



**GENERAL INSTRUCTIONS TO  
BIDDERS**

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# **GENERAL INSTRUCTIONS TO BIDDERS**

## **IB-1. CONTRACT DOCUMENTS.**

Attached hereto and bound herewith and all made a part and parcel hereof are the specifications, form of proposal, contract, form of bidder ' s bond, form of contract bond, general and detail plans. All of the above relates directly to the work contemplated in pursuance of the establishment of the district herein named.

It is expressly understood and agreed that the proposal, bidder ' s and contract bonds, contract agreement, these general instructions to bidders, special instructions, and the specifications and plans therein referred to, and other drawings, specifications and engineering data which may be furnished by the contractor and approved by the City of Fargo, together with instructions furnished by manufacturers of equipment for the installation thereof, and such other additional drawings which may be furnished by the engineer from time to time as are necessary to make clear, and to define in greater detail, the intent of the specifications and plans, are each and all included in this contract and the work shall be done fully in accordance therewith.

The instructions herein contained are given for the purpose of guiding bidders in properly preparing their bids or proposals. These directions have equal weight and force with the specifications and strict compliance is required with all of the provisions.

## **IB-2. QUALIFICATION OF BIDDERS.**

No proposal will be accepted from, nor will any contract be awarded to any person, firm or corporation who is in arrears to the City of Fargo, or who is in default, as surety or otherwise, upon any obligation to the said City, or is deemed irresponsible or unreliable by the Board of Commissioners of the City of Fargo.

## **IB-3. INCONSISTENCIES.**

Any seeming inconsistency between separate provisions of the plans, specifications or contract, or any point requiring explanation, must be inquired into by the bidder. In the event such inquiry is necessary, it must be made in writing to the Fargo City Engineer at least forty-eight (48) hours prior to the time set for the opening of proposals, exclusive of Sundays and legal holidays. A decision by said City Engineer shall be given in writing in each of such cases at least twenty (20) hours before the time set for the opening of proposals. A copy of the decision may be obtained at the City Engineer ' s Office. If, in the judgement of the City Engineer, the previously mentioned inquiry requires

explanation or interpretation, any such explanation or interpretation of said plans, specifications or other contract documents will be made by written addendum duly issued with copies mailed or delivered to each person or firm receiving a set of said contract documents. The City of Fargo will not be responsible for any other explanation or interpretation and the decision of the City Engineer shall be final and binding upon each bidder.

#### **IB-4. INVESTIGATION BY BIDDERS.**

Bidders must satisfy themselves by personal investigation and by such other means as they may think necessary or desirable, as to the location of and the conditions affecting the proposed work and as to the cost thereof. No information derived from maps, plans, specifications, profiles, or drawings, or from verbal statements by any official and/or other representative of the City of Fargo, will relieve the contractor from any risk or from fulfilling all of the terms of his contract. The accuracy of the contractor's interpretation of the facts disclosed by any preliminary investigations that may have been made by the City is not guaranteed. The contractor shall not, at any time, make claims to additional payments or considerations on account of any misunderstanding regarding the nature or amount of the work to be done.

##### **IB-4.1. Underground Utilities.**

Contractors for this project are responsible for damage to any underground or overhead piping, wiring or other utility property, occurring during any excavation or construction by said contractor. The contractor, before commencing any excavation or construction shall find out the location and seek aid in locating the previously mentioned underground property by contacting the following:

**North Dakota One-Call 800-795-0555**

#### **IB-5. LEGAL CONDITIONS.**

Bidders are required to familiarize themselves with the latest provisions of the laws of the State of North Dakota relating to municipal work and the provisions of the Charter and Ordinances of the City of Fargo upon which procedure hereunder is made. Such familiarization by the bidder shall be presumed upon his submission of a proposal.

##### **IB-5.1. Federal Taxes.**

The contractor is authorized to ship all property necessary for the work to the City of Fargo, North Dakota, in care of the contractor and exempt from the payment of the Federal Tax on the transportation of property. This authority is issued with the distinct understanding that the City of Fargo will receive all benefits from the exemption from the payment of that tax, that the tax is not included in the

contractor's bid and also that all transportation charges shall be paid by the contractor.

