device not specified in the Contract Documents.

7.09 *Permits*

- A. Unless otherwise provided in the Contract Documents, Contractor shall obtain and pay for all construction permits, licenses, and certificates of occupancy. Owner shall assist Contractor, when necessary, in obtaining such permits and licenses. Contractor shall pay all governmental charges and inspection fees necessary for the prosecution of the Work which are applicable at the time of the submission of Contractor's Bid (or when Contractor became bound under a negotiated contract). Owner shall pay all charges of utility owners for connections for providing permanent service to the Work.

7.10 *Taxes*

- A. Contractor shall pay all sales, consumer, use, and other similar taxes required to be paid by Contractor in accordance with the Laws and Regulations of the place of the Project which are applicable during the performance of the Work.

7.11 *Laws and Regulations*

- A. Contractor shall give all notices required by and shall comply with all Laws and Regulations applicable to the performance of the Work. Neither Owner nor Engineer shall be responsible for monitoring Contractor's compliance with any Laws or Regulations.
- B. If Contractor performs any Work or takes any other action knowing or having reason to know that it is contrary to Laws or Regulations, Contractor shall bear all resulting costs and losses, and shall indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such Work or other action. It is not Contractor's responsibility to make certain that the Work described in the Contract Documents is in accordance with Laws and Regulations, but this does not relieve Contractor of its obligations under Paragraph 3.03.
- C. Owner or Contractor may give written notice to the other party of any changes after the submission of Contractor's Bid (or after the date when Contractor became bound under a negotiated contract) in Laws or Regulations having an effect on the cost or time of performance of the Work, including but not limited to changes in Laws or Regulations having an effect on procuring permits and on sales, use, value-added, consumption, and other similar taxes. If Owner and Contractor are unable to agree on entitlement to or on the amount or extent, if any, of any adjustment in Contract Price or Contract Times resulting from such changes, then within 30 days of such written notice Contractor may submit a Change Proposal, or Owner may initiate a Claim.

7.12 *Record Documents*

- A. Contractor shall maintain in a safe place at the Site one printed record copy of all Drawings, Specifications, Addenda, Change Orders, Work Change Directives, Field Orders, written interpretations and clarifications, and approved Shop Drawings. Contractor shall keep such record documents in good order and annotate them to show changes made during construction. These record documents, together with all approved Samples, will be available to Engineer for reference. Upon completion of the Work, Contractor shall deliver these record documents to Engineer.

7.13 *Safety and Protection*

- A. Contractor shall be solely responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the Work. Such responsibility does not relieve Subcontractors of their responsibility for the safety of persons or property in the performance of their work, nor for compliance with applicable safety Laws and Regulations.
- B. Contractor shall designate a qualified and experienced safety representative whose duties and responsibilities are the prevention of Work-related accidents and the maintenance and supervision of safety precautions and programs.
- C. Contractor shall take all necessary precautions for the safety of, and shall provide the necessary protection to prevent damage, injury, or loss to:
 - 1. all persons on the Site or who may be affected by the Work;
 - 2. all the Work and materials and equipment to be incorporated therein, whether in storage on or off the Site; and
 - 3. other property at the Site or adjacent thereto, including trees, shrubs, lawns, walks, pavements, roadways, structures, other work in progress, utilities, and Underground Facilities not designated for removal, relocation, or replacement in the course of construction.
- D. All damage, injury, or loss to any property referred to in Paragraph 7.13.C.2 or 7.13.C.3 caused, directly or indirectly, in whole or in part, by Contractor, any Subcontractor, Supplier, or any other individual or entity directly or indirectly employed by any of them to perform any of the Work, or anyone for whose acts any of them may be liable, shall be remedied by Contractor at its expense (except damage or loss attributable to the fault of Drawings or Specifications or to the acts or omissions of Owner or Engineer or anyone employed by any of them, or anyone for whose acts any of them may be liable, and not attributable, directly or indirectly, in whole or in part, to the fault or negligence of Contractor or any Subcontractor, Supplier, or other individual or entity directly or indirectly employed by any of them).
- E. Contractor shall comply with all applicable Laws and Regulations relating to the safety of persons or property, or to the protection of persons or property from damage, injury, or loss; and shall erect and maintain all necessary safeguards for such safety and protection.
- F. Contractor shall notify Owner; the owners of adjacent property; the owners of Underground Facilities and other utilities (if the identity of such owners is known to Contractor); and other contractors and utility owners performing work at or adjacent to the Site, in writing, when Contractor knows that prosecution of the Work may affect them, and shall cooperate with them in the protection, removal, relocation, and replacement of their property or work in progress.
- G. Contractor shall comply with the applicable requirements of Owner's safety programs, if any. Any Owner's safety programs that are applicable to the Work are identified or included in the Supplementary Conditions or Specifications.
- H. Contractor shall inform Owner and Engineer of the specific requirements of Contractor's safety program with which Owner's and Engineer's employees and representatives must comply while at the Site.

- I. Contractor's duties and responsibilities for safety and protection will continue until all the Work is completed, Engineer has issued a written notice to Owner and Contractor in accordance with Paragraph 15.06.C that the Work is acceptable, and Contractor has left the Site (except as otherwise expressly provided in connection with Substantial Completion).
- J. Contractor's duties and responsibilities for safety and protection will resume whenever Contractor or any Subcontractor or Supplier returns to the Site to fulfill warranty or correction obligations, or to conduct other tasks arising from the Contract Documents.

7.14 *Hazard Communication Programs*

- A. Contractor shall be responsible for coordinating any exchange of safety data sheets (formerly known as material safety data sheets) or other hazard communication information required to be made available to or exchanged between or among employers at the Site in accordance with Laws or Regulations.

7.15 *Emergencies*

- A. In emergencies affecting the safety or protection of persons or the Work or property at the Site or adjacent thereto, Contractor is obligated to act to prevent damage, injury, or loss. Contractor shall give Engineer prompt written notice if Contractor believes that any significant changes in the Work or variations from the Contract Documents have been caused by an emergency, or are required as a result of Contractor's response to an emergency. If Engineer determines that a change in the Contract Documents is required because of an emergency or Contractor's response, a Work Change Directive or Change Order will be issued.

7.16 *Submittals*

A. *Shop Drawing and Sample Requirements*

1. Before submitting a Shop Drawing or Sample, Contractor shall:
 - a. review and coordinate the Shop Drawing or Sample with other Shop Drawings and Samples and with the requirements of the Work and the Contract Documents;
 - b. determine and verify:
 - 1) all field measurements, quantities, dimensions, specified performance and design criteria, installation requirements, materials, catalog numbers, and similar information with respect to the Submittal;
 - 2) the suitability of all materials and equipment offered with respect to the indicated application, fabrication, shipping, handling, storage, assembly, and installation pertaining to the performance of the Work; and
 - 3) all information relative to Contractor's responsibilities for means, methods, techniques, sequences, and procedures of construction, and safety precautions and programs incident thereto;
 - c. confirm that the Submittal is complete with respect to all related data included in the Submittal.
2. Each Shop Drawing or Sample must bear a stamp or specific written certification that Contractor has satisfied Contractor's obligations under the Contract Documents with respect to Contractor's review of that Submittal, and that Contractor approves the Submittal.

3. With each Shop Drawing or Sample, Contractor shall give Engineer specific written notice of any variations that the Submittal may have from the requirements of the Contract Documents. This notice must be set forth in a written communication separate from the Submittal; and, in addition, in the case of a Shop Drawing by a specific notation made on the Shop Drawing itself.
- B. *Submittal Procedures for Shop Drawings and Samples:* Contractor shall label and submit Shop Drawings and Samples to Engineer for review and approval in accordance with the accepted Schedule of Submittals.
1. *Shop Drawings*
 - a. Contractor shall submit the number of copies required in the Specifications.
 - b. Data shown on the Shop Drawings must be complete with respect to quantities, dimensions, specified performance and design criteria, materials, and similar data to show Engineer the services, materials, and equipment Contractor proposes to provide, and to enable Engineer to review the information for the limited purposes required by Paragraph 7.16.C.
 2. *Samples*
 - a. Contractor shall submit the number of Samples required in the Specifications.
 - b. Contractor shall clearly identify each Sample as to material, Supplier, pertinent data such as catalog numbers, the use for which intended and other data as Engineer may require to enable Engineer to review the Submittal for the limited purposes required by Paragraph 7.16.C.
 3. Where a Shop Drawing or Sample is required by the Contract Documents or the Schedule of Submittals, any related Work performed prior to Engineer's review and approval of the pertinent submittal will be at the sole expense and responsibility of Contractor.
- C. *Engineer's Review of Shop Drawings and Samples*
1. Engineer will provide timely review of Shop Drawings and Samples in accordance with the accepted Schedule of Submittals. Engineer's review and approval will be only to determine if the items covered by the Submittals will, after installation or incorporation in the Work, comply with the requirements of the Contract Documents, and be compatible with the design concept of the completed Project as a functioning whole as indicated by the Contract Documents.
 2. Engineer's review and approval will not extend to means, methods, techniques, sequences, or procedures of construction, or to safety precautions or programs incident thereto.
 3. Engineer's review and approval of a separate item as such will not indicate approval of the assembly in which the item functions.
 4. Engineer's review and approval of a Shop Drawing or Sample will not relieve Contractor from responsibility for any variation from the requirements of the Contract Documents unless Contractor has complied with the requirements of Paragraph 7.16.A.3 and Engineer has given written approval of each such variation by specific written notation thereof incorporated in or accompanying the Shop Drawing or Sample. Engineer will

document any such approved variation from the requirements of the Contract Documents in a Field Order or other appropriate Contract modification.

5. Engineer's review and approval of a Shop Drawing or Sample will not relieve Contractor from responsibility for complying with the requirements of Paragraphs 7.16.A and B.
6. Engineer's review and approval of a Shop Drawing or Sample, or of a variation from the requirements of the Contract Documents, will not, under any circumstances, change the Contract Times or Contract Price, unless such changes are included in a Change Order.
7. Neither Engineer's receipt, review, acceptance, or approval of a Shop Drawing or Sample will result in such item becoming a Contract Document.
8. Contractor shall perform the Work in compliance with the requirements and commitments set forth in approved Shop Drawings and Samples, subject to the provisions of Paragraph 7.16.C.4.

D. *Resubmittal Procedures for Shop Drawings and Samples*

1. Contractor shall make corrections required by Engineer and shall return the required number of corrected copies of Shop Drawings and submit, as required, new Samples for review and approval. Contractor shall direct specific attention in writing to revisions other than the corrections called for by Engineer on previous Submittals.
2. Contractor shall furnish required Shop Drawing and Sample submittals with sufficient information and accuracy to obtain required approval of an item with no more than two resubmittals. Engineer will record Engineer's time for reviewing a third or subsequent resubmittal of a Shop Drawing or Sample, and Contractor shall be responsible for Engineer's charges to Owner for such time. Owner may impose a set-off against payments due Contractor to secure reimbursement for such charges.
3. If Contractor requests a change of a previously approved Shop Drawing or Sample, Contractor shall be responsible for Engineer's charges to Owner for its review time, and Owner may impose a set-off against payments due Contractor to secure reimbursement for such charges, unless the need for such change is beyond the control of Contractor.

E. *Submittals Other than Shop Drawings, Samples, and Owner-Delegated Designs*

1. The following provisions apply to all Submittals other than Shop Drawings, Samples, and Owner-delegated designs:
 - a. Contractor shall submit all such Submittals to the Engineer in accordance with the Schedule of Submittals and pursuant to the applicable terms of the Contract Documents.
 - b. Engineer will provide timely review of all such Submittals in accordance with the Schedule of Submittals and return such Submittals with a notation of either Accepted or Not Accepted. Any such Submittal that is not returned within the time established in the Schedule of Submittals will be deemed accepted.
 - c. Engineer's review will be only to determine if the Submittal is acceptable under the requirements of the Contract Documents as to general form and content of the Submittal.

- d. If any such Submittal is not accepted, Contractor shall confer with Engineer regarding the reason for the non-acceptance, and resubmit an acceptable document.
- 2. Procedures for the submittal and acceptance of the Progress Schedule, the Schedule of Submittals, and the Schedule of Values are set forth in Paragraphs 2.03, 2.04, and 2.05.
- F. Owner-delegated Designs: Submittals pursuant to Owner-delegated designs are governed by the provisions of Paragraph 7.19.

7.17 Contractor's General Warranty and Guarantee

- A. Contractor warrants and guarantees to Owner that all Work will be in accordance with the Contract Documents and will not be defective. Engineer is entitled to rely on Contractor's warranty and guarantee.
- B. Owner's rights under this warranty and guarantee are in addition to, and are not limited by, Owner's rights under the correction period provisions of Paragraph 15.08. The time in which Owner may enforce its warranty and guarantee rights under this Paragraph 7.17 is limited only by applicable Laws and Regulations restricting actions to enforce such rights; provided, however, that after the end of the correction period under Paragraph 15.08:
 - 1. Owner shall give Contractor written notice of any defective Work within 60 days of the discovery that such Work is defective; and
 - 2. Such notice will be deemed the start of an event giving rise to a Claim under Paragraph 12.01.B, such that any related Claim must be brought within 30 days of the notice.
- C. Contractor's warranty and guarantee hereunder excludes defects or damage caused by:
 - 1. abuse, or improper modification, maintenance, or operation, by persons other than Contractor, Subcontractors, Suppliers, or any other individual or entity for whom Contractor is responsible; or
 - 2. normal wear and tear under normal usage.
- D. Contractor's obligation to perform and complete the Work in accordance with the Contract Documents is absolute. None of the following will constitute an acceptance of Work that is not in accordance with the Contract Documents, a release of Contractor's obligation to perform the Work in accordance with the Contract Documents, or a release of Owner's warranty and guarantee rights under this Paragraph 7.17:
 - 1. Observations by Engineer;
 - 2. Recommendation by Engineer or payment by Owner of any progress or final payment;
 - 3. The issuance of a certificate of Substantial Completion by Engineer or any payment related thereto by Owner;
 - 4. Use or occupancy of the Work or any part thereof by Owner;
 - 5. Any review and approval of a Shop Drawing or Sample submittal;
 - 6. The issuance of a notice of acceptability by Engineer;
 - 7. The end of the correction period established in Paragraph 15.08;
 - 8. Any inspection, test, or approval by others; or

9. Any correction of defective Work by Owner.

- E. If the Contract requires the Contractor to accept the assignment of a contract entered into by Owner, then the specific warranties, guarantees, and correction obligations contained in the assigned contract will govern with respect to Contractor's performance obligations to Owner for the Work described in the assigned contract.

7.18 *Indemnification*

- A. To the fullest extent permitted by Laws and Regulations, and in addition to any other obligations of Contractor under the Contract or otherwise, Contractor shall indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them, from losses, damages, costs, and judgments (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals, and all court or arbitration or other dispute resolution costs) arising from third-party claims or actions relating to or resulting from the performance or furnishing of the Work, provided that any such claim, action, loss, cost, judgment or damage is attributable to bodily injury, sickness, disease, or death, or to damage to or destruction of tangible property (other than the Work itself), including the loss of use resulting therefrom, but only to the extent caused by any negligent act or omission of Contractor, any Subcontractor, any Supplier, or any individual or entity directly or indirectly employed by any of them to perform any of the Work, or anyone for whose acts any of them may be liable.
- B. In any and all claims against Owner or Engineer, or any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors, by any employee (or the survivor or personal representative of such employee) of Contractor, any Subcontractor, any Supplier, or any individual or entity directly or indirectly employed by any of them to perform any of the Work, or anyone for whose acts any of them may be liable, the indemnification obligation under Paragraph 7.18.A will not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for Contractor or any such Subcontractor, Supplier, or other individual or entity under workers' compensation acts, disability benefit acts, or other employee benefit acts.

7.19 *Delegation of Professional Design Services*

- A. Owner may require Contractor to provide professional design services for a portion of the Work by express delegation in the Contract Documents. Such delegation will specify the performance and design criteria that such services must satisfy, and the Submittals that Contractor must furnish to Engineer with respect to the Owner-delegated design.
- B. Contractor shall cause such Owner-delegated professional design services to be provided pursuant to the professional standard of care by a properly licensed design professional, whose signature and seal must appear on all drawings, calculations, specifications, certifications, and Submittals prepared by such design professional. Such design professional must issue all certifications of design required by Laws and Regulations.
- C. If a Shop Drawing or other Submittal related to the Owner-delegated design is prepared by Contractor, a Subcontractor, or others for submittal to Engineer, then such Shop Drawing or other Submittal must bear the written approval of Contractor's design professional when submitted by Contractor to Engineer.

- D. Owner and Engineer shall be entitled to rely upon the adequacy, accuracy, and completeness of the services, certifications, and approvals performed or provided by the design professionals retained or employed by Contractor under an Owner-delegated design, subject to the professional standard of care and the performance and design criteria stated in the Contract Documents.
- E. Pursuant to this Paragraph 7.19, Engineer's review, approval, and other determinations regarding design drawings, calculations, specifications, certifications, and other Submittals furnished by Contractor pursuant to an Owner-delegated design will be only for the following limited purposes:
 - 1. Checking for conformance with the requirements of this Paragraph 7.19;
 - 2. Confirming that Contractor (through its design professionals) has used the performance and design criteria specified in the Contract Documents; and
 - 3. Establishing that the design furnished by Contractor is consistent with the design concept expressed in the Contract Documents.
- F. Contractor shall not be responsible for the adequacy of performance or design criteria specified by Owner or Engineer.
- G. Contractor is not required to provide professional services in violation of applicable Laws and Regulations.

ARTICLE 8—OTHER WORK AT THE SITE

8.01 *Other Work*

- A. In addition to and apart from the Work under the Contract Documents, the Owner may perform other work at or adjacent to the Site. Such other work may be performed by Owner's employees, or through contracts between the Owner and third parties. Owner may also arrange to have third-party utility owners perform work on their utilities and facilities at or adjacent to the Site.
- B. If Owner performs other work at or adjacent to the Site with Owner's employees, or through contracts for such other work, then Owner shall give Contractor written notice thereof prior to starting any such other work. If Owner has advance information regarding the start of any third-party utility work that Owner has arranged to take place at or adjacent to the Site, Owner shall provide such information to Contractor.
- C. Contractor shall afford proper and safe access to the Site to each contractor that performs such other work, each utility owner performing other work, and Owner, if Owner is performing other work with Owner's employees, and provide a reasonable opportunity for the introduction and storage of materials and equipment and the execution of such other work.
- D. Contractor shall do all cutting, fitting, and patching of the Work that may be required to properly connect or otherwise make its several parts come together and properly integrate with such other work. Contractor shall not endanger any work of others by cutting, excavating, or otherwise altering such work; provided, however, that Contractor may cut or alter others' work with the written consent of Engineer and the others whose work will be affected.

- E. If the proper execution or results of any part of Contractor's Work depends upon work performed by others, Contractor shall inspect such other work and promptly report to Engineer in writing any delays, defects, or deficiencies in such other work that render it unavailable or unsuitable for the proper execution and results of Contractor's Work. Contractor's failure to so report will constitute an acceptance of such other work as fit and proper for integration with Contractor's Work except for latent defects and deficiencies in such other work.
- F. The provisions of this article are not applicable to work that is performed by third-party utilities or other third-party entities without a contract with Owner, or that is performed without having been arranged by Owner. If such work occurs, then any related delay, disruption, or interference incurred by Contractor is governed by the provisions of Paragraph 4.05.C.3.

8.02 *Coordination*

- A. If Owner intends to contract with others for the performance of other work at or adjacent to the Site, to perform other work at or adjacent to the Site with Owner's employees, or to arrange to have utility owners perform work at or adjacent to the Site, the following will be set forth in the Supplementary Conditions or provided to Contractor prior to the start of any such other work:
 - 1. The identity of the individual or entity that will have authority and responsibility for coordination of the activities among the various contractors;
 - 2. An itemization of the specific matters to be covered by such authority and responsibility; and
 - 3. The extent of such authority and responsibilities.
- B. Unless otherwise provided in the Supplementary Conditions, Owner shall have sole authority and responsibility for such coordination.

8.03 *Legal Relationships*

- A. If, in the course of performing other work for Owner at or adjacent to the Site, the Owner's employees, any other contractor working for Owner, or any utility owner that Owner has arranged to perform work, causes damage to the Work or to the property of Contractor or its Subcontractors, or delays, disrupts, interferes with, or increases the scope or cost of the performance of the Work, through actions or inaction, then Contractor shall be entitled to an equitable adjustment in the Contract Price or the Contract Times. Contractor must submit any Change Proposal seeking an equitable adjustment in the Contract Price or the Contract Times under this paragraph within 30 days of the damaging, delaying, disrupting, or interfering event. The entitlement to, and extent of, any such equitable adjustment will take into account information (if any) regarding such other work that was provided to Contractor in the Contract Documents prior to the submittal of the Bid or the final negotiation of the terms of the Contract, and any remedies available to Contractor under Laws or Regulations concerning utility action or inaction. When applicable, any such equitable adjustment in Contract Price will be conditioned on Contractor assigning to Owner all Contractor's rights against such other contractor or utility owner with respect to the damage, delay, disruption, or interference that is the subject of the adjustment. Contractor's entitlement to an adjustment of the Contract Times or Contract Price is subject to the provisions of Paragraphs 4.05.D and 4.05.E.

- B. Contractor shall take reasonable and customary measures to avoid damaging, delaying, disrupting, or interfering with the work of Owner, any other contractor, or any utility owner performing other work at or adjacent to the Site.
 - 1. If Contractor fails to take such measures and as a result damages, delays, disrupts, or interferes with the work of any such other contractor or utility owner, then Owner may impose a set-off against payments due Contractor, and assign to such other contractor or utility owner the Owner's contractual rights against Contractor with respect to the breach of the obligations set forth in this Paragraph 8.03.B.
 - 2. When Owner is performing other work at or adjacent to the Site with Owner's employees, Contractor shall be liable to Owner for damage to such other work, and for the reasonable direct delay, disruption, and interference costs incurred by Owner as a result of Contractor's failure to take reasonable and customary measures with respect to Owner's other work. In response to such damage, delay, disruption, or interference, Owner may impose a set-off against payments due Contractor.
- C. If Contractor damages, delays, disrupts, or interferes with the work of any other contractor, or any utility owner performing other work at or adjacent to the Site, through Contractor's failure to take reasonable and customary measures to avoid such impacts, or if any claim arising out of Contractor's actions, inactions, or negligence in performance of the Work at or adjacent to the Site is made by any such other contractor or utility owner against Contractor, Owner, or Engineer, then Contractor shall (1) promptly attempt to settle the claim as to all parties through negotiations with such other contractor or utility owner, or otherwise resolve the claim by arbitration or other dispute resolution proceeding or at law, and (2) indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them from and against any such claims, and against all costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such damage, delay, disruption, or interference.

ARTICLE 9—OWNER'S RESPONSIBILITIES

9.01 *Communications to Contractor*

- A. Except as otherwise provided in these General Conditions, Owner shall issue all communications to Contractor through Engineer.

9.02 *Replacement of Engineer*

- A. Owner may at its discretion appoint an engineer to replace Engineer, provided Contractor makes no reasonable objection to the replacement engineer. The replacement engineer's status under the Contract Documents will be that of the former Engineer.

9.03 *Furnish Data*

- A. Owner shall promptly furnish the data required of Owner under the Contract Documents.

9.04 *Pay When Due*

- A. Owner shall make payments to Contractor when they are due as provided in the Agreement.

