

City of Sedalia

Invitation for Bids

The City of Sedalia, Missouri (“City”) is inviting bids from qualified vendors for the following project:

IFB 2025-008 Plug Water Well # 7

Statement of Intent

The City intends to Plug and Cap Water Well # 7 located at the City of Sedalia’s Water Filtration Plant at 28200 Waterworks Road, Sedalia, Missouri.

Scope of Work

Sedalia Water Well # 7 is located at 28200 Waterworks Road in Sedalia, Missouri. This well was originally drilled in 1905 to a depth of 460 ft. and contains 200 ft. of 12 in. casing. As this is a public water supply well, plugging must be completed by a permitted Missouri well or pump installation contractor. (10 CSR 23-3.110 (2)(C)).

The following steps shall be followed to plug this well:

- Remove all materials (including pumps and pipes), debris and obstructions that may interfere with plugging operations from the well.
- Cut the well casing off at 3 ft. below ground surface. Excavate around the casing at least 2 ft. in diameter larger than the outermost casing.
- Fill the well completely with neat cement grout to at least 2 ft. below ground surface using the tremie or reverse tremie method. If there is less than 100 ft. of standing water the gravity method can be used.
- Fill the remaining area with clean fill.
- Submit a well plugging registration record to the Missouri Department of Natural Resources within 60 days after plugging has been completed.



Submittal of Bids

Bidders shall submit bids to:

**City Clerk's Office
Sedalia City Hall
200 South Osage Avenue
Sedalia, Missouri, 65301**

Bids will be accepted until 2:00 p.m. on Wednesday, November 27, 2024.

Bids shall be submitted in a sealed envelope clearly marked with 2025-008 Plug Water Well #7, the bidder's company name, and the date and time for bid opening clearly and legibly marked on the outside.

Products and prices included in the bid may not be withdrawn for a period of ninety (90) days after the date of bid opening without the express written consent of the City.

All objections, appeals, or disputes must be filed with the City Clerk within seven (7) days of being known or capable of being known.

Bid Opening

All bids will be publicly opened and read aloud at City of Sedalia, Council Chambers, on Wednesday, November 27, 2024 at 2:00 p.m.

Specific Requirements for Bids

Construction Safety Training

Bidders are informed that the Project is subject to the requirements of Section 292.675, RSMo, which requires all contractors or subcontractors doing work on the Project to (1) provide; and (2) require its on-site employees to complete, a ten (10) hour course in construction safety and health approved by the Occupational Safety and Health Administration ("OSHA") or a similar program approved by the Missouri Department of Labor and Industrial Relations that is at least as stringent as an approved OSHA program. The training must be completed within sixty (60) days of the date work on the Project commences. On-site employees found on the worksite without documentation of the required training shall have twenty (20) days to produce such documentation.

Federal Work Authorization Program and Proof of Lawful Presence

- Bidders are informed that pursuant to Section 285.530, RSMo, as a condition of the award of any contract in excess of five thousand dollars (\$5,000.00), the successful bidder shall, by sworn affidavit and provision of documentation, affirm its enrollment and participation in a federal work authorization program with respect to the employees working in connection to the contracted services.

- E-Verify is a qualified federal work authorization program. Additional information about E-Verify can be found at www.uscis.gov/everify.
- Bidders shall also sign and submit with the bid an affidavit affirming that it does not and will not knowingly employ any person who is an unauthorized alien in connection to the contracted services.

See Exhibit 1

Anti-Discrimination Against Israel

Section 34.600, RSMo., requires the City to ensure that contractors are not currently engaged in and shall not, for the duration of the contract, engage in a boycott of goods or services from the State of Israel; companies doing business in or with Israel or authorized by, licensed by, or organized under the laws of the State of Israel; or persons or entities doing business in the State of Israel. Successful bidders will be required to execute a sworn affidavit affirming these facts before entering into a contract.

Bid, Payment, and Performance Bonds

Bidders shall consider the City's requirements for bid, payment, and performance bonds when pricing the work for purposes of bid submittal.