#### **IB-5.2. State Taxes.**

The current income clearance number issued by the State Tax Department shall be furnished by the contractor to the City of Fargo.

#### **IB-5.3. Bids to Show License Issued.**

All bids and proposals for the construction of any public contract project subject to the provisions of this chapter shall contain a statement showing that the bidder or contractor is duly and regularly licensed hereunder.

The number and class of such license then held by such public contractor shall appear upon such bid or proposal. No contract shall be awarded to any contractor unless he is the holder of a license in the class within which the value of the project shall fall as hereinbefore provided. A contractor must be the holder of a license at least ten days prior to the date set for receiving bids to be a qualified bidder. The bid shall be submitted in a sealed envelope upon which there is disclosed the following information:

1. The class of license held by the bidder;
2. The number of the bidder's license;
3. The name of the person, firm or corporation submitting the bid;
4. Date on which license was issued or renewed.

A bid submitted without this information on the envelope shall not be considered and shall be returned to the bidder.

#### **IB-6. FORMS OF PROPOSALS.**

All proposals must be upon forms furnished by the City of Fargo or a substitute computer-printed spreadsheet meeting the conditions listed below, and attached hereto. Each proposal and its accompanying statements must be submitted unbroken, in good order, and with all blanks correctly filled in. The package must be enclosed in a sealed envelope and deposited with the City Auditor. The envelope must be addressed to the City Auditor and must show the name of the bidder and a statement as to its contents. The proposal must be signed by one duly authorized to do so, and in case it is signed by a deputy or subordinate, the principal's proper written authority to such deputy or subordinate must accompany the proposal.

#### **IB-6.A. Computer-Printed Bid Schedule.**

The Bidder may substitute a computer-printed spreadsheet bid schedule for the Bid Schedule found in the Proposal. The substitute schedule shall be attached to the last page of the Bid Schedule in the Bidders Proposal.

The following information shall appear on top of each page of the computer-printed bid schedule:

1. Improvement District Number or Project Number
2. Type, Description of Work (i.e., Sanitary Sewer, Water Main, Storm Sewer & Incidentals)
3. Page Number
4. Bidder ' s Name and Address

The substitute bid schedule shall be printed on sheets of approximately the same size as the Bid Schedule in the Proposal, and the words and numerals shall be clear and legible. Each page shall be arranged, numbered, and contain the same bid items as the corresponding Bid Schedule in the Proposal. Column headings shall be the same as those in the City-furnished Bid Schedule.

Each bid item shall be separated from the bid items above and below it by one or more blank spaces. Solid lines for separating columns and items are not required, but dashed lines may be placed either vertically or horizontally.

The total sum of the bid shall be entered at the bottom of the last page of the computer-printed schedule, and entered in ink in the Total Sum Bid block on the last page of the City's Bid Schedule.

The Bidder, or authorized representative, shall sign the substitute bid schedule in ink on the last page of the computer printout. The signer's name and title shall be printed below or beside the signature. The person signing the schedule above shall sign and complete the Affidavit in the Bidders Proposal, as regularly required.

In case of discrepancies between item descriptions or quantities in the Bid Schedule in the Proposal and those in the computer-printed bid schedule, the Bid Schedule in the Proposal will govern.

#### **IB-7. FILLING IN BIDS.**

All prices must fully cover all items for which proposals are herein asked. Any proposal submitted on items not included in the proposal form shall be grounds

for rejection of the entire proposal. The filled in proposal shall be signed and verified by the parties interested or their legally authorized representative or representatives.

#### **IB-8. CAUSES OF REJECTION.**

Any alteration, interlineation or erasure in the proposal as originally prepared by the City, and as delivered to the bidder, except as noted above for computer-printed substitute bid schedules, may render such proposal invalid. No proposal will be canvassed, considered or accepted, which in the opinion of the City Commissioners, is invalid, or unbalanced and contains inadequate or unreasonable prices for any item named in the statement of the work; each item must carry its own proportion of the cost as nearly as is practicable. The governing body may reject any and all bids if in its opinion the best interests of the City will be served thereby.

#### **IB-9. WITHDRAWALS.**

A bidder may withdraw his proposal at any time prior to the expiration of the period during which proposals may be submitted, by written request of the bidder, to said Auditor, which request must be signed in the same manner and by the same person or persons who signed the proposal. After the expiration of such period, no proposal can be withdrawn or modified.