9.05 *Lands and Easements; Reports, Tests, and Drawings*

- A. Owner's duties with respect to providing lands and easements are set forth in Paragraph 5.01.
- B. Owner's duties with respect to providing engineering surveys to establish reference points are set forth in Paragraph 4.03.
- C. Article 5 refers to Owner's identifying and making available to Contractor copies of reports of explorations and tests of conditions at the Site, and drawings of physical conditions relating to existing surface or subsurface structures at the Site.

9.06 *Insurance*

- A. Owner's responsibilities, if any, with respect to purchasing and maintaining liability and property insurance are set forth in Article 6.

9.07 *Change Orders*

- A. Owner's responsibilities with respect to Change Orders are set forth in Article 11.

9.08 *Inspections, Tests, and Approvals*

- A. Owner's responsibility with respect to certain inspections, tests, and approvals is set forth in Paragraph 14.02.B.

9.09 *Limitations on Owner's Responsibilities*

- A. The Owner shall not supervise, direct, or have control or authority over, nor be responsible for, Contractor's means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or for any failure of Contractor to comply with Laws and Regulations applicable to the performance of the Work. Owner will not be responsible for Contractor's failure to perform the Work in accordance with the Contract Documents.

9.10 *Undisclosed Hazardous Environmental Condition*

- A. Owner's responsibility in respect to an undisclosed Hazardous Environmental Condition is set forth in Paragraph 5.06.

9.11 *Evidence of Financial Arrangements*

- A. Upon request of Contractor, Owner shall furnish Contractor reasonable evidence that financial arrangements have been made to satisfy Owner's obligations under the Contract (including obligations under proposed changes in the Work).

9.12 *Safety Programs*

- A. While at the Site, Owner's employees and representatives shall comply with the specific applicable requirements of Contractor's safety programs of which Owner has been informed.
- B. Owner shall furnish copies of any applicable Owner safety programs to Contractor.

ARTICLE 10—ENGINEER'S STATUS DURING CONSTRUCTION**10.01 *Owner's Representative***

- A. Engineer will be Owner's representative during the construction period. The duties and responsibilities and the limitations of authority of Engineer as Owner's representative during construction are set forth in the Contract.

10.02 *Visits to Site*

- A. Engineer will make visits to the Site at intervals appropriate to the various stages of construction as Engineer deems necessary in order to observe, as an experienced and qualified design professional, the progress that has been made and the quality of the various aspects of Contractor's executed Work. Based on information obtained during such visits and observations, Engineer, for the benefit of Owner, will determine, in general, if the Work is proceeding in accordance with the Contract Documents. Engineer will not be required to make exhaustive or continuous inspections on the Site to check the quality or quantity of the Work. Engineer's efforts will be directed toward providing for Owner a greater degree of confidence that the completed Work will conform generally to the Contract Documents. On the basis of such visits and observations, Engineer will keep Owner informed of the progress of the Work and will endeavor to guard Owner against defective Work.
- B. Engineer's visits and observations are subject to all the limitations on Engineer's authority and responsibility set forth in Paragraph 10.07. Particularly, but without limitation, during or as a result of Engineer's visits or observations of Contractor's Work, Engineer will not supervise, direct, control, or have authority over or be responsible for Contractor's means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or for any failure of Contractor to comply with Laws and Regulations applicable to the performance of the Work.

10.03 *Resident Project Representative*

- A. If Owner and Engineer have agreed that Engineer will furnish a Resident Project Representative to represent Engineer at the Site and assist Engineer in observing the progress and quality of the Work, then the authority and responsibilities of any such Resident Project Representative will be as provided in the Supplementary Conditions, and limitations on the responsibilities thereof will be as provided in the Supplementary Conditions and in Paragraph 10.07.
- B. If Owner designates an individual or entity who is not Engineer's consultant, agent, or employee to represent Owner at the Site, then the responsibilities and authority of such individual or entity will be as provided in the Supplementary Conditions.

10.04 *Engineer's Authority*

- A. Engineer has the authority to reject Work in accordance with Article 14.
- B. Engineer's authority as to Submittals is set forth in Paragraph 7.16.
- C. Engineer's authority as to design drawings, calculations, specifications, certifications and other Submittals from Contractor in response to Owner's delegation (if any) to Contractor of professional design services, is set forth in Paragraph 7.19.
- D. Engineer's authority as to changes in the Work is set forth in Article 11.

E. Engineer's authority as to Applications for Payment is set forth in Article 15.

10.05 *Determinations for Unit Price Work*

A. Engineer will determine the actual quantities and classifications of Unit Price Work performed by Contractor as set forth in Paragraph 13.03.

10.06 *Decisions on Requirements of Contract Documents and Acceptability of Work*

A. Engineer will render decisions regarding the requirements of the Contract Documents, and judge the acceptability of the Work, pursuant to the specific procedures set forth herein for initial interpretations, Change Proposals, and acceptance of the Work. In rendering such decisions and judgments, Engineer will not show partiality to Owner or Contractor, and will not be liable to Owner, Contractor, or others in connection with any proceedings, interpretations, decisions, or judgments conducted or rendered in good faith.

10.07 *Limitations on Engineer's Authority and Responsibilities*

A. Neither Engineer's authority or responsibility under this Article 10 or under any other provision of the Contract, nor any decision made by Engineer in good faith either to exercise or not exercise such authority or responsibility or the undertaking, exercise, or performance of any authority or responsibility by Engineer, will create, impose, or give rise to any duty in contract, tort, or otherwise owed by Engineer to Contractor, any Subcontractor, any Supplier, any other individual or entity, or to any surety for or employee or agent of any of them.

B. Engineer will not supervise, direct, control, or have authority over or be responsible for Contractor's means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or for any failure of Contractor to comply with Laws and Regulations applicable to the performance of the Work. Engineer will not be responsible for Contractor's failure to perform the Work in accordance with the Contract Documents.

C. Engineer will not be responsible for the acts or omissions of Contractor or of any Subcontractor, any Supplier, or of any other individual or entity performing any of the Work.

D. Engineer's review of the final Application for Payment and accompanying documentation, and all maintenance and operating instructions, schedules, guarantees, bonds, certificates of inspection, tests and approvals, and other documentation required to be delivered by Contractor under Paragraph 15.06.A, will only be to determine generally that their content complies with the requirements of, and in the case of certificates of inspections, tests, and approvals, that the results certified indicate compliance with the Contract Documents.

E. The limitations upon authority and responsibility set forth in this Paragraph 10.07 also apply to the Resident Project Representative, if any.

10.08 *Compliance with Safety Program*

A. While at the Site, Engineer's employees and representatives will comply with the specific applicable requirements of Owner's and Contractor's safety programs of which Engineer has been informed.

ARTICLE 11—CHANGES TO THE CONTRACT

11.01 *Amending and Supplementing the Contract*

- A. The Contract may be amended or supplemented by a Change Order, a Work Change Directive, or a Field Order.
- B. If an amendment or supplement to the Contract includes a change in the Contract Price or the Contract Times, such amendment or supplement must be set forth in a Change Order.
- C. All changes to the Contract that involve (1) the performance or acceptability of the Work, (2) the design (as set forth in the Drawings, Specifications, or otherwise), or (3) other engineering or technical matters, must be supported by Engineer's recommendation. Owner and Contractor may amend other terms and conditions of the Contract without the recommendation of the Engineer.

11.02 *Change Orders*

- A. Owner and Contractor shall execute appropriate Change Orders covering:
 - 1. Changes in Contract Price or Contract Times which are agreed to by the parties, including any undisputed sum or amount of time for Work actually performed in accordance with a Work Change Directive;
 - 2. Changes in Contract Price resulting from an Owner set-off, unless Contractor has duly contested such set-off;
 - 3. Changes in the Work which are: (a) ordered by Owner pursuant to Paragraph 11.05, (b) required because of Owner's acceptance of defective Work under Paragraph 14.04 or Owner's correction of defective Work under Paragraph 14.07, or (c) agreed to by the parties, subject to the need for Engineer's recommendation if the change in the Work involves the design (as set forth in the Drawings, Specifications, or otherwise) or other engineering or technical matters; and
 - 4. Changes that embody the substance of any final and binding results under: Paragraph 11.03.B, resolving the impact of a Work Change Directive; Paragraph 11.09, concerning Change Proposals; Article 12, Claims; Paragraph 13.02.D, final adjustments resulting from allowances; Paragraph 13.03.D, final adjustments relating to determination of quantities for Unit Price Work; and similar provisions.
- B. If Owner or Contractor refuses to execute a Change Order that is required to be executed under the terms of Paragraph 11.02.A, it will be deemed to be of full force and effect, as if fully executed.

11.03 *Work Change Directives*

- A. A Work Change Directive will not change the Contract Price or the Contract Times but is evidence that the parties expect that the modification ordered or documented by a Work Change Directive will be incorporated in a subsequently issued Change Order, following negotiations by the parties as to the Work Change Directive's effect, if any, on the Contract Price and Contract Times; or, if negotiations are unsuccessful, by a determination under the terms of the Contract Documents governing adjustments, expressly including Paragraph 11.07 regarding change of Contract Price.

- B. If Owner has issued a Work Change Directive and:
1. Contractor believes that an adjustment in Contract Times or Contract Price is necessary, then Contractor shall submit any Change Proposal seeking such an adjustment no later than 30 days after the completion of the Work set out in the Work Change Directive.
 2. Owner believes that an adjustment in Contract Times or Contract Price is necessary, then Owner shall submit any Claim seeking such an adjustment no later than 60 days after issuance of the Work Change Directive.

11.04 *Field Orders*

- A. Engineer may authorize minor changes in the Work if the changes do not involve an adjustment in the Contract Price or the Contract Times and are compatible with the design concept of the completed Project as a functioning whole as indicated by the Contract Documents. Such changes will be accomplished by a Field Order and will be binding on Owner and also on Contractor, which shall perform the Work involved promptly.
- B. If Contractor believes that a Field Order justifies an adjustment in the Contract Price or Contract Times, then before proceeding with the Work at issue, Contractor shall submit a Change Proposal as provided herein.

11.05 *Owner-Authorized Changes in the Work*

- A. Without invalidating the Contract and without notice to any surety, Owner may, at any time or from time to time, order additions, deletions, or revisions in the Work. Changes involving the design (as set forth in the Drawings, Specifications, or otherwise) or other engineering or technical matters will be supported by Engineer's recommendation.
- B. Such changes in the Work may be accomplished by a Change Order, if Owner and Contractor have agreed as to the effect, if any, of the changes on Contract Times or Contract Price; or by a Work Change Directive. Upon receipt of any such document, Contractor shall promptly proceed with the Work involved; or, in the case of a deletion in the Work, promptly cease construction activities with respect to such deleted Work. Added or revised Work must be performed under the applicable conditions of the Contract Documents.
- C. Nothing in this Paragraph 11.05 obligates Contractor to undertake work that Contractor reasonably concludes cannot be performed in a manner consistent with Contractor's safety obligations under the Contract Documents or Laws and Regulations.

11.06 *Unauthorized Changes in the Work*

- A. Contractor shall not be entitled to an increase in the Contract Price or an extension of the Contract Times with respect to any work performed that is not required by the Contract Documents, as amended, modified, or supplemented, except in the case of an emergency as provided in Paragraph 7.15 or in the case of uncovering Work as provided in Paragraph 14.05.C.2.

11.07 *Change of Contract Price*

- A. The Contract Price may only be changed by a Change Order. Any Change Proposal for an adjustment in the Contract Price must comply with the provisions of Paragraph 11.09. Any Claim for an adjustment of Contract Price must comply with the provisions of Article 12.
- B. An adjustment in the Contract Price will be determined as follows:

1. Where the Work involved is covered by unit prices contained in the Contract Documents, then by application of such unit prices to the quantities of the items involved (subject to the provisions of Paragraph 13.03);
 2. Where the Work involved is not covered by unit prices contained in the Contract Documents, then by a mutually agreed lump sum (which may include an allowance for overhead and profit not necessarily in accordance with Paragraph 11.07.C.2); or
 3. Where the Work involved is not covered by unit prices contained in the Contract Documents and the parties do not reach mutual agreement to a lump sum, then on the basis of the Cost of the Work (determined as provided in Paragraph 13.01) plus a Contractor's fee for overhead and profit (determined as provided in Paragraph 11.07.C).
- C. *Contractor's Fee:* When applicable, the Contractor's fee for overhead and profit will be determined as follows:
1. A mutually acceptable fixed fee; or
 2. If a fixed fee is not agreed upon, then a fee based on the following percentages of the various portions of the Cost of the Work:
 - a. For costs incurred under Paragraphs 13.01.B.1 and 13.01.B.2, the Contractor's fee will be 15 percent;
 - b. For costs incurred under Paragraph 13.01.B.3, the Contractor's fee will be 5 percent;
 - c. Where one or more tiers of subcontracts are on the basis of Cost of the Work plus a fee and no fixed fee is agreed upon, the intent of Paragraphs 11.07.C.2.a and 11.07.C.2.b is that the Contractor's fee will be based on: (1) a fee of 15 percent of the costs incurred under Paragraphs 13.01.B.1 and 13.01.B.2 by the Subcontractor that actually performs the Work, at whatever tier, and (2) with respect to Contractor itself and to any Subcontractors of a tier higher than that of the Subcontractor that actually performs the Work, a fee of 5 percent of the amount (fee plus underlying costs incurred) attributable to the next lower tier Subcontractor; provided, however, that for any such subcontracted Work the maximum total fee to be paid by Owner will be no greater than 27 percent of the costs incurred by the Subcontractor that actually performs the Work;
 - d. No fee will be payable on the basis of costs itemized under Paragraphs 13.01.B.4, 13.01.B.5, and 13.01.C;
 - e. The amount of credit to be allowed by Contractor to Owner for any change which results in a net decrease in Cost of the Work will be the amount of the actual net decrease in Cost of the Work and a deduction of an additional amount equal to 5 percent of such actual net decrease in Cost of the Work; and
 - f. When both additions and credits are involved in any one change or Change Proposal, the adjustment in Contractor's fee will be computed by determining the sum of the costs in each of the cost categories in Paragraph 13.01.B (specifically, payroll costs, Paragraph 13.01.B.1; incorporated materials and equipment costs, Paragraph 13.01.B.2; Subcontract costs, Paragraph 13.01.B.3; special consultants costs, Paragraph 13.01.B.4; and other costs, Paragraph 13.01.B.5) and applying to each such cost category sum the appropriate fee from Paragraphs 11.07.C.2.a through 11.07.C.2.e, inclusive.

11.08 *Change of Contract Times*

- A. The Contract Times may only be changed by a Change Order. Any Change Proposal for an adjustment in the Contract Times must comply with the provisions of Paragraph 11.09. Any Claim for an adjustment in the Contract Times must comply with the provisions of Article 12.
- B. Delay, disruption, and interference in the Work, and any related changes in Contract Times, are addressed in and governed by Paragraph 4.05.

11.09 *Change Proposals*

- A. *Purpose and Content:* Contractor shall submit a Change Proposal to Engineer to request an adjustment in the Contract Times or Contract Price; contest an initial decision by Engineer concerning the requirements of the Contract Documents or relating to the acceptability of the Work under the Contract Documents; challenge a set-off against payment due; or seek other relief under the Contract. The Change Proposal will specify any proposed change in Contract Times or Contract Price, or other proposed relief, and explain the reason for the proposed change, with citations to any governing or applicable provisions of the Contract Documents. Each Change Proposal will address only one issue, or a set of closely related issues.

- B. *Change Proposal Procedures*

1. *Submittal:* Contractor shall submit each Change Proposal to Engineer within 30 days after the start of the event giving rise thereto, or after such initial decision.
2. *Supporting Data:* The Contractor shall submit supporting data, including the proposed change in Contract Price or Contract Time (if any), to the Engineer and Owner within 15 days after the submittal of the Change Proposal.
 - a. Change Proposals based on or related to delay, interruption, or interference must comply with the provisions of Paragraphs 4.05.D and 4.05.E.
 - b. Change proposals related to a change of Contract Price must include full and detailed accounts of materials incorporated into the Work and labor and equipment used for the subject Work.

The supporting data must be accompanied by a written statement that the supporting data are accurate and complete, and that any requested time or price adjustment is the entire adjustment to which Contractor believes it is entitled as a result of said event.

3. *Engineer's Initial Review:* Engineer will advise Owner regarding the Change Proposal, and consider any comments or response from Owner regarding the Change Proposal. If in its discretion Engineer concludes that additional supporting data is needed before conducting a full review and making a decision regarding the Change Proposal, then Engineer may request that Contractor submit such additional supporting data by a date specified by Engineer, prior to Engineer beginning its full review of the Change Proposal.
4. *Engineer's Full Review and Action on the Change Proposal:* Upon receipt of Contractor's supporting data (including any additional data requested by Engineer), Engineer will conduct a full review of each Change Proposal and, within 30 days after such receipt of the Contractor's supporting data, either approve the Change Proposal in whole, deny it in whole, or approve it in part and deny it in part. Such actions must be in writing, with a copy provided to Owner and Contractor. If Engineer does not take action on the Change

Proposal within 30 days, then either Owner or Contractor may at any time thereafter submit a letter to the other party indicating that as a result of Engineer's inaction the Change Proposal is deemed denied, thereby commencing the time for appeal of the denial under Article 12.

5. *Binding Decision*: Engineer's decision is final and binding upon Owner and Contractor, unless Owner or Contractor appeals the decision by filing a Claim under Article 12.
- C. *Resolution of Certain Change Proposals*: If the Change Proposal does not involve the design (as set forth in the Drawings, Specifications, or otherwise), the acceptability of the Work, or other engineering or technical matters, then Engineer will notify the parties in writing that the Engineer is unable to resolve the Change Proposal. For purposes of further resolution of such a Change Proposal, such notice will be deemed a denial, and Contractor may choose to seek resolution under the terms of Article 12.
- D. *Post-Completion*: Contractor shall not submit any Change Proposals after Engineer issues a written recommendation of final payment pursuant to Paragraph 15.06.B.

11.10 Notification to Surety

- A. If the provisions of any bond require notice to be given to a surety of any change affecting the general scope of the Work or the provisions of the Contract Documents (including, but not limited to, Contract Price or Contract Times), the giving of any such notice will be Contractor's responsibility. The amount of each applicable bond will be adjusted to reflect the effect of any such change.

ARTICLE 12—CLAIMS

12.01 Claims

- A. *Claims Process*: The following disputes between Owner and Contractor are subject to the Claims process set forth in this article:
 1. Appeals by Owner or Contractor of Engineer's decisions regarding Change Proposals;
 2. Owner demands for adjustments in the Contract Price or Contract Times, or other relief under the Contract Documents;
 3. Disputes that Engineer has been unable to address because they do not involve the design (as set forth in the Drawings, Specifications, or otherwise), the acceptability of the Work, or other engineering or technical matters; and
 4. Subject to the waiver provisions of Paragraph 15.07, any dispute arising after Engineer has issued a written recommendation of final payment pursuant to Paragraph 15.06.B.
- B. *Submittal of Claim*: The party submitting a Claim shall deliver it directly to the other party to the Contract promptly (but in no event later than 30 days) after the start of the event giving rise thereto; in the case of appeals regarding Change Proposals within 30 days of the decision under appeal. The party submitting the Claim shall also furnish a copy to the Engineer, for its information only. The responsibility to substantiate a Claim rests with the party making the Claim. In the case of a Claim by Contractor seeking an increase in the Contract Times or Contract Price, Contractor shall certify that the Claim is made in good faith, that the supporting data are accurate and complete, and that to the best of Contractor's knowledge

and belief the amount of time or money requested accurately reflects the full amount to which Contractor is entitled.

- C. *Review and Resolution*: The party receiving a Claim shall review it thoroughly, giving full consideration to its merits. The two parties shall seek to resolve the Claim through the exchange of information and direct negotiations. The parties may extend the time for resolving the Claim by mutual agreement. All actions taken on a Claim will be stated in writing and submitted to the other party, with a copy to Engineer.
- D. *Mediation*
 - 1. At any time after initiation of a Claim, Owner and Contractor may mutually agree to mediation of the underlying dispute. The agreement to mediate will stay the Claim submittal and response process.
 - 2. If Owner and Contractor agree to mediation, then after 60 days from such agreement, either Owner or Contractor may unilaterally terminate the mediation process, and the Claim submittal and decision process will resume as of the date of the termination. If the mediation proceeds but is unsuccessful in resolving the dispute, the Claim submittal and decision process will resume as of the date of the conclusion of the mediation, as determined by the mediator.
 - 3. Owner and Contractor shall each pay one-half of the mediator's fees and costs.
- E. *Partial Approval*: If the party receiving a Claim approves the Claim in part and denies it in part, such action will be final and binding unless within 30 days of such action the other party invokes the procedure set forth in Article 17 for final resolution of disputes.
- F. *Denial of Claim*: If efforts to resolve a Claim are not successful, the party receiving the Claim may deny it by giving written notice of denial to the other party. If the receiving party does not take action on the Claim within 90 days, then either Owner or Contractor may at any time thereafter submit a letter to the other party indicating that as a result of the inaction, the Claim is deemed denied, thereby commencing the time for appeal of the denial. A denial of the Claim will be final and binding unless within 30 days of the denial the other party invokes the procedure set forth in Article 17 for the final resolution of disputes.
- G. *Final and Binding Results*: If the parties reach a mutual agreement regarding a Claim, whether through approval of the Claim, direct negotiations, mediation, or otherwise; or if a Claim is approved in part and denied in part, or denied in full, and such actions become final and binding; then the results of the agreement or action on the Claim will be incorporated in a Change Order or other written document to the extent they affect the Contract, including the Work, the Contract Times, or the Contract Price.

ARTICLE 13—COST OF THE WORK; ALLOWANCES; UNIT PRICE WORK

13.01 *Cost of the Work*

- A. *Purposes for Determination of Cost of the Work*: The term Cost of the Work means the sum of all costs necessary for the proper performance of the Work at issue, as further defined below. The provisions of this Paragraph 13.01 are used for two distinct purposes:
 - 1. To determine Cost of the Work when Cost of the Work is a component of the Contract Price, under cost-plus-fee, time-and-materials, or other cost-based terms; or

2. When needed to determine the value of a Change Order, Change Proposal, Claim, set-off, or other adjustment in Contract Price. When the value of any such adjustment is determined on the basis of Cost of the Work, Contractor is entitled only to those additional or incremental costs required because of the change in the Work or because of the event giving rise to the adjustment.
- B. *Costs Included:* Except as otherwise may be agreed to in writing by Owner, costs included in the Cost of the Work will be in amounts no higher than those commonly incurred in the locality of the Project, will not include any of the costs itemized in Paragraph 13.01.C, and will include only the following items:
1. Payroll costs for employees in the direct employ of Contractor in the performance of the Work under schedules of job classifications agreed upon by Owner and Contractor in advance of the subject Work. Such employees include, without limitation, superintendents, foremen, safety managers, safety representatives, and other personnel employed full time on the Work. Payroll costs for employees not employed full time on the Work will be apportioned on the basis of their time spent on the Work. Payroll costs include, but are not limited to, salaries and wages plus the cost of fringe benefits, which include social security contributions, unemployment, excise, and payroll taxes, workers' compensation, health and retirement benefits, sick leave, and vacation and holiday pay applicable thereto. The expenses of performing Work outside of regular working hours, on Saturday, Sunday, or legal holidays, will be included in the above to the extent authorized by Owner.
 2. Cost of all materials and equipment furnished and incorporated in the Work, including costs of transportation and storage thereof, and Suppliers' field services required in connection therewith. All cash discounts accrue to Contractor unless Owner deposits funds with Contractor with which to make payments, in which case the cash discounts will accrue to Owner. All trade discounts, rebates, and refunds and returns from sale of surplus materials and equipment will accrue to Owner, and Contractor shall make provisions so that they may be obtained.
 3. Payments made by Contractor to Subcontractors for Work performed by Subcontractors. If required by Owner, Contractor shall obtain competitive bids from subcontractors acceptable to Owner and Contractor and shall deliver such bids to Owner, which will then determine, with the advice of Engineer, which bids, if any, will be acceptable. If any subcontract provides that the Subcontractor is to be paid on the basis of Cost of the Work plus a fee, the Subcontractor's Cost of the Work and fee will be determined in the same manner as Contractor's Cost of the Work and fee as provided in this Paragraph 13.01.
 4. Costs of special consultants (including but not limited to engineers, architects, testing laboratories, surveyors, attorneys, and accountants) employed or retained for services specifically related to the Work.
 5. Other costs consisting of the following:
 - a. The proportion of necessary transportation, travel, and subsistence expenses of Contractor's employees incurred in discharge of duties connected with the Work.
 - b. Cost, including transportation and maintenance, of all materials, supplies, equipment, machinery, appliances, office, and temporary facilities at the Site, which are

consumed in the performance of the Work, and cost, less market value, of such items used but not consumed which remain the property of Contractor.