All bidders shall provide a bid guarantee or bid bond in the amount of 5% of the bid price.

If the anticipated cost of the materials, labor, and associated costs of the work is estimated to exceed \$50,000, the successful bidder shall furnish to the City a payment bond with good and sufficient sureties to cover 100% of the contract price, which may include:

- Any and all materials incorporated, consumed, or used in connection with the construction of the work; and
- All insurance premiums, both for compensation, and for all other kinds of insurance, for the work; and
- For all labor performed in the work, whether by subcontractor or otherwise.

Additionally, the successful bidder shall provide the City a performance bond (guaranteeing that the contract for the work will be completed according to its terms, including price and time) with good and sufficient sureties to cover the 100% of the cost of the entire construction contract, including, if authorized increases to cover change orders to such contract.

If the project is federally funded, bidders must also include costs for Davis Bacon compliance, if the federal agency providing the funding requires such compliance.

See Exhibit 2, 3 and 4

City Business License Requirement

Bidders are informed that the successful bidder will be required to obtain or prove possession of a valid business license issued by the City of Sedalia pursuant to Chapter 12 of the City Code.

Insurance Requirements

Bidders are informed that the successful bidder will be required to obtain insurance coverage, which shall contain an endorsement, addendum, or rider amending the general liability policy to include the city as an additional insured, for the following types of insurance and in the following minimum amounts:

Workmen's Compensation Insurance	\$ Statutory
Comprehensive General Liability & Auto Liability	
o Bodily injury, including death & Property Damage	<u>\$ 1,000,000 per occurrence</u> <u>\$ 2,000,000 aggregate</u>

United States and Local Products Preference

Bidders are informed that the Missouri Domestic Products Procurement Act (Sections 34.350 to 34.359, RSMo) requires manufactured goods or commodities used and supplied in the performance of a contract for construction, alteration, repair, or maintenance of any public works, which contract is valued at \$25,000 or more, to be manufactured or produced in the United States.

Bidders are further informed that the Bidders are further informed that the purchasing policy for the City of Sedalia includes a local products preference policy, a copy of which policy is available upon request to the City Clerk. Consequently, the award of contracts for materials and supplies and for labor will be made in accordance with that policy. Furthermore, successful bidders will be required to abide by the City's policy in completing the work.

General Provisions Related to the Bidding Process

Substitute Materials or Work

Substitute materials or work shall not be permitted and bids submitted that do not correspond to the specifications provided with the Invitation for Bids will be rejected as non-responsive.

Reservation of Rights

The City reserves the right at its sole discretion to accept or reject any or all bids, wholly or in part, to waive any informalities or irregularities therein or in the bidding process, to accept any bid even though it may not be the lowest bid, to call for rebids, to negotiate with any bidder, and to make an award which in its sole and absolute judgement will best serve the City's interest. The City reserves the right to investigate the financial condition of any bidder to determine his or her ability to assure service throughout the term of the contract.

Errors and Omissions by the City

No bidder shall be permitted to use to his or her advantage any error or omission in this Invitation for Bid or related specifications.

Interpretation of Specifications or other Contract Documents Prior to Bidding

If any person contemplating submission of a bid for items contained in this Invitation for Bids is in doubt regarding the true meaning of any part of the Invitation for Bids documents, he or she may submit to Jeremy Stone, Project Manager, an e-mail at jstone@sedalia.com, requesting an interpretation or correction of the Invitation for Bids documents not later than 4:00 p.m. November 19, 2024. Any interpretation or correction to the Invitation for Bids documents will be made by the City by addendum and will be mailed or delivered to each bidder of record not less than seven (7) days prior to bid opening.

Questions Regarding Technical Specifications

Any and all questions regarding the technical specifications shall be directed to Jeremy Stone, Project Manager, at (660) 827-3000 ext. 1163 or jstone@sedalia.com. Any material changes to the bid specifications arising as a result of such questions shall be approved by the City in writing and mailed or delivered to each bidder of record not less than seven (7) days prior to bid opening.