#### **IB-10. BIDDER'S BOND.**

Each proposal shall be accompanied by a bond running to the City of Fargo. Such bond may be enclosed in the sealed envelope with the bidding documents. The amount of the bond shall be at least 5% of the amount of the bid.

Said bond shall be executed by the bidder or contractor as principal and a surety company authorized to do business in the State of North Dakota as surety or by two or more freeholders who are residents of the State. If said bond is executed by individuals or sureties, such sureties must attach to such bond a certificate of justification showing that they are worth in the aggregate in property within this State a sum equal to twice the penalty of the bond over and above their exemptions. The condition of this bond shall be that if the principal's bid is accepted, and the contract for the improvement awarded to him, he within ten days or such other time as the Fargo City Commission shall grant, will enter into and execute a contract bond in the full amount of the bid in accordance with IB-12.

#### **IB-11. CONTRACT.**

The bidder to whom award is made will be required to execute a written contract and furnish a good and approved bond as herein specified within ten days after

receiving such contract for execution. The contract shall be, in its general provisions, in the form attached hereto and made a part of these requirements.

A corporation to which a contract is awarded, will, before the contract is finally executed, if deemed desirable by the Board, be required to furnish certificates as to its corporate existence and evidence that the officer signing the contract is duly authorized to do so on behalf of the corporation.

#### **IB-12. CONTRACT BOND.**

The successful bidder shall, within ten days or such time as may be fixed by the City Commission for executing the contract, file a contract bond with the City Auditor in a sum equal to the full amount of the contract. Said bond shall be executed by the bidder or contractor as principal and a surety company authorized to do business in the State of North Dakota as surety or by two or more freeholders who are residents of this State. If said bond is executed by individuals as sureties, such sureties must attach to such bond a certificate of justification, showing that they possess the qualifications required of sureties in arrest and bail, and are worth, in aggregate, in property located within this State a sum equal to twice the penalty of the bond, over and above their exemptions.

The contract bond shall be made payable to the City and shall be conditioned on the contractor's full and faithful performance of the work bid for in accordance with the terms and within the time provided for in such contract and pursuant to the plans and specifications on file in the office of the City Auditor and payment for all labor and material used in such work. In case of default on the part of the bidder or contractor to perform such work as provided in the contract; the sum names in the bond shall be taken and held to be fixed and liquidated damages in favor of the said City and the full amount thereof may be recovered from the contractor and his sureties in an action by the City against them on their bonds. Failure of the principal to make, prior to the commencement of any work by himself or any subcontractor under contract, full and true report to the Workmen's Compensation Bureau of the payroll expenditures for the employees to be engaged in such work, and payment of the premium thereon prior to the commencement of said work shall be deemed and default under the terms of this bond. The sufficiency of any bond filed by a bidder shall be determined by the City Commission at the time of considering bids. If the Commission shall at any time deem the bond of the contractor insufficient, either in form or sufficiency of sureties, it may require the successful bidder or contractor to furnish a new bond. Said bond to be approved by the President of the City Commission, within such reasonable time as the Commission may fix and if the bidder or contractor shall fail to furnish such new bond within the time required after notice to him to do so, his contract shall be cancelled and the contractor's bond shall be liable the same as if the contractor had failed to perform the contract.

#### **IB-13. PATENTS AND INFRINGEMENTS.**

The bidder to whom this contract is awarded must protect and indemnify the City against any claim or demand for infringements on any patented article, invention, arrangement or appurtenances that may be used in connection with the construction, erection or maintenance of this work.

**IB-14. MONTHLY PAYMENTS.**

Bidders are notified that specific amounts will be retained by the City on the value of the work done until completion and acceptance of the work. The retained amounts will be according to the following table.

<u>Percentage of Completion</u>	<u>Percent Retained</u>
0 - 90%	5%
91 - 100%	1 - 5% *

\* Reduction of retainage is at the discretion of the engineer based on the progress of the contract.

**IB-15. INVITATIONS.**

Bidders are invited to be present at the opening of the proposals.