- 1) In establishing included costs for materials such as scaffolding, plating, or sheeting, consideration will be given to the actual or the estimated life of the material for use on other projects; or rental rates may be established on the basis of purchase or salvage value of such items, whichever is less. Contractor will not be eligible for compensation for such items in an amount that exceeds the purchase cost of such item.

c. *Construction Equipment Rental*

- 1) Rentals of all construction equipment and machinery, and the parts thereof, in accordance with rental agreements approved by Owner as to price (including any surcharge or special rates applicable to overtime use of the construction equipment or machinery), and the costs of transportation, loading, unloading, assembly, dismantling, and removal thereof. All such costs will be in accordance with the terms of said rental agreements. The rental of any such equipment, machinery, or parts must cease when the use thereof is no longer necessary for the Work.
 - 2) Costs for equipment and machinery owned by Contractor or a Contractor-related entity will be paid at a rate shown for such equipment in the equipment rental rate book specified in the Supplementary Conditions. An hourly rate will be computed by dividing the monthly rates by 176. These computed rates will include all operating costs.
 - 3) With respect to Work that is the result of a Change Order, Change Proposal, Claim, set-off, or other adjustment in Contract Price ("changed Work"), included costs will be based on the time the equipment or machinery is in use on the changed Work and the costs of transportation, loading, unloading, assembly, dismantling, and removal when directly attributable to the changed Work. The cost of any such equipment or machinery, or parts thereof, must cease to accrue when the use thereof is no longer necessary for the changed Work.
- d. Sales, consumer, use, and other similar taxes related to the Work, and for which Contractor is liable, as imposed by Laws and Regulations.
- e. Deposits lost for causes other than negligence of Contractor, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable, and royalty payments and fees for permits and licenses.
- f. Losses and damages (and related expenses) caused by damage to the Work, not compensated by insurance or otherwise, sustained by Contractor in connection with the performance of the Work (except losses and damages within the deductible amounts of builder's risk or other property insurance established in accordance with Paragraph 6.04), provided such losses and damages have resulted from causes other than the negligence of Contractor, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable. Such losses include settlements made with the written consent and approval of Owner. No such losses, damages, and expenses will be included in the Cost of the Work for the purpose of determining Contractor's fee.

- g. The cost of utilities, fuel, and sanitary facilities at the Site.
- h. Minor expenses such as communication service at the Site, express and courier services, and similar petty cash items in connection with the Work.
- i. The costs of premiums for all bonds and insurance that Contractor is required by the Contract Documents to purchase and maintain.

C. *Costs Excluded:* The term Cost of the Work does not include any of the following items:

- 1. Payroll costs and other compensation of Contractor's officers, executives, principals, general managers, engineers, architects, estimators, attorneys, auditors, accountants, purchasing and contracting agents, expeditors, timekeepers, clerks, and other personnel employed by Contractor, whether at the Site or in Contractor's principal or branch office for general administration of the Work and not specifically included in the agreed upon schedule of job classifications referred to in Paragraph 13.01.B.1 or specifically covered by Paragraph 13.01.B.4. The payroll costs and other compensation excluded here are to be considered administrative costs covered by the Contractor's fee.
- 2. The cost of purchasing, renting, or furnishing small tools and hand tools.
- 3. Expenses of Contractor's principal and branch offices other than Contractor's office at the Site.
- 4. Any part of Contractor's capital expenses, including interest on Contractor's capital employed for the Work and charges against Contractor for delinquent payments.
- 5. Costs due to the negligence of Contractor, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable, including but not limited to, the correction of defective Work, disposal of materials or equipment wrongly supplied, and making good any damage to property.
- 6. Expenses incurred in preparing and advancing Claims.
- 7. Other overhead or general expense costs of any kind and the costs of any item not specifically and expressly included in Paragraph 13.01.B.

D. *Contractor's Fee*

- 1. When the Work as a whole is performed on the basis of cost-plus-a-fee, then:
 - a. Contractor's fee for the Work set forth in the Contract Documents as of the Effective Date of the Contract will be determined as set forth in the Agreement.
 - b. for any Work covered by a Change Order, Change Proposal, Claim, set-off, or other adjustment in Contract Price on the basis of Cost of the Work, Contractor's fee will be determined as follows:
 - 1) When the fee for the Work as a whole is a percentage of the Cost of the Work, the fee will automatically adjust as the Cost of the Work changes.
 - 2) When the fee for the Work as a whole is a fixed fee, the fee for any additions or deletions will be determined in accordance with Paragraph 11.07.C.2.
- 2. When the Work as a whole is performed on the basis of a stipulated sum, or any other basis other than cost-plus-a-fee, then Contractor's fee for any Work covered by a Change

Order, Change Proposal, Claim, set-off, or other adjustment in Contract Price on the basis of Cost of the Work will be determined in accordance with Paragraph 11.07.C.2.

- E. *Documentation and Audit:* Whenever the Cost of the Work for any purpose is to be determined pursuant to this Article 13, Contractor and pertinent Subcontractors will establish and maintain records of the costs in accordance with generally accepted accounting practices. Subject to prior written notice, Owner will be afforded reasonable access, during normal business hours, to all Contractor's accounts, records, books, correspondence, instructions, drawings, receipts, vouchers, memoranda, and similar data relating to the Cost of the Work and Contractor's fee. Contractor shall preserve all such documents for a period of three years after the final payment by Owner. Pertinent Subcontractors will afford such access to Owner, and preserve such documents, to the same extent required of Contractor.

13.02 Allowances

- A. It is understood that Contractor has included in the Contract Price all allowances so named in the Contract Documents and shall cause the Work so covered to be performed for such sums and by such persons or entities as may be acceptable to Owner and Engineer.
- B. *Cash Allowances:* Contractor agrees that:
1. the cash allowances include the cost to Contractor (less any applicable trade discounts) of materials and equipment required by the allowances to be delivered at the Site, and all applicable taxes; and
 2. Contractor's costs for unloading and handling on the Site, labor, installation, overhead, profit, and other expenses contemplated for the cash allowances have been included in the Contract Price and not in the allowances, and no demand for additional payment for any of the foregoing will be valid.
- C. *Owner's Contingency Allowance:* Contractor agrees that an Owner's contingency allowance, if any, is for the sole use of Owner to cover unanticipated costs.
- D. Prior to final payment, an appropriate Change Order will be issued as recommended by Engineer to reflect actual amounts due Contractor for Work covered by allowances, and the Contract Price will be correspondingly adjusted.

13.03 Unit Price Work

- A. Where the Contract Documents provide that all or part of the Work is to be Unit Price Work, initially the Contract Price will be deemed to include for all Unit Price Work an amount equal to the sum of the unit price for each separately identified item of Unit Price Work times the estimated quantity of each item as indicated in the Agreement.
- B. The estimated quantities of items of Unit Price Work are not guaranteed and are solely for the purpose of comparison of Bids and determining an initial Contract Price. Payments to Contractor for Unit Price Work will be based on actual quantities.
- C. Each unit price will be deemed to include an amount considered by Contractor to be adequate to cover Contractor's overhead and profit for each separately identified item.
- D. Engineer will determine the actual quantities and classifications of Unit Price Work performed by Contractor. Engineer will review with Contractor the Engineer's preliminary determinations on such matters before rendering a written decision thereon (by recommendation of an Application for Payment or otherwise). Engineer's written decision

thereon will be final and binding (except as modified by Engineer to reflect changed factual conditions or more accurate data) upon Owner and Contractor, and the final adjustment of Contract Price will be set forth in a Change Order, subject to the provisions of the following paragraph.

E. *Adjustments in Unit Price*

1. Contractor or Owner shall be entitled to an adjustment in the unit price with respect to an item of Unit Price Work if:
 - a. the quantity of the item of Unit Price Work performed by Contractor differs materially and significantly from the estimated quantity of such item indicated in the Agreement; and
 - b. Contractor's unit costs to perform the item of Unit Price Work have changed materially and significantly as a result of the quantity change.
2. The adjustment in unit price will account for and be coordinated with any related changes in quantities of other items of Work, and in Contractor's costs to perform such other Work, such that the resulting overall change in Contract Price is equitable to Owner and Contractor.
3. Adjusted unit prices will apply to all units of that item.

ARTICLE 14—TESTS AND INSPECTIONS; CORRECTION, REMOVAL, OR ACCEPTANCE OF DEFECTIVE WORK

14.01 *Access to Work*

- A. Owner, Engineer, their consultants and other representatives and personnel of Owner, independent testing laboratories, and authorities having jurisdiction have access to the Site and the Work at reasonable times for their observation, inspection, and testing. Contractor shall provide them proper and safe conditions for such access and advise them of Contractor's safety procedures and programs so that they may comply with such procedures and programs as applicable.

14.02 *Tests, Inspections, and Approvals*

- A. Contractor shall give Engineer timely notice of readiness of the Work (or specific parts thereof) for all required inspections and tests, and shall cooperate with inspection and testing personnel to facilitate required inspections and tests.
- B. Owner shall retain and pay for the services of an independent inspector, testing laboratory, or other qualified individual or entity to perform all inspections and tests expressly required by the Contract Documents to be furnished and paid for by Owner, except that costs incurred in connection with tests or inspections of covered Work will be governed by the provisions of Paragraph 14.05.
- C. If Laws or Regulations of any public body having jurisdiction require any Work (or part thereof) specifically to be inspected, tested, or approved by an employee or other representative of such public body, Contractor shall assume full responsibility for arranging and obtaining such inspections, tests, or approvals, pay all costs in connection therewith, and furnish Engineer the required certificates of inspection or approval.

- D. Contractor shall be responsible for arranging, obtaining, and paying for all inspections and tests required:
1. by the Contract Documents, unless the Contract Documents expressly allocate responsibility for a specific inspection or test to Owner;
 2. to attain Owner's and Engineer's acceptance of materials or equipment to be incorporated in the Work;
 3. by manufacturers of equipment furnished under the Contract Documents;
 4. for testing, adjusting, and balancing of mechanical, electrical, and other equipment to be incorporated into the Work; and
 5. for acceptance of materials, mix designs, or equipment submitted for approval prior to Contractor's purchase thereof for incorporation in the Work.

Such inspections and tests will be performed by independent inspectors, testing laboratories, or other qualified individuals or entities acceptable to Owner and Engineer.

- E. If the Contract Documents require the Work (or part thereof) to be approved by Owner, Engineer, or another designated individual or entity, then Contractor shall assume full responsibility for arranging and obtaining such approvals.
- F. If any Work (or the work of others) that is to be inspected, tested, or approved is covered by Contractor without written concurrence of Engineer, Contractor shall, if requested by Engineer, uncover such Work for observation. Such uncovering will be at Contractor's expense unless Contractor had given Engineer timely notice of Contractor's intention to cover the same and Engineer had not acted with reasonable promptness in response to such notice.

14.03 Defective Work

- A. *Contractor's Obligation:* It is Contractor's obligation to assure that the Work is not defective.
- B. *Engineer's Authority:* Engineer has the authority to determine whether Work is defective, and to reject defective Work.
- C. *Notice of Defects:* Prompt written notice of all defective Work of which Owner or Engineer has actual knowledge will be given to Contractor.
- D. *Correction, or Removal and Replacement:* Promptly after receipt of written notice of defective Work, Contractor shall correct all such defective Work, whether or not fabricated, installed, or completed, or, if Engineer has rejected the defective Work, remove it from the Project and replace it with Work that is not defective.
- E. *Preservation of Warranties:* When correcting defective Work, Contractor shall take no action that would void or otherwise impair Owner's special warranty and guarantee, if any, on said Work.
- F. *Costs and Damages:* In addition to its correction, removal, and replacement obligations with respect to defective Work, Contractor shall pay all claims, costs, losses, and damages arising out of or relating to defective Work, including but not limited to the cost of the inspection, testing, correction, removal, replacement, or reconstruction of such defective Work, fines levied against Owner by governmental authorities because the Work is defective, and the costs of repair or replacement of work of others resulting from defective Work. Prior to final payment, if Owner and Contractor are unable to agree as to the measure of such claims, costs,

losses, and damages resulting from defective Work, then Owner may impose a reasonable set-off against payments due under Article 15.

14.04 *Acceptance of Defective Work*

- A. If, instead of requiring correction or removal and replacement of defective Work, Owner prefers to accept it, Owner may do so (subject, if such acceptance occurs prior to final payment, to Engineer's confirmation that such acceptance is in general accord with the design intent and applicable engineering principles, and will not endanger public safety). Contractor shall pay all claims, costs, losses, and damages attributable to Owner's evaluation of and determination to accept such defective Work (such costs to be approved by Engineer as to reasonableness), and for the diminished value of the Work to the extent not otherwise paid by Contractor. If any such acceptance occurs prior to final payment, the necessary revisions in the Contract Documents with respect to the Work will be incorporated in a Change Order. If the parties are unable to agree as to the decrease in the Contract Price, reflecting the diminished value of Work so accepted, then Owner may impose a reasonable set-off against payments due under Article 15. If the acceptance of defective Work occurs after final payment, Contractor shall pay an appropriate amount to Owner.

14.05 *Uncovering Work*

- A. Engineer has the authority to require additional inspection or testing of the Work, whether or not the Work is fabricated, installed, or completed.
- B. If any Work is covered contrary to the written request of Engineer, then Contractor shall, if requested by Engineer, uncover such Work for Engineer's observation, and then replace the covering, all at Contractor's expense.
- C. If Engineer considers it necessary or advisable that covered Work be observed by Engineer or inspected or tested by others, then Contractor, at Engineer's request, shall uncover, expose, or otherwise make available for observation, inspection, or testing as Engineer may require, that portion of the Work in question, and provide all necessary labor, material, and equipment.
 - 1. If it is found that the uncovered Work is defective, Contractor shall be responsible for all claims, costs, losses, and damages arising out of or relating to such uncovering, exposure, observation, inspection, and testing, and of satisfactory replacement or reconstruction (including but not limited to all costs of repair or replacement of work of others); and pending Contractor's full discharge of this responsibility the Owner shall be entitled to impose a reasonable set-off against payments due under Article 15.
 - 2. If the uncovered Work is not found to be defective, Contractor shall be allowed an increase in the Contract Price or an extension of the Contract Times, directly attributable to such uncovering, exposure, observation, inspection, testing, replacement, and reconstruction. If the parties are unable to agree as to the amount or extent thereof, then Contractor may submit a Change Proposal within 30 days of the determination that the Work is not defective.

14.06 *Owner May Stop the Work*

- A. If the Work is defective, or Contractor fails to supply sufficient skilled workers or suitable materials or equipment, or fails to perform the Work in such a way that the completed Work will conform to the Contract Documents, then Owner may order Contractor to stop the Work,

or any portion thereof, until the cause for such order has been eliminated; however, this right of Owner to stop the Work will not give rise to any duty on the part of Owner to exercise this right for the benefit of Contractor, any Subcontractor, any Supplier, any other individual or entity, or any surety for, or employee or agent of any of them.

14.07 *Owner May Correct Defective Work*

- A. If Contractor fails within a reasonable time after written notice from Engineer to correct defective Work, or to remove and replace defective Work as required by Engineer, then Owner may, after 7 days' written notice to Contractor, correct or remedy any such deficiency.
- B. In exercising the rights and remedies under this Paragraph 14.07, Owner shall proceed expeditiously. In connection with such corrective or remedial action, Owner may exclude Contractor from all or part of the Site, take possession of all or part of the Work and suspend Contractor's services related thereto, and incorporate in the Work all materials and equipment stored at the Site or for which Owner has paid Contractor but which are stored elsewhere. Contractor shall allow Owner, Owner's representatives, agents and employees, Owner's other contractors, and Engineer and Engineer's consultants access to the Site to enable Owner to exercise the rights and remedies under this paragraph.
- C. All claims, costs, losses, and damages incurred or sustained by Owner in exercising the rights and remedies under this Paragraph 14.07 will be charged against Contractor as set-offs against payments due under Article 15. Such claims, costs, losses and damages will include but not be limited to all costs of repair, or replacement of work of others destroyed or damaged by correction, removal, or replacement of Contractor's defective Work.
- D. Contractor shall not be allowed an extension of the Contract Times because of any delay in the performance of the Work attributable to the exercise by Owner of Owner's rights and remedies under this Paragraph 14.07.

ARTICLE 15—PAYMENTS TO CONTRACTOR; SET-OFFS; COMPLETION; CORRECTION PERIOD

15.01 *Progress Payments*

- A. *Basis for Progress Payments:* The Schedule of Values established as provided in Article 2 will serve as the basis for progress payments and will be incorporated into a form of Application for Payment acceptable to Engineer. Progress payments for Unit Price Work will be based on the number of units completed during the pay period, as determined under the provisions of Paragraph 13.03. Progress payments for cost-based Work will be based on Cost of the Work completed by Contractor during the pay period.
- B. *Applications for Payments*
 - 1. At least 20 days before the date established in the Agreement for each progress payment (but not more often than once a month), Contractor shall submit to Engineer for review an Application for Payment filled out and signed by Contractor covering the Work completed as of the date of the Application and accompanied by such supporting documentation as is required by the Contract Documents.
 - 2. If payment is requested on the basis of materials and equipment not incorporated in the Work but delivered and suitably stored at the Site or at another location agreed to in writing, the Application for Payment must also be accompanied by: (a) a bill of sale, invoice, copies of subcontract or purchase order payments, or other documentation

establishing full payment by Contractor for the materials and equipment; (b) at Owner's request, documentation warranting that Owner has received the materials and equipment free and clear of all Liens; and (c) evidence that the materials and equipment are covered by appropriate property insurance, a warehouse bond, or other arrangements to protect Owner's interest therein, all of which must be satisfactory to Owner.

3. Beginning with the second Application for Payment, each Application must include an affidavit of Contractor stating that all previous progress payments received by Contractor have been applied to discharge Contractor's legitimate obligations associated with prior Applications for Payment.
4. The amount of retainage with respect to progress payments will be as stipulated in the Agreement.

C. Review of Applications

1. Engineer will, within 10 days after receipt of each Application for Payment, including each resubmittal, either indicate in writing a recommendation of payment and present the Application to Owner, or return the Application to Contractor indicating in writing Engineer's reasons for refusing to recommend payment. In the latter case, Contractor may make the necessary corrections and resubmit the Application.
2. Engineer's recommendation of any payment requested in an Application for Payment will constitute a representation by Engineer to Owner, based on Engineer's observations of the executed Work as an experienced and qualified design professional, and on Engineer's review of the Application for Payment and the accompanying data and schedules, that to the best of Engineer's knowledge, information and belief:
 - a. the Work has progressed to the point indicated;
 - b. the quality of the Work is generally in accordance with the Contract Documents (subject to an evaluation of the Work as a functioning whole prior to or upon Substantial Completion, the results of any subsequent tests called for in the Contract Documents, a final determination of quantities and classifications for Unit Price Work under Paragraph 13.03, and any other qualifications stated in the recommendation); and
 - c. the conditions precedent to Contractor's being entitled to such payment appear to have been fulfilled in so far as it is Engineer's responsibility to observe the Work.
3. By recommending any such payment Engineer will not thereby be deemed to have represented that:
 - a. inspections made to check the quality or the quantity of the Work as it has been performed have been exhaustive, extended to every aspect of the Work in progress, or involved detailed inspections of the Work beyond the responsibilities specifically assigned to Engineer in the Contract; or
 - b. there may not be other matters or issues between the parties that might entitle Contractor to be paid additionally by Owner or entitle Owner to withhold payment to Contractor.

4. Neither Engineer's review of Contractor's Work for the purposes of recommending payments nor Engineer's recommendation of any payment, including final payment, will impose responsibility on Engineer:
 - a. to supervise, direct, or control the Work;
 - b. for the means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto;
 - c. for Contractor's failure to comply with Laws and Regulations applicable to Contractor's performance of the Work;
 - d. to make any examination to ascertain how or for what purposes Contractor has used the money paid by Owner; or
 - e. to determine that title to any of the Work, materials, or equipment has passed to Owner free and clear of any Liens.
 5. Engineer may refuse to recommend the whole or any part of any payment if, in Engineer's opinion, it would be incorrect to make the representations to Owner stated in Paragraph 15.01.C.2.
 6. Engineer will recommend reductions in payment (set-offs) necessary in Engineer's opinion to protect Owner from loss because:
 - a. the Work is defective, requiring correction or replacement;
 - b. the Contract Price has been reduced by Change Orders;
 - c. Owner has been required to correct defective Work in accordance with Paragraph 14.07, or has accepted defective Work pursuant to Paragraph 14.04;
 - d. Owner has been required to remove or remediate a Hazardous Environmental Condition for which Contractor is responsible; or
 - e. Engineer has actual knowledge of the occurrence of any of the events that would constitute a default by Contractor and therefore justify termination for cause under the Contract Documents.
- D. *Payment Becomes Due*
1. Ten days after presentation of the Application for Payment to Owner with Engineer's recommendation, the amount recommended (subject to any Owner set-offs) will become due, and when due will be paid by Owner to Contractor.
- E. *Reductions in Payment by Owner*
1. In addition to any reductions in payment (set-offs) recommended by Engineer, Owner is entitled to impose a set-off against payment based on any of the following:
 - a. Claims have been made against Owner based on Contractor's conduct in the performance or furnishing of the Work, or Owner has incurred costs, losses, or damages resulting from Contractor's conduct in the performance or furnishing of the Work, including but not limited to claims, costs, losses, or damages from workplace injuries, adjacent property damage, non-compliance with Laws and Regulations, and patent infringement;

- b. Contractor has failed to take reasonable and customary measures to avoid damage, delay, disruption, and interference with other work at or adjacent to the Site;
 - c. Contractor has failed to provide and maintain required bonds or insurance;
 - d. Owner has been required to remove or remediate a Hazardous Environmental Condition for which Contractor is responsible;
 - e. Owner has incurred extra charges or engineering costs related to submittal reviews, evaluations of proposed substitutes, tests and inspections, or return visits to manufacturing or assembly facilities;
 - f. The Work is defective, requiring correction or replacement;
 - g. Owner has been required to correct defective Work in accordance with Paragraph 14.07, or has accepted defective Work pursuant to Paragraph 14.04;
 - h. The Contract Price has been reduced by Change Orders;
 - i. An event has occurred that would constitute a default by Contractor and therefore justify a termination for cause;
 - j. Liquidated or other damages have accrued as a result of Contractor's failure to achieve Milestones, Substantial Completion, or final completion of the Work;
 - k. Liens have been filed in connection with the Work, except where Contractor has delivered a specific bond satisfactory to Owner to secure the satisfaction and discharge of such Liens; or
 - l. Other items entitle Owner to a set-off against the amount recommended.
2. If Owner imposes any set-off against payment, whether based on its own knowledge or on the written recommendations of Engineer, Owner will give Contractor immediate written notice (with a copy to Engineer) stating the reasons for such action and the specific amount of the reduction, and promptly pay Contractor any amount remaining after deduction of the amount so withheld. Owner shall promptly pay Contractor the amount so withheld, or any adjustment thereto agreed to by Owner and Contractor, if Contractor remedies the reasons for such action. The reduction imposed will be binding on Contractor unless it duly submits a Change Proposal contesting the reduction.
 3. Upon a subsequent determination that Owner's refusal of payment was not justified, the amount wrongfully withheld will be treated as an amount due as determined by Paragraph 15.01.D.1 and subject to interest as provided in the Agreement.