Prices

All prices shall be F.O.B. destination 200 South Osage Ave., Sedalia, Missouri, 65301. No other costs will be permitted the successful bidder beyond those stated in the bid, except by express written consent of the City in accordance with applicable contract documents.

Payment

All items, including labor and materials for the work will be paid in a single lump sum payment, less a five percent (5%) retainage (unless a 10% retainage is permitted according to statute), to the successful bidder within thirty (30) days after the latest of the following occurrences:

- The date of delivery of the materials or construction services purchased;
- The date upon which the written invoice for such materials and services is delivered by hand, or by U.S. Mail, to the City Clerk at 200 South Osage Ave., Sedalia, Missouri, 65301; or
- In the event that the contractor approves the City's estimate, the date upon which notice of the contractor's written approval of the City's estimated price is duly delivered by hand, or by U.S. Mail, to the City Clerk at 200 South Osage Ave., Sedalia, Missouri, 65301.

Bidders are informed that the successful bidder shall comply with the Missouri Public Prompt Payment Act (Sections 8.960 and 8.962, RSMo) regarding payments to subcontractors and material suppliers in relation to the contract awarded as a result of this Invitation for Bids.

The City expressly reserves its rights to withhold, in good faith, payment or final payment in accordance with Sections 8.960 and 8.962, RSMo, and in accord with the contract awarded as a result of this Invitation for Bids. Final payments will be made in accordance with Sections 8.960 and 8.962, RSMo.

Commencement and Completion of Work

The work shall be commenced not later than February 1, 2025, and shall be completed no later than February 25, 2025, subject to excusable delays.

Excusable delays shall be delays or temporary inability to commence, complete or proceed in accordance with the foregoing schedule, due in whole or in part to causes beyond the reasonable control or without the material fault of the contractor which are caused by the action or failure to act of any governmental body, including but not limited to the issuance of permits and approvals by the City, acts of war or civil insurrection, or any natural occurrence, strikes, lock-outs, riots, floods, earthquakes, fires, casualties, acts of God, labor disputes, governmental restrictions or priorities, embargoes, litigation, tornadoes, pandemics, or unusually severe weather.

Date

City of Sedalia
City Hall
200 South Osage Ave.
Sedalia, MO 65301

(660) 827-3000.

Signature

CITY OF SEDALIA

EXHIBIT 1

AFFIDAVIT OF WORK AUTHORIZATION

The contractor or subcontractor who meets the section 285.525, RSMo definition of a business entity must complete and return the following Affidavit of Work Authorization.

Comes now _____ (Name of Business Entity Authorized Representative) as
_____ (Position/Title) first being duly sworn on my oath, affirm
_____ (Business Entity Name) is enrolled and will continue to participate in the

E-verify federal work authorization program with respect to employees hired after enrollment in the program who are proposed to work in connection with the services related to this invitation for bid and for the duration of this contract, if awarded, in accordance with subsection 2 of section 285.530, RSMo. I also affirm that _____
_____ (Business Entity Name) does not and will not knowingly employ a person who is an unauthorized alien in connection with the contracted services related to this invitation for bid for the duration of the Contract/ Subcontract, if awarded.

In affirmation thereof, the facts stated above are true and correct. (The undersigned understands that false statements made in this filing are subject to the penalties provided under section 575.040 RSMo).

Authorized Representative's Signature

Printed Name

Title

Date

Subscribed and sworn to before me this _____ of _____. I am commissioned as a notary public

within the County of _____, State of _____ and my
(Name of County) (Name of State)

commission expires on _____
(Date)

Signature of Notary

(Date)

_____ and my commission expires on _____
(Name of State) (Date)

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AFFIDAVIT OF WORK AUTHORIZATION
CURRENT BUSINESS ENTITY STATUS

I certify that _____ (Business Entity Name) **MEETS** the definition of a business entity as defined in section 285.525 RSMo, pertaining to section 285.530, RSMo as stated above.