**IB-16. ENFORCEMENT OF SPECIFICATIONS.**

Copies of the specifications for this work will be supplied to all assistant engineers and inspectors employed by the City. All engineers and inspectors will be instructed to rigidly enforce each and every requirement of the contract.

**IB-17. LABOR STANDARDS (DAVIS-BACON ACT) REQUIRED ON CONSTRUCTION PROJECTS FINANCED WITH FEDERAL FUNDS.**

The Davis-Bacon Act affects construction projects financed by federal funds only if:

A contractor is engaged for construction of the project.

25% or more of the cost of any given construction project is financed with federal funds. (It will be stated in the "Special Instructions" or the "Call for Bids" whether 25% federal funds are used on the project.)

The cost of a construction project is \$2,000 or more.

The Davis-Bacon Act, originally approved March 3, 1931, and amended several times since, grants to the Secretary of Labor the power to determine wage rates

for laborers and mechanics on construction sites, area by area, throughout the United States. He determines the rates for each of the construction trades and defines areas to which these rates apply. These rates are required to be paid to laborers and mechanics employed by contractors or subcontractors engaged in any construction activity supported by federal funds.

**IB-17.1. Forms WH347 & WH348: U.S. Department of Labor.**

Each contractor or subcontractor shall furnish the City Engineer within seven days after the regular payment date of the weekly payroll period, a statement with respect to wages paid to each of the contractor's employees. The reverse side of the WH347 will satisfy the requirements of WH348 (i.e., the same information is on the WH348).

**IB-17.2. Davis-Bacon Act Regulations.**

The following clauses shall be included in all contracts which are subject to the Davis-Bacon Act provisions: (29CFR Sec. 5.5).

**A. Projects Exceeding \$2,000.**

**(1) Minimum wages.**

**(i)** All mechanics and laborers employed or working upon the site of the work, in the construction or development of the project, will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR Part 3), the full amounts due at time of payment computed at wage rates not less than those contained in the wage determination decision of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics; and the wage determination decision shall be posted by the contractor at the site of the work in a prominent place where it can be easily seen by the workers. For the purpose of this clause, contributions made or cost reasonably anticipated under section 1 (b) (2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of 29 CFR 5.5 (a) (1) (iv). Also for the purpose of this clause, regular contributions made or costs incurred for more than a weekly period under plans, funds, or programs, but covering the particular weekly period, are deemed to be constructively made or incurred during such weekly period.

**(ii)** The contracting officer shall require that any class of laborers or mechanics which is not listed in the wage determination and which is to be employed under the contract, shall be classified or reclassified conformably to the wage

determination, and a report of the action taken shall be sent by the City to the Secretary of Labor. In the event the interested parties cannot agree on the proper classification or reclassification of a particular class of laborers and mechanics to be used, the question accompanied by the recommendation of the contracting officer shall be referred to the Secretary for final determination.

**(iii)** The contracting officer shall require, whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly wage rate and the contractor is obligated to pay a cash equivalent of such a fringe benefit, an hourly cash equivalent thereof to be established. In the event the interested parties cannot agree upon a cash equivalent of the fringe benefit, the question, accompanied by the recommendation of the contracting officer, shall be referred to the Secretary of Labor for determination.

**(iv)** If the contractor does not make payments to a trustee or other third person, he may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing benefits under a plan or program of a type expressly listed in the wage determination decision of the Secretary of Labor which is a part of this contract: *Provided, however,* the Secretary of Labor has found, upon the written request of contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.

## **(2) Withholding.**

The City of Fargo may withhold or cause to be withheld from the contractor so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics employed by the contractor or any subcontractor on the work the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic employed or working on the site of the work, in the construction or development of the project, all or part of the wages required by the contract, the City may, after written notice to the contractor, take such action as may be necessary to cause the suspension of any further payment of funds until such violations have ceased.

## **(3) Payrolls and basic records.**

**(i)** Payrolls and basic records relating thereto will be maintained during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work, in the construction or development of the project. Such records will contain the name and addresses of each such employee, his correct classification, rates of pay (including rates of contributions or costs anticipated of the types described in section 1 (b) (2) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made

and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5 (a) (1) (iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in section 1 (b) (2) (B) of the Davis-Bacon Act, the contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits.