15.02 *Contractor's Warranty of Title*

- A. Contractor warrants and guarantees that title to all Work, materials, and equipment furnished under the Contract will pass to Owner free and clear of (1) all Liens and other title defects, and (2) all patent, licensing, copyright, or royalty obligations, no later than 7 days after the time of payment by Owner.

15.03 *Substantial Completion*

- A. When Contractor considers the entire Work ready for its intended use Contractor shall notify Owner and Engineer in writing that the entire Work is substantially complete and request that Engineer issue a certificate of Substantial Completion. Contractor shall at the same time

submit to Owner and Engineer an initial draft of punch list items to be completed or corrected before final payment.

- B. Promptly after Contractor's notification, Owner, Contractor, and Engineer shall make an inspection of the Work to determine the status of completion. If Engineer does not consider the Work substantially complete, Engineer will notify Contractor in writing giving the reasons therefor.
- C. If Engineer considers the Work substantially complete, Engineer will deliver to Owner a preliminary certificate of Substantial Completion which will fix the date of Substantial Completion. Engineer shall attach to the certificate a punch list of items to be completed or corrected before final payment. Owner shall have 7 days after receipt of the preliminary certificate during which to make written objection to Engineer as to any provisions of the certificate or attached punch list. If, after considering the objections to the provisions of the preliminary certificate, Engineer concludes that the Work is not substantially complete, Engineer will, within 14 days after submission of the preliminary certificate to Owner, notify Contractor in writing that the Work is not substantially complete, stating the reasons therefor. If Owner does not object to the provisions of the certificate, or if despite consideration of Owner's objections Engineer concludes that the Work is substantially complete, then Engineer will, within said 14 days, execute and deliver to Owner and Contractor a final certificate of Substantial Completion (with a revised punch list of items to be completed or corrected) reflecting such changes from the preliminary certificate as Engineer believes justified after consideration of any objections from Owner.
- D. At the time of receipt of the preliminary certificate of Substantial Completion, Owner and Contractor will confer regarding Owner's use or occupancy of the Work following Substantial Completion, review the builder's risk insurance policy with respect to the end of the builder's risk coverage, and confirm the transition to coverage of the Work under a permanent property insurance policy held by Owner. Unless Owner and Contractor agree otherwise in writing, Owner shall bear responsibility for security, operation, protection of the Work, property insurance, maintenance, heat, and utilities upon Owner's use or occupancy of the Work.
- E. After Substantial Completion the Contractor shall promptly begin work on the punch list of items to be completed or corrected prior to final payment. In appropriate cases Contractor may submit monthly Applications for Payment for completed punch list items, following the progress payment procedures set forth above.
- F. Owner shall have the right to exclude Contractor from the Site after the date of Substantial Completion subject to allowing Contractor reasonable access to remove its property and complete or correct items on the punch list.

15.04 *Partial Use or Occupancy*

- A. Prior to Substantial Completion of all the Work, Owner may use or occupy any substantially completed part of the Work which has specifically been identified in the Contract Documents, or which Owner, Engineer, and Contractor agree constitutes a separately functioning and usable part of the Work that can be used by Owner for its intended purpose without

significant interference with Contractor's performance of the remainder of the Work, subject to the following conditions:

1. At any time, Owner may request in writing that Contractor permit Owner to use or occupy any such part of the Work that Owner believes to be substantially complete. If and when Contractor agrees that such part of the Work is substantially complete, Contractor, Owner, and Engineer will follow the procedures of Paragraph 15.03.A through 15.03.E for that part of the Work.
2. At any time, Contractor may notify Owner and Engineer in writing that Contractor considers any such part of the Work substantially complete and request Engineer to issue a certificate of Substantial Completion for that part of the Work.
3. Within a reasonable time after either such request, Owner, Contractor, and Engineer shall make an inspection of that part of the Work to determine its status of completion. If Engineer does not consider that part of the Work to be substantially complete, Engineer will notify Owner and Contractor in writing giving the reasons therefor. If Engineer considers that part of the Work to be substantially complete, the provisions of Paragraph 15.03 will apply with respect to certification of Substantial Completion of that part of the Work and the division of responsibility in respect thereof and access thereto.
4. No use or occupancy or separate operation of part of the Work may occur prior to compliance with the requirements of Paragraph 6.04 regarding builder's risk or other property insurance.

15.05 *Final Inspection*

- A. Upon written notice from Contractor that the entire Work or an agreed portion thereof is complete, Engineer will promptly make a final inspection with Owner and Contractor and will notify Contractor in writing of all particulars in which this inspection reveals that the Work, or agreed portion thereof, is incomplete or defective. Contractor shall immediately take such measures as are necessary to complete such Work or remedy such deficiencies.

15.06 *Final Payment*

A. *Application for Payment*

1. After Contractor has, in the opinion of Engineer, satisfactorily completed all corrections identified during the final inspection and has delivered, in accordance with the Contract Documents, all maintenance and operating instructions, schedules, guarantees, bonds, certificates or other evidence of insurance, certificates of inspection, annotated record documents (as provided in Paragraph 7.12), and other documents, Contractor may make application for final payment.
2. The final Application for Payment must be accompanied (except as previously delivered) by:
 - a. all documentation called for in the Contract Documents;
 - b. consent of the surety, if any, to final payment;
 - c. satisfactory evidence that all title issues have been resolved such that title to all Work, materials, and equipment has passed to Owner free and clear of any Liens or other title defects, or will so pass upon final payment.

- d. a list of all duly pending Change Proposals and Claims; and
 - e. complete and legally effective releases or waivers (satisfactory to Owner) of all Lien rights arising out of the Work, and of Liens filed in connection with the Work.
3. In lieu of the releases or waivers of Liens specified in Paragraph 15.06.A.2 and as approved by Owner, Contractor may furnish receipts or releases in full and an affidavit of Contractor that: (a) the releases and receipts include all labor, services, material, and equipment for which a Lien could be filed; and (b) all payrolls, material and equipment bills, and other indebtedness connected with the Work for which Owner might in any way be responsible, or which might in any way result in liens or other burdens on Owner's property, have been paid or otherwise satisfied. If any Subcontractor or Supplier fails to furnish such a release or receipt in full, Contractor may furnish a bond or other collateral satisfactory to Owner to indemnify Owner against any Lien, or Owner at its option may issue joint checks payable to Contractor and specified Subcontractors and Suppliers.
- B. *Engineer's Review of Final Application and Recommendation of Payment:* If, on the basis of Engineer's observation of the Work during construction and final inspection, and Engineer's review of the final Application for Payment and accompanying documentation as required by the Contract Documents, Engineer is satisfied that the Work has been completed and Contractor's other obligations under the Contract have been fulfilled, Engineer will, within 10 days after receipt of the final Application for Payment, indicate in writing Engineer's recommendation of final payment and present the final Application for Payment to Owner for payment. Such recommendation will account for any set-offs against payment that are necessary in Engineer's opinion to protect Owner from loss for the reasons stated above with respect to progress payments. Otherwise, Engineer will return the Application for Payment to Contractor, indicating in writing the reasons for refusing to recommend final payment, in which case Contractor shall make the necessary corrections and resubmit the Application for Payment.
- C. *Notice of Acceptability:* In support of its recommendation of payment of the final Application for Payment, Engineer will also give written notice to Owner and Contractor that the Work is acceptable, subject to stated limitations in the notice and to the provisions of Paragraph 15.07.
- D. *Completion of Work:* The Work is complete (subject to surviving obligations) when it is ready for final payment as established by the Engineer's written recommendation of final payment and issuance of notice of the acceptability of the Work.
- E. *Final Payment Becomes Due:* Upon receipt from Engineer of the final Application for Payment and accompanying documentation, Owner shall set off against the amount recommended by Engineer for final payment any further sum to which Owner is entitled, including but not limited to set-offs for liquidated damages and set-offs allowed under the provisions of this Contract with respect to progress payments. Owner shall pay the resulting balance due to Contractor within 30 days of Owner's receipt of the final Application for Payment from Engineer.

15.07 *Waiver of Claims*

- A. By making final payment, Owner waives its claim or right to liquidated damages or other damages for late completion by Contractor, except as set forth in an outstanding Claim,

appeal under the provisions of Article 17, set-off, or express reservation of rights by Owner. Owner reserves all other claims or rights after final payment.

- B. The acceptance of final payment by Contractor will constitute a waiver by Contractor of all claims and rights against Owner other than those pending matters that have been duly submitted as a Claim, or appealed under the provisions of Article 17.

15.08 *Correction Period*

- A. If within one year after the date of Substantial Completion (or such longer period of time as may be prescribed by the Supplementary Conditions or the terms of any applicable special guarantee required by the Contract Documents), Owner gives Contractor written notice that any Work has been found to be defective, or that Contractor's repair of any damages to the Site or adjacent areas has been found to be defective, then after receipt of such notice of defect Contractor shall promptly, without cost to Owner and in accordance with Owner's written instructions:
 1. correct the defective repairs to the Site or such adjacent areas;
 2. correct such defective Work;
 3. remove the defective Work from the Project and replace it with Work that is not defective, if the defective Work has been rejected by Owner, and
 4. satisfactorily correct or repair or remove and replace any damage to other Work, to the work of others, or to other land or areas resulting from the corrective measures.
- B. Owner shall give any such notice of defect within 60 days of the discovery that such Work or repairs is defective. If such notice is given within such 60 days but after the end of the correction period, the notice will be deemed a notice of defective Work under Paragraph 7.17.B.
- C. If, after receipt of a notice of defect within 60 days and within the correction period, Contractor does not promptly comply with the terms of Owner's written instructions, or in an emergency where delay would cause serious risk of loss or damage, Owner may have the defective Work corrected or repaired or may have the rejected Work removed and replaced. Contractor shall pay all costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such correction or repair or such removal and replacement (including but not limited to all costs of repair or replacement of work of others). Contractor's failure to pay such costs, losses, and damages within 10 days of invoice from Owner will be deemed the start of an event giving rise to a Claim under Paragraph 12.01.B, such that any related Claim must be brought within 30 days of the failure to pay.
- D. In special circumstances where a particular item of equipment is placed in continuous service before Substantial Completion of all the Work, the correction period for that item may start to run from an earlier date if so provided in the Specifications.
- E. Where defective Work (and damage to other Work resulting therefrom) has been corrected or removed and replaced under this paragraph, the correction period hereunder with respect to such Work will be extended for an additional period of one year after such correction or removal and replacement has been satisfactorily completed.

- F. Contractor's obligations under this paragraph are in addition to all other obligations and warranties. The provisions of this paragraph are not to be construed as a substitute for, or a waiver of, the provisions of any applicable statute of limitation or repose.

ARTICLE 16—SUSPENSION OF WORK AND TERMINATION

16.01 *Owner May Suspend Work*

- A. At any time and without cause, Owner may suspend the Work or any portion thereof for a period of not more than 90 consecutive days by written notice to Contractor and Engineer. Such notice will fix the date on which Work will be resumed. Contractor shall resume the Work on the date so fixed. Contractor shall be entitled to an adjustment in the Contract Price or an extension of the Contract Times directly attributable to any such suspension. Any Change Proposal seeking such adjustments must be submitted no later than 30 days after the date fixed for resumption of Work.

16.02 *Owner May Terminate for Cause*

- A. The occurrence of any one or more of the following events will constitute a default by Contractor and justify termination for cause:
1. Contractor's persistent failure to perform the Work in accordance with the Contract Documents (including, but not limited to, failure to supply sufficient skilled workers or suitable materials or equipment, or failure to adhere to the Progress Schedule);
 2. Failure of Contractor to perform or otherwise to comply with a material term of the Contract Documents;
 3. Contractor's disregard of Laws or Regulations of any public body having jurisdiction; or
 4. Contractor's repeated disregard of the authority of Owner or Engineer.
- B. If one or more of the events identified in Paragraph 16.02.A occurs, then after giving Contractor (and any surety) 10 days' written notice that Owner is considering a declaration that Contractor is in default and termination of the Contract, Owner may proceed to:
1. declare Contractor to be in default, and give Contractor (and any surety) written notice that the Contract is terminated; and
 2. enforce the rights available to Owner under any applicable performance bond.
- C. Subject to the terms and operation of any applicable performance bond, if Owner has terminated the Contract for cause, Owner may exclude Contractor from the Site, take possession of the Work, incorporate in the Work all materials and equipment stored at the Site or for which Owner has paid Contractor but which are stored elsewhere, and complete the Work as Owner may deem expedient.
- D. Owner may not proceed with termination of the Contract under Paragraph 16.02.B if Contractor within 7 days of receipt of notice of intent to terminate begins to correct its failure to perform and proceeds diligently to cure such failure.
- E. If Owner proceeds as provided in Paragraph 16.02.B, Contractor shall not be entitled to receive any further payment until the Work is completed. If the unpaid balance of the Contract Price exceeds the cost to complete the Work, including all related claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects,

attorneys, and other professionals) sustained by Owner, such excess will be paid to Contractor. If the cost to complete the Work including such related claims, costs, losses, and damages exceeds such unpaid balance, Contractor shall pay the difference to Owner. Such claims, costs, losses, and damages incurred by Owner will be reviewed by Engineer as to their reasonableness and, when so approved by Engineer, incorporated in a Change Order. When exercising any rights or remedies under this paragraph, Owner shall not be required to obtain the lowest price for the Work performed.

- F. Where Contractor's services have been so terminated by Owner, the termination will not affect any rights or remedies of Owner against Contractor then existing or which may thereafter accrue, or any rights or remedies of Owner against Contractor or any surety under any payment bond or performance bond. Any retention or payment of money due Contractor by Owner will not release Contractor from liability.
- G. If and to the extent that Contractor has provided a performance bond under the provisions of Paragraph 6.01.A, the provisions of that bond will govern over any inconsistent provisions of Paragraphs 16.02.B and 16.02.D.

16.03 *Owner May Terminate for Convenience*

- A. Upon 7 days' written notice to Contractor and Engineer, Owner may, without cause and without prejudice to any other right or remedy of Owner, terminate the Contract. In such case, Contractor shall be paid for (without duplication of any items):
 - 1. completed and acceptable Work executed in accordance with the Contract Documents prior to the effective date of termination, including fair and reasonable sums for overhead and profit on such Work;
 - 2. expenses sustained prior to the effective date of termination in performing services and furnishing labor, materials, or equipment as required by the Contract Documents in connection with uncompleted Work, plus fair and reasonable sums for overhead and profit on such expenses; and
 - 3. other reasonable expenses directly attributable to termination, including costs incurred to prepare a termination for convenience cost proposal.
- B. Contractor shall not be paid for any loss of anticipated profits or revenue, post-termination overhead costs, or other economic loss arising out of or resulting from such termination.

16.04 *Contractor May Stop Work or Terminate*

- A. If, through no act or fault of Contractor, (1) the Work is suspended for more than 90 consecutive days by Owner or under an order of court or other public authority, or (2) Engineer fails to act on any Application for Payment within 30 days after it is submitted, or (3) Owner fails for 30 days to pay Contractor any sum finally determined to be due, then Contractor may, upon 7 days' written notice to Owner and Engineer, and provided Owner or Engineer do not remedy such suspension or failure within that time, terminate the contract and recover from Owner payment on the same terms as provided in Paragraph 16.03.
- B. In lieu of terminating the Contract and without prejudice to any other right or remedy, if Engineer has failed to act on an Application for Payment within 30 days after it is submitted, or Owner has failed for 30 days to pay Contractor any sum finally determined to be due, Contractor may, 7 days after written notice to Owner and Engineer, stop the Work until payment is made of all such amounts due Contractor, including interest thereon. The

provisions of this paragraph are not intended to preclude Contractor from submitting a Change Proposal for an adjustment in Contract Price or Contract Times or otherwise for expenses or damage directly attributable to Contractor's stopping the Work as permitted by this paragraph.

ARTICLE 17—FINAL RESOLUTION OF DISPUTES

17.01 *Methods and Procedures*

- A. *Disputes Subject to Final Resolution:* The following disputed matters are subject to final resolution under the provisions of this article:
 - 1. A timely appeal of an approval in part and denial in part of a Claim, or of a denial in full, pursuant to Article 12; and
 - 2. Disputes between Owner and Contractor concerning the Work, or obligations under the Contract Documents, that arise after final payment has been made.
- B. *Final Resolution of Disputes:* For any dispute subject to resolution under this article, Owner or Contractor may:
 - 1. elect in writing to invoke the dispute resolution process provided for in the Supplementary Conditions;
 - 2. agree with the other party to submit the dispute to another dispute resolution process; or
 - 3. if no dispute resolution process is provided for in the Supplementary Conditions or mutually agreed to, give written notice to the other party of the intent to submit the dispute to a court of competent jurisdiction.

ARTICLE 18—MISCELLANEOUS

18.01 *Giving Notice*

- A. Whenever any provision of the Contract requires the giving of written notice to Owner, Engineer, or Contractor, it will be deemed to have been validly given only if delivered:
 - 1. in person, by a commercial courier service or otherwise, to the recipient's place of business;
 - 2. by registered or certified mail, postage prepaid, to the recipient's place of business; or
 - 3. by e-mail to the recipient, with the words "Formal Notice" or similar in the e-mail's subject line.

18.02 *Computation of Times*

- A. When any period of time is referred to in the Contract by days, it will be computed to exclude the first and include the last day of such period. If the last day of any such period falls on a Saturday or Sunday or on a day made a legal holiday by the law of the applicable jurisdiction, such day will be omitted from the computation.

18.03 *Cumulative Remedies*

- A. The duties and obligations imposed by these General Conditions and the rights and remedies available hereunder to the parties hereto are in addition to, and are not to be construed in any way as a limitation of, any rights and remedies available to any or all of them which are otherwise imposed or available by Laws or Regulations, by special warranty or guarantee, or by other provisions of the Contract. The provisions of this paragraph will be as effective as if repeated specifically in the Contract Documents in connection with each particular duty, obligation, right, and remedy to which they apply.

18.04 *Limitation of Damages*

- A. With respect to any and all Change Proposals, Claims, disputes subject to final resolution, and other matters at issue, neither Owner nor Engineer, nor any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors, shall be liable to Contractor for any claims, costs, losses, or damages sustained by Contractor on or in connection with any other project or anticipated project.

18.05 *No Waiver*

- A. A party's non-enforcement of any provision will not constitute a waiver of that provision, nor will it affect the enforceability of that provision or of the remainder of this Contract.

18.06 *Survival of Obligations*

- A. All representations, indemnifications, warranties, and guarantees made in, required by, or given in accordance with the Contract, as well as all continuing obligations indicated in the Contract, will survive final payment, completion, and acceptance of the Work or termination of the Contract or of the services of Contractor.

18.07 *Controlling Law*

- A. This Contract is to be governed by the law of the state in which the Project is located.

18.08 *Assignment of Contract*

- A. Unless expressly agreed to elsewhere in the Contract, no assignment by a party to this Contract of any rights under or interests in the Contract will be binding on the other party without the written consent of the party sought to be bound; and, specifically but without limitation, money that may become due and money that is due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under the Contract.

18.09 *Successors and Assigns*

- A. Owner and Contractor each binds itself, its successors, assigns, and legal representatives to the other party hereto, its successors, assigns, and legal representatives in respect to all covenants, agreements, and obligations contained in the Contract Documents.

18.10 *Headings*

- A. Article and paragraph headings are inserted for convenience only and do not constitute parts of these General Conditions.

SUPPLEMENTARY CONDITIONS OF THE CONSTRUCTION CONTRACT

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SUPPLEMENTARY CONDITIONS OF THE CONSTRUCTION CONTRACT

These Supplementary Conditions amend or supplement EJCDC® C-700, Standard General Conditions of the Construction Contract (2018). The General Conditions remain in full force and effect except as amended.

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

The address system used in these Supplementary Conditions is the same as the address system used in the General Conditions, with the prefix "SC" added—for example, "Paragraph SC-4.05."

ARTICLE 1—DEFINITIONS AND TERMINOLOGY

1.01 *Defined Terms*

SC-1.01 Delete Paragraph 1.01.A.46.c in its entirety and replace with the following:

46.c. Information and data regarding the presence or location of Underground Facilities are not intended to be categorized, identified, or defined as Technical Data.

SC-1.01 Add the following immediately after Paragraph 1.01.A.50:

51. *Special Provisions* - The part of the Contract that amends or supplements the Specifications.
52. *Request for Information* – A written request for information or clarification, requiring a written response to Owner, Engineer, or Contractor, initiated by Owner, Engineer, or Contractor.

ARTICLE 2—PRELIMINARY MATTERS

2.01 *Delivery of Bonds and Evidence of Insurance*

SC-2.02 Delete Paragraph 2.02.A in its entirety and insert the following new paragraph in its place:

- A. Owner shall furnish to Contractor [1] electronic copy of conformed Contract Documents incorporating and integrating all Addenda and any amendments negotiated prior to the Effective Date of the Contract (including one fully signed counterpart of the Agreement). Additional printed copies of the conformed Contract Documents will be furnished upon request at the cost of reproduction.

2.03 *Before Starting Construction*

SC-2.03 Delete Paragraph 2.03.A.1 in its entirety and replace with the following:

1. A detailed Progress Schedule in Gantt Chart format or similar used to plan, coordinate, and control the progress of construction and shall include the following:
 - a. provide for orderly, timely, and efficient prosecution of the Work;
 - b. contain sufficient detail to enable both the Contractor and the Engineer to plan, coordinate, and control their respective Contract responsibilities

- c. sufficient detail for each Bid Item of Work, at a minimum, and indicate the durations, dates for starting and completing the various stages of the Work, and including subcontractor work; and,
- d. durations and relationships of required submittals, major material procurement lead times, permitting, traffic control, and any utility coordination.

2.05 *Acceptance of Schedules*

SC-2.05 Delete Paragraph 2.05.A in its entirety and replace with the following:

- A. No Work on Site shall begin until acceptable schedules are submitted to Engineer.
 - 1. The Progress Schedule will be acceptable to Engineer if it provides an orderly progression of the Work to completion within the Contract Times and meets the requirements of the Contract. Such acceptance will not impose on Engineer responsibility for the Progress Schedule, for sequencing, scheduling, or progress of the Work, nor interfere with or relieve Contractor from Contractor's full responsibility therefor.
 - 2. Contractor's Schedule of Submittals will be acceptable to Engineer if it provides a workable arrangement for reviewing and processing the required submittals.
 - 3. Contractor's Schedule of Values will be acceptable to Engineer as to form and substance if it provides a reasonable allocation of the Contract Price to the component parts of the Work.
 - 4. If a schedule is not acceptable, Contractor will have an additional 3 days to revise and resubmit the schedule.