(Print Authorized Business Entity Representative's Name)

(Signature of Authorized Business Entity Representative)

(Business Entity Name)

(Date)

As a business entity, the Contractor/Subcontractor must perform/provide the following. The Contractor/Subcontractor shall check each to verify completion/submission:

- ☐ Enroll and participate in the E-verify federal work authorization program.
Website: <http://www.dhs.gov/e-verify>
Phone: 888-464-4218;
E-mail: e-verify@dhs.gov with respect to the employees hired after enrollment in the program who are proposed to work in connection with the services required by this Agreement.

AND

- ☐ Provide documentation affirming said company's/individual's enrollment and participation in the e-verify federal work authorization program. Documentation shall include a page from the e-verify Memorandum of Understanding (MOU) listing the contractor's or subcontractor's name and the MOU signature page completed and signed, at a minimum, by the contractor or subcontractor and the Department of Homeland Security - Verification Division; (if the signature page of the MOU lists the contractor's or subcontractor's name, then no additional pages of the MOU must be submitted).

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**Exhibit 2
BID BOND**

Any singular reference to Bidder, Surety, Owner or other party shall be considered plural where applicable.

BIDDER (*Name and Address*):

SURETY (*Name and Address of Principal Place of Business*):

OWNER (*Name and Address*):

**City of Sedalia
200 S. Osage Ave.
Sedalia, MO 65310**

BID

Bid Due Date:

Description (*Project Name and Include Location*):

BOND

Bond Number:

Date (*Not earlier than Bid due date*):

Penal sum

(Words)

\$

(Figures)

Surety and Bidder, intending to be legally bound hereby, subject to the terms set forth below, do each cause this Bid Bond to be duly executed by an authorized officer, agent, or representative.

BIDDER

SURETY

(Seal)

(Seal)

Bidder's Name and Corporate Seal

Surety's Name and Corporate Seal

By:

Signature

By:

Signature (Attach Power of Attorney)

Print Name

Print Name

Title

Title

Attest:

Signature

Attest:

Signature

Title

Title

Note: Above addresses are to be used for giving any required notice. Provide execution by any additional parties, such as joint venturers, if necessary.

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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 shall be Owner's sole and exclusive remedy upon default of Bidder.
2. Default of Bidder shall occur 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 shall 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 shall not in the aggregate exceed 120 days from Bid due date without Surety's written consent.
6. No suit or action shall 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 Bid due date.
7. Any suit or action under this Bond shall be commenced only in a court of competent jurisdiction located in the state in which the Project is located.
8. Notices required hereunder shall 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 Registered or Certified Mail, return receipt requested, postage pre-paid, and shall 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 shall 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 shall govern and the remainder of this Bond that is not in conflict therewith shall continue in full force and effect.
11. The term "Bid" as used herein includes a Bid, offer, or proposal as applicable.

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**Exhibit 3
PERFORMANCE BOND**

Any singular reference to Contractor, Surety, Owner, or other party shall be considered plural where applicable.

CONTRACTOR (*Name and Address*): SURETY (*Name, and Address of Principal Place of Business*):

OWNER (*Name and Address*):

**City of Sedalia
200 S. Osage
Ave. Sedalia,
MO 65301**

CONTRACT

Effective Date of
Agreement: Amount:
Description (*Name and Location*):

BOND

Bond Number:
Date (*Not earlier than Effective Date of
Agreement*):
Amount:
t:
Modifications to this Bond Form:

Surety and Contractor, intending to be legally bound hereby, subject to the terms set forth below, do each cause this Performance Bond to be duly executed by an authorized officer, agent, or representative.

CONTRACTOR AS PRINCIPAL

SURETY

(Seal)

(Seal) Contractor's Name and Corporate Seal
Surety's Name and Corporate Seal

By: _____
Signature

Print Name

Title

Attest: _____
Signature

Title

By: _____
Signature (Attach Power of Attorney)

Print Name

Title

Attest: _____
Signature

Title

Note: Provide execution by additional parties, such as joint venturers, if necessary.

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Contractor and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors, and assigns to Owner for the performance of the Contract, which is incorporated herein by reference.