**(ii)** The contractor will submit weekly a copy of all payrolls to the City Engineer. The copy shall be accompanied by a statement signed by the employer or his agent indicating that the payrolls are correct and complete, that the wage rates contained therein are not less than those determined by the Secretary of Labor and that the classifications set forth for each laborer or mechanic conform with the work he performed. A submission of a "Weekly Statement of Compliance" which is required under this contract and the Copeland Regulations of the Secretary of Labor (29 CFR, Part 3) and the filing with the initial payroll or any subsequent payroll of a copy of any findings by the Secretary of Labor under 29 CFR 5.5 (a) (1) (iv) shall satisfy this requirement. The prime contractor shall be responsible for the submission of copies of payrolls of all subcontractors. The contractor will make the records required under the labor standards clauses of the contract available for inspection by authorized representatives of the City of Fargo and the Department of Labor, and will permit such representatives to interview employees during working hours on the job.

#### **(4) Apprentices.**

Apprentices will be permitted to work as such only when they are registered, individually, under a bona fide apprenticeship program registered with a State apprenticeship agency which is recognized by the Bureau of Apprenticeship and Training, United States Department of Labor; or, if no such recognized agency exists the State, under a program registered with the Bureau of Apprenticeship and Training, United States Department of Labor. The allowable ratio of apprentices to journeymen in any craft classification shall not be greater than the ratio permitted to the contractor as to his entire work force under the registered program. Any employee listed on a payroll at an apprentice wage rate, who is not registered as above, shall be paid the wage rate determined by the Secretary of Labor for the classification of work he actually performed. The contractor or subcontractor will be required to furnish to the contracting officer written evidence of the registration of his program and apprentices as well as of the appropriate ratios and wage rates for the area of construction prior to using any apprentices on the contract work.

#### **(5) Compliance with Copeland Regulations (29 CFR Part 3).**

The contractor shall comply with the Copeland Regulations (29 CFR Part 3) of the Secretary of Labor which are herein incorporated by reference.

**(6) Subcontracts.**

The contractor will insert in any subcontracts the clauses contained in 29 CFR 5.5 (a) (1) through (5) and (7), and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts which they may enter into, together with a clause requiring this insertion in any further subcontracts that may in turn be made.

**(7) Contract termination; debarment.**

A breach of clauses (1) through (6) may be grounds for termination of the contract, and for debarment, as provided in 29 CFR 5.6.

**B. In Addition, the Following Clauses Shall Become a Part of All Contracts in Excess of \$10,000.  
(Davis-Bacon Act Regulations 29 CFR Sec. 5a.3).**

Apprentice & Trainee Employment Requirements. (29 CFR 5a.3)

**(1) The contractor agrees:**

**(i)** That he will make a diligent effort to hire for the performance of the contract a number of apprentices or trainees, or both, in each occupation, which bears to the average number of the journeymen in that occupation to be employed in the performance of the contract the applicable ratio as determined by the Secretary of Labor.

**(ii)** That he will assure that 25% of such apprentices or trainees in each occupation are in their first year of training, where feasible. Feasibility here involves a consideration of (a) the availability of training opportunities for first year apprentices, (b) the hazardous nature of the work for beginning workers, (c) excessive unemployment of apprentices in their second and subsequent years of training.

**(iii)** That during the performance of the contract he will, to the greatest extent possible, employ the number of apprentices or trainees necessary to meet currently the requirements of subdivisions (i) and (ii) of this paragraph.

**(2) The contractor agrees**

to maintain records of employment by trade of the number of apprentices and trainees, apprentices and trainees by first year of training, and of journeymen, and the wages paid and hours of work of such apprentices, trainees and

journeymen. The contractor agrees to make these records available for inspection upon request of the Department of Labor and the federal agency concerned.

**(3) The contractor who claims compliance based on the criterion stated in Sec. 5a.4 (b) agrees**

to maintain records of employment, as described in Sec. 5a.3 (a) (2), on non-federal and non-federally assisted construction work done during the performance of this contract in the same labor market area. The contractor agrees to make these records available for inspection upon request of the Department of Labor and federal agency concerned.