SC-2.05 Add the following immediately after Paragraph 2.05.A:

- B. Acceptance of the Progress Schedule will provide an overall baseline for progressing the Work and be supplemented with a "look-ahead" Work schedule each week to the Engineer. The "look-ahead" Project Work schedule will be presented in a bar chart that shows at least three weeks of activity including the week the bar chart is issued with the largest time scale unit of 1 calendar day (smaller scales may be used) representing each activity that will be done including the location/limits of the Work. The first "look-ahead" schedule will be provided within one week after acceptance of the Progress Schedule.

ARTICLE 3—CONTRACT DOCUMENTS: INTENT, REQUIREMENTS, REUSE

3.01 *Intent*

SC-3.01 Delete Paragraph 3.01.C in its entirety.

ARTICLE 4—COMMENCEMENT AND PROGRESS OF THE WORK

4.05 *Delays in Contractor's Progress*

SC-4.05 Amend Paragraph 4.05.C by adding the following subparagraphs:

- 5. *Weather-Related Delays*
 - a. If "abnormal weather conditions" as set forth in Paragraph 4.05.C.2 of the General Conditions are the basis for a request for an equitable adjustment in the Contract

Times, such request must be documented by data substantiating each of the following: 1) that weather conditions were abnormal for the period of time in which the delay occurred, 2) that such weather conditions could not have been reasonably anticipated, and 3) that such weather conditions had an adverse effect on the Work as scheduled.

- b. The existence of abnormal weather conditions will not relieve Contractor of the obligation to demonstrate and document that delays caused by abnormal weather are specific to the planned work activities or that such activities thus delayed were on Contractor's then-current Progress Schedule's critical path for the Project.

ARTICLE 5—SITE, SUBSURFACE AND PHYSICAL CONDITIONS, HAZARDOUS ENVIRONMENTAL CONDITIONS

5.02 Use of Site and Other Areas

SC-5.02 Delete Paragraph 5.02.A.2 and insert the following paragraph in its place:

- A. 2. If a damage or injury claim is made by the owner or occupant of any such land or area because of the performance of the Work, or because of other actions or conduct of the Contractor or those for which Contractor is responsible, Contractor shall (a) take immediate corrective or remedial action as required by Paragraph 7.13, or otherwise; (b) promptly attempt to settle the claim as to all parties through negotiations with such owner or occupant, or otherwise resolve the claim by arbitration or other dispute resolution proceeding, or in a court of competent jurisdiction; and (c) to the fullest extent permitted by Laws and Regulations, defend, indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them, from and against any such claim, and against all costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to any claim or action, legal or equitable, brought by any such owner or occupant against Owner, Engineer, or any other party indemnified hereunder to the extent caused directly or indirectly, in whole or in part by, or based upon, Contractor's performance of the Work, or because of other actions or conduct of the Contractor or those for which Contractor is responsible.

5.03 Subsurface and Physical Conditions

SC-5.03 Delete Paragraph 5.03A in its entirety and replace with the following:

- A. *Reports and Drawings:* No reports or drawings related to explorations and tests of subsurface conditions or existing physical conditions at or adjacent to the Site are known by Owner.

5.04 Differing Subsurface or Physical Conditions

SC-5.04 Delete Paragraph 5.04.A in its entirety and replace with the following:

- A. Notice by Contractor: If Contractor believes that any subsurface or physical condition that is uncovered or revealed at the Site is of an unusual nature, and differs materially from conditions ordinarily encountered and generally recognized as inherent in work of the character provided for in the Contract Documents; then Contractor shall, promptly after becoming aware thereof and before further disturbing the subsurface or physical conditions

or performing any Work in connection therewith (except in an emergency as required by Paragraph 7.15), notify Owner and Engineer in writing about such condition. Contractor shall not further disturb such condition or perform any Work in connection therewith (except with respect to an emergency) until receipt of a written statement permitting Contractor to do so.

5.06 *Hazardous Environmental Conditions*

SC-5.06 Delete Paragraph 5.06A and 5.06B in its entirety and replace with the following:

- A. *Reports and Drawings:* No reports or drawings related to Hazardous Environmental Conditions at the Site are known by Owner.
- B. Not used.

SC-5.06 Delete Paragraph 5.06.J and insert the following paragraph in its place:

To the fullest extent permitted by Laws and Regulations, Contractor shall defend, indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to the failure to control, contain, or remove a Constituent of Concern brought to the Site by Contractor or by anyone for whom Contractor is responsible, or to a Hazardous Environmental Condition created by Contractor or by anyone for Whom Contractor is responsible. Nothing in Paragraph 5.06.J obligates Contractor to indemnify any individual or entity from and against the consequences of that individual's or entity's own negligence.

ARTICLE 6—BONDS AND INSURANCE

6.02 *Insurance—General Provisions*

SC-6.02 Add the following paragraph immediately after Paragraph 6.02.B:

- 1. Contractor may obtain worker's compensation insurance from an insurance company that has not been rated by A.M. Best, provided that such company (a) is domiciled in the state in which the Project is located, (b) is certified or authorized as a worker's compensation insurance provider by the appropriate state agency, and (c) has been accepted to provide worker's compensation insurance for similar projects by the state within the last 12 months.

SC-6.02 Add the following paragraph immediately after Paragraph 6.02.D:

- 1. All certificates of insurance shall name as additionally insured:
 - a. Owner: City of Sandpoint

6.03 *Contractor's Insurance*

SC-6.03 Supplement Paragraph 6.03 with the following provisions after Paragraph 6.03.C:

- D. *Workers' Compensation and Employer's Liability:* Contractor shall purchase and maintain workers' compensation and employer's liability insurance, including, as applicable, United States Longshoreman and Harbor Workers' Compensation Act, Jones Act, stop-gap

employer's liability coverage for monopolistic states, and foreign voluntary workers' compensation (from available sources, notwithstanding the jurisdictional requirement of Paragraph 6.02.B of the General Conditions). All insurance policies shall contain a Waiver of Subrogation coverage or endorsements.

Workers' Compensation and Related Policies	Policy limits of not less than:
Workers' Compensation	
State	Statutory
Applicable Federal (e.g., Longshoreman's)	Statutory
Foreign voluntary workers' compensation (employer's responsibility coverage), if applicable	Statutory

- F. *Commercial General Liability—Claims Covered:* Contractor shall purchase and maintain commercial general liability insurance, covering all operations by or on behalf of Contractor, on an occurrence basis, against claims for:
1. damages because of bodily injury, sickness or disease, or death of any person other than Contractor's employees,
 2. damages insured by reasonably available personal injury liability coverage, and
 3. damages because of injury to or destruction of tangible property wherever located, including loss of use resulting therefrom.
- G. *Commercial General Liability—Form and Content:* Contractor's commercial liability policy must be written on a 1996 (or later) Insurance Services Organization, Inc. (ISO) commercial general liability form (occurrence form) and include the following coverages and endorsements:
1. Products and completed operations coverage.
 - a. Such insurance must be maintained for three years after final payment.
 - b. Contractor shall furnish Owner and each other additional insured (as identified in the Supplementary Conditions or elsewhere in the Contract) evidence of continuation of such insurance at final payment and three years thereafter.
 2. Blanket contractual liability coverage, including but not limited to coverage of Contractor's contractual indemnity obligations in Paragraph 7.18.
 3. Severability of interests and no insured-versus-insured or cross-liability exclusions.
 4. Underground, explosion, and collapse coverage.
 5. Personal injury coverage.
 6. Additional insured endorsements that include both ongoing operations and products and completed operations coverage through ISO Endorsements CG 20 10 10 01 and CG 20 37 10 01 (together). If Contractor demonstrates to Owner that the specified ISO endorsements are not commercially available, then Contractor may satisfy this requirement by providing equivalent endorsements.

7. For design professional additional insureds, ISO Endorsement CG 20 32 07 04 “Additional Insured—Engineers, Architects or Surveyors Not Engaged by the Named Insured” or its equivalent.
 8. All policies shall contain waiver of subrogation coverage or endorsements.
- H. *Commercial General Liability—Excluded Content:* The commercial general liability insurance policy, including its coverages, endorsements, and incorporated provisions, must not include any of the following:
1. Any modification of the standard definition of “insured contract” (except to delete the railroad protective liability exclusion if Contractor is required to indemnify a railroad or others with respect to Work within 50 feet of railroad property).
 2. Any exclusion for water intrusion or water damage.
 3. Any provisions resulting in the erosion of insurance limits by defense costs other than those already incorporated in ISO form CG 00 01.
 4. Any exclusion of coverage relating to earth subsidence or movement.
 5. Any exclusion for the insured’s vicarious liability, strict liability, or statutory liability (other than worker’s compensation).
 6. Any limitation or exclusion based on the nature of Contractor’s work.
 7. Any professional liability exclusion broader in effect than the most recent edition of ISO form CG 22 79.
- I. *Commercial General Liability—Minimum Policy Limits*

Commercial General Liability	Policy limits of not less than:
General Aggregate	\$2,000,000.00
Products—Completed Operations Aggregate	\$2,000,000.00
Personal and Advertising Injury	\$1,000,000.00
Bodily Injury and Property Damage—Each Occurrence	\$1,000,000.00

- J. *Automobile Liability:* Contractor shall purchase and maintain automobile liability insurance for damages because of bodily injury or death of any person or property damage arising out of the ownership, maintenance, or use of any motor vehicle. The automobile liability policy must be written on an occurrence basis.

Automobile Liability	Policy limits of not less than:
Combined Single Limit	
Combined Single Limit (Bodily Injury and Property Damage)	\$1,000,000.00

- K. *Umbrella or Excess Liability:* Contractor shall purchase and maintain umbrella or excess liability insurance written over the underlying employer’s liability, commercial general liability, and automobile liability insurance described in the Paragraphs above. The coverage afforded must be at least as broad as that of each and every one of the underlying policies.

Excess or Umbrella Liability	Policy limits of not less than:
Each Occurrence	\$2,000,000.00
General Aggregate	\$2,000,000.00

- L. *Using Umbrella or Excess Liability Insurance to Meet CGL and Other Policy Limit Requirements:* Contractor may meet the policy limits specified for employer's liability, commercial general liability, and automobile liability through the primary policies alone, or through combinations of the primary insurance policy's policy limits and partial attribution of the policy limits of an umbrella or excess liability policy that is at least as broad in coverage as that of the underlying policy, as specified herein.
- M. *Contractor's Pollution Liability Insurance:* Contractor shall purchase and maintain a policy covering third-party injury and property damage, including cleanup costs, as a result of pollution conditions arising from Contractor's operations and completed operations. This insurance must be maintained for no less than three years after final completion.

Contractor's Pollution Liability	Policy limits of not less than:
General Aggregate	\$1,000,000.00

- N. *Contractor's Professional Liability Insurance:* If Contractor will provide or furnish professional services under this *Contract*, through a delegation of professional design services or otherwise, then Contractor shall be responsible for purchasing and maintaining applicable professional liability insurance. This insurance must cover negligent acts, errors, or omissions in the performance of professional design or related services by the insured or others for whom the insured is legally liable. The insurance must be maintained throughout the duration of the Contract and for a minimum of two years after Substantial Completion. The retroactive date on the policy must pre-date the commencement of furnishing services on the Project.

Contractor's Professional Liability	Policy limits of not less than:
Each Claim	\$500,000.00
Annual Aggregate	\$1,000,000.00

6.04 *Builder's Risk and Other Property Insurance*

SC-6.04 Delete Paragraphs 6.04.B and 6.04.C in their entirety and add the following immediately after Paragraph 6.04.E:

- F. *Builder's Risk Requirements:* The builder's risk insurance must:
1. be written on a builder's risk "all risk" policy form that at a minimum includes insurance for physical loss or damage to the Work, temporary buildings, falsework, and materials and equipment stored and in transit, and must not exclude the coverage of the following risks: fire; windstorm; hail; flood; earthquake, volcanic activity, and other earth movement; lightning; riot; civil commotion; terrorism; vehicle impact; aircraft; smoke; theft; vandalism and malicious mischief; mechanical breakdown, boiler explosion, and

artificially generated electric current; collapse; explosion; debris removal; demolition occasioned by enforcement of Laws and Regulations; and water damage (other than that caused by flood).

- a. Such policy will include an exception that results in coverage for ensuing losses from physical damage or loss with respect to any defective workmanship, methods, design, or materials exclusions.
 - b. If insurance against mechanical breakdown, boiler explosion, and artificially generated electric current; earthquake, volcanic activity, and other earth movement; or flood, are not commercially available under builder's risk policies, by endorsement or otherwise, such insurance will be provided through other insurance policies acceptable to Owner and Contractor.
2. cover, as insured property, at least the following: (a) the Work and all materials, supplies, machinery, apparatus, equipment, fixtures, and other property of a similar nature that are to be incorporated into or used in the preparation, fabrication, construction, erection, or completion of the Work, including Owner-furnished or assigned property; (b) spare parts inventory required within the scope of the Contract; and (c) temporary works which are not intended to form part of the permanent constructed Work but which are intended to provide working access to the Site, or to the Work under construction, or which are intended to provide temporary support for the Work under construction, including scaffolding, form work, fences, shoring, falsework, and temporary structures.
 3. cover expenses incurred in the repair or replacement of any insured property (including but not limited to fees and charges of contractors, engineers, and architects).
 4. extend to cover damage or loss to insured property while in temporary storage at the Site or in a storage location outside the Site (but not including property stored at the premises of a manufacturer or Supplier).
 5. extend to cover damage or loss to insured property while in transit.
 6. allow for the waiver of the insurer's subrogation rights, as set forth in this Contract.
 7. allow for partial occupancy or use by Owner by endorsement, and without cancellation or lapse of coverage.
 8. include performance/hot testing and start-up, if applicable.
 9. be maintained in effect until the Work is complete, as set forth in Paragraph 15.06.D of the General Conditions, or until written confirmation of Owner's procurement of property insurance following Substantial Completion, whichever occurs first.
 10. include as named insureds the Owner, Contractor, Subcontractors (of every tier), and any other individuals or entities required by this Contract to be insured under such builder's risk policy. For purposes of Paragraphs 6.04, 6.05, and 6.06 of the General Conditions, and this and all other corresponding Supplementary Conditions, the parties required to be insured will be referred to collectively as "insureds."

ARTICLE 7—CONTRACTOR'S RESPONSIBILITIES

7.03 *Labor; Working Hours*

SC-7.03 Delete Paragraph 7.03.C in its entirety, and insert the following:

- C. Contractor may perform the Work at the Site only between the hours of 7AM and 7PM, Monday thru Friday unless otherwise authorized by the Owner in writing.

7.09 *Permits*

SC-7.09 Add the following immediately after Paragraph 7.09.A:

- B. Contractor and any subcontractors shall obtain a City of Sandpoint Business License prior to mobilization.

7.10 *Taxes*

SC-7.10 Add the following paragraph immediately after Paragraph 7.10.A:

- B. In the event of the Contractor's default on the payment of taxes, excises, and license fees as set forth in Idaho Code 63-1503, the Owner shall have the authority to withhold from any payment due the Contractor under this contract, the estimated amount of such accrued and accruing taxes, excises, and license fees for the benefit of all taxing authorities to which said Contractor is liable.

7.11 *Laws and Regulations*

SC-7.11 Add the following paragraph immediately after Paragraph 7.11.C:

- D. While not intended to be inclusive of all Laws or Regulations for which Contractor may be responsible under paragraph 6.09, the following Laws or Regulations are included as mandated by statute or for the convenience of the Contractor;

1. **Idaho Code Section 63-1501. Definitions.** As used in this act, the following terms shall have the following meanings:

"Contracting units" shall include the state or any officer or department thereof, the counties or other subdivisions of the state, and all municipal and quasi-municipal corporations therein.

"Contractor" shall mean any person, firm, co-partnership, association, or corporation, foreign or domestic, entering into a contract for the construction, erection, repair, or improvement of any kind or character of public works in this state.

"Taxes" shall mean all taxes, assessments, excises, and license fees authorized to be levied, assessed, and collected under the laws of this state, other than taxes on real property.

"Taxing unit" shall mean the state or any officer or department thereof, the counties or other subdivisions of the state, and all municipal and quasi-municipal corporations therein authorized by law to assess, levy and collect taxes.

2. **Idaho Code Section 63-1502. Conditions precedent to contract for public works.** Before entering into a contract for the construction of any public works in this state, the contracting unit shall require as conditions precedent that the contractor be authorized

EJCDC® C-800, Supplementary Conditions of the Construction Contract.

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to do business in this state and that he furnish satisfactory evidence that he has paid or secured to the satisfaction of the respective taxing units all taxes for which he or his property is liable then due or delinquent.

3. **Idaho Code Section 63-1503. Contractor for public works to pay or secure taxes—Agreement.** Every contract for the construction of public works by a contracting unit of this state shall contain substantially the following provisions:

The Contractor, in consideration of securing the business of erecting or constructing public works in this state, recognizing that the business in which he is engaged is of a transitory character, and that in the pursuit thereof, his property used therein may be without the state when taxes, excises, or license fees to which he is liable become payable, agrees:

a. To pay promptly when due all taxes (other than on real property), excises and license fees due to the state, its subdivisions, and municipal and quasi-municipal corporations therein accrued or accruing during the term of this contract, whether or not the same shall be payable at the end of such term;

b. That if the said taxes, excises, and license fees are not payable at the end of said term, but liability for the payment thereof exists, even though the same constitute liens upon his property, to secure the same to the satisfaction of the respective officers charged with the collection thereof; and

c. That in the event of his default in the payment or securing of such taxes, excises, and license fees, to consent that the department, officer, board, or taxing unit entering into this contract may withhold from any payment due him hereunder the estimated amount of such accrued and accruing taxes, excises, and license fees for the benefit of all taxing units to which said contractor is liable.

4. **Idaho Code Section 44-1002** requires the following: The Contractor must employ ninety-five percent (95%) bona fide Idaho residents as employees on any job under any such contract except where under such contracts fifty (50) or less persons are employed, the Contractor may employ ten percent (10%) nonresidents, provided, however, in all cases employers must give preference to the employment of bona fide residents in the performance of said work, and no contract shall be let to any person, firm, association, or corporation refusing to execute an agreement with the above mentioned provisions in it; provided, that, in contracts involving the expenditure of federal aid funds this act shall not be enforced in such a manner as to conflict with or be contrary to the federal statutes prescribing a labor preference to honorably discharged soldiers, sailors, and marines, prohibiting as unlawful any other preference or discrimination among citizens of the United States.

5. **Idaho Code Chapter 19 of Title 54** requires proper licensing of Public Works Contractors.

7.18 *Indemnification*

SC-7.18 Delete Paragraph 7.18.A in its entirety and insert the following paragraph in its place:

- A. To the fullest extent permitted by Laws and Regulations, and in addition to any other obligations of Contractor under the Contract or otherwise, Contractor shall indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners,

employees, agents, consultants and subcontractors of each and any of them, from losses, damages, costs, and judgments (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals, and all court or arbitration or other dispute resolution costs) arising from third-party claims or actions relating to or resulting from the performance or furnishing of the Work, provided that any such claim, action, loss, cost, judgment or damage is attributable to bodily injury, sickness, disease, or death, or to damage to or destruction of tangible property (other than the Work itself), including the loss of use resulting therefrom, but only to the extent caused by any negligent act or omission of Contractor, any Subcontractor, any Supplier, or any individual or entity directly or indirectly employed by any of them to perform any of the Work, or anyone for whose acts any of them may be liable.

ARTICLE 8—OTHER WORK AT THE SITE

No Supplementary Conditions in this Article.

ARTICLE 9—OWNER’S RESPONSIBILITIES

No Supplementary Conditions in this Article.

ARTICLE 10—ENGINEER’S STATUS DURING CONSTRUCTION

10.02 *Visits to Site.*

SC-10.02 Delete Paragraphs 10.02 in its entirety.

10.03 *Resident Project Representative.*

SC-10.03 Delete Paragraphs 10.03 in its entirety.

ARTICLE 11—CHANGES TO THE CONTRACT

11.01 *Amending and Supplementing the Contract*

SC-11.01 Delete Paragraph 11.01.C in its entirety and insert the following in its place:

- C. All changes to the Contract that involve (1) the performance or acceptability of the Work, (2) the design (as set forth in the Drawings, Specifications, or otherwise), or (3) other engineering or technical matters, must be supported by CWE’s recommendation. Owner and Contractor may amend other terms and conditions of the Contract without the recommendation of CWE.

ARTICLE 12—CLAIMS

No Supplementary Conditions in this Article.

ARTICLE 13—COST OF WORK; ALLOWANCES, UNIT PRICE WORK

13.03 *Unit Price Work*

SC-13.03 Delete Paragraph 13.03.E in its entirety and insert the following in its place:

E. *Adjustments in Unit Price*

1. Contractor or Owner shall be entitled to an adjustment in the unit price with respect to an item of Unit Price Work if:
 - a. the extended price of a particular item of Unit Price Work amounts to 10 percent or more of the Contract Price (based on estimated quantities at the time of Contract formation) and the variation in the quantity of that particular item of Unit Price Work actually furnished or performed by Contractor differs by more than 25 percent from the estimated quantity of such item indicated in the Agreement; and
 - b. Contractor's unit costs to perform the item of Unit Price Work have changed materially and significantly as a result of the quantity change.
2. The adjustment in unit price will account for and be coordinated with any related changes in quantities of other items of Work, and in Contractor's costs to perform such other Work, such that the resulting overall change in Contract Price is equitable to Owner and Contractor.
3. Adjusted unit prices will apply to all units of that item.

ARTICLE 14—TESTS AND INSPECTIONS; CORRECTION, REMOVAL, OR ACCEPTANCE OF DEFECTIVE WORK

No Supplementary Conditions in this Article.

ARTICLE 15—PAYMENTS TO CONTRACTOR, SET OFFS; COMPLETIONS; CORRECTION PERIOD

No Supplementary Conditions in this Article.

ARTICLE 16—SUSPENSION OF WORK AND TERMINATION

No Supplementary Conditions in this Article.

ARTICLE 17—FINAL RESOLUTIONS OF DISPUTES

No Supplementary Conditions in this Article.

ARTICLE 18—MISCELLANEOUS

18.07 *Controlling Law*

SC-18.07 Delete Paragraph 18.07 in its entirety and insert the following paragraph in its place:

This Contract is to be governed by the law of the State of Idaho. The jurisdiction/venue for any action arising out of performance of this Contract, or interpretation of its terms and conditions, shall be in the District Court in the First Judicial District of the State of Idaho, Bonner County. In any action to enforce the terms and conditions of this Contract, the prevailing party may recover its reasonable attorney fees.

Add the following Article 19 – Prosecution of the Work, immediately following Article 18 - Miscellaneous.

ARTICLE 19—PROSECUTION OF THE WORK

SC-19.01 *General*

- A. From the time of commencement of the Work to the time of Final Acceptance the Contractor shall: provide adequate Materials, Equipment, labor, and supervision to perform and complete the Work; perform the Work as vigorously and as continuously as conditions permit, and according to a Project Work schedule that ensures completion within the Contract Time or the adjusted Contract Time; not voluntarily suspend or slow down operations without prior written approval from the Engineer; and not resume suspended Work without the Engineer's written authorization.

