Important Notes from the Construction Manager



1. Important Notes on Bid Preparation

- It is the responsibility of the proposers to check for Addenda issued and to include all Addenda in their pricing.
- Specification sections referenced to in the bid package descriptions are for the convenience of bidders and in no way eliminate work required under the described package. Prospective bidders shall notify the Construction Manager if inconsistencies or discrepancies are discovered. Clarifications will be made upon written receipt prior to the deadline for questions.
- Special attention is called to the General Requirements in Division 01 of the Project Manual, as these requirements are to be followed for all bid packages.
- Bidders of all packages shall include the pricing of any alternates affecting their work.
- Bidders certify that in submitting their proposal that they have thoroughly reviewed the contract documents, compared all documents to each other, visited the site, made allowances for the cost of the work and reported any discrepancy prior to submitting their proposal.
- Payment & Performance Bond Special attention is called to bid packages requiring payment and performance bonds. All bonds are 100% Performance and Payment Bonds and the bonding company shall be a surety company certified on the United States Department of the Treasury's Listing of Approved Sureties (Department Circular 570), and rated no less than "A" by A.M. Best ratings agency and acceptable to the Construction Manager. Bonds to be submitted with Seven (7) Days of award of contract.
- All proposals shall include applicable business licenses, permits, impact fees, tie-in fees, and other requirements of the local and state governing authority.
- All proposals for the bid packages shall include competent supervision, material, taxes, installation, permits, fees, cleanup, debris removal and incidental items of cost to perform the work as described in the packages. Although reference is made to the specification sections in the package descriptions, all bids for the designated packages shall include all Bid Documents and subsequent addenda.
- All bid packages shall include progressive clean up and debris removal from the site daily, assistance in composite cleanup one (1) day per week with one (1) laborer per ten (10) workers for a minimum of one (1) hour but until necessary to complete cleanup, and final job clean up.
- All proposers must comply with the bid package description.
- All proposers shall comply with commissioning requirements as set forth by the owner. Subcontractors will be required to provide support during the required preparation and execution of required commissioning requirements.

2. Important Notes concerning subcontractor behavior following contract award

- Any contractor penetrating a partition, floor or other work shall be responsible for the coordination, patching, and fire stopping.
- Any contractor who demolishes a surface to install new work shall patch back to the

Important Notes from the Construction Manager

surface's original condition if no new work is to be installed on that surface. If new work is to be installed on the patched surface, patching is required to adequately receive the new finish.

- Any contractor disturbing any exterior work is responsible for its replacement.
- Any contractor disturbing a grassed or finished site area shall restore the area to its original condition.
- Any contractor disturbing existing soils shall compact areas back per the Project Specifications Earthwork.
- Trade contractors shall provide an onsite supervisor acceptable to the Construction Manager. This onsite supervisor is the only person the Construction Manager's Job Superintendent will give instructions to and coordinate all the work on this project. This onsite supervisor must be onsite at all times while work is being performed by his staff and/or his subcontractors. This site supervisor must be able to speak and understand the English language fluently. The Trade Contractor's Supervisor cannot be replaced without the consent of the Construction Manager.
- All subcontractors must furnish Twenty-Four (24) Hour telephone numbers for Proposer's Project Manager and Job Superintendent in case of emergency.
- All subcontractors must develop and maintain a safety program as well as follow the safety program of the Construction Manager.
- All subcontractors must provide a Drug-Free and Alcohol-Free Workplace.
- In the event OSHA or other inspecting authority levies a fine against Construction Manager due to violation(s) of a subcontractor, the subcontractor in violation of codes and regulations shall be responsible for the fine levied against the Construction Manager.
- All subcontractors must abide by all laws, ordinances, codes, and schedule inspections through Local Inspection Department and the Architect/Engineer.

3. Important Notes on Payment Terms after contract award

- Retainage of Ten Percent (10%) will be held on all pay applications. A reduction in retainage may occur per state law and with consent of the Architect, Construction Manager & Owner.
- Pay Requests are DUE to the Construction Manager on the 25th of each month. Each pay request must be accompanied by an interim release of lien.
- **Change Orders:** All change orders will include the cost of the work on site plus a maximum of 20% overhead and profit for work performed with a contractor's own forces. If a subcontractor is used to perform a portion of the Change Order, the total markup shall not exceed 20% of the cost of work performed.
- Completion Date: See Schedule of Work.
- Prior to contract award and execution of the contract, subcontractors shall provide labor and equipment rates to McKnight Construction for submittal to the owner. These agreed up rates will be used for all future / potential change orders on the project.

4. Important Notes on Schedule

- Subcontractor will execute subcontracts and provide certificates of insurance and required payment and performance bond within **Ten (10) Days** of contract award.
- Subcontractor will submit all closeout documents within **Ten (10) Days** of Substantial Completion.