**(4) The contractor agrees**

to supply one copy of the written notices required in accordance with Sec. 5a.4 (c) at the request of federal agency compliance officers. The contractor also agrees to supply at 3 month intervals during performance of the contract and after completion of contract performance a statement describing steps taken toward making a diligent effort and containing a breakdown by craft, of hours worked and wages paid for first year apprentices and trainees, other apprentices and trainees, and journeymen. One copy of the statement will be sent to the City Engineer and one to the Secretary of Labor.

**(5) The contractor agrees**

to insert in any subcontract under this contract the requirements contained in this paragraph (29 CFR 5a.3 (a) (1), (2), (3), (4), and (5)). Sections 5a.4, 5a.5, 5a.6 and 5a.7 shall also be attached to each such contract for the information of the contractor. The term "Contractor" as used in such clauses in any subcontract shall mean the subcontractor.

**IB-18. EQUAL OPPORTUNITY REGULATIONS.**

During the performance of this contract, the contractor agrees as follows:

**(1)** The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The contractor will take affirmative action to ensure that applicants are employed and that employees are treated during employment, without regard to race, color, religion, sex, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

(2) The contractor will, in all solicitation or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.

(3) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(4) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(5) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(6) In the event of the contractor's non-compliance with the nondiscrimination clauses of this contract or with any of such rules, regulations or orders, this contract may be cancelled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965 or by rule, regulation or order of the Secretary of Labor, or as otherwise provided by law.

(7) The contractor will include the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance: *Provided*, however, That in the event the contractor becomes involved in or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

#### **IB-19. ENVIRONMENTAL PROTECTION.**

Bidders are required to familiarize themselves with the latest regulations of the City of Fargo, State of North Dakota, or Federal government on pollution control. Such familiarization by the bidder will be presumed upon his submission of a proposal.

The contractor shall employ construction methods and practices which protect the environment. Any contractor who violates these environmental regulations, whether it may be air, water, noise, or any other type of pollution, shall be required by the engineer to change his construction practices to prevent damage to the environment.

A contractor who continues to violate environmental regulations after being given due notice by the engineer shall be subject to revocation of his contract or other appropriate legal action.

#### **IB-20. INSURANCE.**

The contractor shall secure insurance to protect himself and the City against hazards as enumerated herein. All policies shall be with companies satisfactory to the Owner and in amount and form as herein specified.

All certificates of insurance shall be on the form provided herein, and the said certificate shall state the ten (10) days written notice will be given to the City before the policy is cancelled or changed.

No contractor or subcontractor will be permitted to start any construction under the terms of this contract until certificate of all insurance required herein and filed with the City.

#### **IB-20.1. Public Liability & Property Damage.**

The contractor shall provide public liability and property damage insurance for the protection of himself and the City against risks resulting from the following:

- A. Operations of contractor
- B. Operations of subcontractors (contingent)
- C. Completed operations
- D. Contractual Liability (broad form)
- E. Property damage liability including:
  - 1. Damage due to blasting
  - 2. Damage due to collapse
  - 3. Damage to underground facilities
  - 4. Broad form property damage:

- a. Premises and operations
- b. Contractual

**The liability limits of said insurance shall be as follows:**

A. Bodily Injury

- 1. \$250,000. each person
- 2. \$500,000. each occurrence
- 3. \$500,000. aggregate

B. Property Damage

- 1. \$250,000. each occurrence
- 2. \$250,000. aggregate
- 3. \$250,000. aggregate  
(property damage auto)

**IB-20.2. Automobile Liability.**

The contractor shall provide automobile liability insurance covering operation of all vehicles which are either hired, owned, or non-owned as follows:

A. Bodily Injury

- 1. \$250,000. each person
- 2. \$500,000. each occurrence

B. Property Damage Liability

- 1. \$250,000. each occurrence

**IB-20.3. Workmen's Compensation.**

The contractor shall be insured against liability for injury to employees in accordance with the laws of the State of North Dakota pertaining thereto. A certificate of such coverage shall be furnished to the City prior to the commencement of any work under the terms of this contract.

**IB-20.4. Railroad Protective Liability.**

In the event the contemplated project encroaches on any railroad sufficiently to require permission for construction from the railroad, the successful bidder will be required to furnish to the railroad a Railroad Protective Liability Insurance Policy in a form acceptable to that railroad.