SC-19.02 *Cost Reduction Proposals*

- B. The Contractor may submit written proposals to the Engineer that modify Plans, Specifications, or other Contract Documents for the sole purpose of reducing the total cost of construction. Unless otherwise agreed to in writing, a proposal that is solely or primarily a proposal to reduce estimated quantities or delete Work, is not eligible for consideration as a cost reduction proposal.
- C. Proposal Requirements - The Engineer will not adopt a cost reduction proposal that impairs essential functions or characteristics of the Project, including, but not limited to, service life, economy of operation, ease of maintenance, designed appearance, or design and safety standards.

To conserve time and funds, the Contractor may first submit a written request for a feasibility review by the Engineer. The request should contain a description of the proposal together with a rough estimate of anticipated dollar and time savings. The Engineer will, within a reasonable time, advise the Contractor in writing whether or not the proposal would be considered by the Engineer, should the Contractor elect to submit a detailed cost reduction proposal.

- D. A detailed cost reduction proposal shall include without limitation the following information:
 - 1. A description of existing Contract requirements for performing the Work and the proposed change;
 - 2. The Contract items of Work affected by the proposed change, including any quantity variation caused by the proposed change;
 - 3. Pay Items affected by the proposed change including any quantity variations;
 - 4. A detailed cost estimate for performing the Work under the existing Contract and under the proposed change.

Costs of re-design, which are incurred after the Engineer has accepted the proposal, shall be included in the cost of proposed work; and a date by which the Engineer must accept the proposal in order to accept the proposed change without impacting the Contract Time or cost reduction amount.

- E. Continuing to Perform Work - The Contractor shall continue to perform the Work according to Contract requirements until the Engineer issues a Change Order incorporating the cost reduction proposal. If the Engineer fails to issue a Change Order by the date specified in the proposal, the proposal shall be deemed rejected.
- F. Consideration of Proposal - The Engineer is not obligated to consider any cost reduction proposal. The Engineer will not be liable to the Contractor for failure to accept or act upon any cost reduction proposal submitted. The Engineer will determine in its sole discretion whether to accept a cost reduction proposal as well as the estimated net savings in construction costs from the adoption of all or any part of the proposal. In determining the estimated net savings, the Engineer may disregard the Schedule of Items. The Engineer will establish prices that represent a fair measure of the value of Work to be performed or to be deleted as a result of the cost reduction proposal.
- G. Sharing Investigation Costs - As a condition for considering a Contractor's cost reduction proposal, the Engineer reserves the right to require the Contractor to share in the Engineer's costs of investigating the proposal. If the Engineer exercises this right, the Contractor shall provide written acceptance of the condition to the Engineer. Such acceptance will authorize the Engineer to deduct its share of investigation costs from payments due or that may become due to the Contractor under the Contract.
- H. Acceptance of Proposal Requirements - If the Contractor's cost reduction proposal is accepted in whole or in part, acceptance will be made by a Change Order. The Contractor's cost of preparing the cost reduction proposal and the Engineer's costs of investigating the proposal, including any portion paid by the Contractor, will be excluded from determination of the estimated net savings in construction costs. Costs of re-design, which are incurred after the Engineer has accepted the proposal, will be included in the cost of the Work attributable to cost reduction measures. If the Engineer accepts the cost reduction proposal, the Change Order that authorizes the cost reduction measures will also address any Contract Time adjustment.

SC-19.03 *Force Account Work*

The Materials, Equipment and labor rates and procedures established in this Section apply to Extra Work ordered by the Engineer to be performed as Force Account Work.

- A. Extra Work on a Force Account Basis - Before ordering Force Account Work, the Engineer will discuss the proposed work with the Contractor, and will seek the Contractor's comments and advice concerning the formulation of Force Account Work specifications. The Engineer is not bound by the Contractor's comments and advice, and has final authority to: determine and direct the Materials, Equipment and labor to be used on the approved Force Account Work and to determine the time of the Contractor's performance of the ordered Force Account Work.
- B. If the Engineer orders the performance of Extra Work as Force Account Work, the Engineer will record, on a daily basis, the Materials, Equipment, labor, and Special Services used for the Force Account Work during that day. The Engineer and the Contractor shall sign the record daily to indicate agreement on the Materials, Equipment, labor, and Special Services used for the Force Account Work performed on that day.

- C. The Owner will not be responsible for additional costs that are a direct or indirect result of the Contractor's inefficient means and methods or that reasonably could have been avoided if the Materials, Equipment, labor or services had been obtained at a more commercially reasonable cost.
- D. Payment for Force Account Work shall be negotiated and agreed upon by Change Order.



Digitally signed by Ryan Luttmann
Date: 2025.08.15 08:34:49-07'00'

SPECIAL PROVISIONS

These Special Provisions amend or supplement the Idaho Standards for Public Works Construction, 2020 Edition (ISPWC). The Work on this project shall be accomplished in accordance with the ISPWC, as modified or supplemented by the Supplementary Conditions and these Special Provisions. All provisions which are not so amended or supplemented remain in full force and effect.

The terms used in these Special Provisions have the meanings stated in the General Conditions. Additional terms used in these Special Provisions have the meanings stated below, which are applicable to both the singular and plural thereof.

The address system used in these Special Provisions is the same as the address system used in the ISPWC.

SECTION 706 OTHER CONCRETE CONSTRUCTION

PART 4 MEASUREMENT AND PAYMENT

Delete Paragraph 4.1.H in its entirety and replace with the following:

H. Pedestrian Ramp w/ Detectable Warning Domes Per Each as measured in the field. Includes all effort to layout out, form, grade, and adjust to meet existing field conditions and ADA requirements as approved by the Engineer. All materials and effort required to construct concrete ADA landings and sidewalk transitions as shown on the plans are incidental to this bid item.

1. Bid Schedule Payment Reference: 706.4.1.H.1
2. Bid Schedule Description: Pedestrian Ramp w/ Cast Iron Detectable Warning Domes...each (EA)

SECTION 1001 CONSTRUCTION SITE MANAGEMENT

PART 4 MEASUREMENT AND PAYMENT

Delete Paragraph 4.1.A in its entirety, and insert the following in its place:

- 4.1.A Sediment Control and Construction Site Management: by the lump sum for all work associated with erosion and sediment control, and construction site management, including developing and maintaining a Stormwater Pollution Prevention Plan (SWPPP) if required, all required appurtenances for construction site housekeeping, sediment collection, runoff diversion, storm drain and channel protection, access control, dust control, and health and safety. All Stormwater Best Management Practices (BMPs) shall be incidental to this pay item.
1. Bid Schedule Payment References: 1001.4.1.A.1.
 2. Bid Schedule Description: Sediment Control and Construction Site Management...lump sum (LS).

SECTION 1103 CONSTRUCTION TRAFFIC CONTROL

PART 3 WORKMANSHIP

Delete Paragraph 3.1.B in its entirety, and insert the following in its place:

- 3.1.B. Contractor shall submit a Traffic Control Plan to the City Engineer for approval prior to any closures. The Traffic Control Plan shall be in accordance with the MUTCD and specify how the Contractor will minimize the risk to vehicles, motorcycles, and bicycles caused by construction activities, and the lip formed at the lane's edge.

Delete Paragraph 3.1.C in its entirety, and insert the following in its place:

- 3.1.C. Do not cause unnecessary inconvenience to the public, as determined by the City Engineer.

Delete Paragraph 3.1.E in its entirety, and insert the following in its place:

- 3.1.E. To accommodate paragraph D above, full roadway closure of up to three blocks may be proposed for a period not to exceed 10 days upon City approval. Intersection closures shall provide flagging and/or an approved detour. Allow residential traffic to pass through the work area. Contractor shall provide measures as necessary to allow emergency vehicle access to all properties at all times.

SECTION 2010 MOBILIZATION

Delete this section in its entirety and replace with the following:

PART 1 GENERAL**1.1 SECTION INCLUDES**

- A. Mobilization consists of preparatory work and operations, including those necessary for the movement of personnel, equipment, supplies, and incidentals to the project site, for the establishment of offices, buildings, and other facilities necessary for work, for premiums on bond and insurance, and for other work and operations which must be performed or costs incurred before beginning production work on the various contract items. Mobilization costs for subcontracted and supplier work is included in this item.
- B. Items which are not to be included in this item include but are not limited to:
Any portion of the Work covered by the specific Contract item or incidental Work which is to be included in a Contract item or items. Profit, interest on borrowed money, overhead, or management costs.

PART 2 MATERIALS

NOT USED

PART 3 WORKMANSHIP

- 1.1. The Contractor shall provide and maintain enclosed portable restroom facilities for the use of Project personnel.

PART 4 MEASUREMENT AND PAYMENT

- 4.1 Mobilization, by the lump sum Contract price for Mobilization.
 - A. Bid Schedule Payment Reference: 2010.4.1.A.1.
 - B. Bid Schedule Description: Mobilization ... per lump sum (LS).
 - C. Partial payments for Mobilization will be made as follows:
 - 1. When 5 percent of the total original Contract amount is earned from other Contract items, excluding amounts paid for materials on hand, 50 percent of the amount Bid for mobilization, or 5 percent of the total original Contract amount, whichever is the least, will be paid.
 - 2. When 10 percent of the total original Contract amount is earned from other Contract items, excluding amounts paid for materials on hand, 100 percent of the amount Bid for mobilization, or 10 percent of the total original Contract amount, whichever is the least, will be paid.
 - 3. When Substantial Completion is achieved, payment of any amount Bid for mobilization in excess of 10 percent of the total original Contract amount will be paid.
- 4.2 Sanitary Facilities: Providing and servicing restroom facilities shall be incidental to other Bid Items.

SP100 MILLING OF ASPHALT**PART 1 GENERAL**

Milling Asphalt shall be in accordance with Idaho Transportation Department 2023 Standard Specifications for Highway Construction Section 431 Subsections 431.01 through 431.03.

PART 4 MEASUREMENT AND PAYMENT

4.1.A Milling of Asphalt will be measured by the square yard regardless of depth or number of passes required to achieve depth and width. All equipment, brooming, loading, hauling, stockpiling, vehicles and labor required to complete this task will be incidental to this bid item.

1. Bid Schedule Payment References: SP100.4.1.A.
2. Bid Schedule Description: Milling of Asphalt...Square Yard (SY).

***** END SECTION *****

CITY OF SANDPOINT

PINE STREET MILL AND OVERLAY
AUGUST 2025

SHEET INDEX

COVER SHEET	G1.1
START TO STA 11+32	C1.1
STA 11+32 TO STA 22+32	C1.2
STA 22+32 TO END	C1.3
DETAIL SHEET 1	D1.1



EXISTING

PROPOSED

WATER LINE	---	---
LIMITS OF CONSTRUCTION	---	---
WATER VALVE	×	---
SEWER MANHOLE	⊙	---
STORM SEWER MAHOLE	⊙	---
CATCH BASIN	⊕	---
MILL & OVERLAY EXISTING ASPHALT	---	▨

MAYOR	JEREMY GRIMM
CITY COUNCIL:	DEB RUEHLE JOEL AISPURO JUSTIN DICK PAM DUQUETTE KYLE SCHREIBER RICK HOWARTH
PUBLIC WORKS DIRECTOR:	HOLLY ELLIS
UTILITIES SUPERVISOR:	ROD BERGET
STREETS SUPERVISOR:	WES ALBIN



CITY HALL
1123 W. Lake St.
Sandpoint, Idaho 83864
(208) 263-3158

GENERAL NOTES

- ALL WORKMANSHIP AND MATERIAL SHALL BE IN ACCORDANCE WITH THE 2020 IDAHO STANDARDS FOR PUBLIC WORKS CONSTRUCTION AS MODIFIED IN THESE CONTRACT DOCUMENTS.
- CONTRACTOR SHALL SUBMIT A TRAFFIC CONTROL PLAN FOR APPROVAL. TRAFFIC CONTROL DEVICES SHALL COMPLY WITH THE MUTCD.
- CONTRACTOR SHALL COORDINATE WITH UTILITY COMPANIES AND ADJUST ALL WATER VALVES AND SEWER MANHOLES TO FINISHED GRADE PRIOR TO FINAL PAVEMENT LIFT.
- ALL CONSTRUCTION ACTIVITY SHALL BE CONFINED TO RIGHT-OF-WAY, UTILITY EASEMENTS AND CONSTRUCTION LIMITS.
- MAINTAIN AND PROTECT ALL EXISTING CURB AND GUTTER AND DRIVEWAYS.
- AREAS OF SOFT SPOT REPAIR ARE UNKNOWN. LOCATION AND FULL EXTENTS ARE TO BE REVIEWED AND APPROVED BY THE CITY AT THE TIME OF CONSTRUCTION.
- CONTRACTOR IS RESPONSIBLE FOR IDENTIFYING RIGHT-OF-WAY LIMITS AND STAKING, GRADING, AND ALIGNMENT FOR THE PEDESTRIAN RAMPS.
- CONTRACTOR SHALL COORDINATE WITH ADJACENT RESIDENTS TO ACCOMMODATE DRIVEWAY ACCESS DURING CONSTRUCTION.
- CONTRACTOR SHALL BE RESPONSIBLE FOR ALL EROSION AND SEDIMENT CONTROL.
- CONTRACTOR SHALL REPAINT EXISTING ROAD AND CROSS WALK STRIPING AFTER INSTALLATION OF NEW ASPHALT PAVEMENT.

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NO.	DATE	BY	APPR	REVISIONS



SANDPOINT OFFICE
102 S. EUCLID AVE., SUITE 107
SANDPOINT, ID 83864
208.946.4360

DATE: AUGUST 2025 PROJECT NO: 51004.011.01

DESIGNED BY: RJL
DRAWN BY: AWS/HFL
CHECKED BY: RJL
SCALE: AS NOTED

CITY OF SANDPOINT
PINE STREET MILL AND OVERLAY

COVER SHEET

DRAWING NO. G1.1
SHEET NO. 01 OF 05

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NO.	DATE	BY	APPR.	REVISIONS

CENTURY WEST
ENGINEERING

102 S. EUCLEID AVE., SUITE 107
SANDPOINT, ID 83864
208 946-4380

DATE: AUGUST 2025

PROJECT NO: S1004.011.01

SCALE: AS NOTED

DESIGNED BY: RLL

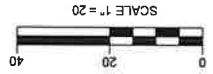
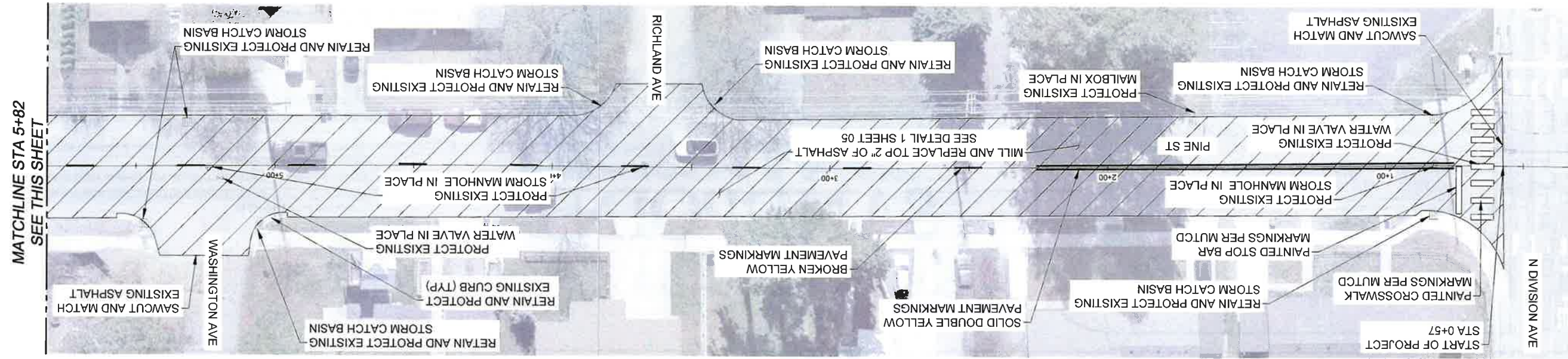
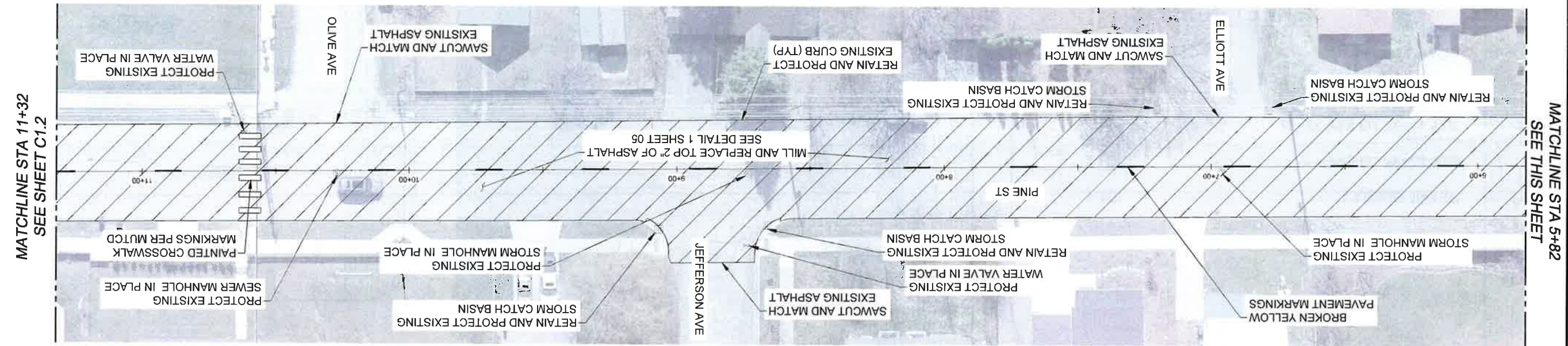
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CHECKED BY: RLL

AS NOTED

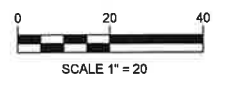
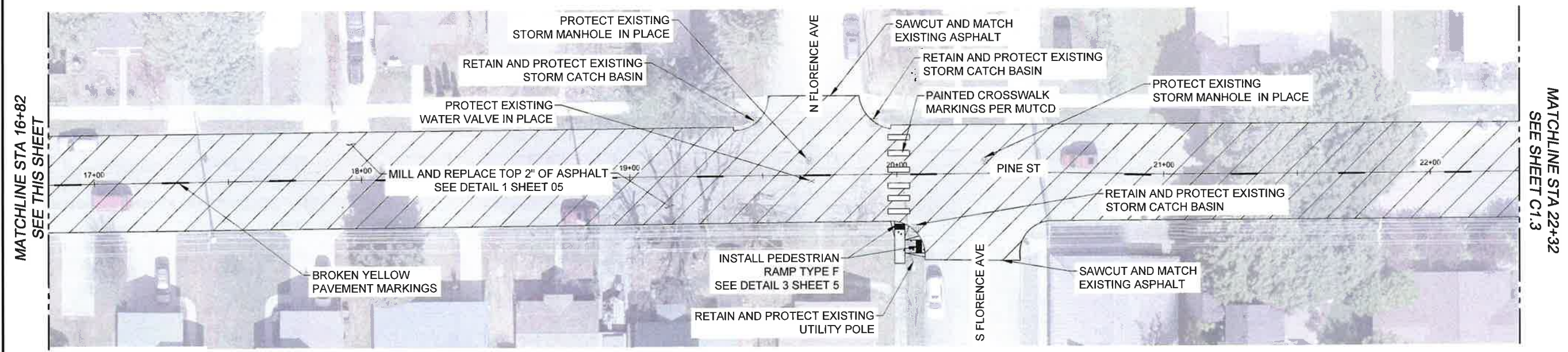
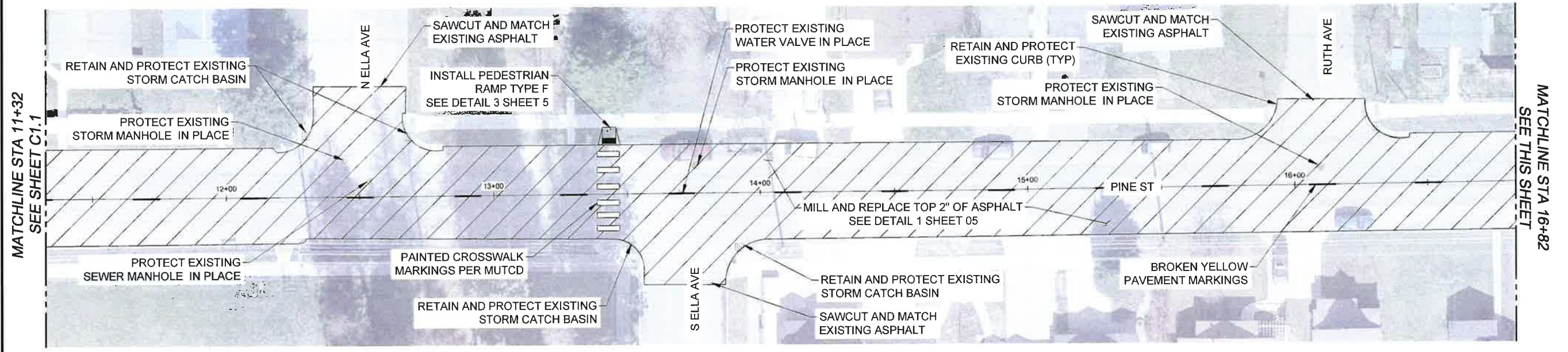
CITY OF SANDPOINT
PINE STREET MILL AND OVERLAY
START TO STA 11+32

DRAWING NO. C1.1
SHEET NO. 02 OF 05



Know what's below.
Call before you dig.

Know what's below.
Call before you dig.