1. If Contractor performs the Contract, Surety and Contractor have no obligation under this Bond, except to participate in conferences as provided in Paragraph 2.1.
2. If there is no Owner Default, Surety's obligation under this Bond shall arise after:
 - 2.1 Owner has notified Contractor and Surety, at the addresses described in Paragraph 9 below, that Owner is considering declaring a Contractor Default and has requested and attempted to arrange a conference with Contractor and Surety to be held not later than 15 days after receipt of such notice to discuss methods of performing the Contract. If Owner, Contractor, and Surety agree, Contractor shall be allowed a reasonable time to perform the Contract, but such an agreement shall not waive Owner's right, if any, subsequently to declare a Contractor Default; and
 - 2.2 Owner has declared a Contractor Default and formally terminated Contractor's right to complete the Contract. Such Contractor Default shall not be declared earlier than 20 days after Contractor and Surety have received notice as provided in Paragraph 2.1; and
 - 2.3 Owner has agreed to pay the Balance of the Contract Price to:
 1. Surety in accordance with the terms of the Contract; or
 2. Another contractor selected pursuant to Paragraph 3.3 to perform the Contract.
3. When Owner has satisfied the conditions of Paragraph 2, Surety shall promptly, and at Surety's expense, take one of the following actions:
 - 3.1 Arrange for Contractor, with consent of Owner, to perform and complete the Contract; or
 - 3.2 Undertake to perform and complete the Contract itself, through its agents or through independent contractors; or
 - 3.3 Obtain bids or negotiated proposals from qualified contractors acceptable to Owner for a contract for performance and completion of the Contract, arrange for a contract to be prepared for execution by Owner and contractor selected with Owner's concurrence, to be secured with performance and payment bonds executed by a qualified surety equivalent to the bonds issued on the Contract, and pay to Owner the amount of damages as described in Paragraph 5 in excess of the Balance of the Contract Price incurred by Owner resulting from Contractor Default; or
 - 3.4 Waive its right to perform and complete, arrange for completion, or obtain a new contractor, and with reasonable promptness under the circumstances:
 1. After investigation, determine the amount for which it may be liable to Owner and, as soon as practicable after the amount is determined, tender payment therefor to Owner; or
 2. Deny liability in whole or in part and notify Owner citing reasons therefor.
4. If Surety does not proceed as provided in Paragraph 3 with reasonable promptness, Surety shall be deemed to be in default on this Bond 15 days after receipt of an additional written notice from Owner to Surety demanding that Surety perform its obligations under this Bond, and Owner shall be entitled to enforce any remedy available to Owner. If Surety proceeds as provided in Paragraph 3.4, and Owner refuses the payment tendered or Surety has denied liability, in whole or in part, without further notice Owner shall be entitled to enforce any remedy available to Owner.
5. After Owner has terminated Contractor's right to complete the Contract, and if Surety elects to act under Paragraph 3.1, 3.2, or 3.3 above, then the responsibilities of Surety to Owner shall not be greater than those of Contractor under the Contract, and the responsibilities of Owner to Surety shall not be greater than those of Owner under the Contract. To the limit of the amount of this Bond, but subject to commitment by Owner of the Balance of the Contract Price to mitigation of costs and damages on the Contract, Surety is obligated

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without duplication for:

- 5.1 The responsibilities of Contractor for correction of defective Work and completion of the Contract;
- 5.2 Additional legal, design professional, and delay costs resulting from Contractor's Default, and resulting from the actions of or failure to act of Surety under Paragraph 3; and
- 5.3 Liquidated damages, or if no liquidated damages are specified in the Contract, actual damages caused by delayed performance or non-performance of Contractor.

6. Surety shall not be liable to Owner or others for obligations of Contractor that are unrelated to the Contract, and the Balance of the Contract Price shall not be reduced or set off on account of any such unrelated obligations. No right of action shall accrue on this Bond to any person or entity other than Owner or its heirs, executors, administrators, or successors.

7. Surety hereby waives notice of any change, including changes of time, to Contract or to related subcontracts, purchase orders, and other obligations.