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- Subcontractor will attend weekly or bi-weekly onsite progress meetings with the Proposer's Project Manager and Job Superintendent as scheduled by the Construction Manager.
- Subcontractor will advise and consult with Construction Manager regarding the availability of materials, cost analysis, scheduling, and value engineering.
- Subcontractor will arrange for after hours or overtime work if necessary, to meet mutually agreed upon milestone dates
- Subcontractor will provide Construction Manager with SDS Data as well as your Safety Plan within **Ten (10) Days** of Contract Award. Must be provided prior to personnel being onsite.
- Liquidated Damages are \$1,000 per day. Liquidated damages shall be assessed against the Subcontractor only to the extent caused by the Subcontractor or any person or entity for whose acts the Subcontractor may be liable, and in no case for delays arising outside the scope of this Subcontract.

5. Important Notes on Insurance

Subcontractor will furnish all insurance as required by law, the Project Manual, Bid Documents and per the following:

Workers' Compensation & Employers Liability Insurance

This insurance will pay the subcontractor's obligations under appropriate worker's compensation statutes, covering all employees who perform any of the obligations of the Subcontractor under this Subcontract.

Employers Liability coverage shall provide limits of at least \$1,000,000 each accident for bodily injury and \$1,000,000 each employee for disease.

A group insurer must submit a certificate of authority from the Insurance Commissioner approving the group insurance plan.

Commercial General Liability Insurance

The insurance must be written on an "occurrence" basis, responding to claims arising out of occurrences which take place during the policy period. The commercial general liability form should provide limits of at least the following:

\$1,000,000 each occurrence for bodily injury and property damage \$1,000,000 each occurrence for personal and advertising injury \$1,000,000 each occurrence products-completed operations \$2,000,000 general aggregate

The general aggregate limit shall apply separately to each project. The products and completed operations coverage are to be maintained for a period of at least 2 years following the completion of the work. ISO Form CG 22 94 or its equivalent language (removing the subcontractor exception from the "Your Work" exclusion) shall not be used. There shall be no separate exclusion for liability arising out of explosion,

Important Notes from the Construction Manager

collapse, and underground hazards (XCU) or subsidence, <u>if</u> the scope of Subcontractors work involves digging, excavation, grading, or use of explosives. Any deductibles under this policy must be disclosed and will be fully assumed by the subcontractor. Coverage shall comply with the provisions of standard ISO endorsement forms CG2010 (07/04) for ongoing operations and GC 2037 (07/04) for completed operations or their equivalent. Forms that are limited to "liability arising out of your ongoing operations" or that do not extend to Products and Completed Operations are not acceptable. Said insurance shall name Owner and McKnight Construction Company, Inc. and their respective officers, directors, and employees as additional insureds.

Business Automobile Liability Insurance

This insurance shall apply to any auto, including all owned, hired and non-owned vehicles to a combined single limit of at least \$1,000,000 each accident. Any deductibles under this policy must be disclosed and will be fully assumed by the subcontractor. Said insurance shall name Owner and McKnight Construction Company, Inc. and their respective officers, directors, and employees as additional insureds.

Commercial Umbrella Excess Liability

Umbrella Excess Liability coverage with the following minimum limits:

Each Occurrence \$10,000,000 General Aggregate: \$10,000,000

Said insurance shall name Owner and McKnight Construction Company, Inc. and their respective officers, directors, and employees as additional insureds.

Other Insurance Provisions

Certificates of insurance, as evidence of the insurance required by this Agreement and including the required "additional insured" and "primary insurance" endorsements, shall be furnished by Subcontractor to Contractor before any work here under is commenced by Subcontractor. The certificates of insurance shall provide that there will be no cancellation or reduction of coverage without 30 days prior written notice to the Contractor. Failure of McKnight Construction Company, Inc. to demand such certificates or other evidence of full compliance with these insurance requirements or failure of McKnight Construction Company, Inc. to identify a deficiency from evidence that is provided shall not be construed as a waiver of Subcontractor's obligation to maintain such insurance. McKnight Construction will have the right, but not the obligation, to prohibit Subcontractor or one of its subcontractors from entering the project site until such certificates or other evidence that insurance has been placed in complete compliance with these requirements is received and approved by McKnight Construction Company, Inc.

The Subcontractor, in its agreements with subcontractors, shall require subcontractors to obtain insurance meeting the minimum limits and incorporating the contractual requirements prescribed by this Section.

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McKnight Construction Company, Inc., the owner and (other requested entities) are Additional Insureds under the Commercial General Liability, AutoLiability and Umbrella Policies on a primary and non-contributory basis.

A Waiver of Subrogation in favor of the Owner and McKnight Construction Company, Inc. and their respective officers, directors, and employees shall apply to all policies required under the Subcontract.

Insurance shall be placed with insurers with an A.M. Best rating of not less than A-.

 Proposer must participate in a federal work authorization program in accordance with the applicability provisions and deadlines established in O.C.G.A. 13-10-91 and upon contract award, must execute a Subcontractor's Affidavit verifying compliance. Affidavit shall be provided by Construction Manager. A copy is available upon request.