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					NO.	DATE	BY	APPR	REVISIONS																			
DRAWN BY: AWS/HFL	SHEET NO. 03 OF 05																											
CHECKED BY: RJL																												
SCALE: AS NOTED																												
DATE: AUGUST 2025 PROJECT NO: 51004.011.01						STA 11+32 TO STA 22+32																						

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CENTURY WEST ENGINEERING CORPORATION



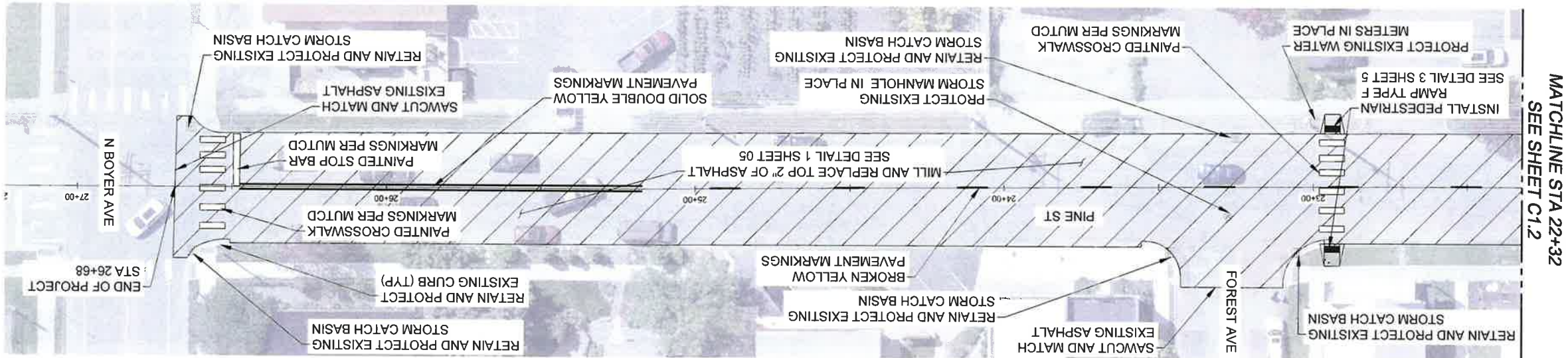
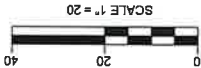
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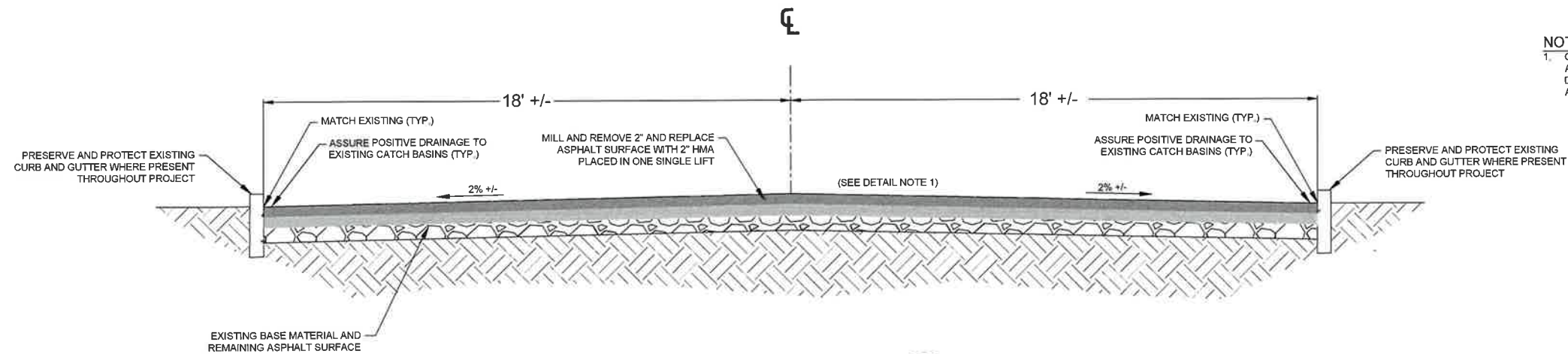
NO.	DATE	BY	APPR.	REVISIONS

DATE: AUGUST 2025	PROJECT NO: S1004.011.01	SCALE: AS NOTED
 CENTURY WEST ENGINEERING 102 S. EUCLID AVE., SUITE 107 SANDPOINT, ID 83884 208.946.4380	DESIGNED BY: R.J.L.	CHECKED BY: R.J.L.
	DRAWN BY: A.W.S./H.F.L.	

CITY OF SANDPOINT
PINE STREET MILL AND OVERLAY

DRAWING NO. C1.3
SHEET NO. 04 OF 05





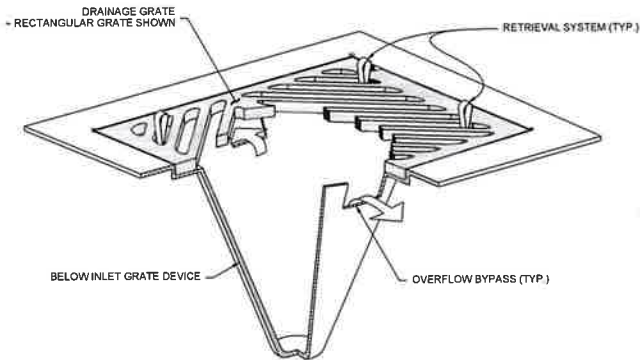
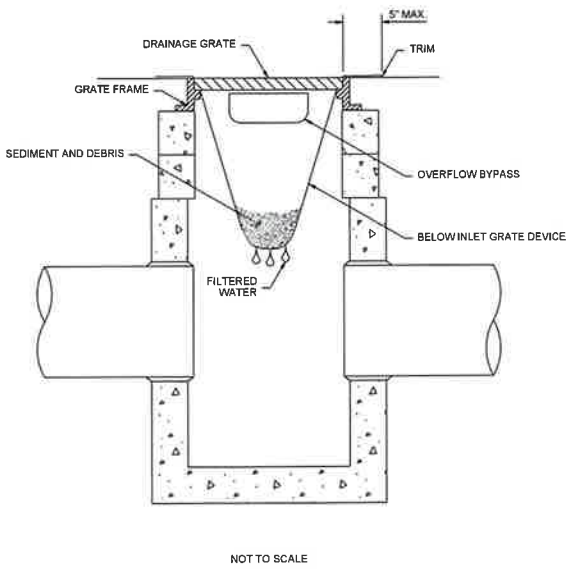
NOTES

1. CONTRACTOR TO ASSURE POSITIVE DRAINAGE FROM APPROXIMATE CENTERLINE CROWN. ADJUST SLOPE AS DIRECTED BY THE CITY TO MEET EXISTING GRADES AT EDGE OF ASPHALT.

TYPICAL SECTION

1

N.T.S. D1.1



STORM DRAIN INLET PROTECTION

2

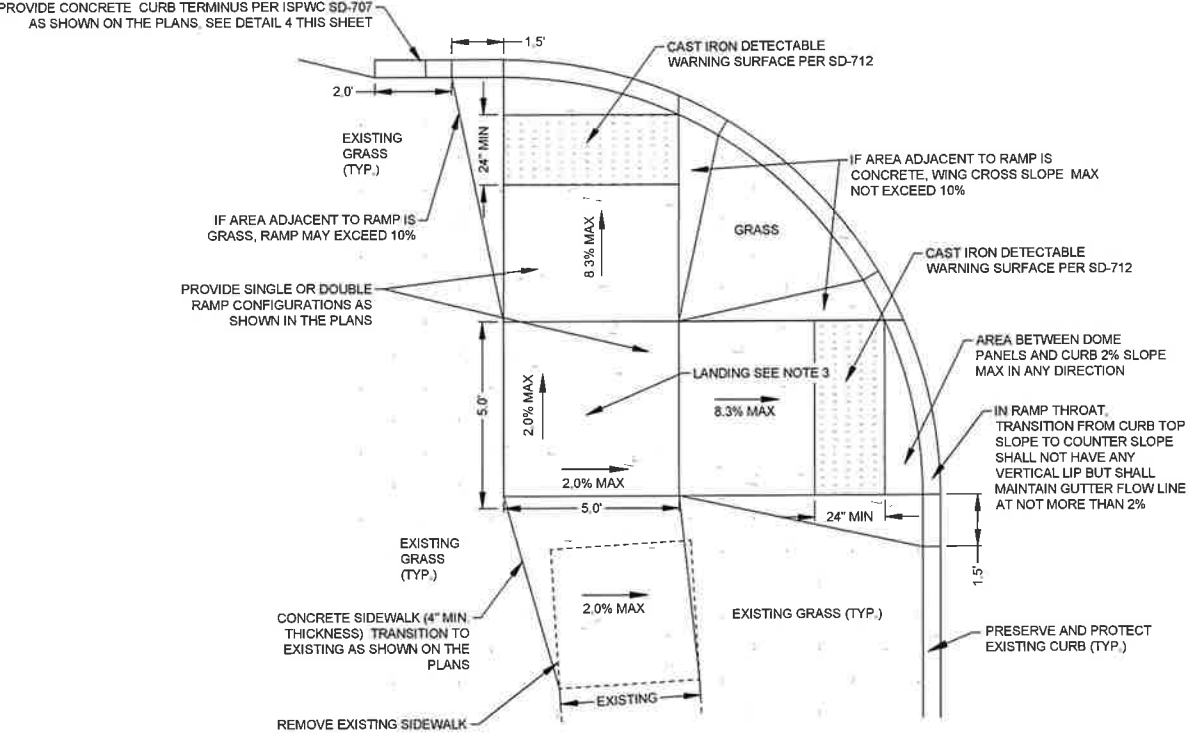
N.T.S. D1.1

NOTES:

1. SIZE THE BELOW INLET GRATE DEVICE (BIGD) FOR THE STORM WATER STRUCTURE IT WILL SERVICE.

2. THE BIGD SHALL HAVE A BUILT-IN HIGH-FLOW RELIEF SYSTEM (OVERFLOW BYPASS).

3. THE RETRIEVAL SYSTEM MUST ALLOW REMOVAL OF THE BIGD WITHOUT SPILLING THE COLLECTED MATERIAL.



NOTES

1. ALL MATERIALS AND EFFORT REQUIRED TO CONSTRUCT CONCRETE LANDING AND SIDEWALK TRANSITION AS SHOWN ON THE PLANS ARE INCIDENTAL TO PEDESTRIAN RAMP PAY ITEM.

2. THE DETECTABLE WARNING SURFACE SHALL BE CAST IRON AND INSTALLED 24\"/>

TYPICAL PEDESTRIAN RAMP TYPE F

3

N.T.S.

REUSE OF DOCUMENTS

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NO.	DATE	BY	APPR	REVISIONS



SANDPOINT OFFICE
102 S. EUCLID AVE., SUITE 107
SANDPOINT, ID 83864
208.946.4360

DATE: AUGUST 2025 PROJECT NO: 51004.011.01

DESIGNED BY: RJL
DRAWN BY: AWS/HFL
CHECKED BY: RJL
SCALE: AS NOTED

CITY OF SANDPOINT
PINE STREET MILL AND OVERLAY

DETAIL SHEET

DRAWING NO.
D1.1
SHEET NO.
05 OF 05

SANDPOINT BID NO. 25-3100-2 PINE STREET MILL AND OVERLAY

BID FORM FOR CONSTRUCTION CONTRACT

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

ARTICLE 1—OWNER AND BIDDER

1.01 This Bid is submitted to:

City of Sandpoint
City Clerk
1123 Lake Street
Sandpoint, ID 83864

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

ARTICLE 2—ATTACHMENTS TO THIS BID

2.01 The following documents are submitted with and made a condition of this Bid:

- A. Required Bid security in the form of: cash, a certified check, cashier's check, or a Bid bond (on the form attached) issued by a surety meeting the requirements of the General Conditions.;
- B. Bidder shall include in his Bid the name, or names and address, or addresses, and Idaho Public Works Contractor License Numbers of the Subcontractors who shall, in the event the Bidder secures the Contract, subcontract the plumbing, heating and air-conditioning work, and electrical work under the General Contract;
- C. State of Idaho Public Works Contractor's License No.: PWC-C-12090 ;

ARTICLE 3—BASIS OF BID—UNIT PRICES

3.01 *Unit Price Bids*

- A. Bidder will perform the following Work at the indicated unit prices:

BID SCHEDULE A – BASE BID

BASE BID					
PAY ITEM NO.	ITEM DESCRIPTION	PAY UNIT	EST. BID QNT.	UNIT PRICE	TOTAL PRICE
2010.4.1.A.1	MOBILIZATION Per Lump Sum	LS	1	\$ 28,500.00	\$ 28,500.00
1001.4.1.A.1	SEDIMENT CONTROL AND CONSTRUCTION SITE MANAGEMENT Per Lump Sum	LS	1	\$ 2,300.00	\$ 2,300.00

SANDPOINT BID NO. 25-3100-2 PINE STREET MILL AND OVERLAY

1103.4.1.A.1.	CONSTRUCTION TRAFFIC CONTROL Per Lump Sum	LS	1	\$ 21,200.00	\$ 21,200.00
706.4.1.H.1	PEDESTRIAN RAMP W/ CAST IRON DETECTABLE WARNING DOMES Per Each	EA	5	\$ 3,600.00	\$ 18,000.00
810.4.1.A.1	PLANT MIX PAVEMENT Per Ton	TON	1400	\$ 119.00	\$ 166,600.00
1104.4.1.A.1	PAINTED PAVEMENT MARKINGS - CENTERLINE STRIPING Per Square Foot	SF	380	\$ 3.40	\$ 1,292.00
1104.4.1.A.2	THERMOPLASTIC CROSSWALK AND STOP BAR MARKING Per Square Foot	SF	680	\$ 16.80	\$ 11,424.00
SP100.4.1.A.1	MILLING OF ASPHALT Per Square Yard	SY	11600	\$ 3.30	\$ 38,280.00
TOTAL BASE BID					\$ 287,596.00

B. Bidder acknowledges that:

1. Each Bid Unit Price includes an amount considered by Bidder to be adequate to cover Contractor's overhead and profit for each separately identified item,
2. each Bid Unit Price includes all applicable taxes and fees, and
3. estimated quantities are not guaranteed, and are solely for the purpose of comparison of Bids, and final payment for all Unit Price Work will be based on actual quantities, determined as provided in the Contract Documents.

ARTICLE 4—TIME OF COMPLETION

- 4.01 Bidder agrees that the Work will be substantially complete and will be completed and ready for final payment in accordance with Paragraph 15.06 of the General Conditions on or before the dates or within the number of calendar days indicated in the Agreement.
- 4.02 Bidder accepts the provisions of the Agreement as to liquidated damages.

ARTICLE 5—BIDDER'S ACKNOWLEDGEMENTS: ACCEPTANCE PERIOD, INSTRUCTIONS, AND RECEIPT OF ADDENDA5.01 *Bid Acceptance Period*

- A. This Bid will remain subject to acceptance for 60 days after the Bid opening, or for such longer period of time that Bidder may agree to in writing upon request of Owner.

SANDPOINT BID NO. 25-3100-2 PINE STREET MILL AND OVERLAY

5.02 *Instructions to Bidders*

- A. Bidder accepts all of the terms and conditions of the Instructions to Bidders, including without limitation those dealing with the disposition of Bid security.

5.03 *Receipt of Addenda*

- A. Bidder hereby acknowledges receipt of the following Addenda:

Addendum Number	Addendum Date
#1	9/17/2025

ARTICLE 6—BIDDER'S REPRESENTATIONS AND CERTIFICATIONS6.01 *Bidder's Representations*

- A. In submitting this Bid, Bidder represents the following:
1. Bidder has examined and carefully studied the Bidding Documents, including Addenda.
 2. Bidder has visited the Site, conducted a thorough visual examination of the Site and adjacent areas, and become familiar with the general, local, and Site conditions that may affect cost, progress, and performance of the Work.
 3. Bidder is familiar with all Laws and Regulations that may affect cost, progress, and performance of the Work.
 4. Bidder has carefully studied the drawings of physical conditions relating to existing surface or subsurface structures at the Site that have been identified in the Supplementary Conditions, with respect to the Technical Data in such drawings.
 5. Bidder has carefully studied the reports and drawings relating to Hazardous Environmental Conditions, if any, at or adjacent to the Site that have been identified in the Supplementary Conditions, with respect to Technical Data in such reports and drawings.
 6. Bidder has considered the information known to Bidder itself; information commonly known to contractors doing business in the locality of the Site; information and observations obtained from visits to the Site; the Bidding Documents; and the Technical Data identified in the Supplementary Conditions or by definition, with respect to the effect of such information, observations, and Technical Data on (a) the cost, progress, and performance of the Work; (b) the means, methods, techniques, sequences, and procedures of construction to be employed by Bidder, if selected as Contractor; and (c) Bidder's (Contractor's) safety precautions and programs.
 7. Based on the information and observations referred to in the preceding paragraph, Bidder agrees that no further examinations, investigations, explorations, tests, studies, or data are necessary for the performance of the Work at the Contract Price, within the Contract Times, and in accordance with the other terms and conditions of the Contract.
 8. Bidder is aware of the general nature of work to be performed by Owner and others at the Site that relates to the Work as indicated in the Bidding Documents.

SANDPOINT BID NO. 25-3100-2 PINE STREET MILL AND OVERLAY

9. Bidder has given Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that Bidder has discovered in the Bidding Documents, and of discrepancies between Site conditions and the Contract Documents, and the written resolution thereof by Engineer is acceptable to Contractor.
10. The Bidding Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.
11. The submission of this Bid constitutes an incontrovertible representation by Bidder that without exception the Bid and all prices in the Bid are premised upon performing and furnishing the Work required by the Bidding Documents.

6.02 *Bidder's Certifications*

A. The Bidder certifies the following:

1. This Bid is genuine and not made in the interest of or on behalf of any undisclosed individual or entity and is not submitted in conformity with any collusive agreement or rules of any group, association, organization, or corporation.
2. Bidder has not directly or indirectly induced or solicited any other Bidder to submit a false or sham Bid.
3. Bidder has not solicited or induced any individual or entity to refrain from bidding.
4. Bidder has not engaged in corrupt, fraudulent, collusive, or coercive practices in competing for the Contract. For the purposes of this Paragraph 6.02.A:
 - a. Corrupt practice means the offering, giving, receiving, or soliciting of anything of value likely to influence the action of a public official in the bidding process.
 - b. Fraudulent practice means an intentional misrepresentation of facts made (a) to influence the bidding process to the detriment of Owner, (b) to establish bid prices at artificial non-competitive levels, or (c) to deprive Owner of the benefits of free and open competition.
 - c. Collusive practice means a scheme or arrangement between two or more Bidders, with or without the knowledge of Owner, a purpose of which is to establish bid prices at artificial, non-competitive levels.
 - d. Coercive practice means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the bidding process or affect the execution of the Contract.

SANDPOINT BID NO. 25-3100-2 PINE STREET MILL AND OVERLAY

BIDDER hereby submits this Bid as set forth above:

Bidder:

Interstate Concrete & Asphalt

(typed or printed name of organization)

By:



(individual's signature)

Name: Jeff Meyer

(typed or printed)

Title: Area Manager ICA North

(typed or printed)

Date: 10/2/2025

(typed or printed)

If Bidder is a corporation, a partnership, or a joint venture, attach evidence of authority to sign.

Attest:



(individual's signature)

Name: Shelley R. Thomas

(typed or printed)

Title: Contract Administrator

(typed or printed)

Date: 10/2/2025

(typed or printed)

Address for giving notices: PO Box 1113, Sandpoint, ID 83864

Bidder's Contact:

Name: Samuel Williams

(typed or printed)

Title: Estimator/Project Manager

(typed or printed)

Phone: 208.290.2670

Email: samuel.williams@interstate-ica.com

Address:

PO Box 1113, Sandpoint, ID 83864

Bidder's Contractor License No.: (if applicable) RCE - 1593

CERTIFICATE OF AUTHORITY

TO: City of Sandpoint for their project: Bid 25-3100-2
Pine Street Mill and Overlay

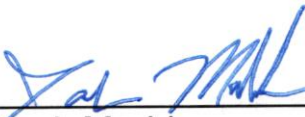
ENTITY: Interstate Concrete and Asphalt Company

SUBJECT: Jeff Meyer

I, John J. Madden, Vice President for Interstate Concrete and Asphalt Company, certify that Jeff Meyer, Sandpoint Area Manager of Interstate Concrete and Asphalt Company, has legal authority to sign on behalf of the company in all matters, without the signature of others, including legal contracts and all other business documents, with regards to the City of Sandpoint for their project: Bid 25-3100-2 Pine Street Mill and Overlay

This certificate is issued on the 25th day of September 2025.

Respectfully,

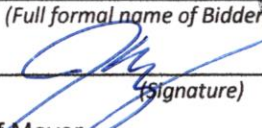
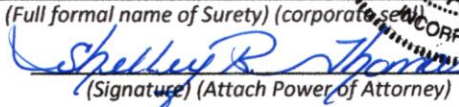
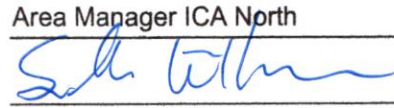
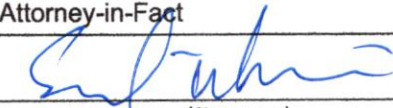


John J. Madden
Vice President
Interstate Concrete and Asphalt Company



SANDPOINT BID NO. 25-3100-2 PINE STREET MILL AND OVERLAY

BID BOND (PENAL SUM FORM)

Bidder Name: Interstate Concrete & Asphalt Company Address (principal place of business): PO Box 1113 Sandpoint, ID 83864	Surety Name: Fidelity and Deposit Company of Maryland Address (principal place of business): 1299 Zurich Way, 5th Floor Schaumburg, IL 60196-1056
Owner Name: City of Sandpoint Address (principal place of business): 1123 Lake Street Sandpoint, ID 83864	Bid Project (name and location): Bid No 25-3100-2 Pine St. Mill and Overlay Bid Due Date: October 2, 2025
Bond Penal Sum: ***Five Percent of Amount Bid*** Date of Bond: 10/2/2025	
Surety and Bidder, intending to be legally bound hereby, subject to the terms set forth in this Bid Bond, do each cause this Bid Bond to be duly executed by an authorized officer, agent, or representative.	
Bidder Interstate Concrete & Asphalt Company (Full formal name of Bidder)	Surety Fidelity and Deposit Company of Maryland (Full formal name of Surety) (corporate seal)
By:  (Signature)	By:  (Signature) (Attach Power of Attorney)
Name: Jeff Meyer (Printed or typed)	Name: Shelley R. Thomas (Printed or typed)
Title: Area Manager ICA North	Title: Attorney-in-Fact
Attest:  (Signature)	Attest:  (Signature)
Name: Samuel Williams (Printed or typed)	Name: Samuel Williams (Printed or typed)
Title: Estimator/Project Manager	Title: Estimator/Project Manager
Notes: (1) Note: Addresses are to be used for giving any required notice. (2) Provide execution by any additional parties, such as joint venturers, if necessary.	



**ZURICH AMERICAN INSURANCE COMPANY
COLONIAL AMERICAN CASUALTY AND SURETY COMPANY
FIDELITY AND DEPOSIT COMPANY OF MARYLAND
POWER OF ATTORNEY**

KNOW ALL MEN BY THESE PRESENTS: That the ZURICH AMERICAN INSURANCE COMPANY, a corporation of the State of New York, the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, a corporation of the State of Illinois, and the FIDELITY AND DEPOSIT COMPANY OF MARYLAND a corporation of the State of Illinois (herein collectively called the "Companies"), by Christopher Nolan, Vice President, in pursuance of authority granted by Article V, Section 8, of the By-Laws of said Companies, which are set forth on the reverse side hereof and are hereby certified to be in full force and effect on the date hereof, do hereby nominate, constitute, and appoint **Shelley R. THOMAS, Trevor BROWN, James M. TIBBITS, Jason JOHNSTON, Debbie BALES, Jacob KELLER, Shannon ANTOINE, John MADDEN, Jeff MEYER, all of Rathdrum, Idaho**, EACH, its true and lawful agent and Attorney-in-Fact, to make, execute, seal and deliver, for, and on its behalf as surety, and as its act and deed: Any and all bid bonds issued on behalf of Interstate Concrete and Asphalt, Rathdrum, Idaho each in a penalty not to exceed the sum of \$1,000,000, and the execution of such bid bonds in pursuance of these presents, shall be as binding upon said Companies, as fully and amply, to all intents and purposes, as if they had been duly executed and acknowledged by the regularly elected officers of the ZURICH AMERICAN INSURANCE COMPANY at its office in New York, New York., the regularly elected officers of the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY at its office in Owings Mills, Maryland, and the regularly elected officers of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at its office in Owings Mills, Maryland, in their own proper persons.

The said Vice President does hereby certify that the extract set forth on the reverse side hereof is a true copy of Article V, Section 8, of the By-Laws of said Companies, and is now in force.

IN WITNESS WHEREOF, the said Vice-President has hereunto subscribed his/her names and affixed the Corporate Seals of the said ZURICH AMERICAN INSURANCE COMPANY, COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, and FIDELITY AND DEPOSIT COMPANY OF MARYLAND, this 17th day of April A.D. 2025.