8. Any proceeding, legal or equitable, under this Bond may be instituted in any court of competent jurisdiction in the location in which the Work or part of the Work is located, and shall be instituted within two years after Contractor Default or within two years after Contractor ceased working or within two years after 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 period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable.

9. Notice to Surety, Owner, or Contractor shall be mailed or delivered to the address shown on the signature page.

10. When this Bond has been furnished to comply with a statutory requirement in the location where the Contract was to be performed, any provision in this Bond conflicting with said statutory requirement shall be deemed deleted herefrom and provisions conforming to such statutory requirement shall be deemed incorporated herein. The intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

11. Definitions.

- 11.1 Balance of the Contract Price: The total amount payable by Owner to Contractor under the Contract after all proper adjustments have been made, including allowance to Contractor of any amounts received or to be received by Owner in settlement of insurance or other Claims for damages to which Contractor is entitled, reduced by all valid and proper payments made to or on behalf of Contractor under the Contract.
- 11.2 Contract: The agreement between Owner and Contractor identified on the signature page, including all Contract Documents and changes thereto.
- 11.3 Contractor Default: Failure of Contractor, which has neither been remedied nor waived, to perform or otherwise to comply with the terms of the Contract.
- 11.4 Owner Default: Failure of Owner, which has neither been remedied nor waived, to pay Contractor as required by the Contract or to perform and complete or otherwise comply with the other terms thereof.

FOR INFORMATION ONLY – *(Name, Address and Telephone)*

Surety Agency or Broker:

Owner's Representative *(Engineer or other party)*:

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Exhibit 4

PAYMENT BOND

Any singular reference to Contractor, Surety, Owner, or other party shall be considered plural where applicable.

CONTRACTOR (*Name and Address*):

SURETY (*Name, and Address of Principal Place of Business*):

OWNER (*Name and Address*):

City of Sedalia
200 S. Osage Ave.
Sedalia, MO 65301

CONTRACT

Effective Date of Agreement:
Amount:
Description (*Name and Location*):

BOND

Bond Number:
Date (*Not earlier than Effective Date of Agreement*):
Amount:
Modifications to this Bond Form:

Surety and Contractor, intending to be legally bound hereby, subject to the terms set forth below, do each cause this Payment Bond to be duly executed by an authorized officer, agent, or representative.

CONTRACTOR AS PRINCIPAL

SURETY

Contractor's Name and Corporate Seal

Surety's Name and Corporate Seal

By: _____
Signature

By: _____
Signature (Attach Power of Attorney)

Print Name

Print Name

Title

Title

Attest: _____
Signature

Attest: _____
Signature

Title

Title

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Note: Provide execution by additional parties, such as joint venturers, if necessary.