ATTEST:

**ZURICH AMERICAN INSURANCE COMPANY
COLONIAL AMERICAN CASUALTY AND SURETY COMPANY
FIDELITY AND DEPOSIT COMPANY OF MARYLAND**



By: Christopher Nolan
Vice President



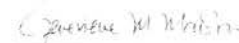
By: Dawn E. Brown
Secretary



**State of Maryland
County of Baltimore**

On this 17th day of April A.D. 2025, before the subscriber, a Notary Public of the State of Maryland, duly commissioned and qualified, **Christopher Nolan, Vice President and Dawn E. Brown, Secretary** of the Companies, to me personally known to be the individuals and officers described in and who executed the preceding instrument, and acknowledged the execution of same, and being by me duly sworn, depose and saith, that he/she is the said officer of the Company aforesaid, and that the seals affixed to the preceding instrument are the Corporate Seals of said Companies, and that the said Corporate Seals and the signature as such officer were duly affixed and subscribed to the said instrument by the authority and direction of the said Corporations.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal the day and year first above written



Genevieve M. Maison
Notary Public
My Commission Expires January 27, 2029



Authenticity of this bond can be confirmed at bondvalidator.zurichna.com or 410-559-8790

EXTRACT FROM BY-LAWS OF THE COMPANIES

"Article V, Section 8, Attorneys-in-Fact. The Chief Executive Officer, the President, or any Executive Vice President or Vice President may, by written instrument under the attested corporate seal, appoint attorneys-in-fact with authority to execute bonds, policies, recognizances, stipulations, undertakings, or other like instruments on behalf of the Company, and may authorize any officer or any such attorney-in-fact to affix the corporate seal thereto; and may with or without cause modify or revoke any such appointment or authority at any time."

CERTIFICATE

I, the undersigned, Vice President of the ZURICH AMERICAN INSURANCE COMPANY, the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, and the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, do hereby certify that the foregoing Power of Attorney is still in full force and effect on the date of this certificate; and I do further certify that Article V, Section 8, of the By-Laws of the Companies is still in force.

This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the ZURICH AMERICAN INSURANCE COMPANY at a meeting duly called and held on the 15th day of December 1998.

RESOLVED: "That the signature of the President or a Vice President and the attesting signature of a Secretary or an Assistant Secretary and the Seal of the Company may be affixed by facsimile on any Power of Attorney...Any such Power or any certificate thereof bearing such facsimile signature and seal shall be valid and binding on the Company."

This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY at a meeting duly called and held on the 5th day of May, 1994, and the following resolution of the Board of Directors of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at a meeting duly called and held on the 10th day of May, 1990.

RESOLVED: "That the facsimile or mechanically reproduced seal of the company and facsimile or mechanically reproduced signature of any Vice-President, Secretary, or Assistant Secretary of the Company, whether made heretofore or hereafter, wherever appearing upon a certified copy of any power of attorney issued by the Company, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seals of the said Companies, this 2nd day of October, 2025.



MJ Pethick

Mary Jean Pethick
Vice President

TO REPORT A CLAIM WITH REGARD TO A SURETY BOND, PLEASE SUBMIT A COMPLETE DESCRIPTION OF THE CLAIM INCLUDING THE PRINCIPAL ON THE BOND, THE BOND NUMBER, AND YOUR CONTACT INFORMATION TO:

Zurich Surety Claims
1299 Zurich Way
Schaumburg, IL 60196-1056
reports@zurichna.com
800-626-4577

Authenticity of this bond can be confirmed at bondvalidator.zurichna.com or 410-559-8790

SANDPOINT BID NO. 25-3100-2 PINE STREET MILL AND OVERLAY

1. Bidder and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors, and assigns to pay to Owner upon default of Bidder the penal sum set forth on the face of this Bond. Payment of the penal sum is the extent of Bidder's and Surety's liability. Recovery of such penal sum under the terms of this Bond will be Owner's sole and exclusive remedy upon default of Bidder.
2. Default of Bidder occurs upon the failure of Bidder to deliver within the time required by the Bidding Documents (or any extension thereof agreed to in writing by Owner) the executed Agreement required by the Bidding Documents and any performance and payment bonds required by the Bidding Documents.
3. This obligation will be null and void if:
 - 3.1. Owner accepts Bidder's Bid and Bidder delivers within the time required by the Bidding Documents (or any extension thereof agreed to in writing by Owner) the executed Agreement required by the Bidding Documents and any performance and payment bonds required by the Bidding Documents, or
 - 3.2. All Bids are rejected by Owner, or
 - 3.3. Owner fails to issue a Notice of Award to Bidder within the time specified in the Bidding Documents (or any extension thereof agreed to in writing by Bidder and, if applicable, consented to by Surety when required by Paragraph 5 hereof).
4. Payment under this Bond will be due and payable upon default of Bidder and within 30 calendar days after receipt by Bidder and Surety of written notice of default from Owner, which notice will be given with reasonable promptness, identifying this Bond and the Project and including a statement of the amount due.
5. Surety waives notice of any and all defenses based on or arising out of any time extension to issue Notice of Award agreed to in writing by Owner and Bidder, provided that the total time for issuing Notice of Award including extensions does not in the aggregate exceed 120 days from the Bid due date without Surety's written consent.
6. No suit or action will be commenced under this Bond prior to 30 calendar days after the notice of default required in Paragraph 4 above is received by Bidder and Surety, and in no case later than one year after the Bid due date.
7. Any suit or action under this Bond will be commenced only in a court of competent jurisdiction located in the state in which the Project is located.
8. Notices required hereunder must be in writing and sent to Bidder and Surety at their respective addresses shown on the face of this Bond. Such notices may be sent by personal delivery, commercial courier, or by United States Postal Service registered or certified mail, return receipt requested, postage pre-paid, and will be deemed to be effective upon receipt by the party concerned.
9. Surety shall cause to be attached to this Bond a current and effective Power of Attorney evidencing the authority of the officer, agent, or representative who executed this Bond on behalf of Surety to execute, seal, and deliver such Bond and bind the Surety thereby.
10. This Bond is intended to conform to all applicable statutory requirements. Any applicable requirement of any applicable statute that has been omitted from this Bond will be deemed to be included herein as if set forth at length. If any provision of this Bond conflicts with any applicable statute, then the provision of said statute governs and the remainder of this Bond that is not in conflict therewith continues in full force and effect.
11. The term "Bid" as used herein includes a Bid, offer, or proposal as applicable.

SANDPOINT BID NO. 25-3100-2 PINE STREET MILL AND OVERLAY

Naming of Subcontractors Form

Per Idaho Code, 67-2310, Bidder shall include in his or her Bid the names and address, and Idaho Public Works Contractor License Number of the Subcontractors who shall, in the event the Bidder secures the Contract, subcontract the plumbing, heating and air-conditioning work, and electrical work under the general Contract. Failure to name Subcontractors as required shall render any Bid submitted by the Bidder unresponsive and void.

<u>Subcontractor Name and Address</u>	<u>Classification</u>	<u>License Number</u>
TraffiCorp 5077 N Building Center Drive Coeur d'Alene, ID 83815	Traffic Control	PWC-C-14803
Five Star Concrete 6225 N Malvern Rd Otis Orchards, WA 99027	Concrete	PWC 16732
Ground Up Road Construction PO Box 1690 Milton, WA 98354	Milling	PWC-17264
Road Products LLC 9915 E Trent Avenue Spokane Valley, WA 99206	Pavement Markings	PWC-C-12871

NOTES TO USER

1. This form must be included for all bids.

SANDPOINT BID NO. 25-3100-2 PINE STREET MILL AND OVERLAY

Naming of Subcontractors Form

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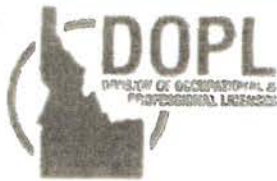
<u>Subcontractor Name and Address</u>	<u>Classification</u>	<u>License Number</u>
Northwest Sweeping	Sweeping	PWC - 012107
PO Box 1093		
Hayden, ID 83835		

NOTES TO USER

1. This form must be included for all bids.

SANDPOINT BID NO. 25-3100-2 PINE STREET MILL AND OVERLAY

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**Division of Occupational and Professional
Licenses**

11341 W Chinden Blvd. Boise, ID 83720-0063
dopl.idaho.gov

The person, firm, or corporation whose name appears on this certificate has complied with the provisions of the Idaho Public Works Contractors License (PWCL) Board statutes and/or rules and regulations and is hereby authorized to engage in the activity as indicated below.

INTERSTATE CONCRETE & ASPHALT CO.

**Public Works Contractor - Class Unlimited License
PWC-C-12090**

Issued: 18-Aug-2025 Expires: 31-Jul-2026

Renewal Required

**Russell Barron
Administrator**

Printed: 18-Aug-2025



AGENDA REPORT

City Council Meeting

TODAY'S DATE: September 22nd, 2025

MEETING DATE: October 15th, 2025

TO: Mayor Grimm, Sandpoint City Council

FROM: Planning & Community Development Director Jason Welker and Public Works Director Holly Ellis

SUBJECT: Council Direction Sought: North Boyer Avenue Corridor Design and Traffic Study

DESCRIPTION/BACKGROUND:

North Boyer Avenue is a 36' curb-to-curb roadway serving as a designated minor arterial and truck route. The corridor currently includes:

- Two 12' travel lanes (northbound and southbound)
- Two striped bicycle lanes (6' each)
- A 10' shared-use pathway on the east side, separated by a 5'4" planting strip

Pending residential development along the North Boyer corridor is expected to add new homes fronting the street between Moscow Street and East Mountain View. As currently configured, this stretch of roadway prioritizes higher-speed vehicle movement and results in a long, inactive street edge. Without intervention, this design risks creating a corridor that disconnects emerging neighborhoods from the surrounding community and diminishes the sense of livability and safety for residents and people traveling the corridor.

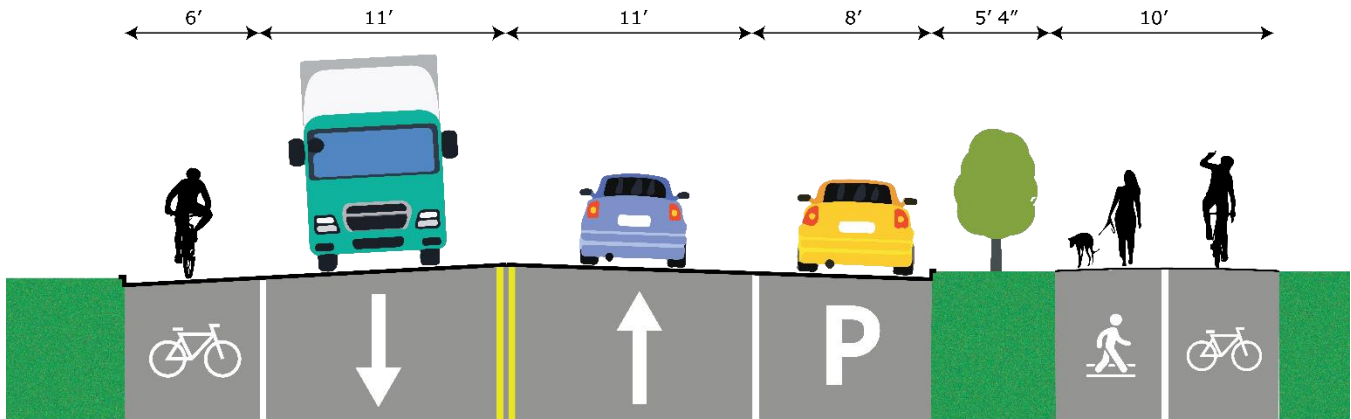
Opportunities exist to reorient homes and public space toward North Boyer, creating a more traditional neighborhood frontage with porches, front yards, and daily activity visible from the street. Realizing this type of residential character will require coordinated street design changes that calm traffic speeds and provide on-street parking to serve the new neighborhood.

PROPOSAL:

At this stage, **staff is not proposing to immediately restripe North Boyer Avenue or lower the posted speed limit.** Instead, we are asking City Council to provide direction on whether these changes should be further evaluated through formal traffic and engineering studies.

The concept under consideration would adjust the corridor between Moscow Street and East Mountain View by narrowing the existing 12-foot travel lanes to 11 feet, introducing a parking lane on the east side, retaining the southbound bike lane, and directing northbound cyclists to the adjacent 10-foot shared-use path. A reduction of the posted speed limit from 35 to 25 miles per hour has also been suggested to reinforce the residential character of the area.

North Boyer Restriping Proposal



Before any of these modifications can be implemented, a traffic engineering study is required to evaluate their impacts on safety, traffic operations, and multimodal connectivity. The purpose of this report is to seek Council's direction on whether staff should pursue these studies so that a data-driven recommendation can be brought back for Council consideration in the future.

POLICY CONSISTENCY:

- **Complete Streets Policy (2010):** Directs the City to design streets to meet the needs of all users and explicitly calls for inclusion of on-street parking, bicycle facilities, and pedestrian buffers where supported by adjacent land uses.
- **Multimodal Transportation Master Plan (2021):** Emphasizes balancing safety, livability, and access across all modes, and supports reallocation of space for pedestrians, bicyclists, and parking in contexts where residential development is expanding.
- **Urban Area Transportation Plan (2024):** Calls for managing truck and through traffic while enhancing neighborhood safety and multimodal access.
- **Comprehensive Plan Goals:** The 2024 Comprehensive Plan directs the City to “*encourage a portion of new housing development to emulate historical neighborhoods, including a variety of housing, alleys, and traditional gridded blocks,*” and to “*develop a safe, appropriate street system network that provides easy access for all modes but does not allow rapid or high-volume traffic to disrupt the new neighborhood*”.

CONSIDERATIONS:

North Boyer Avenue is currently a designated truck route, and the proposal would narrow its travel lanes from 12 feet to 11 feet. While this represents a change from existing practice, 11-foot lanes remain consistent with national and state-level design guidance for arterials, particularly in contexts where lower speeds are desired. For example, the Idaho Transportation Department's publication, “*Practical Solutions for Highway Design,*” in discussing lane widths (Chapter 3.1, p. 5) says,

“Although 12 ft. lane widths are desirable on both rural and urban roadways, there are circumstances where narrower lane widths can be used. In areas with pedestrian crossings, right of way constraints or [where] existing development become stringent controls, the use of 10 or 11 ft. lanes may be acceptable.”

Importantly, the combination of narrower lanes and the introduction of on-street parking will naturally calm traffic by signaling to drivers that they are entering a residential corridor. This design-based approach to speed reduction is generally more effective and sustainable than relying on enforcement alone. In other words, simply lowering the posted speed limit from 35 to 25 miles per hour without

making accompanying design changes would place a much heavier burden on police enforcement to achieve compliance. By contrast, physical cues like narrower lanes and parked vehicles create a self-enforcing environment that slows traffic, reduces crash risk, and aligns driver behavior with the intended residential character of the corridor.

STAFF RECOMMENDATION:

Staff recommends that City Council direct staff to initiate the necessary traffic and engineering studies to evaluate potential changes to North Boyer Avenue between Moscow Street and E. Mountain View. These studies would determine whether narrowing travel lanes, adding on-street parking, directing northbound bicycles to the existing shared-use path, and reducing the posted speed limit are recommended in this corridor.

ACTION:

City Council has the following options:

1. Direct staff to pursue traffic and engineering studies to evaluate potential restriping, on-street parking, and a reduced speed limit on North Boyer Avenue.
2. Decline to pursue studies at this time, maintaining the existing roadway configuration.
3. Request modifications to the concept (such as different cross-section elements or limits of study) before directing staff to proceed.

WILL THERE BE ANY FINANCIAL IMPACT? Y HAS THIS ITEM BEEN BUDGETED? Y

ATTACHMENTS:

- Appendix A: Comprehensive Plan Policy Consistency
- City of Sandpoint 2010 Complete Street Policy

Appendix A. Comprehensive Plan Policy Consistency

Comprehensive Plan Objective / Policy	How the North Boyer Proposal Supports It
<i>“Encourage a portion of new housing development to emulate historical neighborhoods, including a variety of housing, alleys, and traditional gridded blocks.”</i>	Orienting residential development to front North Boyer will replicate Sandpoint’s traditional street-facing design pattern and avoids the isolation of a walled subdivision.
<i>“Develop a safe, appropriate street system network that provides easy access for all modes but does not allow rapid or high-volume traffic to disrupt the new neighborhood.”</i>	Narrowing travel lanes and adding on-street parking calms traffic and supports a balanced, multimodal corridor suited to residential use.
<i>“The charm and comfort of Sandpoint’s existing neighborhoods are protected and enhanced... improve and expand pedestrian infrastructure.”</i>	Calmer traffic, front yards oriented to the street, and parked cars as buffers enhance pedestrian safety and comfort along North Boyer.
<i>“Our neighborhoods are more than housing. Sandpoint’s neighborhood character is also defined by our parks, trails, urban forest, and historic areas... Walkability and sidewalks connecting neighborhoods... are priority neighborhood infrastructure.”</i>	Preserves connectivity between the subdivision, the shared-use path, and the broader community, supporting walkability and neighborhood integration.
<i>“Promote streetscapes and public spaces that are engaging, functional, accessible, safe, and attractive.”</i>	Streetscape improvements (narrow lanes, on-street parking, reduced speeds) create an attractive, people-oriented corridor rather than a high-speed arterial.
<i>“Require building location and site design that emphasize pedestrian orientation and access.”</i>	Orienting homes toward North Boyer provides pedestrian-oriented frontages and strengthens the public realm.
<i>“The location and balance of land uses and densities should... support a multimodal transportation network... and integrate development with existing and planned infrastructure.”</i>	The proposal integrates new residential development with existing multimodal infrastructure (the shared-use path and bike lanes) and strengthens neighborhood connectivity.

No: 10-75

Date: December 15, 2010

RESOLUTION
OF THE CITY COUNCIL
CITY OF SANDPOINT

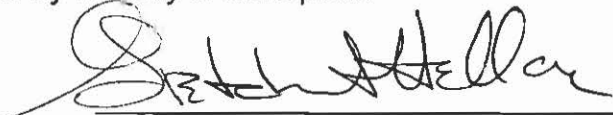
TITLE: SANDPOINT COMPLETE STREETS POLICY

WHEREAS: The National Complete Streets Coalition defines "complete" streets as streets that are designed and operated to enable safe access for all users;

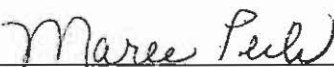
WHEREAS: The Sandpoint Pedestrian Advisory Committee ("PAC") and Sandpoint Bicycle Advisory Committee ("BAC") have drafted a Complete Streets Policy for the City of Sandpoint; and

WHEREAS: The City Council agrees with PAC and BAC that Sandpoint's streets, intersections, bridges and transit stops should be designed, constructed, reconstructed, operated and maintained so that all users, pedestrians, bicyclists, transit riders, motorists, and people with disabilities can travel safely and independently to and from their respective destinations.

NOW, THEREFORE, BE IT RESOLVED THAT: The Sandpoint Complete Streets Policy, a copy of which is attached hereto and made a part hereof by reference, is hereby adopted by the City of Sandpoint.


Gretchen A. Hellar, Mayor

ATTEST:


Maree Peck, City Clerk

City Council Members:

		YES	NO	ABSTAIN	ABSENT
1.	Snedden Motion	X			
2.	Logan	X			
3.	Reuter Second	X			
4.	Ogilvie	X			
5.	Davis	X			
6.	Schuck	X			

SANDPOINT COMPLETE STREETS POLICY

Introduction and Vision

A "complete" street addresses the needs of all users. In so doing, it furthers implementation of the transportation section of the Sandpoint Comprehensive Plan. People driving, walking, cycling and riding transit, of all ages and abilities, can be safely accommodated within the overall street network. Making streets attractive to "active users" will promote public health and fitness in Sandpoint's youth and for adults of all ages. Planning for this diverse user group requires many of the following elements:

1. Appropriately-sized travel lanes for cars, trucks and delivery/emergency service vehicles consistent with desired vehicle speeds
2. Sidewalk space for pedestrians
3. Bike signals, lanes, sharrows, signed bike routes or separated pathways
4. Transit facilities and routes
5. On-street parking, where applicable
6. Medians, used for traffic flow, safety and pedestrian refuge
7. Adequate buffer areas for pedestrian safety, utility placement, snow storage and landscaping, including trees
8. Visually appealing landscaping or hardscaping to add shade and pedestrian protection
9. Land uses that generate and warrant such treatment
10. Frequent, safe crossings for people walking and bicycling

The City of Sandpoint recognizes that all streets are different and that not all streets will necessarily incorporate all elements described above. Streets within the City will be designed to meet user needs, provide connectivity, and incorporate elements that match the land use context.

Through contextually-sensitive design, a "complete" street can accomplish greater public benefits, improve safety, increase transportation options, encourage active lifestyles, strengthen the overall benefit of transportation investments, and enhance air quality.

The City of Sandpoint is committed to carrying out the charge of "complete streets". With funding for roadway construction becoming scarce, it is in the best interest of the public and private sectors to plan and construct streets that address the needs of the community as a whole. The inclusion of all needed facilities in the early planning phases of roadway construction in both residential and commercial development and redevelopment reduces the complexity and costs of attempting to retrofit years later. The City encourages and supports the creation of "complete" streets by providing the following policies.

Policy Statements

1. Bicycle and pedestrian ways shall be established in new construction and reconstruction projects unless significant safety or other challenges making

bicycle and pedestrian facilities dangerous to potential users cannot be overcome. Where a determination is made that providing pedestrian and/or bicycle facilities would be unsafe, alternative considerations will be planned to offset any deficiencies.

2. All facilities for people walking, including sidewalks, shared use paths, street crossings (including over and under crossings), pedestrian signals, signs, transit facilities and all connections, shall be designed, constructed, operated, and maintained so that children, the elderly, and people with disabilities have safe access.
3. The design and development of the transportation infrastructure shall improve conditions for all likely users through the following steps:
 - a. *Plan projects for the long-term.* Transportation facilities are long-term investments that remain in place for many years. The design and construction of new facilities should anticipate future demand for bicycling, walking and transit facilities and not preclude the provision of future improvements except as outlined in Section 1.
 - b. *Coordinate with adjacent municipalities to provide regional connectivity.* Future bicycle, pedestrian and transit facilities shall connect to pedestrian, bicycle and transit facilities in adjacent municipalities to provide regional connectivity.
 - c. *Address the need for bicyclists and pedestrians to cross corridors as well as travel along them.* Even where bicyclists and pedestrians may not commonly use a particular travel corridor that is being improved or constructed, they need to be able to cross that corridor safely and conveniently. Therefore, the design of intersections, roundabouts, interchanges and overpasses shall accommodate bicyclists and pedestrians in a manner that is safe, accessible and convenient.
 - d. *Consider enhancements, such as landscaped medians and buffer areas, pedestrian lighting, seating and on-street parking, in new construction and reconstruction projects.* Landscaping, on-street parking and the other features mentioned will not be appropriate for all streets and corridors. These features should be considered when supported by adjacent land uses. Safe access for people with disabilities should be carefully considered in areas where landscaping, parking or other enhancements are placed within or near pedestrian ways.
 - e. *Design facilities based on recognized standards for all users.* Published standards, such as those from the City of Sandpoint, the American Association of State Highway and Transportation Officials (AASHTO), the Access Board, and the Manual on Uniform Traffic Control Devices (MUTCD), should be used in the design of pedestrian, bicycle, motor vehicle and transit facilities.

Guiding Principle

Streets, intersections, bridges and transit stops within Sandpoint should be designed, constructed, reconstructed, operated and maintained so that all users, pedestrians, bicyclists, transit riders, motorists, and people with disabilities can travel safely and independently to and from their respective destinations.