1. Contractor and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors, and assigns to Owner to pay for labor, materials, and equipment furnished by Claimants for use in the performance of the Contract, which is incorporated herein by reference.
2. With respect to Owner, this obligation shall be null and void if Contractor:
 - 2.1 Promptly makes payment, directly or indirectly, for all sums due Claimants, and
 - 2.2 Defends, indemnifies, and holds harmless Owner from all claims, demands, liens, or suits alleging non-payment by Contractor by any person or entity who furnished labor, materials, or equipment for use in the performance of the Contract, provided Owner has promptly notified Contractor and Surety (at the addresses described in Paragraph 12) of any claims, demands, liens, or suits and tendered defense of such claims, demands, liens, or suits to Contractor and Surety, and provided there is no Owner Default.
3. With respect to Claimants, this obligation shall be null and void if Contractor promptly makes payment, directly or indirectly, for all sums due.
4. Surety shall have no obligation to Claimants under this Bond until:
 - 4.1 Claimants who are employed by or have a direct contract with Contractor have given notice to Surety (at the address described in Paragraph 12) and sent a copy, or notice thereof, to Owner, stating that a claim is being made under this Bond and, with substantial accuracy, the amount of the claim.
 - 4.2 Claimants who do not have a direct contract with Contractor:
 1. Have furnished written notice to Contractor and sent a copy, or notice thereof, to Owner, within 90 days after having last performed labor or last furnished materials or equipment included in the claim stating, with substantial accuracy, the amount of the claim and the name of the party to whom the materials or equipment were furnished or supplied, or for whom the labor was done or performed; and
 2. Have either received a rejection in whole or in part from Contractor, or not received within 30 days of furnishing the above notice any communication from Contractor by which Contractor had indicated the claim will be paid directly or indirectly; and
 3. Not having been paid within the above 30 days, have sent a written notice to Surety (at the address described in Paragraph 12) and sent a copy, or notice thereof, to Owner, stating that a claim is being made under this Bond and enclosing a copy of the previous written notice furnished to Contractor.
5. If a notice by a Claimant required by Paragraph 4 is provided by Owner to Contractor or to Surety, that is sufficient compliance.
6. When a Claimant has satisfied the conditions of Paragraph 4, the Surety shall promptly and at Surety's expense take the following actions:
 - 6.1 Send an answer to that Claimant, with a copy to Owner, within 45 days after receipt of the claim, stating the amounts that are undisputed and the basis for challenging any amounts that are disputed.
 - 6.2 Pay or arrange for payment of any undisputed amounts.
7. Surety's total obligation shall not exceed the amount of this Bond, and the amount of this Bond shall be credited for any payments made in good faith by Surety.
8. Amounts owed by Owner to Contractor under the Contract shall be used for the performance of the Contract and to satisfy claims, if any, under any performance bond. By Contractor furnishing and Owner accepting

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this Bond, they agree that all funds earned by Contractor in the performance of the Contract are dedicated to satisfy obligations of Contractor and Surety under this Bond, subject to Owner's priority to use the funds for the completion of the Work.

9. Surety shall not be liable to Owner, Claimants, or others for obligations of Contractor that are unrelated to the Contract. Owner shall not be liable for payment of any costs or expenses of any Claimant under this Bond, and shall have under this Bond no obligations to make payments to, give notices on behalf of, or otherwise have obligations to Claimants under this Bond.

10. Surety hereby waives notice of any change, including changes of time, to the Contract or to related subcontracts, purchase orders, and other obligations.

11. No suit or action shall be commenced by a Claimant under this Bond other than in a court of competent jurisdiction in the location in which the Work or part of the Work is located or after the expiration of one year from the date (1) on which the Claimant gave the notice required by Paragraph 4.1 or Paragraph 4.2.3, 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 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 shall be applicable.

12. Notice to Surety, Owner, or Contractor shall be mailed or delivered to the addresses shown on the signature page. Actual receipt of notice by Surety, Owner, or Contractor, however accomplished, shall be sufficient compliance as of the date received at the address shown on the signature page.

13. When this Bond has been furnished to comply with a statutory requirement in the location where the Contract was to be performed, any provision in this Bond conflicting with said statutory requirement shall be deemed deleted here from and provisions conforming to such statutory requirement shall be deemed incorporated herein. The intent is that this Bond shall be construed as a statutory Bond and not as a common law bond.

14. Upon request of any person or entity appearing to be a potential beneficiary of this Bond, Contractor shall promptly furnish a copy of this Bond or shall permit a copy to be made.

15. Definitions

15.1 Claimant: An individual or entity having a direct contract with Contractor, or with a first-tier subcontractor of Contractor, to furnish labor, materials, or equipment for use in the performance of the Contract. The intent of this Bond shall be to include without limitation in the terms "labor, materials or equipment" that part of water, gas, power, light, heat, oil, gasoline, telephone service, or rental equipment used in the Contract, architectural and engineering services required for performance of the Work of Contractor and 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.

15.2 Contract: The agreement between Owner and Contractor identified on the signature page, including all Contract Documents and changes thereto.

15.3 Owner Default: Failure of Owner, which has neither been remedied nor waived, to pay Contractor as required by the Contract, or to perform and complete or otherwise comply with the other terms thereof.

FOR INFORMATION ONLY – (*Name, Address, and Telephone*)

Surety Agency or Broker:

Owner's Representative (*Project Manager or other*):